

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
October 23, 2007
ST. BONAVENTURE UNIVERSITY
5:30 p.m.**

Roll Call

Members

Present

Thomas Buffamante - Chairman
Salvatore Marranca - Second Vice Chairman
Joseph Higgins - 1st Vice Chairman
Joseph Eade - Secretary
Jerry Burrell - Member

Members

Excused

James Stitt - 1st Assistant Secretary/Treasurer
Gregory Fitzpatrick - Member

Staff

Norman Leyh, Executive Director
Corey R. Wiktor - Assistant Director/CFO

Guests

Sharon Turano - Jamestown Post Journal
Bob Iszard - Empire State Development

Chairman, Thomas Buffamante called the meeting to order at 5:30 p.m.

APPROVAL OF MINUTES

A Motion was made by Joseph Higgins, with a second by Joseph Eade to accept the minutes, subject to changes, of the September 18, 2007 Board Meeting. Motion Carried.

FINANCIAL REPORT

Corey Wiktor gave a brief review of the September 2007 financial report, the expenses are in line with the amended budget with only 3 months remaining. Mr. Wiktor stated that the projected income is slightly below budget due to a few potential projects which have moved out to 2008 or beyond. A Motion was made by Salvatore Marranca with a second by Joseph Higgins to accept the financial report for September 2007 as prepared. Motion Carried

Mr. Buffamante discussed the updated listing of CD's. Corey Wiktor reviewed the CD listing of September 30, 2007, due to the inverted yield curve it was decided to stay short term due to the flat rates going out to a longer term. Mr. Leyh advised that in the past the laddering process was used for extended periods of up to 2 ½ years. However, due to the inverted yield curve it has been decided to stay shorter terms. Mr. Marranca suggested that the CD's coming due at Five Star Bank within a week of each other, it would be a good idea to stagger these out a little because it seems to be a bit of a concentration. Mr. Marranca recommended going 30 or 60 days to break up the concentration.

Corey Wiktor went over the Investment Policy which was revised in 2006 due to the new regulations of the Public Authorities Accountability Act (PAAA). Corey recommended no changes to the Investment Policy for 2008. Mr. Marranca made a recommendation that the Investment Policy be approved on an annual basis. A Motion was made by Mr. Marranca to accept the Investment Policy for 2008 as presented to the Board, seconded by Mr. Burrell. All members voted yes. Motion Carried

Mr. Buffamante discussed the 2008 Proposed Budget advising the Board that he has reviewed the fee revenue with Corey and Norm and has been advised that most of the projects discussed for 2008 will probably not close in 2008, therefore very limited fee revenue has been projected for the 2008 Proposed Budget. Mr. Buffamante also stated that some larger projects done in recent years being 501 (C)(3) projects and the legislation expires on IDA 's ability to do this type of projects on January 31, 2008. The last legislation expired in June of 2007 and the legislature extended this until January 31, 2008 extending this piece of legislation only 7 months. Mr. Leyh explained that an extremely conservation approach was taken while compiling the 2008 budget mainly do to the 501 (C)(3) legislation. Mr. George Cregg, Jr. discussed 501 (C)(3) legislation and advised the board that it is very difficult to predict the outcome of the passage of this legislation because of the events that have taken place in Albany.

Mr. Buffamante explained that there are currently four (4) projects that Corey and Norm have been working with that could be coming through before the January 31, 2008 deadline. Mr. Leyh explained that it will be an extremely tight issue for these projects time wise. Mr. Buffamante explained to the Board that if an application is received from one of these projects, a special board meeting will have to be scheduled possibly within the next 30-45 days because of the time constraints.

Mr. Marranca proposed the question does the CCIDA run a risk of passing a proposed budget with a \$160,000 loss for the year, either reputation wise or county level? Another words would there be any fall out from approving a budget with a loss of this magnitude? Mr. Leyh explained that this Agency is in the position to have a nice reserve because of the work that has been done in the past. Mr. Leyh advised the Board that this IDA does not do a deal simply for the fee such as other IDA's have a practice of doing. Mr. Leyh also discussed with the Board that it is a known fact that there will be years with projected losses such as the proposed 2008 Budget. However, the Board also is aware that there are also projects in the works down the road that will have income that will dwarf this potential small loss. The good news is that the revenues are extremely strong for this Agency. Corey Wiktor also brought to the Board's attention that there is a reduction in ten (10) line items for the 2008 proposed budget. Mr. Buffamante also mentioned that an alternative column has been proposed for the 2008 Budget to include adding a half to a full time person to the CCIDA staff. Mr. Cregg, Jr. advised the Board that a tentative Budget must be filed with the Authority Budget Office by November 1st.

A Motion was made by Jerry Burrell seconded by Salvatore Marranca to go into Executive Session to discuss a matter of personnel.

A Motion was made by Salvatore Marranca seconded by Joseph Eade to return from Executive Session

Mr. Buffamante reviewed the 2008 Proposed Budget with total revenue projected at \$149,000 with total expenses \$310,775 for a total deficit of \$161,755

A Motion was made by Joseph Eade seconded by Joseph Higgins to approve the 2008 Proposed Budget with changes. Motion Carried

NOMINATING COMMITTEE

Mr. Buffamante requested Mr. Marranca and Mr. Eade to serve as Co-Chairman of the Nominating Committee. Mr. Higgins and Mr. Burrell were asked to assist Mr. Marranca and Mr. Eade in this position.

MEMBER ITEMS

Corey Wiktor next presented information to the Board in regards to IDA Drive in the Olean Industrial Park. Mr. Wiktor went on to explain that back in 1993 the CCIDA took steps and

resolutions to convey IDA Drive to the Town of Olean. The CCIDA was unaware that the Town of Olean did not proceed further in the dedication of the road on their Town Books. Mr. Leyh clarified that when the CCIDA constructed IDA Drive they constructed it to municipal standards. Mr. Wiktor continued that with the land sale to Benson Construction last year, Mr. Don Benson approached the CCIDA and requested to have control of IDA Drive, basically to redirect the deed to incorporate IDA Drive. USDA funds were used to construct IDA, therefore a letter was sent to the USDA for their approval to include IDA Drive into the deed of the property purchased by Benson Construction. A letter was received from Thomas Hauryski-Business Programs Specialist of the USDA Rural Development dated September 10, 2007, granting the CCIDA's request to have IDA Drive included in the deed of the 23.68 parcel of land purchased by Benson Construction. USDA agreed that a deed revision was required to correctly identify the property purchased by Benson Construction.

A Motion was made by Jerry Burrell to proceed with the inclusion of IDA Drive into the deed of the 23.68 parcel of property purchased by Benson Construction, seconded by Salvatore Marranca. Mr. Buffamante abstained. Motion Carried

EXECUTIVE DIRECTOR'S REPORT

Mr. Wiktor briefly review the 2008 Meeting Schedule for the Board.

Mr. Wiktor passed out information to the Board in regards to replacing the aging furnace in the CCIDA offices. Mr. Wiktor explained that 11 vendors were contacted with four (4) estimates received. The Board unanimously agreed to have the Executive Director and Assistant Director make the decision on which bid to accept taking into consideration various factors including service.

The next scheduled Board Meeting will be held on **December 11, 2007 at 11:15 a.m.**

ADJOURNMENT

A Motion to adjourn was made by Jerry Burrell seconded by Joseph Higgins. Motion Carried