

**COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY
OTSEGO COUNTY CAPITAL RESOURCE CORPORATION
AUDIT & FINANCE COMMITTEE
APRIL 12, 2018
MEETING MINUTES**

CALL TO ORDER

The COIDA's and OCCRC's joint Audit & Finance Committee meeting was called to order at 9:27am at the Otsego Now offices located at 189 Main Street, Suite 500, Oneonta, New York. Committee members present were Jeffrey Lord, Tom Armao, Craig Gelbsman, and Andrew Marietta. Also, agency counsel, Kurt Schulte and Otsego Now staff members; CEO, Jody Zakrevsky, and Administrative Director, Meaghan Marino.

The following topics were discussed:

- Jeffrey Lord, Chairman of the Audit & Finance Committee, started off the meeting by going over the bills and deposits since the board last met on March 22nd. There was nothing out of the ordinary with bills or deposits. T. Armao made a motion to approve and pay the bills. A. Marietta seconded the motion, and it was approved by voice vote from the remaining members.
- J. Zakrevsky provided board members with his 2018 amended budget and a YTD look of our expenses by month. Nothing stood out in significance to the board. Two of March's biggest expenses were for Delaware Engineering and Elan Planning. Our largest deposit was a grant reimbursement from Empire State Development.
- The board briefly discussed the correspondence that agency counsel, K. Schulte sent to RLM Land, LLC's (Enviro Energy) attorney. In it, the IDA gave permission to RLM Land to sell 3 acres of the approx. 70 acres that the IDA has a mortgage on and make a monthly payment of \$500 to the IDA, conditional upon a direct assignment of the sales contract. As of now, K. Schulte has not heard back from their attorney, but they did make a payment to the IDA.
- M. Marino updated the board on JSJJ Enterprises requesting an extension of their loan for a period of 2 years. Their loan is set to mature in 2019 and at that time their balance will be around \$32,000. They already know they will not be able to pay it off at that time and are requesting the extension. The board is requesting copies of their financials from the last year, K. Schulte is requesting to look over the original loan documents, and the board anticipates consideration of an extension at the April board meeting.
- J. Zakrevsky advised the board that our auditors would be here next Thursday to give a presentation on their draft of the audit. He's requested M. Marino to send out an invite to all board members to attend. He mentioned to the committee that one of the most frustrating aspects of the audit was PILOT information. The state requires us to report what our clients with PILOT exemptions pay each year, and not all the numbers we received on reported PILOT payments matched the numbers we had in the PILOT agreements. M. Marino is currently working with the county to verify all 2017 payments. Upon completion of the 2017 audit, we will run PILOT schedules for all PILOT exemptions for 2018 and send them to the taxing jurisdictions to ensure they match. Also, J. Zakrevsky would like all future PILOTS to have the same PILOT schedule.

- J. Zakrevsky updated the audit and finance committee on his meeting with Mary Beth Bianconi, of Delaware Engineering. They determined that the environmental assessment and geotechnical study that Malcolm Pirnie Inc. completed previously on the Oneonta Rail Yards is sufficient for the current study that Delaware Engineering is doing on the property. By eliminating these pieces from their work, Delaware Engineering will reduce the cost of their contract by approximately \$105,000.
- The IDA received a sponsorship request for the NYS Economic Development Council for \$5,000 for their 2018 Annual Meeting. The money would go towards a reception at the Otesaga Hotel in Cooperstown, where the meeting is being held. The IDA has sponsored this event in previous years, and J. Zakrevsky wanted the committee's thoughts on sponsoring this year. Because the event is in our backyard, they determined it would be a good networking event for J. Zakrevsky and opted that we should sponsor the event, and he should go on behalf of the IDA.
- J. Zakrevsky would like to update the signers on all our bank accounts, and provide M. Marino with access to view account information online. The topic was briefly discussed, and it was decided we would determine signers and vote at the April board meeting.
- J. Zakrevsky is finalizing the PILOT information with Corning. He gave them estimates, but they are pushing back on attorney fees. He reviewed the fees with the committee and provided proposals from other law firms, that appear to substantiate the current estimates he provided. He feels confident that he can work specifics out with Corning and will have more information for the April board meeting.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 10:24am.

UPCOMING MEETING SCHEDULE

The next Audit & Finance Committee meeting will be held on May 10, 2018 at 8:00am.