

Jefferson County Local Development Corporation

800 Starbuck Avenue, Suite 800

Watertown, New York 13601

Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915

TO: JCLDC Finance Committee
Paul Warneck, Chair
Charles Capone
David Converse
Robert E. Aliasso, Jr.
Rob Aiken

FROM: Marshall Weir, CEO

DATE: September 15, 2026

SUBJECT: JCLDC Finance Committee Meeting Notice

A JCLDC Finance Committee meeting has been scheduled for **Tuesday, September 22, 2026 at 8:00 a.m.**

The purpose of the meeting is to review the preliminary budget for 2027.

Please confirm your attendance with Peggy Sampson pssampson@jcida.com at your earliest convenience.

Thank you.

pss

c: Jay Matteson
Dorena Kimball
W. Edward Walldroff
William Johnson
Lisa L'Huillier
John Condino
Dr. Dawn Robinson
Media

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www.jcldc.com

JCLDC FINANCE COMMITTEE MEETING
Tuesday, September 22, 2026
8:00 a.m.

AGENDA

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Preliminary Budget for 2027**
- IV. Other**
 - a. Review of the Audit and Finance Committee Charter**
- V. Adjournment**

Jefferson County Local Development Corp.

1/1/2027 - 12/31/2027

Revenue					
Acct. #	Description	2026 Budget	2027 Budget		
400001	Application & Process Fees	0.00			
405000	Admin Fees	565,451.00	310,964.00	Monthly \$25,914	310,964.00
407501	RLF Interest Income	2,000.00	3,000.00		
409703	USDA Grant Income	0.00			
412501	Interest Income	0.00	1,500.00		
409704	Grant Income Federal	0.00			
415002	Grant N Grid Euromarket	0.00			
416502	Microgrid Grant	0.00			
425001	Misc. Income	75,000.00	78,000.00	Wladis - Jefferson County	
430501	CDF Income Transfer				
405001	Marketing Program Income	280,000.00	306,200.00	Jefferson County	
405002	Ag Program Income	150,000.00	165,000.00	Jefferson County	
430101	Dairy Parade	0.00	12,000.00		
	Total Revenue	1,072,451.00	876,664.00		
Expenses					
610001	Salaries	501,533.00	488,528.31		
	Total Salaries	501,533.00	488,528.31		
Benefits					
610110	FICA & Medicare	37,113.48	36,151.00		
610120	DBL (Hartford)	3,000.00	3,187.00	Hartford	
610121	PFL-Shelterpoint	1,000.00	1,763.00	Shelterpoint	
610401	Health/Group Ins	0.00	192,740.39	Includes Vision	
610411	Dental	0.00			
610501	Workers Comp	1,700.00	1,503.00	Liberty Mutual	
610601	401k Retirement	0.00	43,967.55		
610701	Unemployment Ins.	1,500.00	1,610.48		
610801	Consulting 401k	3,600.00	3,180.00	Paychex	
	Total Benefits	47,913.48	284,102.42		
Operating					
710001	Office Expense	8,000.00	8,000.00		
710005	Payroll Processing	5,000.00	5,000.00	PayChex	
710100	Office Rent	58,000.00	58,000.00	WICLDC	
710110	Office Cleaning	12,000.00	6,000.00	Cleaning	
710120	Telephone	7,000.00	7,000.00	Westelcom, Verizon, Syntela	
710150	Equipment Rental	4,000.00	4,000.00	Wells Fargo	
710155	Equipment Maintenance	2,000.00	2,000.00	Northern Computer	
710156	System Maintenance	9,000.00	6,066.00	NNY Online	
710160	Electric Service	7,000.00	5,500.00		
710170	Gas Service	5,000.00	4,200.00		
710701	Travel/Promotion/Meals	10,000.00	5,000.00	Key Bank Credit Card	
710710	Training & Seminars	2,000.00			
710501	Business Support	5,000.00	5,000.00	Advocate Drum	
711501	Dues & Publications	3,000.00	3,500.00	NYSED, Rotary, North Country Alliance	
710504	Workforce Dev	3,000.00			
711002	Depreciation F&F	500.00	10,500.00		
711501	Dues & Publications	4,000.00			
712001	D&O Insurance	0.00		Additional Insured JCIDA	
712010	Commercial Insurance(Liberty)	3,500.00	4,000.00	Comm, Auto & Umbrella	
712505	Legal Unrestricted	0.00	0.00		
712502	Legal - RLF	0.00	0.00	Pay out of RLF Fund	
713001	Accounting & Auditing	17,500.00	17,500.00		
713100	CEDS Update	5,000.00	500.00		
714001	Consultants	1,000.00	1,000.00		
715001	Strategic Consulting	75,000.00	78,000.00	Wladis	
717001	Grant Expense Federal	0.00	0.00		
799901	Misc Expense	1,000.00	1,000.00		
	Ag Program Expenses	-	270,872.00	From AG w/s	
	Marketing /Mfg Program	-	255,091.00	From Mkt w/s	
731002	Allocated Overhead Recovery	-	(449,532.00)	From Salary w/s	
	Total Expenses	247,500.00	308,197.00		
	Total Revenue	1,072,451.00	876,664.00		
	Total Expenses	796,946.48	1,080,827.73		
	Net	275,504.52	(1,163.73)		
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Jefferson County LDC Marketing Program

1/1/2027 - 12/31/2027

Prepared by Dorena Kimball

Revenue

Acct #	Description	2026 Budget	2027 Budget
405000	JC Grant	280,000	306,200
415002	Grant N Grid -Euromarket		
420000	Interest Income		
425001	Fund Balance Transfer		
406000	Grant NYS-Workplace Training		
	Total Revenue	280,000	306,200

Expenses

Acct #	Description	Budget 2026	Budget 2027
	Marketing Expenses		
500000	Advertising	46,600	20,000
500100	Printed Material	1,000	2,000
500200	Site Selector Visits.		
500300	Trail Coordinator		
500400	Seminars, Workshops, Publications	2,500	2,500
500050	Canadian Marketing Initiative	10,000	
500060	Euromarket Consulting		
500700	Business Awards		
500800	Travel/Meals/Promotion	3,000	2,000
500900	Member Services		
501512	Survey Monkey		
501100	Public Relations(NYSEDC, etc.)		
501200	Web Site Development		800
501400	Events Sponsorship		3,000
501700	Allocated Overhead	0	219,791
566000	Freight & Postage		
566100	Drum Country Business	5,000	
566101	Misc Program Expenses		
	Total Marketing	68,100	250,091
		Budget 2026	Budget 2027
	Manufacturing Committee		
710500	Workshops		
710501	Business Support	5,000	5,000
710513	Manufacturing Day		
710514	Workforce Dev & Promotion	2,500	
710515	Workplace Training		
	Total Manufacturing Comm	7,500	5,000
	Total Income	280,000	306,200
	Total Expenses	75,600	255,091
	Program Balance	204,400	51,109
	Monthly Allocated Overhead(D33)		18,316
	Dr. 501700; Cr 731002		

Jefferson County LDC Ag Program				
1/1/2027 - 12/31/2027				
Prepared by Dorena Kimball				
Revenue				
Acct #	Description	2026 Budget	ACTUAL	2027 Budget
405002	JC Grant	150,000		150,000
425004	Annual Meeting Donation			15,000
430101	Dairy Parade	6,000		12,000
425004	Radio Adv.			
425004	Web Site Adv.			
	Total Revenue	156,000		177,000
Expenses				
Acct #	Description	2026 Budget		2027 Budget
502000	Annual Meeting	5,000		15,000
502040	Dairy Parade	9,000		12,000
502001	Office Expenses	1,000		1,000
502005	Advertising	2,000		2,000
502006	Printed Material	1,000		0
502010	Legal	0		0
502015	Insurance	0		0
502020	Membership/Dues	400		500
502025	Business Attraction	500		0
502030	Subscriptions	200		200
502035	Travel/Mileage/Meals/Lodging	4,000		3,000
502040	Utilities	0		0
502045	Web Site Development & Promotion	5,000		1,000
502100	Program expenses	1,000		1,000
502101	Development			0
502102	Local Food Guide	800		800
502309	Indirect Labor Allocation	61,363		34,208
502310	Non Salary Allocated Overhead	4,740		4,631
	Total Office	96,003		75,339
	Assigned Staff Salary & Benefits (Matteson 111401)			
Acct. #	AG Program Salary & Benefits	2026 Budget		2027 Budget
502300	Salary	116,802		121,474
502301	FICA	7,008		7,288
502302	Medicare	1,635		1,701
502303	Health	43,226		49,507
502304	Workers Comp.	0		0
502305	Retirement	10,512		10,933
502306	UI			
502310	Life Ins.			
	Total Salary & Benefits	179,183		190,902
	TOTAL REVENUE	156,000		177,000
	TOTAL EXPENSES	275,186		270,872
	Program Gain, (Loss)	(119,186)		(93,872)

1/1/2027 - 12/31/2027

DETAIL

	Salary	6% FICA	1.40% Medicare	9% Retirement	Health	Vision	Dental	Total	Weekly AG Prog. Hours	\$ Rate Per Hour	Annual AG Program Hours	Annual AG Program Expense
	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0	0.00
CFO	92,106.11	5,526.37	1,289.49	8,289.55	0.00	0.00	0.00	107,211.51	1	58.91	52	3,063.19
CEO	135,450.04	8,127.00	1,896.30	12,190.50	48,056.74	171.15	1,278.67	207,170.40	4	113.83	208	23,676.62
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00
Exec. Assist.	79,497.60	4,769.86	1,112.97	7,154.78	48,056.74	171.15	1,278.67	142,041.76	1	78.04	52	4,058.34
Vacant	60,000.49	3,600.03	840.01	5,400.04	48,056.74	171.15	1,278.67	119,347.11	1	65.58	52	3,409.92
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00
Total	367,054.23	22,023.25	5,138.76	33,034.88	144,170.21	513.44	3,836.00	575,770.77	7		364	34,208.06

	Salary	FICA	Medicare	Retirement	Health	Vision	Dental	Total			AG Program Indirect Labor Allocated
AG/Dep CEO	121,474.08	7,288.44	1,700.64	10,932.67	48,056.74	171.15	1,278.67	190,902.38	H-V-D	104.89	
Total	121,474.08	7,288.44	1,700.64	10,932.67	48,056.74	171.15	1,278.67	190,902.38	49,506.55		2850.67
	488,528.31	29,311.70	6,839.40	43,967.55	192,226.95	684.58	5,114.67	766,673.15			Monthly Chg.

CY 2027 BUDGET REC

	ENTER PPP	Annual	105.00% Increase	CYE 12/31/2027	FICA	Medicare	Retirement	Health	Vision	Dental	Total
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CFO	3,373.85	87,720.10	92,106.11	92,106.11	5,526.37	1,289.49	8,289.55	0.00	0.00	0.00	107,211.51
CEO	4,961.54	129,000.04	135,450.04	135,450.04	8,127.00	1,896.30	12,190.50	48,056.74	171.15	1,278.67	207,170.40
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exec. Assist.	2,912.00	75,712.00	79,497.60	79,497.60	4,769.86	1,112.97	7,154.78	48,056.74	171.15	1,278.67	142,041.76
Vacant	2,197.82	57,143.32	60,000.49	60,000.49	3,600.03	840.01	5,400.04	48,056.74	171.15	1,278.67	119,347.11
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AG/Dep CEO	4,449.60	115,689.60	121,474.08	121,474.08	7,288.44	1,700.64	10,932.67	48,056.74	171.15	1,278.67	190,902.38
Total		465,265.06	488,528.31	488,528.31	29,311.70	6,839.40	43,967.55	192,226.95	684.58	5,114.67	766,673.15

	36,151.10	192,911.53
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Health Benefits 12/31/20XX (For CYE 12-31-XX)
Rates for 9/1/XX to 8/31/XX(Increase XX% for cye 12/31/2027

Health	9/1/2026 Act.	Annual	Increase	Total Premium	Employee	JCIDA Expense
Excellus	Monthly	Annual	11%			
		0.00			0.00	0.00
CFO		0.00	0.00	0.00	0.00	0.00
CEO	4,225.89	50,710.68	5,826.66	56,537.34	8,480.60	48,056.74
		0.00			0.00	0.00
		0.00			0.00	0.00
Exec. Assist.	4,225.89	50,710.68	5,826.66	56,537.34	8,480.60	48,056.74
Vacant	4,225.89	50,710.68	5,826.66	56,537.34	8,480.60	48,056.74
		0.00			0.00	0.00
Total		152,132.04			25,441.80	144,170.21
AG/Dep CEO	4,225.89	50,710.68	5,826.66	56,537.34	8,480.60	48,056.74
Total	e				8,480.60	48,056.74
						192,226.95

Benefits 1/01/20XX to 12/31/XX
For CYE 12/31/XX Budget- Increase X%

Dental	7/7/2026	Annual	Increase	Total Premium	Employee	JCIDA Expense
Excellus	Monthly	Annual	105%			
		0.00	0.00		0.00	0.00

CFO		0.00	0.00	0.00	0.00	0.00
CEO	119.39	1,432.68	1,504.31	1,504.31	225.65	1,278.67
		0.00	0.00	0.00	0.00	0.00
		0.00			0.00	0.00
Exec. Assist.	119.39	1,432.68	1,504.31	1,504.31	225.65	1,278.67
Vacant	119.39	1,432.68	1,504.31	1,504.31	225.65	1,278.67
		0.00	0.00	0.00	0.00	0.00
Total		4,298.04	4,512.94	4,512.94	676.94	3,836.00
AG/Dep CEO	119.39	1,432.68	1,504.31	1,504.31	225.65	1,278.67
Total			6,017.26	1,504.31	225.65	1,278.67
						5,114.67

Benefits 7/07/2026

HM Life of NY-Davis Vision

Vision	500			Total Premium	Employee	JCIDA Expense
	Monthly	Annual	Increase 102%			
		0.00	0.00	0.00	0.00	0.00
CFO		0.00	0.00	0.00	0.00	0.00
CEO	16.45	197.40	201.35	201.35	30.20	171.15
		0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00
Exec. Assist.	16.45	197.40	201.35	201.35	30.20	171.15
Vacant	16.45	197.40	201.35	201.35	30.20	171.15
		0.00	0.00	0.00	0.00	0.00
Total		592.20	604.04	604.04	90.61	513.44
AG/Dep CEO	16.45	197.40	201.35	201.35	30.20	171.15
Total				201.35	30.20	171.15
						684.58

Marketing Salary Overhead Allocation

Name	Annual Hours	Less AG Hours	Available Hours	Est Mkt %	Est Mkt Hours	Rate/Hour	Salary Allocation	Monthly Accrual
VACANT	1820	52	1768	100%	1768	65.58	115,937.20	
CFO	1820	52.00	1768	5%	88	58.91	5,207.42	
CEO	1820	208.00	1612	50%	806	113.83	91,746.89	
AG/Dep CEO	1820					104.89	0.00	
Exec. Assist.	1820	52.00	1768	5%	88	78.04	6,899.17	
						0.00	0.00	
Total					2751		219,790.68	18,315.89

CYE 12/31/26

Name	AG Allocated Hours/ Week	CY 12/31/27
Vacant	4	1
CFO	1	1
CEO	7	4
Exec. Assist.	2	1

Reallocated Program Expenses

	Annual	Monthly	GL Debit	GL Credit
AG Indirect Labor (JL Entry)	34,208.06	2,850.67	502309	731002 Recur 12X
AG Salary & Benefits(Payroll)	141,395.83		502300	
AG Non Labor Allocation(JL Entry)	4630.64	385.89	502310	731002 Recur 12X
AG Health Benefit(Payroll)	48,227.88		502303	
AG Dental Benefit(Payroll)	1,278.67		502303	
Marketing Salary Allocation(JL E)	219,790.68	18,315.89	501700	731002 Recur 12X
	449,531.75	37,460.98	CR731002	
Enter Budget as Negative #	-449,531.75			

FYE 12/31/27

Name	Mkt % Hours/ Week	
Vacant	100%	100%

2026 Salaries as of 7/7/26

Name	Annual	Biweekly
114 CFO	87,720.10	3,373.85

CFO	5%	5%	115 AG/Dep CEO	115,689.60	4,449.60
CEO	50%	50%	116		0.00
			117 Exec. Assist.	75,712.00	2,912.00
Exec. Assist.	5%	5%	118 Vacant	57,143.32	2,197.82
			119 CEO	129,000.04	4,961.54
			120		0.00
				<u>465,265.06</u>	<u>17,894.81</u>

2027 SALARY & BENEFITS		ALLOCATIONS:		JCIDA		JCLDC		AG		TOTAL		TOTAL %	
			%				%						
CFO	\$ 107,212	\$ 32,163	30%	\$ 53,606	50%	\$ 21,442	20%	\$ 107,212	100%				
CEO	\$ 207,170	\$ 124,302	60%	\$ 62,151	30%	\$ 20,717	10%	\$ 207,170	100%				
	\$ -												
	\$ -												
Exec. Assist.	\$ 142,042	\$ 71,021	50%	\$ 56,817	40%	\$ 14,204	10%	\$ 142,042	100%				
Vacant	\$ 119,347	\$ 23,869	20%	\$ 83,543	70%	\$ 11,935	10%	\$ 119,347	100%				
	\$ -												
AG/Dep CEO	\$ 190,902	\$ 19,090	10%	\$ 57,271	30%	\$ 114,541	60%	\$ 190,902	100%				
Total	\$ 766,673	\$ 270,446	35%	\$ 313,387	41%	\$ 182,840	24%	\$ 766,673	100%				

OVERHEAD ALLOCATION		CYE 12-31-2027		JCIDA		JCLDC		AG		TOTAL		TOTAL %	
Operating		Budget			%		%		%				
710100	Office Rent	\$ 58,000		\$ 20,300	35%	\$ 23,780	41%	\$ 13,920	24%	\$ 58,000	100%		
710110	Office Cleaning	\$ 6,000		\$ 2,100	35%	\$ 2,460	41%	\$ 1,440	24%	\$ 6,000	100%		
710150	Equipment Rental	\$ 4,000		\$ 1,400	35%	\$ 1,640	41%	\$ 960	24%	\$ 4,000	100%		
710155	Equipment Maintenance	\$ 2,000		\$ 700	35%	\$ 820	41%	\$ 480	24%	\$ 2,000	100%		
710156	System Maintenance	\$ 6,066		\$ 2,123	35%	\$ 2,487	41%	\$ 1,456	24%	\$ 6,066	100%		
710160	Electric Service	\$ 5,500		\$ 1,925	35%	\$ 2,255	41%	\$ 1,320	24%	\$ 5,500	100%		
710170	Gas Service	\$ 4,200		\$ 1,470	35%	\$ 1,722	41%	\$ 1,008	24%	\$ 4,200	100%		
711002	Depreciation F&F	\$ 10,500		\$ 3,675	35%	\$ 4,305	41%	\$ 2,520	24%	\$ 10,500	100%		
712010	Auto Insurance	\$ 2,000		\$ 700	35%	\$ 820	41%	\$ 480	24%	\$ 2,000	100%		
713001	Accounting & Auditing	\$ 17,500		\$ 6,125	35%	\$ 7,175	41%	\$ 4,200	24%	\$ 17,500	100%		
		<u>\$ 115,766</u>		<u>\$ 40,518</u>		<u>\$ 47,464</u>		<u>\$ 27,784</u>		<u>\$ 115,766</u>			

JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION

AUDIT AND FINANCE COMMITTEE CHARTER

Adopted 10/7/10

Amended 12/1/11

11/4/21

I. Purpose

Pursuant to the By-laws of Jefferson County Local Development Corporation (the "Corporation"), and in accordance with the Public Authorities Accountability Act of 2005 and Public Authority Reform Act of 2009, there is established an Audit and Finance Committee of the Corporation whose purpose shall be to (1) assure that the Corporation's board fulfills its responsibilities for the Corporation's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors; and (3) review proposals for the issuance of debt by the Corporation and make recommendations regarding such proposals.

II. Powers of the Audit and Finance Committee

It shall be the responsibility of the audit and finance committee to:

- Recommend the appointment and compensation of any public accounting firm employed by the Corporation, and provide oversight of that firm's service to the Corporation.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from Corporation employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with Corporation staff, independent auditors or outside counsel, as necessary.
- Review proposals for the issuance of debt and make recommendations.
- Recommend, at the Corporation's expense, the retention of such outside counsel, experts and other advisors as the audit committee may deem appropriate.

The Corporation Board will ensure that the Audit and Finance Committee has sufficient resources to carry out its duties.

III. Composition of Committee and Selection of Members

The Audit and Finance Committee shall consist of at least three members of the Corporation Board who are independent as defined in the Public Authorities Accountability Act of 2005. The Corporation Board will appoint the Audit and Finance Committee members and the committee chair.

Audit and Finance Committee members shall be prohibited from being an employee of the Corporation or an immediate family member of an employee of the Corporation. In addition, audit and finance committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

Ideally, all members on the Audit and Finance Committee shall possess or obtain a basic understanding of governmental financial reporting, auditing and debt issuances. The audit and finance committee shall have access to the services of at least one financial expert; whose name shall be disclosed in the annual report of the Corporation.

The Audit and Finance Committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls, 5) debt issuances and 6.) an understanding of Audit and Finance Committee functions.

IV. Meetings

The Audit and Finance Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the Audit and Finance Committee are expected to attend each committee meeting, in person or via videoconference. The audit and finance committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The Audit and Finance Committee will meet with the Corporation's independent auditor at least annually to discuss the financial statements of the Corporation.

Meeting agendas will be prepared for every meeting and provided to the audit and finance committee members along with briefing materials five business days before the scheduled audit and finance committee meeting. The audit and finance committee will act only on the affirmative vote of a majority of the members at a meeting. Minutes of these meetings will be recorded.

V. Responsibilities

The Audit and Finance Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Corporation's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) issues related to debt issuance and the financial practices of the Corporation.

A. Independent Auditors and Financial Statements

The Audit and Finance Committee shall:

- Recommend appointment and compensation of an independent auditor retained by the Corporation, and oversee all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Corporation's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the Corporation's operations, such as bookkeeping or other services related to the accounting records or financial statements of the Corporation, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the Corporation's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Controls, Compliance and Risk Assessment

The Audit and Finance Committee shall:

- Review management's assessments of the effectiveness of the Corporation's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

C. Special Investigations

The Audit and Finance Committee shall:

- Ensure that the Corporation has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the Corporation or any persons having business dealings with the Corporation or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation.

D. Other Responsibilities of the Audit and Finance Committee

The Audit and Finance Committee shall:

- Review proposals for the issuance of debt and to make recommendations.
- Present annually to the Corporation Board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls, debt issuances and a certain level of familiarity in financial reporting standards and processes.
- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the Corporation. The Audit and Finance Committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.