

**MINUTES OF A ANNUAL MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
March 24, 2014**

Meeting was called to order by Vice Chairman Lou Kalogeras at 5:01p.m.

Present: Tom Cruso, Chairman
Elias (Lou) Kalogeras, Vice Chairman
Carl Gabrielsen, Secretary
Paul Thompson, Treasurer
Dawn Thomas, Asst. Treasurer/Secretary

Others in Attendance: Tracy James, Executive Director
Denise Cooper, CFO

Lou Kalogeras moved to approve the proposed agenda. Paul Thompson seconded. Motion approved.

MINUTES:

The Board moved to dispense with the reading of and voted on the March 3, 2014 meeting minutes.

#16-14A RESOLUTION APPROVES MINUTES OF REGULAR MEETING MINUTES OF March 3, 2014.

Lou Kalogeras offered the following resolution, which was seconded by Paul Thompson.

RESOLVED, the minutes of the meeting of March 3, 2014 as prepared and e-mailed be and are hereby approved, and

BE IT FURTHER RESOLVED, that a copy of said minutes be maintained in the files of the Agency and become a part of the record of the Agency.

Vote: 5 Yes

CORRESPONDENCE: Email correspondence from Rafi Weiss was distributed to the board regarding putting his project on hold.

TREASURER'S REPORT: None

COMMITTEE REPORTS:

- I. **Audit Committee:** Chairman Carl Gabrielsen reported that the committee reviewed the annual financial position, audit, investment guidelines policy and report. The auditors found no deficiencies, but made other comments to which the committee compiled a response to suggestions for project monitoring. . The committee reviewed the Assessment of Effectiveness of Internal Controls and the internal control report and made recommendation to the board to approve all. Overall, the agency was found to be in good shape, no outstanding problems and is currently financially solvent. Operating revenue for the year was \$163,000 and Cash increased to \$261,00. Carl Gabrielsen motioned to have the board accept the report and its recommendations of approval. Lou Kalogeras seconded. The Board accepted the Audit Committee Report and recommendations for 2014.
- II. **Governance Committee:** Chairwoman Dawn Thomas reported that the committee performed its annual review of the mission statement and measurement report. A discussion was had regarding better project compliance and monitoring. Different suggestions of quantifiable performance criteria were discussed, however non quantifiable factors were determined to be equally important. Given the Agency's limited resources, the committee decided to continue to work on objective criteria reflective of how the agency is meeting its goals in general terms.
An overview of all the governing policies was discussed, more specifically the Disposition of Real Property Report and Procurement Reports. The committee also discussed a local labor policy. Although it has been the policy of the agency to encourage the use of local labor, the recommendation of the committee is to include an addendum within the application for financial assistance and when there are greater resources available, to enhance the policy and monitoring thereof. The committee discussed the compliance reporting and how to implement stronger controls on enforcing timely reporting. The committee recommended a new procedure for failure to act; that companies are notified within the cover letter of the compliance report that a hearing will immediately follow the due date of the compliance report and a letter will be sent certified to any non compliant company. They will be summoned to appear before the board during the meeting immediately following the due date of the reports for a hearing. The committee reported that the Wolf Properties, Cal 81, 400 Burman Boulevard, Altaire, and John Wesley II have not submitted their reports for 2013. The ED reminded the board that John Wesley and Altaire are retired and there is no leverage to encourage compliance. In regard to that matter, the ED suggested exit reports to be submitted by the companies prior to transferring the deeds. Paul Thompson motioned to accept the committee's report and approve the recommendation s of the Governance Committee. Lou Kalogeras seconded. The Board approved and accepted the Governance Committee recommendations.
- III. **Personnel Committee** – No Report

IV. Finance Committee - No Report

ANNUAL ORGANIZATIONAL RESOLUTIONS:

Before the board considered the following resolutions, the ED noted a typo in resolution #17-14 and recommended to correct the section referred to in the ByLaws.

#17-14 RESOLUTION DESIGNATES OFFICERS OF THE RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY FOR THE ORGANIZATIONAL YEAR 2014

Dawn Thomas offered the following resolution as amended, which was seconded by Carl Gabrielsen.

WHEREAS, in accordance with Article II of the By-Laws of the Riverhead Industrial Development Agency, it is necessary to make appointment of the officers of the Agency at the annual meeting of the Agency.

NOW, THEREFORE, BE IT RESOLVED, that the officers of the Riverhead Industrial Development Agency be and are hereby appointed as follows:

Thomas Cruso	Chairman
Lou (Elias) Kalogeras	Vice Chairman
Dawn Thomas	Secretary
Carl GAbrielsen	Asst. Secretary
Paul Thompson	Treasurer
Lou (Elias) Kalogeras	Asst. Treasurer

Vote: 5 Yes

#18-14 RESOLUTION ESTABLISHES MEMBERSHIP OF 2014 COMMITTEES FOR THE RIVERHEAD IDA

Lou Kalogeras offered the following resolution, which was seconded by Carl Gabrielsen

RESOLVED, that the following is the membership of the Board committees:

Audit Committee – Chair Carl Gabrielsen, Dawn Thomas, Lou Kalogeras
Governance Committee – Chair Dawn Thomas, Paul Thompson, Thomas Cruso
Finance Committee – Chair Paul Thompson, Lou Kalogeras, Dawn Thomas
Personnel Committee – Chair Lou Kalogeras, Paul Thompson, Carl Gabrielsen

Vote: 5 Yes

#19-14 - RESOLUTION DESIGNATES THE NEWS REVIEW AS OFFICIAL NEWSPAPER

Lou Kalogeras offered the following resolution, which was seconded by Dawn Thomas

RESOLVED, that The News Review be and is hereby designated as the official newspaper of the Riverhead Industrial Development Agency, and be it further

RESOLVED, that a certified copy of this resolution shall be forwarded to The News Review.

Vote: 5 Yes

#20-14 A RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS

The following resolution was offered by Lou Kalogeras

And seconded by Dawn Thomas

WHEREAS, in accordance with the Public Authorities Law, it is a recommendation of the Audit Committee of the Riverhead Industrial Development Agency that the following policies be reviewed, adopted, ratified and confirmed, and

WHEREAS, the following policies and reports recommended by the Audit committee to the Board of Directors include the 2013 Audit and Financials, Audit Committee Response to Findings, Internal Controls, Investment Guidelines and Report, and

WHEREAS, in accordance with the Public Authorities Law, it is a recommendation of the Governance Committee of the Riverhead Industrial Development Agency that the following policies be reviewed, adopted, ratified and confirmed, and

WHEREAS, the following policies have been reviewed and recommended by the Governance Committee including the Mission Statement and Measurement Report, Procurement Policy, and the Disposition of Real Property Report for 2013, and

WHEREAS, after discussion, the Board of Directors of the Riverhead Industrial Development Agency the Board wishes to adopt the above mentioned and attached policies and reports.

NOW, THEREFORE, BE IT RESOLVED, that the attached policies and reports be and hereby are adopted, ratified and confirmed.

(see attached policies)

Vote: 5 Yes

#21-14 A RESOLUTION APPROVING AND AUTHORIZING SUBMISSION OF THE 2013 PARIS REPORT

The following resolution was offered by Lou Kalogeras

And seconded by Paul Thompson

WHEREAS, Public Authorities Law, as amended in 2005 by the Public Authorities Accountability Act, requires state and local authorities to file specific financial and budgetary information with the ABO and Public authorities have been submitting these reports through the Public Authorities Reporting Information System (PARIS), and

WHEREAS, in accordance with the Public Authorities Law, the information must be submitted to the State 90 days after the fiscal year end date which is March 31st, and

WHEREAS, the PARIS report has been presented in substantial form to the board for review and authorization for final submission and certification by the CFO and CEO, and

NOW, THEREFORE, BE IT RESOLVE, after discussion, the Board of Directors of the Riverhead Industrial Development Agency approves and authorizes the final submission of the PARIS report for 2013.

(see attached report)

Vote: 5 Yes

OLD BUSINESS: None

NEW BUSINESS:

After some discussion regarding requests and compliance history, the board considered two requests to waive late pilot payment fees.

**RESOLUTION #22-14 RESOLUTION CONSIDERING REQUEST FOR LATE PILOT PAYMENT WAIVER
RIVERHEAD MEDICAL REALTY**

Dawn Thomas offered the following resolution which was seconded by Lou Kalogeras.

Whereas, the Agency has in place a Fee Waiving Policy, and

Whereas, Riverhead Medical Realty known as Long Island Vitreoretinal Consultants, PC (LIVC) has submitted a request to waive the late pilot payment penalty fees implemented in accordance with NY GML Title 1 874(5) and the Riverhead Industrial Development Agency Late Pilot Payment Policy, and

Whereas, the board determined that the request to waive the late pilot penalty fees is not consistent with the board policy.

Now, Therefore, Be It Resolved, that LIVC be notified that the request to waive the late Pilot Penalty Fee is denied and to promptly remit the payment due.

Vote: 5 Yes

**RESOLUTION #23-14 RESOLUTION CONSIDERING REQUEST FOR LATE PILOT PAYMENT WAIVER
LENAPE ASSOCIATES, LP**

Dawn Thomas offered the following resolution which was seconded by Lou Kalogeras.

Whereas, the Agency has in place a Fee Waiving Policy, and

Whereas, D & F Group and Lenape Associates LP have submitted a request to waive the late pilot payment penalty fees implemented in accordance with NY GML Title 1 874(5) and the Riverhead Industrial Development Agency Late Pilot Payment Policy, and

Whereas, the board determined that the request to waive the late pilot penalty fees is not consistent with the board policy.

Now, Therefore, Be it Resolved, that the D & F Group and Lenape Associates LP be notified that the request to waive the late Pilot Penalty Fee is denied and to promptly remit the payment due.

Vote: 5 Yes

EXECUTIVE DIRECTOR'S REPORT

The ED reported on outstanding compliance reports and efforts that have been made toward that end. After a brief discussion, it was the desire of the board to call in the companies for discussion unless reports were submitted prior to sending out the following notice.

#24-14 RESOLUTION AUTHORIZING NOTICE OF HEARING FOR DETERMINATION ON COMPLIANCE

Paul Thompson offered the following resolution which was seconded by Carl Gabrielsen

Whereas, State law requires that the Town of Riverhead Industrial Development Agency file an Annual Financial and Compliance Report with the State of New York, and

Whereas, much of the information within the report is required to be furnished by companies that have, received or are receiving IDA benefits, and

Whereas, the initial agreement between the IDA and the business benefited by the IDA involvement includes a requirement for the project owner to make this information available to the IDA, and

Whereas, Cal 81, Wolf Properties, 400 Burman Boulevard, Theriac Enterprises of Riverhead, and Altaire Pharmaceuticals have not submitted their annual compliance reports by the due date, and

Whereas, Altaire Pharmaceuticals was retired projects in 2013, and

Whereas, the Board of Directors of the IDA finds it necessary to request Cal 81, 400 Burman Boulevard Theriac Enterprises of Riverhead and Wolf Properties before the board for a review to determine whether the company has failed to submit the required information which has created an event of default of the company obligations to the Agency which could result in a termination of future Agency benefits and possible recapture of benefits, and

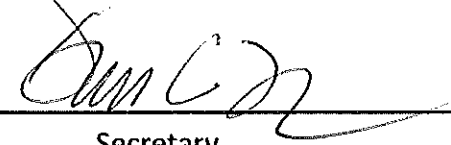
Now, Therefore, Be it resolved, the Board of Directors of the RIDA hereby direct the Executive Director to serve certified return receipt Notices of Hearing by March 28th to Cal 81, 400 Burman Boulevard, Theriac Enterprises of Riverhead and Wolf Properties notifying each to appear before the board during the April 7th board meeting.

VOTE: 5 Yes

The ED informed the board of a Start Up NY workshop that was attended, as well as a webinar on foreign direct investment.

Paul Thompson motioned to adjourn the meeting, Carl Gabrielsen seconded.
There being no further business, the meeting was adjourned at 6:02pm

4/10/14
Date


Secretary