



Auburn Industrial
Development Authority

FINANCE COMMITTEE MEETING MINUTES AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY

Wednesday, October 19, 2016
Cayuga County Chamber of Commerce
2 State St., Auburn, NY 13021

Board Present: James A. Dacey (Chair & Member of Business)
Robert Byron (Member of Industry)
Tricia Ottley (Member at Large)

Board Excused: None

Staff & Guests: Tracy Verrier, Executive Director
Joseph Sheppard, Assistant Treasurer

Mr. Dacey, AIDA Chair, called the meeting to order at 4:04 pm noting a quorum was present.

Ms. Verrier questioned if there was a chair for the committee. The committee noted that they were unsure if there was an official chair of the committee. Mr. Byron agreed to Chair the Finance Committee, with the unanimous consent of the committee members.

BUDGET REVIEW

Ms. Verrier reviewed the proposed 2017 Budget with the committee. Mr. Byron questioned the large jump in income. Ms. Verrier stated it was because the income estimates are generated by backing out from current expenses to create a zero bottom line. The expenses this year included the environmental studies at the Tech Park, which is why there is such a sizable increase in the budget. Ms. Verrier also noted that the projected income currently takes into account the note that the city is providing AIDA to assist with the studies being performed on City owned parcels, but that the note is really a liability, not income. It was suggested that this be removed and an asterix placed on the professional services line explaining that the costs for environmental review included in this line will be paid for by a note from the City.

Ms. Ottley asked about the Professional Services budget line and the difference between the forecast and year end. Ms. Verrier noted the difference was because some of the environmental studies have already been paid for. Ms. Ottley asked about the 2016 End of Year Income Projection. Ms. Verrier noted that the projected year end Income includes the expectation that AIDA will be approached regarding the development of the Nolan block following state grant award announcements in December, and budgeted income for rent from the Tower lease was removed as it is not likely to occur this year due to ongoing legal action.

Mr. Dacey questioned the absence of Legal Fees in the budget. Ms. Verrier explained that the majority of legal fees that have been realized this year are based on the Tower Lease lawsuit, which will hopefully not continue for much longer. Ms. Verrier noted that usually legal fees are charged directly to the companies, with the tower lawsuit being an exception.

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James A. Dacey
Chairman

Ms. Verrier reviewed recommended changes to the budget and forecast: 1) remove rental income related to the cell tower as it is uncertain if/when that lease will come to fruition; 2) adjust the project fees to be more realistic at \$20,000; and 3) remove the City note from the income projections and simply utilize a footnote to explain that a note will be used to pay for a portion of the environmental studies.

The committee agreed with these changes, noting that the budget presented to and voted on by the full board should be more realistic instead of a balanced budget. Staff will make changes and present an amended version to the board.

CHARTER

Mr. Dacey asked if anyone saw anything in the Charter that needed to be discussed. He also asked if there should be something in the charter regarding the NYS-45's that are requested during the Audit. Ms. Verrier stated that they should be a part of the Audit committee discussion and that they are part of AIDA's monitoring policy.

Mr. Byron asked if there was anything new in the fee structure. Ms. Verrier noted that the fee structure had not changed since VG Rental when a line was entered stating that the authority would not charge any more than 10% of the total project benefit on large projects. Ms. Verrier then informed the members about a change that CCIDA made to their project fees for small projects, moving them into a percentage based structure and explaining that CCIDA defines their small projects differently. She noted that with the way development is occurring currently, more small projects that do not warrant a PILOT are coming through and that it may be necessary to explore addressing the fee schedule to ensure sustainability of the Authority.

Ms. Ottley asked if other policies should be reviewed at this meeting. Ms. Verrier responded that they would be reviewed at the Spring meeting.

ADJOURNMENT

Meeting adjourned at 4:45pm.

Next regularly scheduled meeting to be held March or April 2017.