



**NEW YORK STATE THRUWAY AUTHORITY  
NEW YORK STATE CANAL CORPORATION**



# **MINUTES**

## **AUDIT COMMITTEE MEETING NO. 26**

**December 17, 2012**

Minutes of a meeting of the New York State Thruway Authority/Canal Corporation Audit Committee held at the CUNY Graduate Center, 365 Fifth Avenue, New York, New York and the New York State Thruway Authority Boardroom, R. Burdell Bixby Administrative Building, 200 Southern Boulevard, Albany, New York.

The meeting began at 2:00 p.m.

The following members of the Audit Committee were present, constituting a quorum:

Present:

Chairman Howard P. Milstein, ex officio Audit Committee Member

J. Donald Rice, Chair, Audit Committee

Richard N. Simberg, Audit Committee Member

Brandon R. Sall, Audit Committee Member

In addition, there were present the following staff personnel:

In addition, the following were present:

Donna J. Luh, Vice Chairperson

E. Virgil Conway, Board Member

Jose Holguin-Veras, Ph.D., Board Member, via video conference

Thomas J. Madison, Jr., Executive Director  
Thomas J. Ryan, Chief of Staff  
John Bryan, Chief Financial Officer and Treasurer  
William Estes, General Counsel  
Ted Nadratowski, Interim Tappan Zee Project Director  
Jill B. Warner, Board Administrator and Secretary  
Jonathan Ehrlich, Special Assistant to the Chairman  
Shane Mahar, Special Assistant to Thomas J. Madison  
Karen Wilson, Information Technology Specialist III  
Captain Weber, Troop T  
Sergeant Tryon, Troop T, via video conference  
Kathleen Lefave, Special Assistant to Thomas J. Ryan, via video conference  
William Ringwood, Assistant Director, Office of Contract Management  
Harry Lennon, Acting Director of Audit & Management Services  
Tanya Morris, Administrative Assistant to Thomas J. Madison  
Michele Errico, Community Relations Specialist, NY Division  
Michael Shamma, Acting Chief Engineer  
Brian Stratton, Director, Canal Corporation  
Daniel Weiller, Director, Office of Public Affairs  
Todd Gold, Inter-Governmental Relations, via video conference

Also in attendance:

Ervel Douse, Expedite Video Conferencing Services  
Jeffrey Parker, Senior Managing Director, Ernst & Young  
Robert Brownstein, Vice President, AECOM  
Robert Pattison, Executive Director, J. P. Morgan Chase  
Stanley Kramer, Partner, Hawkins Delafield & Wood LLP  
Matthew Hobby, Senior Manager, Ernst & Young  
Michael Anderson, NYS Department of Transportation  
David J. Spara, Director, Toski & Co.  
Tom Zambito, Reporter, Newsday  
Andrea Riquier, Reporter, Debtwire Municipals  
Maria Corrado, NYS Department of Transportation

Jim Smith, Reporter, WCBS 880  
Theresa Juva-Brown, Reporter, Journal News/LoHud.com  
Dave Paget, Principal, Sive, Paget & Risel, P.C.  
Steven Polan, Partner, Manatt Phelps & Phillips, LLP  
Mark Roche, Americas Highways Business Leader, ARUP  
Martha Gross, Senior Consultant – Transaction Advice, ARUP  
Richard Anderson, President, New York Building Congress  
Tom Minnick, Director, The Business Council  
David Wilson, Reporter, Journal News  
Veronica Vanterpool, Executive Director, Tri-State Transportation Campaign  
Vincent Pellecchia, General Counsel, Tri-State Transportation Campaign  
Ronald Peek, Consultant, Dack Consulting Solutions, Inc.  
Alex Saunders, public  
Murray Bodin, public

## **PUBLIC SESSION**

Mr. Rice, Committee Chair, called the meeting of the Audit Committee to order.

Ms. Warner recorded the minutes as contained herein.

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### **Item 1**

#### **Approval of Minutes of Audit Committee Meeting No. 25 (1:24:38)**

After full discussion, on the motion of Mr. Sall, seconded by Chairman Milstein, without any objections, the Audit Committee approved the minutes of Audit Committee meeting No. 25, held April 30, 2012.

**Item 2**

**Review and Approve Scope of Services for the 2012 Financial Statement Audit and Single Audit (1:24:54)**

Mr. Bryan introduced David Spara of Toski & Co., PC. Mr. Spara presented the Scope of Services for the 2012 Financial Statement Audit and Single Audit.

Copies were provided to the Committee Members and are maintained in Authority records. Details of the Committee Members discussion with Mr. Spara are included in the video recording of the meeting produced by Expedite and maintained by the Authority.

After full discussion, on the motion of Chairman Milstein, seconded by Mr. Simberg, without any objections, the Audit Committee approved the 2012 Scope of Services for the 2012 Financial Statement Audit and Single Audit to be performed by Toski & Co., PC.

**Item 3**

**Review and Accept Concessionaire Report Prepared by Toski, Schaefer & Co., P.C. (1:27:49)**

Details of the Committee Members discussion with Mr. Spara and Mr. Bryan are included in the video recording of the meeting produced by Expedite and maintained by the Authority.

After full discussion, on the motion of Mr. Simberg, seconded by Chairman Milstein, without any objections, the Audit Committee accepted the Concessionaire Report prepared by Toski & Co., PC.

**Item 4**

**Review and Accept Fiscal/Toll Audit 2013 Audit Plan (1:29:11)**

Details of the Committee Members discussion with Mr. Bryan are included in the video recording of the meeting produced by Expedite and maintained by the Authority.

After full discussion, on the motion of Chairman Milstein, seconded by Mr. Simberg, without any objections, the Audit Committee accepted the Fiscal/Toll Audit 2013 Audit Plan.

**Item 5**

**Review and Accept Periodic Reports Sent to OSIG (1:30:22)**

Details of the Committee Members discussion with Mr. Lennon are included in the video recording of the meeting produced by Expedite and maintained by the Authority.

After full discussion, on the motion of Chairman Milstein, seconded by Mr. Simberg, without any objections, the Audit Committee accepted the periodic reports sent to OSIG.

**Item 6**

**Review and Discuss, as Necessary, the Following Items:**

- a. **OSC Audit: “Operational Discretionary Spending”**
- b. **OSC Audit: “Selected Aspects of Alternative Fuel Vehicles: Purchases and Fueling” (Final Report)**
- c. **OSC Audit: “Uncollected E-ZPass Tolls and Fees” (Final Report) (1:31:54)**

Details of the Committee Members discussion with Mr. Lennon are included in the video recording of the meeting produced by Expedite and maintained by the Authority.

After full discussion, on the motion of Chairman Milstein, seconded by Mr. Simberg, without any objections, the Audit accept the reports on the OSC Audits.

**Adjournment (1:35:32)**

There being no further business to come before the Audit Committee, on the motion of Chairman Milstein, seconded by Mr. Simberg, without any objections, the meeting was adjourned.

*Note: Webcasts, which include dialogue of the Authority/Corporation Audit Committee Meeting, are available on the Thruway Authority website 48 hours after such meetings occur and remain on the website for a period of 4 months*