

Finger Lakes Regional Land Bank Corporation
Audit & Governance Committee Meetings
Friday, March 18, 2022
Planning Department Conference Room/
Teleconference via GoToMeeting

Committee Members Present: Jill Henry, Frank Sinicropi, Les Marquart

Committee Members Absent:

Staff: Joe McGrath, Amanda Forney

1. The meeting was called to order at 10:06 AM by Jill Henry, chairperson of the Audit & Governance Committees. All committee members were present.

2. Audit Committee Discussion Issues

• **Presentation of 2021 Bonadio Audit Results**

i. **Financial Statements**

After approval by the Audit Committee, the report will be finalized to be approved by the FLRLBC Board of Directors. The draft report indicates an increased debt to assets ratio, an indicator of healthy finances. However, the Land Bank's funds are only enough to pay for operations in 2022 and will be seeking new funding for additional projects in the future.

The line of credit shown in the report has been paid off and going forward, payment will be due annually instead of monthly. There are no current plans to utilize the line of credit in 2022 but will solely be used on Habitat for Humanity projects if so.

There were two (2) findings within the report. The Memorandum of Agreement (MOA) reimbursement regarding Mr. McGrath's salary was not classified as revenue against the grant. To resolve this issue, the salary reimbursement and all expenditures will be coded correctly in QuickBooks to ensure proper classification. The second finding showed property valuations were higher than what they are potentially worth. Mr. McGrath stated that this audit year was the first time that they had properties still owned by the Land Bank that had significant work invested into them. Mr. McGrath reflected that investment in the property valuations. After review by the auditors, it was found that no matter what level of investment, until a project is completed it is best to estimate the value based on half of the assessed value. To resolve this finding and avoid overstating property value, estimated values will be entered as half of their assessed value at all times no matter what going forward.

- **Audit Committee Vote for Referral of Audit Findings to FLRLBC Board of Directors**

Jill Henry made a motion and Frank Sinicropi seconded the referral of the audit findings to the FLRLBC Board of Directors. Carried 3-0

3. Governance Committee Discussion Issues

PAAA requirements require public entities such as the Land Bank to review and approve the mission statement and policies each year for accountability purposes.

- **Mission Statement Review**

- **Policy Reviews**

- i. **Acquisition Policy Review**

- This policy includes details on what the acquisition process is and the types of properties the Land Bank can acquire.

- ii. **Disposition Policy**

- The two programs used the most by the FLRLBC include the Home Owner Choice Program (Habitat for Humanity projects) and the Residential Side-Lot Program (sale of property to neighbors).

- **Governance Committee Vote for Referral of Policies and Mission Statement to FLRLBC Board of Directors**

Jill Henry made a motion and Frank Sinicropi seconded the referral of the Mission Statement and Policies to the FLRLBC Board of Directors.

4. Consideration of Executive Session: None

5. Adjourn: The meeting was adjourned at 10:44 AM.

There will be a regular meeting on Tuesday, March 22, 2022 at 4 PM in the Heroes Conference Room.

Respectfully Submitted,

Amanda Forney
Staff Resources Assistant
Seneca County Department of Planning and Community Development