

Middletown
Industrial Development Agency
Annual Report
Year ending 12/31/21

**AnthonyCITY OF MIDDLETOWN INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEMBERS and COMMITTEES
2021**

Consistent with the bylaws, adopted by the Middletown Industrial Development Agency, "The Agency shall consist of not less than three nor more than seven members who shall be appointed by the City of Middletown Council...The term of office of each board member...shall be at the pleasure of the City of Middletown Council..." Generally all board members are appointed/reappointed annually. Neither board members nor the management are paid.

CHAIRMAN: David Madden

VICE CHAIRMAN: Wayne Hawkins

BOARD MEMBERS:

Andrew Britto

Joseph DeStefano

Anthony Joseph Cantoli

Administrative Director: Maria Bruni

Secretary: Patricia Racine

Treasurer: John Naumchik

IDA Counsel: Alex Smith

COMMITTEES

Governance, Audit, Finance: Board members are members of each committee

City of Middletown Industrial Development Agency Enabling Statute

N.Y. GMU. LAW § 926-D: NY Code - Section 926-D: City of Middletown industrial development agency

For the benefit of the city of Middletown and the inhabitants thereof, an industrial development agency, to be known as the CITY OF MIDDLETOWN 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 have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies and provided that the exercise of the powers by such agency with respect to the acquisition of real property whether by purchase, condemnation or otherwise, shall be limited to the corporate limits of the city of Middletown, and such agency shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. It shall be organized in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. Its members shall be appointed by the governing body of the city of Middletown. 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.

**CITY OF MIDDLETOWN INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROLS**

2021

A. Define the Authority's Major Business Functions

The Agency reviewed and re-adopted the Bylaws of the City of Middletown Industrial Development Agency. Policies, procedures and guidelines were re-adopted on January 28, 2020 along with a mission statement and performance goals. These documents articulate the mission of the authority, determine its primary operating responsibilities, define its objectives, ensure they are understood by staff, guide staff in the operation of the agency and provide methods and procedures used to assess the effectiveness of those functions.

B. Determine the Risks Associated with its Operations

All financial decisions and expenditures are approved by the full board with recommendation by any of the following: a member of the executive Management Team, Committee members, treasurer, auditor or ABO.

C. Identify the Internal Control Systems in Place

Payment of expenditures: prepared by the secretary, approved by the Executive Director, the treasurer, chairman of the Agency and Agency Board before payment is made. Checks, transfers/withdrawals require two signatures.

D. Assess the Extent to Which the Internal Control System is Effective

The Agency's auditor has assessed the internal control structure and has found no issues (Please see the Auditor's Report on Internal Control included in the audit for the year ending 12/31/21, page 14.

E. Take Corrective Action

No corrective action is warranted at this time.

This statement certifies that the City of Middletown Industrial Development agency followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2021. There were no deficiencies evident as corroborated by the Agency's auditor

**CITY OF MIDDLETOWN INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT REPORT
2021**

Income from fees is kept in an interest-bearing account per the Investment Policy. Other than traditional bank accounts there are no other investments.

City of Middletown Industrial Development Agency
Mission Statement and Measurement Report
2021

Name of Public Authority: City of Middletown Industrial Development Agency

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Public Authority's Mission Statement: To promote economic development, sustainable growth, and general prosperity for the people of the City of Middletown by encouraging the location, expansion, or retention of compatible and diverse businesses by using available incentives, rights, and powers in an efficient and cooperative manner.

Date Initially Adopted: March 31, 2011; readopted February 16, 2021

List of Performance Goals:

- A. Perform outreach within the community to educate local business owners, elected officials and other community representatives regarding the economic development resources the City of Middletown Industrial Development Agency has available for use by new and existing businesses within the jurisdictional boundaries of the City of Middletown. Such outreach shall include but is not limited to, conducting informational meetings with community members, preparation and dissemination of press releases, marketing materials, and creation of a City of Middletown Industrial Development Agency website.
- B. Continue to market and administer existing City of Middletown Industrial Development Agency programs including completion of administrative activities.
- C. Continue to market City of Middletown Industrial Development Agency programs to prospective businesses seeking to expand and grow within the City of Middletown.
- D. Work cooperatively with other industrial development agencies active in Orange County to encourage efficient allocation of economic development resources.

- E. Work cooperatively with the City of Middletown Department of Economic Development to foster job growth, promote sustainable development, and contribute the prosperity of the City of Middletown.
- F. Improve City of Middletown Industrial Development Agency efficiency through the reduction of overhead attributable to non-core activities.
- G. Promote the expansion of economic opportunities by taking advantage of State and Federal business incentive programs designed for the promotion of small businesses.

Additional Questions:

1. Have the Board Members acknowledged that they have read and understood the mission of the public authority? Yes, per the signing of the Acknowledgement of Fiduciary Duty

2. Who has the power to appoint the management of the public authority?

Per the bylaws of the Agency “An Administrative Director shall be appointed by the Agency...” “The Agency may from time to time employ such personnel as it deems necessary...”

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

A Code of Ethics and a Compensation, Reimbursement and Attendance Policy and the bylaws of the Agency indicate the policies to follow in appointing management team members.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission. Since there is no management, the Board is responsible.

Per the bylaws of the agency “The Administrative Director ...shall have general, supervision over the administration of the business and affairs of the Agency, subject to the direction of the Agency. He shall, be charged with the management of all projects of the Agency.”

“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.”

“The...members shall be appointed by the City of Middletown Council... The term of office

of each board member of the Agency shall be at the pleasure of the City of Middletown council...”

5. Has the Board acknowledged that they have read and understood the responses to each of these questions? Yes, per their signing of the Acknowledgements of Fiduciary Duty.

**CITY OF MIDDLETOWN INDUSTRIAL DEVELOPMENT AGENCY
OPERATIONS AND ACCOMPLISHMENTS REPORT
2021**

The 2020 Audit, Annual Report and PARIS report were filed with New York State.
Due to the Covid-19 pandemic there was no other business.
Existing projects did post some increased job numbers and job retention was good.

updated 03/14/22	2021 SUPPLEMENTAL INFORMATION								
Project	Danza/Horton	Danza /Horton additional tenant jobs	Equilibrium Henry	Equilibrium Henry additional tenant jobs	Equilibrium II South	Heritage	Heritage additional tenant jobs	SML Group	Southeast Towers
TAX EXEMPTIONS:									
Sales Tax	\$15,291.25								
Mortgage Tax									
Real Property Taxes	\$194,585.65		\$21,704.76		\$35,023.75	\$60,208.79		\$311,838.45	\$258,754.18
PILOTS:									
County	\$10,989.79		\$671.25		\$1,458.41	\$1,158.00		\$4,706.14	\$8,080.00
City	\$36,926.35		\$2,255.14		\$4,899.63	\$3,890.40		\$15,808.86	\$29,292.81
School	\$76,109.15		\$4,029.61		\$8,754.96	\$6,951.60		\$29,080.00	\$50,821.34
TOTAL	\$124,025.29		\$6,956.00		\$15,113.00	\$12,000.00		\$49,595.00	\$88,194.15
JOBS CREATED/RETAINED									
# FTEs before IDA status	5		0	0	4	0		0	3.5
Original estimate of jobs to be created	5		7	0	3	20		0	3.5
Original estimate of jobs to be retained	0		0	0	4	0		0	
Current # of FTEs	7	130	10	10	44	23	1	31.25	5
# of FTE jobs creaed during fiscal year	1	0.5	0	1	16	2	0	4.5	1
Net employment change	2	130.5	10	10	40	23	1	31.25	1.5
2020 jobs for comparison	126		10	**	28	25	**	38	2
* awaiting additional information									
** tenant information not counted in 2020									

**INDUSTRIAL DEVELOPMENT AGENCY
PERFORMANCE MEASURES REPORT
2021**

The Industrial Development Agency in keeping with their mission statement and performance goals (initially adopted March 31, 2011; readopted February 16, 2021) has operated in a fiscally conscientious and responsible manner as evidenced by the accompanying financial audit.

The Agency, in accordance with its performance goals, continually markets and performs outreach to educate the business community, local business owners, elected officials and other community representatives regarding the economic development resources the City of Middletown Industrial Development Agency has available within the municipal boundaries of the City of Middletown.

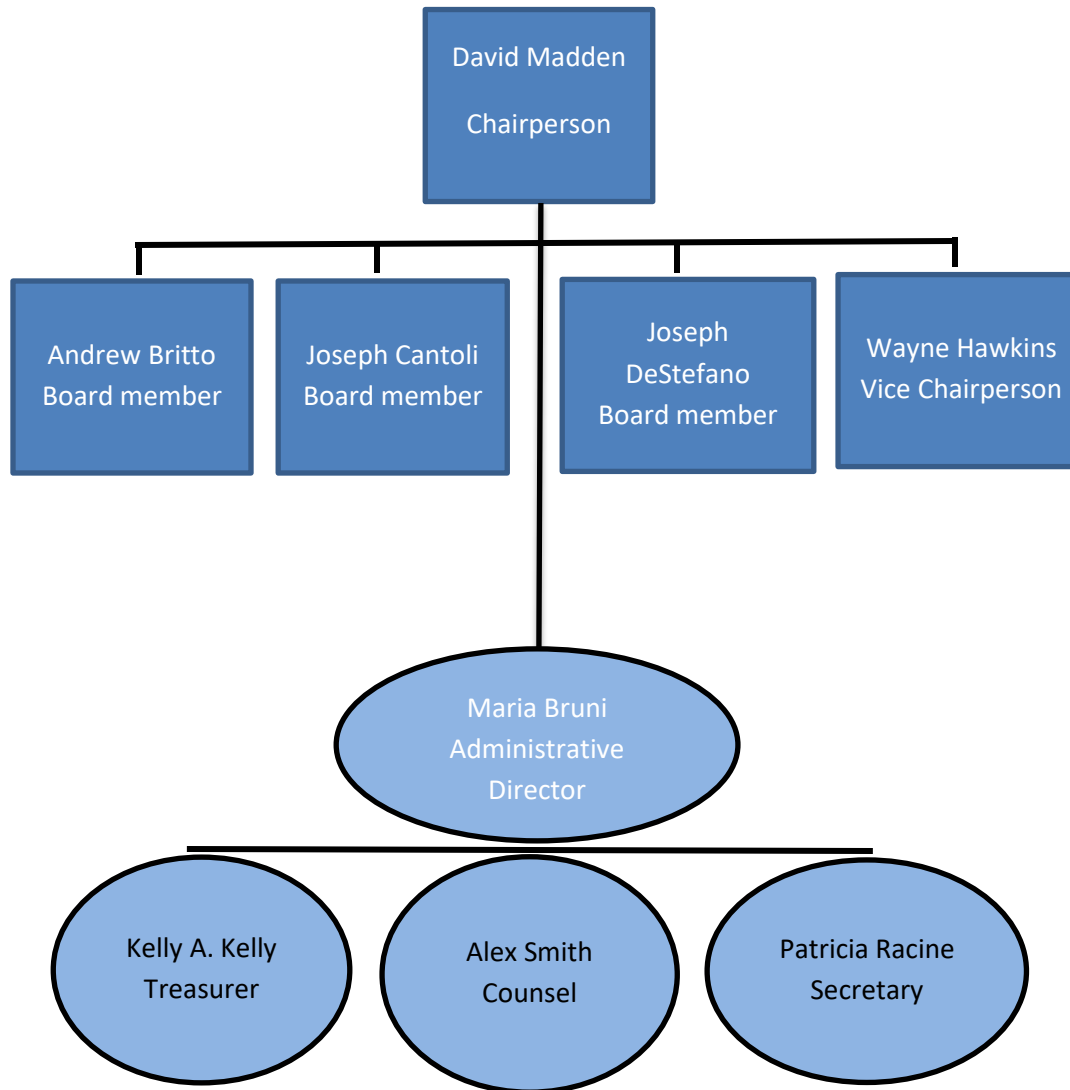
The Agency works cooperatively with other agencies to encourage efficient allocation of the economic development resources and with the City of Middletown to foster job growth, promote sustainable development and contribute to the prosperity of the City of Middletown.

The Agency utilizes open meetings, a strong, consistent internet presence and any other method at its disposal to operate in a transparent and easily accessible manner.

**INDUSTRIAL DEVELOPMENT AGENCY
PERSONAL AND REAL PROPERTY TRANSACTIONS
2021**

There were no transactions

Middletown Industrial Development Agency Board Structure - 2021



CITY OF MIDDLETOWN INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Debt
2021

There is no related debt.