

# FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY  
JANUARY 9, 2018  
5:00 P.M.

PLANNING DEPARTMENT CONFERENCE ROOM

## ANNUAL MEETING

### MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN  
DAVE D'AMORE, VICE CHAIRMAN  
WILLIAM SULLIVAN, TREASURER  
JOE GILLIS, SECRETARY  
DIANA PUTNAM, MEMBER  
TODD RULISON, MEMBER  
TIM MUNN, MEMBER  
JAMES MRAZ, EXECUTIVE DIRECTOR  
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC  
SCOTT HENZE, PLANNER  
MIKE ANICH, LEADER-HERALD

#### **I. MINUTES FROM NOVEMBER 14, 2017 MEETING:**

MOTION : Approve as presented.  
MADE BY : Todd Rulison  
SECONDED : Bill Sullivan  
VOTE : Unanimous

#### **II. BUDGET REPORT:**

MOTION : Approve as presented.  
MADE BY : Tim Munn  
SECONDED : Dave D'Amore  
VOTE : Unanimous

### III. COMMITTEE REPORTS:

#### A. Nominating Committee:

##### 1. Report of Nominating Committee: 2018 Officers

Chairman	:	Joe Semione
Vice-Chairman	:	Dave D'Amore
Treasurer	:	Bill Sullivan
Secretary	:	Joe Gillis

#### IDA ACTION:

MOTION : To accept the report of the Nominating Committee for 2018 IDA Officers  
MADE BY : Joseph Gillis  
SECONDED : Todd Rulison  
VOTE : Unanimous

#### B. Audit Committee:

- No report.

#### C. Governance Committee:

- No report.

#### D. Finance Committee:

- No report.

### IV. OLD BUSINESS:

#### A. Fulton County's 2017 E-Newsletter Campaign:

- Shannon Rose is administering and managing this E-Newsletter Campaign for Fulton County.
- Six (6) E-Newsletters are being e-mail/mailed to 425+/- builders, developers and investors advising them of investment opportunities available now in Fulton County.
- Goal: Attract private investment into Fulton County.
- 1<sup>st</sup> Newsletter was sent out in August.
- 2<sup>nd</sup> Newsletter was sent out in September.
- 3<sup>rd</sup> Newsletter was sent out in October.
- 4<sup>th</sup> Newsletter was sent out in November.
- 5<sup>th</sup> Newsletter was sent out in December.

#### B. Follow-up to Site Selector Forum:

1. One of the suggestions made by the Site Selectors was to improve the visual appearance of the Tryon Technology Park by:

- a. Cutting down trees so Site Selectors/Companies could see the land/sites.
  - b. Cutting down underbrush and high grass in several areas.
  - c. Demolishing more buildings.
2. In response to that input:
- a. Fulton County's Highway and Solid Waste Departments have cut down a number of trees.
  - b. The IDA hired contractor to cut down a lot of underbrush and high grass in several areas.
  - c. On December 28, 2017, the Board of Supervisors awarded a demolition contract to Dan's Hauling and Demo, Wynantskill, NY to:
    - 1) Demolish the two (2) large dormitories.
    - 2) Demolish two (2) additional buildings.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He displayed a map of the Tryon Technology Park and identified the buildings that the Board of Supervisors is having removed through the demolition contract with Dan's Hauling. There was a question on whether the County's Demolition Team will be able to demolish any additional buildings at Tryon in 2018. Jim Mraz stated that all depends upon the work load for the Demolition Team. He stated that, at present, the Demolition Team is backlogged with numerous residential buildings in the Cities that they are tasked with taking down.

**C. IDA Fee Schedule:**

1. Background:
  - a. Review IDA's current Fee Schedule: See attached.
  - b. IDA's Fee Schedule includes the following Administrative Fee for Straight Lease or Bond Projects:

Straight Lease Projects:

- Administrative Fee : .25% of the Project's cost subject to Sales Tax

Bond Projects:

- Administrative Fee : 1% up to 1<sup>st</sup> \$5,000,000  
 : .75% over \$5,000,001

2. Other IDA's Administrative Fee:
  - See attached spreadsheet.
3. Additional Fees Charged by Other IDA's:

- A. Refunding Fee: .25% of the principal amount of refunding obligations
- B. Special Meeting Fee: \$500
- C. PILOT Fee: \$500-\$1,500/ year
- D. SEQR Fee: \$500

4. NYS Bond Issuance Fee:

a. Background:

- If an IDA issues bonds, NYS Law requires the IDA to pay to NYS a Bond Issuance Fee.
- This fee must be paid to the State no later than 15 days from the end of the month in which the bonds were issued.
- IDA's pass this fee onto the project for which the bonds are being issued for.

b. New York State's New Fee:

- NYS recently increased the Bond Issuance Fee.
- The IDA needs to revise its Fee Schedule to reflect these new fees.

Principal Amount of Bonds	NYS's Original Fee	NYS's Current Fee
\$1,000,000 or less	.14%	.168%
\$1,000,000 - \$5,000,000	.28%	.336%
\$5,000,001 - \$10,000,000	.42%	.504%
\$10,000,001 - \$20,000,000	.56%	.672%
More than \$20,000,000	.70%	.84%

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda and attachments. It was the consensus of all IDA members present that the IDA's current administrative fee on Straight Lease Projects should be increased. It was also the consensus of all IDA members present to have the IDA's Administrative Fee applied to the total project cost and not just the project cost subject to sales tax.

Bill Sullivan stated that since the IDA would be increasing its Administrative Fee, he offered to have the IDA's Application Fee be reduced from \$1,600 to \$1,000. It was the consensus of all IDA members present to reduce the IDA's Application Fee.

Jim Mraz reviewed the NYS Bond Issuance Fee. He stated that the IDA is required to pay New York State this fee when it issues bonds. He stated the IDA's Fee Schedule contains the old fees that the State requires IDA's to pay. He recommended that the IDA adopt the new fees. He stated these fees are passed on to the borrower who's having the IDA's issue bonds for.

IDA ACTION:

MOTION: To adopt a new IDA Fee Schedule that includes the following:

1. Increasing the IDA's Administrative Fee on Straight Lease Projects to .75% of the total project cost.
2. Reduces the Application Fee from \$1,600 to \$1,000.
3. Adopts the current NYS Bond Issuance Fee as identified in the Agenda.

MADE BY: Bill Sullivan  
SECONDED: Dave D'Amore  
VOTE: Unanimous

**V. NEW BUSINESS:**

**A. 2018 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 2018.

<u>Committee</u>	<u>2017 Appointees</u>	<u>2018 Appointees</u>
1. Audit	1.Todd Rulison 2.Joseph Semione 3.William Sullivan 4. David D’Amore	1.Todd Rulison 2.Joseph Semione 3.William Sullivan 4 David D’Amore
2. Governance	1.Diana Putnam 2.Joseph Gillis 3.Tim Munn 4. Todd Rulison	1.Diana Putnam 2.Joseph Gillis 3.Tim Munn 4.Todd Rulison
3. Finance	1.Todd Rulison 2.William Sullivan 3.Diana Putnam 4.Tim Munn	1.Todd Rulison 2.William Sullivan 3.Diana Putnam 4.Tim Munn
4. Nominating	1.Joseph Semione 2.Joseph Gillis 3.David D’Amore 4.Tim Munn	1.Joseph Semione 2.Joseph Gillis 3.David D’Amore 4.Tim Munn

**B. 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 2018 at a salary of \$20,352/year.

MADE BY: Joseph Semione

SECONDED: Todd Rulison

VOTE: Unanimous

3. Appointment of Auditor:

- Funds to hire West & Company are in the 2018 Budget.
- Proposed 2018 fee is the same as 2017.

MOTION: To appoint West & Company to serve as the IDA's Auditor for 2018 and to authorize the Chairman to execute an Agreement with West & Company to audit the IDA's 2017 financial statements at a fee of \$8,750 and to provide payroll services for \$500.

MADE BY: Bill Sullivan  
SECONDED: Joseph Semione  
VOTE: Unanimous

**C. 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 2018 and provide both general legal services and legal services for Tryon.
- Total Not-to-Exceed Fee: \$8,000
- These funds are included in IDA's 2018 Budget.

MOTION: To authorize the Chairman to execute an Agreement with Fitzgerald, Morris, Baker and Firth, PC to provide legal services in 2018 at a total fee of \$8,000.

MADE BY: Joseph Semione  
SECONDED: Tim Munn  
VOTE: Unanimous

**D. Chief Financial Officer:**

- It is recommended that the IDA retain Carol Ellis to serve as the Chief Financial Office and to perform financial services for the IDA in 2018.
- Total Fee: \$2,000
- These funds are included in IDA's 2018 Budget.

MOTION: To authorize the Chairman to execute an Agreement with Carol Ellis to serve as the Chief Financial Officer and provide financial services to the IDA in 2018 at a total fee of \$2,000.

MADE BY: Dave D'Amore  
SECONDED: Bill Sullivan  
VOTE: Unanimous

**E. 2017 Financial Report:**

- Chief Financial Officer has completed the IDA's 2017 Financial Report.
- This Report will be sent to West & Company to audit.
- Review Report: Handout

IDA DISCUSSION: Jim Mraz distributed copies of the 2017 Financial Report that was prepared by the Chief Financial Officer. He stated this is the report that is sent to West & Company and serves as the basis for the audit that the West & Company performs. He stated that he wanted IDA members to have

copies of the Report to see the amount of work that the Chief Financial Officer does for the IDA. He stated this Report will now be sent to the West & Company, which will mark the start of the 2017 Audit process.

**F. 2017 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 2017 Performance and Measurement Report:

- See attached.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He then reviewed the Performance and Measurement Report and, in particular, Paragraph 8 dealing with the governance certification. After reviewing the information, he asked IDA members if they had any questions. There were none.

IDA ACTION:

MOTION: To authorize and direct the Chairman to sign the 2017 Performance and Measurement Report and to direct the Executive Director to authorize and direct the Executive Director to post this report on the IDA’s website.

MADE BY: Todd Rulison

SECONDED: Joseph Semione

VOTE: Unanimous

**G. 2017 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 e-mailed to all IDA Board members on December 12, 2017.
- Executive Director has collected the forms and tallied the results.

2. Review Summary of 2017 IDA Board Performance Questionnaire

- See Handout.

IDA DISCUSSION: Jim Mraz distributed copies of the summary of the 2017 IDA Board Performance Questionnaire. He stated that several IDA Board members commented regarding the lack of goal setting by the IDA Board. He asked IDA Board members if that is something that they wish to undertake. There was a lengthy discussion regarding potential goals and initiatives that the IDA may wish to consider and/or undertake. Bill Sullivan suggested that the IDA take a more active role in being an Ambassador/Salesman/Marketer. He stated that he's often asked questions by local businesses on how the IDA could assist a business. He stated he would like to be advised of what lots are remaining in the industrial parks, as well as what existing buildings are available. He stated he would like to have this information in the event that he does receive an inquiry from a local businessman. Jim Mraz stated that he would make a presentation to the IDA Board at its next meeting regarding site and building availabilities in our existing industrial parks.

It was agreed that the IDA Board would use its September meeting each year to serve as a retreat for the purposes of establishing goals and initiatives that the Board would like to undertake in the following year. Having the retreat done at that time will afford the IDA Board the ability to include into the following year's budget funds to pursue any projects and initiatives it would like to undertake in the following year.

IDA ACTION:

MOTION: To authorize the Executive Director to post the 2017 Summary of IDA Board Performance Questionnaire on the IDA's website.

MADE BY: Diana Putnam

SECONDED: Bill Sullivan

VOTE: Unanimous

**H. 2017 Assessment of the Effectiveness of the IDA's Internal Financial Control 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. 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.

3. 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 of the Fulton County Industrial Development Agency for the year ending December 31, 2017. This assessment found the IDA’s internal controls, as amended, were determined to be adequate and no deficiencies were identified. No new corrective actions are required.”**

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. Todd Rulison stated this report should reflect the one change the IDA Board made to the internal control system last year. Todd Rulison said the IDA Board asked the Chief Financial Officer to provide, at each IDA Board meeting, a copy of the latest Bank Statement to IDA Board members. This would verify that the amounts shown on the CFO’s monthly financial report are correct. Jim Mraz stated he would make that change to the IDA’s Internal Financial Control System.

IDA ACTION:

MOTION: To adopt the Certification Statement presented above, to authorize and direct the Executive Director to acknowledge in PARIS that said Certification Statement was approved by the IDA Board, to authorize and direct the Executive Director to post this certification on the IDA’s website and to update the IDA’s Internal Financial Control System.

MADE BY: Joseph Semione  
 SECONDED: Joseph Gillis  
 VOTE: Unanimous

**I. IDA’s 2017 Annual Report:**

- The Draft 2017 Annual Report was e-mailed to all IDA members on Thursday, December 21, 2017.
- Review Draft 2017 Annual Report.

IDA DISCUSSION: Jim Mraz stated that he e-mailed IDA members a copy of the Draft 2017 Annual Report. He asked if there were any desired changes to the Draft Report. There were none requested. Jim Mraz asked if anyone had any questions regarding the content of the Annual Report. There were none.

IDA ACTION:

MOTION: To approve the IDA’s 2017 Annual Report and to authorize and direct the Executive Director to post the Annual Report onto the IDA’s website and to file the report with the Board of Supervisors.

MADE BY: Dave D’Amore  
 SECONDED: Joseph Gillis  
 VOTE: Unanimous

**J. Invoices for Legal Services:**

- IDA has received three (3) invoices from Fitzgerald, Morris, Baker and Firth for legal services provided in 2017:

1. General Legal Services	:	\$4,075.00
2. Regional Business Park	:	\$1,134.00
3. <u>160 Enterprise Drive Property</u>	:	<u>\$ 378.00</u>
<b>Total</b>	:	<b>\$5,587.00</b>

IDA ACTION:

MOTION: To authorize the payment of these three (3) invoices.

MADE BY: Bill Sullivan

SECONDED: Joseph Gillis

VOTE: Unanimous

**K. National Grid Grant for Tryon Targeted Industry Analysis Project:**

- Several years ago, the IDA received a grant from National Grid to be used to help Fulton County pay for the cost of preparing the Tryon Targeted Industry Analysis.
- The IDA just received a check from National Grid in the amount of \$35,293 which represents the final payment due for the Tryon Targeted Industry Analysis Project under this grant.
- This check has been deposited into the IDA's money market account.
- A payment in the amount of \$35,293 needs to be sent to Fulton County.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated this would be the second and final payment the IDA received on behalf of Fulton County for the Tryon Targeted Industry Analysis Project. He stated that the check from National Grid has already been deposited into the IDA's account. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize a payment in the amount of \$35,293 to Fulton County.

MADE BY: Tim Munn

SECONDED: Joseph Semione

VOTE: Unanimous

**VI. OTHER BUSINESS:**

**A. Fire Tax Bills:**

- IDA owns vacant land on the east side of NYS Route 30A and in the Tryon Technology Park in the Town of Johnstown.
- Even though the IDA is tax exempt, it is not exempt from Fire Taxes.

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

- 2018 Fire Tax Bill:
  - 174.-2-65 : \$ 37.81
  - 174.-2-66 : \$ 37.30

**C. Town of Johnstown Fire Tax Bill for Tryon Technology Park Property:**

- 2018 Fire Tax Bills are:
  - 164.-2-54 : \$ 1.30
  - 164.-2-16.5 : \$ 518.00

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that although the IDA is exempt from local property taxes, it is not exempt from fire taxes. He stated these are annual fire tax bills that the IDA receives from the Town of Johnstown. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize the payment of these four (4) Town of Johnstown Fire Tax bills.

MADE BY: Joseph Gillis  
SECONDED: Joseph Semione  
VOTE: Unanimous

**D. 2017 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.
  - Initial letters were sent out on November 9, 2017.
  - Follow-up letters were sent on December 26, 2017.
2. Status Report:
  - To date, the IDA has received responses from:

Companies:  
YMCA  
CG Roxane

Municipalities/School Districts:  
Town of Johnstown

Fulton County  
 City of Gloversville  
 City of Johnstown  
 Greater Johnstown School District

- The IDA is waiting for a response from:

Companies:

Swany  
 Johnstown Renewables  
 CIC

Municipalities/School Districts:

Fonda-Fultonville School District

3. Summary of 2017 PILOT Payments:

- See Handout.

4. As of January 1, 2018, the IDA has the following active projects:

Owner	Lessee	Address	Occupant
IDA	Swany	115 Corporate Drive, Gloversville, NY	Swany
IDA	CG Roxane	1 Old Sweet Road, Johnstown	CG Roxane
IDA	YMCA	213 Harrison Street, Gloversville, NY	YMCA
IDA	Johnstown Renewables	Enterprise Drive, Johnstown, NY	Johnstown Renewables

5. As of January 1, 2018, the IDA has the following active PILOT Agreements:

Owner	Lessee	Address	Occupant
IDA	Swany	115 Corporate Drive	Swany
IDA	CG Roxane	1 Old Sweet Road, Johnstown	CG Roxane
IDA	Johnstown Renewables	Enterprise Drive, Johnstown, NY	Johnstown Renewables

6. Lease Terminations in 2017:

- A. The Lease/PILOT with the CIC for the Perth Primary Care Clinic Project was terminated.

IDA DISCUSSION: Jim Mraz distributed a copy of the annual PILOT Report that was prepared based upon the feedback received from companies that the IDA has PILOT's with and local taxing jurisdictions. He explained the annual process that is utilized to track companies that the IDA has a PILOT with to ensure that they're making the payments that are required to be made under each PILOT. He stated that, in 2017, the IDA had three (3) active PILOTS. He stated that, for the Swany and CG Roxane projects, the records indicate that the companies made the required PILOT payments. He stated, with respect to the Johnstown Renewables Project, the IDA has yet the report from either Johnstown Renewables or the Fonda-Fultonville School District. He stated that, per the PILOT, the 2017-18 School Tax Bill was the first payment that Johnstown Renewables was suppose to make under the PILOT. In the absence of any reports back from either the company or the School District, he doesn't know whether Johnstown

Renewables made that required payment or not. He stated once he receives that information, he will advise the IDA Board members accordingly.

Jim Mraz asked if there were any questions regarding the PILOT report. There were none.

**VII. NEXT MEETING:**

Tuesday  
February 13, 2018  
8:00 a.m.

**VIII. CLOSE MEETING:**

MOTION : To close the meeting.  
MADE BY : Joseph Gillis  
SECONDED : Dave D'Amore  
VOTE : Unanimous  
TIME : 6:15 p.m.