

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

**AUDIT & FINANCE COMMITTEE
JANUARY 13, 2022
MEETING MINUTES**

CALL TO ORDER

The COIDA and OCCRC's joint Audit & Finance Committee meeting was called to order at 8:02am at the Otsego Now offices at 189 Main Street in Oneonta, NY. Members were given the option to attend the meeting virtually (v) or in-person. Members present included:

Jeffrey Lord (v)
Patricia Kennedy (v)
David Rowley
Jeffery Joyner (v)

Craig Gelbsman
Andrew Marietta (v)
Cheryl Robinson
Tom Armao (v)

Also, in attendance:

STAFF

Jody Zakrevsky, **CEO**
Meaghan Marino, **Dir. of Finance and Admin.**

CHAIRMAN'S COMMENTS

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

MEETING MINUTES

J. Lord requested a motion to approve the meeting minutes from the December 9th Audit & Finance Committee meeting. Members were given the draft minutes prior to the meeting for review. There being no corrections, D. Rowley made a motion to approve the meeting minutes. C. Gelbsman seconded the motion, and it was approved by remaining members.

PAYMENT OF BILLS

J. Lord reviewed the bills and deposits made since the December 23rd board meeting. Committee members received a report of the expenses and deposits prior to the meeting to review. He noted that the largest expenses listed were for rent at 189 Main Street and for the agency's marketing campaign.

C. Robinson made a motion to approve paying the expenses presented to the committee. P. Kennedy seconded the motion, and it was approved by remaining members.

REVIEW OF FINANCIALS

J. Lord pointed out to the committee that there were no financial reports for December from Jim Lozano, CFO. He hadn't been able to make it into the office prior to the committee meeting to get reports ready. J. Zakrevsky noted that we had a better year over last year, with a surplus of approximately \$148,000. He noted that the Otsego County appropriated \$75,000 for the agency, which was their appropriation prior to the COVID-19 pandemic. He has also been in talks with County officials about a larger increase for 2023.

NEW AND UNFINISHED BUSINESS

2021 Financial Audit – M. Marino advised the committee that the agency received engagement letters from Mostert, Manzanero & Scott, LLP. to conduct the agency's 2021 financial audit. The committee agreed with moving forward with Mostert, Manzanero & Scott.

BST – We received a notice from BST, the agency's outside accounting firm, was raising their fee for 2022 from \$900/month to \$1,100/month. T. Armao asked about the policies regarding rotating firms/partners who conduct the audits. M. Marino advised that you do not need to change the firm, but you need to rotate the partner who conducts the audit every five years. This would be Mary Manzanero's fourth year handling the agency's audit.

Klugo – J. Zakrevsky advised that Klugo has not paid their PILOT administrative fee from 2021, but we've sent them an updated bill for both 2021 and 2022. C. Robinson asked how much the annual fee is; M. Marino advised that it is \$703.50.

Rural Innovation Stronger Economy Grant – J. Zakrevsky advised the committee of this USDA grant application that is due at the end of February that is specifically targeted to Innovation Centers. The grant provides up to \$2,000,000 to build/purchase a facility for an Innovation Center. He noted that there is an option to buy the 189 Main Street building for this project. D. Rowley asked, should the agency be awarded the grant, can we then choose between buying or building? Or does the board need to decide prior to applying? J. Zakrevsky advised that once awarded we can determine what to do with the funds. J. Lord asked what the parameters and restrictions of the grant award are. J. Zakrevsky advised this grant was posted in the federal registrar a few weeks ago, so he is unaware of the restrictions once a project is funded. He did note that the funds can be used to purchase, build, or equip a building. He also noted that it is an 80% match, so the agency would need to come up with 20% of the project amount. P. Kennedy noted that the Binghamton Kaufman Innovation Center is run in partnership with SUNY, she asked if this type of arrangement could be possible here? Or if a conversation has been had with SUNY Oneonta President Alberto Cardalle? J. Zakrevsky noted that he met with Alberto Cardalle about a month prior and the Innovation Center came up. Alberto has experience with Innovation Centers from previous college jobs, and he was very interested in being part of the dialogue to get one going in Otsego County. J. Zakrevsky also noted that a professor from Hartwick is part of the group (IOXUS, Custom Electronics, Hartwick, and Otsego Now) working together to bring this project to fruition. P. Kennedy asked if there is an opportunity for SUNY or Hartwick to own the facility as opposed to the IDA owning it. C. Robinson also asked for clarification on if the IDA receives the funds do we have to own the project or can we hold the funds for the potential owners? This would alleviate having to have the ownership question now, so the committee/board can focus on if they'd like to apply for the grant. J. Zakrevsky noted that we would write the grant application that way. The committee agreed that if it has enough flexibility in the application, then they would support applying for the funds. J. Zakrevsky advised that he

received a proposal from the MRB Group to apply for the grant at a cost of \$15,000. He advised that he also reached out to Barton & Loguidice for a proposal, but he has not received one as of yet.

ADJOURNMENT

There being no further business to discuss, D. Rowley made a motion to adjourn the Audit & Finance committee meeting at 8:29am.

UPCOMING MEETING SCHEDULE

The next Audit & Finance Committee meeting is February 1st, 2022 at 8:00am.