



Regular Meeting Minutes

Auburn Industrial Development Authority

Wednesday, March 15th, 2023 @ 5:00pm

Remote and limited board attendance

2 State St., Auburn, NY

Board Present:

Jim Dacey (Chair)

Terry Cuddy (Secretary & Council Member)

Jimmy Giannettino (Council Member)

Gwen Webber-McLeod (Member at Large)

Lisa Green (Member at Large)

Dan Lovell (Member at Large)

William Andre (Vice-Chair & Member of Labor)

Excused:

Katie MacIntyre

Staff & Guests:

Michael Miller, Executive Director

Katie Moran, Bookkeeper/Office Manager

Robert Poyer, AIDA General Counsel

Lauren LaGreca, CEDA Marketing Manager

Peter King, CEDA Economic Research Manager

Elaine Buffington, Auditor, Dannible & McKee

Angela Janeck (by Zoom), Auditor, Dannible & McKee

Mr. Dacey called the meeting to order and took roll call at 5:00 pm.

MEETING MINUTES:

Mr. Dacey asked for a motion to approve the February 15, 2023 Regular Meeting Minutes. Mr. Cuddy made a motion to accept the minutes and the motion was seconded by Mr. Giannettino. There was no further discussion or changes and the motion passed unanimously.

BILLS AND COMMUNICATION:

Mr. Miller has held discussions with TGW about options for working with them and has reviewed their proposal. The Board had agreed that other options should be considered. Ms. LaGreca is present today to

discuss some of the options that have been considered. Other bills that have been received are the auditing bill from Dannible & McKee for \$4,000 and a bill from the Chamber of Commerce for \$310.50. There has been a notice from NUCOR Steel that they are attempting to have assessments of parcels they own reassessed. There is nothing for AIDA to do at this point.

Mr. Dacey asked for a motion to accept the bills. Mr. Giannettino made a motion to accept the bills and it was seconded by Mr. Cuddy. There was no further discussion or changes and the bill passed unanimously.

REPORT OF THE TREASURER:

Ms. Green noted that there was very little to report due to minimal activity. In response to a question from Mr. Cuddy, Mr. Miller reported that all PILOT loans from last year have been repaid.

Mr. Dacey asked for a motion to accept the Treasurer's report. Mr. Andre moved to accept the report and Mr. Lovell seconded the motion. There was no further discussion or changes and the motion passed unanimously.

UNFINISHED BUSINESS:

Updates: Mr. Miller had a number of updates. He introduced new staff members who were present at the meeting. Katie Moran, Bookkeeper/Office Manager, Lauren LaGreca, CEDA Marketing Manager and Peter King, CEDA Economic Research Manager were all present.

Mr. Miller has received an inquiry from the Equal Rights Center asking permission to use the AIDA logo. Mr. Cuddy noted that the missions of AIDA, Auburn, and the Equal Rights Center are all interconnected. There should be an MOU that is specific regarding the use of the logo and requiring prior approval over how it is used. AIDA must maintain some control of the logo use. Mr. Cuddy does not think that there should be a charge for using the logo. AIDA does not need to approve the smaller details of what the Equal Rights Center is doing with it, but should have control over how it is being used. Mr. Dacey agreed that prior approval of use is important. In response to a question from Ms. Greene, Mr. Poyer spoke about some about legal concerns that should be considered for the MOU. The MOU can either specifically state the uses that can be made of the logo, with the understanding that it can only be used in those instances, or it can specify that the Equal Rights Center has to get prior approval for each use they want to make of the logo. Ms. Webber-McLeod suggested having how it can be used stated in the MOU but also have a process of approval if there is another way they want to use. Licensing the logo is not going to bring in much income so it is probably not worth charging for it. There are a number of positive aspects of the Equal Rights Center displaying the AIDA logo on their products. We need to get clarification from them about how they want to use the logo and then write an MOU. Mr. Poyer will put together an MOU to present to the Board.

Mr. Miller reported on other updates. Contract updates with CCIDA are in process. The contract that is being developed is mutually beneficial. Mr. Miller will share that contract with the AIDA Board in anticipation of updating their contract.

Mr. Miller turned the floor over to Lauren LaGreca for updates on discussions with TGW and research into other options for web hosting. Ms. LaGreca recently had a conversation with MPW agency and looked at a website that they had developed. She discussed with them the needs of the organization for our website and they are open to customizing a website to meet our needs. They shared an additional website with Ms. LaGreca that also looks like it has many advantages. The next step will be a discovery call for the purpose of massaging content. If the decision is made to use their services, they could probably start work with us in July. Mr. Miller mentioned that they Board had also discussed website hosting. We need to make sure that the website will bring a strong ROI and that it will hit the audiences we seek. Ms. LaGreca pointed out that the Board needs to have discussions about bundling all the entities. We need to make sure that the content that has been created in the past is the most effective. Ms. LaGreca is also looking into web hosting. Decisions need to be made about whether to combine all of the agencies. Moving forward the group needs to make some decisions on what is needed and how to proceed. The current site does not reflect what AIDA is providing to the community as well as it should. This should

be a goal for a new site. MPW has a number of services to help us reach the audience we need and provide them with the best information. Ms. Webber-McLeod suggested that we develop a comprehensive marketing plan. Mr. Dacey recommended that two recommendations be brought to the next Board meeting. Members present agreed.

The CEDA update will be about the audit. That will be done later in the meeting.

Audit Committee: Ms. Greene reported on the meeting of the Audit Committee. The committee met earlier today and reviewed the financial statements and Mr. Miller's response to the recommendations in the audit report from Dannible & McKee. The PARIS report was reviewed as were procurement guidelines. There were no changes.

Audit Report: Ms. Buffington introduced Angela Janeck of Dannible & McKee, who worked with her on the audit. Ms. Janeck is attending on Zoom. The audit was challenging this year due to a number of changes and transitions. It is substantially done and will be ready for the March 31 deadline.

Highlights on financial statement: This is an independent auditor's report prepared according to Generally Accepted Accounting Principles. The findings will require response from management that will be inserted into the report. Included is a summary section.

Financial position – the balance sheet shows that it was a very good year in terms of assets and income. There was a note payable on the balance sheet that is very old. It hasn't been paid but interest continues to accrue. The interest is now over \$10,000 and the loan was for \$23,000. Either the interest should be paid, or the loan should be paid off. Renegotiating the interest can be discussed with the city. Mr. Cuddy stated that he has brought this up in the past and it is time to do move forward with that.

Income is lower this year. Administrative fees were approximately \$34,000. There was \$10,000 income for an option that was taken on the purchase of a parcel of land. For the year there was a loss of \$43,311. Income will vary depending on projects that were going on.

Findings

1. The prior bookkeeper did not post journal entries from the previous audit. This resulted in the fund balance not rolling over into the next year resulting in inaccurate financial statements all year. There needs to be a system set up for a monthly closing to make sure that processes are being done properly.
2. Some internal systems went wrong such as a check that bounced due to poor bookkeeping. Checks were being hand written but not entered into the general ledger. Some checks were dated after they were cashed. Need good procedures for entering information in a timely basis and making sure that accounts are reconciled. Some handwritten checks are being used and they don't always get entered into Quickbooks. Changes were also made after the reconciliation was done. Prior periods can be password protected. These things need to be followed up on and taken care of. The board doesn't see all the details of the bookkeeping so there needs to be another method of control.
3. Compliance finding – New York State law requires that funds received from them be paid out within 30 days. We owe a penalty to the school district for this and will ask them to waive this penalty.

Ms. Janeck has presented a better way to do the reporting on the PILOTs. She provided journal entries to record those transactions. Another item is to set up a separate bank account for the PILOTs to keep it all in one place.

Ms. Webber-McLeod asked what needs to be done to avoid these problems in the future. Ms. Buffington responded that a properly trained bookkeeper is important and oversight by management and the Board is crucial. They will help the organization as needed. Internal controls are important.

Ms. Webber-McLeod stated that it is clear that changes need to be made and Mr. Miller and his team need to provide a plan for improvement and share that strategy with the Board and update the Board

periodically on progress in carrying out the planned improvements. The state is starting to crack down on IDA's and we need to make sure that we are operating within their requirements.

Mr. Dacey asked for a motion to accept the audit with the understanding that there are still a few things that Dannible & McKee needs to do. Mr. Cuddy made the motion and Mr. Andre seconded it. The motion passed unanimously.

GOVERNANCE COMMITTEE:

Mr. Cuddy reported on the Board evaluations. In the past answers have been more on the agree side than disagree. There were some disagrees this time. It was pointed out that there was some general instability within the organization due to changes and staff transitions. However, the comments will be very useful to the Board and the Executive Director to look at improvements that are needed and to move forward. It is important that we keep the mission in mind at all times. There is currently a full team in place and they will be able to look at the evaluations for thoughts about future directions. Ms. Webber-McLeod believes that these will be very helpful in setting goals and expectations. Also discussed at the meeting was succession planning. They bylaws have been reviewed and no changes are needed at this time.

Mr. Cuddy made a motion to accept the evaluations. Ms. Webber-McLeod seconded the motion. Mr. Giannettino reported that his evaluation may have been negative due to the changes and difficulties with maintaining continuity of staff. It has been a rough year. The agenda should be formed around performance goals so it will be clear that activities are in alignment with the goals. Mr. Giannettino pointed out that communication is better within the Board due to having in-person meetings. Mr. Dacey added to the motion that the evaluation should be done every 6 months.

The motion is now to accept the evaluations and to do evaluations every six months. Made by Mr. Cuddy and seconded by Ms. Webber-McLeod. The motion passed unanimously.

Mr. Dacey asked for a motion to accept the Audit Committee and Governance Committee reports. The motion was made by Ms. Webber-McLeod and seconded by Mr. Cuddy. There was no further discussion or changes. The motion passed unanimously. Mr. Andre questioned whether there was still a quorum. It was determined that there was.

ONBOARDING THE SECRETARY/TREASURER

Mr. Miller presented Katie Moran for the position of Secretary/Treasurer. Mr. Cuddy made the motion that she be approved for the position of Secretary/Treasurer. Mr. Giannettino seconded the motion. There was no further discussion and the motion passed unanimously.

FIDUCIARY ACKNOWLEDGEMENT FORMS:

The form is on the back of the Board packet. Mr. Dacey requested that everyone sign the form. The forms were collected.

UPCOMING EVENTS:

AVO training is April 19 from 8:30 to 11:00

State of City and County is on March 23 at 8:00

State of Schools is on March 24

CEDA Economic Luncheon is of March 30 at 11:30

OTHER:

Mr. Giannettino suggested that CD rates be looked into. Rates are higher and it might be a good time to invest in CD's. Ms. Webber-McLeod suggested that a block of time be put on the agenda to report on a

correction strategy for the recommendations of the audit, as well as discussing topics such as CD's and other financial activities.

ADJOURNMENT:

Mr. Dacey asked for a motion to adjourn. Mr. Cuddy made a motion to adjourn. Mr. Giannettino seconded the motion. The meeting was adjourned at 6:15.

Respectfully Submitted,

Michael Miller

DRAFT