

**CARTHAGE INDUSTRIAL DEVELOPMENT CORP
AUDIT/GOVERNANCE/ COMMITTEE MEETING ON MARCH 22, 2013**

Present: Bruce Armstrong, Terry Roche, Wayne McIlroy

Absent:

Others Present: John McHugh, Lori Borland

Call to Order: 10:00 a.m.

a. Assessment of internal controls

Ms. Borland passed out copies of the CIDC Internal Controls Policy noting the changes that were needed and proposed including the changes required as a result of the Chamber Executive Director providing administrative services to the CIDC. The second change proposed included requiring receipts for all expenses as adopted in the CIDC Travel Policy. The Committee reviewed the internal control policy noting the process of receiving rent payments from commercial tenants at 256 State Street. The committee discussed how bank statements are opened by the treasurer and reconciliation is reviewed by the Village Clerk. The committee reviewed the process and concluded that it was the best process possible given the fact that there is only one person in the office at this time. Mr. Armstrong then moved to recommend full board adoption of the policy revisions as proposed and to recommend adopting the attached statement concerning Assessment of the Effectiveness of Internal Controls. The motion was seconded by Mr. McIlroy and approved.

b. Mission Statement Performance Review

The Committee reviewed the Missions Statement and performance measures which were adopted by the Board in March of 2012, as required by PAAA. It was noted that the entire board (with the exception of Mr. Gormley, who is out of town) has completed the State required certifications. These certifications confirm that the membership has reviewed the mission statement as well the Ethics policy and that the board meets the independence test among other certifications. The committee reviewed the existing committee structure as well as noting that the Chamber of Commerce contracts with the board to provide administrative services. It was noted that the system is working well and no adjustments to the Board policies are proposed at this time with a couple exceptions. The Committee noted that the Board was expected to require a non-collusion statement as part of future bid documents and the Board is required to have a procedure for dealing with impermissible contact during the bid process. The Committee reviewed the proposed non-collusion statement which all bidders would be required to sign, as well as the proposed procedures for dealing with impermissible contacts during the bid process. At this point Mr. McIlroy moved to recommend approval of the attached CIDC 2011 Measurement Report and submit it to the full board for adoption. The motion was seconded by Mr. Armstrong and adopted unanimously. Mr. Armstrong then moved to recommend adoption of the attached non-collusion statement form and the anti-lobbying policies and procedures. The motion was seconded by Mr. Roche and adopted.

c. Review investment policy

The Committee reviewed the CIDC's current investments and the current investment policy of the Board and noted that the CIDC has 2 CDs, an interest bearing money market account and bank accounts with Carthage Federal Savings and Loan. The committee noted the limited options available to the CIDC concerning investments and that the funds were in safe investments. At this point Mr. Armstrong moved to confirm that after review, no changes to the policy were being recommended at this time. The motion was seconded by Mr. McIlroy and adopted unanimously.

d. Evaluation of Board Performance

Ms. Borland presented the summary Results of Evaluation of Board Performance-2013. She noted that there were 17 responses. all responded positively to how the Board is operating with two survey indicating that the person somewhat agrees with the Statement that the board sets clear and measurable performance goals...etc and is in compliance with all State requirements. It was noted that this is understandable since the board is trying to complete its local mission while trying to understand what the State wants the Board to do with regard to responding to their requirements. At this point Mr. Armstrong moved to acknowledge completion and review of the evaluation of the Board performance (with summary results attached) and to forward such review on to the board for acknowledgement. Mr. Roche seconded the motion which carried unanimously.

e. PARIS Annual Report Review

i The committee went over the draft PARIS Report in detail. (Note the report was presented in draft paper form.) After discussion, Mr. Roche moved to recommend approval of the report and authorize submission of the report by the full board, which was seconded by Mr. Armstrong and adopted unanimously.

f. Other Policies

No other policy review was proposed at this time.

There being no further business, the meeting adjourned at 12:05 p.m.