



COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

**MINUTES – GOVERNANCE COMMITTEE MEETING
December 5, 2008**

Time & Place: 10:00am, CityPlace,
50 West Main Street, Rochester, New York

Committee R. Hurlbut
Members T. Mazzullo
Present:

Committee H. Stuart
Members
Excused:

Also Present: J. Seil – Executive Director

T. Mazzullo called the meeting to order. Executive Director Seil reviewed the annual PILOT Compliance review process (attached). Discussion centered on the amount of transparency of the process and the extensive follow-up work handled by staff. Process follows requirements of PAAA.

It was noted that Mr. Townsend drafted a new Annual Financial Disclosure which was distributed to all Board Members.

The next meeting will take place in the first quarter of 2009. There being no further business, the meeting was adjourned/



COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

ANNUAL PILOT COMPLIANCE REVIEW PROCESS

- 1) In January, using the Project Tracking System, identify all COMIDA projects that received sales and mortgage exemptions and real property tax abatements during the prior year.
- 2) Cross reference with County Tax bills received from the Department of Treasury and mortgage tax exemptions filed with the County Clerk during the prior year.
- 3) Generate surveys to each project requesting updated information for exemptions and employment. (For the year end 2006, the number of surveys was 495.)
- 4) Mail surveys. Surveys are to be returned by February 28th, along with copies of:
 - New York State Department of Taxation and Finance Form ST-340 – Annual Report of Sales and Use Tax Exemptions
 - NYS-45-MN – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31.

NOTE: These additional reporting requirements were introduced for the year end December 31, 2006, to enhance the reporting process by obtaining substantiation for information reported to COMIDA.
- 5) Upon receipt, ensure that all required documentation is included.
 - NYS-45-MN – required of **all** projects.
 - a) Review to confirm that the number jobs reported to NYS generally agrees with the job numbers reported to COMIDA.

NOTE: COMIDA requests job information as of December 31, and requires that the number of Full Time and the number of Part Time jobs be reported. The NYS 45-MN does not distinguish between full-time and part-time, and reports the number who worked during or received pay for the week that includes the 12th of the month, therefore minor discrepancies may occur.
 - ST-340 – required for projects that 1) claimed state and local sales and use tax exemptions as a result of the project's designation as an IDA project or 2) were approved for such exemptions during the prior year.
 - a) Review to confirm that the exemptions reported to NYS agree with the sales and use tax exemptions reported to COMIDA via the annual survey.
- 6) For those projects that did not include the required documentation, or which reveal discrepancies, follow up with phone calls, emails and mail to resolve.

- 7) PILOT Compliance – Utilizing the Project Tracking System, enter updated job information, converting 2 reported part-time positions to 1 full-time.
- 8) Compare job information reported on the surveys to job requirements. The Project Tracking System includes the following information:
 - Type of PILOT
 - Jobs at Application
 - New Jobs Required
- 9) JOB LOSS: - Identify those projects which report job loss from the prior year.
- 10) JOB CREATION – Identify those projects which did not meet their job creation requirements.
- 11) Report these projects to the Executive Director, providing copies of the signed PILOT agreement, job surveys and NYS-45-MNs.
- 12) For those projects wherein a potential DEFAULT is identified, request additional information and explanation from the project operator.
- 13) Further refine the list of potential defaults, based on information noted above, and prepare a report that the Executive Director will present to the PILOT Compliance Review committee.
- 14) PILOT Compliance Review Committee will determine declaration of default, those projects that are to receive a waiver, and those recommended for termination and penalties.
- 15) Attorney prepares default notice letters and terminations documents as required.
- 16) Attorney notifies New York State Department of Taxation and Finance of projects that are terminated.