

**SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY**

**MEETING MINUTES**

Special Meeting  
Thursday, March 27, 2008  
8:00 a.m.  
Holiday Inn  
Waterloo, New York

**Attendance:**

Board Members Present: Robert Rosenkrans, Chairman; Thomas Kime; Kenneth Lee Patchen, Jr.; Robert Kernan; David M. Kaiser; Fred Gaffney; Thomas Macinski and Kenneth Riemer

Board Members Absent: None

Staff Attending: Stephen Dennis, Executive Director; Patricia Jones, Project Coordinator for Reuse/Empire Zone; Monica Novack, IDA Administrative Assistant; and Greg Keefe, IDA Chief Financial Officer

Others Attending: Dave Shaw, Finger Lakes Times; Tom Zuber, Ray Wager CPA

**Call to Order:**

Chairman Rosenkrans called the meeting to order at 8:08 a.m. A quorum of the Agency's members was present.

**Public Authorities Reporting Information System (PARIS):**

Steve Dennis presented to the Board the draft 2007 Annual Report prepared via Public Authorities Reporting Information System (PARIS). He gave an over-view of the new reporting system. He also noted the 2007 Annual Report cycle was the first time all IDAs would be required to report on the governance provisions of the 2005 Public Authority Accountability Act and the former Comptroller Report. In addition, he reported the Agency is required to file a Procurement Report, an Investment Guideline Report and Audited Financial Statements. The Procurement and Investment Reports are expected within 90 days of end of fiscal year; however, they must be filed annually. The Audited Financial Statements must be filed within 30 days of receipt. Steve reviewed each section of the report with the Board. Comments presented included:

Change Organizational Chart so that Seneca Knit Corporation does not appear to be directly reporting to the IDA Board of Directors. Show linkage to IDA Board via a dotted line and add Seneca Knit Board as an intermediary.

Changes to Annual Report under L.M. Sessler Excavating and Wrecking, add the project is on deferral "at request of the applicant".

Create an official statement of Board Duties and Responsibilities by pulling that information from the By-laws rather than just referring to the By-laws. Statement to be sent out to Board for comments and approved.

There was a discussion regarding assessment of internal controls. Tom Zuber reported the agency had completed an internal controls assessment questionnaire, and a draft statement had been prepared. Steve Dennis noted ABO had reviewed the statement and had suggested revisions. Tom Zuber reported he would forward an updated statement noting mitigating actions.

It was noted Greg Keefe, who serves as IDA Chief Financial Officer, needed to be reported as "agency staff" employed by another government/agency. It was further noted he is not an IDA employee and therefore, did not have to be reported in the employee section.

A motion was made by Robert Kernan to make a resolution to adopt the policy of prohibiting the extension of credit to Board members and staff in accordance with Section 2824(5) of PAL. Seconded by David Kaiser. Messrs. Rosenkrans, Kime, Kernan, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Motion carried. Note that the Board already makes it practice not to extend credit.

Tom Kime noted that future Audit Committee Meeting Minutes would need to be more extensive in the future to document all topics discussed and issues addressed.

The Whistler Blower Policy needs to include reporting violations not just to the Executive Director, but also to the Chairman or Audit Committee. It was recommended this issue be referred to the Governance Committee.

The Defense and Indemnification Policy needs to be more restrictive. Should not indemnify all parties acting on behalf of the agency. It was recommended that this issue be referred to the Governance Committee.

Discussion took place as to whether Board members serving on other Boards, ie: RLF, should be considered elected or appointed municipal government position. The Director agreed to check on this issue and members were polled to determine their respective Board appointments if it was determined such appointments would require a positive

response. It was noted David Kaiser would be reported as also holding another elected or appointed government position.

Discussion took place regarding the listing of Seneca Knit as an affiliate/subsidiary organization. The consensus was the Knit needs to be listed as such based on its origin via the IDA and service links to the IDA. However, the Board requested agency counsel to review the relationship between the IDA and Seneca Knit for future consideration/action. The Board also agreed to list the Seneca County Economic Development Corporation as an affiliate/subsidiary.

Tom Zuber reported the financial statements included in the report are based on Draft Audit provided by Ray Wagers office. Steve Dennis reported the agency can submit the annual report with un-audited financial statements.

There was a discussion on the debt schedule, and Tom Zuber responded to questions from the Board. It was noted most of the agency's debt is classified as "conduit".

On the Property Documents page, rather than answering "no" to the first question, the Board felt that staff should create a description of the properties: Deer Run and the Depot. Steve Dennis noted the required information that would have to be included in this section and that the property documents would have to be posted on the agency's web site.

Tom Zuber explained the IDA Project sheets in detail for the Board. He noted his firm had reviewed the data included in the reports based on the information provided by the IDA. He further noted his firm did not perform an audit of the information but felt the IDA had done a good job of obtaining information from businesses with active projects. His presentation included an overview of the data presented and a summary of how the project sheets profile what a business would have paid in taxes without IDA involvement versus payments made via IDA involvement and the resulting net exemptions to the respective business.

Both Tom Zuber and Steve Dennis noted some categories of job information on the project sheets could not be completed since this information was not required at the time of application or was not provided in the original application. Steve Dennis also reported the IDA had placed priority on obtaining information on current job levels and would be submitting the project sheets with "0" where historical job information was not collected or available. He also reported some businesses had a realty company and an operating company. In cases where there was additional employment via the operating company, which was not the applicant, the IDA had tried to obtain job information which would be reported in the "notes section". Steve further noted that the IDA would need to revise its Application for Financial Assistance to capture the information needed for future annual/state reports.

Tom Macinski made a motion to approve the draft 2007 annual report for PARIS with noted changes and to authorize submission subject to Board Chairman approval of any further changes. Seconded by Robert Kernan. Messrs. Rosenkrans, Kernan, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Kime was absent (left early). Motion carried.


Ken Riemer made a motion the agency retain a file copy all of the documents printed and handed out at the meeting plus all worksheets, notes, e-mails, and other information obtained in preparation of the report. Such items to be retained by the agency to document "inquiry and due diligence" regarding responses and information included in the report. Seconded by Tom Macinski. Messrs. Rosenkrans, Kernan, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Kime was absent (left early). Motion carried.

**Adjournment:**

A motion to adjourn the meeting was made by Lee Patchen and seconded by Dave Kaiser. Motion carried. The meeting adjourned at 9:34 a.m.

The next regular scheduled meeting will be held on **April 3, 2008 at 12:00 Noon** in the Heroes Conference Room, Seneca County Building 2<sup>nd</sup> floor, Waterloo.

Respectfully submitted,

  
Kenneth Lee Patchen, Jr.  
Secretary

pc: Suzanne Sinclair, Seneca County Manager  
Margaret Li, Clerk, Board of Supervisors  
Russell Gaenzle, Esq, Harris Beach  
Justin Miller, Esq, Harris Beach  
Shawn Griffin, Esq, Harris Beach