

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

THURSDAY
FEBRUARY 5, 2015
5:00 P.M.
PLANNING DEPARTMENT CONFERENCE ROOM

ANNUAL MEETING

AGENDA

PRESENT:

___ JOE GILLIS, CHAIRMAN
___ WILLIAM SULLIVAN, TREASURER
___ TODD RULISON, SECRETARY
___ JOSEPH SEMIONE, MEMBER
___ GEORGE BEVINGTON, MEMBER
___ DIANA PUTNAM, MEMBER
___ JAMES MRAZ, IDA EXECUTIVE DIRECTOR
___ KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
___ RON PETERS, PRESIDENT, FULTON COUNTY CRG
___ BILL WALDRON, LIAISON, ECONOMIC DEVELOPMENT COMMITTEE
___ LEADER HERALD

I. MINUTES FROM DECEMBER 30, 2014 MEETING:

MOTION :
MADE BY :
SECONDED :
VOTE :

II. BUDGET REPORT:

MOTION :
MADE BY :
SECONDED :
VOTE :

III. COMMITTEE REPORTS:

A. Nominating Committee:

1. Report of Nominating Committee: 2015 Officers

Chairman	:	Todd Rulison
Vice-Chairman	:	Joe Semione
Treasurer	:	Bill Sullivan
Secretary	:	Joe Gillis

IDA ACTION:

MOTION : To accept the report of the Nominating Committee for 2015 IDA Officers
MADE BY :
SECONDED :
VOTE :

B. Audit Committee:

- No report.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

IV. OLD BUSINESS:

A. Tryon Timber Harvesting Project:

- Project is complete.
- Contractor elected to not cut the red pine that was part of project.
- Ken Hotopp has inspected the site and recommends that Wightman's \$6,000 performance security be returned.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the Executive Director to return Wightman's \$6,000 performance security.

MADE BY:

SECONDED:

VOTE:

B. Tryon Technology Park and Incubator Center Project: Phase II:

- Fulton County will be hiring C.T. Male to prepare design plans and bid specifications for the Tryon Phase II Project.
- Phase II will include:
 - Disconnecting the water service to Tryon from the Hale Creek Correctional Facility.
 - Construct new elevated water tank.

V. NEW BUSINESS:

A. 2015 Committee Appointments:

- Per the IDA's Bylaws, the Chairman shall annually appoint members to the IDA's Committees.
- The following is the Chairman's list of Committee appointments for 2015.

<u>Committee</u>	<u>2014</u> <u>Appointees</u>	<u>2015</u> <u>Appointees</u>
1. Audit	1. Len House 2. Joseph Semione 3. William Sullivan	1. Todd Rulison 2. Joseph Semione 3. William Sullivan
2. Governance	1. Todd Rulison 2. Joseph Gillis 3. George Bevington	1. Diana Putnam 2. Joseph Gillis 3. George Bevington
3. Finance	1. Joseph Semione 2. Todd Rulison 3. William Sullivan	1. Joseph Semione 2. Todd Rulison 3. William Sullivan
4. Nominating	1. Joseph Semione 2. Len House 3. George Bevington	1. Joseph Semione 2. Joseph Gillis 3. George Bevington

B. Signing of Quarterly Payroll Tax Returns:

1. Currently, the IDA Treasurer is the only person authorized to sign Quarterly Payroll Tax Returns. As such, there is no one else authorized to sign these returns if the Treasurer was unable to do so.
2. It is recommended that the entire Audit Committee be authorized to sign Quarterly Payroll Tax Returns in the event the Treasurer is unavailable.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize both the IDA Treasurer and all members of the Audit Committee to sign Quarterly Payroll Tax Returns.

MADE BY:

SECONDED:

VOTE:

C. Staff Appointments:

1. The IDA's Bylaws require that the IDA Board annually appoint:

- Executive Director
- Auditor

2. Appointment of Executive Director:

MOTION: To appoint Jim Mraz to serve as the IDA's Executive Director for 2015 at a salary of \$19,467/year.

MADE BY:

SECONDED:

VOTE:

3. Appointment of Auditor:

MOTION: To appoint West & Company to serve as the IDA's Auditor for 2015.

MADE BY:

SECONDED:

VOTE:

D. Legal Counsel Agreements:

1. General Legal Services Agreement:

- It is recommended that the IDA retain the law firm of Fitzgerald, Morris, Baker, Firth, PC to serve as IDA Counsel in 2015 and provide general legal services.
- Total Retainer: \$5,000
- These funds are included in IDA's 2015 Budget.

MOTION: To authorize the Chairman to execute an Agreement with Fitzgerald, Morris, Baker and Firth, PC to provide general legal services in 2015 at a total retainer fee of \$5,000.

MADE BY:

SECONDED:

VOTE:

2. Legal Services Agreement for Tryon Technology Park and Incubator Center Project:

- It is recommended that the IDA retain the law firm of Fitzgerald, Morris, Baker, Firth, PC to provide legal services to the IDA in 2015 for the Tryon Technology Park and Incubator Center Project.
- Total Retainer: \$3,000
- These funds are included in IDA's 2015 Budget.

MOTION: To authorize the Chairman to execute an Agreement with Fitzgerald, Morris, Baker and Firth, PC to provide legal services in 2015 at a total retainer fee of \$3,000.

MADE BY:

SECONDED:

VOTE:

E. Chief Financial Officer:

- It is recommended that the IDA retain Carol Ellis to perform financial services for the IDA in 2015.
- Total Fee: \$618
- These funds are included in IDA's 2015 Budget.

MOTION: To authorize the Chairman to execute an Agreement with Carol Ellis to provide financial services to the IDA in 2015 at a total fee of \$618.

MADE BY:

SECONDED:

VOTE:

F. 2014 Performance and Measurement Report:

1. Background:

- The 2009 Public Authorities Reform Act requires public authorities to develop performance measures to help determine how well they are carrying out their mission.
- Performance measures assist the IDA Board and management to evaluate and monitor whether the IDA's authority's policies and operating practices are in accordance with its mission.

2. Review 2014 Performance and Measurement Report:

- See Handout.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize and direct the Chairman to sign the 2014 Performance and Measurement Report and to direct the Executive Director to file said Report with the ABO.

MADE BY:
SECONDED:
VOTE:

G. 2014 IDA Board Performance Questionnaire:

1. Background:

- The 2009 Public Authorities Reform Act requires board members of public authorities to conduct an annual evaluation of its performance.
- Evaluation forms were distributed to all IDA Board members on November 20, 2014.
- Executive Director has collected the forms and tallied the results.

2. Review Summary of 2014 IDA Board Performance Questionnaire

- See Handout.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the Executive Director to submit the 2014 Summary of IDA Board Performance Questionnaire to the ABO.

MADE BY:
SECONDED:
VOTE:

H. 2014 Assessment of the Effectiveness of Internal Financial Controls System:

1. Background:

- The IDA's Policy 11 requires the IDA Board and management to complete an annual assessment of the effectiveness of the IDA's internal financial control system.

2. IDA's Internal Financial Control System:

- See Handout.

3. Management's Assessment of Internal Financial Control System:

- The Executive Director and Chief Financial Officer recommend no changes to the IDA's Internal Financial Control System.

4. Internal Financial Control System Certification:

- IDA's Policy 11 Annual Assessment of the Effectiveness of Internal Controls requires the IDA Board to adopt a certification statement upon completion of its annual review of the IDA's Internal Financial Control System.
- Proposed statement reads as follows:

“The IDA Board of Directors has documented and assessed the internal control structure and procedures off the Fulton County Industrial Development Agency for the year ending December 31, 2014. This assessment found the IDA's internal controls were determined to be adequate, and to the extent that deficiencies were identified, the IDA has developed corrective action plans to reduce any corresponding risk.

IDA DISCUSSION:

IDA ACTION:

MOTION: To adopt the Certification Statement presented above and to authorize and direct the Executive Director to submit acknowledge in PARIS that said Certification Statement was approved by the IDA Board.

MADE BY:

SECONDED:

VOTE:

I. IDA's 2014 Annual Report:

- The Draft 2014 Annual Report was e-mailed to all IDA members on January 22, 2015.
- Review Draft 2014 Annual Report.

IDA DISCUSSION:

IDA ACTION:

MOTION: To approve the IDA's 2014 Annual Report and to authorize and direct the Executive Director to file the Report under PARIS as required by the Public Authorities Accountability Act and with the Board of Supervisors.

MADE BY:

SECONDED:

VOTE:

J. 2015-16 Marketing Agreement with Fulton County Center for Regional Growth:

1. Proposed Agreement:

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

K. New IDA Member:

- A new member is needed to fill the vacancy created by the resignation of Len House.

IDA DISCUSSION:

VI. OTHER BUSINESS:

A. Town of Johnstown Fire Tax Bill for IDA Properties on NYS Route 30A:

- IDA owns two (2) vacant parcels of land on the east side of NYS Route 30A.
- Both parcels are in the Town of Johnstown.
- 2015 Town of Johnstown Fire Tax bills have been received. Even though the IDA is tax exempt, it is not exempt from Fire Taxes.
- 2015 Fire Tax Bills are:
 - 174.-2-66 : \$27.79
 - 174.-2-65 : \$28.18

B. Town of Johnstown Fire Tax Bill for Tryon:

- 2015 Town of Johnstown Fire Tax Bill for Tryon has been received.
- Total invoice: \$386.00
- 2015 Town of Perth Fire Tax Bill for Tryon has yet to be received.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the payment of these three (3) Town of Johnstown Fire Tax bills.

MADE BY:

SECONDED:

VOTE:

C. 2014 PILOT Report:

1. Background:

- Each year, the IDA monitors all PILOT Agreements it has on projects to verify that PILOT payments are being made per the PILOT Agreements.
- Each year, the IDA sends a letter to every company it has a PILOT with asking that they fill out a PILOT Report.
- The IDA also sends a similar letter to all local taxing jurisdictions impacted by an IDA PILOT. The information from local taxing jurisdictions is used to compare against the information received from companies.
- The 2014 letters and reports were sent out on November 17, 2014.

2. Status Report:

- To date, the IDA has received responses from:

Companies:

STAG

YMCA

CG Roxane

Euphrates

Nathan Littauer Hospital

Municipalities/School Districts:

City of Gloversville

Fulton County

Greater Johnstown School District

Town of Johnstown

City of Johnstown

- The IDA is waiting for responses from:

Companies:

Swany

Municipalities/School Districts:

Fonda-Fultonville School District

3. Summary of 2014 PILOT Payments:

- See handout.

4. As of January 1, 2015, the IDA has active PILOT Agreements with the following projects:

Owner	Lessee	Address	Occupant
IDA	CIC	160 Enterprise	Vacant
IDA	Euphrates	230 Enterprise	Euphrates
IDA	Swany	115 Corporate Drive	Swany
IDA	CG Roxane	1 Old Sweet Road, Johnstown	CG Roxane

5. In 2014, the IDA terminated the Leases/PILOTS with STAG for two (2) properties:
- 199 Enterprise Drive
 - 200 Union Avenue Extension

D. New York’s Economic Development Council’s (NYSEDC) External Lead Generation Program:

1. Background:

- In 2014, NYSEDC contracted with 310 Ltd, a national lead generation consulting firm, to identify 56 qualified leads in six (6) industry clusters.
- NYSEDC is continuing this program again in 2015. This year, 310 Ltd’s parameters have been modified to include:
 - a. 56 qualified leads from outside New York but inside the US will be identified that meet the following criteria: 65 percent will have plans to select a site within 30 months.
 - Job parameters per lead will exceed 20 jobs. (This criteria can be waived by funding partners on a case by case basis.)
 - Emerging technology opportunities are acceptable at 10 jobs.
 - b. 35 percent can include companies with following parameters:
 - Companies with no less than 250 employees and revenues of \$50 million or more that express a plan for site selection that is greater than 30 months.
 - Introductions with genuinely interested Fortune 500 companies with revenues greater than \$500 million that express a genuine interest to speak to a New York representative about future plans.
- When qualified leads are identified by 310 Ltd., a phone call will be scheduled with a senior representative of the company. ESD and one of the local funding partners whose region could be competitive for the project will lead the call, while other partners participate in listen-only mode.
- ESD follows-up with each prospect providing any and all relevant materials. Spreadsheets are maintained and updated by ESD and shared with partners which includes a summary of the prospect, the status of the lead, the follow-up that occurred and any other pertinent information.

- Participants must agree to protocols established last year, including not pursuing any lead individually.
- The cost of the contract is \$110,000. ESD has agreed to pay for 50% and National Grid and RG&E/NYSE&G have agreed to pay for 37.5% of the total. The remaining portion is to be covered by investments from Regional Economic Development Organization (EDO's) and local IDA's.
- Regional EDO's that participated last year paid \$5,000, which also covers their cost for 2015.
- The cost for other NYSEDC members to participate is as follows:
 - a. Regional EDO's participating for the first time - \$2,500
 - b. Local IDA's/LDC's - \$1,000

ISSUE: Would the IDA like to partner with the FCCRG to participate in this program in 2015? IDA's cost would be \$500.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

E. Governor Cuomo's Proposed 2015-16 State Budget:

1. In his proposed budget, the Governor proposes the following new requirements on IDA's:
 - An IDA must get DED approval before it provides any State tax exemption benefits to a new project, or before it increases such benefits for an existing project. Approval to be based on job creation and investment targets. DED could not approve an application if the IDA failed to comply with applicable General Municipal Law, Public Authorities Law or Public Officers Law requirements, if the IDA intended to give exemptions only from State taxes, or if the proposed benefits would give a competitive advantage to the agent/project operator over an existing business in a similar industry.
 - An IDA would have to track and report all state tax exemptions granted, not just state sales tax.
 - The Tax Commissioner would be authorized to audit IDA projects and IDA agents with respect to state tax benefits, to assure they meet job and investment targets and expenditure limitations. Clawback provisions for non-compliance would apply. Current IDA recordkeeping requirements would be extended to benefits related to State imposed mortgage recording and real estate transfer taxes.
 - An IDA would lose its authority to award State tax benefits, if the IDA and/or its members and officers fail to comply with the Open Meetings Law, the Freedom of Information Law, and other applicable Public Authorities Law and General Municipal Law requirements.
 - IDAs would have to post on their web sites the names of members and officers; notices, agendas, and minutes of its meetings; and other project information. If the Authorities Budget Office (ABO) finds that the IDA has failed to comply with these requirements and the IDA has not come into compliance within 30 days, the ABO will advise DED that such IDA can no longer provide State tax exemption benefits until the IDA satisfies such requirements.

- Before an IDA could create a project or provide financial assistance to a project, the IDA would be required to obtain a tax clearance from the Tax Department that the project operator or agent and any “responsible persons” of such operator or agent do not have any past due fixed and final tax liabilities of \$500 or more. Back taxes must be paid before application can be considered.

VII. CLOSE MEETING:

MOTION :
MADE BY :
SECONDED :
VOTE :
TIME :