

**CARTHAGE INDUSTRIAL DEVELOPMENT CORPORATION
MINUTES OF MEETING DECEMBER 7th, 2011**

Present: Bob Gormley, Urban Hirschey, Mary Anne Hanley, Jim Wright, Terry Roche, Terry Buckley, Derek Davis, Tom Piche

Proxy: Terry Roche for Bruce Armstrong

Absent:

Excused: Paul Smith

Others Present: John McHugh, Mike Astafan

Call to Order: President Gormley called the meeting to order at 4:26 p.m.

Minutes: Motion made by Mr. Buckley, seconded by Mr. Davis, to accept the minutes of the October 26th, 2011 meeting and the November 1st, 2011 special meeting. Motion carried unanimously.

REPORTS:

Coordinators Report

a. Main Street Grant Status

Mr. McHugh reported that all projects continue to progress nicely. He noted that the new light poles are now being installed. McHugh remained optimistic that all projects should be substantially complete by the end of the year with one or two projects being completed in January. He remained optimistic that no further extensions will be needed from the state.

Treasurer's Report

a. b. Financial Reports and Bills

Mr. McHugh gave his financial report, and distributed Profit and Loss Statement, Balance Sheet, Check Detail (bills), and Deposit Details for November. After review and discussion, **motion** by Mr. Piche, seconded by Mr. Buckley to approve the financial report and pay the bills as presented. All were in favor.

c. Selection of Accountant

Mr. Roche reported that the Audit Committee is recommending using Sovie and Bowie to complete the 2011 audit and tax returns. Sovie and Bowie has provided these services since the CIDC relocated to Carthage in 2003-2004. In light of increased State and Federal auditing requirements, they are proposing a fee of \$6,100. This is an increase of \$900 over 2010's fee of \$5,200. This increase also takes into consideration the new requirement to have the audit done by March 31st. Mr. Wright reminded the board that in accordance with Public Authority Law the lead audit partner for the independent audit firm cannot be the same partner for more than 5 years. Mr. McHugh indicated that he would confirm that the lead partner from Sovie and Bowie for this audit would not be the same one as the last 5 years. There being no further discussion, Mr. Piche moved to select Sovie and Bowie to complete the 2011 Audit and tax returns subject to the 5 year limit on the same lead partner. The motion was seconded by Mr. Wright and all were in favor.

d. Heritage Apt. Occupancy/Bonus Review

Mr. Roche reported that the Carthage Development Group Finance Committee has reviewed and approved the 256 State Street Heritage Apartments occupancy report for the 12 month period of November 2010 to November 2011. The committee has concluded that Heritage Apartments had 98.13% occupancy for the period. Based on

this rate and in accordance with the CIDC/EDCC Agreement with the JCIDA, Mr. McHugh has earned a bonus of \$6,000 for 2011. Mr. Hirschey made a motion to accept the report findings and confirm a \$6,000 bonus in 2011 for Mr. McHugh. The motion was seconded by Mr. Piche and approved with all in favor with one abstention. (Mr. Wright abstained based on his opinion that public employees/officials shouldn't vote on compensation for other public employees/officials.)

EXECUTIVE SESSION

Ms. Handley made a motion to enter Executive Session to discuss possible litigation. Mr. Buckley seconded the motion which passed unanimously. The Board entered Executive Session at 4:40 pm. At 5:10 pm Mr. Hirschey moved to leave executive session with Mr. Roche seconding the motion which passed unanimously.

OLD/NEW BUSINESS

a. Authorize Funding Preparation of 2012 CDBG Application

Mr. McHugh reported that the Twin Villages CDBG application for 2011 was recently approved for \$400,000. The funds will be used to continue our very successful Carthage/West Carthage Housing Rehabilitation program. It is now time to consider preparing an application for 2012. Although no announcement has been made as of this date, we do anticipate a new round announcement for the CDBG program shortly after the new year. Avalon Associates has proposed to complete the application for \$5,500 plus expenses. Avalon has prepared the previously successful applications and has contracted for the administration of the program since the community's first grant award in 2006/7. It was noted that they have also prepared the County and City applications and provided administrative services in these communities as well. After a brief discussion Mr. Piche moved to approve funding the 2012 CDBG Grant Application for up to \$5,500 plus expenses. Mr. Roche seconded the motion which passed unanimously.

b. West End Dam Hydro Facility

Mr. McHugh reported that the new shaft has been successfully installed in Unit #2 at the West End Dam Hydro facility. The shaft installation was completed shortly after Thanksgiving and with final adjustments has operated without incident beginning the morning of November 28th. It was noted that the CIDC will be responsible for any issues associated with the new shaft for 1 year from November 28th. The board also discussed the fact that there is a one year warranty of the shaft by Voith. Recognizing that the shaft dowel pin holes had to be drilled on site, in accordance with Voith directions, the board discussed the need for confirmation that the warranty remains intact.

NEXT MEETING:

The next meeting of the Board is scheduled for January 25th at 4:00 pm in the Village of Carthage Meeting Room.

There being no further business Mr. Gormley adjourned the meeting at 5:30 p.m.