

**ORANGE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**County Government Center
255 Main Street
Goshen, New York 10924
Phone: 845-291-2700 Fax: 845-291-2724**

Robert Armistead, Chairman
Mary Ellen Rogulski, Vice Chairman
Stephen Brescia, Secretary
John Steinberg, Jr., Assistant Secretary
Henry VanLeeuwen
Robert J. Schreibeis, Sr.
Russell O. Vernon

James O'Donnell, Executive Director
Joel Kleiman, Chief Financial Officer
Kevin Dowd, Attorney
Laurie Villasuso, Administrative Assistant

Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on January 16, 2013 at 3:00 p.m. in the Orange County Business Accelerator, 4 Crotty Lane, New Windsor, New York, to consider and/or act upon the following:

Order of Business

- **Roll Call**
- **Approval of the minutes from December 5, 2012 meeting**
- **Financial Reports and/or Requests for Payments**
- **Reorganization Meeting**

Elect Chairman: _____

Resolution- Elect Other Officers

Vice Chairman	_____
Second Vice Chairman	_____
Secretary	_____
Assistant Secretary	_____

IDA Chairman's Appointments:

Audit Committee-	Armistead (Chairman) ; VanLeeuwen; Rogulski Alternate: Schreibeis
Governance Committee-	Brescia (Chairman); Steinberg; Schreibeis; Alternate- Rogulski

Resolution- Appoint Executive Director (O'Donnell)

Resolution- Appoint CFO (Kleiman)

Resolution- Appoint Attorney (Dowd)

Resolution- Appoint Contract Officer (Dowd)

Resolution- Appoint FOIL Officer and FOIL Appeals Officer (O'Donnell & Dowd)

Resolution- Appoint Development Director (Malone)

Resolution- Contract Officer Report All Agency-owned Properties As of 12-31-12
(None)

Resolution- Designate Depositories and set limits

Resolution- Report Annual Review- Procurement Policies & Procedures for 2013

Resolution- Orange County-Services \$15,000

Resolution- Foreign Trade Zone \$25,000

Resolution- Newburgh-Stewart Empire Zone \$5,000

Resolution- Authorize "Agent Status" for Orange County Partnership; Hudson Valley Economic Development Corporation; Pattern for Progress; Hudson Valley Agri-Business; Rockland Economic Development Corporation " PTAC"; Hudson Valley Food & Beverage Alliance; Hudson Valley Film Commission.

- **New and Unfinished Business**

- Chairman's Report

- OCBA Report

- OCP Report

- Discussions

- Orange County Triathlon

- **Resolutions**
- **Such other and further business as may be presented**
- **Public Comments**
- **Adjournment**

Dated: January 8, 2013

Stephen Brescia, Secretary

By: James O'Donnell, Executive Director

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

December 5, 2012

A regular meeting of the Orange County Industrial Development Agency was convened in public session on December 5, 2012 at 3:00 P.M. at the Orange County Business Accelerator, in New Windsor, New York.

The meeting was called to order by the Chairman, Robert Armistead, and upon roll being called, the following were:

PRESENT: Robert Armistead, Mary Ellen Rogulski, Stephen Brescia, John Steinberg, Russell Vernon, Robert Schreibeis

ABSENT: Henry VanLeeuwen

ALSO PRESENT: James O'Donnell – Executive Director
Kevin Dowd – Attorney
Laurie Villasuso – Administrative Assistant
Joel Kleiman – CFO
Maureen Halahan – Orange County Partnership
Bill Madden – Focus Media
Brian Gates – HVEDC
Gina Domenico – HVEDC
James Walsh – Times Herald Record
Dave Doonan – Times Herald Record
Peter Malone – OCBA
Mike Finnegan – Continental Organics
James Petro – Town of New Windsor

Chairman Armistead calls the meeting for the Orange County IDA, December 5, 2012 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Review of the prior October 17, 2012 meeting minutes. Motion made by Brescia, seconded by Schreibeis to approve the minutes as presented. Motion carries with all in favor.

Roll Call taken.

Financial Reports and/or Requests for Payment

Mr. Kleiman asks the members to refer to the monthly vouchers, and distributes an updated list which includes an invoice from JGS for their work so far on the IBM audit. In total, the IDA has taken in \$188,193.50. Part of that income was an additional payment from Millennium, and two closing fees. The payments this month total \$385,924.79. He reminds the Board that they requested to no longer receive backup in their packets, but notes that Ms. Villasuso has all of the details.

He notes that the OCFC, whose meeting will commence immediately after the IDA meeting, will be voting on payment for attorney services.

Mr. Kleiman asks the Board to refer to the Income and Expense schedule. To date, we have received \$2.5M in revenue, and have expenses of just over \$1.1M. Revenues exceed expenses by just over \$1.5M. This does not include \$386K of invoices that were just approved. He does anticipate that revenues will exceed expenses for the year of 2012.

Asking the members to turn to the summary of the IDA bank accounts, he notes that one CD is due 12-19. He will solicit each approved bank for a CD or MM rate. He does not anticipate high rates. Mr. Vernon asks Mr. Dowd if he is absolutely certain that the IDA cannot invest in State instruments. Mr. Dowd confirms that we cannot. Ms. Rogulski adds that there are stricter regulations for financial institution when it comes to IDA funds.

Mr. Kleiman also notes that the auditors will visit the IDA and OCBA offices in late January/early February to complete the 2012 audit. It is noted that JGS is auditing the IDA for only the second time.

Motion made by Steinberg, seconded by Schreibeis, that the Board accepts the financial report and authorization of payments and vouchers for December 2012. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Executive Director Report

Mr. O'Donnell begins by advising that he met with Mr. DiTullo in Rockland County with regard to a few FTZ companies on the border of Rockland and Orange Counties.

The public hearing for Hudson Valley Crossings took place on Nov 20th, and there were no issues. Mr. O'Donnell also had a meeting with the Hudson Valley Film Commission. He advises that there is a group in Orange County looking to start their own Orange County Film Commission. Mr. O'Donnell notes that the Orange County Film Commission would not have any detrimental effect on HVFC. Mr. O'Donnell also spoke to Goshen Rotary and gave them an update on IDA activities and Economic Development within the county.

In addition, there Crystal Run Healthcare's ribbon cutting in Warwick was well-attended. While the IDA did the Wallkill and Monroe projects, CRH was happy to open and expand a new business without asking for any benefits.

Misters O'Donnell and Oates met with Satin Fine Foods, and in addition, Mr. Oates is coordinating companies looking for investors with possible capital investments.

Project Green is moving ahead, and there have been many meetings and emails over the course of the month with regard to its progress.

Also, he had a contingency from China, the city of Yiwu, visited the County Executive. This is the third meeting they've had. They were looking at the former Warwick prison, among a few other companies for possible investment/ownership.

There was also a ribbon cutting upstairs with Docuware. The County Executive was able to save over 40 jobs in the county. The VP flew over from their headquarters in Germany, and noted how wonderful it was to be able to get on a plane in Germany, land in Stewart, and walk up the hill to his headquarters here.

OCBA Report

Mr. Gates begins by introducing Bill Madden from Focus Media to discuss the Business Challenge. Mr. Madden reminds the members that the message of the contest is a one year lease for just one dollar, giving the Accelerator tremendous exposure across the region. There are several different platforms being used: The print campaign was launched on November 16th, and is a half-page ad in THR running every Thursday for six weeks. The radio spot is currently running on three stations. The theatre ad is animated and shows in two movie houses on 28 screens. He also notes that the text message function has been added. Lastly, the diner placemat, which focuses on popular diners outside of the immediate area in order to reach new prospects, is in Wilton, Newtown and Hartford CT and Ramsey NJ, with a total of 285K placemats. Mr. Gates adds that they have about five business plans under consideration right now, and the winners will be announced the end of February.

Mr. Gates notes that he and Mr. Malone have met with all six current full-time clients; they have been told about the direction of the Accelerator, asked about their needs, and apprised of the resources available to them. In addition, there are two new clients in the building: Choice Words, experts in grant-writing and business plans. They are available to the clients every Wednesday from 10-4pm. The other new client is the Ellenbogen Creative Media. They are a film and television production company and are available to produce film and videos for the clients to use in their business. He plays a video Ellenbogen produced for Continental Organics.

Mr. Gates notes that Accelerator events will now be held with the Orange County Chamber, with some events still occurring at the Accelerator. He reports that the Accelerator's followers on LinkedIn and Facebook have increased. Mr. Malone adds that Accelerator space is being advertised on 10 different websites, including Craigslist and The Joint

Services Academies. He is searching for additional relevant websites. The Accelerator would be listed under "office space" on the websites.

There have been some changes to the Associate Client program. The four current associate clients will be grandfathered in, but there has been a change in direction. He distributes a handout of the Associate Member Benefits. To get the word out, Mr. Malone has visited about 14 mayors and supervisors to discuss the Accelerator. He has also been making presentations to Rotaries and Lion's clubs, as well as B&I groups, with the goal of keeping the word out there.

Ms. Domenico has been tasked with finding ways to save the Accelerator money, and has uncovered a surplus in the communication and phone system. The Accelerator can switch to ITC – a local company based in Newburgh – and save roughly \$460 per month. Mr. Vernon notes that the phone system change is within the budget, and suggests that switching companies to save like this is a management decision and would not have to come before the Board. The Members agree.

OCP Report

Chairman Armistead congratulates Ms. Halahan on the successful OCP event.

Ms. Halahan updates the Board on OCP's many trade show visits, and reports on a number of leads that have come from a recent trade show. One is a Chicago based company looking for 50-100 acres for build-to-suit distribution. The other lead is for 100+ acres for a distribution site that would bring 300-350 jobs. They also hope to work with HVFBA with a start-up brewery.

*Project Gypsum – data center in Warwick Mid-Hudson Correctional Facility. The Town of Warwick expects the project to submit site plans.

*Project Rose – Manufacturing company currently based in Brooklyn, looking for a site in Newburgh and will employ 20 people.

*Project Car – WSJ Lead – training center in Harriman area will provide 10 jobs, after their zoning issues are resolved.

*Project Clean – interested in acquiring land to build a plant for organic material and waste processing. They process 40-50 tons of organic food waste a day to develop into mulch for fertilizer. OCP is working with HVEDC on the project. Capital Investment is \$30M, with 70 construction jobs and 15 full time jobs. They would like to get moving by 2nd Quarter of 2013.

The OCP pipeline is fuller going into 2013, and Ms. Halahan notes that they are actively speaking face to face with more people, not just brokers.

Walkill Realty Partners Discussion

Mr. Dowd begins by reminding the Board that Walkill Realty project is the 200-bed, 130-unit assisted living facility in the town of Walkill. Back in 2011, the IDA authorized a PILOT – as well as MTE and STE – for the project. Walkill is also seeking bonding from the OCFC with the hope of closing before the end of the year. The Bond Counsel asked that this Board reaffirm the 2011 resolution for the 10-year PILOT agreement.

Motion made by Steinberg, seconded by Vernon, that the Board reaffirms the 2011 resolution with regard to the 10 Year PILOT for Walkill Realty Partners, LLC. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Chairman's Report

Chairman Armistead thanks everyone for their cooperation in moving the meeting date. He also takes a moment to once again note that the Partnership dinner was a success.

Last week, Chairman Armistead and Mr. Vernon met with Don Green and a colleague from OCCC. The intent was to discuss the Board's reaction to OCCC's progress on Advanced Manufacturing, as presented at last month's meeting by Mr. Green. They provided a detailed breakdown on OCCC's forums, and noted that employment readiness and communication skills were needed. They also noted that there was not a huge need for CNC operators. OCCC will come to the Board with a plan of what they believe they can provide in terms of job creation/training.

There was, however, some question with regard to the CNC equipment that has already been received by OCCC. Mr. O'Donnell explains a little about the grant and the procurement of the CNC equipment.

certified employees. Ms. Rogulski adds that, in her own experience, she has come across quite a few companies using the CNC Machines.

Chairman Armistead adds that in National Geographic, the Hudson Valley is listed as one of the top 20 places in the world to visit.

Ms. Rogulski adds that she's seen regions are investing in extremely high-speed communications and infrastructure, and suggested that it might be something the IDA would look into supporting. The infrastructure attracts data and technology companies, which are industries Ms. Rogulski sees more now than ever before.

Port Jervis Whitewater Park – Resolution to Extend

Mr. Dowd reads the aloud the resolution approving the extension of the project expenditure deadline for the Port Jervis Whitewater Park project to March 31, 2013. Motion made by Vernon, seconded by Steinberg. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Mr. Dowd advises that the members should enter Executive Session to discuss the credit or financial history of an individual or corporation. Motion made by Brescia, seconded by Rogulski. All in favor.

Executive Session

The members have a discussion.

End of Executive Session

Motion to close Executive Session made by Brescia, seconded by Schreibeis. All in favor. No action taken in Executive Session.

Continental Organics – Resolution to Extend

Mr. Dowd reads the aloud the resolution approving the extension a short-term Note to Continental Organics to pay the balance thereof by March 31, 2013. Motion made by Brescia, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Such other and further business as may be presented

Mr. Brescia reports that the Governance Committee concluded that the Mount Saint Mary project expenditure application will be approved, terms being \$225K over three years; \$75K per year. The college must focus the funds on the Business end of the college; Mr. O'Donnell explains that the full \$75K will be spent on the renovation of the library, turning it into the Business Center, and expanding the business program at the college.

Motion made by Brescia, seconded by Schreibeis, to authorize a three year, \$225K project expenditure to Mount Saint Mary College for the construction, renovation and equipping of facilities for the expansion of the college's business education program. Affirmative votes of all members present resulted in motion carried.

Mr. O'Donnell notes that the project expenditure request from Orange County Triathlon was sent back to him for further discussion with the applicant.

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Brescia, seconded by Schreibeis, the time being 4:25p.m.

Orange County IDA

Received for January 2013

Continental Organics (partial repayment)	57,000.00
Shamrock Creek, LLC (Closing Fee)	20,000.00
Orange County Business Accelerator 3Q reimbursement	32,761.05
OCCC (Project Orange payment #3 - yr 2011)	55,527.00
Total	165,288.05

Vouchers & Payments January 2013

Frances Roth - MSMC Public Hearing	255.50
New York State EDC - 2013 Dues	750.00
Marshall & Sterling - 2013 D&O Insurance	5,896.00
Paramount Theatre Tele-Measurements Inc.	96,567.00
Paramount Theatre Harry F. Rotolo & Son, Inc.	22,506.00
Hudson Valley Agribusiness - 2012 Final Payment	10,933.15
Deluxe Chex Systems - Computer Checks	186.45
Deluxe Chex Systems - Computer Checks (refund of tax)	-14.00
Kevin T. Dowd	3,086.50
Orange County Partnership - 2012 4th Quarter	50,000.00
Newburgh Armory RIM Plumbing & Heating Supply	1,924.92
Newburgh Armory Reliable Glass & Door	33,567.20
Newburgh Armory Fayo Construction Inc.	7,619.00
Newburgh Armory Frank Stevens & Sons Roofing, Inc.	38,900.00
Newburgh Armory Rick Milton & Associates	5,766.55
Rosemarie Rogowski Saindon, CPA - 4th Quarter 2012	500.00
Total	278,444.27

RESOLUTION ELECTING OFFICERS OTHER THAN CHAIRMAN FOR 2013

Motion By:

Seconded By:

Whereas, the IDA bylaws call for the election of a Chairman and the election of other officers at this time; and

Whereas, the Chairman for 2013 has already been elected and recorded in the minutes; and

Whereas, the Chairman has proposed a slate of officers.

Now, Therefore, Be It Resolved that the following are elected IDA officers for 2013:

Vice Chairman:

Second Vice Chairman:

Secretary:

Assistant Secretary:

Vote:

Mr. Schreibeis

Ms Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

Resolution Appointing IDA Executive Director for 2013

Motion By:

Seconded By:

Whereas, the Public Authorities Accountability Act requires that this IDA appoint an Executive Director:

Now, Therefore, be it Resolved that James D. O'Donnell be designated the IDA's Executive Director for 2013, in accordance with a contract for support services with Orange County with payment to be as budgeted; and that he also be appointed Acting Secretary.

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

Resolution Appointing IDA Chief Financial Officer for 2013

Motion By:

Seconded By:

Whereas, the Public Authorities Accountability Act requires that this IDA appoint a Chief Financial Officer.

Now, Therefore, be it Resolved that Joel Kleiman, Commissioner of Finance of Orange County, be designated the IDA's Chief Financial Officer for 2013, and receive an annual stipend as budgeted, to be paid through the Orange County Support Services Agreement.

Mr. Schreibeis

Ms Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

RESOLUTION APPOINTING IDA ATTORNEY FOR 2013

MOTION BY:

SECONDED BY:

Whereas, the IDA bylaws provide that an IDA attorney may be appointed by this IDA.

Now, Therefore, Be It Resolved that Kevin T. Dowd shall be appointed the IDA attorney for 2013 at the hourly rate of \$185.00 per hour, plus reasonable expenses.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

DATED: January 16, 2013

6AYES ; NAYS

Resolution:

Resolution Appointing IDA Contract Officer for 2013

Motion By:

Seconded By:

Whereas, the Public Authorities Accountability Act requires that this IDA appoint a Contract Officer for real property transactions and reporting to New York State and Orange County Officials.

Now, Therefore, Be It Resolved that the IDA attorney, Kevin T. Dowd, be appointed Contract Officer for 2013.

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

Resolution Appointing IDA Freedom of Information Law Officials for 2013

Motion By:

Seconded By:

Whereas, the NYS Open Meetings Law requires that this IDA appoint a FOIL officer and FOIL Appeals officer.

Now, Therefore, Be It Resolved that James D. O'Donnell is appointed FOIL officer and Kevin T. Dowd, Esq. is appointed FOIL Appeals officer for 2013.

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

RESOLUTION APPROVING 2013-14 CONTRACT FOR OCBA DEVELOPMENT
DIRECTOR

MOTION BY:

SECONDED BY:

Whereas, this IDA has established the Orange County Business Accelerator headed up by a Managing Director, and a Development Director.

Now, Therefore, Be It Resolved that Peter Malone be appointed Development Director of the Orange County Business Accelerator from this date until January 15, 2014, at an annual retainer of \$40,000 for twenty hours per week (\$40 per hour X 20 hours per week) plus reasonable expenses, to be paid by monthly voucher.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Brescia

Mr. Vernon

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

DATED: 1-16-13

AYES ; NAYS

RESOLUTION:

Resolution Reporting IDA-Owned Properties as of 12-31-12

Motion By:

Seconded By:

Whereas, the Public Authorities Accountability Act requires that this IDA report all Agency-owned real properties as of December 31, 2012; and

Whereas, the Contract Officer reports that this IDA owns NO real property as of that date.

Now, Therefore, Be It Resolved that this IDA shall report that it owns NO real property as of 12-31-12; and that the IDA Executive Director shall file a negative report with the Authority Budget Office, via PARIS as required by the PAAA.

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

RESOLUTION APPROVING IDA DEPOSITORIES FOR 2013

MOTION BY:

SECONDED BY:

Whereas, the NYS General Municipal Law, Section 10, requires the Orange County Industrial Development Agency to designate one or more banks to secure the deposits of IDA funds and investments; and

Whereas, the IDA's Chief Financial Officer has requested that the IDA so designate its depositories.

Now Therefore Be It Resolved that pursuant to Article III, Section 2, Exhibit C of the Orange County IDA Bylaws and Policies, the IDA hereby designates the following depositories located within Orange County, together with their maximum dollar limits.

<u>Depository Name</u>	<u>Maximum \$</u>
Bank of America	\$10,000,000
Berkshire Bank	\$10,000,000
Catskill Hudson Bank	\$10,000,000
Greater Hudson Bank	\$10,000,000
JP Morgan Chase Bank	\$10,000,000
Key bank	\$10,000,000
Manufacturers and Traders Trust Company	\$10,000,000
Orange County Trust	\$10,000,000
Provident Municipal Bank	\$10,000,000
TD Bank	\$10,000,000
Wachovia Bank/Wells Fargo & Co.	\$10,000,000

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. VanLeeuwen

Chairman Armistead

DATED: January 16, 2013

AYES; NAYS

Resolution:

Resolution For Annual Review of IDA Procurement Policies & Practices In 2013

Motion By:

Seconded By:

Whereas, in accordance with Section 104-b of the General Municipal Law, and the Public Authorities Accountability Act of 2005, this IDA is required to adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by this IDA for its own use and account; and

Whereas, this IDA's Bylaws, Exhibit J, set forth the IDA's procurement policies and procedures, and Section B-11 therein requires that the Agency shall annually review its procurement policies and procedures.

Now, Therefore, Be It Resolved that the Governance Committee, Executive Director, and Attorney shall review this IDA's Procurement Policies and Procedures on or before the IDA meeting in February 2013, and report to the IDA Board as required.

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

Date: January 16, 2013

AYES ; NAYS

Resolution:

RESOLUTION APPROVING IDA AGREEMENT WITH ORANGE COUNTY FOR
SUPPORT SERVICES 2013

MOTION BY:

SECONDED BY:

Whereas, the IDA desires to enter into an annual agreement with Orange County for support services of an office and use of certain administrative personnel, including the services of the IDA Executive Director (\$12,000) and Chief Financial Officer (\$3,000); and

Whereas, the County Executive will be requested to execute the agreement.

Now Therefore Be It Resolved that the Chairman is authorized to execute the 2013 Annual Agreement for Support Services between the IDA and the County of Orange for the amount of \$15,000 to be paid by the IDA to the County of Orange.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Van Leeuwen

Mr. Steinberg

Chairman Armistead

AYES ; NAYS

DATED: January 16, 2013

RESOLUTION:

RESOLUTION APPROVING \$25,000 ANNUAL CONTRACT WITH ORANGE COUNTY FOREIGN TRADE ZONE FOR 2013

MOTION BY:

SECONDED BY :

Whereas, this IDA has considered the annual request of the Orange County Foreign Trade Zone for \$25,000 for project expenses for calendar year 2013; and

Whereas, this IDA finds the request consistent with the IDA purpose of furthering economic development and international trade in Orange County; and

Whereas, such amount has been budgeted for.

Now Therefore Be It Resolved that the IDA Chairman is authorized to sign a contract with the Orange County Foreign Trade Zone in the amount of \$25,000 for project expenses for calendar year 2013 to be used solely for economic development and international trade in Orange County.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Van Leeuwen

Mr. Steinberg

Chairman Armistead

DATED: January 16, 2013

YES; NAYS

Resolution:

RESOLUTION APPROVING \$5,000 ANNUAL CONTRACT WITH NEWBURGH-
STEWART EMPIRE ZONE FOR 2013

MOTION BY:

SECONDED BY:

Whereas, this IDA has considered the annual request of the Newburgh-Stewart Empire Zone for \$5,000 operating expenses for calendar year 2013; and

Whereas, this IDA finds the request consistent with the IDA purpose of encouraging economic development in Orange County; and

Whereas, such amount has been budgeted for by this IDA.

Now Therefore Be It Resolved that the IDA Chairman is authorized to sign a contract with the Newburgh-Stewart Empire Zone in the amount of \$5,000 for support and project expenses for calendar year 2013 to be used solely for economic development in Orange County, provided the Newburgh-Stewart Empire Zone remains in existence at time of disbursement of the funds under State law, and provided further that the annual agreement is subject to the terms and conditions of the IDA labor policy.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Van Leeuwen

Mr. Steinberg

Chairman Armistead

DATED: January 16, 2013

AYES ; NAYS

Resolution:

RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO SIGN AGENCY AGREEMENTS WITH VARIOUS NOT-FOR-PROFIT ORGANIZATIONS

MOTION BY:

SECONDED BY:

Whereas, this IDA recognizes the benefit of assistance from other organizations in fulfilling its economic development role in Orange County; and

Whereas, several not-for-profit organizations have assisted this IDA in the past to the IDA's benefit and this IDA desires to continue that assistance by designating such not-for-profit organizations as agents of this IDA for the purpose of economic development in Orange County, according to a letter of agency status to be executed between the IDA's Executive Director and the several not-for-profit organizations.

Now, Therefore, Be It Resolved that that the Executive Director is authorized to negotiate and execute a letter of agency status on behalf of this IDA, in the amount budgeted, with Orange County Partnership, Hudson Valley Economic Development Corporation, Patterns for Progress, Hudson Valley Agri-Business, Hudson Valley Film Commission, Hudson Valley Food & Beverage Alliance and Rockland County PTAC.

Vote:

Mr. Schreibeis

Ms. Rogulski

Mr. Vernon

Mr. Brescia

Mr. Steinberg

Mr. Van Leeuwen

Chairman Armistead

DATED: 1-16-13

AYES; NAYS

RESOLUTION:

**Orange County Business Accelerator
Profit & Loss YTD Comparison
December 2012**

	<u>Dec 12</u>	<u>Jan - Dec 12</u>	<u>Budget 2012</u>	<u>Budget 2013</u>	
Ordinary Income/Expense					
Income					
IDA Deposit	170,500.00	682,000.00			
Rent-Clients	-3,341.36	93,921.27	93,000.00	100,000.00	6,558.64
Rent-HVEDC	3,025.54	36,136.55	40,000.00	38,400.00	
Seminar/Sponsor	0.00	445.00	2,000.00	2,000.00	
Suta Payment	29.94	29.94			
Utility Reimbursement	169.16	2,474.17	5,000.00	4,000.00	
Total Income	170,383.28	815,006.93	140,000.00	144,400.00	
Expense					
Admin. Fees-Director Fees	6,000.00	104,333.63	92,000.00	72,000.00	
Admin. Salary - Ent. Dev. Dir.	3,076.96	36,766.38	36,800.00	40,000.00	
Admin. Salary - IDA Admin Asst	2,971.16	38,327.96	38,625.00	39,784.00	
Admin. Salary -Admin. Assistant	2,923.08	39,440.04	38,000.00	39,900.00	
Automobile Expense	243.00	5,226.52	10,000.00	10,000.00	
Benefits					
403B	235.28	8,408.87			
MVP	1,201.36	20,288.28			
NYSDBL	12.72	223.14			
Total Benefits	1,449.36	28,920.29	38,000.00	21,000.00	
Building Insurance	0.00	6,827.00	5,000.00	5,000.00	
Building Rent	14,647.50	171,871.83	172,000.00	175,770.00	
Building Utilities	1,341.00	15,544.04	20,000.00	20,000.00	
Common Area Maintenance	3,239.42	40,301.74	30,000.00	44,400.00	
Contingency	0.00	0.00	5,000.00	5,000.00	
Dues and Subscriptions	0.00	2,594.57	2,500.00	3,500.00	
Info Technology	1,962.01	18,059.70	15,000.00	30,000.00	
Marketing/PR & Web	1,053.70	58,900.11	100,000.00	150,000.00	
Office Cleaning	250.00	3,100.00	3,000.00	3,000.00	
Office Supplies & Postage	626.15	8,866.09	9,000.00	9,000.00	
Payroll Taxes & Fees					
FICA / Med	130.08	3,007.60			
FICA / SS	556.22	12,566.69			
FUTA	0.00	540.28			
MTA Tax	0.00	212.79			
Postage for Paychecks	0.00	69.96			
Staff-Line Fee	157.00	3,577.22			
SUTA	0.00	757.33			
Workers Comp	67.28	1,642.14			
Payroll Taxes & Fees - Other	0.00	361.61			
Total Payroll Taxes & Fees	910.58	22,735.62	20,000.00	12,000.00	
Professional Fees	525.00	4,195.00		6,300.00	
Reconciliation Discrepancies	0.00	0.00			
Revenue Reimbursement to IDA	32,761.05	134,419.96			
Travel, Lodging, Meals	156.79	4,123.21	10,000.00	10,000.00	
Total Expense	74,136.76	744,553.69	644,925.00	696,654.00	
Net Ordinary Income	96,246.52	70,453.24			
Other Income/Expense					
Other Income					
Interest Income	16.13	163.00			
Total Other Income	16.13	163.00			
Net Other Income	16.13	163.00			
Net Income	96,262.65	70,616.24			

To IDA Executive Directors:

As you know, the Authority Budget Office (ABO) recently issued a "Recommended Practice" regarding the use of discretionary funds by staff and board members of public authorities. The document caused confusion with regard to certain recommendations. I have asked the ABO to provide further clarification on some of these issues, which they have and are provided below.

Please feel free to share the ABO reply with anyone involved with the development of policies related to the operation and governance of your organization. Thanks.

Brian

Brian:

The purpose of the recently issued recommended practice on the use of discretionary funds was to remind authorities that funds should only be spent to advance the mission and public purpose of the authority. It is the ABO's position that authority fees, charges and other income are public dollars. Board members have a fiduciary duty to approve the expenditure of public funds in ways that directly benefit the authority and its public purpose. The use of public funds for purposes that are of primarily personal benefit to board members, employees or others should be prohibited. It is up to each authority's board of directors to draw those distinctions and determine how strict those policies should be. Our intent was that the release of this recommended practice would provide reasonable guidance to assist the board with those decisions. While it is not our intent to establish a formal standard by which authorities would be judged, board members should be guided by the credibility/criticism test.

As further clarification, and in response to your questions, we believe that the board should take into consideration the following:

"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);" Staff could incur food costs while in travel status and should receive reimbursement for personal meals when overnight travel is required. Staff should be encouraged to conduct "prospecting" meetings during business hours in their or the prospective client's offices. Accordingly, picking up the dinner tab with a client during an out of town recruiting trip should not automatically be considered a necessary expense. Nor in all cases would it be necessary to take a perspective client, who is in town meeting with the authority or community leaders, out to dinner. In either case, should the board consider this expense to be integral to the work of the authority, reasonable limits should be placed on those costs, such as federal or state travel allowance rates. Entertainment, such as tickets to games, picking up nightclub expenses, or paying for golf or other social outings should be prohibited since those activities are primarily personal pleasures and not necessary for the authority to perform its purpose. Employee recognition events, such as lunches paid with public funds, should be prohibited. Management can recognize high performing staff on their own.

"Membership dues in professional organizations on behalf of an employee;" Individual membership costs in professional, social or fraternal organizations, where the membership is primarily for personal gain or does not promote the objectives of the authority, should be borne by the employee. We expect commonsense and logic to prevail. If the board has questions whether this expense is appropriate, it probably should not be an approved use of public funds. While individual membership may be of benefit to the public authority, the membership belongs

to the individual and the benefit to the authority would be lost when the individual is no longer an authority employee. These groups exist primarily to provide networking/career building opportunities for individuals. The authority would not be expected to pay for that. Dues paid for the authority to belong to a professional peer organization like NYSEDC would be permissible.

“Renewal of professional licenses for staff;” If a license is a requirement of the job, the authority would not be expected to hire someone who does not possess that credential. For example, no one would assume it is appropriate for an authority to pay for an employee’s driver’s license or car registration if a license or car was required for employment. Similarly, it is the individual’s responsibility to maintain good standing with state licensing requirements. Paying for staff to participate in training to maintain certification as a fundamental part of the job could be an allowable expense, as would attendance at appropriate professional conferences. For example, water treatment and solid waste management facilities must be operated by certified individuals; if the authority does not have those individuals, presumably it could not operate. In that case, it may be prudent to allow the authority to pay for the costs of maintaining those licenses and certifications. However, there could be a distinction between “required” and “nice to have”; the board must decide whether such costs are critical to the authority’s operations or merely a nice extra benefit to offer an employee.

As for a notary, usually this can be handled through the authority’s attorneys as part of a professional services agreement, but it is understandable if the authority would prefer, for time or expense reasons, to handle the notarization of legal documents in-house. Again, it is up to the board to determine if paying the licensing expenses of a staff notary is a necessity or a convenience for the functioning of the office.

The purpose of the recommended practice is to encourage authorities to put those policy decisions in writing so that staff and directors understand what is appropriate and follow a consistent set of guidelines that meet the public accountability test.

We hope you find this clarification helpful.

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