Office of the New York State Comptroller

Division of Local Government & School Accountability

County of Clinton Industrial Development Agency

Project Monitoring

Report of Examination

Period Covered:

January 1, 2013 — April 30, 2014

2014M-205

Thomas P. DiNapoli

Table of Contents

State of New York
Office of the State Comptroller

Division of Local Government
and School Accountability

December 2014

Dear Agency Officials:

A top priority of the Office of the State Comptroller is to help local officials manage government resources efficiently and effectively and, by so doing, provide accountability for public dollars spent to support government operations. The Comptroller oversees the fiscal affairs of local governments and certain other public entities statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and Board governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard local assets.

Following is a report of our audit of the County of Clinton Industrial Development Agency, entitled Project Monitoring. This audit was conducted pursuant to Article X, Section 5 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

This audit's results and recommendations are resources for Agency officials to use in effectively managing operations and in meeting the expectations of their constituents. If you have questions about this report, please feel free to contact the local regional office for your county, as listed at the end of this report.

Respectfully submitted,

Office of the State Comptroller
Division of Local Government
and School Accountability

State of New York
Office of the State Comptroller

EXECUTIVE SUMMARY

An industrial development agency (IDA) is an independent public benefit corporation whose purpose is to promote, develop, encourage and assist in acquiring, constructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The overall goal of an IDA is to advance the job opportunities, health, general prosperity and economic welfare of the people of the State. The powers and duties of IDAs are set forth primarily in Article 18-A of General Municipal Law. Typically, projects that receive IDA benefits involve the acquisition, construction or major renovation of buildings or other structures and generate short- and long-term employment in construction and operations-related jobs.

The County of Clinton Industrial Development Agency (CCIDA) was established in 1971 and is governed by a Board which comprises seven members who are appointed by the Clinton County Legislature. The Board is responsible for the general management and control of the financial and operational affairs. The Development Corporation (TDC), a not-for-profit corporation, performs all of the CCIDA's administrative and financial services based on a contractual agreement between the two entities. These duties include, but are not limited to, monitoring and documenting the impact of projects following their completion, conducting annual on-site visits at the projects and compiling all information relating to projects and the related financial assistance necessary to ensure the timely filing of all annual reports. During the 2014 fiscal year, TDC will receive $83,232 and 10 percent of all project fees collected by the CCIDA for these services. A representative[1] from TDC serves as the CCIDA's Executive Director.

Scope and Objective

The objective of our audit was to examine CCIDA operations to determine if the Board monitored approved projects for the period January 1, 2013 through April 30, 2014. The scope period was expanded to begin on March 20, 1980 for our review of selected projects in order to include project activities from the date of their inception. Our audit addressed the following related question:

- Did the Board design and implement an adequate system to monitor, evaluate and control benefits and incentives granted to approved projects?

[1] An economic developer from TDC has been the Executive Director of the CCIDA since September 2012. Prior to September 2012, the former President of TDC was the Executive Director of the CCIDA.

Audit Results

The Board did not design and implement an adequate system to monitor CCIDA-approved projects. For example, CCIDA officials did not have a system in place to track the amounts directly billed and collected by taxing jurisdictions for payments in lieu of taxes (PILOTs). As a result, we found that two projects overpaid PILOTs totaling $78,879 and six projects underpaid PILOTs totaling $63,510.

Furthermore, CCIDA officials did not comply with the Uniform Tax Exemption Policy (UTEP) requirements for monitoring the sales and use tax exemptions used by approved projects because the officials did not obtain copies of ST-340 forms or detailed records from all project owners to verify the amount of sales and use tax exemptions claimed. As a result, there is an increased risk that sales and use tax exemptions may have exceeded authorizations, were received outside of the authorized exemption period or were received on purchases that were not authorized by the IDA's UTEP, and therefore not used as intended.

The CCIDA also did not have an effective process in place to monitor and evaluate agreed-upon job expectations. We reviewed 10 projects receiving CCIDA benefits and found that eight projects have not met their employment goals, resulting in a shortfall of 100 jobs.

The CCIDA also did not have a process in place to monitor projects to ensure that the properties were reconveyed[2] in a timely manner. Six of eight properties that we reviewed were not reconveyed in a timely manner. For example, four TDC properties were not reconveyed after the expiration of their corresponding lease agreements until 4,743, 4,561, 3,039 and 1,912 days later. Therefore, the properties for these projects were not properly included on the taxable section of the assessment roll for several years, which resulted in reduced annual total taxable assessed values for Clinton County, the Town of Plattsburgh and the Beekmantown Central School District. As a result, there was a negative impact on the amount of both property and school taxes paid by other taxpayers living within these municipalities. We found that a combined total of $1,695,538 in real property taxes would have been paid to Clinton County, the Town of Plattsburgh and the Beekmantown Central School District if the four TDC projects' properties had been returned to the tax rolls upon the expiration of their PILOT agreements.[3] The reduced total taxable assessed value for the Town of Plattsburgh has also resulted in the Town annually receiving a reduced share of sales tax moneys distributed from Clinton County than otherwise would have been received. The number and monetary value of discrepancies that we found with TDC projects could give rise to at least the appearance that TDC projects received less scrutiny because of the contractual agreement between CCIDA and TDC.

Comments of Agency Officials

The results of our audit and recommendations have been discussed with Agency officials, and their comments, which appear in Appendix A, have been considered in preparing this report. Except as specified in Appendix A, CCIDA officials generally agreed with our recommendations and indicated they planned to take corrective action. Appendix B includes our comments on issues raised in the CCIDA's response letter.

---

[2] Transferred back to the project owners when the bonds are retired or the straight-lease agreement expires

[3] The four PILOT agreements expired on April 1, 2001, September 30, 2001, November 30, 2005 and December 31, 2008.

Introduction

Background

An industrial development agency (IDA) is an independent public benefit corporation whose purpose is to promote, develop, encourage and assist in acquiring, constructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The overall goal of an IDA is to advance the job opportunities, health, general prosperity and economic welfare of the people of the State. The powers and duties of IDAs are set forth primarily in Article 18-A of General Municipal Law (GML). Typically, projects that receive IDA benefits involve the acquisition, construction or major renovations of buildings or other structures and generate short- and long-term employment in construction and operations-related jobs.

The County of Clinton Industrial Development Agency (CCIDA) was established in 1971 and is governed by a Board which comprises seven members who are appointed by the Clinton County Legislature. The Board is responsible for the general management and control of the financial and operational affairs. The Development Corporation (TDC), a not-for-profit corporation, performs all of the CCIDA's administrative and financial services based on a contractual agreement between the two entities. These duties include, but are not limited to, monitoring and documenting the impact of projects following their completion, conducting annual on-site visits at the projects and compiling all information relating to projects and the related financial assistance necessary to ensure the timely filing of all annual reports. During the 2014 fiscal year, TDC will receive $83,232 and 10 percent of all project fees collected by the CCIDA for these services. A representative[4] from TDC serves as the CCIDA's Executive Director.

The CCIDA generally assumes the title of the real and/or personal property owned by the businesses that are involved in approved projects, thereby allowing the CCIDA to offer benefits to these businesses (i.e., sales and use tax exemptions, mortgage recording tax exemptions and real property tax exemptions). The CCIDA is not required to pay property taxes or assessments on any property it acquires or that is under its jurisdiction, control or supervision. The CCIDA instead arranges for the applicable businesses to make

[4] An economic developer from TDC has been the Executive Director of the CCIDA since September 2012. Prior to September 2012, the former President of TDC was the Executive Director of the CCIDA.

payments in lieu of taxes (PILOT)[5] pursuant to an agreement governed by the CCIDA's Uniform Tax Exemption Policy (UTEP).

The CCIDA also provides financial assistance to businesses through the issuance of industrial development revenue bonds. Proceeds of the obligations, as well as debt service payments, are administered by the business through a trustee bank. The debt service on the CCIDA bonds is supported by revenues of the business. These types of arrangements are often referred to as "conduit financings." The CCIDA reported 38 active industrial development projects in its 2013 annual report submitted to the Office of the State Comptroller. The CCIDA received two applications[6] for assistance during the 2013 fiscal year.

Objective

The objective of our audit was to examine CCIDA operations to determine if the Board monitored approved projects. Our audit addressed the following related question:

- Did the Board design and implement an adequate system to monitor, evaluate and control benefits and incentives granted to approved projects?

Scope and Methodology

We examined CCIDA's financial records and project files for the period January 1, 2013 through April 30, 2014. The scope period was expanded to begin on March 20, 1980 for our review of selected projects in order to include project activities from the date of their inception.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit is included in Appendix C of this report.

---

[5] PILOTs are payments equal to all or part of the amount of taxes which would have been levied by or on behalf of "an affected tax jurisdiction" if the IDA project was not tax exempt by reason of the IDA's involvement. An "affected tax jurisdiction" is a municipality or school district in which the IDA project is located which will fail to receive tax payments that would be otherwise due, except for the tax exempt status of the IDA project (GML Section 854[16],[17]).

[6] The two applications for assistance were for TDC Building # 18 and Northstar 41, LLC, which were approved by the CCIDA. From 1986 until 2008, IDAs were authorized to provide financial assistance for "civic facilities." These were defined as facilities that were "owned or occupied by a not-for-profit corporation." The authority for IDA "civic facility" projects expired in January 2008. To the extent the IDA has provided financial assistance for post-2008 TDC projects as "civic facilities," the IDA should consult with its legal counsel concerning the status of those transactions.

Comments of Agency Officials and Corrective Action

The results of our audit and recommendations have been discussed with Agency officials, and their comments, which appear in Appendix A, have been considered in preparing this report. Except as specified in Appendix A, CCIDA officials generally agreed with our recommendations and indicated they planned to take corrective action. Appendix B includes our comments on issues raised in the CCIDA's response letter.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and forwarded to our office within 90 days, pursuant to Section 35 of the General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make this plan available for public review in the Executive Director's office.

Project Monitoring

The CCIDA Board is responsible for monitoring approved projects to ensure that businesses are receiving only the benefits and incentives to which they are entitled and that have been granted by the IDA. The Board is also responsible for monitoring and evaluating the performance of approved projects and determining whether they are meeting the goals established in their project applications. Without effective monitoring, the Board will not be able to identify projects that are receiving benefits and incentives that they are not entitled to, identify and address project performance shortfalls or determine if the projects have achieved the desired benefits.

The Board did not design and implement an adequate system to monitor CCIDA approved projects. For example, CCIDA officials did not have a system in place to track the amounts directly billed and collected by taxing jurisdictions for PILOTs. As a result, we found that two projects overpaid PILOTs totaling $78,879 and six projects underpaid PILOTs totaling $63,510.

Furthermore, CCIDA officials did not comply with the UTEP requirements for monitoring the sales and use tax exemptions used by approved projects because the officials did not obtain copies of ST-340 forms[7] or detailed records from all project owners to verify the amount of sales and use tax exemptions claimed. The CCIDA also did not have an effective process in place to monitor and evaluate agreed-upon job expectations, which may have helped avoid a shortfall of 100 jobs for eight of the 10 projects we reviewed.

The CCIDA also did not have a process in place to monitor projects to ensure that properties were reconveyed in a timely manner. Six of eight project properties that we reviewed were not reconveyed in a timely manner. For example, four TDC properties were not reconveyed after the expiration of their corresponding lease agreements until 4,743, 4,561, 3,039 and 1,912 days later. The failure to reconvey properties in a timely manner resulted in reduced annual total taxable assessed values for Clinton County, the Town of Plattsburgh and the Beekmantown Central School District and, therefore, negatively impacted the amount of both school and property taxes paid by taxpayers living within these municipalities. We found that a combined total of $1,695,538 in real property taxes would have been paid to Clinton County, the Town of Plattsburgh and the Beekmantown Central School District if the

[7] IDA project operators are required to file an ST-340 form with the New York State Department of Taxation and Finance (Tax and Finance) annually to report the amount of sales and use tax savings.

four TDC projects' properties had been returned to the tax rolls upon the expiration of their PILOT agreements.[8] This also resulted in the Town of Plattsburgh annually receiving a reduced share of sales tax moneys distributed from Clinton County. The number and monetary value of discrepancies that we found with TDC projects could give rise to at least the appearance that TDC projects received less scrutiny because of the contractual agreement between CCIDA and TDC.[9]

Payment In Lieu of Taxes

Real property owned by an IDA is entitled to an exemption from real property taxes. These exemptions, in effect, are passed through to assisted businesses. In most cases, amounts equal to a portion of the real property taxes forgone are recaptured through PILOT payments made by recipients of IDA benefits to affected taxing jurisdictions (i.e., local governments) in accordance with the applicable PILOT agreement. To ensure that these benefits are properly administered, it is crucial for the CCIDA to have a process in place to track the required PILOTs and corresponding payments made from businesses to the affected taxing jurisdictions.

The CCIDA did not have a system in place to track the amounts directly billed and collected by taxing jurisdictions for PILOTs. Instead, the CCIDA relied solely on the taxing jurisdictions[10] to properly bill and collect PILOTs. CCIDA officials did not perform their own calculations of PILOT payments required to be made, review the actual bills prior to distribution or perform any other type of independent review to ensure that PILOTs were being billed and collected in accordance with authorized agreements. As a result, CCIDA officials did not adequately ensure that projects were paying PILOTs or that local municipalities were receiving all the related revenue to which they were entitled.

We reviewed a sample of 15 projects[11] since the date of their inception to verify that PILOT billings were calculated in accordance with the provisions of the agreements and that corresponding payments were received when due or, when applicable, the proper interest

8 The four PILOT agreements expired on April 1, 2001, September 30, 2001, November 30, 2005 and December 31, 2008.

9 IDA board members must perform their duties in good faith and with that degree of diligence, care and skill which an ordinary prudent person in like position would use under similar circumstances (New York State Public Authorities Law (PAL) Sections 2; 2824[1][g]). At the time of taking an oath of office, board members must acknowledge that they understand their roles and their statutory fiduciary responsibilities, and that they understand their duty of loyalty and care to the IDA and commitment to the IDA's mission and the public interest (PAL Section 2824[1][h]).

10 Clinton County billed, collected, and disbursed all PILOTs to the applicable local governments, except for four projects (TDC Buildings # 3, 4, 5 and 7), which was performed by the Town of Plattsburgh.

11 Appendix B contains our sampling methodology.

and penalties were assessed. We found that two projects[12] overpaid PILOTs totaling $78,879. These overpayments mainly resulted because billings were prepared using current assessments and tax rates each year instead of the assessment and tax rate upon completion of construction of the project facilities (fixed payment), as outlined by the PILOT agreements. In addition, we found that six projects underpaid PILOTs totaling $63,510. These underpayments resulted because of various billing errors. For example, the tax rate for the town-wide highway fund was not included in the calculation of the PILOT billings for one project from 2005 through 2014, resulting in underpayments totaling $5,944.

Furthermore, we found that, for four other projects in our sample, there was a combined total of $1,695,538 in real property taxes that would have been paid to Clinton County, the Town of Plattsburgh and the Beekmantown Central School District if the properties had been returned to the tax rolls upon the expiration of their PILOT agreements,[13] as shown in Figure 1. This resulted because the four projects continued to be billed annually the fixed amount established by their PILOT agreements through 2014, even though the agreements expired on April 1, 2001, September 30, 2001, November 30, 2005 and December 31, 2008.

Figure 1: Real Property Taxes

Project Name	Property Taxes That Should Have Been Paid[a]	Payments Received[b]	Difference
TDC Building # 3	$870,154	$84,000	$786,154
TDC Building # 4	$755,484	$78,000	$677,484
TDC Building # 5	$61,218	$18,000	$43,218
TDC Building # 7	$206,682	$18,000	$188,682
Totals	**$1,893,538**	**$198,000**	**$1,695,538**

[a] Amounts due from the project owners had the properties returned to the tax rolls when their PILOT agreements expired
[b] TDC Buildings # 3, 4, 5, and 7 made annual PILOT payments totaling $6,000, $6,000, $2,000 and $3,000, respectively, after their PILOT agreements expired.

CCIDA officials were not aware of the inaccurate payments because they did not monitor PILOTs billed and collected by taxing jurisdictions. Aside from the significant financial impact these errors had on municipalities,[14] PILOT billing errors could cause municipalities and the public to have an unfavorable view of future CCIDA tax exemption and PILOT proposals. If municipal officials

[12] TDC Buildings # 10 and # 11
[13] See section entitled "Reconveyed Properties"
[14] The municipalities impacted by these errors are Clinton County, the Town of Plattsburgh, the Town of Champlain, Village of Champlain, Beekmantown Central School District and Northeastern Central School District.

conclude that they are not receiving all required tax and PILOT payments, they may be less likely to support current or future projects.

Sales and Use Tax Exemptions

Purchases for IDA projects are eligible for exemptions from sales and use tax. The CCIDA uses information contained on project applications, in regard to construction and equipment costs, to determine the estimated amount of sales and use tax exemptions. Once this amount is determined, the CCIDA files a form ST-60 with Tax and Finance, which relates to the appointment of the project operator or other person to act as the IDA's agent for sales and use tax exemption purposes. The form contains the date of appointment and the date agent status ends, an estimated value of goods and services that will be exempt from sales and use tax and an estimated value of the sales and use tax exemption provided. Project owners are required annually to report the actual sales and use tax savings to Tax and Finance on form ST-340. The CCIDA's UTEP also requires a project's owner to file a copy of its ST-340 form with the CCIDA and to keep supporting records for a period of seven years showing the method of calculating the sales and use tax exemption benefits claimed. The UTEP also outlines the purchases that are exempted from sales and use tax and the purchases that are not exempted. To ensure that these benefits are properly used, it is crucial for the CCIDA to have a process in place to monitor sales and use tax exemptions.

The CCIDA did not monitor the sales and use tax exemptions for various projects. The CCIDA officials did not obtain copies of the ST-340 forms filed by the project owners with Tax and Finance, except for TDC projects,[15] even though the forms are required by the CCIDA's UTEP. The CCIDA also did not request detailed records from the project owners to support the amount of sales and use tax exemptions claimed and to ensure that sales and use tax exemptions were only received on purchases that were authorized by the IDA's UTEP. Instead, the only documentation that the CCIDA requests from project owners is when it annually sends forms to each project owner and requests them to record the amount of sales and use tax exemptions that they received for the fiscal year. This information is then used to record sales and use tax exemption data on the CCIDA's annual report. However, we found that CCIDA officials did not perform any reviews to ensure that the sales and use tax exemptions reported were not in excess of the amount authorized by the CCIDA and were not for purchases that were made outside of the authorized

[15] The CCIDA had ST-340 forms on file for TDC projects because the TDC performs all the administrative and financial services for the CCIDA based on a contractual agreement between the two entities.

exemption period by the CCIDA.[16] As a result, the CCIDA officials did not take advantage of a means to assure that projects were only receiving sales and use tax exemptions to which they were entitled.

We reviewed all nine approved projects that were granted sales and use tax exemptions during the period January 1, 2007 through December 31, 2013. We determined that the CCIDA had only one project[17] with a ST-340 form on file. For that project, the sales and use tax exemptions that were claimed were not in excess of the authorized amount and were not for purchases made outside of the authorized exemption period. However, we found that one of the remaining eight projects reported $947,604[18] in sales and use tax exemptions on their annual reporting forms submitted to the CCIDA, although the corresponding ST-60 form set forth an estimated value of sales and use tax exemption of $126,000. As a result, the project owner reported that they received sales and use tax exemptions totaling $821,604 in excess of the amount authorized by the CCIDA.

In addition, we found that this project owner and two of the other eight project owners did not submit annual reporting forms to the CCIDA of the sales and use tax exemptions that they received for each of the fiscal years during the authorized exemption period. For example, one project owner did not submit an annual reporting form during the 2011 fiscal year, although the authorized exemption period was from August 12, 2011 through June 30, 2013. However, we found that this occurred because the three project owners were not sent annual reporting forms by the CCIDA during these fiscal years. Furthermore, CCIDA officials did not obtain detailed records from any of the nine project owners of the purchases made that were exempt from sales and use tax to ensure that sales and use tax exemptions were only received on purchases that were authorized by the CCIDA's UTEP.

The lack of monitoring by CCIDA officials has prevented them from being able to evaluate or verify project compliance regarding the authorized sales and use tax exemptions. As a result, one project owner reported obtaining almost $822,000 in non-authorized sales and use tax exemptions. This increases the risk that sales and use tax exemptions obtained by other project owners may have exceeded authorizations for both the period of time and the types of purchases that were exempt per the CCIDA's UTEP.

---

[16] CCIDA officials stated that they use the amount of the estimated value of the sales and use tax exemption that is recorded on the ST-60 form for each project as the authorized amount and the date range between the date of appointment and the date agent status ends that is recorded on the ST-60 form for each project as the authorized exemption period.

[17] TDC Building # 18

[18] Sales and use tax exemptions of $340,162 during the 2010 fiscal year and $607,442 during the 2011 fiscal year

Job Creation and Retention

One goal of an IDA is to advance job creation opportunities. When businesses apply for benefits from the CCIDA, they are required to report on their application the number of full-time equivalent[19] (FTE) employees prior to CCIDA status and to project the number of FTE jobs that will be retained or created, or both. Employment goals are included in the cost-benefit analysis for a project and are one of the determining factors in accepting or rejecting a project. As such, an IDA is responsible for establishing a process to monitor and evaluate agreed-upon job expectations to ensure that the public is receiving the intended benefits and to help the Board evaluate whether it needs to address a project's failure to create those benefits. The process should include procedures to determine whether reporting requirements are met, employment data is reliable and projects demonstrate that they have met employment goals.

The CCIDA did not have an effective process in place to monitor and evaluate agreed-upon job expectations. The CCIDA incorrectly used the number of full-time employees that were reported on project applications when reporting the number of FTE employees prior to IDA status, the estimate of jobs to be created and the estimate of jobs to be retained in the CCIDA's annual report. Similarly, the CCIDA incorrectly used the number of full-time employees that were reported on the annual reporting forms[20] submitted by project owners when reporting the current FTE employees for each project in the annual report. Because the CCIDA was not including part-time and seasonal employees in the employment data for each project, the annual reports did not contain accurate employment data for each project. The Executive Director and the Board used the annual reports to evaluate whether approved projects were meeting the employment goals agreed to in their project applications. Therefore, the Executive Director's and the Board's evaluation of job creation and retention was flawed because it was not based on accurate data.

The CCIDA also did not request supporting documentation (i.e., payroll records) from businesses to verify both the stated number of existing jobs at the time of application and during the annual submission of current employment data. As a result, job performance measures could be inaccurate. For example, if an applicant understates current employment numbers in the application and the CCIDA does not identify this error, the reported number of new jobs created in

[19] FTE is a unit that indicates the workload of an employed person in a way that makes workloads comparable. For example, an FTE of 1.0 means that the person is equivalent to a full-time employee, while an FTE of 0.5 indicates that the employee is only part-time and works the equivalent of one half of the hours of a full-time employee.

[20] Annually, in connection with the independent audit of the CCIDA, the CCIDA sends a form to each project requesting current employment numbers to use in its annual report and in monitoring.

future years could be inflated. In addition, we found that TDC was not performing their duties as outlined in the administrative service agreement between the CCIDA and TDC because they were not adequately monitoring projects' job creation and job maintenance and were not providing the CCIDA a tracking spreadsheet on an annual basis which identified active project beneficiaries that were not meeting their job creation and retention commitments as stated in the initial application. Instead, the TDC provided one report to the CCIDA, which was the annual report that contained inaccurate employment data.

We reviewed a random sample of 10 projects[21] to determine whether or not they met their employment goals for job creation and retention as of December 31, 2013. We found that eight of the 10 projects were not meeting the employment goals agreed to in their project applications. Specifically, the eight projects projected to create and retain 359.50 FTE jobs but only reported 259.70 FTE employees as of December 31, 2013, resulting in a shortfall of 99.80 FTE jobs, or 28 percent of the projected FTE jobs. The most significant shortfall was for a project that projected to create and retain 121 FTE jobs but reported 82 FTE employees, resulting in a shortfall of 39 FTE jobs. The other two projects in our sample exceeded their employment goals by 3.50 and 1.80 FTE jobs. The CCIDA did not have any documentation on file indicating that they had followed-up with the eight projects with job shortfalls to determine the reason why the employment goals had not been achieved. However, when we notified the Executive Director of the results of our testing, she provided us with a verbal explanation as to why each project was likely not meeting its agreed-upon employment goals (i.e., economic climate, competition from other businesses in the same service field, etc.).

By not adequately monitoring ongoing projects or verifying reported employment data, CCIDA officials cannot be sure that the projects are meeting their agreed-upon employment goals. As a result, there is an increased risk that projects received tax benefits and IDA financing without fulfilling their commitments to the community.

Reconveyed Properties

Often, title to property involved in a project is with the IDA until the IDA bonds are retired or the straight-lease agreement between the IDA and project owner expires so that the property receives real property tax exemptions. When the bonds are retired or the straight-lease agreement expires, the property is to be reconveyed, or transferred, back to the project owners by the IDA. To ensure that exempted properties are returned to the tax rolls, it is crucial for the

[21] We used a computerized random number generator to select 10 projects that were reported on the CCIDA's annual report for the 2013 fiscal year.

IDA to have a process in place to monitor projects to ensure that they are reconveyed in a timely manner.

We reviewed all eight projects for which the Board adopted a resolution authorizing that the properties be reconveyed during the period January 1, 2013 through April 30, 2014 to verify that the properties were reconveyed in a timely manner after the expiration of their corresponding lease agreements. We found that six of the eight properties were not reconveyed in a timely manner, as shown in Figure 2. For example, TDC Buildings # 3, 4, 5 and 7 were not reconveyed after the expiration of their corresponding lease agreements until 4,743, 4,561, 3,039 and 1,912 days later, respectively. This resulted because the CCIDA did not have a process in place to monitor projects to ensure that they were reconveyed in a timely manner.

Figure 2: Properties Reconveyed

Project Name	Lease Agreement End Date	Resolution Date for Reconveyed Property	Resolution and Lease Agreement End Date Variance (Days)	Reconveyed Date[a]	Reconveyed and Lease Agreement End Date Variance (Days)
TDC Building # 3	4/1/01	2/10/14	4,698	3/27/14	4,743
TDC Building # 4	9/30/01	2/10/14	4,516	3/27/14	4,561
TDC Building # 5	11/30/05	2/10/14	2,994	3/27/14	3,039
TDC Building # 7	12/31/08	2/10/14	1,867	3/27/14	1,912
Northern Comfort	3/1/11	3/31/14	1,126	N/A[b]	N/A
UPS	12/31/11	3/31/14	821	N/A[b]	N/A

[a] We used the date that the real property transfer was recorded in the Clinton County Clerk's Office.
[b] As of June 10, 2014, the property related to this project had not been reconveyed.

The failure of CCIDA officials to monitor projects to ensure that properties were reconveyed in a timely manner contributed to Clinton County, the Town of Plattsburgh and the Beekmantown Central School District receiving $1,695,538 less in real property taxes than they would have received had the properties for TDC Buildings # 3, 4, 5 and 7 been reconveyed in a timely manner. The untimely reconveyed properties remained on the tax-exempt section of the assessment roll instead of the taxable section of the assessment roll. For example, TDC Buildings # 3, 4, 5 and 7[22] were on the tax-exempt section of the assessment roll, instead of the taxable section of the assessment roll, for 12, 12, eight and five years, respectively. Because these properties were not on the taxable section of the assessment roll, the annual total taxable assessed values for Clinton County, the Town of Plattsburgh and the Beekmantown Central School District were reduced. As a result, the amount of school and property taxes

[22] These four properties were assessed at a combined value of $8.43 million on the 2013 assessment roll.

paid by other property owners within these municipalities was higher to compensate for the taxes not paid on these properties. The reduced total taxable assessed value for the Town of Plattsburgh has also resulted in the Town annually receiving a reduced share of sales tax moneys that is distributed from Clinton County[23] than otherwise would have been received.

Recommendations

1. The Board should establish and implement monitoring procedures to ensure that PILOTs are being billed and collected in accordance with authorized agreements.

2. The Board should consult with its legal counsel and, as appropriate, take action to recover any underpayments or reimburse any overpayments that were identified by this report.

3. The Board should require project owners to submit copies of their ST-340 forms, as required by the CCIDA's UTEP. If project owners fail to do so, CCIDA officials should obtain copies of ST-340 forms filed with Tax and Finance.

4. CCIDA officials should ensure that the sales and use tax exemptions claimed are not in excess of the amount authorized and are not for purchases that were made outside of the authorized exemption period.

5. The Board should require project owners to submit detailed records of the purchases made that were exempt from sales and use tax to ensure that sales and use tax exemptions are only received on purchases that are authorized by the CCIDA's UTEP.

6. The Board should establish and implement procedures to adequately monitor and evaluate whether businesses are creating and retaining jobs as they agreed to in their applications.

7. The Board should ensure that a FTE basis is used to report employment data in the CCIDA's annual report.

8. CCIDA officials should independently verify reported employment data, such as by making on-site visits of project premises or obtaining payroll information. In addition, the Board should consider entering into contractual agreements with benefited project owners that provide CCIDA officials with access to employment information.

[23] Clinton County distributes sales tax to towns and villages within the County based on a calculation using the total taxable assessed value of each municipality.

9. The Board should ensure that TDC performs the duties related to monitoring projects' jobs that are outlined in the administrative service agreement between the CCIDA and TDC.

10. The Board should establish and implement monitoring procedures to ensure that properties are reconveyed in a timely manner after the expiration of their corresponding lease agreements.

APPENDIX A

RESPONSE FROM AGENCY OFFICIALS

The Agency officials' response to this audit can be found on the following pages.

County of Clinton

INDUSTRIAL DEVELOPMENT AGENCY

November 21, 2014

Jeffrey P. Leonard, Chief Examiner
Office of the State Comptroller
Division of Local Government and School Accountability
One Broad Street Plaza
Glens Falls, New York 12801-4396

Dear Mr. Leonard:

This letter serves as the County of Clinton Industrial Development Agency's (Agency) formal response to your draft audit report titled "County of Clinton Industrial Development Agency: Project Monitoring and Report of Examination" for the period covering January 1, 2013 – April 30, 2014; *(Note: the scope period was expanded to begin on March 20, 1980).* The Agency's management and Board have reviewed the draft audit report and underwent the exit conference portion of the audit process on October 30, 2014 with Comptroller staff.

The Agency embraces this opportunity to discuss the Agency's observations and response to the draft report. Moreover, we would like to point out that the Agency has taken several steps to enhance project monitoring and overall effectiveness of the organization long before the audit commenced. However, none of those actions were mentioned in the draft report, thus not truly reflecting the efforts, of both the Board and management, to modify and change past practices it already identified as in need of improvement.

Using the Comptroller's Oneida County Audit as a model, starting in October 2012, the Agency began the process of re-conveying all outstanding projects with completed tax-abatements; started to perform project visits; adopted a recapture of project benefits policy (also included in the closing documents); included a sales tax recapture agreement in the Agency's closing documents; revised the Agency's application to include language about project benefit recapture as well as sales tax recapture; established a use of local labor policy, which is also part of the closing documents; and finally amended the Agency's annual audit letter to reflect these new policies/requirements. Although the draft audit report overlaps with this timeframe, it fails to note any of the work the Agency Board has done in order to help make their project monitoring system more stringent.

See Note 1 Page 27

190 Banker Road, Suite 500, Plattsburgh, New York, USA 12901
tel (518) 563-3100 / *fax* (518) 562-2232 / *email* ccida@thedevelopcorp.com

Continuous improvement is a goal of any good organization and despite the Agency's divergence of opinion with several of the draft audit's conclusions; we do see areas where protocols can be strengthened to benefit our process. The following is an overview of the major themes of the report as we see them, our observations and solutions to the Comptroller's concerns.

- ***Re-Conveyances and Omitted Taxes:*** As the audit report states, the Agency was lax in re-conveying all outstanding projects with completed tax-abatements. Since 2012, the Executive Director and Board have worked diligently to re-convey all outstanding projects with completed tax-abatements. With the exception of one project, which has been processed for recording by the project, all on that list have been put back on Roll Section 1. The remedy for this was put into place two years ago; well before the audit. Moreover, a spreadsheet was created that formalized a re-conveyance schedule for the Agency. This is shared with the Board to ensure proper movement of projects to the tax rolls.

See Note 2 Page 27

  The report insinuates that the Agency should "take action to recover any underpayments or reimburse any overpayments that were identified in this report." By law, only two (2) years of "omitted taxes" can be recaptured by a taxing jurisdiction. It is important to note that the older payment in lieu of tax (PILOT) documents (circa 1980s), which governed the TDC projects identified in the report, do not require that the project beneficiary pay full taxes upon expiration of the PILOT, nor did these older documents have any type of "recapture clauses," or legal remedies for the Agency to pursue, if such projects remained on the tax-exempt rolls beyond the originally contemplated tax-abatement period. Based upon the foregoing, it would be difficult for the Agency to legally demand that TDC, or any project occupant whose project was governed by similar older documents, pay anything more than the omitted taxes due upon re-conveyance of the project by the Agency to such project occupant. Moreover, the omitted tax bill is something that is generated by the taxing jurisdiction, not the Agency.

  The Agency is aware that TDC projects in general have invested in excess of $30 million in the community; something that should be taken into consideration. It has also come to the Agency's attention that on-going talks between the taxing jurisdictions and TDC may result in a positive outcome to this matter, without intervention by the Agency.

Since the taxing jurisdictions are the actual beneficiaries of the PILOT payments, and would also have to be the ones to reimburse any overpayments to TDC as well, the Agency plans to await input from the taxing jurisdictions before deciding what, if anything, more needs to be done by the Agency with respect to this aspect of the report.

As mentioned above, documents governing the TDC projects identified in the report were drafted in the 1980s under the auspices of an old agreement model no longer in use by the Agency. Current project documents utilized by the Agency since the mid-1990s now require, upon expiration of a tax abatement period, the project occupant to pay a PILOT equal to 100% of "normal" property tax (i.e., as if it were taxable) if there happens to be a lag in re-conveyance.

See Note 3 Page 27

- On Page 15 of the draft audit report: The table should be updated to reflect the re-conveyance of the two projects currently listed as "N/A:"
  - [redacted] Recorded with the County Clerk on July 1, 2014.
  - [redacted] This parcel was actually put on Roll Section 1 in 2013 by the Town Assessor prior to re-conveyance in 2014. Re-conveyance documents are expected to be recorded with the Country Clerk during the month of November 2014.

- ***PILOT Billing***: Clinton County has always handled the PILOT billing for the Agency; with the exception of four (4) 1980s projects that were billed by the Town of Plattsburgh. Historically, the County sends a bill to the Agency for services rendered. The Agency provides a spreadsheet to County personnel with all active projects listed for the County to fill in the relevant tax data. This is then sent back to the Agency and shared with the Board members annually.

  - *Solutions to PILOT Billing/Monitoring Concerns:* Billing errors did occur outside the normal monitoring scope of the Agency. However, the Agency will enact some techniques to help ensure that PILOT billing is monitored properly.
    - The Agency will continue to have the County fill out the spreadsheet as it has done so in the past. It will then require the County to send copies of all of the PILOT bills to the Agency, so that management can verify that such bills are in accordance with the related PILOT agreement.

This will also allow the Agency to maintain a record of all PILOT invoices for each project on file. The Agency will also require the County to report if the taxes have been paid on the PILOT bills (this will be recorded on the spreadsheet). The Agency Board will be provided with a revamped spreadsheet to include this new information at the appropriate tax times. All of this will be solidified in a contract between the Agency and the County.

- ***ST-340s***: Although it is true that both the Agency's Uniform Tax Exemption Policy (UTEP), and the project documents between the Agency and each project beneficiary require, that the project beneficiary send to the Agency a copy of the annual ST-340 filed with New York State during the construction period, there isn't anything in law that forces the project beneficiary to do so. It is our understanding that industrial development agencies, by way of their UTEP, annual audit letters, applications and/or closing documents, will typically threaten possible repeal of benefits if a project beneficiary fails to provide a copy of the annual ST-340 to the IDA.

  Since the project documents between the Agency and each project beneficiary contain such requirement, the Agency does have the option to repeal benefits. Although several project beneficiaries have in the past failed to provide copies of their annual ST-340 forms to the Agency, this Board has never exercised the option to repeal benefits on account of such failure. The Agency over the years has struggled with getting companies to respond to its letters requesting copies of the ST-340s.

  - *Solutions to ST-340 Monitoring Concerns:*
    - Starting in 2013, project beneficiaries are required to sign recapture agreements, giving the Agency enhanced leverage to collect required data.
    - Additionally, the annual audit letter will be changed to include stronger language requiring (prospectively) that projects send copies of their ST-340 to the Agency or risk suspension, reduction or loss of benefits.
    - A revised spreadsheet will list all of the project beneficiary responses to the annual audit letter. It will note if a project beneficiary has failed to comply (a 2nd legal notification is sent after the initial letter).

The Board will then review in the 1st Quarter of each year, the project beneficiaries that the Board want to bring before the Board to discuss why such project beneficiaries have failed to submit their ST-340.

- ***Sales and Use Tax*:** It has been the understanding of the Agency (and IDAs in general) that, after the Agency grants a project a sales and use tax benefit (ST-60), and the project beneficiary files its ST-340 with the New York State Department of Taxation and Finance (T&F), if an improper or illegal claims were found, T&F would notify the Agency. Moreover, the Agency, through its annual audit letter, does its best to monitor the sales and use tax benefits granted by the Agency by asking project beneficiaries their usage of sales tax exemptions for the duration of said exemption (typically, a construction period not exceeding three years). For project beneficiaries that fail to submit their ST-340s to the Agency, this gives the Agency sales tax information, just in a different format. Project beneficiaries that get close to their sales and use tax limit are encouraged to come back and ask the Agency for an increase prior to exceeding limits. As indicated above, in 2013, the Agency adopted a sales tax recapture agreement that all project beneficiaries must sign at closing. This new recapture policy provides that the Agency will exercise the provisions of this recapture agreement if need be.
    - *Solutions to Sale and Use Tax Monitoring Concerns:*
        - Management does not feel it is feasible to ask project beneficiaries to submit detailed reports of materials and invoices to the Agency as the audit report suggest; this is what the ST-340s, as well as the ST-121s (provided to vendors) and more recently the ST-123 are for. The sales tax recapture agreement, coupled with increased collection rates of completed ST-340 forms, will help the Agency in its sales tax monitoring. When the Agency finds discrepancies between the ST-60 and the related ST-340 forms, the project beneficiary will be asked to provide background as to why apparently unauthorized claims were made. If the Board feels the claims were truly unauthorized, the Board will report the action to T&F for further review, and consult with T&F.

- On Page 12 of the draft report: It states that the Agency failed to send annual audit request letters to the project beneficiaries of three projects that were under construction but not completed. In order to rectify this, the annual audit request letters will now be sent to projects as soon as they are in construction; not when construction is complete as they have been historically.

See Note 4 Page 27

- On Page 12 of the draft audit report: The project being referred to is the rebuild (partially destroyed by fire) of the [redacted] (the "Project Operator"), and the implication that the Project Operator received $821,604 in excess of the amount authorized by the Agency is erroneous.

  First, the Forms ST-340 submitted by the Project Operator showed cumulative figures. It appears that the preparers of the draft audit report assumed that the Forms ST-340 should be summed to determine the tax exemptions claimed by the Project Operator. Furthermore, the Agency has obtained the detail backing-up the amount of exemptions reported on the Forms ST-340, and the detail indicates sales tax avoided as a result of sales tax exemptions was $595,949.58.

  However, even that figure is misleading since the Project Operator appears to have reported the sales tax savings on ALL of its exempt purchases, and not just those exempt resulting from the involvement of the Agency. When a property owner purchases construction services, those services are generally exempt. Many of the purchases forming the basis of the tax savings reported on the Forms ST-340 were already exempt by law. For example, charges by contractors and trades-persons for construction services are usually exempt. Likewise, the charges by [redacted] for financial services are almost certainly exempt. If the drafters of the draft audit report dig a little deeper, they will likely find that the majority of the costs listed would have been exempt regardless of the Agency's involvement.

- ***Jobs***: Overall, the Agency's projects have had positive impacts on the local workforce and economy.
-

Although some projects may have fallen short of initial projections, there have been reasonable explanations (plant closings, economic times, even fires, etc.) for said short falls. In some cases, like that of TDC Building #16, when the initial project tenant ([redacted] – warehouse operation) packed up and moved to New Hampshire after [redacted] bought them out, it was replaced by high-tech green energy company [redacted]. The new tenant's job count may have not equaled the original project numbers of [redacted] but their payroll (comprised of technicians and engineers) easily exceeded that of a warehouse operation. The positive economic impact of [redacted] was actually greater with fewer jobs because of the pay and type of skilled worker it attracted to the business.

Project (phone call/on-site) follow-up has been performed in a more official capacity since 2013; hence why management was able to report why certain jobs may have been lost. The report also cites problems with how FTE and part-time/seasonal employees were accounted for in PARIS. In prior years, only the full-time jobs were reported on the annual reports, as it was difficult to determine how many part-time or seasonal employees made up a full time position. To be consistent with past practices, the Agency continued to report the full-time jobs that are reported by the projects.

Overall, the jobs count is not terrible, considering the wild swings in both national and state economic conditions since 1998. In four out of the six projects 0 jobs existed before the Agency's project intervention, where now 142 do. And overall, 107.3 jobs were retained – a number just as important as "jobs created," when you consider job losses during this last recession.

There are also two jobs numbers where more current data should be noted. Under [redacted], current employment has been reported to the Agency at 155. This actually puts the company at a +34 as opposed to a -39. TDC's Building #15 current employment is reported at 17, bringing the -18 jobs to an -3 jobs instead. These adjustments make the actual jobs shortfall 6.5 FTE as opposed to 100 FTE as the report states.

- *Solutions to Jobs Monitoring Concerns:*
    - Currently, jobs numbers are collected via the annual audit letters sent to projects. For new projects the Agency will amend its application and closing documents, to request a NYS-Form 45 be submitted with the annual letter.

We will ask that all employee ID information on the Form 45 be blacked out. Remember, the records of the Agency are subject to the Freedom of Information law (FOIL) and both business owners and relevant laws require that employee identities remain private; hence, the Agency believes that requiring access to payroll records, as was suggested in the audit, is not feasible.

- For new projects, both FTE and PT/Seasonal employees will be accounted as the OSC audit suggest. The Annual Audit letter will be revamped to reflect this and the Agency will specify how to account for FTE, PT and seasonal employees. Old projects will continue to be accounted for as they always have via PARIS, as the existing documents make changing mid-course not feasible.
- It is also important to note, that Board Members are provided with jobs numbers via the annual PARIS report, which they review with the Executive Director annually. However, the Agency will use a new spreadsheet to display these numbers to help with monitoring.

- On Page 14 of the draft audit report: It asserts that the Agency "had nothing on file" to indicate why there were shortfalls; however, the report admits that the Executive Director was able to give verbal verification as to why the projects did not meet their jobs goals. This couldn't have been done without some knowledge of the project through contact or a site-visit. Additionally, if a significant drop in jobs were seen on the annual audit report, the Executive Director and Board would reach out to the project to assess what has occurred. In the future, the Agency will request that the Executive Director document these project contacts and site visits in the Agency's records.

See Note 5 Page 27

- ***Contract with TDC:*** In January 2012, TDC was under new management and as such a structural change was made so that the President of TDC and the Executive Director of the Agency would no longer be the same person.

The Agency in no way agrees with, nor finds any evidence of, the auditor's inference on Page 5 - that because of the contractual agreement between the two entities somehow might "…[have] given rise to at least the appearance that TDC projects received less scrutiny because of the contractual agreement between the CCIDA and TDC." There were several projects on the list that needed to be re-conveyed, not just TDC projects.

Again, the Agency Board thanks you for this opportunity to respond to the draft audit report and appreciates the time your staff spent conducting the audit. The Agency's Corrective Action Plan (CAP), much of which has already been discussed above, will be formalized and prepared for distribution 90 days following the release of the final audit report. Should you have any additional questions about the contents of this letter, please do not hesitate to contact me.

Respectfully,

Erin M. Hynes, MPA
Executive Director

APPENDIX B

OSC COMMENTS ON THE AGENCY'S RESPONSE

Note 1

There was no evidence to show that the Board was aware of or acting on reconveying all properties with expired lease agreements in 2012. As shown in Figure 2 of the report, four TDC properties were not reconveyed until 2014 and two other properties with expired lease agreements had not been reconveyed as of June 10, 2014.

Note 2

With the exception of one property, we disagree that all properties with expired lease agreements have been reconveyed and are on the taxable section of the assessment roll (Section 1). Specifically, because the four TDC properties in Figure 2 in the report were not reconveyed by March 1, 2014, they are currently still on the tax-exempt section of the assessment roll (Section 8). These properties will not be moved to the taxable section of the assessment roll until the finalization of the 2015 assessment roll. As a result, these properties will not pay real property taxes, except related to special districts in the Town of Plattsburgh, until the 2015-16 school year for the Beekmantown Central School District.

Note 3

Figure 2 in the report refers to properties that were reconveyed as of June 10, 2014. Both of these examples occurred after our fieldwork was completed.

Note 4

We did not determine the accuracy of the amounts reported by the project owner on the annual reporting forms submitted. Our concern was the lack of oversight by the Board and the fact that it approved $126,000 of sales and use tax exemptions and the project owner filed annual reporting forms indicating that $821,604 in exemptions were taken. It is incumbent of the Board to identify these variances and question the accuracy when these forms are completed.

Note 5

While we gave credit for the Executive Director giving verbal explanations, it is important to have a process that provides documentation to the Board allowing it to adequately monitor job numbers at each project.

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

The objective of our audit was to examine the CCIDA operations to determine if the Board monitored approved projects for the period January 1, 2013 through April 30, 2014. For selected projects, we extended our audit period back to the date of their inception.

To accomplish our audit objective and obtain relevant audit evidence, our procedures included the following:

- We interviewed CCIDA, TDC, Clinton County and Town of Plattsburgh officials and staff. We also reviewed CCIDA policies, Board minutes, the administrative service agreement between the CCIDA and TDC and various financial and project records to gain an understanding of and assess the processes and procedures that were implemented to monitor, evaluate and control benefits and incentives granted to the approved projects.

- We reviewed a sample of 15 projects since the date of their inception to verify that PILOT billings were calculated in accordance with the provisions of the agreements and that corresponding payments were received when due or, when applicable, the proper interest and penalties were assessed. We determined the effect of any errors. Our sample consisted of selecting 15 approved projects that were recorded as making PILOT payments during the 2013 fiscal year. The 15 approved projects in our sample consisted of the nine TDC projects that made PILOT payments during the 2013 fiscal year and six other projects that were selected without any known bias.

- We reviewed all nine approved projects that were granted sales and use tax exemptions during the period January 1, 2007 through December 31, 2013 to verify that sales and use tax exemptions that were claimed were not in excess of the authorized amount, were not for purchases made outside of the authorized exemption period and were only received on purchases that were authorized by the CCIDA's UTEP. For projects in which the project owners did not submit ST-340 forms or detail records to the CCIDA, we used the sales and use tax exemptions that were reported by the project owners on their annual reporting forms submitted to the CCIDA for our review.

- We reviewed a random sample of 10 projects to determine whether they met their employment goals for job creation and retention as of December 31, 2013. For any projects that did not meet their employment goals, we verified whether or not the CCIDA had followed-up with the projects to determine the reason why the employment goals had not been achieved.

- We reviewed all eight projects for which the Board adopted a resolution authorizing that the properties be reconveyed during the period January 1, 2013 through April 30, 2014 to verify that the properties were reconveyed in a timely manner after the expiration of their corresponding lease agreements. If properties were not reconveyed in a timely manner, we also determined any effect.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

APPENDIX D

HOW TO OBTAIN ADDITIONAL COPIES OF THE REPORT

To obtain copies of this report, write or visit our web page:

Office of the State Comptroller
Public Information Office
110 State Street, 15th Floor
Albany, New York 12236
(518) 474-4015
http://www.osc.state.ny.us/localgov/

APPENDIX E

OFFICE OF THE STATE COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY

Andrew A. SanFilippo, Executive Deputy Comptroller
Gabriel F. Deyo, Deputy Comptroller
Nathaalie N. Carey, Assistant Comptroller

LOCAL REGIONAL OFFICE LISTING

BINGHAMTON REGIONAL OFFICE
H. Todd Eames, Chief Examiner
Office of the State Comptroller
State Office Building - Suite 1702
44 Hawley Street
Binghamton, New York 13901-4417
(607) 721-8306 Fax (607) 721-8313
Email: Muni-Binghamton@osc.state.ny.us

Serving: Broome, Chenango, Cortland, Delaware, Otsego, Schoharie, Sullivan, Tioga, Tompkins Counties

BUFFALO REGIONAL OFFICE
Jeffrey D. Mazula, Chief Examiner
Office of the State Comptroller
295 Main Street, Suite 1032
Buffalo, New York 14203-2510
(716) 847-3647 Fax (716) 847-3643
Email: Muni-Buffalo@osc.state.ny.us

Serving: Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, Wyoming Counties

GLENS FALLS REGIONAL OFFICE
Jeffrey P. Leonard, Chief Examiner
Office of the State Comptroller
One Broad Street Plaza
Glens Falls, New York 12801-4396
(518) 793-0057 Fax (518) 793-5797
Email: Muni-GlensFalls@osc.state.ny.us

Serving: Albany, Clinton, Essex, Franklin, Fulton, Hamilton, Montgomery, Rensselaer, Saratoga, Schenectady, Warren, Washington Counties

HAUPPAUGE REGIONAL OFFICE
Ira McCracken, Chief Examiner
Office of the State Comptroller
NYS Office Building, Room 3A10
250 Veterans Memorial Highway
Hauppauge, New York 11788-5533
(631) 952-6534 Fax (631) 952-6530
Email: Muni-Hauppauge@osc.state.ny.us

Serving: Nassau and Suffolk Counties

NEWBURGH REGIONAL OFFICE
Tenneh Blamah, Chief Examiner
Office of the State Comptroller
33 Airport Center Drive, Suite 103
New Windsor, New York 12553-4725
(845) 567-0858 Fax (845) 567-0080
Email: Muni-Newburgh@osc.state.ny.us

Serving: Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Ulster, Westchester Counties

ROCHESTER REGIONAL OFFICE
Edward V. Grant, Jr., Chief Examiner
Office of the State Comptroller
The Powers Building
16 West Main Street – Suite 522
Rochester, New York 14614-1608
(585) 454-2460 Fax (585) 454-3545
Email: Muni-Rochester@osc.state.ny.us

Serving: Cayuga, Chemung, Livingston, Monroe, Ontario, Schuyler, Seneca, Steuben, Wayne, Yates Counties

SYRACUSE REGIONAL OFFICE
Rebecca Wilcox, Chief Examiner
Office of the State Comptroller
State Office Building, Room 409
333 E. Washington Street
Syracuse, New York 13202-1428
(315) 428-4192 Fax (315) 426-2119
Email: Muni-Syracuse@osc.state.ny.us

Serving: Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence Counties

STATEWIDE AUDITS
Ann C. Singer, Chief Examiner
State Office Building - Suite 1702
44 Hawley Street
Binghamton, New York 13901-4417
(607) 721-8306 Fax (607) 721-8313