

New York State Bridge Authority Audit Committee Meeting Minutes of September 29, 2011

The New York State Bridge Authority's Audit Committee met, in a joint meeting with Finance Committee, at the Authority's Headquarters in Highland, New York, at 3:07 p.m. on September 29, 2011.

In addition to Audit Committee Chairman Francis Vecellio and Committee members C. Vane Lashua and Roger P. Higgins, those in attendance included:

Roderick O. Dressel –Via Skype
Richard A. Gerentine
C. Vane Lashua
Joseph Ramaglia – Via Skype
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.
Chris Chale

Upon a motion made by Chairman Vecellio and seconded by Mr. Higgins the minutes of the March 17, 2011 meeting were approved unanimously.

A report was made by Mr. Bushek regarding the review of the Operating Budget and Bridge System Net Revenues 2011-2012. Mr. Ruggiero indicated to the Board that the budget anticipates an increase in revenue of 40% to meet our net revenue numbers and our capital plan, these items require a toll increase to be in compliance with our bond covenants. Mr. Ruggiero noted that this would be the third toll increase in the history of the Authority. Mr. Vecellio commented on the impressive effort of the Authority to operate for twelve years without requesting a toll increase. Mr. Bushek stated that the projections of revenues and expenditures in the Operating Budget and Bridge System Net Revenues 2011-12 are the two items that need to be sent to the full Board for approval in order to be certified by September 30th and October 31st respectively. Chairman Vecellio recommended the Audit Committee to accept the Operating Budget and Bridge System Net Revenues and, seconded by Mr. Lashua.

Upon a motion made by Chairman Vecellio and seconded by Mr. Higgins, the Operating and Bridge System Net Revenues was approved and that it will be sent to the full Board and has the Committee's recommendation of adoption.

A report was made by Mr. Bushek regarding the review of the Budget and Financial Plan 2012-2015. Mr. Bushek indicated to the committee's that the Plan will be available for public inspection and comment at all of our facilities for the thirty days required by the regulation. He added that it will also be made available to the public on the Authority's website. Mr. Bushek noted that changes would be considered by the committees at this meeting. The Board will consider a resolution approving the Budget and Financial Plan 2012-2015 at its November 17th

meeting. Mr. Ruggiero added that the Capital Improvement Plan that is part of the Budget and Financial Plan includes \$160 million dollar Capital Plan over the next five years, the largest part of the budget is for the of the Newburgh-Beacon Bridge redecking project of the south span which is what is largely driving the need for the proposed toll increase. Mr. Vecellio commented that aside from being much needed in order to maintain the condition of the Newburgh-Beacon Bridge it could be an economic boost to the Hudson Valley.

Upon a motion made by Chairman Vecellio and seconded by Mr. Higgins, the Budget and Financial Plan 2012-2015 was approved and will be sent to the full Board with the Committee's recommendation for adoption at its November 17th meeting.

A report was made by Mr. Bushek regarding Independent Accountant Services – Audit of Year-End 2011 Financial Statements. Mr. Bushek indicated that in July 2011, the Authority advertised a Request for Proposal (RFP) for the subject services and received five responses for a three-year contract. After a review the Authority's auditor from 2006-2010, Toski, Schaefer & Co. proposed a low bid that tied with another proposer. Based on our satisfaction with the Authority's prior audits and the proposal containing the same cost as the last five years Mr. Bushek recommended the Audit Committee and the Board approve a three-year contract with Toski, Schaefer & Co.

Upon a motion made by Chairman Vecellio and seconded by Mr. Higgins, the Independent Accountant Services Contract was approved and will be sent to the full Board with the Committee's recommendation for adoption.

Having no other business, the meeting adjourned at 3:15 pm.