

New York State Environmental Facilities Corporation

Meeting Minutes of the Audit Committee

Thursday, June 20, 2024

Draft Minutes

A meeting of the Audit Committee was held on June 20, 2024, in the Board Room of the Corporation's office located at 625 Broadway, Albany, New York and by the use of videoconferencing at 340 South Bedford Road, Bedford Corners, New York 10549 and 169 Hudson Street, New York, New York 10013.

Committee Members:

Charles Kruzansky, Chair
Francis T. Corcoran (*via videoconference*)
Adam Zurofsky (*via videoconference*)

Absent:

Vita DeMarchi

Board Members:

The following members of the Board of Directors were also present at the meeting but did not vote on any matters requiring action by the Audit Committee.

Jeffrey Stefanko, Chair, Designee for the Interim Commissioner of Environmental Conservation
James Leary, Designee for the Secretary of State (*via videoconference*)

EFC Staff:

Maureen A. Coleman, President and CEO
Michael P. Hale, Executive Vice President
Henrik Westin, General Counsel
Emily A. Jamieson, Chief Financial Officer
Kate S. Howard, Secretary to the Corporation and Associate Counsel
William Brizzell, Director of Engineering
Maureen McGrath, Director of Administration and Corporate Operations
Brian McClintock, Director of Public Finance
Rebecca Walker, Senior Finance Manager
Albert Schnide, Controller
Christopher Czub, Senior Accounting Manager
Derek Sellman, Deputy General Counsel
Máire Cunningham, Program Manager
Kristina Lee, Program Coordinator
Adnan Mirza, Systems Administrator II
Bernadette Futia, Information Technology Coordinator III
Michael Jane Alexander, Assistant Counsel
Connor Murphy, Paralegal II

Other Attendees:

David Phillips, P.E., Chief, Design Section, Bureau of Water Supply and Protection, DOH
Jeffrey Koch, Audit Managing Director | KPMG LLP

Grace Kachigian, Lead Audit Senior Manager | KPMG LLP

1. Call to order by Chair
Chair Kruzansky called the meeting to order at 11:45 a.m.
2. Roll call and declaration of a quorum
Roll was called and a quorum declared present.
3. Approval of the Draft Minutes from the April 11, 2024 Audit Committee Meeting
Upon motion by Director Corcoran and seconded by Director Zurofsky, the minutes from the April 11, 2024 Audit Committee meeting were unanimously approved by the voting directors. Director Corcoran abstained from the actual vote as he was not present at the April meeting.
4. Review and Reassessment of the Audit Committee Charter
The Committee conducted its annual review of the Audit Committee Charter, a copy of which was provided to the Committee and the full Board for review on June 12, 2024. Chair Kruzansky reported that there were no proposed changes to the Charter since it was last approved on June 22, 2023. Upon motion by Director Corcoran and seconded by Director Zurofsky, the Committee voted unanimously to recommend the acceptance and approval by the full Board of the Audit Committee Charter as it is written.
5. Presentation from the Independent Auditor, KPMG LLP
The audit results for the fiscal year ended March 31, 2024 were provided to the Committee members and the Board of Directors for review on June 12, 2024. Jeffrey Koch and Grace Kachigian from KPMG discussed the results and answered questions asked by the Committee.

At 12:01 p.m., following the presentation of the audit results, the Audit Committee entered into a separate meeting with the auditors, Director Leary joined the discussion.

The public meeting resumed at 12:15 p.m. Upon motion by Director Corcoran and seconded by Director Zurofsky, the Committee voted unanimously to recommend that the full Board accept and approve the auditor's report. The draft financial statements of the Corporation are to be presented for approval by the full Board as I.D. No. 2 at the Annual Board Meeting, scheduled to occur on June 20, 2024, after the Audit Committee meeting.

6. Review of the Auditor's Lead Partner and whether there is a need for rotation
Chair Kruzansky advised that, in accordance with Public Authorities Law §2802 and the policy guidance of the Authority Budget Office, the lead partner on the audit or the partner responsible for reviewing the audit must be changed once every five years. Jeffrey Koch started his rotation as lead partner on April 1, 2023. Therefore, the Committee determined rotation of the lead partner is not required at this time.
7. Discussion on the Corporation's Internal Audit Function
The Committee discussed current controls, oversight, and the potential need for an internal audit function. It was determined that an internal audit function is not required within the Corporation at this time due to the robust protections and procedures in effect. Upon motion by Director Corcoran and seconded by Director Zurofsky, the Committee unanimously voted to recommend that the full Board accept the Committee's recommendation at the Board's Annual Meeting.

8. Adjournment

There being no further business, upon motion made by Director Corcoran and seconded by Director Zurofsky, the Committee voted unanimously to adjourn. The meeting adjourned at 12:23 p.m.