



**Chautauqua, Cattaraugus, Allegany & Steuben Counties
Southern Tier Extension Railroad Authority**

Center for Regional Excellence, 4039 Route 219, Suite 200, Salamanca, New York 14779

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"This institution is an equal opportunity organization"

Terry Everetts, Chairman
Richard Zink, Chief Executive Director

STERA Governance Committee

Notice of Upcoming Meeting

Date: Monday, March 25, 2019
Time: 9:00 AM – 9:30 AM
Place: Southern Tier West Planning and Development Board Main Conference Room
Center for Regional Excellence
4039 Route 219, Suite 200
Salamanca, New York

Please see <http://www.ccasstera.org/htm/document%20to%20be%20discussed/2019/march25.19.html> for access to documents that will be discussed at this meeting.

Agenda

1. Roll Call and Introduction of Those Present
2. Reading and Approval of the Minutes of the June 11, 2018 Meeting
3. Unfinished Business
4. New Business
 - A. Annual Policy and Report Review
 1. Review of current policies (see attached list)
 2. Review of reports (see attached list)
 3. Review of structure, governance, and operating activities
 - B. Other New Business
5. Public Comment
6. Next Meeting Date and Agenda for Next Meeting
7. Adjournment

Please contact Tom Barnes at 716-945-5301 x 2209 or direct at 716-373-8880 or tbarnes@southerntierwest.org to indicate whether or not you will be able to attend.

STERA Policies to Be Reviewed at the March 25, 2019 Governance Committee and Board Meetings:

Audit Committee Charter
Bylaws
Code of Ethics
Compensation, Reimbursement, and Attendance Policy
Competencies and Personal Attributes Required of Board Members Policy
Defense and Indemnification Policy
Equal Opportunity and Affirmative Action Policy
Fee Schedules
Governance Committee Charter
Internal Control Procedures
Investment Policy
Lobbying Policy
Management Performance Evaluation Standards
Measurement Standards Performance Evaluation
Mission Statement
New Member Orientation Process
New Member Orientation Process Reference Document
Procurement Guidelines (Contract and Procurement Policy)
Property Disposition Guidelines
Public Access to Records Policy
Public Access to Records - Subject Matter List
Records Management Program
Travel and Use of Discretionary Funds Policy
Uniform Tax Exemption Policy
Whistleblower Policy

After discussion, assuming that there are no changes desired to the above policies, the Committee should make a finding that the Authority's policies and procedures are acceptable in their current form are being effectively implemented, and are effective in guiding and controlling the Authority's governance and operations, and should adopt a resolution recommending to the Board that it make no changes to the Authorities governance and operating policies and procedures, or alternately, that the Committee finds a specific issue or issues in one or more policies, and makes a recommendation to the Board to take appropriate action in response

STERA Reports to Be Reviewed at the March 25, 2019 Governance Committee and Board Meetings:

Active and Completed Project
Annual Report
Audit FYE Dec 31, 2018, including Audit Management Letter FYE Dec 31, 2018
Audit Committee Charter Review Report
Audit Committee Self-Evaluation Report
Authority Performance Self-Evaluation Report
Board Member Attendance Report
Board Performance Self-Evaluation Report
Board Performance Self-Evaluation Report 2016 vs 2017 vs 2018
Budget for 2019

Compliance Report
Effectiveness of Internal Controls Report
Executive Committee Self-Evaluation Report
Financial Disclosure and Ethics Report
Four-Year Financial Plan for 2019 to 2022
Governance Committee Charter Review Report
Governance Committee Self-Evaluation Report
Investment Report
Management Evaluation Report
Operations and Accomplishments Report
Procurement Report
Property Disposition Report
Property Listing Report
Records Management Program Report
Schedule of Debt Report

Some notes:

- The Audit Committee Charter Review Report, the Audit Committee Self-Evaluation Report, and the Effectiveness of Internal Controls Report also are being reviewed by the Audit Committee on March 25, 2019.
- The Audit FYE Dec 31, 2018, including Audit Management Letter FYE Dec 31, 2018 is being presented at the Audit Committee meeting, and again at the Board meeting on March 25 2019.
- The Authority Performance Self-Evaluation Report is prepared using STERA's adopted Measurement Standards, which are a STERA Policy, and which also are incorporated into the adopted STERA Mission Statement. This report is an evaluation of the organization's effectiveness of achieving its goals.
- The Board Performance Self-Evaluation Report is the summary report of the Board survey of its own performance.
- The Budget for 2019 and the Four-Year Financial Plan for 2019 to 2022 were approved by the Board at the October 2018 Board meeting.
- The Financial Disclosure and Ethics Report was approved by the Board at the June 2018 Board meeting; the next similar report will be presented at the June 2019 Board meeting.
- The Executive Committee Self-Evaluation Report also is being reviewed by the Executive Committee on March 25, 2019.
- The Compliance Report summarizes STERA's compliance obligations, the timeframe for compliance, and STERA's compliance status.

After discussion, the Committee should make revisions to the above reports as appropriate, and then make a recommendation that the Board approve them as revised, or alternately the Committee should make a recommendation that the Board approve above reports as presented.

Review of structure, governance, and operating activities:

The Governance Committee has responsibilities for reviewing STERA structural, governance and operating policies and activities. Many of the policies and governance practices practiced by STERA derive directly from the cornerstone principles (transparency, independence, accountability, fiduciary

responsibilities, and management oversight) prescribed by the State Legislature and NYS ABO, and from model practices recommended or mandated by the NYS ABO.

The Committee should discuss the results of the Board Performance Self-Evaluation Report, and should discuss whether to recommend that the Board make any changes so as to improve STERA's performance. In the past, there has been an indication that it might be good for an occasional set aside of time at Board meetings with light agendas for discussion of these topics.

The Governance Committee also should discuss:

- the Competencies and Personal Attributes Required of Board Members Policy
- the New Member Orientation Process Policy
 - this is required by NYS ABO to be offered to all members; to date, only one Board member has taken advantage of this orientation process
 - the New Member Orientation Process Reference Document has been updated and is now current.
- the number and structure of STERA Committees
 - in 2014, STERA did change the number of members on the Audit, Governance, and Executive Committees – there is a need for appointing members to fill vacancies on the Committees
 - STERA does not have a Finance Committee, but is not required to have one as it has not issued any debt.
- Board and staff compliance with NYS ABO training requirements – all Board and staff members are in compliance
- the compensation and benefits for the managing director and other senior Authority officials
 - the Authority has no direct employees, and accordingly there are no such individuals (Board or corporate officers or other management personnel) receiving compensation and benefits from the Authority

After discussion, the Committee should make a finding that the Authority's policies and procedures are being effectively implemented and are effective in guiding and controlling the Authority's governance and operations, and recommending to the Board that it make no changes to the Authority's governance and operating policies and procedures, or alternately, that the Committee finds a specific issue or issues, and makes a recommendation to the Board to take appropriate action in response.