



**Bridge
Authority**

ANDREW M. CUOMO
Governor

JOSEPH RUGGIERO
Executive Director

RICHARD A. GERENTINE
Chairman

COMMITTEE OF THE WHOLE
ACTING ON BEHALF OF THE
AUDIT COMMITTEE &
FINANCE COMMITTEE
MARCH 19, 2015 - 3:00 P.M.

Audit Committee Members

Roger Higgins, Chairman
C. Vane Lashua
Joseph Ramaglia

Finance Committee Members

Roderick Dressel, Chairman
Richard Gerentine
Joseph Ramaglia

- I. Adopt the Minutes of the December 18, 2014 Audit Committee Meeting
- II. Adopt the Minutes of the December 18, 2014 Finance Committee Meeting
- III. Review Toski & Co. 2014 Annual Report
- IV. Review 2014 Annual Report Per Section 2800 Public Authorities Law
- V. Review 2014 Public Authorities Law Annual Investment Report
- VI. Review Tronconi, Segarra & Associates 2014 Internal Auditor Report
- VII. Other Business
- VIII. Adjourn

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**New York State Bridge Authority Audit Committee
Meeting Minutes of December 18, 2014**

The New York State Bridge Authority's Audit Committee met at the Authority's Headquarters in Highland, New York, at 3:10 p.m. on December 18, 2014.

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

Roderick O. Dressel
Joseph Ruggiero
Richard Gerentine
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Mr. Higgins and seconded by Mr. Ramaglia the minutes of the September 18, 2014 meeting was approved unanimously.

Mr. Bushek noted the Audit Committee materially complied with all requirements of the Charter. The Audit Committee members reviewed the Annual Report on Committee activities. Upon a motion made by Mr. Higgins, seconded by Mr. Lashua the Annual Report of the Audit Committee was approved unanimously and will be sent to the full Board with the committee's recommendation for adoption.

Having no other business, the meeting adjourned at 3:11 pm.

**ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF
THE NEW YORK STATE BRIDGE AUTHORITY**

Overview

Below is an outline of the Audit Committee charter requirements and the activities performed to meet those requirements. This summary will serve as the Audit Committees' review of its own activity for the year 2014.

Meetings

The Audit Committee conducted meetings on March 20, 2014, April 17, 2014, September 18, 2014, and December 18, 2014. This meets the requirement under the charter to have at least one meeting each quarter or four during 2014.

Responsibilities

1. Review and evaluate the independence, qualifications, and performance of the outside auditors and accountants, including (a) discussing with the outside auditors and accountants any disclosed relationships or services that may impact their objectivity and independence, (b) reviewing, at least annually, the outside audit and accounting quality control procedures; and (c) recommending retention of accountants and outside auditors.

During the March 20, 2014 meeting, the committee satisfied the annual requirements of reviewing the outside Auditor's report on the 2013 financial statements with Timothy Thomas of Toski & Co., P.C. In addition the committee reviewed the findings from the report of the contract Internal Auditor, Tronconi, Segarra, and Associates.

2. Review and recommend to the Board the results of such evaluation of accountants and outside auditors and take any action the Committee deems appropriate based on the evaluation.

Audit findings were reviewed during the March 20, 2014 meeting with actions taken for each audit recommendation fully implemented. All actions were confirmed implemented at the April 17, 2014 meeting.

3. Review and act upon the scope of accountants' and outside auditors' reports. The full Board reviewed the audit which produced no audit findings/management letter to be acted upon. The committee reviewed the quality control system peer review report for Toski, Schaeffer & Co., P.C. as part of this review of responsibilities. This document is evidence of review.

Oversight of the Authority's Internal Audit Function:

4. Oversee the Authority's internal controls and compliance systems.

During the April 17, 2014 meeting the committee satisfied the annual requirements by approving the Agreed-Upon-Procedures report from our contract internal auditor, Tronconi, Segarra, & Associates.

5. Review the adequacy and direction of the Authority's internal audit function, including whether there are the necessary segregation of duties and clear chain of command procedures in place to maintain proper checks and balances.

The committee contracted with Tronconi, Segarra & Associates to be the Internal Auditor during 2011, 2012, and 2013. Finding performance acceptable awarded the

fourth year of the three year contract with two optional one year extensions at the March 20, 2014 meeting. The internal auditor is the mechanism utilized by the Authority to comply with the requirement to have in place a program to assess the adequacy of internal controls. The authority acts upon the internal auditors findings. Segregation of duties requirements are satisfied through contracting the internal audit function as opposed to utilizing a staff position that contained additional operational job responsibilities.

6. Approve the Authority's annual internal audit work plan and direct the activities of the internal control officer and internal auditor.

The committee approved the one year Internal Audit Plan during the April 17, 2014 meeting. The audit plan was developed as an extension of the three year plan from 2011 based upon a risk assessment prepared by the internal auditor in conjunction with the internal control officer.

The committee will review the final audit report for 2014 from the contracted internal auditor (Troconi, Segarra & Associates) after the 2014 Audit report is completed. The committee reviewed the 2013 report during the March 20, 2014 meeting.

7. Review the adequacy and direction of the internal controls of the Authority in consultation with the outside auditors and the internal auditor.

The committee reviewed the adequacy and direction of the Authority's internal controls with the internal auditor during its review of the three year Audit Plan at the November 17, 2011 meeting, the incremental one year plan at the April 17, 2014 meeting and the results of 2013 control testing during the March 20, 2014 meeting. In addition, this review was performed by the committee during the review of the 2013 Annual Report.

8. Obtain and review management reports on internal controls.

The committee reviewed and accepted the 2013 Internal Auditor's Report and the Annual Report during its March 20, 2014 meeting.

Financial Statements and Disclosure Matters:

9. In conjunction with the Finance Committee, discuss with the Authority Board and appropriate Executives and Senior Staff of the Authority any significant financial reporting,

accounting, and audit issues and judgments pertinent to the preparation and approval of the Authority's Financial Statements.

No issue of significant financial reporting, accounting, and audit issues and judgments pertinent to the preparation and approval of the Authority's Financial Statements arose during 2014.

10. In conjunction with the Finance Committee, consider major changes and other major questions of choice respecting the appropriate auditing and accounting principles and practices to be used in preparing the Financial Statements.

No significant issues related to major changes and other major questions of choice respecting the appropriate auditing and accounting principles and practices pertinent to the preparation and approval of the Authority's Financial Statements have been identified for 2014.

Compliance Oversight Responsibilities:

11. Resolve disagreements with respect to, and oversee compliance with, accounting policies and principles.

No disagreements with respect to accounting policies and principles have been identified in 2014.

12. Serve as a channel of communication among the internal auditor, accountants, outside auditors, the Finance Committee and the members of the Authority Board.

The audit committee serves as the channel of communications for relevant parties where appropriate.

13. Report regularly to the Authority Board on the Committee's deliberations and recommend to the Board any action the Committee deems appropriate with respect to any issues that arise concerning compliance with legal or regulatory requirements, performance and independence of the outside auditors, or performance of the internal auditors and, in conjunction with the Finance Committee report on the quality or integrity of the Financial Statements.

No issues arose of this nature during 2014 that required deliberations.

14. Review all reports and draft reports delivered by the Office of the State Comptroller to the Authority, and recommend to the Authority Board any action the Committee deems appropriate based on the scope of such reports.

No reports or draft reports by the Office of the State Comptroller were received in 2014.

15. Establish procedures for the receipt, retention, investigation, and/or referral to the New York State Inspector General of complaints received by the Authority regarding accounting, internal controls, and auditing.

The Audit Committee approved the procedure on Internal Control Violation Complaints during the December 2010 meeting. The committee has reviewed and recommends no revisions for 2014.

16. Review all reports and draft reports delivered by the State Inspector General to the Authority, and serve as a point of contact with such Inspector General.

No reports or draft reports by the State Inspector General were received during 2014.

17. Investigate compliance with the Authority's policies and/or referring instances of non-compliance to the State Inspector General for investigation.

No reports of non-compliance with the Authority's policies were received during 2014.

Other Responsibilities:

18. Review and reassess annually the adequacy of this charter and request Board approval for proposed changes.

The Audit Committee adopted its current amended charter in June 2010 making changes it deemed appropriate. No further revision was determined necessary during 2014 and this document is evidence of annual review.

19. Confirm annually that all responsibilities outlined in this charter have been carried out.

This outline will serve as the confirmation that responsibilities outlined in the charter have been carried out for 2014.

20. Institute and oversee special investigations as needed.

No special investigations were required or in progress for 2014.

21. Perform such other duties as the Committee considers appropriate.

No other duties had been identified for 2014.

22. Where necessary, consult with the Finance Committee.

The March 20, 2014 and September 18, 2014 committee meetings were joint meetings with the Finance Committee to review the 2013 Annual Report, Internal Auditor's Report, and 2015-2018 Budget and Financial Plan.

New York State Bridge Authority Finance Committee Meeting Minutes of December 18, 2014

The New York State Bridge Authority's Finance Committee met at the Authority's Headquarters in Highland, New York, at 3:07 p.m. on December 18, 2014.

In addition to Finance Committee Chairman Roderick Dressel, Committee member Richard Gerentine and Committee member Roger P. Higgins, those in attendance included:

Roger Higgins
C. Vane Lashua
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Mr. Gerentine and seconded by Mr. Higgins the minutes of the April 17, 2014 meeting was approved unanimously.

Mr. Bushek noted the Finance Committee complied with all requirements of the Charter. The Finance Committee reviewed the Annual Report on Committee Activities. Upon a motion made by Chairman Dressel, seconded by Mr. Gerentine, the Annual Report on Committee Activities was approved unanimously.

Having no other business, the meeting adjourned at 3:10 pm.

ANNUAL REPORT OF THE FINANCE COMMITTEE TO THE BOARD OF THE NEW YORK STATE BRIDGE AUTHORITY

Overview

Below is an outline of the Finance Committee charter requirements and the activities performed to meet those requirements. This summary will serve as the Finance Committee review of its own activity for the year 2014.

Meetings

The Finance Committee conducted meetings on March 20, 2014, April 17, 2014, September 18, 2014, and December 18, 2014. This meets the charter requirement to have at least one meeting each quarter.

Responsibilities

1. The Finance Committee shall assist the Authority in its oversight of the Authority's long-range financial planning.
The Committee reviewed the Budget and Financial Plan 2015-2018 and sent it to the full Board for approval at its meeting on September 18, 2014.
2. The Finance Committee shall review external debt financing proposals for major construction projects and other types of projects.
No additional debt financing was required in 2014 or during the period covered by the current Budget and Financial Plan 2015-2018. The Finance Committee reviewed the requirements for external debt financing at the September 18, 2014 meeting.
3. The Finance Committee shall review the status of the Authority's external debt position as required, but no less frequently than once a year.
The Committee performed this review through the analysis of the Budget and Financial Plan 2015-2018 which included the Debt Schedule report at its September 18, 2014 meeting.
4. The Finance Committee shall assist the Authority in its oversight and preparation of the annual budget.
The committee performed a review during the September 18, 2014 meeting where, in conjunction with the Audit Committee, it reviewed the Budget and Financial Plan for 2015-2018 and referred the budget to the full Board for approval.
5. Review and assess at least annually the adequacy of the Finance Committee Charter and submit proposed revisions to the Authority for its approval.
The current charter was adopted during the June 17, 2010 meeting. No further revision was determined necessary during 2014 and this document is evidence of annual review.
6. At least annually, evaluate the Committee's own performance with respect to the requirements of the Charter in such a manner as the Committee deems appropriate.
This outline will serve as an evaluation of the performance outlined in the charter and confirm responsibilities have been carried out for 2014.

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: _____

Resolution Date: March 19, 2015

WHEREAS, Investment Guidelines adopted by this Authority pursuant to the Public Authorities Law § 2925 require that an annual report be prepared and submitted to the Board for approval each year; now therefore

BE IT RESOLVED, the New York State Bridge Authority does hereby approve the Annual Investment Report for the fiscal year 2014; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 19th day of March 2015.

Joseph Ruggiero, Secretary