

**Cayuga County Industrial Development Authority**  
**Regular Meeting**  
**2 State Street, Auburn, NY 13021**  
**March 21, 2023 @ 4:00pm**

**Present:** Ray Lockwood (Chair), Herb Marshall, Andrew Rindfleisch, Bob Shea, Gina Speno, Paul Lattimore, John Latanyshyn,

**Others Present:** Riccardo Galbato (Galbato Law Firm), Karl Rindfleisch (Cayuga County Water & Sewer Authority Director), Elaine Buffington (auditor from Dannible and McKee), Michael Miller (CEDA), Maureen Riester (CEDA), Lauren LaGreca (CEDA), Peter King (CEDA), Katie Moran (CEDA)

**Attending on Zoom:** Justin Miller (CCIDA Transaction Counselor, Harris Beach), Mark Chambers (C & S Companies Engineer), Genevieve Trigg (Barclay Damon Counsel for TJA-NY, Chestnut Ridge)

Mr. Lockwood called the meeting to order at 4.00pm, noting the presence of a quorum.

**MINUTES OF LAST MEETING:**

Mr. Lockwood asked for a motion to accept the minutes of the February meeting. Mr. Marshall moved that the minutes be accepted and Mr. Shea seconded the motion. There were no additions or corrections and the minutes were unanimously accepted.

**NEW CEDA STAFF:**

Mr. Miller introduced new staff. Peter King is the new analyst, Lauren LaGreca is the new Marketing Manager, and Katie Moran who is the new Bookkeeper/Office Manager. All have joined the staff in the past month. Attendees at the meeting introduced themselves.

**AUDIT REPORT:**

Elaine Buffington was present to go over the results of the 2022 audit. She will do an overview of the financial statement and will be happy to take questions. At the end she will talk about the findings. This year was somewhat challenging due to staffing changes that resulted in issues with bookkeeping and record keeping. Michael Miller helped the auditors with records and information. A response will be needed from CCIDA in order to finalize the audit. Mr. Miller is working on that now.

There were two findings and one control deficiency. The financial statements were written based on information that Mr. Miller provided regarding activities in 2022. It was a very good year financially despite some bookkeeping problems. The main area of increase was cash and a CD that had come due. Capital assets were added in the sewer project. There are two land contracts that do not have detailed records. The agency must go back and reconstruct the records and history of these two pieces of land. They are for sale right now. There is no way to know the basis for the sale without more detailed records. The agency needs to start with the purchase price and then look at what was done to it over time. Even though CCIDA doesn't pay taxes it is important to figure out what was put into the parcels. For financial statement purposes, the gain on the sale must be shown. Other parcels were previously sold prior to when Buffington and Hoatland started doing the audits and no records were provided. It will take time, but is an important thing to do. Ms. Buffington emphasized that this can and must be done.

In the liability section there is an increase in accounts payable. The entire amount is related to the Highlander construction project for materials purchased. The grant payable is \$10,000 that is on the books for several years. It was pass through funds, but the paperwork that would allow the money to be paid has not been received. It either needs to be paid out when documentation is received or returned to the grantor.

Total operating revenue was very good this year. Administrative and land options fees increased income. Operating expenses were low and left a profit for the year. That plus interest income and land rent led to a profit of \$188,000.

There were 9 PILOTS at the end of the year. There were two land agreements. Both include administrative fees that will come through when the sale goes through.

There were two findings that were material weaknesses. The first was that there was an accounts payable of \$52,000 for the Highlands project that was not booked into the general ledger. It should have been paid by the end of the year. Internal controls need to be developed to make sure that accounts payable are entered in a timely manner. An amount was withheld as a retainer that would not be paid until this year. It was less than \$5,000 and is not material to the financial statement. That should have been recorded as a payable. Record keeping shows that proper entries were not made.

Items were not being processed in a timely fashion. The Board is the final source of making sure that bookkeeping is accurate.

The second item showed that multiple receivables were recorded more than once. The balance was negative and a journal entry for \$243,000 had to be made. Mr. Miller has been given some procedures for recording PILOTs that will be used in the future. The problems were mainly with the PILOTS. The auditors reviewed PILOT payments and they are all up to date.

Last problem was a control issue. The journal entries from last year were provided but not entered. The Board had some questions about how they could help to oversee the bookkeeping. These problems are worse this year, probably due to staffing issues. The Board Treasurer/Finance Committee should review the financial statements on a regular basis.

The Board went into Executive Session.

A motion to accept the audit passed.

#### **BILLS AND COMMUNICATION:**

Mr. Miller presented bills for this month. They are:

NYSEG \$185.20

Auditors \$4,000

Highland project \$4,462

All PILOT payments have been dispersed.

Mr. Latanyshyn questioned an item that showed that it was not received. The payment was dispersed to Abundant Solar, but the organization now owes CCIDA. It was due in January. Justin Miller indicated that it should not have been paid because CCIDA does not front payments. An aging list is needed and penalties are charged if their payment is late. A notice of default should be sent after a certain amount of time.

Motion by Mr. Marshall with a second by Mr. Latanyshyn to approve the bills. All present voted in favor of approving the bills with the exception of further discussion on the PILOT for Abundant Solar that will be discussed later.

#### **REPORT OF THE TREASURER:**

Motion by Mr. Shea with a second by Ms. Speno to approve the Treasurer's report. All present voted in favor with no opposition.

#### **UNFINISHED BUSINESS:**

Update to Sewer line: Mr. Chambers reported that the bidding process has started. So far there are 8 contractors who are interested in bidding. The bids will be opened on April 7 at 10:00 a.m. at 2 State Street.

CEDA Update: The SAM.gov registration has been updated and is active. Mr. Miller checked on the SD grant. CCIDA can be reimbursed for expenses after 2017. He will check the contract to see if all provisions were followed.

CEDA is continuing to have discussions around available parcels in Cayuga County keeping in mind what will make most sense for the IDA in terms of proximity to transportation routes, water, sewer, existing structures and more. CEDA is also working on available IDA incentives and updating new staff members. There is now a full crew on staff.

Mr. Marshall reported further information on the road that was discussed at the last meeting. There had been some discussion about holding the Solar people responsible for using the road. They have built their own road. There is a culvert that has collapsed and needs to be replaced. Karl Rindfleisch was called and it has been removed. There has been a good faith effort to start discussions with Mr. Norbert. Karl Rinfleisch reported that there are discussions going on between the Water Authority and the Norbert people regarding trying to acquire a right-of-way. The culvert has been removed.

Current Water Authority projects include the Cayuga Lake Protection Plan. The Water Authority is proposing to install 9 miles of pipe in the area of Honacle Road. They are also trying to find a secondary source of water. Auburn has been a good source but there are some problems with Owasco Lake and it would be good to have an alternative. Cayuga Lake could be used. A water treatment plant would be installed in the Long Point area that could supply water to the lower end of the county and pipes could be added to provide water to northern county areas. The milk plant can be a large customer if another route for water could be found. Another way to get water from the milk plant to the city would be beneficial. There are areas that would be thrilled to have water. There was some discussion of water issues and needs in Cayuga County.

#### **NEW BUSINESS:**

PARIS Report is in the process of being completed. There is only one report missing and it will be submitted on time next week.

A motion regarding the appointment of Secretary/Treasurer was presented. The motion was passed unanimously.

Initial project resolution – TJA-NY, Chestnut Ridge Road, Moravia.: questions were asked regarding the name of the project and the use of local labor. Local labor will not be used. A waiver has been granted to TJA that the labor does not have to be local. Mr. Marshall expressed disappointment that local labor will not be used, and pointed out that the PILOT program should include a requirement of using local labor. Ms. Trigg reported that the people working on the project will live in the area and spend money. At this point the group is asking that the application will be accepted. Later on there will be public meetings and a waiver may be required

regarding local labor. Mr. Marshall moved to accept the application and Mr. Latanyshyn seconded the motion. Ms. Trigg stated that the project would not go through without a PILOT. In response to a question about the planning process with the Town of Moravia Ms. Trigg responded that all but requirements but one hves been completed. The project is a 5 megawatt project and will be located on Chestnut Ridge Road in the Town of Moravia. There will be discounts offered to residents.

A roll call vote was taken. Votes were:

Mr. Lattimore – Yes

Mr. Shea – Yes

Mr. Latanyshyn – yes

Mr. Lockwood – Yes

Mr. Marshall – yes

Mr. Rindfleisch – yes

Ms. Speno – yes.

The motion was approved unanimously.

Mr. Marshall asked Ms. Trigg if she understood the Board's concerns. She will take the concerns about the use of local labor back to the client.

#### **UPCOMING EVENTS**

There is a 200 megawatt solar project in the northern part of the county. They have not applied for a PILOT. The state has stepped in to take control rather than the town. Mr. M Miller has had preliminary discussions with the school districts. They will apply for a PILOT, but there are still ongoing discussions. It is very important that J. Miller and M. Miller stay on top of what is going on.

Upcoming events: AVO training April 5 9:30 to 11:00 and April 19 9:30 to 11:00

State of City and County 8:00 a.m. 3/23 at APT

State of Schools 3/24

CEDA Economic Forecast Luncheon 3/30 11:30 at Springside Inn

What needs to be done for the opening of bids? A tabulation must be done. A special meeting should be held to make the decision. The EDA wants to see meeting minutes and a letter making the recommendation.

#### **ADJOURNEMNT AND EXECUTIVE SESSION:**

Mr. Marshall motioned to enter Execution Session to discuss contracts and strategy. The motion was seconded by Mr. Rindfleisch at 5:20 p.m. and was passed unanimously.

Respectfully Submitted,  
Katie Moran