

**CIVIC CENTER
MONROE COUNTY**



LOCAL DEVELOPMENT CORPORATION

**2013
ANNUAL REPORT**

CIVIC CENTER MONROE COUNTY LOCAL DEVELOPMENT CORPORATION ANNUAL REPORT – 2013

CORPORATION HISTORY

Civic Center Monroe County Local Development Corporation (“Civic Center”) is a Not-for-Profit Local Development Corporation pursuant to Sections 402 and 1411 of the Not-for-Profit Corporation Law of the State of New York. It was established in November 2002 and is governed by a Board of Directors.

Civic Center purchased the Civic Center Garage in 2003 and contracts with a service provider for its day to day operations. In addition, Civic Center manages the operation of several surface lots. Thirty five (35) percent of all garage revenue in excess of \$1,000,000 is returned to Civic Center. Starting in 2014, the percentage of revenues payable to the LDC will increase from 35% to 50%

Civic Center’s mailing address is 8100 CityPlace, 50 West Main Street, Rochester, New York. Its website can be viewed at www.civiccenterldc.com.

DESCRIPTION OF CORPORATION AND BOARD

Civic Center has a Board of Directors comprised of the County Executive (Designee) and three (3) members appointed by the County Executive of Monroe County. Regular meetings are held quarterly with the annual meeting in March. Special Meetings are conducted on an as needed basis. Standing Committees include an Audit Committee, Governance Committee, and Finance Committee. Meeting minutes and attendance can be found on the Corporation’s website. A summary of the Board’s annual self evaluation can be found in Exhibit A.

In 2013, Aaron Sperano’s term as Board member expired. David Moore was appointed by the Monroe County Executive to serve a three year term on the Board.

Civic Center had no employees during 2013.

MISSION

Civic Center Monroe County LDC operates and manages parking facilities in downtown Rochester, New York. Our mission is to provide public parking to customers and to manage our operations efficiently in accordance with all legal requirements.

The performance measure report is attached to this report as Exhibit B.

OPERATIONS AND ACCOMPLISHMENTS

A summary of key activities and accomplishments in 2013 are listed below:

1. Total revenue from garage operations for 2013 was \$506,329, representing a slight increase in revenue of approximately 2.8% from the previous year. The primary reason for this increase is attributable to the winding down of renovations at the Civic Center Garage.

2. Adopted or re-adopted all policies and procedures including:

- Business and Travel Expense
- Code of Ethics
- Credit Card
- Freedom of Information
- Internal Controls and Financial Accountability
- Investment
- Non Collusion
- Public Comment Period
- Purchasing
- Responsibility of Members and Officers
- Tracking Inventory and Disposal of Assets
- Whistleblower

3. The Contractor selected by Civic Center in 2011 to perform renovations to the Civic Center Garage completed the following in 2013:

Lower level:

- Completed Overhead Concrete Repairs - underside of upper level concrete deck
- Completed Slab Repairs – lower level floor slab and at new drainage system installations
- Completed Drainage Repairs – De-scaled all underground piping & downspouts, replaced all damaged/cracked piping, removed & replaced all damaged/non-functioning drains and cleanout, added additional new cleanouts to insure full drainage line access for future cleaning, cleared & cleaned entire garage drainage system & discharge structures to sumps, and videoed lines.

Upper level:

- Completed Drain Replacement – Removed non-functioning drains, installed

new, and pour replacement concrete floor.

- Completed Drain line Replacement– Removed all of the deteriorated/constricted drain lines and down spouts connecting the upper level drains to the underground drainage system and install new PVC drain lines & downspouts
- Revenue Control Equipment – Completed Temporary removal, relocation, and reinstallation of revenue control equip and attendants booths to accommodate concrete deck repairs at garage entrances.
- Completed protection of Waterproof Membrane System (PWMS) – Removed existing failed Waterproof Membrane & Asphaltic protection traffic surface. Installed new Waterproofing & Protection Surface.
- Completed Partial & Full Depth Concrete Repairs – Repaired deteriorated concrete underneath PWMS
- Completed Moisture Protection – Removed & replaced failed joints and repaired cracks.

All work on the garage was substantially completed in 2013. Some punchlist work remained for 2014.

4. Updated the Corporation’s website and filed reports with the State Budget office.

FINANCIAL REPORTS

The audited financials and Independent Auditors’ Report are attached to this report.

SCHEDULE OF BONDS AND NOTES

Civic Center had no Bonds or Notes payable as of December 31, 2013.

FINANCIAL PLAN

A multi-year operating budget is submitted to the Board each year for adoption. The most recent adopted budget is presented in Exhibit C.

LISTING OF REAL ASSETS AND REAL ASSETS DISPOSED OF OR INTENDED TO BE DISPOSED OF

Civic Center owns the Civic Center Parking Garage in Rochester, New York. The Garage and related land was valued at \$7,358,029 net of depreciation as of December 31, 2013. Civic Center did not dispose of any real property in 2013.

CODE OF ETHICS

The Code of Ethics for Civic Center is attached as Exhibit D to this report.

PROCUREMENT REPORT

The Procurement Report for 2013 is included in this report as Exhibit E.

ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROL STRUCTURE AND PROCEDURES

Exhibit F to this report certifies that the internal control structure and procedures for 2013 were documented and assessed by the Board's President.

GARAGE SECURITY: In January 2014, the Board approved a contract with an independent security company to conduct regular patrols of the Civic Center Garage during peak business hours. The contract was approved in response to numerous customer complaints and liability concerns regarding the homeless utilizing the garage as a shelter and the presence of other trespassers. The Contract was expected to be executed and go into effect in 2014.

EXHIBIT A

EXHIBIT A

CIVIC CENTER MONROE COUNTY

Summary Results of Confidential Evaluation of Board Performance - 2013

Criteria	Agree #	Somewhat Agree #	Somewhat Disagree #	Disagree #
Board members have a shared understanding of the mission and purpose of the Authority.	3			
The policies, practices and decisions of the Board are always consistent with this mission.	3			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	3			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	3			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	3			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	3			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	3			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	3			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	3			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	3			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	3			
Board members have the opportunity to research, discuss, question and prepare before decisions are made and votes taken.	3			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	3			
The Board exercises appropriate oversight of the operation.	3			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	3			
Board members demonstrate leadership and vision and work respectfully with each other.	3			

Date Completed: March 12, 2013

EXHIBIT B

EXHIBIT B

**CIVIC CENTER MONROE COUNTY
PERFORMANCE MEASURES REPORT**

**Performance Measures Rating Sheet
2013**

Civic Center Mission Statement: “Civic Center Monroe County LDC operates and manages parking facilities in downtown Rochester, New York. Our mission is to provide public parking to customers and to manage our operations efficiently in accordance with all legal requirements.”

Items Evaluated:	Possible Points	Rating
1. Regular Budgetary Review and Reporting (“manage our operations efficiently”)		
• Regular Budget Update Reports submitted to Board	10	10
• Quality of Reports	10	9
• Performance to Budget	15	13
2. Approvals of Policies and Procedures (“in accordance with all legal requirements.”)		
• Written Policies and Procedures	10	10
• Board Approval and Annual Review	10	10
3. Operational Policy Analysis (“in accordance with all legal requirements.”)		
• Procurements, Checks, Invoices	10	10
• Audit Results	15	15
4. Required Reporting (“in accordance with all legal requirements.”)		
• Board approvals and timely submission of the following: Annual Report; Procurement Report; Investment Report; Budget and Audit.	<u>20</u>	<u>20</u>
TOTAL	100	97

EXHIBIT C

CIVIC CENTER MONROE COUNTY LOCAL DEVELOPMENT CORPORATION
Financial Plan

	Adopted Budget 2013	Actual 2013	Adopted Budget 2014	Proposed 2015	Proposed 2016	Proposed 2017
REVENUE & FINANCIAL SOURCES						
Operating Revenues						
Charges for services	705,530	686,880	909,831	909,831	909,831	909,831
Rental & financing income	0	0	0	0	0	0
Other operating revenues	340,000	340,000	340,000	340,000	340,000	340,000
Total Operating Revenues	1,045,530	1,026,880	1,249,831	1,249,831	1,249,831	1,249,831
Nonoperating Revenues						
Investment Earnings	600	569	600	600	600	600
State subsidies/grants	0	0	0	0	0	0
Federal subsidies/grants	0	0	0	0	0	0
Municipal subsidies/grants	0	0	0	0	0	0
Public authority subsidies	0	0	0	0	0	0
Other nonoperating revenues	0	0	0	0	0	0
Total Nonoperating Revenues	600	569	600	600	600	600
Proceeds from the issuance of debt	0	0	0	0	0	0
Total Revenues & Financing Sources	1,046,130	1,027,449	1,250,431	1,250,431	1,250,431	1,250,431
EXPENDITURES						
Operating Expenditures						
Salaries and wages	0	0	0	0	0	0
Other employee benefits	0	0	0	0	0	0
Professional Service contracts	35,500	46,116	36,000	36,000	38,000	38,000
Supplies and materials	0	0	0	0	0	0
Other operating expenditures	910,630	713,013	1,007,748	1,007,748	1,005,748	1,005,748
Total Operating Expenditures	946,130	759,129	1,043,748	1,043,748	1,043,748	1,043,748
Nonoperating Expenditures						
Principal payment on bonds and financing arrangements						
Interest and other financing charges	0	0	108,757	116,330	124,429	133,093
Subsidies to other public authorities	0	0	97,926	90,353	82,254	73,590
Capital asset outlay	0	0	0	0	0	0
Grants and donations	100,000	78,500	0	0	0	0
Other nonoperating expenditures	0	0	0	0	0	0
Total Nonoperating Expenditures	100,000	78,500	206,683	206,683	206,683	206,683
Total Expenditures	1,046,130	837,629	1,250,431	1,250,431	1,250,431	1,250,431
Capital Contributions	0	0	0	0	0	0
Excess (deficiency) of revenues and capital contributions over expenditures	0	189,820	0	0	0	0

EXHIBIT D

CIVIC CENTER MONROE COUNTY LOCAL DEVELOPMENT CORPORATION

Code of Ethics Policy

ARTICLE I Purpose

Civic Center Monroe County Local Development Corporation ("Corporation") must conduct its operations in a manner that best serves the interest of its customers and the general public. The Corporation expects all members, officers and employees to observe high ethical standards of conduct in the performance of their duties, comply and cause the Corporation to comply with all laws and regulations governing business transactions, and use and cause the Corporation to use its funds and assets only for legal and appropriate purposes.

ARTICLE II Policies

1. Incorporation of Public Officers Law Section 74. As required by Public Authorities Law Section 2594 the provisions of Public Officers Law Section 74 (code of ethics) are incorporated herein, and each member, officer and employee shall fully comply with the provisions set forth therein. A copy of Section 74 is attached hereto.

2. Gifts and Favors. **No officer or employee shall, directly or indirectly, solicit any gift or accept or receive any gift having more than a nominal value, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or in any other form, from any person, firm, corporation or other entity that has a direct or indirect interest in any contract for the provision of goods or services to the County of Monroe or any agency thereof. The term "gift" shall be defined pursuant to New York Legislative Law Section 1-C(j) as amended from time to time.**

3. Borrowing Funds. No member, officer or employee shall borrow money from the Corporation, suppliers, significant commercial customers, or individuals of a firm with whom the Corporation does business (loans or mortgages from banks or individuals doing business with the Corporation are exempted if the terms are at current rates and the customary collateral for such transactions is provided).

4. Acquiring Interest in Real Estate. No member, officer or employee shall acquire an interest in real estate in which it is known that the Corporation has a current or anticipated future interest.

5. Soliciting Funds. No member, officer or employee shall solicit funds or other items of value from Corporation vendors, suppliers or consultants for oneself or to benefit any organization, club or person, whether such other persons or entities are charitable, religious or profit making.

6. Designation of Bank as Depository. The provisions of this code shall not apply to the designation of a bank or trust company as a depository, paying agent, registration agent, or other investment in funds of the Corporation in which a member, officer or employee has an interest by reason of ownership or employment.

ARTICLE III Conflict of Interest Policy

1. In the event any member, officer or employee has a financial interest (ownership or investment interest, or compensation arrangement) directly or indirectly through a relative (spouse, child, step-child, brother, sister, parent, step-parent or a person claimed as a dependant on the latest income tax return) with any entity or individual in which the Corporation has a business transaction, said interest shall be disclosed in writing or verbally at a duly called Board meeting and said disclosure shall be disclosed in the minutes.

2. The remaining members of the Board shall determine, after due deliberation and in the absence of the member with the financial interest, whether a conflict of interest exists.

3. If a conflict of interest is determined to exist the disinterested Board Members shall determine by majority vote, in the absence of the member with the conflict, whether the transaction or arrangement is in the Corporation's best interest and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

ARTICLE IV Disclosure Statements

On an annual basis, the Corporation shall obtain a completed financial disclosure statement (in the form set forth as Exhibit A attached hereto, "disclosure statement") from each member and employee having management responsibility of the Corporation. Said disclosure statement shall be filed on or before April 15 in each year and any new Board Member or employee appointed to the Corporation shall file a disclosure statement within 30 days of said appointment. All disclosure statements shall be filed with the Chairman who shall cause said statements to be reviewed on an independent basis and shall file said statements with the Monroe County Board of Ethics as required by the Public Authorities Accountability Act of 2005 Section 2825(3).

ARTICLE V
Violation

Any person who knowingly and intentionally violates any of the provisions of this Code may be fined, suspended or removed from office or employment as the case may be in the manner provided by law.

ARTICLE VI
Distribution of Code

The Chairman of the Board shall cause a copy of this Code of Ethics to be distributed to every member, officer and employee of the Corporation within thirty (30) days after its adoption. Each member or employee appointed thereafter shall be furnished with a copy before entering upon the duties of his or her office or employment.

Amended: July 18, 2013
Re-Adopted: March 21, 2013
Re-Adopted: March 29, 2012
Re-Adopted: March 30, 2011
Re-Adopted: October 28, 2010
Re-Adopted: October 22, 2009
Revised: May 28, 2009
Re-Adopted: October 23, 2008
Re-Adopted: October 16, 2007
Adopted: April 6, 2006

EXHIBIT E

**Civic Center Monroe County LDC Procurement Report - Fiscal Year 2013
Purchases Over \$5,000**

Vendor Name	Procurement Description	Award Process	Award Date	End Date	Amount Expensed FY 2013
1 Monroe County Finance	Management Agreement	Contract/Competitive Bid	11/1/2003	10/31/2023	180,551
2 Bonadio & Co., LLP	Accounting/Audit services	Contract/Competitive Bid	1/1/2011	12/31/2013	13,500
3 Brown & Brown Insurance	Insurance coverage	Contract/Competitive Bid	2/1/2013	2/1/2014	22,788
4 Brown & Brown Insurance	Insurance coverage	Contract/Competitive Bid	8/1/2013	8/1/2014	11,292
5 Adams Bell Adams PC	Consultant management services	Contract/Competitive Bid	1/1/2013	12/31/2015	17,000
6 County of Monroe Industrial Development Agency (COMIDA)	Payment in lieu of taxes (Monroe County)	Non-Contract/Purchase Order	12/1/2003	12/31/2023	50,612
7 County of Monroe Industrial Development Agency (COMIDA)	Payment in lieu of taxes (City of Rochester)	Non-Contract/Purchase Order	12/1/2003	12/31/2023	164,789
8 Monroe County Dir. Of Finance	Garage - reimbursement for electric usage	Contract/Non-Competitive Bid	12/30/2003	12/30/2023	132,691
9 Crane-Hogan Structural Systems Inc.	Design-Build Civic Center Garage repairs and renovations	Contract/Competitive Bid	10/28/2011	TBD	78,500
Total					671,723

EXHIBIT F

EXHIBIT F

CIVIC CENTER MONROE COUNTY.
ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROL STRUCTURE
AND PROCEDURES

This statement certifies that the internal control structure and procedures of the Civic Center Monroe County LDC have been documented and assessed for the year ending December 31, 2013. This assessment found the Corporation's internal controls to be adequate, and to the extent that deficiencies were identified, the Corporation has developed corrective action plans to reduce any corresponding risk.

Charles H. Stuart 06 MARCH 2014

Charles H. Stuart

President

Civic Center Monroe County