

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
April 21, 2009
CCIDA OFFICES
3 East Washington Street
Ellicottville, NY
11:15 a.m.**

Roll Call

**Members
Present**

Thomas Buffamante - Chairman
Joseph Higgins - 1st Vice Chairman
Salvatore Marranca - Second Vice Chairman
Joseph Eade - Secretary
James Stitt - 1st Assistant Secretary/Treasurer
Crystal Abers - Member
Gregory Fitzpatrick - Member

**Members
Excused**

Staff

Corey R. Wiktor - Executive Director
George Cregg, Jr., - Hodgson/Russ LLP

Guests

Denise Veloski - CPA, RA Mercer & Co.
Kathy Kellogg - Buffalo News
Rick Miller - Olean Times Herald
Ian Biggs - The Villager

Chairman, Thomas Buffamante called the meeting to order at 11:13 a.m.. Mr. Wiktor stated that a Revised agenda has been provided with a few additions for today's meeting.

APPROVAL OF MINUTES

A Motion was made by Joseph Eade, with a second by Joseph Higgins to accept the minutes from the March 10, 2009 Board Meeting as prepared. Motion Carried.

APPROVAL OF FINANCIAL REPORTS

A Motion was made by Crystal Abers, with a second by Salvatore Marranca to accept the operating statement for March 2009. Motion Carried

FINANCIAL REPORT

Mr. Wiktor advised the Board that the operating statement for the month of March were revised do to an account adjustment with the payroll withholdings of \$676.00.

Mr. Wiktor discussed with the Board that we are trying to keep the operating expenses to a minimum due to the slowdown in terms of applications and revenues that the CCIDA procures from the Certificates of Deposits as an asset. Currently the year-to-date actual expenses are well under budget.

Mr. Buffamante next introduced Denise Veloski from RA Mercer & Company, Ms. Veloski is here to discuss the 2008 Audit Report that the CCIDA Board Members received in their Board packets. Ms. Veloski thanked the CCIDA Board and Staff for their full cooperation and making the 2008 Audit process very smooth with no problems or difficulties. Ms. Veloski advised the Board that their were actually two draft reports issued with additional information added to the Management's Discussion and Analysis letter after the Audit Committee meeting was held. Ms. Veloski was happy to report that the Independent Auditors' Report letter and Compliance letter both stated that there were no findings.

Ms. Veloski stated that the agency's assets exceeded its liabilities by \$1,678,960 for the fiscal year reported, compared to the previous year (2007) when assets exceeded liabilities by \$1,878,027. Ms. Veloski next discussed the revenues and expenses as to how they changed and why changed. Next discussed was the financial analysis of the Agency as a whole. The Agency's total assets decreased \$222,471 from \$1,919,677 at December 31, 2007. Total liabilities decreased by \$23,404 from \$41,650 at December 31, 2007. The decrease is primarily a result of the payoff of the escrow liabilities held by the Cattaraugus County Industrial Development Agency. The Agency's total net assets decreased \$199,067. Operating revenue for

the year ended 12/31/08 was \$43,469. In the prior year the total operating revenue was \$38,487. Operating expenses for the year ended December 31, 2008, were \$269,837. Nonoperating revenue consisted of \$27,421 in interest income earned on the Agency's bank certificates of deposit and bank accounts and \$67,846 in grant-related revenue. Grant revenue was directly offset by corresponding project expenses. At the end of the year, the Agency had a note payable outstanding of \$10,429, a decrease of \$2,018 from the prior year.

Ms. Veloski next reviewed the actual financial statements with the CCIDA Board noting any adjustments and answering any questions posed by the Board members.

Ms. Veloski stated that as of December 31, 2008, the Agency's current deposits included demand deposits, savings accounts, and cash on hand totaling \$68,989. Also, cash in excess of current requirements is invested in various certificates of deposit totaling \$1,368,777, which have maturity terms in excess of three months with interest rates varying from .45 to 3.20 percent.

The next item covered was the NYS Retirement funding policies. The Agency is required to contribute at an actual determined rate. The Agency's required contribution for the current year was \$8,064. The Agency applied an unused credit of \$4,498 to this amount, leaving a payment of \$3,566 due, which was paid in December 2008. During the fiscal years ended December 31, 2007 and 2006, the Agency's contributions were \$6,278 and \$17,799, respectively. Each of these payments represent 100 percent of the required contribution.

The next section covered was the Supplemental information which is the schedule of bonds/pilots, and number of jobs created or retained. This data is acquired directly from the information reported via confirmations to RA Mercer & Co. from the various companies with completed projects. This year we had a few lagers, however, not as bad as in past years do to the fact that the confirmations were sent out much earlier which yielded a much better response.

Ms. Veloski again asked the Board if they had any questions in regards to the 2008 Financial Statements or the information reviewed.

Mr. Wiktor thanked Ms. Veloski for working with the CCIDA and completing the required information in a timely manner.

Motion was made by Greg Fitzpatrick, Chairman of the Audit Committee and seconded by James Stitt to accept the 2008 Audit Report prepared by RA Mercer & Co. as presented to the Cattaraugus County Industrial Development Board Members. All Board Members were in favor. Motion Carried

Mr. Wiktor discussed the Resolution being offered for the Great Valley Portion - SEQR Resolution for Win-Sum Ski Corp. Mr. Wiktor explained that after the SEQR process started it was determined that a very small portion of this project (\$10,000) for the top of the hill the warming hut, was located in the jurisdiction of the Town of Great Valley. NY State law states that if there is over \$100,000 benefit of entitlement issued that a public hearing must be held in that municipality. Mr. Wiktor discussed this with Board President - Tom Buffamante and Legal

Council - George Cregg, Jr. and it was determined that this portion was very minor in comparison with the \$3.3 million project, the total benefit for this portion of the project is less than \$10,000. Mr. Wiktor did contact Dan Brown the Supervisor of the Town of Great Valley by letter, no response was received. Mr. Wiktor stated that it is a normal Board Policy to hold a Public Hearing in all municipalities affected by a project.

Mr. Wiktor discussed the Public Hearing held for the Win-Sum Ski Corp. 2009 Project. Two homeowners that live in a Condo on Deer Crossing Road that did attend the Public Hearing to voice their concerns in regards to the relocation of Holiday Valley Road. They were concerned on how the relocation of the Holiday Valley Road would impact their site and quality of life. Mr. Wiktor contacted David Trathen to discuss the exact location of the proposed new road and physical location and let the homeowners know the proper steps involved to grant Holiday Valley the permits and permission required to move Holiday Valley Road. Mr. Wiktor thanked Greg Fitzpatrick for his help with the legal ease and assistance in detailing the workings of the Town of Ellicottville in regards to the permitting process involved. Mr. Wiktor advised the Board that he will keep the homeowners apprised of information received from Holiday Valley as far as a actual drawing or an application being submitted to the Town of Ellicottville to grant the required permits. Mr. Wiktor stated that the moving of Holiday Valley Road is a local issue with the Town of Ellicottville being responsible for granting the permits for this process to proceed. Mr. Wiktor discussed that Win-Sum Ski Corp. Actually owns the property right to the edge of the homeowners property so there is no question of a right-of-way. The homeowners have owned their Condo since 1990 and were very complimentary of Win-Sum Ski Corp. with the growth and expansion of the Holiday Valley. The homeowners were satisfied with being appraised of the procedures and the steps involved in this process.

RESOLUTION(s)

Motion was made by Salvatore Marranca seconded by Joseph Eade, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PORTION OF THE PROJECT LOCATED IN THE TOWN OF GREAT VALLEY FOR THE BENEFIT OF WIN-SUM SKI CORP. WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.** A Roll Call vote was taken with Mr. Higgins, Mr. Marranca, Mr. Eade, Mr. Stitt, Mr. Fitzpatrick, and Ms. Abers voting yes. Mr. Buffamante abstained. Motion Carried.

Motion was made by Joseph Eade seconded by Crystal Abers, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR WIN-SUM SKI CORP. (THE "COMPANY").** A Roll Call vote was taken with Mr. Higgins, Mr. Marranca, Mr. Eade, Mr. Stitt, Mr. Fitzpatrick, and Ms. Abers voting yes. Mr. Buffamante abstained. Motion Carried.

Mr. George Cregg, Jr. Legal council for the CCIDA next discussed the Resolution being offered in regards to Gernatt Asphalt Products, Inc. This was originally a Bond Project in 1998 before the bonds were issued the site was moved to a different location within the Gernatt Campus. This was a project to install a new rock crusher to manufacture gravel. The original location for placement of the new rock crushing machine was moved to a different location after discussions with NYS DEC. The bank involved give a mortgage on the original site for the location of the new machine however, the bank is now stating that the mortgage should be on the location of the new machine financed and not on the location that the machine was originally to be located. Therefore, the documents are being offered to amend the various documents entered into with the issuance of the 1998 Bonds to reflect the shift of the site on the Gernatt Campus.

Motion was made by Salvatore Marranca seconded by Joseph Higgins, **RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF DOCUMENTS FOR THE MODIFICATION OF THE MORTGAGE AND OTHER DOCUMENTS RELATING TO THE ISSUANCE AND SALE BY COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS (GERNATT ASPHALT PRODUCTS, INC. PROJECT - LETTER OF CREDIT SECURED), SERIES 1999A IN THE AGGREGATE PRINCIPAL AMOUNT OF SIX MILLION ONE HUNDRED TWENTY THOUSAND DOLLARS (\$6,120,000) AND THE EXECUTION OF RELATED DOCUMENTS.** A Roll Call vote was taken with Mr. Higgins, Mr. Marranca, Mr. Eade, Mr. Stitt, Mr. Fitzpatrick, Ms. Abers, and Mr. Buffamante voting yes. Motion Carried

EXECUTIVE DIRECTOR'S REPORT

Mr. Wiktor stated that he is continuing meetings with area IDA's, letter campaigns, phone calls, etc. regarding negative affects regarding the proposed Hoyt/Thompson Bill regarding the IDA reform.

Mr. Wiktor advised the board that he will be attending the NYS Economic Development Conference in Cooperstown on May 20 - 22. Mr. Wiktor would also like to extend a special Thank You to Jim Stitt and Alcas Corp. for their generous donation.

Mr. Wiktor discussed that he has been fielding many questions, concerns from Cattaraugus County Businesses with respect to the sweeping changes to the New York States Empire Zones, and how those will affect area businesses. The CCIDA has been very proactive in keeping them apprised of the changes.

Mr. Wiktor advised that he will be starting to conduct some "Town Hall Meetings" with respect to Cattaraugus County IDA 101. These meetings will have a similar format to last falls wind meetings. Mr. Wiktor stated that he has already compiled a hand out/informational sheet and will be holding a meeting per week for 7 to 8 weeks throughout the County. Dan Harris with

Cattaraugus County Business Development Corp. has offered to join forces so they can deliver multiple messages of what their respective agency can offer.

Mr. Wiktor next discussed that two (2) Wind Committee Meetings have thus far been held and the third meeting is in the process of being scheduled within 30 days. The Wind Committee Group has been very helpful, with ideas, thoughts, suggestions, concerns. The interaction and dialogue has been very helpful in establishing the criteria for the revised Uniform Tax Exempt Policy.

MEMBER ITEMS

A Motion was made by Joseph Eade seconded by James Stitt to go into Executive Session to discuss a matter of personnel.

A Motion was made by James Stitt seconded by Joseph Eade to return from Executive Session

ADJOURNMENT

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

The next scheduled CCIDA Board Meeting will be June 9th at 11:15 a.m. in the CCIDA Offices.