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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUDIT COMMITTEE MINUTES August 25, 2021

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A meeting of the Audit Committee of the Ulster County Industrial Development Agency was held on Wednesday, August 25, 2021 at 9:00 A.M. at the Legislative Chamber, County Office Building, 6<sup>th</sup> Floor, 244 Fair Street, Kingston, NY 12401.

### **Roll Call:**

The following committee members were present:

Dr. Diane Eynon	Committee Chair
Faye Storms	Member

The following committee members were absent with notice:

Michael J. Ham	Member
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The following additional Agency members were present:

Richard O. Jones	Member/Chief Fiscal Officer
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Additional Attendees:

Rose Woodworth	Chief Executive Officer
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The meeting was called to order at 9:44 A.M. by Committee Chair Diane Eynon. The meeting started late due to unexpected technological issues.

### **PLEDGE OF ALLEGIANCE**

The members of the Committee participated in the Pledge of Allegiance to the flag.

### **ROLL CALL**

Roll was called, and a quorum was present.

### MINUTES

**Motion:** Faye Storms, seconded by Diane Eynon, moved to approve the minutes of the June 22, 2021 meeting. A copy of said minutes is on file.

**Vote:** The motion was unanimously adopted (2-0).

### PUBLIC COMMENT ON AGENDA ITEMS ONLY

There was no public comment.

### EXECUTIVE SESSION

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to enter Executive Session for the purpose of discussing personnel matters.

**Vote:** The motion was unanimously adopted (2-0).

The Committee entered Executive Session at 9:46 A.M.

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to come out of Executive Session.

**Vote:** The motion was unanimously adopted (2-0).

The Committee came out of Executive Session at 9:51 A.M.

No action was taken during Executive Session.

### OLD BUSINESS

#### **Project Post-Closing Affidavit update**

The CEO, Rose Woodworth, provided an update on the status of Projects that need to finish their post-closing affidavits. PODS have not sent in any documentation. Their Attorney has reached out to the CEO with discussions related to applying for another PILOT. The CEO made it clear the Post-Closing Affidavit would need to be received prior to any discussion on a new PILOT. Henry Stout has completed the Post-Closing Affidavit and sent in payment. Saugerties Hospitality has submitted their Post-Closing Affidavit, but no payment. The Project's payment is due August 30. Due to staffing changes, the current staff was not aware some of the older Projects had not completed their Post-Closing Affidavits until year-end

reporting was completed. Going forward, Projects are being tracked. A decision was made to have A. Joseph Scott, Agency Counsel, send letters to the Projects. If there is no response to the letter, the Project will be sent to the Governance Committee. Brooklyn Bottling has sent back their Post-Closing Affidavit and payment, but they are waiting on their audited financials to be completed since they just had their year-end.

### **UHY Audit Update**

The CEO provided an update. Matt from UHY would like to set up a time to go over the billing issues and start planning for next years audit. UHY is aware the Agency will not pay their invoices until changes are made.

### **NEW BUSINESS**

#### **2nd Quarter Administrative Staff Time**

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to approve the administrative staff time for the second quarter of 2021.

**Vote:** The motion was unanimously adopted (2-0).

#### **2nd Quarter Financial Review**

The Committee reviewed financial reports (Statement of Financial Position, Accounts Receivable Aging Summary, Transaction by Account for the Escrow Account, Adjusting Journal Entries, and General Ledger) from the second quarter of 2021. It was noted that administrative fees are lower than what they were at this time last year. There will be a drastically different looking picture after the third quarter. There are three Projects (Apherea, Romeo Kia, and the Kingstonian) that plan to close in the fourth quarter. CFO Richard O. Jones inquired about the old documents needing to be scanned. Scanning has not been done due to not being able to get an intern. The CEO brought up the idea of doing the tri-fold pamphlet for the Mentoring Program in-house now that there is an employee doing marketing in the office. The CD at Rhinebeck Saving Bank has been renewed. A majority of money has been moved back to The Bank of Greene County because their checking account provided the highest interest rate. Account Receivables Report was reviewed. Amthor has not paid their annual fee, late fee, or CPA fee. They have also not refinanced their bond.

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to send to the Board to either put a lien on or write the Amthor Project off.

**Vote:** The motion was unanimously adopted (2-0).

RBW owes for escrow for Loewke Brill. It was not paid at closing because they did not have the invoice. The Escrow Account reflects which Projects have positive and negative balances. The Kingstonian is

negative due to the change in required amount of escrow from \$1,000 to \$2,000. Romeo Kia is negative \$173 and \$300 is owed to Apherea, which will be trued up at closing. The Adjusted Journal Entries shows entries that are being made that are not deposits or checks. The full General Ledger shows all transactions. CFO, Richard O. Jones would like to go over line by line each quarter with the CEO.

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to approve the financial review for the second quarter of 2021.

**Vote:** The motion was unanimously adopted (2-0).

### **Annual Site Visit/Year-End Reporting**

Year-end reporting is sent out in December. During site visits the CEO reviews the year-end with Project. The idea to convert the year-end reporting to online reporting was brought up. The CEO will look into this and report back. Annual Site visits currently are done by the CEO. Discussion was had to make a requirement for all Board Members to do two site visits a year: One in-person and one virtual. Changes to the Compensation Policy will need to be made. This will be brought to the Governance Committee.

### **Review of Current Policies**

- A. Policy Respecting Uniform Criteria for the Evaluation of Projects\_- This will be tabled until after the UTEP and Matrix has been revised.
- B. Code of Ethics – Any contractor \$5,000 or more annually must sign a Code of Ethics to reaffirm there is no conflict with any Board Members. All Board Members will need to sign Code of Ethics annually.

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to make the following changes to the Code of Ethics Policy:

- Require any contractor \$5,000 or more annually to sign the Code of Ethics.
- All Board Members sign the Code of Ethics annually.

**Vote:** The motion was unanimously adopted (2-0).

- C. Investment and Deposit Policy – The Agency currently does not do investments or own any property. All deposits are insured and collateralized.

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to not make any changes to the Investment and Deposit Policy.

**Vote:** The motion was unanimously adopted (2-0).

- D. Local Construction Labor Policy – Michael J. Ham had specific wording for the changes that have not yet been received. Policy changes tabled for next Governance Committee meeting.

**ADJOURNMENT**

**Motion:** Faye Storms, seconded by Diane Eynon, moved to adjourn the meeting.

**Vote:** The motion was unanimously adopted (2-0).

The meeting was adjourned at 10:54 A.M.

Respectfully submitted,

Diane Eynon, Committee Chair