

- *Accountability*
- *Transparency*
- *Integrity*

Operational Review

Utica Urban Renewal Agency

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Executive Summary

Purpose and Authority:

The Authorities Budget Office (ABO) is authorized by Title 2 of Public Authorities Law to review and analyze the operations, practices and reports of public authorities, to assess compliance with various provisions of Public Authorities Law and other relevant State statutes, and to make recommendations concerning the reformation and structure of public authorities. This includes rendering conclusions and opinions regarding the performance of public authorities and assisting these authorities improve management practices and the procedures by which their activities and financial practices are disclosed to the public. Our operational review of the Utica Urban Renewal Agency was performed between June 2015 and October 2015 and was conducted in accordance with our statutory authority and compliance review protocols, which are based on generally accepted professional standards. The purpose of our review was to determine whether the board is effectively overseeing URA property sales and financial operations and publicly reporting and disclosing this information.

Background Information:

The Utica Urban Renewal Agency (URA) was established in 1965 pursuant to Section 616 of General Municipal Law. The URA's mission is to eliminate and prevent the development and spread of blight in designated urban renewal areas of the City. It carries out this mission by facilitating the disposal of City tax-foreclosed properties and returning them to the tax rolls. The URA is governed by a seven member board of directors currently comprised of all City officials. The URA is staffed by City employees to manage its operations and finances and carry out its mission. The URA operates on an April through March fiscal year. During fiscal years 2013-14 and 2014-15, the URA board approved the sale of 280 properties. For 2014-15, URA financial records show total revenues of \$629,937 and operating expenses of \$535,450.

Results:

Our review found that the URA board is failing its fiduciary duty to ensure the URA operates efficiently and effectively. As a result, during the 2013-14 and 2014-15 fiscal years the URA lost more than \$116,000 in revenues and spent more than \$28,000 for items and services unrelated to the URA's mission. Although members have signed an acknowledgement of their fiduciary duty to the URA, the board does not adequately oversee the

financial operations of the URA and has not established procedures and controls to ensure that URA funds are used in accordance with the URA's mission and purpose.

For example, the URA did not always collect the correct amount of developer fees, resulting in \$4,980 in lost revenue. These fees are collected and held in trust by the City until the properties are sold, at which time the fees are to be remitted to the URA. During the 2013-14 and 2014-15 fiscal years, \$200,270 in developer fees was collected, but only \$88,389 was remitted to the URA. The difference of \$111,881 is not reflected in the URA's financial records. The board was unaware that developer fees were not remitted by the City or that revenues were not accurately reflected in the URA's financial records.

We found that the URA paid \$10,567 for City expenditures that are not related to the URA's mission, such as lights and banners for City streets and parks and utilities for URA property used by the City Police Department. The URA also paid \$2,702 for questionable cell phone charges. And we identified \$15,676 in URA funds that were inappropriately transferred to the City and not fully reimbursed to the URA until after our review was initiated.

It appears that the URA board provides preferential treatment to some individuals by approving property sales that don't meet the URA's established criteria, resulting in more than \$137,000 in lost revenue. We found the URA board does not always sell property to the highest qualified bidder but instead sells property to individuals that do not meet URA requirements. In one instance, the URA sold property to a City employee who bid at least \$13,000 less than five other bidders. In another instance, the URA paid for a \$15,676 lien on a property sold to another City employee, even though the URA generally requires approved purchasers to pay any property liens.

We also found the board is not ensuring the accuracy and transparency of its public board meeting minutes and is not in compliance with other requirements of Public Authorities Law, including receiving the required board member training.

Introduction and Background

The Utica Urban Renewal Agency (URA) was created in 1965 pursuant to Section 616 of General Municipal Law. Its purpose is to eliminate and prevent the development and spread of blight in the City's urban renewal areas. To accomplish its mission the URA facilitates the sale of property acquired through tax-foreclosure, donation, purchase or eminent domain to return the properties to the tax rolls and redevelop neighborhoods for residential and commercial use. Properties are either advertised and marketed for sale or held for future redevelopment. The URA also assists with public redevelopment projects within the city's urban renewal areas.

The URA is governed by a seven-member board of directors, and its enabling legislation specifies the board be comprised of the Mayor as Chair, the City Engineer, the Planning Board Chair, two members of the City Council and two citizens appointed by the Mayor. Currently the two Mayor appointees are City officials: an Assistant Corporation Counsel and the Director of Codes. The statute also stipulates that the URA Treasurer shall be the City Comptroller, but is not a board member.

The primary function of the URA is selling property. The URA lists property that is available for purchase on its web site. Interested bidders must complete an application and pay a security deposit (developer fee). URA staff ensure that the application is complete, and submit completed applications to the board for review. The board reviews the applications and approves the sale to the selected bidder. Bidders that are not selected have their developer fee refunded. Property sale closings generally occur within a few months of the approved sale.

The URA does not have its own employees, but is staffed by City employees and a volunteer. The URA board appointed the City's Commissioner of Urban and Economic Development as the URA's Executive Director to manage the daily operations of the URA. Five Urban and Economic Development Department employees are responsible for selling property and maintaining URA records. Three of these employees work full time for the URA while two work for the URA in addition to their City responsibilities. The City's Commissioner of Media is responsible for creating marketing videos of URA properties. Two employees in the Department of Parks and Public Works work full time to maintain URA property (mowing, snowplowing, ensuring vacant properties are secure), and are assisted by other Department employees as necessary. The volunteer assists with removing trash from URA properties. The City Comptroller's office maintains the URA's financial records and processes all financial transactions.

The City pays all expenditures on behalf of the URA, and the URA reimburses the City for these transactions. The URA does not have a written agreement with the City regarding staff services, but reimburses the City the entire salaries of the three

employees of the Urban and Economic Development Department and half the salary of the Commissioner of Media. The URA does not reimburse the City for the staff costs associated with the other Urban and Economic Development Department employees, the Parks and Public Works employees or City Comptroller employees, but does pay the City an additional \$50,000 annually to cover the costs of City services provided to the URA.

The URA operates on an April to March fiscal year. The URA does not obtain an independent audit, but its financial data is combined with and included in the City's annual audit. For the fiscal year ended March 31, 2015, the URA's internal financial records indicated \$629,937 in total revenues (primarily from property sales), total operating expenses of \$535,450, and total assets of \$601,995, consisting primarily of cash.

Compliance Review Objectives

The Authorities Budget Office (ABO) is authorized by Title 2 of the Public Authorities Law to review and analyze the operations, practices and reports of public authorities, to assess compliance with various provisions of Public Authorities Law and other relevant State statutes, and to make recommendations concerning the reformation and structure of public authorities. Our operational review was conducted to determine whether the board is effectively overseeing URA property sales and financial operations and publicly reporting and disclosing this information.

Compliance Review Scope and Methodology

Our compliance review was conducted between June and October 2015. The review assessed URA operations and finances for the period April 1, 2013 through March 31, 2015. To perform our review we relied on the following documentation and data sources:

- Board meeting packets
- Property records and related documents
- URA financial records
- Policies and procedures indicative of good governance practices
- Annual reports required by the Public Authorities Law

In addition to reviewing documents and records, we interviewed URA officials and City employees, and performed other testing we considered necessary to achieve our objectives. Our report contains recommendations to improve the oversight of financial transactions and the effectiveness of URA operations.

Review Results

The Board is Failing its Fiduciary Duty to the URA

Section 2824 of Public Authorities Law identifies the roles and responsibilities of public authority board members and stipulates that board members perform their duties in good faith and with the degree of diligence, care and skill which an ordinarily prudent person would use. Board members are to provide direct oversight of the chief executive, understand, review and monitor financial and management controls and establish written policies and procedures. While each of the URA board members have acknowledged that they understand their role and responsibilities, this does not appear to be the case.

We found that the URA board is failing its fiduciary duty to ensure that the URA operates efficiently and effectively. Although the City Comptroller is the URA Treasurer and the board relies on the City to maintain its financial records, the board is responsible for ensuring that effective procedures and controls are established and followed to ensure that URA funds are safeguarded and used appropriately. However, the board has not established procedures to verify that the proper amount of developer fees are paid; to record and monitor receipts; or to ensure that developer fees are transferred to the URA when property is sold. Further, the board has not established adequate controls over URA expenditures or payments to ensure that all disbursements are related to the URA's mission and are supported with adequate documentation. The board's poor oversight is especially significant since the City's procedures and controls have been criticized as inadequate in the City's 2014 and 2015 independent financial audits. These audits criticized the City for failing to review account reconciliations, lack of oversight of URA deposits in the City's Trust Fund and lack of review of indirect expenses of the City expensed to other City funds, including the URA.

The board's failure to adequately oversee URA operations has resulted in more than \$116,000 in lost developer fee revenue for fiscal years 2013-14 and 2014-15 and over \$28,000 in URA funds that were inappropriately transferred to the City. In addition, more than \$58,000 was transferred to the City without adequate documentation.

The URA failed to collect more than \$116,000 in developer fees. When the URA has property to dispose, it advertises the property as available for sale and allows potential buyers to submit bids for the properties. Each bidder is required to remit a security deposit (developer fee), based on the type of property: \$250 for vacant lots, \$750 for residential property and \$1,000 for commercial property. Developer fees are held by the City in trust until the property is approved for sale. Bidders not selected by the board to purchase the property have the developer fee refunded. The developer fee paid by the approved bidder is then to be remitted to the URA at the time of the closing.

We found that the URA failed to collect \$4,980 in developer fees because the incorrect amount was paid. We identified 18 instances where the URA collected less than \$1,000 from bidders applying to purchase commercial property. URA officials acknowledged that the incorrect amount of developer fee was collected for ten properties, but stated that the amount collected for the remaining properties was proper. URA officials indicated for five of the 18 properties the applicant submitted a single application for multiple adjoining properties and that it is the board's practice to collect a single developer fee in these situations, since the board may stipulate that the owner consolidate the parcels upon closing. However, this assertion does not have merit since the amount of the developer fee is determined at the time the application is submitted, not during the board meeting when the property is sold. Further, bidders for four properties were required to submit separate developer fees for each parcel, contrary to the practice cited in the URA's response. URA officials also contended that the proper amount was charged for the three other properties identified, but this is incorrect. The URA's response indicates that two properties were residential property although the properties were classified as commercial at the time the applications were submitted, and the URA indicated \$1,000 was collected for one property, but the URA's records show that \$750 was collected.

In addition, we found \$111,881 in developer fees that were neither transferred to the URA nor accounted for as owed to the URA. During the 2013-14 and 2014-15 fiscal years the URA collected \$200,270 in developer fees for properties sold. However, no developer fees were remitted to the URA in 2013-14, and only \$88,389 was remitted to the URA in 2014-15. The difference of \$111,881 is unaccounted for, since it is not reflected in the URA's records as owed by the City. URA records for March 31, 2015 show only \$72,028 in developer fees owed by the City which applies to properties approved for sale prior to April 2013.

The City Comptroller told us that as of March 31, 2015 the trust fund held over \$250,000 of URA developer fees. However, this amount is not reflected in the URA's financial records. Although this amount would be sufficient to account for the developer fees that were not remitted to the URA, the City Comptroller is unable to distinguish how much of this amount is being held for properties that have not yet been sold and must be returned to bidders that are not selected. Therefore, there is limited assurance that sufficient funds are available to remit to the URA for the properties sold during our review period.

The Board does not require the Treasurer to report on the URA's financial condition, and as a result, the board was not aware that developer fees were not being remitted from the City. URA officials responded that the URA board and staff has been concerned about the City's management of URA funds, particularly in light of the City's 2014 independent financial audit which raised concerns as noted above. However, we noted that the URA has not taken any action to address these concerns since the audit of the City was issued on December 18, 2014 and these issues continued to occur. URA officials also stated that the URA will hire a certified public accounting firm to conduct an independent audit for each of the

past three fiscal years, and await the results of these audits before implementing procedures over financial transactions.

URA funds are being inappropriately used by the City. Our review identified more than \$13,000 spent for items and services unrelated to the URA's mission, and more than \$15,000 that was inappropriately transferred to the City. The City pays all expenditures on behalf of the URA, and the URA reimburses the City for these transactions. The URA Executive Director is responsible for reviewing and approving all purchases and payments made by the City for URA operations. However, we found that this is not effective in ensuring that only purchases related to URA operations are made, since the board does not provide direct oversight of the Executive Director. We believe these transactions indicate that URA funds are being used to subsidize the costs of City operations, rather than being necessary for the URA to fulfill its purpose.

For example, in August and September 2014 the URA paid \$9,710 to the City for banners for City light poles and lights for decorating the trees in two small parks on Genesee Street. URA officials stated that the holiday decorations were installed to beautify the area during the Christmas season. In another instance, although one of the URA's properties is used by the City Police Department for storage, the URA paid the City's utility costs of \$857 for the property from February 2013 through November 2013. The URA responded that since it owned the property, it was responsible for paying the utility costs. However, the URA does not generally pay the utilities for the other properties it owns that are occupied by tenants, and URA officials stated that utility costs for each property is the responsibility of the tenants. Therefore, in this instance these costs should have been the responsibility of the City. Further the URA responded that the building was in excellent condition and the URA decided to maintain the utility service to the building to avoid the detriments of the winter. Yet, the URA did not pay for utility service for the building from December 2013 through the spring of 2014, when the URA indicated the building was sold, and does not explain why the utilities were paid during the summer months of 2013.

We also identified \$2,702 in inappropriate or questionable URA payments to the City for cell phone charges that were not approved by the URA Executive Director. The City Engineer reviews cell phone charges and determines the amount charged to the URA. Although the URA pays only half of the Commissioner of Media's salary, the URA pays the total costs of the cell phone charges, resulting in \$1,208 in inappropriate payments. Further, although the URA contracts with a private individual for legal services, the City provides this individual with a cell phone, and the URA paid the total cost of \$1,065. The City also provides a cell phone to the URA's volunteer, and the URA paid the total cost of \$301. The need of a cell phone for this individual is questionable, since we reviewed the cell phone use for a one month period and identified numerous calls made for directory assistance and calls out of the Utica area, including calls to California and Las Vegas. These calls appear to be unrelated to the individual's responsibility of removing trash from URA property. Further, in October 2013, the URA paid \$128 in City cell phone

equipment costs that should have been paid by the City. The URA responded that the use of cellular telephones is both important and necessary to ensure contact with the three personnel. URA officials also told us that the URA will develop a cell phone use policy and formally outline any cell phone use by City employees in a shared services agreement with the City. However, the response does not address why a cell phone is necessary to contact a City employee, why it needs to provide a cell phone to a private lawyer, or the apparent inappropriate use of the cell phone provided to a volunteer.

In December 2013, the City issued a check for \$15,676 to settle a lien with the United States Internal Revenue Service (IRS) on property owned by the URA. However, the IRS indicated that the check needed to be drawn from the URA's account, and the City check was voided. Although the City check was voided and resulted in no outlay of funds, \$15,676 was transferred in January 2014 from the URA's account to the City. Rather than return the funds, the City reduced a subsequent transfer from the URA in March 2014 in an attempt to offset the error. However, the City only offset \$15,300, leaving \$376 still owed to the URA. The City did not identify and resolve this discrepancy until June 2015, after our review was initiated.

There is inadequate support for more than \$58,000 in charges assessed by the City. For 2013-14 and 2014-15, the URA paid the City \$276,673 for the salaries of City employees that perform URA functions. Of this, \$218,432 was documented by time records approved by the URA Executive Director as specific to URA activities. However, there is no documentation to support the amount of time individuals spend on URA functions for the remaining \$58,191. The majority of these payments represent half of the Commissioner of Media's salary. There is no written agreement between the URA and the City to authorize these payments, and the payments are not approved by the URA Executive Director. Instead, the City's Budget Director requests payment and the funds are transferred by the City Comptroller's office.

The URA's response acknowledged that a written shared services agreement is appropriate, and stated that it will work with the City's Corporation Counsel to draft a written shared services agreements that will be reviewed and approved by the URA board.

The Board is Not Following Established Property Sales Procedures

We found that the board is not approving property sales consistent with its established policies and procedures and appears to provide preferable treatment to some individuals that bid for property. As a result, we determined that the URA forfeited \$137,250 in property sale revenue for 2013-14 and 2014-15.

The URA requires individuals that bid on property to submit a completed application, document that sufficient funds are available to cover the bid amount and any planned repairs to the property, and have no unpaid taxes or outstanding

code violations on any other properties they may own within the City. These requirements are stipulated in the application form. To evaluate bids that have been received, board members are provided with a summary of information for each property, including the property address, type of property (vacant, residential or commercial), and the assessed value. The board is also provided information on each bidder, including the bidder's current address, list of other properties owned in the City, bid offer, repair estimate, proposed use of the property, amount of funds available, and any code violations or tax delinquencies. URA officials indicated that these processes are not established policies and procedures, but instead only a method of obtaining information that the board considers in deciding who will be approved to purchase property.

During 2013-14 and 2014-15 the URA board approved 280 properties for sale. Of these, 106 properties had more than one bidder, 64 of which were sold to the highest bidder. Eight properties were appropriately sold to a lower bidder, since the high bidder did not meet the URA's requirements.

However for the remaining 34 properties (32 percent), it is questionable why the board approved the sale to the selected bidder. For 23 properties, although the high bidder met the URA's requirements, the board did not approve the sale to the high bidder. Instead, the board approved the sale to a lower bidder without adequate justification. The board also approved the sale of six properties to bidders that did not meet the URA's requirements although other bidders that offered the same or higher bids did meet those requirements. We also found the board approved five properties for sale when neither the high bidder nor the selected bidder met the URA's requirements. The board did not explain why the property was sold to an unqualified bidder instead of considering other options. These transactions appear to indicate that preferential treatment is given to select bidders.

For example, 215 Rutger Street was approved for sale at the January 15, 2015 board meeting. The URA received six bids for this property, only three of which met the URA's requirements. The board approved the property for sale to the lowest bidder, who was also a City employee. The board negotiated a higher bid of \$17,000, but this was still below the amount offered by the two other bidders. The board did not explain why the higher bidders were not selected.

Bidder	Amount Offered	Purpose of Use
A (city employee)	\$15,000 (board asked to raise offer to \$17,000)	Primary residence
B	\$27,015	Income/business/commercial use
C	\$30,000	8-10 efficiency apartments for homeless vets

In another example, property located at 809 Noyes Street and 1403 Lincoln Avenue was approved for sale at the June 12, 2014 board meeting. There were two bidders for the property. One bidder offered \$5,000 and proposed to invest \$2,000 in repairs, but was unable to show that sufficient funds were available. The second bidder offered \$10,000, proposed to invest \$4,000 in repairs and met all of the URA requirements. However, the board approved the sale to the lower bidder, without explanation as to why. Another property, 1522 Seymour Avenue, was approved for sale at the November 14, 2013 board meeting. There were two bidders for the property. One bidder offered \$1,000 for the property and proposed to invest \$13,800 in repairs, but had a record of code violations on other property owned in the City. The second bidder offered \$3,000, proposed to invest \$15,000 in repairs and met all of the URA requirements. However, the board approved the sale to the lower bidder.

In another instance, 1506 Mohawk Street was approved to be sold at the October 31, 2013 board meeting. Four bids were received for this property, and the board approved the sale to the highest bidder (another City employee) for \$61,000. There was a federal lien of \$15,676 on the property, and the URA requires bidders to pay all governmental liens before taking title to the property. However, for this property the URA paid the lien itself and did not require the bidder to increase the payment to include the amount paid on the lien.

The URA responded that it believes that discretion in deliberations is vital and that its sales decisions are not to be predictable in advance solely by reason of a review of a rigid set of factors. The URA indicates that bid amounts are a factor, but not the controlling factor and that additional criteria is used for approving property sales that is not included in its application or on its web site. The URA cites the federal Department of Housing and Urban Development's Good Neighbor Next Door program as an example where other factors, such as individuals employed as law enforcement officers, teachers, firefighters and emergency medical technicians receiving preferential treatment.

However, our concern is not whether the URA considers factors beyond the bid amount in determining who will be the successful bidder. Instead, the concern is that the URA is using factors that are not made publicly available to potential bidders prior to submitting bids. As the URA's response indicates, in addition to considering unpaid taxes by potential bidders and the adequacy of funds available to make necessary repairs, the URA also considers the nature that the property will be used, whether the bidder intends to occupy the property, and if the bidders attend URA meetings. The factors for selecting bidders to purchase URA property should be publicly stated prior to bids being submitted and available to all prospective bidders, ensuring that all bidders are equally informed and avoiding any appearance of favoritism. URA officials indicated that the URA will revise its current application and other related documents to include all factors considered by the URA board in awarding property sales, and that URA staff will review those factors as a basis for recommendations that will be presented to the board for its review.

The Board is Not Being Accountable and Transparent

As part of our review, we reviewed the board's public meeting minutes that are available on the URA's web site. However, these public documents were frequently incorrect and erroneous. For example, the list of properties approved at a specific board meeting and the approved sales price of properties as reflected in the approved board minutes was often incorrect. We identified the actual sale price of the properties from ancillary records available from the URA, but this actual sales price was not always reflected in the meeting minutes even though the board had approved the minutes as accurate. The URA responded that the inaccurate meeting minutes were the fault of a URA staff member who has since been terminated. However, this response does not address the fact that it is the URA board's responsibility to ensure that the public record of its meetings is accurate and complete, nor does it reflect that the URA board routinely reviews and approves its prior meeting's minutes. Any errors and inaccuracies that exist in the draft minutes should be addressed and corrected by the board during this review.

Public Authorities Law Section 2802 requires all public authorities to have an annual independent audit performed by a certified public accounting firm in accordance with general accepted auditing standards within 90 days of the end of the authority's fiscal year. However, the URA does not obtain its own audit, but instead relies upon the City's annual audit, which includes the URA as a component unit. The reliance on the City audit is inappropriate because the City's audit report does clearly identify the finances and operations of the URA and therefore does not provide the URA board with sufficient information to determine the financial condition of the URA. The URA indicated that it will obtain its own independent audit going forward.

Public Authorities Law requires all board members to attend training regarding their legal, fiduciary, financial and ethical responsibilities as board members of an authority within one year of appointment to a board. Although all seven of the current board have been members for at least three years, only three of the members have attended this required training. The failure of the board to attend this training appears to have contributed to its failure to meet its fiduciary duty to the URA. The URA indicated that it will ensure that all board members attend the required training within six months of this report.

Public Authorities Law also requires authority boards to review and approve annual reports prior to their submission in the Public Authorities Reporting Information System (PARIS). However, the board does not review annual reports submitted by URA staff to ensure that all of the required information is reported and that this information is accurate. We determined that the 2013-14 and 2014-15 reports submitted by the URA were inaccurate, since each failed to include more than \$230,000 in procurements made during each reporting period.

Recommendations

1. Board members need to adhere to their fiduciary responsibility to the URA by providing direct oversight of management and establishing, reviewing and monitoring appropriate financial controls.
2. The board needs to establish policies and procedures to:
 - Verify the developer fee paid is appropriate based on the type of property.
 - Ensure all receipts are accurately recorded and monitored.
 - Ensure that the correct amount of developer fees are remitted to the URA in a timely manner.
 - Ensure that financial records are accurate and complete.
 - Require that all use of URA funds are reviewed and approved by appropriate individuals.
 - Ensure that all use of URA funds are necessary and related to the URA's mission and purpose and are adequately supported.
3. Collect all funds owed to the URA for developer fees for properties that closed.
4. The URA should not incur costs for the City that are inappropriate and not related to the URA's mission.
5. The URA should establish a written agreement with the City that outlines the services provided to the URA and any shared services or costs. Costs reimbursed to the City should be related to the URA's mission and adequately supported.
6. The Board should follow its established procedures and criteria for approving property sales, or adequately document the reason for any deviations.
7. The Board should ensure that approved board meeting minutes are accurate and posted on the URA web site.
8. The Board should have a certified independent audit of its financial records separate from the City's annual audit.
9. Board members should attend the board member training required by Public Authorities Law, both to satisfy the requirements of the law and to obtain a better understanding of their roles and responsibilities as board members.
10. The Board should review and approve all annual reports prior to their submission in the Public Authorities Information System (PARIS).



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December 18, 2015

New York State Authorities Budget Office
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Dear Ms. Parslow:

The City of Utica Urban Renewal Agency Board, along with Agency staff, has reviewed the draft report of the Operational Review that you performed between June 2015 and October 2015. We appreciate this opportunity to comment on that draft; said comments to be incorporated into a revised report which will form the basis for an exit conference. Subsequent to that exit conference, it is our understanding that a final report will be issued and made public.

In order to present our comments in a coherent fashion, this letter addresses the report's Review Results in the order in which they appear.

The Board is Failing its Fiduciary Duty to the URA

1. The URA failed to collect more than \$115,000 in developer fees

The draft report states that there were 18 instances during the review period in question where the Agency collected less than \$1,000 from bidders applying to purchase commercial property and 2 instances where the Agency collected more than necessary. However, the report provides no details on those 20 properties or bidders; without the specific information on those 20 instances, it is difficult to respond or refute. If you can provide more details on those 20 instances, we could respond with more specificity.

The draft report further states that it was determined that \$111,881 was never transferred to the Agency from City trust fund account nor was that amount ever accounted as being owed to the Agency. Agency staff provided a copy of the draft report to the Comptroller's office and asked for a formal response to this portion of the report; however, the Comptroller's office declined to respond. For our part, both Agency Board and staff has been concerned about the City's management of Agency funds, particularly in light of the City's 2014 independent financial audit which raised concerns with same as noted in your draft report. To that end, the Agency will hire a certified public accounting firm to conduct an independent audit for each of the past three (3) fiscal years; the Board will withhold identification of any suggestive protocol until such time as those audits have been completed.

2. URA funds are being inappropriately used by the City
Agency Board and staff take exception to the subjective opinion within the draft report that over \$22,000 was spent by the Agency for "items and services unrelated to the URA's mission", citing \$9,710 for holiday

decorations within the public right-of-way, \$9,417 authorized for the procurement of one lawn mower and \$857 for utility costs for a building used by the Police Department for storage. The report also cites a discrepancy between actual Board authorization to purchase one lawn mower with Agency funds and an actual purchase of two lawn mowers.

First, to address the discrepancy, it was always the Board's intent to purchase two mowers. The minutes from the Agency Board meeting where this approval was granted are erroneous. As the draft report noted on page 7, the Agency went through a period where Board agendas and minutes were frequently found to contain errors, inaccuracies and omissions. The employee at the time that was responsible for the preparation of those agendas and minutes was terminated, in part because of incompetence. Initially, the company from whom the mowers were purchased invoiced the Parks Department for one mower and the Agency for the second mower. However, that was later corrected by the company who issued a credit to the Parks Department and a subsequent invoice to the Agency for the second mower; included in *Attachment 1* is documentation of that transaction.

Note 1

Second, to address the subjective opinion that the aforementioned funds were used inappropriately, the draft report's Executive Summary correctly states that the mission of the Agency is "to eliminate and prevent the development and spread of blight in designated urban renewal areas". The holiday decorations were installed along Genesee Street within the downtown, which is within the urban renewal area, and were intended to beautify that area during the Christmas season. Additionally, it should be noted that the Agency was marketing several properties along Genesee Street at that time.

The first page of the draft report notes that two Parks Department employees work full-time to maintain Agency property, including mowing. Prior to the purchase of the mowers by the Agency, it is important to note that this work was performed utilizing Parks Department equipment, purchased by the Parks Department using monies appropriated to the Department annually out of the City's general fund. Given that the Agency has a source of revenue separate from the taxpayer-based general fund of the City, it only made logical sense to the Agency Board and staff that the Agency use its own funds to procure equipment used in the maintenance of its own properties.

As far as the utility costs for the building used by the Utica Police Department for storage, it is important to note that the building in question was owned by the Agency; as such, all utility costs for the property were to be paid by the Agency. Additionally, in comparison to most properties owned by the Agency, the building was constructed within the last decade or two and was still in excellent condition. As such, the decision was made to maintain gas and electrical service to the building in order to keep the heat on in the building. As you can imagine, snow and ice during the winter season are often the most significant detriment to many Agency properties, often turning marketable properties into candidates for demolition instead. The use of the building by the Police Department for storage while the property was being marketed is incidental. Like the purchase of the mowers, the Agency often cooperates with various City departments. As an aside, it is important to note that the property in question was successfully marketed and sold in the Spring following the payment of the utility costs by the Agency; the sale brought a successful and expanding business into the City which now boasts 12 full-time employees with plans to expand in the next several months.

The draft report also alleges inappropriate or questionable cell phone charges, including \$1,208 for the Commissioner of Media, \$1,065 for its legal counsel, \$301 for a volunteer and \$128 in unspecified equipment costs. Relative to the unspecified equipment costs, it is difficult to address this portion of the report as no detail has been provided on those costs. If additional detail can be provided on these costs, we could respond with more specificity. As to the usage charges for the three personnel noted above, the Agency has determined that the use of cellular telephones is both important and necessary to ensure contact with said personnel. For that reason, the Agency has included a line item for 'Telephone' in its annual budget which is reviewed and approved by the Board. On that basis alone, the Board has determined that such usage is appropriate to its mission and operation.

3. There is inadequate support for more than \$58,000 in charges assessed by the City. The draft report alleges that \$58,191 was spent by the Agency on salaries for time that was not documented.

The report then acknowledges that the bulk of this amount was for the salary of the Commissioner of Media. The report correctly notes that there is no written agreement between the City of Utica and the Agency for any shared services (which could theoretically cover not only the salary issue mentioned herein, but the cell phone for the Commissioner of Media, use of Parks Department personnel and/or equipment and use of Agency properties by other City departments, such as the Police Department, detailed in earlier parts of both the report and this response).

The Agency acknowledges that a written shared services agreement is appropriate and would help clarify many of the subjective issues highlighted in this report for the public at large, as well as for future audits and reviews. Over the next several months, the Agency's legal counsel will work with the City's Corporation Counsel's office to draft an acceptable written shared services agreement which will be reviewed and approved by the Agency Board.

The Board is Not Following Established Property Sales Procedures

The draft report states that the Agency Board approved sales in a way that was not consistent with "established policies and procedures", "appears to provide preferential treatment to some individuals" and "forfeited \$137,250 in property sale revenue" during the review period.

Again, the Agency Board and staff questions the manner by which its decisions on whom to award properties are characterized. The manner by which the Agency operates is a work in progress, having been shaped not only by its history but continues to be shaped and transcended by each experience in which the Agency, through its individual Board members and staff, is involved. In short, however, the Agency advances the belief that discretion in deliberations is vital and that its sales decisions are not to be predictable in advance solely by reason of a review of a rigid set of factors. The Agency's mantra may be simply stated as: Each Board member may exercise his or her independent judgment and then decide. A brief "history" is attached as *Attachment 2*, in order to assist and inform those who will prepare the final report.

There are numerous factors that Board members consider when reviewing bids for a property. At the outset, it should be pointed out that the information requested and provided within the written bids for Agency properties are not considered to be 'established policies and procedures', but rather a method to gain information from prospective buyers relative to some of the factors that Board members will use in their decision-making process. Additionally, it is important to note that bid amounts are a factor, but not the controlling factor. As such, the draft report should indicate that the Agency decisions resulting in 'forgoing' \$137,250 in revenue, rather than 'forfeiting' which has a connotation of impropriety. The nature to which a property is to be used is also a factor, but will not alone dictate the success or failure of a bidder. Additionally, the presence of a codes violation is also considered by the Agency Board, but in and of itself is not generally lethal to an application; after all, any violation may be corrected and an approval of a sale by the Agency may be contingent upon such a correction prior to either Common Council ratification of the sale or the closing date of the sale. To that point, it is important to note that the application clearly states "If any violations/delinquencies are found, the Agency reserves the right to reject the application"; it does not guarantee the rejection.

Beyond the written application submitted by bidders, the Agency prefers that prospective buyers attend Agency meetings to personally present their plans to the Agency and to answer any questions from Agency Board members. The responses of prospective buyers, and even the manner by which the responses are given, are also important factors in the decision-making process.

While the draft report calls into question the decisions of the Agency Board on the sale of a number of properties during the review period in question, it is important to note that each of the approved sales were the subject of a public hearing by the Common Council prior to final ratification of the sale by the City's legislative body. By and large, for nearly each and every one of the properties approved for sale by the Agency, there were no public speakers at the required hearings calling the Agency's methodology into question and nearly every Agency recommendation on preferred bidder were ratified by the Common Council.

The draft report singles out the sale of 215 Rutger Street, noting that the Agency Board approved sale of the property to a City employee, despite the fact that his bid amount was the lowest of the three offers received for the property, thereby implying impropriety. The employment of an applicant by the City of Utica in and of itself does not prevent that person from submitting a bid for a property or preclude them from being awarded a property by the Agency or the Common Council. One could argue that a City employee would go to greater lengths to improve and maintain the property in question merely by virtue of the nature of his or her employment; in fact, it is this basis upon which the United States Department of Housing & Urban Development's (HUD) own Good Neighbor Next Door program is based. HUD's Good Neighbor Next Door program offers a discount of 50% off the list price of a HUD home for law enforcement officers, teachers (pre-K through 12 grade), firefighters and emergency medical technicians.

In cases such as this where even the potential for a conflict of interest exists, the Board is careful to publicly state the nature of the potential conflict. It is also important to note that sales have been approved to other City employees, Agency staff members and even Agency Board members. There is nothing illegal or improper with such sales and all have been ratified by the Common Council.

Specific to 215 Rutger Street, however, it is fairly common practice that the Agency Board prefers to approve, for obvious reasons, sales of property where said property will be owner-occupied. As the table on page 7 of the draft report clearly shows, the successful bidder was the only one of the three to state that the property would be used for owner-occupied, residential purposes; this was the Board's preference for this property, regardless of the nature of the bidder's employment.

The draft report also inaccurately portrays the sequence of events relative to a lien for 1506 Mohawk Street, stating that the Agency approved the sale to a City employee, then "subsequently learned" that there was a federal lien of \$15,676 on the property. In fact, the Agency was aware of the federal lien prior to the sale of the property. The property was originally sold in April 2013 with a contingency that the lien be expunged. When the City was unable to expunge the lien, the buyer backed at of the purchase, leading to the Agency putting the property up for auction. The Agency made it clear to all bidders, prior to the auction, that the proceeds of the sale would be used to satisfy the lien. In the end, the property was sold to a City employee (who also happens to be part of the Agency staff) who was the high bidder at \$61,000 and the proceeds of the sale were used to satisfy the lien, as was publicly stated by the Agency.

Note
2

The Board is Not Being Accountable and Transparent

The draft report notes that the public meeting minutes available on the Agency's web site were frequently found to be incorrect and erroneous.

As noted earlier in the report, agendas and minutes during the review period fell to the responsibility of an Agency staff member who has since been terminated due to incompetence. New staff has been hired and charged with a renewed and improved effort to capture Agency actions during public meetings within its meeting minutes.

The draft report also found that the Agency is required to have an independent audit performed by a certified public accounting firm on an annual basis.

Historically, as the draft report noted, the Agency has relied on the audit performed each year by the City which incorporated the Agency's finances as a component unit. This practice was never questioned by either the City Comptroller's office or the certified public accounting firm and, thus, became common practice. Having now been made aware of this legal requirement, the Agency will comply effective immediately.

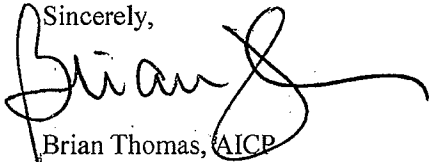
The draft report also notes that only 3 of the 7 Agency Board members have taken the training, necessary and required under Public Authorities Law. The Agency acknowledges this failure and commits to full compliance within six months of the date of this letter.

Finally, the draft report states that PARIS reporting is inaccurate since reports for the past 2 years failed to include more than \$230,000 in procurements made during each period.

Unfortunately, the draft report does not provide any detail relative to the \$230,000 as far as items or services procured amounts or dates. If you can provide more details on the procurements in question, we could respond with more specificity.

Again, the Board and staff of the Utica Urban Renewal Agency appreciate this opportunity to provide comment on the draft report. Should you have any questions regarding any of the information provided in this response, please do not hesitate to contact me. We look forward to seeing the revised report and participating in the exit conference in the coming weeks.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Thomas", with a long, sweeping flourish extending to the right.

Brian Thomas, AICP
Executive Director

Attachment 2

The birth of the Utica Urban Renewal Agency (the "URA") took place, along with many other local agencies, by the actions of the New York State Legislature in enacting Articles 15 and 15A of the General Municipal Law followed by the approval of the then sitting Governor. A reading of the legislative history and the various statutory sections created a vision of hope and rebirth for the less developed and/or blighted areas within specific municipalities. Expanded powers were granted to this arm of a municipality including the ability to acquire property by all fashions of methods including the exercise of the power of eminent domain.

In addition the URA may redevelop a property and then sell or the URA could sell without improvements on terms and conditions established by the URA. Unfortunately, this broad vista enhanced by the sea of statutory discretion was limited in its scope because of the bureaucracy in grant financing that was created due to the financing protocol established by the Federal government that issued the grants. So for many years the planning efforts envisioned large projects that were federally funded. As a result, the City of Utica had several projects which were administered by the URA which still stand today. For example, these projects include the East Arterial Project, the former Boston Store that is now EGS, the Downtown Redevelopment Project in which the current Radisson Hotel's predecessor was built and the Utica Business Park. But as Federal funds vanished so did large scale development.

Fast forward twenty years and we see that the URA was in mothballs and the City owned hundreds of property acquired largely through tax foreclosures. The reason for such a large inventory was the only way the City could sell property so acquired was by auction to the highest bidder. The purpose or purposes to which a property was to be put was not relevant, just the price. Some parcels were sold while other offers were not approved because the Common Council rejected the bids. And so the unsold properties remained in the City's inventory and increased in numbers as did the deterioration and mischief; eventually, the unsold properties were transformed into unintended homeless shelters. Ed Hanna then became Mayor in the early 1990's and invited the National Guard into the City and the demolition of the now ruined edifices began. Out of the debris was the rebirth of the URA armed with the powers it always possessed but with a different redevelopment scope, to wit: one house at a time to be sold to an individual who had a dream, perhaps to live in it or to rent it and the funds to make it a reality.

The current generation of URA Members and staff have set upon a plan of action that highlights flexibility in its deliberative efforts and the results that it produces justify that plan. The identity of the applicant, the purpose to which the property is to be put, the nature of the neighborhood and the quality of the applicant's character and reputation are factors. Money alone is never the sole determining factor. Loyalty to where one will live is vital; profit to the Agency and City are not to control the destiny of a sale. The Agency members, it should be noted, are a splendid mix of knowledgeable individuals who can be relied upon to choose wisely; that trust has been proven when it can be demonstrated that very few, if not none, of the sales referred to in the report as not being in compliance have failed in the mission the successful applicant set upon to complete.



CITY OF UTICA

URBAN RENEWAL AGENCY

1 KENNEDY PLAZA, UTICA, NEW YORK 13502

PH. 315-792-0105 FAX. 315-797-6607

ROBERT M. PALMIERI
MAYOR

BRIAN THOMAS, AICP
EXECUTIVE DIRECTOR

December 30, 2015

New York State Authorities Budget Office
Attn: Ms. Ashley Parslow
Post Office Box 2076
Albany, New York 12220-0076

Dear Ms. Parslow:

In the Agency's response to your draft report of the Operational Review of the Utica Urban Renewal Agency, additional information was requested relative to three (3) issues cited in the report. Via e-mail, you provided the additional information that was requested on December 22nd and asked that a response to those three issues be submitted by December 30th. Per that request, Agency staff has reviewed the additional detail that you provided within that e-mail and offers the following response:

The URA failed to collect more than \$115,000 in developer fees

Agency staff has reviewed the table of 20 instances where it was deemed that staff failed to collect the correct developer fee. Utilizing the same table format in which the detail was provided, we have offered an explanation for each in the column on the right-hand side.

Property Address	Property Class	Developer's Fee Collected	Findings
864-866 Bleecker	864 Bleecker – Vac. Comm 330 866 Bleecker – Vac. Res. 311	\$1,000.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
318.8-1-52./1 Whitesboro	Vac. Comm. 330	\$250.00	Commercial property; should have been charged \$1,000.
1137 Brinckerhoff	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.
1208 City	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.

Note
3

1229 & 1231 Steuben	1229 Steuben – Res. Vac Land 311 1231 Steuben – Apartment 411 (Comm.)	\$750.00	Property is not completed to date. [12.30.15] Owner's could potentially be downsizing the property's units.
1625 Elm	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.
705 & 707 Mulberry	705 Mulberry – Res. Vac Land 311 707 Mulberry – 1 Fam. Res. 210	\$750.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
1011 & 1015 Warren	1011 Warren - Apartment 411 (Comm.) 1015 Warren – Res. Vac. Land 311	\$750.00	Commercial property; should have been charged \$1,000.
1122 Court	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.
1120 & 318.23-3-78 Parker	1120 Parker – 2 Fam. Res. 220 318.23-3-78 Parker - Res. Vac. Land 311	\$750.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
1147, 1151, 1153, 1155 Lincoln	1147 Lincoln - Apartment 411 (Comm) 1151 Lincoln - Converted Res. 483 1153 Lincoln - Vac. Comm. 330 1155 Lincoln - Apartment 411 (Comm.)	\$1,000.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
1300 Mary	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.

<p>Note 3</p>

307 & 311 Kossuth	307 Kossuth – 2 Fam. Res. 220 311 Kossuth – Res. Vac. Land 311	\$750.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
736 & 738 LaFayette	Apartment 411 (Commercial)	\$1,000.00	The correct Developer's Fee was received for the property classification.
815-817 McVean	Apartment 411 (Commercial)	\$750.00	Commercial property; should have been charged \$1,000.
1600 Brinckerhoff	Det. Row. Bldg. 482	\$750.00	Commercial property; should have been charged \$1,000.
2 Saratoga	Converted Res. 483 (advertised as Commerical)	\$770.00	Commercial property; should have been charged \$1,000.
1412 & 1414 Howard	1412 Howard – 2 Fam. Res 220 1414 Howard – Res. Vac. Land 311	\$750.00	Single application submitted for both properties; applicant charged one developer fee, highest of the two.
1500 Oneida	2 Fam. Res. 220	\$750.00	The correct Developer's Fee was received for the property classification.
7 Dewitt	3 Fam. Res. 230	\$750.00	The correct Developer's Fee was received for the property classification.

Note
4

Note
5

Note
5

Of the 20 properties noted above, Agency staff acknowledges that the incorrect developer's fee amount was collected for ten (10) properties, amounting to potential lost revenue totaling \$3,000. Of the remaining ten properties, Agency staff contends that the appropriate developer fee amount was, in fact, charged for three (3) of the properties. Of the remaining seven (7) properties in the list above, the applicant submitted a single application for multiple adjoining properties. In these instances, the Agency Board will generally include a condition within their approval of the sale that stipulates that the owner must consolidate the parcels upon closing. Therefore, only a single developer's fee is charged (usually the highest) rather than charging a developer's fee for each tax parcel as configured at time of application.

Note
3

URA funds are being inappropriately used by the City

The draft report alleged inappropriate or questionable cell phone charges, including \$128 in unspecified equipment costs. Attached is a copy of both the City voucher (#98955) and the third party (Verizon Wireless) invoice associated with the billing information detail that you provided relative to this issue in your e-mail on December 22nd. You will note from the Verizon Wireless invoice that the total charge allocable to Urban Renewal is \$93.82, not \$128 as stated in the report. Furthermore, you will note from the invoice that this charge is for usage for the Commissioner of Media, P Buckley and the Agency's legal counsel Joe Hobika, Sr.; this is further borne out by the fact that the Verizon invoice includes a column for 'Equipment Charges', and there is no equipment charge for either individual on this invoice.

Note
6

The Board is Not Being Accountable and Transparent

Finally, the draft report alleged that reporting in PARIS is inaccurate since reports for the past 2 years failed to include more than \$230,000 in procurements made during each period. In the detail that was provided, there is an entry in 2015 for a payment of \$146,822.41 to Oneida County. Agency staff believes that this was a payment to Oneida County for their share of the sales proceeds, based on an existing agreement between the City of Utica and Oneida County. As such, this payment is not considered to be a procurement.

Note
7

For all other payment summaries listed in the detail, Agency staff is working to collect additional information on these payments (individual payment amounts, amount paid, date paid, etc.). As soon as Agency staff has collected this information, the correct information will be entered into the PARIS system.

Again, thank you for the opportunity to provide further clarification and corrections to the draft report. Should you have any questions on any of the information provided within this correspondence, please do not hesitate to contact me.

Sincerely,



Brian Thomas, AICP
Executive Director

VOUCHER

VENDOR INSTRUCTIONS: 1. ENTER YOUR INVOICE NUMBER 2. COMPLETE QUANTITY, DESCRIPTION, UNIT PRICE, AMOUNT AND TOTAL 3. COMPLETE AND SIGN CLAIMANT'S CERTIFICATION, ATTACH INVOICE AND RETURN TO: <i>Comptroller-City Hall, 1 Kennedy Plaza, Utica, New York 13502</i>	Purchase Order PO Number
--	---

DEPARTMENT	BUREAU	REQUISITION NO.	REQUISITION DATE	PURCHASE ORDER DATE
	TELEPHONE-UTIL.			

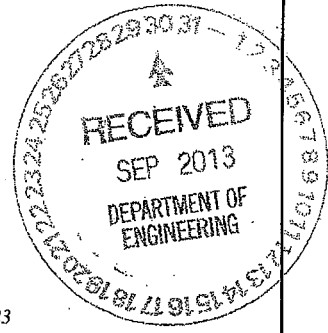
TO: 2117 Verizon Wireless
 P.O. Box 408
 Newark, NJ 07101-0408

FOR CITY USE ONLY	
VOUCHER NUMBER <i>98955</i>	CHECK NUMBER
AMOUNT OF CHECK \$3,719.88	DATE PAID OCT 11 2013
VENDOR INVOICE NUMBER	
INV. 9711650483	ACCT 285451350-00001

SHIPPED TO: CITY OF UTICA

CLASSIFICATION	BOND ORDINANCE NO.	DATE	ORDINANCE NO.	DATE	CONTRACT NO	AWARD DATE
SEE DISTRIBUTION BELOW						

QUANTITY	DESCRIPTION OF MATERIAL OR SERVICES	UNIT PRICE	AMOUNT
	PER ATTACHED SHEET OF THE BREAKDOWN OF CHARGES PER DEPT. AND PER ATTACHED INVOICE PERIOD: 08/17/13-09/16/13		
	A51989-423 (General Fund--Telephone)		\$2,582.88
	A53625-423 (Codes)		\$523.00
	B3858686-423 (Urban & Econ. Devel.)		\$104.96
	B858611-423 (Section 8)		\$50.52
	CR57180-423 (Golf)		\$142.22
	CU58620-423 (Urban Renewal)		\$93.82
	<i>Equipment A51989-423</i>		\$222.48
	<i>Urban Renewal Equipment CU58620-202</i>		
	<i>COMMUNITY DEVELOPMENT EQUIP B3658686-402</i>		
	<i>GOLF CR57180-202</i>		
	<i>Codes Equipment A53625.423</i>		
	TOTAL		
	TOTAL:		\$3,719.88



CLAIMANT'S CERTIFICATION

I, _____, certify that the above amount of \$ _____ is true and correct; that the items, services and disbursements charged were rendered to or for the municipality on the dates stated; that no part has been paid or satisfied; that taxes, from which the municipality is exempt, are not included; and that the amount claimed is actually due.

Claimant's Signature _____

Title _____ Date _____

FOR CITY USE ONLY	
Department Head	9-30-13
Secretary Board of Contract and Supply 	
Comptroller - Approval for Payment	Date

NOTICE TO CLAIMANT

VERIZON WIRELESS CELL DISTRIBUTION			
DATE: AUG 17 - SEPT 16, 2013			
PHONE#			
URBAN RENEWAL			
534-0590	J. HOBIKA	37.34	
534-1366	BUCKLEY	56.48	
	TOTAL	\$ 93.82	CU58620-423
SECTION 8			
534-2134	DESARRO	25.26	
534-0609	AJAEB	25.26	
	TOTAL	\$50.52	B858611-423
COMM DEVELOP			
534-4997	JACK SPAETH	52.48	
534-0399	BRIAN THOMAS	52.48	
	TOTAL	\$104.96	B3858686-423
GOLF			
534-0574	DOMINIC LONGO	52.48	
534-2190	PRO SHOP- HANK	39.07	
534-2191	RANGER 1	25.41	
534-2192	RANGER 2	25.26	
	TOTAL	\$142.22	CR57180-423
CODES			
534-0606	MONTANA	30.41	
534-0083	FARINA	52.48	
	DEPT AIR CARDS	\$440.11	
	TOTAL	\$523.00	A53625-423
	TOTAL	914.52	
EQUIPMENT			
	Equipment GENERAL	222.48	A51989-423
	COMMUNITY DEVELOPMENT		B3858686-402
	GOLF		CR57180 -202
	CODES		A53625-423
	Equipment-Urban Renewal		CU58620-202
	TOTAL EQUIPMENT	\$222.48	
	TOTAL CHARGES	\$1,137.00	





Invoice Number Account Number Date Due Page

9711659283 285451350-00001 Past Due 6 of 315

Overview of Lines, continued

Charges by Cost Center	Page Number	Monthly Charges	Usage and Purchase Charges	Equipment Charges	VZW			Total Charges	Voice Plan Usage	Messaging Usage	Data Usage	Voice Roaming	Messaging Roaming	Data Roaming
					Surcharges and Other Credits	Taxes, Governmental and Fees	Third-Party Charges (includes Tax)							
IT														
315-534-1027 Floater It	132	\$43.49	\$66.25	---	\$6.75	\$0.00	---	\$115.87	465	---	6210KB	---	---	---
315-534-9582 Air Card Frank Mulrino	133	\$39.99	\$0.04	\$199.99	\$0.02	\$0.00	---	\$240.04	---	2	1GB	---	---	---
315-725-9470 It Computer Floater	134	\$39.99	\$1.10	---	\$0.02	\$0.00	---	\$40.11	---	5	1GB	---	---	---
Subtotal		\$123.47	\$66.39	\$199.99	\$6.17	\$0.00	\$0.00	\$396.02						
LAW														
315-749-4038 Virtue Law Nessi	135	\$43.49	\$80.30	---	\$3.83	\$0.00	---	\$127.42	760	494	837,253KB	---	---	---
Subtotal		\$43.49	\$80.30	\$0.00	\$3.83	\$0.00	\$0.00	\$127.42						
MAYOR														
315-717-9658 Mayors Conference	145	\$39.99	---	---	\$0.02	\$0.00	---	\$40.01	---	---	3GB	---	---	---
315-794-8831 Sonny Mayors	146	\$49.99	---	---	\$2.49	\$0.00	---	\$52.48	1	12	27,962KB	---	---	---
Subtotal		\$89.98	\$0.00	\$0.00	\$2.51	\$0.00	\$0.00	\$92.49						
MAKERS/MEDIA Urban Renewal														
315-534-1366 P Buckley Media	148	\$49.99	\$3.75	---	\$2.74	\$0.00	---	\$56.48	405	1,082	11,219KB	---	---	---
Subtotal		\$49.99	\$3.75	\$0.00	\$2.74	\$0.00	\$0.00	\$56.48						
PARKING														
315-534-1001 George Parking	172	\$22.36	\$7.98	---	\$1.92	\$0.00	---	\$32.26	429	65	1MB	---	---	---
Subtotal		\$22.36	\$7.98	\$0.00	\$1.92	\$0.00	\$0.00	\$32.26						
PARKS														
315-534-0012 Department D Davis Par	191	\$28.49	---	---	\$1.92	\$0.00	---	\$30.41	157	173	---	---	---	---
315-534-0164 Department J Lapage Pa	205	\$28.49	---	---	\$1.92	\$0.00	---	\$30.41	66	---	---	---	---	---
315-534-0205 Department J Matos Par	208	\$23.49	\$109.05	---	\$7.91	\$0.00	---	\$140.45	527	180	---	---	---	---
315-534-0347 Department J Johnson P	209	\$23.49	\$1.75	---	\$1.88	\$0.00	---	\$27.12	207	---	---	---	---	---
315-534-0560 Department F Sperry Pa	210	\$26.48	\$14.49	---	\$2.53	\$0.00	---	\$43.50	242	---	---	---	---	---
315-534-0779 Department B Degisi P	211	\$23.49	\$11.00	---	\$2.49	\$0.00	---	\$36.98	244	---	---	---	---	---
315-534-1662 Department P Donlon Pa	212	\$28.49	\$1.25	---	\$2.01	\$0.00	---	\$31.75	867	115	---	---	---	---
315-534-3489 Department S Oliver Pa	254	\$23.49	---	---	\$1.77	\$0.00	---	\$25.26	128	---	---	---	---	---
315-534-4675 Department P Colon Par	267	\$28.49	---	---	\$1.92	\$0.00	---	\$30.41	396	2	---	---	---	---
Subtotal		\$234.40	\$137.54	\$0.00	\$24.35	\$0.00	\$0.00	\$396.29						





Invoice Number: 9711650483 Account Number: 285451350-00001 Date Due: 7 of 315 Page: 25

Overview of Lines, continued

Charges by Cost Center	Page Number	Monthly Charges	Usage and Purchase Charges	Equipment Charges	VZW			Total Charges	Voice Plan Usage	Messaging Usage	Data Usage	Voice Roaming	Messaging Roaming	Data Roaming
					Surcharges and Other Credits	Taxes, Governmental and Fees	Third-Party Charges (Includes Tax)							
PARKS REC														
315-534-0249 Department S Brown Par	262	\$37.00	---	---	\$2.48	\$0.00	---	\$39.48	399	164	---	---	---	---
315-534-6571 Department L Jenkins P	267	\$23.49	---	---	\$1.77	\$0.00	---	\$25.26	42	---	---	---	---	---
315-534-6572 Department C Loconti P	269	\$23.49	\$1.70	---	\$1.78	\$0.00	---	\$25.97	8	4	---	---	---	---
Subtotal		\$83.98	\$1.70	\$0.00	\$6.03	\$0.00	\$0.00	\$90.71						
SECTION 8														
315-534-0609 R Se88 Ajeb	271	\$23.49	---	---	\$1.77	\$0.00	---	\$25.26	89	---	---	---	---	---
315-534-2134 A Se88 Desarro	272	\$23.49	---	---	\$1.77	\$0.00	---	\$25.26	---	---	---	---	---	---
Subtotal		\$46.98	\$0.00	\$0.00	\$3.54	\$0.00	\$0.00	\$50.52						
SIGNAL														
315-534-0562 S Signal Simon	273	\$23.49	---	---	\$1.77	\$0.00	---	\$25.26	40	---	---	---	---	---
Subtotal		\$23.49	\$0.00	\$0.00	\$1.77	\$0.00	\$0.00	\$25.26						
STEVEN SWAN														
315-941-1813 Diane Broccoli Steven	274	\$89.79	---	---	\$2.91	\$0.00	---	\$92.70	1365	391	1GB	---	---	---
315-941-4424 Steven Swan Diane Broc	377	\$29.99	\$14	---	\$2.20	\$0.00	---	\$32.33	6	3	---	---	---	---
Subtotal		\$119.78	\$14	\$0.00	\$5.11	\$0.00	\$0.00	\$125.03						
UED														
315-534-0399 Brian Urban Thomas	312	\$49.99	---	---	\$2.49	\$0.00	---	\$52.48	71	116	14.938KB	---	---	---
315-534-4997 Jack Urban Speath	313	\$49.99	---	---	\$2.49	\$0.00	---	\$52.48	157	16	30,721KB	---	---	---
Subtotal		\$99.98	\$0.00	\$0.00	\$4.98	\$0.00	\$0.00	\$104.96						
URA														
315-534-0590 Hobika Sr J Urban R	314	\$34.99	---	---	\$2.35	\$0.00	---	\$37.34	332	1	---	---	---	---
Subtotal		\$34.99	\$0.00	\$0.00	\$2.35	\$0.00	\$0.00	\$37.34						
Total Current Charges		\$2,857.82	\$457.88	\$222.46	\$181.70	\$0.00	\$0.00	\$3,719.88						

Authorities Budget Office Comments

1. Based on the URA's response and documentation provided this section was removed from the report. Attachment one was also removed from the URA's response.
2. The URA did not provide any support to its contention that it communicated to bidders in advance that the proceeds of the sale of the property would be used to satisfy the lien.
3. Based upon the URA's response, these properties were removed as exceptions from the report and the report was modified accordingly.
4. Although the URA's response indicates a \$1,000 developer fee was collected for this property, URA records indicate that only \$750 was collected.
5. At the time the developer fee was paid for these properties (in 2014) the properties were classified as commercial.
6. As the URA's response indicates, the total charge allocable to the URA is \$93.82. However, the URA paid the City \$222.48, a difference of \$128.66. The URA did not explain the reason for the higher payment that was made.
7. All payments for over \$5,000 that are made by the URA each year are to be reported in the Public Authorities Reporting Information System (PARIS), this would include the URA's payment to the County.