

**City of Troy  
Industrial Development Authority  
And  
Capital Resource Corporation**

March 28, 2014  
10:30 AM  
Meeting Minutes

**Present:** Steve Bouchey, Bill Dunne, Hon. Dean Bodnar, Paul Carroll, Mary O'Neill, Hon. Robert Doherty, Tina Urzan

**Absent:** Lou Anthony and Lisa Kyer

**Also in attendance:** Justin Miller Esq., Dep. Mayor Pete Ryan, Selena Skiba, Joe Mazzariello, Paul Getz, Monica Kurzejeski, Andy Piotrowski and Denee Zeigler

Vice Chair, Steve Bouchey, called the meeting to order at 10:30 a.m.

I. Minutes from the March 14, 2014 meeting

**Mary O'Neil made a motion to approve the minutes from the  
March 14, 2014 meeting.  
Paul Carroll seconded the motion, motion carried.**

II. Audit Presentation / Financials

Mr. Bouchey introduced Paul Getz who will be presenting the IDA and CRC audit to the board members. Mr. Getz handed out financial statements from the IDA and CRC. The IDA statement will be discussed first.

Mr. Getz spoke about the layout of the financial statements. The independent auditors report is similar to the layout from last year. The way it is set up, it describes the financial statements themselves, the responsibilities of management and the auditor's responsibilities and opinion. Mr. Getz noted that the opinion is the highest level of assurance an auditor can give on a financial statement. Mr. Getz advised the result of the audit was an unqualified opinion.

Mr. Getz explained there was a merger that took place at the beginning of 2014, the opinion from last year shows the predecessor firm. The opinion this year will reflect the successor firm. There is also a note that explains the manager's discussion and analysis that usually accompanies a report such as this, is required but not present for this type of board. It does not affect the report in a negative way. Page three of the opinion, references the opinion of internal control and financial reporting which is located at the back of the report.

Mr. Getz explained that page four depicts the assets, liabilities and net position of the IDA for December 31<sup>st</sup> of 2012 and 2013. Mr. Getz went through the current assets and loans receivable noting the loan with IBT and the contractual

agreement with the City for work done for the authority. The income statement on page five is separated by operating revenue and operating expense. Mr. Getz indicated the significant administrative fees generated for 2013. Two significant operating expenses under economic development were for the security cameras and for designs for Riverfront Park access project. Mr. Getz also wanted to note the establishment of a bad debt allowance for IBT. Mr. Getz explained that everything else is in line with 2012. Mr. Getz spoke about the cash flow statement for 2013 shown on page five.

Mr. Getz explained the remaining of the financial statements are the notes. He spoke about two significant notes. Note four describes the loan with IBT and note five that shows the related party transactions with the City. Mr. Getz concluded the presentation and asked for any questions or comments.

Bill Dunne asked for clarification about the charges for the security cameras discussed in operating expenses. Andy Piotrowski explained it was for the security cameras for the Riverfront Park Access project.

Joe Mazzariello asked for additional explanation about page twelve. Mr. Getz advised that it shows the debt we participated in back in 2000 and 2002. It is a schedule that is required to be presented. The IDA does not have any responsibility for the debt. It is conduit debt that the board participated in. The board had a general discussion on the bond debt. Justin Miller noted that in order for the IDA to be in existence, it is required to have an existing bond. Mr. Getz clarified that they don't pay the IDA. Mr. Mazzariello further noted that their debt is the responsibility of applicants. The IDA has to report that we are participating in that debt.

Hon. Dean Bodnar asked for additional information about the bad debts discussed in note four. Mr. Getz explained that the loan for IBT was moved to bad debt in order to create a reserve of about 20% of the balance. It reduces the assets on the balance sheet in the event they are not able to pay out the loan completely. Tina Urzan asked if that 20% would be lost or if we would be able to get that amount back. Mr. Getz explained that if they pay in full, the funds would still come back to the IDA. Mr. Bodnar asked if they are current now. Mr. Mazzariello advised yes. Mr. Getz explained that there is a risk in economic development loans. Mr. Getz noted that there were some older loans that were written off in 2012.

Mary O'Neil questioned the ABO filing deadline on page 15. Mr. Miller advised November 1<sup>st</sup> is the due date. Mrs. O'Neil was concerned that we didn't make the deadline for filing the budget with the ABO as well as the non-compliance for the website. Mr. Miller asked if it was the budget or the annual report that was late. Mr. Getz advised it was for the budget. Mr. Miller advised the due date on the report shows it was filed in March. Mr. Getz will check the dates and wanted to advise that this report is a draft that will need to be approved by the board in order to be sent to NYS. Hon. Bob Doherty appreciated the presentation. Mr. Bouchey asked if there were any other questions from the board.

**Hon. Bob Doherty made a motion to approve the SaxBST financial statements and audit report for the IDA.  
Tina Urzan seconded the motion, motion approved.**

## Capital Resource Corporation

### III. Audit Presentation

Mr. Getz gave a brief overview of the Capital Resource Corporation's financial statements, noting that the set up is the same as the IDA presentation. He advised that this is a very small board that has cash and little activity. Mr. Getz advised that the activity for the year is on page five and shows the security camera project with the City of Troy and the 'playscapes' furniture project with RPI. The remainder of the report is similar to the IDA. City staff does work for this board without compensation. Mr. Getz advised the report disclosed the relationship with the IDA. This report also shows conduit financing with RPI, similar to the IDA.

Mr. Getz commented that because the minutes of the IDA and CRC are co-mingled and it may cause confusion for the public. Mr. Getz noted specifically that approval of funds for the Riverfront Park access project in the minutes from the January 2014. Mr. Miller advised that technically one meeting should close and then the other should be opened. Mr. Getz explained that he understands the boards are made up of the same people, but make sure it is clear to the public.

Mr. Doherty questioned the status of the 'playscapes' furniture project. Mr. Dunne noted that we are currently working with RPI on this project. No additional funds have been expended. Dep. Mayor Pete Ryan explained that the project is moving forward and we should hear more on it in the future.

**Hon. Bob Doherty made a motion to approve the SaxBST financial statements and audit report for the CRC.  
Tina Urzan seconded the motion, motion approved.**

## Troy Industrial Development Authority

### IV. Financials

Joe Mazzariello gave a brief overview of the current financials of the IDA including the loan receivables, memberships due and administrative fees collected. Mary O'Neil asked about the accounts payable. Mr. Mazzariello advised that they are the PILOTs that are due. Mr. Bouchey asked if there were any other questions. Mr. Mazzariello advised that the PARIS report is due March 31<sup>st</sup> and plans on entering this information on time.

Mr. Bouchey asked if the board could move to executive session at this time to discuss real estate matters.

**Tina Urzan made the motion to move to executive session to discuss real estate matters.**

**Paul Carroll seconded the motion, motion carried.**

**Tina Urzan made the motion to adjourn executive session with no action taken.**

**Paul Carroll seconded the motion, motion carried.**

V. Adjournment

**Tina Urzan made a motion to adjourn the meeting.**

**Hon. Bob Doherty seconded the motion, motion carried.**

The meeting was adjourned at 11:33 a.m.