

**Town of Champlain Industrial Development Agency
Special Meeting - Minutes
April 1, 2008**

The special meeting was called to order at 5:05 p.m. on April 1, 2008 at the Town of Champlain IDA at 729 Route 9, Champlain, NY by Chairperson Rob Casey.

Agency Members Present:

Rob Casey, J. Bruce Seguin, Jane West, R. Parker, J. Moore

Agency Members Absent: None

Agency Members Excused:

R. Baker

Others Present:

Adoré F. Kurtz, Lucy Carroll, Tom Trombley, Peggy Ashline

R. Casey called the roll.

R. Casey welcomed two new Agency members as Jeffrey Moore who replaced Paul Gehrig on November 19, 2007 and Thomas Trombley who will replace Ken LaPlante and will be appointed by the Champlain Village Board on 4/7/08. Both represent the Village of Champlain.

On a motion by B. Seguin and seconded by R. Parker, it was agreed to waive the reading of the notice of the meeting which appeared in the March 31, 2008 edition of the Press-Republican.

Bills and Communication

None

Report of the Treasurer

A. Kurtz reported that the new reporting system of the Public Authority Reporting Information System (PARIS) which is NY State's new reporting system required more historical information to be reported and has made this year's staff work more time consuming. A. Kurtz then asked Lucy Carroll to review the 2007 Auditor's Report.

L. Carroll stated that the report was a standard report with various topics that are prescribed by GAAP and are pertinent to TCIDA. She added that there has not been a lot of activity to report on so there were not a lot of changes from 2006. \$5,000 in cash disbursements were made by TDC but there was no income to report so the bank balance stayed the same.

Page 1 shows the financial highlights and where things stand at end of the year. There was a decrease in net assets by \$5,151 due to operations. Increase of 5,151 was due to expenses (to the CC Treasurer for PILOT payments, bills and advertising costs and to pay the auditor). The rest of the language is standard verbiage.

Page 2 shows the same language as in past years. Paragraph 3 states that the financial statements were reported fairly and there were no "reportable" conditions. Paragraph 5 reports a "going concern" issue because the Agency has no dependable income flow.

Page 4 shows Revenues/Expenses. The net assets in this case show a net deficit as they have for many years.

Agency borrowings from the Urban Development Corporation regarding Lincoln Blvd. in the 1980's. Accounts payable reflects accounts due to R. M. Sutherland/Luck Bros. for interest. What is due to TDC are for checks written by TDC on behalf of TCIDA. TDC will only get paid when a project comes in and revenues are brought in.

Page 5 reflects no revenues showing a net deficit balance of \$5,151.

Page 6 shows the Statement of Cash Flows and how the cash changed from year to year and also shows no change. All transactions for TCIDA were paid by TDC.

Page 7 are the Notes to the Financial Statements and use standard disclosure language. This shows the revenue bonds which are outstanding or paid down.

Page 8 Note 3 shows the notes that are owed to UDC.

Page 9 states that there is a going concern issue and uses standard verbiage. Contingencies show that the Village of Rouses Point did not accept the dedication of the roadway. The road was never turned over and therefore did not meet commitment with UDC.

Page 10 – 12 is a required report on internal controls. This is a standard report. There were 2 findings. These have been in every audit since the Agency eliminated its employees and ceased having cash flow: Accounting system not correct due to no employees and Segregation of Duties due to no employees. The same language is used every year.

Supplemental Schedule of Projects Outstanding and Page 13 shows projects and employee numbers. In 2007 three (3) projects have been transferred back to the company and are now back on the tax rolls (World Warehouse, World Realty, Inc. and Zanazan USA, Inc.). Another is in the process of being transferred (NC Malt assets have been sold by Bechard Enterprises).

B. Seguin asked if the folks from Akrimax will go through the Agency or use the Empire Zone benefits. A. Kurtz thinks they are now unlikely to use the Agency.

Regarding Lincoln Boulevard, B. Seguin asked if the Village of Rouses Point said what was wrong. A. Kurtz said there were a number of problems including pump station sewage, wetlands issues, and the industrial park being privately owned. R. Casey added that the Agency was close to getting the UDC grant money, but as it turned out we could not pay the contractors. The Agency had an option to purchase the land across the road and the plan was to pay the bills from the income from land development. The option between the Agency and Victor Podd had, unfortunately expired. The deed went back to Podd leaving TCIDA nothing to develop – no public use of the land with significant wetlands. R. Casey added that Luck Bros. and Key Bank forgave money owed to them. Luck, the interest and Key the entire balance. A. Kurtz stated that if Akrimax goes in the Empire Zone it will pay full taxes to the taxing jurisdictions but then the state will refund them to the company.

A. Kurtz asked L. Carroll to briefly review the TCIDA Annual Financial Report (state report that is filed on-line)

L. Carroll mentioned that it is basically the same report, but in a different format.

Page 1 EDP codes are used as the state prefers.

Page 2 shows the Income Statement.

Page 3 shows the Cash Flow Statement.

Page 4 shows the Reconciliation of Operating Income to Cash

Pages 6 - 11 talks about indebtedness. Note to the UDC shows the Agency owing \$133,525. This is not our liability but the report has to state the revenue bonds.

Page 11 shows more information about the projects and breakdown of the exemptions.

Page 11a shows a small benefit to Promenade Champlain.

Page 11b shows how much the company paid in PILOT payments (full taxes).

Page 11c shows the number of employees, employees retained, etc.

R. Casey asked why World Warehouse showed no employees. A. Kurtz said that they are shown under World Realty, a related company.

A. Kurtz would like authorization to accept the financial reports and submit the reports and to post on-line the Agency's website. A motion was made by R. Parker and seconded by B. Seguin to accept the financial reports and submit the reports and to post on-line the Agency's website. The motion was unanimously carried and approved.

R. Casey asked if there were any questions or objections regarding the draft minutes of the meeting of November 1, 2007. B. Seguin noted that there was a typo on Page 2 (his name shows as Sequin). This will be corrected. There being no further questions or objections therefore, on a motion by R. Parker and seconded by J. Bruce Seguin, it was unanimously carried to approve the minutes of the November 1 meeting.

There being no further matters, a motion by J. Seguin and seconded by R. Parker, the meeting adjourned at 5:32 p.m.

Robert E. Casey, Chairman