

**Watertown Industrial Center Local Development Corporation  
Board of Directors' Meeting  
September 17, 2013  
Minutes**

The Watertown Industrial Center Local Development Corporation held a board meeting on Tuesday, September 17, 2013 in the Watertown Local Development Corporation board room, Buck Building, Watertown, New York.

**Present:** Michelle Capone, Donald Rutherford, J. Paul Morgan, Nickolas Darling, Carolyn Fitzpatrick

**Staff:** Billy Soluri

**Others Present:** Craig Fox (Watertown Daily Times), Brianna Tousant (Poulsen & Podvin, CPA), Dave Zembiec (Jefferson County IDA)

**Absent:** Kent Burto

- I. Call to Order:** The meeting was called to order at 8:40 a.m.
- II. Meeting Minutes:** Motion by N. Darling and second by P. Morgan to approve the meeting minutes from the Governance Committee held July 9, 2013 and the July 23, 2013 board meeting as amended to clarify the motion made under Unfinished Business section VI (i) to read, "On a motion by D. Rutherford, second by C. Fitzpatrick, the board agreed for the matching contribution to contribute dollar for dollar up to 3% for a total contribution of 3% from the WIC LDC." All in favor; motion carried.
- III. Financial Report:** B. Soluri presented the financials for July 2013 and August 2013. He noted on the August 2013 statements that \$7,461 was recognized as lease revenue from Junction Boyz. P. Morgan questioned that amount booked for Due WIC Rent in August. B. Soluri was going to report back to board. On a motion by C. Fitzpatrick and second by N. Darling the financial statements for July 2013 and August 2013 were accepted. All in favor; motion carried.
- IV. Correspondence:**
  - i. B. Soluri reported that New York State Taxation and Finance revised the beginning date that the WIC LDC had to begin paying in under the State's Unemployment Insurance Law to the second quarter of 2013 from the first quarter of 2013.
  - ii. B. Soluri presented a copy of the Conditional Renewal Notice from the American Insurance Company which reflected a 20%-25% increase in the WIC LDC's insurance premium. Mr. Soluri noted that Haylor, Freyer & Coon was quoting other providers.

- iii. B. Soluri presented Golder Associates comment letter to NYS DEC. NYS DEC wants to expand the Building A SSDS and add one additional SSDS in Building B. Golder and SPX are complying.
- iv. B. Soluri presented Golder Associates' on-site soil vapor intrusion work plan progress report for July and August 2013. Golder will continue operation and maintenance of the SSDS systems installed at the JCIDA and NYAB buildings.
- v. B. Soluri discussed correspondence he has had with the Jefferson County IDA to potentially lease additional space or build a new building on WIC LDC property. The JCIDA is working with an architect to determine alternatives. P. Morgan and M. Capone noted that this was the first update prior to reading it in the newspaper. The board agreed that it would like updates as to the status of the JCIDA's expansion plans at the WIC LDC if significant items arise between board meetings.

#### **V. Committee Reports**

- i. B. Soluri provided a facility update noting that there was a new tenant, Smartwatt Electrical, and one tenant, Converse, that renewed for an additional year.
- ii. B. Soluri updated the board on leases/prospects.

#### **VI. Unfinished Business:**

- i. B. Soluri presented to the board justification to write off the following as bad debt: KBST Flooring in the amount of \$957.50 (\$717.50 in rent and \$240 in attorney's fees); Mike Lynch in the amount of \$2,196.52 (\$1,499.52 in rent and \$697 in attorney's fees); and Perry Pecker in the amount of \$1,955.54. There will be an auction of items left by Mike Lynch and any amounts collected from the auction will be used to reduce the bad debt expense. On a motion by P. Morgan; second by C. Fitzpatrick, the WIC LDC agreed to write-off the bad debts of KBST Flooring, Mike Lynch and Perry Perry as recommended by Staff per the memo attached to these meeting minutes. All in favor; motion carried.

#### **VII. New Business:**

- i. Brianna Tousant, Poulsen & Podvin, CPA, presented the 2013 audit. She noted an unmodified opinion. She noted the rents receivable were adjusted to reflect an allowance for doubtful accounts of \$150,000 due to the expected loss associated with the Junction Boyz lease. General and administrative expenses were higher in 2013 due to the legal expenses associated with the JCIDA pension issue. She noted a significant deficiency due to a lack of segregation of duties; however she noted that this is common for small organizations and did not have a recommendation for improvement. She also noted that the WIC LDC should consider developing an allowance for doubtful accounts policy. The Board will discuss further in the future. On a motion by C.Fitzpatrick and second by P. Morgan, the June 30, 2013 audit of the WIC LDC was accepted as presented. All in favor; motion carried.

- ii. During the course of the audit preparation it was identified that the WIC LDC had overpaid the JCIDA for wages in the amount of \$4,116. B. Soluri has invoiced the JCIDA for this overpayment.

**VIII. Adjournment:** On a motion by Mr. Rutherford and second by Mr. Darling the meeting was adjourned at 9:44 AM.

The next regular meeting will be Tuesday, October 15, 2013 at 8:30 AM in the Watertown Local Development Corporation board room, Buck Building, Watertown, New York.