

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
OCTOBER 11, 2022
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
MIKE FITZGERALD, VICE CHAIRMAN
TODD RULISON, TREASURER
DAVID D'AMORE, MEMBER
SUE COLLINS, MEMBER
DR. GREG TRUCKENMILLER, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
TRAVIS MITCHELL, FULTON COUNTY CENTER FOR REGIONAL GROWTH
JACK WILSON, LIAISON, ECONOMIC DEVELOPMENT AND ENVIRONMENT COMMITTEE

(Joe Semione arrived at 8:05 a.m.)

I. MINUTES FROM SEPTEMBER 6, 2022 MEETING:

MOTION : Accept as presented.
MADE BY : Dave D'Amore
SECONDED : Sue Collins
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Mike Fitzgerald
SECONDED : Dave D'Amore
VOTE : Unanimous

III. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Report: Dave D'Amore

IDA DISCUSSION: Dave D'Amore approved the Monthly Bank Reconciliation Reports.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

IV. FULTON COUNTY/FULTON COUNTY CENTER FOR REGIONAL GROWTH (FCCRG) REPORTS:

1. Fulton County Report: Jack Wilson
2. FCCRG Report: (See attached.) Travis Mitchell

IDA DISCUSSION: Travis Mitchell reviewed the monthly report from the FCCRG that was attached to the Agenda. He stated that the California sewing operation is still looking for a location in Fulton County. He stated that Ron Peters attended a recent nano conference. He reviewed the work the CRG is doing in administering the CARE and Microenterprise grants. He stated that interviews have been conducted for the Downtown Development Specialist.

V. OLD BUSINESS:

A. Fulton County Site Inventory Report:

1. Status Report:
 - FCCRG's Site Committee met on June 23, 2022.

B. Nexus Renewables Project:

- At June 14, 2022 meeting, IDA Board agreed to extend Option Term in Lease Agreement to December 31, 2022 contingent upon Nexus paying IDA's legal fee invoice sent to Nexus on March 2, 2022.
- At September 6, 2022 meeting, IDA Board agreed to extend Option Term in Lease Agreement to June 25, 2023 contingent upon Nexus paying IDA's legal fee invoice.

- On September 8th, Jim Mraz emailed Keith Sandor an Amendment to Lease extending option date to June 25, 2023 to sign and return with check.

IDA DISCUSSION: Jim Mraz stated that he has a Zoom call with Nexus Renewables at 10:30 a.m. today.

C. Vireo Health Project:

1. Sale of Vireo Health to Verano Holdings:
 - Both companies are seeking shareholder approval of the proposed sale.
2. Status of Construction:
 - Construction ongoing.
3. PILOT/Lease:
 - Working with Vireo Health to complete the Lease/PILOT Agreements for its 324,000 SF building.
4. Increase in Sales Tax Exemptions:
 - At August 9, 2022 meeting, IDA Board approved increasing the total amount of sales tax exemptions Vireo can take contingent upon Vireo signing either a Standard Lease or Agent and Equipment Lease with the IDA.

IDA DISCUSSION: Kara Lais stated that she remains in contact with Vireo's counsel regarding getting the lease and PILOT Agreements executed.

D. Hoffman Carwash Project:

- Carwash opened during the week of September 5th.

E. Winstanley Enterprises Project:

- Winstanley targeting January 2023 to close on purchasing lands in Tryon Technology Park.

F. Fulton County Sewer District No. 4: Tryon:

1. Back-up Generator Project:
 - ATS scheduled to be delivered in September. Generator in October.
2. 90-Day Notice to New York State:
 - No comments/objections were received by the September 8, 2022 deadline.
3. Transfer of Land to Fulton County Sewer District No. 4:
 - Two (2) parcels to be deeded to Fulton County Sewer District No. 4:

- Parcel 1	:	12.762 acres
- Parcel 2	:	22.253 acres
 - Deed, Bill of Sale and other paperwork to transfer title of land over to Sewer District No. 4 to be signed on October 11th.

- Once these actions are taken, the Sewer District will take over operation and maintenance of Tryon's sewer system.

IDA DISCUSSION: Kara Lais stated that she has the documents with her today for Chairman Semione to sign authorizing the transfer of IDA property at Tryon over to Fulton County Sewer District No. 4.

G. Treasury Bills:

- Funds invested into Treasury Bills on Tuesday, August 16, 2022.
- Funds were invested in 3-month, 6-month, 9-month and 12-month T-Bills.
- Interest rates were:

3-month	:	2.37%	matures:	11/17/22
6-month	:	2.89%	matures:	2/16/23
9-month	:	2.91%	matures:	5/18/23
12-month	:	3.18%	matures:	8/10/23

H. Labor Market Analysis Update:

- The business survey went live on August 17th.
- Chamber of Commerce and FCCRG sent emails to all of their members asking that they complete the survey.
- Jim Mraz sent personal emails to numerous local businesses encouraging them to complete the survey.
- The survey was taken down on September 23, 2022.
- Total survey responses: 19

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed several pieces of input received from the survey. He stated the next step is for DCG Corplan to collect information regarding the labor market. He stated that DCG Corplan is probably going to be using a 45-minute drive as the labor market area for Fulton County.

VI. NEW BUSINESS:

A. Proposed 2023 IDA Budget:

- IDA Board must adopt a 2023 Budget by November 1, 2022.
- Proposed 2023 Budget is attached.
- Key details include:
 - Proposed budget totals \$203,620 which is a decrease of \$2,520 or 1.1% from 2022.
 - Proposed Tryon Budget totals \$12,300 which is a decrease of \$65,700 or 84% from 2022.
 - Funds are budgeted to conduct engineering evaluations of two (2) tracts of land to potentially prepare as shovel-ready sites.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. Todd Rulison stated that the Tryon Budget should be amended to reflect an anticipated reimbursement from Winstanley for mowing in 2023. Jim Mraz stated that he would make that revision to the Tryon Budget. Jim Mraz asked if there were any further questions. There were none.

IDA ACTION:

MOTION: To accept the 2023 IDA Budget as presented.

MADE BY: Dave Semione

SECONDED: Todd Rulison

VOTE: Unanimous

B. Board Training:

1. Use of IDA Funds:

a. Background:

- At the September 2022 meeting, a question was raised on whether the IDA can make donations to local groups or organizations.

b. Use of Funds:

- The IDA is a public benefit corporation.
- The IDA generates its revenues from administrative fees from private companies applying for financial incentives and lot sales.
- These funds are considered public monies even though they are not tax revenues or come from a municipality.

c. IDA's Discretionary Funds Policy:

- The ABO recommends that IDA's adopt a Discretionary Funds Policy.
- In June 2013, the IDA Board adopted a Discretionary Funds Policy.
- The following are excerpts from this Policy:

1. Applicability and Purpose:

- a. This Discretionary Funds Policy shall apply to all Agency directors, officers and employees. The purpose of this Policy is to regulate the expenditure and use of Agency discretionary funds.

2. Definitions:

- a. Discretionary Funds: Funds, from any source, that may be allocated or expended at the discretion of the Agency directors and staff who have the authority to approve such spending.

3. Use of Discretionary Funds:

- a. Discretionary funds must be expended on uses that relate to an enumerated power, duty or purpose of the Agency.
- b. Discretionary funds shall be used to advance the Agency's mission and public purposes.
- c. Discretionary funds shall not be used in a manner that primarily benefits an Agency director or staff.

4. Prior Approval:

- a. All expenditures of discretionary funds shall be approved by the Agency prior to the expenditure.

5. Guidance on Certain Expenditures:

a. Membership Dues:

- 1) Membership dues paid by the Agency to belong to a professional peer organization shall be a permissible use of discretionary funds.
- 2) Individual membership costs for board Agency directors and staff to belong to a professional, social or fraternal organization whereby the membership is of the primary benefit to the individual rather than the Agency shall not be a permissible use of discretionary funds.

b. Charitable Contributions & Sponsorships:

- 1) **The utilization of discretionary funds on sponsorships or charitable contributions shall depend on whether the proposed expenditure relates to the powers, duty and purposes of the Agency and whether such expenditure will advance the Agency's mission and public purpose.**

c. Food & Beverages:

- 1) Food and beverages purchased during business travel as provided in the Agency's Policy No. 3: Travel, food and beverages purchased for or during the conduct of Agency business shall be a permissible use of discretionary funds.
- 2) Food and beverages purchased when conducting Agency business shall be a permissible use of discretionary funds.
- 3) Food and beverages purchased for the personal consumption of Agency directors and staff shall not be a permissible use of discretionary funds.

d. Professional Training, Certification and Licensing:

- 1) Paying the costs for Agency directors and staff to attend training to maintain certifications or licenses, or to attend professional conferences shall be a permissible use of discretionary funds.

e. Marketing:

- 1) Expenses incurred in the course of marketing the Fulton County region to new or prospective businesses and developing and maintaining relations with existing businesses and supporting partners in the furtherance of the Agency's mission shall be a permissible use of discretionary funds.

d. Section 858 of General Municipal Law:

- Section 858 identifies all powers of IDA's.
- It does not state that IDA's can make gifts.
- There are several Comptroller opinions verifying such.
- However, Section 858 empowers the IDA to accept gifts from the U.S, NYS or any Agency of them, any municipality, any public or private corporation or any legal entity for any of its corporate purposes.

e. ABO's Recommended Practices:

- See attached.

VII. OTHER BUSINESS:

A. Executive Session:

1. Upon a majority vote of its total membership, taken in an open meeting pursuant to a motion identifying the general area or areas of the subject or subjects to be considered, a public body may conduct an executive session for the below enumerated purposes only, provided, however, that no action by formal vote shall be taken to appropriate public moneys:

- i. matters which will imperil the public safety if disclosed;

- ii. any matter which may disclose the identity of a law enforcement agent or informer;
- iii. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
- iv. discussions regarding proposed, pending or current litigation;
- v. collective negotiations pursuant to article fourteen of the civil service law;
- vi. the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation;
- vii. the preparation, grading or administration of examinations;
- viii. **the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**

MOTION: To go into Executive Session to discuss the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

MADE BY : Greg Truckenmiller
 SECOND : Mike Fitzgerald
 VOTE : Unanimous

TIME : 8:22 a.m.

(NOTE: Dave D'Amore left the meeting at 8:50 a.m.)

MOTION : To go out of Executive Session.

MADE BY : Sue Collins
 SECOND : Greg Truckenmiller
 VOTE : Unanimous

TIME : 9:22 a.m.

VIII. NEXT MEETING:

Tuesday
 November 8, 2022
 8:00 a.m.

IX. CLOSE MEETING:

MOTION : To close the meeting.

MADE BY : Sue Collins

SECONDED : Joe Semione

VOTE : Unanimous

TIME : 9:22 a.m.

Fulton County Center for Regional Growth

October 2022

A. Business Marketing / Business Leads / Business Inquires

1. Continue to work with out-of-state glove sewing operation relocating to Fulton County.
2. Dolgeville BOA – Herkimer/Fulton County Update. The Brownfield Opportunity Area Steering Committee met on September 21.
3. We received an RFP for a company looking for a site. It was far beyond what we have available now or in the future. It had many needs including heavy power usage and rail.
4. CRG recently attended a meeting with the New York State NANO team for a review of the federal advanced manufacturing programs.
5. Both the 2022 Microenterprise and 2021 Microenterprise CARES Act Grant Programs are very strong and progressing well.
6. NYS offered additional funding for the 2021 Microenterprise CARES Act Grant Program.
7. The Gloversville Downtown Revitalization Initiative is waiting on state approval of the submitted DRI Projects.
8. CRG is currently in the process of filling the vacant Downtown Development Specialist position.
9. The Mohawk Valley Six County Brownfield Summit is tentatively taking place on April 25 – 26, 2023. CRG will be is taking the lead on the summit programing.
10. Last month we closed one loan, currently there is one in closing mode, and two additional loan applications were received.

11. The Fulton County EPA Brownfield Grant is moving forward. We are setting up an EPA Brownfield Program tab on our website to act as an informational platform about the program, how it works and to provide for public participation.

- Total number of properties suggested - 47

- Number of sites submitted to EPA for Phase 1 Approval- 18

- Number of sites EPA Approved for Phase 1- 15

- Number of sites not approved for Phase 1

- Number of Phase 1's completed - 4

- Number of Phase 1's underway- 10

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPOSED 2023 BUDGET

	ADOPTED 2022 BUDGET	PROPOSED 2023 BUDGET
REVENUE & FINANCIAL SOURCES:		
Operating Revenues		
Charges for services		
Rental & financing income		
Other operating revenues	\$ 41,000.00	\$ 5,800.00
- Administration Fee (CG Roxane/Benjamin Moore)	\$ 800.00	\$ 800.00
- Land Lease	\$ 1,200.00	\$ -
- NEXUS Lease	\$ 34,000.00	\$ -
- Gloversville Water Board	\$ 5,000.00	\$ 5,000.00
Nonoperating Revenues	\$ 165,140.00	\$ 197,820.00
Investment earnings	\$ 1,000.00	\$ 15,000.00
State subsidies/grants		
Federal subsidies/grants		
Municipal subsidies/grants	\$ -	\$ -
- Fulton County		
Public authority subsidies		
Other nonoperating revenues	\$ 164,140.00	\$ 182,820.00
Proceeds from the issuance of debt	\$ -	\$ -
Total Revenue & Financial Sources	\$ 206,140.00	\$ 203,620.00
EXPENDITURES:		
Operating Expenditures		
Salaries and wages: Executive Director and CFO	\$ 32,000.00	\$ 34,000.00
Other employee benefits		
Professional services contracts	\$ 78,500.00	\$ 138,500.00
-West & Company	\$ 9,500.00	\$ 9,500.00
-Legal	\$ 9,000.00	\$ 9,000.00
-Engineering: Shovel-ready Sites	\$ 60,000.00	\$ 120,000.00
Supplies and materials		
Other operating expenditures	\$ 95,640.00	\$ 31,120.00
-Tryon Technology Park	\$ 78,000.00	\$ 12,300.00
-Meetings (2)	\$ 1,400.00	\$ 1,500.00
-NYSEDC Membership	\$ 850.00	\$ 900.00
-Town of Johnstown Fire Taxes: NYS Rt, 30A properties	\$ 80.00	\$ 100.00
-FCCRG Gold Membership	\$ 1,000.00	\$ 1,000.00
-IDA website	\$ 14,000.00	\$ 15,000.00
-Miscellaneous	\$ 250.00	\$ 250.00
-Quicken	\$ 60.00	\$ 70.00
Nonoperating Expenditures	\$ -	\$ -
Payment of principal on debt		
Interest and other financing charges		
Grants and donations		
Other nonoperating expenditures		
Refund - overpayment		
Total Expenditures	\$ 206,140.00	\$ 203,620.00
Capital Contributions	\$ -	\$ -
Excess (deficiency) of revenues and capital contributions over expenditures	\$ -	\$ -

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PROPOSED 2023 BUDGET FOR TRYON TECHNOLOGY PARK

REVENUE	2022 BUDGET	PROPOSED 2023 BUDGET
A. Lease:	\$ 39,000.00	\$ 5,000.00
Nexus Renewables	\$ 34,000.00	\$ -
Gloversville Water Board	\$ 5,000.00	\$ 5,000.00
EXPENDITURE	2022 BUDGET	PROPOSED 2023 BUDGET
A. Property Maintenance:	\$ 11,000.00	\$ 10,000.00
1. Mowing/Sign	\$ 11,000.00	\$ 10,000.00
B. Taxes:	\$ 1,850.00	\$ 600.00
1. Town of Johnstown Fire Tax	\$ 600.00	\$ 600.00
2. Town of Perth Fire Tax	\$ 1,250.00	\$ -
C. Insurance:	\$ 9,000.00	\$ 1,000.00
1. NYMIR	\$ 9,000.00	\$ 1,000.00
D. Wastewater Pump Station:	\$ 3,500.00	\$ -
1. Electricity	\$ 3,500.00	\$ -
E. Site Development Planning:	\$ 30,000.00	\$ -
1. Prepare Background Studies	\$ 30,000.00	\$ -
F. Capital Projects:	\$ 20,000.00	\$ -
1. Building Cleanup	\$ -	\$ -
2. Food Site Certification	\$ -	\$ -
3. Tryon Development Area	\$ 20,000.00	\$ -
G. Repairs:	\$ 2,000.00	\$ -
1. Sewer	\$ 2,000.00	\$ -
H. Miscellaneous:	\$ 650.00	\$ 700.00
1. SPDES Permit	\$ 150.00	\$ 200.00
2. Miscellaneous	\$ 500.00	\$ 500.00
TOTAL:	\$ 78,000.00	\$ 12,300.00

Authorities Budget Office Recommended Practice



This Recommended Governance Practice is intended for use by policymakers, and directors, officers and officials of state and local authorities. These bulletins are intended to promote best practices and encourage their consideration and incorporation into the management policies and oversight of public authorities.

Issue: Written Policies Governing the Use of Authority Discretionary Funds

Provisions: Section 2824(1)(b) of Public Authorities Law requires directors to understand, review and monitor the implementation of fundamental financial and management controls and the operating decisions of the authority.

Objectives: Boards of directors and authority management have an obligation to authorize the expenditure of funds only for purposes that relate to and support the mission of the authority. The fiduciary duty of the board includes adopting policies that safeguard the assets and resources of the authority and protect against the use of funds for purposes that do not advance its core purpose and objectives. It is particularly important for the board to develop a policy on the proper use of authority discretionary funds that clarifies for all employees what would and would not be considered appropriate expenditures.

Recommended Practice: Public authorities are governed by statute. In its legal opinion #2007-F4, the Office of the Attorney General determined that the expenditure of authority funds must relate directly to an enumerated power, duty or purpose of the authority. The funds of an authority may not be spent in support of the private or personal interests or to the benefit of directors, management or staff. Accordingly, the Authorities Budget Office recommends that all state and local authorities adopt written policies that specifically delineate the proper use of an authority's discretionary funds. This policy should address not only what constitutes a proper discretionary expenditure related to the mission and public purpose of the authority, but also address what would be considered an improper use of those funds.

For example, at the discretion of the board or management certain out-of-town business travel and travel-related expenses may be appropriate to advance the mission of an authority. While such an expense would be permissible under the authority's policy, the policy should also provide guidance as to reasonable amounts for such expenses and require that employees perform due diligence to obtain the lowest cost. The policy should also require prior approval of or authorization by an appropriate individual to ensure that such travel is reasonable and necessary. The policy should require documentation to justify the nature and purpose of such expenses, require the employee to provide receipts for

expenses and provide dollar thresholds for what will be considered reasonable (such as amounts allowed by federal GSA guidelines for travel expenses including per diems, government lodging rates and amounts for meals and other incidental expenses).

Certain meal costs also may be incurred through participation in, or sponsorship of, activities integral to meeting the core public purpose of the authority. Similar to appropriate travel expenses, eligible meal costs must be properly documented and reasonable cost thresholds established.

At the same time, the policy should explicitly outline the types of expenses for which the board will not give approval. This section should specifically note the impropriety of purchases using authority cash or credit that are personal in nature, that would benefit one or more staff of the authority rather than benefit those dependent on the authority's services, or are not necessary to advance the mission of the authority. Examples of inappropriate use of authority funds would include, but need not be limited to:

- Food, beverages, and other refreshments purchased for the personal use of directors, management or other employees, or by persons with whom the authority conducts business (unless prior authorization is received);
- Flowers and gifts for staff, directors or family members;
- Subsidized or free use of authority services for the personal use of current or former board members, staff, or family members of staff;
- Celebrations for special occasions that do not directly relate to the purpose of the authority, such as catering or decorations for summer picnics, office parties or holiday or retirement parties;
- Charitable contributions or sponsorships of events not associated with the authority's mission;
- Purchases of alcohol or tobacco products;
- Membership dues in professional organizations on behalf of employees;
- Renewal of professional licenses for staff;
- Personal use of authority vehicles, unless properly documented for tax purposes;
- Costs to purchase or mail holiday cards, invitations or expressions of sympathy to staff or families of authority staff; or
- Assignment of cell phones or vehicles to non-authority staff.

Absent specific statutory power, public authorities may not use public funds to purchase items considered personal expenses or that are intended to personally benefit an employee or director. Expenses such as those listed above do not advance a public purpose and should be considered personal in nature.