



MINUTES

Minutes of the scheduled meeting of the Columbia County Industrial Development Agency Audit Committee held at 4303 Route 9, Hudson, NY on **Tuesday, May 19, 2015.**

ATTENDANCE:

IDA Committee

Members

Michael Benson
Bruce Bohnsack
Bob Galluscio
Brian Keeler
Jim Mackerer
Sid Richter
Sarah Sterling

Staff

Lisa Drahashuk
Ken Flood
Erin McNary
Carol Wilber

Counsel

Theodore Guterman II

Guest:

Matthew VanDerbeck

Public:

Katie Kocijanski –
Register Star

Mr. Bohnsack called the IDA Audit Committee meeting to order at 8:37am.

Minutes:

Mr. Bohnsack asked if there were any changes to the minutes from August 19, 2014 that had been previously distributed. No changes were suggested. Mr. Bohnsack asked for a motion to approve the minutes as presented. Mr. Galluscio made the motion to approve the minutes. Mr. Richter seconded the motion, which passed unanimously.

Mr. Bohnsack asked Mr. Vanderbeck to present the 2014 Audited Financials to the Committee. Mr. Vanderbeck stated there were no findings and reviewed the financials with the Committee. Mr. Vanderbeck stated he had questioned the organizations ability to continue as a going concern due to a lack of revenue. He noted there were no control issues and no adjustments required.

Mr. Flood explained to the Committee that typically IDA's have 2 sources of revenue: application fees and project fees. He stated some IDA's have appropriations for their respective county, but most rely on the previously mentioned fees. He noted that some IDA's have allowed retail projects. Columbia County IDA has created a policy which does not allow for retail projects to be granted IDA benefits. He mentioned that Catamount, Ginsberg's and a future application for a solar farm are potential projects.

Mr. Galluscio asked Mr. Vanderbeck if the statement about the ability to continue as a going concern was appropriate since the IDA is not a for profit business. Mr.

Vanderbeck stated it was a cautionary statement, alerting the IDA to the need for a contingency plan. Mr. Keeler asked who pays the project fees. Mr. Flood stated the applicants. Mr. Benson asked what the Ginsberg fee would total if the project would come to fruition. Mr. Flood stated they had already paid their application fee. He stated under the newly adopted fee schedule, the fee would be 1% of the total project cost. Ginsberg's fee under that schedule would total \$120,000. He stated the project had fallen under the old fee schedule which was $\frac{3}{4}$ of 1 percent.

Mr. Mackerer asked the status of CEDC repaying the IDA for the attorney fees on the Ginsberg project. Mr. Bohnsack referred the question to Mr. Flood. Mr. Flood stated they were currently looking at the bigger issue of financing the IDA, noting that a more permanent solution would be needed other than just the reimbursement of the \$20,000. He stated that Bill Better had been hired to help negotiate the PILOT with Ginsberg. He stated no contract had been brought to the IDA Board.

Mr. Benson asked who had made the decision to hire Mr. Better. Mr. Flood stated he had in consultation with Mr. Bohnsack. Mr. Bohnsack stated he was notified after Mr. Better had been hired and was not involved in the negotiations or the decision to bring him on board. Mr. Benson asked Mr. Flood to explore where the directive came from and make the origin known. Mr. Benson asked for a breakdown of the professional fees listed in the audit. Mr. Vanderbeck stated that would be obtained from Ms. McNary.

Mr. Richter asked about the reimbursement. Mr. Flood stated discussions were ongoing about a long term allocation from CEDC. He stated negotiations with Mr. Crawford on the topic were ongoing.

Mr. Bohnsack asked for a motion to recommend approval of the 2014 audited financials. Mr. Mackerer made a motion to recommend the financials as presented. Mr. Richter seconded the motion, which passed unanimously.

Internal Controls Review:

Mr. Flood reviewed the enclosed assessment of internal controls statement. Mr. Bohnsack called for a motion to recommend approval of the statement. Mr. Richter made a motion to approve the statement as presented. Mr. Keeler seconded the motion, which passed unanimously.

Mr. Flood stated he would distribute the breakdown of professional services to the Board.

With no other business to come before the committee, Mr. Galluscio motioned to adjourn the meeting. Mr. Richter seconded the motion which passed unanimously.

The meeting was adjourned at 8:55am.

Respectfully submitted by Lisa Drahusnik