



RODNEY J. SUTTON
CHAIRMAN

SARATOGA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

February 13, 2017 – 8:00 a.m.
County Planning Offices #5
50 West High Street, Ballston Spa

PRESENT: Members: Chairman Rod Sutton, Tom Lewis, Patrick Greene, Andrea DiDomenico, Phil Klein.

STAFF & GUESTS: Richard Ferguson, CEO; James A. Carminucci, Esq., Bond Counsel; Marty Vanags, Saratoga Prosperity Partnership; Dennis Brobston, SEDC; and Lori Eddy.

ABSENT: Arthur Johnson, Michael Mooney, Michael Valentine, Administrative Assistant.

Chairman Sutton called the meeting to order at 8:00.

APPROVAL OF MINUTES:

Chairman Sutton asked for a motion to approve the meeting minutes December 29, 2016. A motion to approve the minutes was made by Mr. Klein and it was seconded by Ms. DiDomenico. All were in favor and the minutes were approved. Mr. Ferguson stated the January 9th minutes will be available shortly and we will approve those at the March meeting. Mr. Lewis abstained from approval of the minutes as he was not in attendance at the meeting.

FINANCE REPORT:

Chairman Sutton asked for a discussion on the financial report as of 12/31/16. Mr. Ferguson stated the financial reports are as of the end of January, 2017. He stated the income statement provided reflects the very limited activity that we had during the month. There were no income items reported. Expenses totaled \$14,605.00. They were comprised of the \$5,000.00 investment that we made to the Center for Economic Growth. We paid a modest amount of real estate taxes for our rail line in the Town of Moreau, the final payment of \$7,600.00 on the Geyser Road Signalization contract and a final payment to the LA Group for the utilities report and consultation that they provided for the potential purchase of land at Luther Forest Development Campus. Mr. Ferguson stated he would point out that the income statement does not reflect the 2017 Town and County PILOT billing which did occur during the month. That totaled \$86,051.00. Subsequent to running those reports last week, he was able to input the accounting entries in QuickBooks for the accounts payable and the accounts receivable for those PILOT billings.

The balance sheet continues to show strong liquidity with over \$3.5 million dollars in the bank. Our accounts receivable at \$39,492.00 reflect the then past due Mountain Ledge school tax PILOT, 5% penalty fee and interest. Mr. Ferguson stated he is happy to report that as of last Friday, we received checks for both the school PILOT and the most recently billed Town and County PILOT billings. Those checks will be processed today and deposited in the bank. We are now complete with the school PILOT and will start collecting the 2017 Town and County PILOT billings. Total net worth of the Agency stands at just over \$5.1 million. Mr. Ferguson stated he also provided to everyone, post sending the Board meeting materials out, an accounts receivable and accounts payable report. He ran that as of last Friday. Our accounts receivable stand at \$144,000.00. That reflects the then past due amounts plus the PILOT billing. A similar amount for accounts payable. That stands at \$142,000. There is an \$1,800.00

difference and that reflects the 5% past due fee that we charged Mountain Ledge. Mr. Ferguson stated if there aren't any questions, that complete the financial report.

Chairman Sutton questioned on the money paid to the City of Saratoga Springs for the turn lane on Route 50. Do we have any idea as to where the City is, are they getting close to making some movement in terms of construction. Mr. Ferguson stated he will get an update regarding this. Chairman Sutton stated recently there has been talk about a bicycle lane on that strip. How does that affect that turn lane and things of that nature. Mr. Lewis questioned where that was on Route 50. Chairman Sutton stated on the intersection of Route 50 and Geyser Road. Chairman Sutton asked if there were any further questions on the financial report. There were no further questions.

JOHN W. DANFORTH COMPANY – REQUEST FOR SALES TAX EXTENSION:

Chairman Sutton asked Mr. Brobston to discuss the John W. Danforth Company request for sales tax extension. Mr. Brobston stated Danforth started work on their facilities in the Fall of 2016. They had a financial incident and waited for the CFA process to get completed through the Governor's Office and they were awarded some money in December. Nobody paid attention to their sales tax letter which ends on December 31, 2016. So, when it came to light they gave us a call and wanted to know what can be done about it. Mr. Brobston stated you can ask for an extension. Mr. Brobston stated that is what they are asking for on their behalf. They have a chart showing when they believe they would be done. We are suggesting that September 30th they should have everything in place.

Their question is that they would like to have it retroactive to January 31st. We don't believe that that is statutorily possible since it basically went out of existence on the 31st. They have purchased things since then. Mr. Brobston stated he doesn't believe there is any way for this agency to do that, but he leaves that to the attorneys to figure out. They are requesting an extension to September 30th. Mr. Carminucci stated that in the past we have been reluctant to retroactively extend because we can't go back in time. In the past when this has come up, and it hasn't come up too often, typically the way the project owners have dealt with it is not to have their contractors not bill until the extension is in place because their obligation is really to pay it when they get it. I think they have ways of finessing it on their end. He thinks it would be a lot easier for them to do that than to ask us to retroactively extend it.

The whole theory behind the sales tax exemption is that ultimately you are to become an owner of the facility and that allows it to be exempt for the sales tax purposes. That is still the case. The fact that the sales tax letter expired doesn't negate the fact that ultimately we are going to have a closing and this is going to be IDA owned property, in which case the purchaser should be exempt. It is just hard for us to go back. The other thing he would say is that when we extend we do it in such a way so that it is not necessarily the parent company that is filing the tax and finance if there has been a gap. He thinks they have ways of addressing on their end. That would be his preference. Mr. Ferguson stated so we could propose the extension from March 1 to September 30. Chairman Sutton stated it should be today's date. Mr. Brobston stated this is what we explained to them. Again, it is just something that just got by them and he doesn't know of any other time that we've been held responsible for their tax exemption going out of date. Chairman Sutton questioned if the September 30th date is adequate for them for to finish up what they want to do. Mr. Brobston stated according to their chart it is.

Chairman Sutton stated this is a question that has come up before us in the past with other entities, other companies that are getting the sales tax, and it puts us in a semi-awkward position like Mr. Carminucci is eluding to. Mr. Brobston stated he doesn't disagree. Chairman Sutton stated we are 40

days into this year, how much have they accumulated in the past 40 days. Mr. Carminucci stated one of the reasons that we try to stay tight to the projected completion plan is that theoretically you could actually exempt sales tax purchases for an applicant close to completion of construction, you could exempt their operating expenses related to the project and we try not to do that. Policy is we try not to do that. That is why we try to stick fairly narrowly within whatever confines of a construction schedule that they have provided to us. It is really incumbent upon them to keep an eye on it and come back if they need an extension. That would be his only concern if they are saying that completion is going to be in September and we go through December, they might end up capturing things that shouldn't have to do with the function. Chairman Sutton agreed.

Mr. Klein questioned if we could do an extension of contract that was interrupted and there is just a gap that we don't allow anything in that gap? Mr. Carminucci stated again from their perspective basically they are asking us to go back in time and do something as a public body. However, from their perspective that facility is ultimately going to be IDA owned so anything going in there should be eligible for an exemption. We are only talking about a five week gap, they should be able to deal with it without too much difficulty. At any rate, to answer the question, right the situation where we have a gap, we really can't fix it. Ms. DiDomenico questioned if we are making a resolution to extend or making a resolution for a new certificate. Chairman Sutton stated an extension from today to whatever date, they are asking for September 30th. Mr. Carminucci stated it probably wouldn't be a bad idea to go another month to the end of October just to make sure.

Mr. Brobston questioned if somebody could put this in their calendar that the sales tax exemption is up in another month that would be great. Mr. Ferguson questioned one month is ok, go to October 31st. Mr. Carminucci stated yes. Chairman Sutton questioned when a company is awarded a PILOT Program, how in depth do we get in the explanation of say the sales tax, so that they stay on board or the company that receives that benefit, will know that there is a certain drop dead date. Mr. Brobston stated they definitely know it, in the past this is always something Mr. Valentine has been concerned about the ST60, that is something that is filed with the State and shows them what that is, we adhere to that because the State has that. They have that document, it is not just our document, it is there document as well. They just may not get it. They are signing in the application, again who signs that, the CFO? Maybe the people on the project may not understand. Mr. Carminucci stated Mr. Valentine will normally send out a very detailed letter detailing everything in outlined form. Mr. Ferguson agreed.

Chairman Sutton stated is it something that should be diarized, like maybe two months ahead, your ST60 is going to be needed. This is happening more and more and he is just trying to make it easier for us so that we don't have to extend sales tax dates. Mr. Klein stated he doesn't think that is going to impact that at all, it is what it is, these people just forgot to ask us in time. Mr. Klein questioned if this is an extension or an amendment. Mr. Carminucci stated it is an extension. Mr. Klein questioned he didn't know if you could extend something with a gap. Mr. Carminucci stated in this instance you can because again ultimately you are going to end up owning this facility, so it's not a contract, it's a benefit that you have granted. You can extend it, there is just a gap. Mr. Ferguson stated he will speak with Mr. Valentine to see if we can tickle our calendars as well as the specific economic development agencies calendar to ring the bell of our project company and tell them that the money that we are providing them is running out. Chairman Sutton stated see what Mr. Valentine says about that and just try that.

Chairman Sutton asked for a motion to extend the sales tax exemption for the John W. Danforth Company from this date, February 13, 2017 to October 31, 2017. A motion was made by Ms. DiDomenico and it was seconded by Mr. Lewis to extend the sales tax exemption.

RESOLUTION #1365

RESOLVED THAT the Saratoga County IDA has decided to extend the sales tax exemption for the John W. Danforth Company from February 13, 2017 to October 31, 2017.

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. DiDomenico, Mr. Lewis, Mr. Greene and Chairman Sutton.

NOES: None.

ADOPTED: 5-0

Chairman Sutton asked Mr. Brobston to get in touch with the Company. Mr. Brobston stated he will.

Chairman Sutton asked Mr. Ferguson to discuss the next agenda item is the Monmouth Real Estate Corporation update on the 2015 PILOT Reduction. Mr. Ferguson asked Chairman Sutton to interrupt our regular agenda item to discuss an Other Business item that is related to what we just discussed for JW Danforth. Chairman Sutton stated ok. Mr. Ferguson stated that as of late last week we received an additional extension request from one of our project companies. CTI Properties, the operating company is Core Tech, the construction project that is going on at Route 50 and McCrea Hill Road. Their construction has been delayed and they are asking for an extension from the current expiry which is February 28th to April 30th. In the spirit of our conversation, we should extend that to May 31st. There will potentially be a subsequent request to increase the current sales tax exemption, which is \$71,000. We do not have that number so we cannot act on that. Mr. Ferguson would ask that the Board consider the extension from February 28 to May 31st.

Mr. Ferguson has driven by the project on a number of occasions, it has been moving along fine. Mr. Ferguson would ask for this extension. Chairman Sutton questioned when did they come to us, last week? Mr. Ferguson stated yes and in that instance the project Company principal was being proactive and saying we are going to run out and we need help. You have to give them a little credit.

Chairman Sutton asked for a motion to extend the sales tax exemption for the CTI Properties Company from February 28, 2017 to May 31, 2017. A motion was made by Mr. Lewis and it was seconded by Mr. Klein to extend the sales tax exemption.

RESOLUTION #1366

RESOLVED THAT the Saratoga County IDA has decided to extend the sales tax exemption for the CTI Properties Company from February 28, 2017 to May 31, 2017.

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. DiDomenico, Mr. Lewis, Mr. Greene and Chairman Sutton.

NOES: None.

ADOPTED: 5-0

Mr. Ferguson thanked Chairman Sutton. Mr. Ferguson stated the next agenda item is the Monmouth Real Estate Corporation. Included in the Board packet is some background information on this issue including the January 31st invoice that was requested by Monmouth's counsel at \$40,910.00 to recapture PILOT Benefits from 2015, a background email string regarding Monmouth's failure to reach its employment goals, the January 14th correspondence from Monmouth's tenant, Scott Tincher, the representative, RGH. This correspondence detailed issues surrounding the employment head count and the subsequent hiring of additional employees in January of this year. The August 3, 2016 Agreement regarding revised employment projections between this Agency, Monmouth and the tenant, which everyone had agreed to.

Subsequent to the Board mailing on Friday he had conversations with Marty Vanags, and Mr. Ferguson thanked Mr. Vanags as it forced Mr. Ferguson to research every page and paragraph. Mr. Ferguson stated the condensed issue here is pretty simple. Monmouth and their tenant failed to meet the revised job projection targets which we had put together for 2016. Mr. Ferguson stated just a quick history lesson on this. This issue actually goes back to 2015 when the Agency was the subject of an audit from the New York State Office of the Comptroller. This Agency hadn't been audited for eleven years prior to that. Within that Audit, there were three recommendations. One of those items was for the Board to approve a procedure to deal with this specific situation where a project Company which we approved a PILOT for has failed to meet the job targets which we used to grant them the PILOT benefits. We approved this procedure and there were actually two companies in 2016 which had an issue with PILOT benefits. Those were Albatross, or SEPSA North America and Monmouth.

Our UTEP and the specific PILOT Agreements for each Company contain a call back of benefits if these targets are not met. Again, as of our documentation and the Audit and the new procedure, we invited Albatross and Monmouth to come make a presentation to the Board in May of last year. They made that presentation and we approved two new sets of targets for them. As can be seen by the supplied documents, Monmouth did not meet their target. He is happy to report that Albatross did, they actually did a little better. The Agreement from August, 2016 states that if you do not meet your targets that we will go back and retroactively recapture PILOT benefits starting in 2015. That was a very key issue in our Board deliberations because at the time we were talking about 2015 missed targets with these two companies. We agreed to give them a break, we agreed to lower the targets but we said if you fail, we go back to 2015.

Now, the specifics about Monmouth's PILOT and job targets. It was a five year PILOT approved in 2011 and to run from 2012 to 2016. The original projections that the Board used to approve the PILOT were 47 employees in year one, increasing to 52 employees in year two. In 2012, they made their target, they had 49 employees. In year one they hit their target. Subsequently since then they have consistently reported 39 or 40 employees, missing the 52 target. We brought them in. They stated their case. We agreed to 43 employees for year-end last year. At year-end last year their employees were 40. They have presently gotten to 42 so they are asking us to not charge them, actually the tenant in specific, is asking us not to charge them the entire amount that we invoiced. The tenant has further suggested that we should consider their sales representatives that live and work throughout New York State to be counted as employees at the Halfmoon site, but they don't work at the Halfmoon site.

2015 PILOT benefits to Monmouth, \$81,821.00. Total benefits received over the five year PILOT, over \$400,000.00. It's also important to point out that the PILOT has now expired. It has run its course and the project company, Monmouth, wants its land back. Mr. Ferguson has the deed but we have an unresolved issue with recapture of PILOT benefits and an outstanding invoice which the project

company attorney asked for. Monmouth has already said send us the bill and we will pay it. It is the tenant that is asking for this consideration. That is point in time. To take a step forward, our Agreement called for recapture starting in 2015 so we also have an issue of the approximate \$82,000 of benefits which Monmouth received in 2016, which could again be approximately \$41,000. He has not made the calculation yet. Monmouth, the tenant and their attorney know this. He has detailed this with them in specific. He has discussed this extensively with Chairman Sutton, electronically with Mr. Toohey and now have transcribed this and discussed it with you all. We stand by our invoice to recapture 50% of the PILOT benefits from 2015. It is \$40,910.00. As a point of fact, that 50% recapture didn't come out of me just saying that is fair. Our UTEP and the PILOT specifically talks about the percentages of recapture. Years one through five of the PILOT is 50%. If the PILOT runs through year 10, the recapture increases, 60, 70, 80 to 90%. So, by our documents, we are required to recapture 50%. We are doing this because it is within our legal documents. We are also doing this because he believes they are under the spotlight of both the Comptroller's Office and Authorities Budget Office because they pointed this out in our Audit.

Mr. Ferguson recommends to stand by the invoice that we've sent but to give them credit for achieving 42 out of the 43 employees that they said they were going to get and not recapture the 2016 benefits. That is just his recommendation. Mr. Ferguson stated he would be happy to answer any questions at this time. Chairman Sutton asked if there were any questions of Mr. Ferguson. Mr. Green questioned Mr. Ferguson regarding the sales people that may or may not be resident in the headquarters here. You have sales people employed by the Company and a lot of people work remotely these days. You could live anywhere. It has become a common practice. Mr. Ferguson stated Mr. Tincher's correspondence to him stated that we have three additional sales people, two live in New York, one lives in New Jersey, that cover the region that includes the Halfmoon site. To him he would be hard pressed to include them. He is saying we should give them credit to getting to 97% of their revamped target and to not charge them an additional \$41,000. Mr. Carminucci questioned if the invoice for 2015 based upon the failure to meet goals for 2016. If we aren't going to demand money for 2016, how can you then say but we are going to go back and insist that you recapture for 2015 based upon the same employment goals that weren't met in 2016. Mr. Ferguson stated he communicated in his invoice that this was just for 2015 and that the Board would be meeting in February to discuss 2016. He put that out there for them. He did that for two reasons. One, he didn't want them to think this was just it and it was a two part.

Mr. Carminucci stated he had one more question. He looked at the letter from 2016, so we actually imposed employment goals on them which extend beyond the term of the PILOT Agreement. Mr. Ferguson stated yes. Mr. Carminucci stated once the project is over you can send the bill but right now you have leverage over them because they want title to the property back. Once that ends up being abolished, you have a lot less leverage. Mr. Ferguson stated he believed we were exceedingly generous to them last year. We fulfilled the requirements of our new procedure and we gave them an opportunity to save their benefits. Mr. Carminucci questioned if they were current otherwise on their PILOT payments. Mr. Ferguson stated yes, they have never been late. Chairman Sutton questioned in our May of 2016 meeting with them, we changed the numbers so we went above and beyond what the original PILOT indicated five years ago. Mr. Ferguson stated correct. In 2013, 2014, 2015 and 2016 they were required to have 52 employees at the Halfmoon site and they reported 39, 40, 40 and 40. We agreed to drop that and then to step it out even going beyond the PILOT. Mr. Klein stated they never hit a goal then. Mr. Ferguson stated in the first year they did.

Mr. Carminucci questioned Mr. Ferguson on the sales folks, they have to do a reporting to the Department of Labor right. Are those folks being included in the filings for this facility do we know? Mr.

Ferguson stated they were not based upon their survey reporting to me. It was only after my comment that Mr. Tincher's request to only pay half of the invoice wasn't going to work because it was from 2015 that he then said what about X, Y and Z sales reps. Mr. Carminucci stated he thinks they answered a past question, if they only have one facility and there are sales folks out there that are associated with the facility but they are not necessarily working at the facility full time, he thinks those people could be included. Although, in this instance, this is probably a company with more than one location correct? Mr. Ferguson stated at the May, 2016 meeting Mr. Tincher stated that the reason they had not hit their employment goals was because they purchased a similar facility in New Jersey. So, this is a nationwide Company and they spread their jobs to where their markets were. Chairman Sutton asked if there were any further questions of Mr. Ferguson. Chairman Sutton stated this is not a common occurrence for us to have a call back. Again, he thinks the point being that the original PILOT was in excess of \$400,000, they did not meet the employment criteria for that one year and in giving them credit for 2016. He would like to see us to at least go back to 2015 and recapture that 50% of the benefit that we offered Monmouth in the original PILOT which would mean that we would recapture about approximately \$41,000. Chairman Sutton asked if anyone had any thoughts. The Board members present agreed. Chairman Sutton stated he has been in correspondence with Mr. Mooney as well and he is in agreement with the process. Chairman Sutton stated he would like to thank Mr. Ferguson for the detail that he had to go through and give us the history on this. In many cases like this, just for everyone's edification, is that we will forward a detailed explanation prior to us getting to this point so that you have the time to look this over, think about it and bring any questions you may have before the entire membership. At this point, if don't have any other questions or thoughts?

Mr. Carminucci stated the only other thing he wanted to point out is normally if this weren't happening you would want to get that deed executed and get that property back on the tax rolls before March 1 so that it becomes a normal tax for the next tax cycle. Mr. Ferguson stated that is still our goal. Mr. Carminucci right, however, not doing that probably gives you some leverage with them in terms of resolving this because you are entitled under your documents to withhold the within property if there is other amounts due to you. Mr. Klein stated he thought we were going to, in effect, if we go ahead and approve a resolution similar to what was stated, that we would then present them a bill or tell them that the bill is valid, they send us the payment and then we sign off on the deed. Mr. Ferguson stated correct. Mr. Ferguson stated he is going to send them correspondence today saying please overnight this, we are not recapturing 2016 and upon receipt of said \$41,000 we will execute the deeds. Mr. Carminucci stated he did not realize they were prepared to do that. Chairman Sutton stated he thinks some of that paperwork has already gone to Mr. Toohey. Mr. Ferguson stated he has it, he has reviewed it, and he has given it to me and I will then forward it on once we receive the money. Mr. Greene questioned what is the business of the tenant. Mr. Ferguson stated medical instruments. Ms. DiDomenico questioned if we need a separate resolution about 2016 that we are not going to recapture 2016 based upon Mr. Ferguson's recommendation that they have 42 out of 43 employees. Chairman Sutton stated we could include it in one resolution, one motion. Mr. Ferguson stated one final point of clarification. The reason that we went back to 2015 was because their reported number of employees for 2015 at 40 did not meet their projected goal of 52. We didn't revamp their numbers until mid-2016. We agreed to help them in 2016, they missed 2015, that's why we are billing them. We will give them credit for 2016 because they were close.

Chairman Sutton asked for a motion based upon Mr. Ferguson's recommendation regarding Monmouth Real Estate Corporation's recapture of PILOT benefits for 2015 in the approximate amount of \$41,000 and include that in 2016 they have met the required employment goals that were set for them in the original PILOT. A motion was made by Ms. DiDomenico and it was seconded by Mr. Greene to recapture

the amount as stated. There was no further discussion. Chairman Sutton questioned if a roll call vote was needed for this. Mr. Carminucci stated it was not necessary. All were in favor and the motion was approved.

Chairman Sutton thanked Mr. Ferguson for all his detail on this. Chairman Sutton stated Mr. Ferguson spent the better part of last week researching this entire PILOT.

Chairman Sutton stated the next agenda item is Global Foundries year-end report. Mr. Ferguson stated in the Board packet is a copy of the 2016 year-end reporting by Global Foundries. This reporting is a requirement from their PILOT Agreement. It is done on a semi-annual basis so after six months we get a report and at year-end we get a report. Mr. Ferguson stated just a few key bullet points from this report. Year-end employee count stood at 3,048. That represented an increase of 144 jobs over 2015. In addition to that, they had open positions that they were actively looking to fill at 174. 2016 year-end sales tax savings \$306,000. Since inception, based on \$1.026 billion investment in sales tax equipment, they have received benefit from us of just shy of \$72,000,000. Sub-contractor head count averaged 75 during 2016 with a total of 896 engaged at the site during the entire year. That is all he would say on the year-end report. Mr. Ferguson would ask that the Global management team has extended an offer and has now asked again that we as a Board and staff and anyone who wants to come to the public meeting, tour the facility. It was suggested by Chairman Sutton that we potentially hold a meeting at their site, that gets us all there, and it that is ok with you he will work with Tom Lane, who is our primary contact to schedule the next meeting on March 13th at their site. We have no public hearing to attend to so we can schedule that meeting where we would like to. Chairman Sutton stated anyone who would like to stay on and if it is available to us and they are willing to give us the tour after our meeting, those of us who want to stick around may. Mr. Ferguson will contact everyone with the details.

Chairman Sutton stated the next agenda item is 2017 Town & County PILOT update. Mr. Ferguson stated there are handouts on the table for everyone. This gives us a presentation in blue of our project companies that have closed and we are sending PILOT billings to. There is a lot of information on this chart. He is going to work to try to make it a little more user friendly. It gives us both what the normal tax would be if not a PILOT and then what the PILOT is. In total, \$232,520.62 is what the normal tax would have been for our project companies and our PILOT total was \$86,051.00. So, we are providing approximately \$150,000 in PILOT benefits for Town and County taxes. Conversely, that would be the number the affected municipalities would not be receiving. A modest number compared to the amount of jobs which have been created by these numbers (an editorial). Chairman Sutton thanked Mr. Ferguson.

Chairman Sutton stated the next agenda item is the update on project closings, ACE and LAND Remediation of New York. Mr. Ferguson asked Mr. Carminucci to discuss these items. Mr. Carminucci stated we are on target to close both of those before the end of the month. He is awaiting Mr. Toohey's return from vacation. We have documents out on both. We appear to be on target to probably close on the 27th or 28th on both projects. ACE does not involve financing. LAND Remediation does but we've approved both projects in terms of having you sign everything.

Chairman Sutton stated the next agenda item is update on audited financial statements. Mr. Ferguson stated all of the information requested by our CPA's, Cusack & Company, was presented to Ken Clafin, the auditor in charge. In January, he came to our offices on Thursday of last week and reviewed the stuff that he does. He was incredibly efficient and he was in and out within an hour. He did comment that our investment in QuickBooks assists him greatly. We should receive a draft in a couple of weeks

and he hopes to present to the Board at the March meeting, the Audit for approval and we will also have our Audit Committee meeting in March.

Chairman Sutton stated we have already talked about the Geyser Road Signalization. Mr. Ferguson stated that is done.

Chairman Sutton stated the next agenda item is an update on the CFO position. We have been operating for the past year and half almost without a CFO. Jack Murray was our previous CFO. He was retired from the County and he lent his service to us for a number of years and he was very active in terms of understanding what the IDA is all about. Since his retirement, we have not fulfilled that position and we have reached out to a number of people and Mr. Ferguson has a Resume coming in from Jeff Many. Chairman Sutton asked Mr. Ferguson to discuss Jeff Many. Mr. Ferguson stated he has known Jeff Many for over 25 years. First, he was a customer of his when he worked at the Adirondack Trust Company, he was a fine customer. He subsequently became the CPA who does his tax returns. Jeff also assisted him last year in some pesky issues he had with putting all of our agency information into QuickBooks and he was very happy to do that.

When Mr. Ferguson spoke to him about this position, he first was interested even before I told him of the limited time investment that he would have to make. He just felt that what we do was of interest to him. He was the only person that has expressed an interest in this job with as minimal time investment as it entails. Mr. Ferguson would propose him based one, on his good solid reputation in Saratoga County for almost 30 years and two, based upon his interest in helping us out with our mission. Chairman Sutton asked if there were any questions on Mr. Many's Resume and his ability to fulfill the CFO's position? Mr. Greene questioned what was the pay for this position. Chairman Sutton stated Mr. Murray did it without pay. The proposal is to hire someone at a rate of about \$5,000 he believes for the year. Mr. Ferguson stated \$6,000, \$500 for a month. Chairman Sutton stated it is something we haven't advertised, we have been asking bankers and other people in the accounting community if someone might be available. As Mr. Ferguson stated this is the only Resume we have received to date. Most of us do know Mr. Many and I think he would be a good addition to the IDA and to oversee the financials that becomes rather complex at times. Our recommendation is to offer Mr. Many a position. That would meet our obligation with ABO in filling that position. Mr. Ferguson stated he believes we've operated ok without one but he would like that position filled just so no one can say you are lax in your judgement or you're not providing enough oversight, a secondary look, you only have one person looking at the numbers throughout the year. Chairman Sutton stated he thinks it protects the Board members by filling this position, in depth as Mr. Ferguson is and his banking ability and using his accounting abilities, Chairman Sutton thinks it is in our best interest to have another person overlook.

Chairman Sutton stated we have a proposal to hire Jeff Many as the position of CFO at a salary of \$6,000 a year, \$500 a month to fill that position. Chairman Sutton stated he would ask for a motion on this proposal. Mr. Klein stated prior to the closing he would like to state that Jeff Many is his CPA. He thinks he does a great job. He does not feel that he has to recuse himself due to this. A motion was made by Mr. Greene and it was seconded by Ms. DiDomenico to hire Jeff Many for the position of CFO for the IDA at the stated rate of pay. There was no further discussion. All were in favor and the motion was approved. Mr. Ferguson thanked everyone.

Chairman Sutton stated we sent out a memo by Glenn Rockwood who was our Vice Chairman and Treasurer last year. He had a heart transplant last week. Chairman Sutton stated he is happy to report

he is doing well and our best to Glenn. If anyone would like to sign a card which he has brought they are welcome to.

Chairman Sutton asked if there was any further business to discuss. As there was no further business, the meeting was adjourned on a motion made by Ms. DiDomenico, seconded by Mr. Greene, with all voting in favor.

Respectfully submitted,

Lori A. Eddy