MINUTES OF THE MEETING OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY

HELD: April 13, 2011
TIME AND PLACE: 6:30 P.M., Village Hall, Conference Room, 222 Grace Church Street, Port Chester, New York

ROLL CALL: In attendance were Chairman Neil Pagano, Vice-Chairman Joseph Kenner and members James Taylor, Richard Cuddy and John Hiensch.

Also in attendance were IDA Secretary, Elisa Sciarabba, Administrative Director, Dwight Douglas, IDA Counsel, Justin Miller and CFO Leonie Douglas.

CFO Leonie Douglas arrived at 6:35

Absent were members Philip Semprevivo and Dennis Pilla

Chairman Pagano called the meeting to order at 6:30 pm.

CHAIRMAN'S REMARKS:
Chairman Pagano passed on his comments and began a discussion related to the Audit Proposal received from Drescher & Malecki.

AUDIT PROPOSAL
Mr. Douglas discussed the slight increase in the cost for services. Last year, the cost of the audit was $3,750 and this year the proposal is $3,950. He noted that it is very valuable to continue with the same auditor as the Village of Port Chester.

Vice-Chairman Kenner asked about the start date and finish date of the audit. The start date was listed as July 1, 2011 and the end date as September 1, 2011. He noted that it would be great if the report was completed by that date.

Member Cuddy asked if there was any penalty if (the auditors) did not finish by that date. Mr. Douglas responded that if the auditors were late meeting a deadline, it would most likely be because the IDA was holding up something or could not locate specific information.

Mr. Miller explained that the PARIS report is due September 1, 2011 and said it should be stated in the Auditor's contract that the audit needs to be completed before in order to meet the PARIS deadline.

Mr. Douglas stated that he would ask the Auditors to amend the contract so the PCIDA would receive the audit on or before August 15, 2011.

On a motion of Vice-Chairman Kenner, seconded by Member Cuddy the proposal of Drescher & Malecki, LLP was approved with the amended audit results deadline of August 15, 2011 in the amount of $3,950 for the audit for year-end May 31, 2011.

APPROVAL OF MINUTES:
The minutes of the March 9, 2011 meeting were reviewed and approved on a motion of Vice-Chairman Kenner, seconded by Member Cuddy and approved by all present.

Mr. Miller noted that there were slight revisions to the Kingsport Inducement Resolution and so was incorporated along with these minutes as an attachment.

PARIS REPORT: Ms. Douglas explained that the PARIS report was filed on March 23, 2011. In order to complete the report, Chairman Pagano and Ms. Douglas worked on a spreadsheet for the G&S PILOTs and how to classify them in the report. Each is recorded in the report by Unit Lease.

Member Taylor asked if G&S ever submitted their response to the request for audit information. Chairman Pagano stated that they had not received any response even following a second request from Justin Miller. Therefore the PCIDA lacked the necessary information to complete the report which was already long overdue for submission. He further informed the members that he and Ms. Douglas placed two conference calls to the Authorities Budget Office and explained the situation to a Ms. Susan Delehanty as to how to proceed with completing the report without input from G&S. Ms. Delehanty responded that she conferred with other ABO Staff and they really did not know how to advise us in that they have never had this type of problem come up before.

Chairman Pagano further stated that because the G & S PILOTs had never been reported in the PARIS report before, it was of critical importance to get it logged into the record at this time even without having input from G&S. Future reports could be corrected once G & S responded to our request

Member Taylor asked how Chairman Pagano and Ms. Douglas came to the numbers listed for job creation for each of the sub-tenants if they hadn't received the information from G&S. Chairman Pagano informed the Members that because they could no longer hold up the report that was already long overdue, they had no alternative but to make their best estimates based on the square footage of each of the sub-tenant spaces. He explained that he – not Ms. Douglas – produced the job figure estimates. Ms. Douglas recorded the information that Chairman Pagano gave her. The process Chairman Pagano used to arrive at the figures involved searching for the various tenants corporate web sites on line. Once locating the web pages where information that pertained to the number of employees a particular tenant had together with the number of stores the tenant had in operation he simply divided the two together to arrive at an average number of employees per store. In a number of instances he was able to locate the SEC Form 10-K which spelled out the number of full time employees together with the number of retail outlets that a particular tenant had. He further noted that he adjusted some of the numbers based on the estimated square footage figures of the stores in Port Chester.

Member Taylor noted that the idea of the PARIS report is transparency, which is what the PCIDA is attempting to do. It was further noted that as the Board obtains the correct information from G & S, the report must and will be updated.

Mr. Miller noted that there were some inconsistencies and discrepancies in the report that were not job-related and should be corrected. One discrepancy was the date the projects were approved versus when the PCIDA took title. The project approval date should be listed as the date of the LADA. There was also a discrepancy with how Kingsport was filed. This too is to be corrected.

Ms. Douglas, Mr. Douglas and Mr. Miller were going to review the report, update it with further changes and amend it to make the information as accurate as possible. Mr. Douglas said there could be a footnote added to the report stating that the unit leases for G&S used estimated totals as the PCIDA awaits the outstanding reports from G&S.

Chairman Pagano discussed the ongoing effort between Mr. Douglas and Ms. Sciarabba and himself to organize all of the PCIDA files. Mr. Douglas stated that he has located his PCIDA office in a new space on the second floor of Village Hall where the former Section 8 offices used to be. However, Chairman Pagano further noted that since that space was not yet secure to only the IDA, he has directed Mr. Douglas and Ms. Sciarabba to consolidate all of the records into one place in Ms. Sciarabba's office for safe keeping for the time being. All of the records are being put into binders and organized by project. He pointed out that the task of locating, collecting and assembling all of the IDA's documents is still underway and that a number of them are still missing. This fact also accounted for the difficulty in completing the PARIS report.

FINANCIAL REPORT

Ms. Douglas stated that as of March 31, 2011 the total expenditure amount was $70,534. The ending funding balance as of March 31st was $266,280.74. She explained that a Board resolution was needed to cover certain overages. She also explained that there was $19,000 remaining in the G&S administrative services which can be used to offset budget overage and or encumbered and carried forward to the next fiscal year.

Member Hiensch asked if any legal money was allocated to escrow.
Mr. Miller stated that they have billed some but are holding some hours and will bill at project completion. Ms. Douglas noted that there is $25,000 in the G&S escrow. She also explained that the Building Department needs to sort out the escrow situation and she is going to meet with the new Assistant Village Manager next week to discuss how to implement the new software for escrow accounts.

Chairman Pagano asked if it was necessary to modify the budget now. Ms. Douglas noted that additional funds are needed in the secretary line based on the increase in the number of meetings and additional funds were also needed for Harris Beach. She stated that the G&S line could be reduced and the funds could be transferred to the legal line. Ms. Douglas also noted that additional funds were needed to cover the $650 for training. She explained that she could reduce the audit line and transfer the funds to the training line. She also needed to modify the budget to reflect the NYS Assessment line in the amount of $453.27. This could be taken from the audit line as well.

On a motion of Vice-Chairman Kenner, seconded by Member Cuddy the following budget transfers were approved by all present:

Transfer from:		
9.1420.472	G & S Administrative/Legal	($5,000.00)
9.1320.492	Auditors Fees	($1,153.27)
9.1910.400	Contractual-Travel Expense	($ 778.68)
Total		($6,931.95)
Transfer to:		
9.1420.400	Contractual-Harris Beach	$5,000.00
9.1220.403	Education & Training	$ 650.00
9.1220.493	Public Authority Assessment	$ 53.27
9.1410.400	Contractual-Secretary	$ 450.00
9.1220.404	Travel Expense	$ 778.68
Total		$6,931.95

APPROVAL OF INVOICES:
An invoice for the month of March 2011 was presented from the Administrative Director in the amount of $3,000.

An invoice for secretarial services for the April 13, 2011 meeting from Elisa Sciarabba in the amount of $150 was presented.

An invoice from Leonie Douglas, CFO was presented for services for the month of March in the amount of $416.66.

An invoice from WB Mason in the amount of $115.92 for the purchase of binders was presented.

On a motion of Member Cuddy, seconded by Member Hiensch, all four invoices were approved by all present.

PC DEVELOPMENT CORPORATION
Mr. Miller explained to the board that he found the certificate of incorporation and from what he could tell, it was established separately from the PCIDA as a not for profit organization for the Kingsport and Southport deals. There is a fund balance remaining. It is an incorporated entity but used a Village account. There is $68,000 remaining in the account.

Mr. Douglas explained that he found the FEIN Number so Ms. Douglas can track back to the account.

Mr. Miller explained that there are two options. The first is to dissolve the entity have the assets go to another entity or the PC Development Corporation and be reincorporated to become a useful entity. Either one of the options would require HUD approval. The next step would be to find the most recent board and have them get together to see if they would dissolve. Then it could be proposed to HUD to send the assets to the current Kingsport project.

Member Hiensch asked if this was necessary and Mr. Miller noted that if it isn't addressed it would keep coming up as a note in the audit.

Mr. Douglas noted that there is enough information to get in touch with members to convene the meeting. Chairman Pagano asked if Mr. Douglas could get in touch with the members to reconvene a meeting.

Update: Townsend Street Dedication & Unit 4B Lease Termination

Townsend Street Dedication
Mr. Miller explained that Townsend Street has been approved by the Village of Port Chester and the PCIDA for dedication to the Village. The Village Board approved the dedication under the condition that the Village engineer must look at the condition of the road before the street is taken over. There is an issue of a retaining wall. Mr. Miller was going to speak with the Village Engineer and the Village Attorney tomorrow to work it out. Mr. Hiensch asked about the retaining wall and who is liable if the Village takes the title. Mr. Miller noted that Dolph is looking into the issue and it is at his discretion.

Unit 4BTermination
This has been approved by the Village Board and the PCIDA. Mr. Miller is working on cleaning up the agreement.

Chairman Pagano explained that the PCIDA is waiting for the Building Department to get straightened out before the Certificate of Occupancy research on all of the sub-tenants in the G & S project resumes.

On a motion of Vice Chairman Kenner, seconded by Member Hiensch, the Board went into executive session to discuss legal matters at 8:00 pm.

On a motion of Vice Chairman Kenner, seconded by Member Cuddy, the Board came out of executive session at 8:10 pm.

Vice Chairman Kenner brought up the topic of the PCIDA Mission Statement and noted that he still wanted to work on the language to be more specific to what the Board was looking to accomplish. After a brief discussion, it was determined that the Board would keep the Mission Statement the way it is currently and begin to have further discussions as to what specific goals they would like to target.

At 8:13 p.m, there being no further business before the Board, the meeting was adjourned on a motion of Member Taylor, seconded by Vice-Chairman Kenner.

Respectfully submitted,

Elisa Sciarabba

Elisa Sciarabba
Secretary