

**COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
OTSEGO COUNTY CAPITAL RESOURCE CORPORATION**

**AUDIT & FINANCE COMMITTEE  
JANUARY 10, 2019  
MEETING MINUTES**

**CALL TO ORDER**

The COIDA's and OCCRC's joint Audit & Finance Committee meeting was called to order at 8:00am at the Otsego Now offices located at 189 Main Street, Suite 500, Oneonta, New York. Committee members present were:

Jeffrey Lord  
Patricia Kennedy  
Jeffery Joyner  
Andrew Marietta\*

Craig Gelbsman\*  
Tom Armao  
Cheryl Robinson

Also, in attendance:

**STAFF**

Jody Zakrevsky, CEO  
Meaghan Marino, Director of Finance and Administration  
Kurt Schulte, Agency Counsel

\*Arrived after meeting start

**CHAIRMAN'S COMMENTS**

Jeff Lord, Chair of the Audit & Finance Committee, welcomed board members and staff and moved immediately into the agenda.

**MEETING MINUTES**

J. Lord requested a motion to approve the November COIDA/OCCRC board meeting minutes. These minutes couldn't be approved at the December board meeting due to a lack of quorum. Board members were given a draft copy of the minutes prior to the meeting for review. J. Lord J. Joyner made a motion to approve the meeting minutes. C. Robinson seconded, and the motion was approved by remaining board members.

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## **REVIEW OF FINANCIALS**

J. Zakrevsky provided board members with his 2018 amended budget and a YTD look at our expenses by month. J. Zakrevsky noted that by the end of 2018, the agency received approximately \$100,000 more in income than our total yearly expenses. Board members noted that, financially, the IDA is in a much better position now than it was a year ago.

## **PAYMENT OF BILLS**

J. Lord reviewed the bills and deposits since the December COIDA board meeting on December 27<sup>th</sup>. Most were normal operating expenses, with the exception of a \$6,500 engagement fee to begin work with Strategic Rail Finance and a \$1,000 deposit on a property in Pony Farm. The largest expense came from Delaware Engineering for the work on the Route 205 traffic study. Also noted, Cooperstown Distillery paid off both of their loans to the IDA. J. Joyner made a motion to pay the bills presented. T. Armao seconded, and the motion was approved by remaining board members.

## **NEW/UNFINISHED BUSINESS**

- Railroad Management Co. Invoice – J. Zakrevsky explained that in 1981 an agreement was made between the IDA and Railroad Management Co. to build a watermain under the railroad leading to Pony Farm. M. Marino was able to obtain a copy of the agreement and after reading through, determined that the original annual fee was \$25/mo. However, the latest invoice is for \$514.54. Before seeking approval to pay the bill (which isn't due until April), M. Marino is reaching out to the company to understand the increase in the annual payment.
- County 2019 Budget Appropriation – The Otsego County Board appropriated \$75,000 for 2019 towards IDA projects. Board members questioned what J. Zakrevsky had in mind for the funds. He advised the county board that the income would be used for the Rail yards consulting work with Strategic Rail Finance and Schumaker Engineering. Remaining funds would be used to hire an additional staff person on a consultant basis. In September 2019, J. Zakrevsky will update the County board on projects that the money was used for. The County will then determine if future funding would be available for the IDA. Should the County appropriate yearly funding to the IDA, J. Zakrevsky said that he would then consider hiring another staff full-time.
- Revenue Plan – J. Zakrevsky advised the board that after a meeting with J. Lord and discussing the priority projects for 2019, J. Lord suggested that a revenue plan should be an initial priority initiative. J. Zakrevsky said that the IDA is in good shape for 2019, but will need additional revenues for 2020 and now is the time to start considering what those will be. J. Zakrevsky will begin working on the Revenue/Capital Plan and get it back to the board ASAP.
- December 2015 Transfer of Funds – M. Marino reminded the board that in 2015 the OCCRC transferred \$400,000 to the IDA to cover the expenses for the Cooperstown Comprehensive Plan and the Richfield Springs Comprehensive Plan. Both plans were completed, and the funds reimbursed to the IDA in 2018. There is \$78k in the IDA account that was never expensed. Based on the meeting minutes from 2015, there is no mention of the funds going back to the CRC, so M. Marino asked the board if the money should stay in the IDA's account, or go back to the CRC? J. Lord and C. Gelbsman, the only board members who were on the board in 2015, said they specifically remember the money was supposed to be moved back to the CRC upon the IDA's reimbursement from the state. M. Marino then asked if it was the intention to reimburse the entire \$400,000 back to the CRC once the IDA was reimbursed for the projects. A brief discussion

ensued, and it was determined that no action would be taken until J. Zakrevsky completes his revenue plan.

- ESD Grant AA042 – The IDA was awarded three grants for the Workforce Development Training Center. One was a Small Cities grant, another was directly from Empire State Development (ESD), and the third was from the Mohawk Valley Regional Council (MVRC), using ESD funds. J. Zakrevsky explained that the ESD project manager, for the third grant, doesn't feel like we should have been awarded the funds from the MVRC; he feels that the IDA is double-dipping because they were already given two grants for the project. He also explained that M. Marino has not been able to find the expenses that were tied directly to the MVRC and not to the other two grants. J. Zakrevsky advised the board that he would be issuing a resolution at the January Board meeting to write-off the grant, but he will still make an effort with ESD to attempt to appropriate the funds for a separate project. Board members agreed with the write-off and encouraged the use of the funds for another venture.

## **ADJOURNMENT**

There being no further business to discuss, J. Joyner made a motion to adjourn the Audit & Finance committee meeting at 8:30am. T. Armao seconded the motion, and it was approved by remaining members.

## **UPCOMING MEETING SCHEDULE**

The next Audit & Finance Committee meeting will be held on February 14<sup>th</sup>, 2019 at 8:00am.