

GLENS FALLS INDUSTRIAL DEVELOPMENT AGENCY

The Glens Falls Industrial Development Agency ("Glens Falls IDA" or "IDA") participated in a review conducted by the Authorities Budget Office ("ABO") in May 2015. The review simply involved comparing Glens Falls IDA project data gathered from our original source documents including project applications, project closing documents, property tax bills, reports, and other documents, with the state's online digital reporting system. The Glens Falls IDA gains access to this online system once a year to report to the ABO on the status of its projects. This is a project reporting system only, and has nothing to do with fiscal oversight, internal controls, accounting procedures or audits. A copy of the report that resulted from the ABO review is hereby posted, and the written response to the ABO report by the Glens Falls IDA is provided below. For more information or to ask questions, please contact Edward Bartholomew.

The Glens Falls IDA is committed to implementing the recommendations made by the Authorities Budget Office ("ABO") and appreciates the time the ABO staff spent with the Glens Falls IDA to help us better understand their online digital reporting system. Up until now the Glens Falls IDA has found some of the ABOs on line policy guidance to be unclear and confusing. This has caused the IDA to make some unintentional errors in the online reporting of project data. For example, as the ABO points out in the report, the IDA continued to report an older project that is now complete. In this instance the IDA of course knew the project was complete, but was under the mistaken impression the ABO wanted the IDA to continue to report the project as a part of the overall portfolio of projects completed by the IDA, open or closed. At the request of the ABO, the Glens Falls IDA will no longer report on closed projects. In another case the IDA reported in 2014 only the phase II part of a particular project, which occurred in that year, when the ABO wanted the IDA to report both phases. In future reporting, the two phases of that project will be merged into one report so the total cost is reported in one place. In regard to project cost reporting, in some instances the IDA reported final project costs, when the ABO simply wants the original estimated project cost. These will be corrected.

The ABO also found that the IDA inaccurately or failed to report information concerning Payments in Lieu of Tax, or PILOTs. In the past if the PILOT bills were not immediately available to the IDA at the time the states digital report was due, the IDA left the information blank, thinking it could be reported later when available. Going forward, the IDA has recently executed a memorandum of understanding with the City of Glens Falls Controller so that the IDA will have both the PILOT bills and the amount of the PILOT payments made for all Glens Falls IDA projects, and the IDA will report the same to the ABO through the online digital system.

The Glens Falls IDA recognizes the importance of consistently reporting accurate and timely project data in this online digital reporting system, and the IDA will implement additional checks and balances to ensure absolute accuracy to the greatest extent possible in the future. That said, the Glens Falls IDA is very proud of our record of accomplishment, our fiscal integrity, our history of clean audits, and in particular our success in bringing non-performing and often times vacant properties back onto the tax rolls. This is our mission and we are proud to serve the City of Glens Falls in this way.

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