

MICHAEL P. GALIME, MAYOR
CITY OF UTICA

UTICA INDUSTRIAL DEVELOPMENT AGENCY
1 KENNEDY PLAZA
UTICA, NEW YORK 13502
PHONE: (315) 792-0195
FAX: (315) 797-6607



Agenda

Utica Industrial Development Agency
Regular Meeting – Wednesday, March 26, 2025 @ 9:10am
Utica City Hall, Utica, New York and via WebEx

- I. Call to Order
- II. Approval of Minutes - February 5, 2025
- III. Old Business
 - A.
- IV. New Business
 - A. **Governance Committee** - ABO documents – Approval of Committee
 - B. **Audit Committee** – 2024 Audit – Approval of Committee
 - C. **Update on annual project review** – Scheduled for April
- V. Executive Session (if required)
- VI. Adjourn

Members of the public may listen to the meeting by calling

1-408-418-9388, Access code: 2633 185 8888 or joining the meeting at

Meeting link:

<https://cityofutica.webex.com/cityofutica/j.php?MTID=me2a1492b2d4edb74e7ec2da8dbfbd10e>

Meeting password: bxHPTuBe336

The Minutes of the Agency meeting will be transcribed and posted on the UIDA website.

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February 5, 2025 9:00a.m.
Utica Industrial Development Agency Regular Meeting
City Hall, Utica, NY – WebEx Conference Call/In-Person

Members Present: Vin Gilroy, John Zegarelli, John Buffa

Excused: Emmett Martin

Also Present: Jack Spaeth (Executive Director), Linda Romano and Laura Ruberto - BSK
agency counsel (via WebEx)

Others:

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:01a.m. The Finance, Governance and Audit Committees, as they consist of sitting Agency members, meet as a committee of the whole, and in doing such, meet at every meeting.

2) APPROVAL OF MINUTES: A motion was made by Mr. Zegarelli, seconded by Mr. Buffa, to approve the minutes of the January 15, 2025 meeting. All in favor.

3A) OLD BUSINESS – Utica Harbor Lodging Group, LLC

Ms. Ruberto explained to Agency members that due to the retail nature of this project, a statement of findings is required and a request needs to be made to the Mayor confirming the proposed action to provide financial assistance to the retail facility. It was further noted that while the hotels do not in and of themselves draw people to them, they have an associate relationship to the facilities that do draw people from outside the area with the need for lodging.

A motion was made by Mr. Buffa, seconded by Mr. Zegarelli to adopt a statement of findings relating to the Utica Harbor Lodging Group, LLC Facility and requesting the Mayor of Utica confirm the proposed action to provide financial assistance to a retail facility. Mr. Gilroy abstained due to a conflict.

3B) OLD BUSINESS – Utica Harbor Lodging Group, LLC

Mr. Spaeth explained that a final resolution is required at this time.

There being no questions, Mr. Zegarelli made a motion, seconded by Mr. Buffa to adopt a final

authorizing resolution relating to the Utica Harbor Lodging Group, LLC Facility authorizing financial assistance in the form of exemptions from sales tax (valued at \$2,143,751), exemptions from mortgage recording tax (valued at \$261,000) and reduction of real property tax for a period of 24 years (valued at \$11,078,436), which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy and approving the form and execution of related documents in the Agency's standard form, subject to counsel review. The Agency conducted a public hearing on January 28, 2025 to which there was no comment. Mr. Gilroy abstained due to a conflict.

3C) NEW BUSINESS – BG Warehouse, LLC

Mr. Spaeth indicated that a final resolution was needed for this project.

After little discussion, Mr. Zegarelli made a motion, seconded by Mr. Buffa to adopt a final authorizing resolution relating to the BG Warehouse, LLC Facility authorizing financial assistance in the form of exemptions from sales tax (valued at \$131,250) and reduction of real property tax for a period of 5 years (valued at \$687,002), which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy and approving the form and execution of related documents in the Agency's standard form, subject to counsel review. The Agency conducted a public hearing on February 4, 2025 to which there were no comments. All in favor.

4A) NEW BUSINESS – Uniform Evaluation Criteria

Mr. Spaeth deferred to Ms. Romano. She explained that NYS recently added a special consideration for projects that include child care.

As such, Mr. Zegarelli made a motion, seconded by Mr. Buffa to adopt a resolution amending the Agency's Uniform Evaluation Criteria to give specific consideration to projects that include onsite child care. All in favor. This question will be inserted into the Agency's application for assistance.

Mr. Gilroy noted the passing of Steve Deery, our Vice Chairman as he will be missed.

5) EXECUTIVE SESSION: Not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Buffa made a motion to adjourn, seconded by Mr. Zegarelli and the meeting was adjourned at 9:08am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, March 5, 2025 at 9:00am at City Hall via WebEx and in-person.

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Agenda

Utica Industrial Development Agency
Governance Committee – Wednesday, March 26, 2025 @ 9:05am
Utica City Hall, Utica, New York and via WebEx

- I. Call to Order
- II. Approval of Minutes (April 3, 2024)
- III. New Business - Annual review of policies, procedures and Authority Budget Office compliance matters
- IV. Executive Session (if required)
- V. Adjourn

Members of the public may listen to the meeting by calling

1-408-418-9388, Access code: 2633 185 8888 or joining the meeting at

Meeting link:

<https://cityofutica.webex.com/cityofutica/j.php?MTID=me2a1492b2d4edb74e7ec2da8dbfbd10e>

Meeting password: bxHPTuBe336

The Minutes of the Governance Committee meeting will be transcribed and posted on the UIDA website within the Regular meeting minutes.

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April 3, 2024 9:00a.m.
Utica Industrial Development Agency Regular Meeting
City Hall, Utica, NY – WebEx Conference Call/In-Person

Members Present: Vin Gilroy, John Buffa, Emmett Martin

Excused: John Zegarelli, Steve Deery

Also Present: Jack Spaeth (Executive Director)

Others:

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:06a.m. The Finance, Governance and Audit Committees, as they consist of sitting Agency members, meet as a committee of the whole, and in doing such, meet at every meeting.

2) APPROVAL OF MINUTES: A motion was made by Mr. Buffa, seconded by Mr. Martin, to approve the minutes of the December 20, 2023 meeting. All in favor.

3A) OLD BUSINESS – None

4A) NEW BUSINESS – Governance Committee – ABO Documents

Mr. Martin made a motion, seconded by Mr. Buffa to start the Governance Committee meeting at 9:07am.

Mr. Martin made a motion, seconded by Mr. Buffa to approve the following ABO required documents: Annual, Procurement and Investment Reports, Effectiveness of Internal Controls, Mission and Measurement Report, Operations and Accomplishments and By-Laws along with the Procurement and Investment Policies. All in favor.

Mr. Buffa made a motion, seconded by Mr. Martin to end the Governance Committee meeting at 9:07am.

4B) NEW BUSINESS – Audit Committee – 2023 UIDA Audit

Mr. Buffa made a motion, seconded by Mr. Martin to start the Audit Committee meeting at 9:08am.

Mr. Buffa made a motion, seconded by Mr. Martin to approve the 2023 Audit. All in favor.

Mr. Buffa made a motion, seconded by Mr. Martin to end the Audit Committee meeting at 9:08am.

4C) NEW BUSINESS – Update on Project Review

Mr. Spaeth informed Agency members that he has been accumulating the employment data and getting responses from project operators that are below the Agency's 85% acceptance measure and will present at the May meeting.

5) EXECUTIVE SESSION:

Not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Buffa made a motion to adjourn, seconded by Mr. Martin and the meeting was adjourned at 9:08am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, May 1, 2024 at 9:00am at City Hall via WebEx and in-person.

**BY-LAWS
OF
THE
CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY**

**ARTICLE I
THE AGENCY**

Section 1 Name: The name of the Agency shall be the “City of Utica Industrial Development Agency.’

Section 2 Seal of Agency: The seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of its organization.

Section 3 Office of Agency: The office of the Agency shall be located at 1 Kennedy Plaza, City of Utica, County of Oneida, New York, but the Agency may have other offices at such other places as the Agency may from time to time designate by resolution.

**ARTICLE II
OFFICERS**

Section 1 Officers: The officers of the Agency shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer and an Assistant Secretary-Treasurer. Any two or more offices, except the offices of Chairman and Secretary, may be held by the same person.

Section2 Chairman: The Chairman shall preside at all meetings of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall execute all agreements, contracts, deeds, and any other instruments of the Agency. At each meeting the Chairman shall submit such recommendations and information as he may consider proper concerning the business, affairs and policies of the Agency.

Section 3 Vice Chairman: The Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman, and in case of the resignation or death of the Chairman, the Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Agency shall appoint a new Chairman

Section 4 Secretary: The Secretary shall keep the records of the Agency, shall act as secretary of the Agency and record all votes, and shall keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to this office. He shall keep in safe custody the seal of the Agency and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Agency.

Section 5 Treasurer: The Treasurer shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank or banks as the

Agency may select. The Treasurer shall sign all instruments of indebtedness, all orders, and all checks for the payment of money; and shall pay out and disburse such monies under the direction of the Agency. Except as otherwise authorized by resolution of the Agency, all such instruments of indebtedness, orders and checks shall be countersigned by the Chairman. The Treasurer shall keep regular, books of accounts showing receipts and expenditures, and shall render to the Agency at each regular meeting an account of his transactions and also of the financial condition of the Agency. He shall give such bond for the faithful performance of his duties as the Agency may determine.

Section 6 Assistant Secretary-Treasurer: The Assistant Secretary-Treasurer shall perform the duties of the Secretary or Treasurer in the absence or incapacity of either, and in the case of the resignation or death of the Secretary or Treasurer, the Assistant Secretary-Treasurer shall perform such duties as are imposed on the Secretary or Treasurer, as shall be the case, until as time as the Agency shall appoint a new Secretary or Treasurer. As such Assistant Secretary-Treasurer, he shall give such bond for the faithful performance of his duties as the Agency may determine.

Section 7 Additional Duties: The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency, by the by-laws of the Agency, or by the rules and regulations of the Agency.

Section 8 Appointment of Officers: The Chairman will be appointed by and serve at the pleasure of the Mayor. All other officers of the Agency shall be appointed at the annual meeting of the Agency from among the members of the Agency, and shall hold office for one year or until the successor(s) is appointed.

Section 9 Vacancies: Should any office become vacant, the Agency shall appoint a successor from among its membership at the next regular meeting and such appointment shall be for the unexpired term of said office.

Section 10 Additional Personnel: The Agency may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act, as amended, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

ARTICLE III

MEETINGS

Section 1 Annual Meeting: The annual meeting of the Agency shall be held in January at the regular meeting place of the Agency

Section 2 Regular Meeting: Regular meetings of the Agency may be held at such times and places as from time to time may be determined by Resolution of the Agency.

Section 3 Special Meetings: The Chairman of the Agency may, when he deems it desirable, and shall, upon the written request of two members of the Agency, call a special meeting of the Agency for the purpose of transacting any business designated in the call, The call for a special meeting may be delivered to each member of the Agency or may be mailed to the business or home address of each member of the Agency at least two days prior to the date of such special meeting. Waivers of notice may be signed by any members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all the members of the Agency are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

Section 4 Quorum: At all meetings of the Agency, a majority of the members of the Agency shall constitute a quorum for the purpose of transacting business; provided that a small number may meet and adjourn to some other time or until the quorum is obtained.

Section 5 Order of Business: At the regular meeting of the Agency, the following shall be the order of business:

1. Roll Call
2. Reading and approval of the minutes of the previous meeting
3. Bills and communications
4. Report of Treasurer
5. Report of Committee
6. Unfinished Business
7. New Business
8. Adjournment

All resolutions shall be in writing and shall be copied in or attached to a journal of the proceedings of the Agency.

Section 6 Manner of Voting: The voting on all questions coming before the Agency shall be by roll call, and the yeas and nays shall be entered on the minutes of such meeting, except in the case of appointments when the vote may be by ballot.

ARTICLE IV AMENDMENTS

Section 1 Amendments to the By-Laws: The by-laws of the Agency shall be amended only with the approval of at least a majority of all of the members of the Agency at a regular or a special meeting, but no such amendment shall be adopted unless at least seven days written notice thereof has been previously given to all members of the Agency.

ARTICLE V COMMITTEES

Section 1 **Audit Committee:** Pursuant to an Audit Committee Charter adopted by the Agency on August 4, 2009, there shall be an Audit Committee that ensures that the Agency Board fulfills its responsibilities for the agency's internal and external audit process, financial reporting and provide an avenue of communication between staff, independent auditors, the CFO, and the board of directors. The agency board of directors shall appoint an Audit Committee consisting of at least three (3) members of the board of directors, including an Audit Committee Chair appointed by the board.

Section 2 **Governance Committee:** Pursuant to a Governance Committee Charter adopted by the agency on August 4, 2009, the Governance Committee shall be empowered and authorized by the board of directors to review, develop, draft, revise, or oversee all policies and practices of the agency.

The Governance Committee shall be comprised of a chair and at least two additional independent members appointed by the board of directors

Section 3 **Finance Committee:** Pursuant to a Finance Committee Charter adopted by the Agency on January 4, 2011, the purpose of the finance committee is to oversee the Authority's debt and debt practices and to recommend policies concerning the Authority's issuance and management of debt.

The finance committee shall consist of not less than three independent members of the board of directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Authority's board shall appoint the finance committee members and the finance committee chair. Members shall serve on the committee at the discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

Last updated: February 13, 2013

City of Utica Industrial Development Agency

Authorizing Legislature

General Municipal Law § 927-d. City of Utica industrial development agency

For the benefit of the city of Utica and the inhabitants thereof, an industrial development agency, to be known as the CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the City of Utica, and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

Added. L.1981, e. 710, § L

Effective Date. Section effective July 21, 1981 pursuant to L.1981, c. 710. § 2.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

INVESTMENT POLICY

A. Introduction

1. Scope – This investment and deposit policy applies to all monies and other financial resources available to the City of Utica Industrial Development Agency (the “Agency”) for investment and deposit on its own behalf or on behalf of any other entity or individual.
2. Objectives – The primary objectives of the Agency’s investment activities are, in priority order:
 - a. to conform with all applicable federal, state and other legal requirements (legal);
 - b. to adequately safeguard principal (safety);
 - c. to provide sufficient liquidity to meet all operating requirements (liquidity); and
 - d. to obtain a reasonable rate of return (yield).
3. Prudence – All participants in the investment process and all participants responsible for depositing the Agency’s funds shall seek to act responsibly as custodians of a public trust and shall avoid any transaction that might impair confidence in the Agency to operate effectively.

Investments and deposits shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process and all participants responsible for depositing the Agency’s funds shall refrain from personal business activity that could conflict with proper execution of the investment program or the deposit of the Agency’s funds or which could impair their ability to make impartial investment decisions.

4. Diversification – It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

5. Deposits – All moneys collected by an officer or employee of the Agency shall be promptly deposited in such depositories as designated by the Agency for the receipt of such funds in accordance with Section 10 of the General Municipal Law (the “GML”) or invested as provided under “C. Temporary investments” below.

B. Deposits of Agency funds; security

The Agency designates the following bank(s) and trust company(ies) for the deposit of its funds not otherwise provided for the law, received by the Treasurer, and in the respective maximum amount(s) which may be kept on deposit at any time in each such bank or trust company:

Bank or Trust Company

Bank of Utica

Maximum Deposit:

as Agency funds allow

These designations and amounts may be changed at any time by resolution of the Agency.

Except as otherwise provided by law, all deposits shall be made to the credit of the Agency. The deposit of the Agency’s funds as provided above shall release the officer making the deposit and his or her surety from any liability for loss of such funds by reason of the default or insolvency of any such bank or trust company.

All deposits by the Agency in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (“FDIA”) as now or hereafter amended shall be secured as provided below:

a. The officers making a deposit of the Agency’s funds may accept a pledge of eligible securities (as defined below) having in the aggregate a market value at least equal to the aggregate amount of such deposits from such officers, or a pledge of a pro rata portion of a pool of eligible securities having in the aggregate a market value at least equal to the aggregate amount of deposits of public funds from all such officers within the state at such bank or trust company, together with a security agreement from the bank or trust company. The security agreement and custodial agreement referred to below may be the same agreement including when the bank or trust company holding the public deposits holds the collateral for the Agency. The security agreement shall provide that such eligible securities or pro rata portion of a pool of eligible securities are being pledged by the bank or trust company as security for deposits of the Agency’s funds, together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposit upon a default. It shall also provide for the conditions under which the securities pro rata portion of a pool of eligible securities held may be sold, presented for payment, substituted or released and the events of default which will enable the Agency to exercise its rights against the pledged securities. Such agreement shall

include all provisions deemed necessary and sufficient to secure in a satisfactory manner the Agency's interest in the collateral. The custodial agreement shall provide that the pledged securities or pro rata portion of a pool of eligible securities will be held by the custodial bank or trust company as agent of, and custodian for, the Agency, and will be kept separate and apart from the general assets of the custodial bank or trust company and it shall also provide for the manner in which the custodial bank or trust company shall confirm the receipt, substitution or release of the collateral. Such agreement shall provide for the frequency of revaluation of collateral by the custodial bank or trust company and the substitution of collateral when a change in the rating of a security causes ineligibility as an "eligible security". Such agreement shall include all provisions deemed necessary and sufficient to secure in a satisfactory manner the Agency's interest in the collateral. Such agreement may also contain such other provisions as the Agency may deem necessary.

"Eligible securities" shall mean any of the following:

(1) Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed to as the payment of principal and interest by the United States of America, an Agency thereof or a United States government sponsored corporation.

(2) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.

(3) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.

(4) Obligations issued or fully insured or guaranteed by this state, obligations issued by a municipal corporation, school district or district corporation of this state or obligations of any public benefit corporation which under a specific state statute may be accepted as security for deposit of public moneys.

(5) Obligations issued by states (other than this state) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

(6) Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

(7) Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

(8) Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization.

(9) Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by federal bank regulatory agencies.

(10) Commercial paper and bankers' acceptances issued by a bank (other than the bank with which the money is being deposited or invested) rated in the highest short-term category by at least one nationally recognized statistical rating organization and having maturities of not longer than sixty days from the date they are pledged.

(11) Zero-coupon obligations of the United States government marketed as "Treasury STRIPS".

b. Whenever eligible securities delivered to a custodial bank or trust company pursuant to this paragraph are transferred by entries on the books of a federal reserve bank or other book-entry system operated by a federally regulated entity without physical delivery of the evidence of such obligations, the records of the custodial bank or trust company shall show, at all times, the interest of the Agency in such securities or pro rata portion of a pool of eligible securities as set forth in the security agreement.

c. (i) In lieu of or in addition to the deposit of eligible securities, the officers making a deposit may accept an eligible surety bond (as defined below) payable to the Agency as security for the payment of one hundred percent, or an eligible letter of credit (as defined below) payable to the Agency as security for the payment of one hundred forty percent, of the aggregate amount of public deposits from such officers and the agreed upon interest, if any. The terms and conditions of any eligible surety bond shall be approved by the Agency.

"Eligible surety bond" shall mean a bond executed by an insurance company authorized to do business in this state, the claims-paying ability of which is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

"Eligible letter of credit" shall mean an irrevocable letter of credit issued in favor of the Agency for a term not to exceed ninety days by a bank (other than the bank with which the money is being deposited or invested) whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company's commercial paper and other unsecured short-term debt obligations) are rated in one of the three highest rating categories (based on the credit of such bank or holding company) by at least one nationally recognized statistical rating organization or by a bank (other than the bank with which the money is being deposited or invested) that is in compliance with applicable federal minimum risk-based capital requirements.

(ii) In lieu of or in addition to the deposit of eligible securities, the officers making a deposit may, in the case of an irrevocable letter of credit issued in favor of the Agency by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally

recognized statistical rating organization, accept such letter of credit payable to the Agency as security for the payment of one hundred percent of the aggregate amount of public deposits from such officers and the agreed upon interest, if any.

d. For purposes of determining the market value of securities as required above:

(1) The eligible securities described in subparagraphs (8), (10) and (11) of the definition of “eligible securities” shall be valued at eighty percent of their market value.

(2) The eligible securities described in subparagraph (9) of the definition of “eligible securities” shall be valued at seventy percent of their market value.

(3) Of the eligible securities described in subparagraph (5), (6) and (7) of the definition of “eligible securities”, those securities rated in the highest category shall be valued at one hundred percent of their market value; those securities rated in the second highest rating category shall be valued at ninety percent of their market value; and those securities rated in the third highest rating category shall be valued at eighty percent of their market value. When two nationally recognized statistical rating organizations rate a security in two different categories, the security shall be considered to be rated in the higher of the two categories.

Notwithstanding any other provision of law to the contrary, the Treasurer, or other officer authorized by law to make deposits, may, subject to the approval of the Agency, by resolution, enter into a contract with a courier service for the purpose of causing the deposit of public funds with a bank or trust company in accordance with Section 10 of the General Municipal Law.

C. Temporary investments

The Treasurer of the Agency may temporarily invest moneys not required for immediate expenditure, except moneys the investment of which is otherwise provided for by law, in special time deposit accounts in, or certificates of deposit issued by, a bank or trust company located and authorized to do business in this state, provided however, that such time deposit account or certificate of deposit shall be payable within such time as the proceeds shall be needed to meet expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit be secured in the same manner as is provided for securing deposits of Agency funds as set forth above for deposits in excess of the amount insured under the FDIA.

Investments may also be made in obligations of the United States of America or in obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America or in obligations of the state of New York, or with the approval of the state comptroller in obligations issued pursuant to section 24.00 or 25.00 of the local finance law by any municipality, school district or district corporation other than the Agency.

All investments made pursuant to the immediately preceding paragraph shall be subject to the following conditions:

(1) Such obligations shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the Agency, within two years of the date of purchase. Obligations that are purchased pursuant to a repurchase agreement shall be deemed to be payable or redeemable for purposes of this paragraph on the date on which the purchased obligations are scheduled to be repurchased by the seller thereof. Any obligation that provides for the adjustment of its interest rate on set dates shall be deemed to be payable or redeemable for purposes of this paragraph on the date on which the principal amount can be recovered through demand by the holder thereof.

(2) Such obligations, unless registered or inscribed in the name of the Agency, shall be purchased through, delivered to and held in the custody of a bank or trust company in this state. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company or dealer in obligations only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Agency by the bank or trust company. All obligations held in the custody of a bank or trust company pursuant to this paragraph shall be held by such bank or trust company pursuant to a written custodial agreement as set forth in paragraph (a) above relating to deposits of amounts in excess of amounts insured under the FDIC.

Notwithstanding any other provision of law, the Agency may authorize the aforementioned officers to turn over the physical custody and safekeeping of the evidences of the investments made under the heading "C. Temporary investments" to (a) any bank or trust company incorporated in this state, or (b) any national bank located in this state, or (c) any private banker duly authorized by the superintendent of banks of this state to engage in business here. All such private bankers shall, as private bankers, maintain a permanent capital of not less than one million dollars in this state. The said officers may direct such bank, trust company or private banker to register and hold any such evidences of investments in its custody, in the name of its nominee. Such officers may deposit or authorize such bank, trust company or private banker, to deposit, or arrange for the deposit of any such evidences of investments with a federal reserve bank or other book-entry transfer system operated by a federally regulated entity to be credited to an account as to which the ownership of, and other interests in, such evidences of investments may be transferred by entries on the books of such federal reserve bank or other book-entry transfer system operated by a federally regulated entity without physical delivery of any such evidences of investments. The records of any such bank, trust company or private banker shall show, at all times, the ownership of such evidences of investments, and they shall, when held in the possession of such bank, trust company or private banker be, at all times, kept separate from the assets of such bank, trust company or private banker. All evidences of investments delivered to a bank, trust company, or private banker pursuant to this paragraph shall be held by such bank, trust company or

private banker pursuant to a written custodial agreement as set forth in paragraph (a) above relating to deposits of amounts in excess of amounts insured under the FDIC. When any such evidences of investments are so registered in the name in the name of a nominee, such bank, trust company or private banker shall be absolutely liable for any loss occasioned by the acts of such nominee with respect to such evidences of investments.

Except as may otherwise be provided in a contract with bond or note holders, any moneys of the Agency authorized to be invested under the heading "C. Temporary investments" may be commingled moneys for investment purposes; provided, however, that any investment of commingled moneys shall be payable or redeemable at the option of the Agency within such time as the proceeds shall be needed to meet expenditures for which such moneys were obtained or as otherwise specifically provided under the heading "C. Temporary investments". The separate identity of the sources of such funds shall at all times be maintained and income received on moneys commingled for the purpose of investment shall be credited on a pro rata basis to the fund or account from which the moneys were invested.

The chief fiscal officer of the Agency shall maintain or cause to be maintained a proper records of all books, notes, securities or other evidences of indebtedness held by or for the Agency for the purpose of investment. Such record shall at least identify the security, the fund for which held, the place where kept and entries shall be made therein showing date of sale other disposition and the amount realized therefrom.

Approved and adopted this 26th day of March 2025.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
PROCUREMENT POLICY

A. Introduction

1. Scope – In accordance with Article 18-A of the General Municipal Law (the “GML”), Section 104-b of the GML, and the Public Authorities Accountability Act of 2005, the City of Utica Industrial Development Agency (the “Agency”) is required to adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by the Agency for its own use and account.
2. Purpose – Pursuant to Section 104-b of the GML, the primary objectives of this policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the City of Utica, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

B. Determination whether competitive bidding is required

Prior to any procurement of goods or services, the chief executive officer of the Agency shall determine in writing whether competitive bidding is required under Section 103 of the GML. Such written determination shall be maintained in the procurement file of the Agency.

Except as described below, competitive bidding is required for all contracts for public work including an expenditure of more than \$20,000 and all purchase contracts involving an expenditure of more than \$10,000.

Notwithstanding the above, competitive bidding is not required (i) for certain purchases made through Oneida County or, to the extent permitted by Section 103(3) of the GML, other counties in the state; (ii) in the case of a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or life, health, safety or property of the inhabitants of the City of Utica require immediate action which cannot await competitive bidding; (iii) upon the adoption of a resolution by a vote of at least three-fifths of all the members of the Agency stating that, for reasons of efficiency or economy, there is need for standardization, purchase contracts for a particular type or kind of equipment, material or supplies of more than ten thousand dollars may be awarded by the chief executive officer of the Agency to the lowest responsible bidder furnishing the required security after advertisement for sealed bids therefore in the manner provided in Section 103 of the GML, and such resolution shall contain a full explanation of the reasons for its adoption; (iv) for surplus and second-hand supplies, material or equipment, which may be purchased without competitive bidding from the federal government, the state of New York or from any other political subdivision, districts or public benefit corporation; or (v)

for professional services.

C. Non-bid procurements

1. Procedures for the Purchase of Commodities, Equipment or Goods not exceeding \$20,000.
 - a. Up to \$1,000 – The discretion of the chief executive officer of the Agency or authorized designee.
 - b. Greater than \$1,000 - \$6,000 – Documented verbal quotations from at least three vendors.
 - c. Greater than \$6,000 - \$20,000 – Written/fax quotations from at least three vendors.
2. Procedures for the Purchase of Public Works or Services not exceeding \$35,000.
 - a. Up to \$2000 – The discretion of the chief executive officer of the Agency or authorized designee.
 - b. Greater than \$2,000 - \$10,000 – Documented verbal quotations from at least three vendors.
 - c. Greater than \$10,000 - \$35,000 – Written/fax quotations from at least three vendors.
 - d. Whenever the specified number of quotations cannot or will not be secured, a written explanation therefore shall be maintained in the procurement file.
3. Insurance – All insurance policies shall be procured in accordance with the following procedures:
 - (1) Premium not exceeding \$10,000 – documented telephone quotations from at least three agents (if available).
 - (2) Premium greater than \$10,000 – written quotations/fax or proposals from at least three agents (if available).
4. Exceptions. Alternative proposals or quotations shall not be required for procurements made through:
 - a. GML Section 103 (3) (through county contracts), or
 - b. GML Section 104 (through federal contracts), or
 - c. GML Section 103 (16) (through all municipal contracts), or

- d. State Finance Law Section 175-b (from agencies for the blind or severely handicapped), or
- e. Correction Law Section 186 (articles manufactured in correctional institutions).

5. Professional Services.

Contracts for professional services involve the application of specialized expertise, the use of professional judgment, or a high degree of creativity. Professional services include services which require special education and/or training, license to practice or are creative in nature. Examples are: lawyers, doctors, accountants, engineers and artists. Furthermore, professional service contracts often involve a relationship of personal trust and confidence. Therefore, where competitive bidding is not utilized, the Agency shall, at a minimum, solicit alternative proposals or quotations by request for proposals, or written or verbal quotations, unless such solicitation of alternative proposals or quotations will not be in the best interest of the Agency.

6. Basis for the Award of Contracts – Contracts will be awarded to the lowest responsible dollar offeror who meets the specifications therefore, except in circumstances that the Agency determines justify an award to other than the lowest responsible dollar offeror. In making any such determination, the Agency shall consider relevant factors including, without limitation:

- a. Delivery requirements
- b. Quality requirements
- c. Quality
- d. Past vendor performance
- e. The unavailability of three or more vendors who are able to quote on a procurement.
- f. It may be in the best interests of the Agency to consider only one vendor who has previous expertise with respect to a particular procurement.

7. Documentation

- a. A record of all solicitations for alternative proposals or quotations, the response (if applicable), and any determinations pursuant thereto shall be maintained in the procurement file.
- b. For each procurement by the Agency the chief executive officer of the Agency or authorized designee shall set forth in writing the

category of procurement that is being made and what method of procurement is specified.

- c. The basis for any determination that competitive bidding is not required shall be documented, in writing, by the chief executive officer of the Agency or an authorized designee, and filed with the purchase order or contract therefore.

For those items not subject to competitive bidding, documentation shall include a memo to the files which details why the procurement is not subject to competitive bidding and include, as applicable, a description of the facts and circumstances giving rise to the exception.

- d. Whenever an award is made to other than the lowest responsible dollar offer or the reasons for doing so shall be set forth in writing and maintained in the procurement file.
- 8. Minority and Women Business Enterprises – The Agency shall comply with all applicable legal requirements relating to the hiring of such businesses.
 - 9. Input from members of the Agency – Comments concerning the procurement policy shall be solicited from the members of the Agency from time to time.
 - 10. Annual Review – the Agency shall annually review its procurement policies and procedures.
 - 11. Unintentional Failure to Comply – The unintentional failure to comply with the provisions of Section 104-b of the GML shall not be grounds to void action taken or give rise to a cause of action against the Agency or any officer thereof.

The Procurement Officer is the sitting Chairperson.

Approved and adopted this 26th day of March 2025.

MICHAEL P. GALIME, MAYOR
CITY OF UTICA

UTICA INDUSTRIAL DEVELOPMENT AGENCY
1 KENNEDY PLAZA
UTICA, NEW YORK 13502
PHONE: (315) 792-0195
FAX: (315) 797-6607



MEMORANDUM

December 31, 2024

TO: New York State Authorities Budget Office

FROM: Jack Spaeth, Executive Director

RE: Utica Industrial Development Agency

New York State Local Public Authority Mission Statement and Measurement Report

Local Public Authority Name: Utica Industrial Development Agency

Fiscal Year: January 1, 2024– December 31, 2024

Enabling Legislation: General Municipal Law § 927-d. City of Utica Industrial Development Agency

For the benefit of the city of Utica and the inhabitants thereof, an industrial development agency, to be known as the CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the City of Utica, and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

Added. L.1981, c. 710, § L

Effective Date. Section effective July 21, 1981 pursuant to L.1981, c. 710, § 2.

Mission Statement: The Utica Industrial Development Agency, a public benefit corporation organized in 1981 under the laws of New York State, was created to assist business development and to advance opportunities and the economic welfare of the people of the City of Utica.

The UIDA provides financial assistance to companies, including low-cost financing through sale-leasebacks or lease-leasebacks, PILOT agreements, mortgage recording tax exemptions, and sales tax exemptions and the issuance of Industrial Revenue Bonds.

2024 Measurements:

Goals:

- **To create new employment opportunities through the attraction and creation of new businesses;**
 - a. **Contact local/national developers/brokers (1 contact /month)**
 - b. **Contact local bankers and financial institutions (1 contact/month)**
 - c. **Cold call various retail/commercial/manufacturing businesses (10 contacts/year)**
- **To create/retain new employment opportunities through the expansion of existing businesses;**
 - a. **Contact/communicate with 30 local businesses per year through Business Outreach Visits or office visits**
 - b. **Target financial assistance to key industrial clusters critical to the City's economy, including manufacturing, health care, education, tourism, energy, and high-tech related businesses**
- **To communicate with government, education, labor, business and economic development agencies to maximize development potential and sustainability of the economy in the City of Utica**
- **To work cooperatively with City administration to further economic development progress;**

Objectives:

- **Issuing Private Activity Bonds (tax-exempt or taxable bonds) to finance eligible manufacturing and commercial projects. Issuing of tax-exempt bonds for projects that are eligible for financing in compliance with federal and NYS legislation.**
- **Providing to eligible and qualified businesses exemptions from real property taxes, sales and use taxes, and mortgage recording taxes consistent with the City of Utica's IDA's Uniform Tax Exemption Policy.**
- **Facilitating the securing of public and private grants for economic development projects through the NYS Consolidated Funding Application process and others available.**
- **Complying with the State Environmental Quality Review Act (SEQRA) on all**

projects assisted by the City of Utica IDA.

- **To improve the quality of life in the City of Utica;**
- **Collaborating with City planning and zoning departments to ensure proposed development opportunities meet the overall goals of the City's development plans.**
- **To increase the City of Utica's tax base**

Authority Stakeholder(s): City of Utica, New York

Authority Beneficiaries: City of Utica residents

Authority Customers: All eligible business entities

Authority self-evaluation of prior year performance: To be provided by December 31, 2024 and related to 2024 performance.

Governance Certification:

1. Have the board members acknowledged that they have read and understand the mission of the public authority? Board of Directors Response: **Yes**
2. Who has the power to appoint management of the public authority? Board of Directors Response: **Mayor of the City of Utica**
3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority. Board of Directors Response: **N/A**
4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: **The role of the Board regarding the implementation of the public authority's mission is to provide strategic input, guidance, oversight, mission authorization, policy setting and validation of the authority's mission, measurements and results. The role of management is to collaborate with the board in strategy development / strategy authorization and to implement established programs, processes, activities and policies to achieve the public authority's mission**

5. Has the Board acknowledged that they have read and understood the response to each of these questions? Board of Directors Response: **Yes**

City of Utica Industrial Development Agency

2024 Performance Goals

Goals:

- To create new employment opportunities through the attraction and creation of new businesses;
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MICHAEL P. GALIME, MAYOR
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December 31, 2024

TO: New York State Authorities Budget Office

FROM: Jack Spaeth, Executive Director

RE: Utica Industrial Development Agency

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5. Has the Board acknowledged that they have read and understood the response to each of these questions? Board of Directors Response: **Yes**

Utica Industrial Development Agency 2024 Operations and Accomplishments

Operations:

Maintained conformity to PAAA – updated website, implemented needed reports
Continued to engage local business owners and developers as to expansion possibilities and new construction opportunities

Accomplishments:

Assisted the following business with expansions utilizing IDA benefits:

Historical Park Apartments

HP Utica Preservation LLC purchased the apartment building located on Rutger Street and will perform a complete renovation of the facility including a small commercial space. Project costs are approximately \$27M to which a minimum of 3FTEs will be retained.

People First – AMP1

People First will demolish three affordable apartment complexes (ND Peters, FX Matt and Adrean Terrace) with 361 units on the east side of Utica to make room for 425 new apartment units. The community center will also be replaced with a larger center for the tenants. 6 FTEs will be retained with the addition of 7 new FTEs and project costs are around \$285M.

People First - Impact Cornhill

People First will demolish a number of buildings and purchase nearby vacant lots to develop two housing structures with 102 and 78 high-quality residential units and community centers along with small local retail spaces. 2 FTEs will be created with the additional jobs from the retail space and project costs are around \$76M.

Uniform Tax Exemption Policy

The UTEP is being revised to reflect the number of new project types being developed in the City of Utica. Housing projects ranging from affordable housing to mixed-use/loft style apartments to market-rate housing in the form of garden apartments and townhouses are being developed throughout the City due to Nano-Utica and the hospital being constructed downtown. Other areas of the UTEP will also be revised as to PILOT structures.

Application

Reviewed and revised IDA application to conform to best practices and expand scope of needed information.

MICHAEL P. GALIME, MAYOR
CITY OF UTICA



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Agenda

Utica Industrial Development Agency
Audit Committee – Wednesday, March 26, 2025 @ 8:30am
Utica City Hall, Utica, New York and via WebEx

- I. Call to Order
- II. Approval of Minutes (April 3, 2024)
- III. New Business - Approval of 2024 audit report
- IV. Executive Session (if required)
- V. Adjourn

Members of the public may listen to the meeting by calling
1-408-418-9388, Access code: 2633 185 8888 or joining the meeting at
Meeting link:
<https://cityofutica.webex.com/cityofutica/j.php?MTID=me2a1492b2d4edb74e7ec2da8dbfbd10e>
Meeting password: bxHPTuBe336

The Minutes of the Audit Committee meeting will be transcribed and posted on the UIDA website within the Regular meeting minutes.

MICHAEL P. GALIME, MAYOR
CITY OF UTICA



UTICA INDUSTRIAL DEVELOPMENT AGENCY
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April 3, 2024 9:00a.m.
Utica Industrial Development Agency Regular Meeting
City Hall, Utica, NY – WebEx Conference Call/In-Person

Members Present: Vin Gilroy, John Buffa, Emmett Martin

Excused: John Zegarelli, Steve Deery

Also Present: Jack Spaeth (Executive Director)

Others:

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:06a.m. The Finance, Governance and Audit Committees, as they consist of sitting Agency members, meet as a committee of the whole, and in doing such, meet at every meeting.

2) APPROVAL OF MINUTES: A motion was made by Mr. Buffa, seconded by Mr. Martin, to approve the minutes of the December 20, 2023 meeting. All in favor.

3A) OLD BUSINESS – None

4A) NEW BUSINESS – Governance Committee – ABO Documents

Mr. Martin made a motion, seconded by Mr. Buffa to start the Governance Committee meeting at 9:07am.

Mr. Martin made a motion, seconded by Mr. Buffa to approve the following ABO required documents: Annual, Procurement and Investment Reports, Effectiveness of Internal Controls, Mission and Measurement Report, Operations and Accomplishments and By-Laws along with the Procurement and Investment Policies. All in favor.

Mr. Buffa made a motion, seconded by Mr. Martin to end the Governance Committee meeting at 9:07am.

4B) NEW BUSINESS – Audit Committee – 2023 UIDA Audit

Mr. Buffa made a motion, seconded by Mr. Martin to start the Audit Committee meeting at 9:08am.

Mr. Buffa made a motion, seconded by Mr. Martin to approve the 2023 Audit. All in favor.

Mr. Buffa made a motion, seconded by Mr. Martin to end the Audit Committee meeting at 9:08am.

4C) NEW BUSINESS – Update on Project Review

Mr. Spaeth informed Agency members that he has been accumulating the employment data and getting responses from project operators that are below the Agency's 85% acceptance measure and will present at the May meeting.

5) EXECUTIVE SESSION:

Not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Buffa made a motion to adjourn, seconded by Mr. Martin and the meeting was adjourned at 9:08am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, May 1, 2024 at 9:00am at City Hall via WebEx and in-person.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

**Financial Statements as of
December 31, 2024 and 2023
Together with Independent
Auditor's Reports**

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

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INDEPENDENT AUDITOR'S REPORT

March __, 2025

To the Board of Directors of the
City of Utica Industrial Development Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the City of Utica Industrial Development Agency (Utica IDA), a discretely presented component unit of the City of Utica, as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Utica IDA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Utica IDA, as of December 31, 2024 and 2023, and the respective changes in financial position, and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Utica IDA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utica IDA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Utica IDA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utica IDA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March __, 2025 on our consideration of the Utica IDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Utica IDA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Utica IDA's internal control over financial reporting and compliance.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Management's Discussion and Analysis (Unaudited)
For the years ended December 31, 2024 and 2023

This section of Utica IDA's Financial Statements presents management's overview and analysis of Utica IDA's financial performance for the years ended December 31, 2024 and 2023. This section should be read in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

Utica IDA's net position increased/(decreased) by (\$73,721) in 2024 and \$273,461 in 2023, respectively. In 2024, net position decreased due to decreased agency fees activity and increased contractual expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

The statements of net position and the statements of revenues, expenses and changes in net position report information about Utica IDA as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Revenue and expenses are recorded when earned and incurred, respectively, regardless of when cash is received or paid.

These two statements report Utica IDA's net position and changes in them from one year to the next. Utica IDA's net position, the difference between assets and liabilities, are one way to measure the Organization's financial health, or financial position. Over time, increases or decreases in Utica IDA's net position is one indicator of whether its financial health is improving or deteriorating. Consideration should also be given to other factors, such as changes in Utica IDA's income and the fluctuation of Utica IDA's expenses, to assess the overall health of Utica IDA.

NOTES TO THE FINANCIAL STATEMENTS

The financial statements also include the notes to the financial statements, which explain certain information in the financial statements. They are essential to a full understanding of the information provided in the financial statements.

FINANCIAL ANALYSIS

This section summarizes information and data as related to the Statements of Net Position as of December 31, 2024 and 2023, and the Statements of Revenues, Expenses and Changes in Net Position for the years ended December 31, 2024 and 2023.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Management's Discussion and Analysis (Unaudited)
For the years ended December 31, 2024 and 2023

Statements of Net Position

The analysis below summarizes the statements of net position (Table 1) and changes in net position (Table 2) of the Agency as of and for the years ended December 31:

Table 1
Net Position

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current assets	\$ <u>1,657,195</u>	\$ <u>1,843,126</u>	\$ <u>1,457,455</u>
Current liabilities	\$ <u>-</u>	\$ <u>112,210</u>	\$ <u>-</u>
Net position	\$ <u>1,657,195</u>	\$ <u>1,730,916</u>	\$ <u>1,457,455</u>

Statements of Revenues, Expenses and Changes in Net Position

Table 2 shows the expenses and revenues of Utica IDA and is presented on the accrual basis of accounting. Revenues vary from year to year based upon economic activity within the City of Utica. Revenue for 2024 was lower than 2023 due to a significant decrease in administration fees income. Revenue for 2023 was greater than 2022 due to a significant increase in property sales and administration fees income.

Expenses for 2024, 2023 and 2022 were predominately contractual.

Table 2
Statement of Activities

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating revenue	\$ 217,394	\$ 418,750	\$ 153,569
Operating expense	<u>309,008</u>	<u>155,577</u>	<u>19,702</u>
Operating income	(91,614)	263,173	133,867
Other income/expense	<u>17,893</u>	<u>10,288</u>	<u>4,121</u>
Change in net position	\$ <u>(73,721)</u>	\$ <u>273,461</u>	\$ <u>137,988</u>

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Management's Discussion and Analysis (Unaudited)
For the years ended December 31, 2024 and 2023

ECONOMIC FACTORS AND FUTURE OUTLOOK

The City of Utica continues to pursue demolition of blighted buildings and the remediation of environmentally challenged sites. Gains in these two areas translate into construction and development opportunities resulting in more agency activity as additional developable parcels of land materialize.

CONTACTING UTICA IDA'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Utica IDA's finances for all those who have an interest in this agency's finances. Questions concerning any of the information presented in this report or requests for additional financial information should be addressed to:

Jack Spaeth, Executive Director
Utica Industrial Development Agency
One Kennedy Plaza, Utica, New York 13502

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Statements of Net Position
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,656,195	\$ 1,842,126
Accounts receivable	<u>1,000</u>	<u>1,000</u>
Total current assets	<u>1,657,195</u>	<u>1,843,126</u>
Total assets	<u>\$ 1,657,195</u>	<u>\$ 1,843,126</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ -	\$ 112,210
Total liabilities	<u>-</u>	<u>112,210</u>
NET POSITION		
Unrestricted	<u>1,657,195</u>	<u>1,730,916</u>
Total liabilities and net position	<u>\$ 1,657,195</u>	<u>\$ 1,843,126</u>

The accompanying notes are an integral part of these statements.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Statements of Revenues, Expenses and Changes in Net Position
For the years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES:		
Administration fees	\$ 99,221	\$ 418,240
Other income	<u>118,173</u>	<u>510</u>
Total operating revenues	<u>217,394</u>	<u>418,750</u>
OPERATING EXPENSES:		
Marketing and other expenses	14,626	10,683
Professional fees	26,943	7,500
Conferences and seminars	11,354	8,562
Contracted services	256,085	126,737
Repairs and maintenance	<u>-</u>	<u>2,095</u>
Total operating expenses	<u>309,008</u>	<u>155,577</u>
OPERATING INCOME (LOSS)	(91,614)	263,173
NONOPERATING REVENUES (EXPENSES)		
Interest income	<u>17,893</u>	<u>10,288</u>
Total nonoperating revenue	<u>17,893</u>	<u>10,288</u>
CHANGE IN NET POSITION	<u>(73,721)</u>	<u>273,461</u>
NET POSITION - beginning of year	<u>1,730,916</u>	<u>1,457,455</u>
NET POSITION - end of year	<u><u>\$ 1,657,195</u></u>	<u><u>\$ 1,730,916</u></u>

The accompanying notes are an integral part of these statements.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 105,184	\$ 417,750
Cash payments to suppliers for goods and services	<u>(309,008)</u>	<u>(43,367)</u>
Net cash flow from operating activities	<u>(203,824)</u>	<u>374,383</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	<u>17,893</u>	<u>10,288</u>
Net cash flow from investing activities	<u>17,893</u>	<u>10,288</u>
NET CHANGE IN CASH and CASH EQUIVALENTS	(185,931)	384,671
CASH and CASH EQUIVALENTS - beginning of year	<u>1,842,126</u>	<u>1,457,455</u>
CASH and CASH EQUIVALENTS - end of year	<u>\$ 1,656,195</u>	<u>\$ 1,842,126</u>
Reconciliation of operating income (loss) to net cash flow from operating activities:		
Operating income (loss)	\$ (91,614)	\$ 263,173
Change in accounts receivable	-	(1,000)
Change in accounts payable	<u>(112,210)</u>	<u>112,210</u>
Net cash flow from operating activities	<u>\$ (203,824)</u>	<u>\$ 374,383</u>

The accompanying notes are an integral part of these statements.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Notes to Basic Financial Statements
December 31, 2024 and 2023

1. REPORTING ENTITY

The City of Utica Industrial Development Agency (Utica IDA) is a public benefit agency created under the mandate of Article 18-A, "New York State Industrial Development Agency Act," of New York State General Municipal Law for the purpose of encouraging economic growth in the City of Utica. Utica IDA is exempt from Federal, State, and local income taxes. Utica IDA is a discretely presented component unit of the City of Utica.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Utica IDA's financial statements are prepared in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board for proprietary funds.

Basis of Presentation

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and equivalents include demand deposits, money market funds, and certificates of deposit with original maturities of twelve months or less. Utica IDA maintains its cash and cash equivalents in bank accounts. Interest and dividend income from cash and cash equivalents is reported in other income in the statements of revenues, expenses and changes in net position.

Industrial Development Bonds

Utica IDA issues tax-exempt bonds and special issue bonds to provide financial assistance on behalf of certain not-for-profit organizations for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers back to the not-for-profit organization served by the bond issuance. Utica IDA is not obligated in any manner for repayment of the bonds at any time. Accordingly, related property is not reported as assets, and the bonds are not reported as liabilities in the accompanying financial statements.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Notes to Basic Financial Statements
December 31, 2024 and 2023

Revenue Recognition

Fees are assessed by Utica IDA for project applications received during the year. These fees are recognized as revenue when received.

Contributed Facilities and Services

Utica IDA, with the consent of the Common Council of the City of Utica, is authorized to use and has shared City employees, facilities, and equipment and may reimburse the City an agreed upon proportion of the compensation or costs of the services provided. For the years ended December 31, 2024 and 2023, the City did not request any reimbursement and no such reimbursement was made.

Net Position

GASB requires the classification of net position into three classifications defined as follows:

- Invested in capital assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. At December 31, 2024 and 2023, Utica IDA had no investment in capital assets.
- Restricted net position - This component of net position consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. At December 31, 2024 and 2023, Utica IDA does not have a restricted net position.
- Unrestricted net position - This component of net position consists of net position that doesn't meet the definition of invested in capital assets or restricted.

When both restricted and unrestricted resources are available for use, it is Utica IDA's policy to use restricted resources first.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Notes to Basic Financial Statements
December 31, 2024 and 2023

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Policies

Utica IDA follows its investment and deposit policy, the overall objective of which is to adequately safeguard the funds of Utica IDA and funds under the control of Utica IDA; to provide sufficient liquidity of invested funds in order to meet obligations as they become due; and to earn the maximum yield possible given the objectives previously listed. Oversight of investment activity is the responsibility of the Executive Director. Utica IDA's monies must be deposited in Federal Deposit Insurance Agency (FDIC) insured commercial banks or trust companies as designated by the Board of Directors. Permissible investments include: a) obligations of the United States or of federal agencies whose principal and interest payments are fully guaranteed by the federal or state government, b) obligations of New York State or in general obligations of the State's political subdivisions, c) certificates of deposits or deposits with banks with an investment grade rating by a Rating Agency, d) commercial paper rated Prime-1 and/or A-1, and e) money market funds with AAA ratings.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. Utica IDA's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Utica IDA's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. Governmental Accounting Standards direct that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are not covered by collateralization.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the City of Utica)

Notes to Basic Financial Statements
December 31, 2024 and 2023

At December 31, 2024 and 2023, all of the Agency's deposits were covered by FDIC insurance or collateralized with securities held by the pledging financial institution's trust department.

	2024		2023	
	Carrying		Carrying	
	Amount	Bank Balance	Amount	Bank Balance
Cash and cash equivalents	<u>\$ 1,656,195</u>	<u>\$ 1,693,190</u>	<u>\$ 1,842,126</u>	<u>\$ 1,828,248</u>
Collateralized with securities held by the Agency or by its agent in the Agency's name		\$ 1,193,190		\$ 1,328,248
Covered by FDIC Insurance		500,000		500,000
Total deposits		<u>\$ 1,693,190</u>		<u>\$ 1,828,248</u>

4. RELATED PARTIES

Utica IDA's governing body is appointed by the Mayor of the City of Utica. In addition, Utica IDA's assistant secretary is an employee of the City. Utica IDA does not carry its own director's and officer's insurance, as it is covered through its relationship with the City.

Utica IDA and Utica Harbor Point Development Corp. are both component units of the City of Utica and share the common goal of economic development within the City.

5. CONTINGENCIES

Utica IDA is subject to litigation in the ordinary conduct of its affairs. Management does not believe that such litigation, individually or in the aggregate, is likely to have a material adverse effect on the financial condition of Utica IDA.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

March __, 2025

To the Board of Directors of
City of Utica Industrial Development Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Utica Industrial Development Agency (Utica IDA) a discretely presented component unit of the City of Utica, New York, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Utica IDA's basic financial statements, and have issued our report thereon dated March __, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Utica IDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Utica IDA's internal control. Accordingly, we do not express an opinion on the effectiveness of Utica IDA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Utica IDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.