

Audit & Finance Committee Meeting
August 11th, 2022
8:00 A.M.

Jeff Lord, Chair • Craig Gelbsman, Vice Chair • Patricia Kennedy • Andrew Marietta
Jeff Joyner • Tom Armao • Cheryl Robinson • David Rowley • James Seward

Jody Zakrevsky, CEO • Meaghan Marino, Director of Finance and Administration
Joseph Scott, Bond Counsel • Kurt Schulte, Agency Counsel

1. Chairman's Comments
2. Approval of July 14th Audit & Finance Committee Minutes
3. Payment of Bills
4. Review of Financials
5. New and Unfinished Business
 - 2023 Budget

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

**AUDIT & FINANCE COMMITTEE
JULY 14TH, 2022
MEETING MINUTES**

CALL TO ORDER

The COIDA and OCCRC's joint Audit & Finance Committee meeting was called to order at 8:00am at the Otsego Now offices at 189 Main Street in Oneonta, NY. Members present included:

Jeffrey Lord*
Cheryl Robinson
Craig Gelbsman
Jeffery Joyner

David Rowley
Patricia Kennedy
Tom Armao
James Seward

Also, in attendance:

STAFF

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

* arrived after start of meeting.

CHAIR'S COMMENTS

J. Lord was late to the meeting, so C. Gelbsman started the meeting by forgoing the Chair's comments.

MEETING MINUTES

J. Lord requested a motion to approve the meeting minutes from the June 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. J. Seward seconded the motion, and it was approved by remaining members.

PAYMENT OF BILLS

C. Gelbsman reviewed the bills and deposits made since the June Board meeting. Committee members received a report of the expenses and deposits prior to the meeting to review. M. Marino noted that all of the expenses were normal operating expenses

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

REVIEW OF FINANCIALS

J. Zakrevsky reviewed his YTD budget for the committee. Members were given a copy of the report prior to the meeting to review. He noted that equity is up by approximately \$100,000, because of unanticipated PILOTs, like the Ford Block project. D. Rowley questioned if the agency had received any sort of settlement offer from Foothills for repayment of the loan they have with the agency. J. Zakrevsky advised that we have not. D. Rowley noted that a group is very close to purchasing the Oneonta Theatre, of which the current owner also has an outstanding loan with the agency. He anticipates that the group will make an offer to the IDA to clear that debt and wondered if the agency should make a proposal to Foothills to close out the loan, or wait. There was a brief discussion about an offer that was made by Foothills to pay off their bank lenders at approximately 50% of their debt and to pay off the IDA at 10%. By paying off the bank lenders and not the IDA, it puts the IDA in first position to foreclose on the property. Board members agreed that Foothills needs to start making payments on their \$100,000 loan with the agency, that should have been paid off by 2019. J. Lord asked what the repayment number would be knowing that the principle is \$100,000, but what is the interest payment after 14 years.

NEW AND UNFINISHED BUSINESS

- **2023 County Budget Appropriation** – J. Zakrevsky advised that he attended the County's IGA Committee meeting where they recommended releasing the \$75,000 in their budget for the IDA's annual appropriation. He will now have to go to the County's Administrative Committee, followed by the full board. While there he also reviews with the committees/board what the IDA has been working on and what the agency does with the County's appropriation. He also advised the board that he requested an increase in the agency's appropriation for next year. In 2014, the IDA was receiving \$276,000 from the County, so J. Zakrevsky requested that the County return to that amount, which would stabilize the IDA's finances.

EXECUTIVE SESSION

D. Rowley made a motion to enter executive session with committee members only, under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:11am for the following reasons: To discuss the financial history of an outstanding loan with the agency. C. Robinson seconded the motion, and it was approved by all committee members present. The committee entered executive session at 8:11am.

There was no action taken in executive session.

D. Rowley made a motion to enter back into public session; C. Robinson seconded, and all members approved. The committee exited executive session at 8:24am.

ADJOURNMENT

There being no further business to discuss, D. Rowley made a motion to adjourn the Audit & Finance committee meeting at 8:30am.

UPCOMING MEETING SCHEDULE

The next Audit & Finance Committee meeting is August 11th, 2022 at 8:00am.

DRAFT

COIDA DEPOSITS 7/14/2022 - 8/10/2022			
Vendor	Amount	Date of Deposit	Notes
CADE	\$1,050.00	9-Aug	aug. rent
IOXUS	\$5,000.00	1-Aug	aug. rent
Southern Tier 8	\$100.00	1-Aug	aug. rent
Southern Tier 8	\$100.00	1-Aug	july rent
Burr Truck	\$4,295.00	1-Aug	aug. rent
US House of Reps	\$750.00	19-Jul	july rent
	\$11,295.00		
TOTAL	\$11,295.00		
OCCRC DEPOSITS 7/14/2022 - 8/10/2022			
Vendor	Amount	Date of Deposit	Notes
Springbrook	\$1,750.00	9-Aug	admin fees
TOTAL	\$1,750.00		

COIDA EXPENSES 7/14/2022 - 8/10/2022				
Vendor	Amount Due	Due Date	Reimbursable?	Notes
BST	\$1,100.00			aug. '22 accounting fees
Controlled Tree Cut	\$500.00			9 Shaffer Ave - tree removal
Ed & Ed	\$49.00			copies/prints
First Bankcard	\$19.00	25-Aug		monthly gotomeeting
Fox Hollow Nursery	\$285.00			july landscaping
Fyr-Fyter	\$585.00			24hr. Alarm monitoring - Burr Truck
GreatAmerica	\$167.25	27-Aug		copier agreement
Hummel's	\$138.97			office supplies
ISD	\$73.75			monthly email exchange
Melex	\$4,116.67			aug. '22 rent
NY Dept. of Labor	\$54.28			unemployment insurance
NYSEG	\$81.37	25-Aug		pony farm utilities
NYSEG	\$712.32	24-Aug		otsego now utilities
Spectrum	\$289.95	21-Aug		otsego now wifi/voice
Spectrum	\$39.99	21-Aug		cade phones
Upstate Leadership	\$200.00			Sponsorship for TedXOneonta
COIDA TOTAL	\$8,412.55			

County of Otsego Industrial Development Agency
Comparative Balance Sheet
July 2022 vs July 2021

	<u>Jul 31, 22</u>	<u>Jul 31, 21</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
2000001 · Petty Cash	100.00	100.00	0.00
2000010 · Community Bank - Security Dep.	15,055.45	15,053.20	2.25
2051050 · Community Bank Money Market	4,025.48	4,025.12	0.36
2000000 · Community Bank Checking	368,480.36	157,731.53	210,748.83
2020000 · Community Bank CD	360,741.02	359,658.94	1,082.08
2051000 · NBT Money Market	233,153.46	233,036.90	116.56
Total Checking/Savings	<u>981,555.77</u>	<u>769,605.69</u>	<u>211,950.08</u>
Accounts Receivable			
11000 · *Accounts Receivable	6,000.00	6,000.00	0.00
Total Accounts Receivable	<u>6,000.00</u>	<u>6,000.00</u>	<u>0.00</u>
Other Current Assets			
3801000 · Unbilled Receivables/Grants	150,000.00	150,000.00	0.00
3950000 · Notes Receivable	231,932.09	254,951.47	-23,019.38
6080000 · Reserve for Bad Debt	-231,932.09	-231,932.09	0.00
4800103 · Prepaid Other	4,116.67	0.00	4,116.67
Total Other Current Assets	<u>154,116.67</u>	<u>173,019.38</u>	<u>-18,902.71</u>
Total Current Assets	<u>1,141,672.44</u>	<u>948,625.07</u>	<u>193,047.37</u>
Fixed Assets			
1010125 · Improvements - Soccer Property	11,300.00	11,300.00	0.00
1010120 · Building - Soccer Hall of Fame	1,649,608.91	1,649,608.91	0.00
1010110 · Land - Soccer Hall Property	681,190.00	681,190.00	0.00
1030105 · Improvements - Leased Office	1,476.60	1,476.60	0.00
1010101 · Land -- Pony Farm	465,794.69	465,794.69	0.00
1010103 · Land - Richfield	82,926.80	82,926.80	0.00
1020000 · Siemens Building (original)	572,706.52	572,706.52	0.00
1030101 · Impvmts PF 1990 to 2006	550,485.70	550,485.70	0.00
1030102 · Imprvmts - PF - Rail Siding	226,056.85	226,056.85	0.00
1030103 · Improvements - Siemens 2000	55,297.30	55,297.30	0.00
1030200 · Imprvmts RS 2001 to 2004	154,416.48	154,416.48	0.00
1030300 · Improvements - Siemens 2006	93,772.00	93,772.00	0.00
1040010 · Furniture & Fixtures	44,312.82	44,312.82	0.00
1040000 · Machinery & Equipment	105,491.89	105,491.89	0.00
1050146 · Engineering - RS 2006	4,644.60	4,644.60	0.00
1120000 · Accum Deprec - Bldg	-460,851.35	-418,848.23	-42,003.12
1150000 · Accum Dep - Incubator	-505,043.68	-482,891.56	-22,152.12
1160000 · Accum Deprec- Office Equip	-172,380.47	-146,162.03	-26,218.44
Total Fixed Assets	<u>3,561,205.66</u>	<u>3,651,579.34</u>	<u>-90,373.68</u>
Other Assets			
3830000 · Accrued Interest Receivable	1,390.54	1,390.54	0.00
Total Other Assets	<u>1,390.54</u>	<u>1,390.54</u>	<u>0.00</u>
TOTAL ASSETS	<u><u>4,704,268.64</u></u>	<u><u>4,601,594.95</u></u>	<u><u>102,673.69</u></u>

County of Otsego Industrial Development Agency
Comparative Balance Sheet
July 2022 vs July 2021

	<u>Jul 31, 22</u>	<u>Jul 31, 21</u>	<u>\$ Change</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
6000000 · Accounts Payable	4,460.90	13,968.37	-9,507.47
Total Accounts Payable	<u>4,460.90</u>	<u>13,968.37</u>	<u>-9,507.47</u>
Other Current Liabilities			
6000010 · Security Deposit - IOXUS	15,035.14	15,035.14	0.00
Total Other Current Liabilities	<u>15,035.14</u>	<u>15,035.14</u>	<u>0.00</u>
Total Current Liabilities	<u>19,496.04</u>	<u>29,003.51</u>	<u>-9,507.47</u>
Total Liabilities	<u>19,496.04</u>	<u>29,003.51</u>	<u>-9,507.47</u>
Equity			
9090000 · Fund Balance	4,768,038.00	4,768,038.00	0.00
32000 · Retained Earnings	57,017.44	405.10	56,612.34
Net Income	<u>-140,282.84</u>	<u>-195,851.66</u>	<u>55,568.82</u>
Total Equity	<u>4,684,772.60</u>	<u>4,572,591.44</u>	<u>112,181.16</u>
TOTAL LIABILITIES & EQUITY	<u>4,704,268.64</u>	<u>4,601,594.95</u>	<u>102,673.69</u>

Otsego IDA
Loan Portfolio - As of July 2022

	July 2022	June 2022	Change	Notes
3950000 · Notes Receivable				
3955051 · Brooks' Bottling -- Note Rec	0.00	1,919.89	(1,919.89)	
3954000 · Foothills -- Note Rec	100,000.00	100,000.00	0.00	
3952800 · Oneonta Theatre -- Note Rec	85,978.84	85,978.84	0.00	
3952200 · Enviro Energy -- Note Rec	45,953.25	45,953.25	0.00	
Total 3950000 · Notes Receivable	231,932.09	233,851.98	(1,919.89)	
6080000 · Reserve for Bad Debt				
6091000 · Reserve -- Enviro Energy	(45,953.25)	(45,953.25)	0.00	
6089000 · Reserve - Foothills	(100,000.00)	(100,000.00)	0.00	
6085000 · Reserve - Oneonta Theatre	(85,978.84)	(85,978.84)	0.00	
Total 6080000 · Reserve for Bad Debt	(231,932.09)	(231,932.09)	0.00	
Loan Balance, Net	0.00	1,919.89	(1,919.89)	

2022 COIDA Draft Budget				
Revised Projections				
Revenues	2021 Year's End	2022 Adopted Budget	YTD	Jul
Operating Revenues				
Charges for Services (PILOTs)	\$273,178.14	\$73,344.00	\$103,181.78	\$0.00
- Manor	\$50,000.00	\$50,000.00		
- Advanced Bio-Tech	\$50,396.30	\$3,500.00		
- Northern Eagle	\$3,850.00	\$3,850.00		
- Skyline Hospitalities				
- Hillside	\$1,500.00	\$1,500.00		
- Corning	\$7,791.00	\$7,791.00		
- Corning Solar				
- Corning Phase III Expansion	\$147,253.84	\$6,000.00		
- Simple Integrity, LLC				
- Heritage House	\$9,887.00	\$0.00		
- Klugo	\$2,500.00	\$703.00		
- Springbrook		\$4,607.00		
- Hickey Softball Fields				
Rental and Financing Income	\$124,700.00	\$134,220.00	\$79,015.00	\$11,095.00
- IOXUS	\$60,000.00	\$60,000.00	\$35,000.00	\$5,000.00
- Burr Trucking	\$42,950.00	\$51,540.00	\$30,065.00	\$4,295.00
- Rental in OBP for Digital Sign				
- Chamber of Commerce	\$0.00	\$0.00	\$0.00	
- Training Room Rental/Congressman	\$9,000.00	\$9,000.00	\$6,000.00	\$750.00
- Southern Tier 8	\$1,200.00	\$1,200.00	\$600.00	
- C.A.D.E.	\$11,550.00	\$12,480.00	\$7,350.00	\$1,050.00
- OCCRC				
Sub-Total Rentals				
Other Operating Revenue	\$913.37	\$1,200.00	\$29.70	\$3.23
Administrative Fees				
Other Operating Revenue - Misc. Pilots	\$0.00	\$0.00		
Bank Interest				\$3.23
Bad Debt Recovery/Bank Interest				
Otsego County Appropriation	\$63,750.00	\$63,750.00		
Operating Revenues	\$462,541.51	\$272,514.00	\$182,226.48	\$11,098.23

	2021 Year's End	2022 Adopted Budget	YTD	Jul
Non-Operating Revenues			\$556.52	\$0.00
Investment Earnings	\$87,538.20		\$0.00	
- Cleinman			\$0.00	
- JSJJ			\$0.00	
- Cooperstown Distillery			\$0.00	
- Cooperstown Distillery			\$0.00	
- Jones Marine			\$0.00	
- Brooks			\$35.34	
- HW Naylor				
- Enviro Energy			\$0.00	
State Subsidies/Grants	\$505,000.00	\$475,000.00		
- GE Microgrid Study			\$0.00	
- NYS ESD Grant Halal Meat Processing			\$0.00	
- Cooperstown Foundation			\$0.00	
- OCCRC Match				
- Railyard Study/ESD Richfield	\$150,000.00	\$475,000.00		
- 205 Traffic Study	\$30,000.00	\$0.00		
- Airport Study				
- GE Microgrid Study/ESD Richfield		\$0.00	\$0.00	
- ESD Grant for Richfield Spring	\$325,000.00			
Federal Subsidies/Grants	\$1,200,000.00	\$1,200,000.00		
Municipal Subsidies/Grants (Otsego Program Income)				\$0.00
Public Authority Subsidies				
Other Non-Operating Revenues			\$0.00	
- Operating Charges to OCCRC-Pilots	\$42,905.00	\$42,905.00		
- Hartwick	\$13,855.00			
- Springbrook	\$3,675.00			
- Bassett	\$25,375.00			
Sale of Property	\$0.00		\$0.00	
- Federal EDA Grant				
- IDA Fund Balance		\$575,000.00		
- Richfield Sewer and Water	\$875,000.00			
- OCCRC		\$300,000.00		
- County Loan		\$600,000.00		
Total Revenues	\$3,085,446.51	\$3,465,419.00	\$182,783.00	\$11,098.23

2022 COIDA Draft Budget				
	2021 Adopted Budget	2022 Adopted Budget	YTD	Jul
OPERATING EXPENSES				
<i>Salaries and Wages</i>	\$148,000.00	\$153,000.00	\$84,596.20	\$12,250.00
<i>Other Employee Benefits</i>	\$15,000.00	\$10,000.00	\$6,059.51	\$869.73
- DBL	\$4,000.00		\$33.60	\$4.80
- Other Benefits	\$0.00		\$378.60	\$62.60
- FICA	\$4,800.00		\$6,471.71	\$937.13
- SUTA	\$2,152.00		\$0.00	\$0.00
- Payroll Service	\$6,000.00		\$5,148.11	\$107.33
- Interns				
<i>Subtotal Salary and Benefits</i>	\$179,952.00	\$163,000.00	\$90,655.71	\$13,119.73
<i>Professional Service Contracts</i>	\$45,500.00	\$53,500.00	\$74,200.86	\$643.50
- Paperkite Creations			\$26,455.55	
- NYS EDC	\$0.00	\$5,000.00	\$5,000.00	
- ISD	\$2,000.00	\$5,000.00	\$0.00	
- Delaware Engineering	\$0.00		\$0.00	
- Elan Planning	\$0.00		\$0.00	
- CFO for Hire/BST	\$15,000.00	\$15,000.00	\$8,151.31	
- Hodgson Russ	\$5,000.00	\$2,000.00	\$0.00	
- Kurt D. Schulte	\$5,000.00	\$5,000.00	\$0.00	
- Audit	\$8,000.00	\$10,000.00	\$4,000.00	
- CGR	\$500.00	\$500.00	\$0.00	
- MVEDD	\$5,000.00	\$5,000.00	\$5,000.00	
- STEPRDB	\$5,000.00	\$6,000.00	\$6,000.00	
- ESD	\$0.00		\$0.00	
- PPE Recovery	\$0.00		\$0.00	
- Sweet Home Productions	\$0.00		\$0.00	
- Halal Meat Processing Facility	\$0.00		\$0.00	
- Barton & Loguidice	\$0.00		\$3,094.00	\$643.50
- Keystone Associates	\$0.00		\$0.00	
- MRB Group	\$0.00		\$16,500.00	
- CRBE Real Estate Appraisal	\$0.00		\$0.00	

	2021 Adopted Budget	2022 Adopted Budget	YTD	Jul
Advertising and Marketing	\$51,000.00	\$51,000.00	\$680.50	\$0.00
- Chamber of Commerce				
- Prolifiq/Memberships				
- Sweet Home Productions				
- Marketing	\$50,000.00	\$50,000.00		
Conference, Meetings	\$1,000.00	\$1,000.00	\$1,976.00	\$466.00
Supplies and Materials	\$5,000.00	\$5,000.00	\$2,528.13	\$240.98
- Office Cleaning				
- Office Supplies				\$240.98
Computer, Phones, Copier	\$10,000.00	\$10,000.00	\$5,349.83	\$616.68
- Copy Machine - Monthly Paper Fee				\$26.74
- Copier Finance Charge				\$167.25
- Data/Wifi/Internet: Spectrum				329.94
- Data/Wifi/Internet: ISD				\$73.75
- Otsego Telephone				
- Software Updates				\$19.00
Leased Office Space	\$57,540.04	\$57,540.04	\$32,933.36	\$8,233.34
Travel, Lodge, Meals	\$1,500.00	\$1,500.00	\$845.00	
Insurance	\$26,000.00	\$38,766.65	\$33,796.79	\$54.28
- Property Insurance				
- Non-Profit PA				
- NYFIF				
- Non-Profit Umbrella				
- Disability Benefits				
- Workers Comp				\$54.28
Utilities and Maintenance	\$25,000.00	\$25,000.00	\$6,566.00	\$1,145.29
- Incubator/Siemens (Hale Trans) Electric				
- Incubator/Siemens (Hale Trans) Gas				
- Accruals (Hale Trans)				
- Oneonta Business Park				\$65.14
- 189 Main Street				\$490.15
- Soccer Field Maintenance/Richfield WS	\$2,400,000.00			
- Pony Farm Grass Mowing				\$590.00
- General Maintenance				

	2021 Adopted Budget	2022 Adopted Budget	YTD	Jul
Filing, Payroll Services, Misc.	\$500.00	\$500.00	\$7,768.43	\$213.82
Interest: LOC	\$60,711.48		\$0.00	
Other Operating Expenditures				
Richfield Springs Industrial Park		\$2,400,000.00		
Reimbursement of County		\$600,000.00		
Total Expenditures	\$2,845,751.52	\$3,405,806.69	\$243,986.89	\$24,733.62
NET	\$239,694.99	\$59,612.31	\$61,203.89	\$13,635.39

County of Otsego Industrial Development Agency

Profit & Loss

July 2022 and YTD '22 vs '21

	July 22	Jan - Jul 22	Jan - Jul 21	\$ Change
Ordinary Income/Expense				
Income				
9800506 · PILOT Fee -- Annual		89,528.78	3,850.00	85,678.78
9800100 · Interest Income - Note Rec	19.31	90.04	356.82	-266.78
9800105 · Interest Income - Bank Accts	13.14	82.37	122.84	-40.47
9800200 · Other Revenue		0.00	124.43	-124.43
9800260 · Administrative Fees		16,465.50	13,528.42	2,937.08
9800400 · Grants		0.00	101,564.84	-101,564.84
9800401 · Municipal Grants		34,607.50	0.00	34,607.50
9800402 · State Grants		521.18	0.00	521.18
9807500 · Rents	11,095.00	78,265.00	69,775.00	8,490.00
Total Income	11,127.45	219,560.37	189,322.35	30,238.02
Expense				
5220460 · Wages and Salaries	18,250.00	89,396.40	85,434.65	3,961.75
5222222 · Benefits	-93.26	-468.86	-445.31	-23.55
5220465 · DBL	-7.20	-36.00	-36.00	0.00
5220463 · FICA	1,396.08	7,018.86	6,688.96	329.90
5220462 · SUTA		503.99	472.45	31.54
5220466 · Payroll Service	643.50	984.16	926.35	57.81
5220501 · Professional Fees		64,843.76	47,814.32	17,029.44
5220950 · Grants and Eco. Dev Expense		35,267.00	95,564.36	-60,297.36
5220101 · Advertising		202.50	0.00	202.50
5220102 · Legal Ads	213.82	897.28	223.84	673.44
5220106 · Sponsorships		5,000.00	5,000.00	0.00
5222450 · Memberships/Dues/Subscriptions		12,478.00	10,478.00	2,000.00
5220200 · Office Supplies & Expense	240.98	3,565.36	3,799.94	-234.58
5220205 · Computer/Systems	422.69	3,926.86	4,145.76	-218.90
5220220 · Telephone		480.00	480.00	0.00
5220210 · Leased Office Space	4,116.67	28,816.69	28,816.69	0.00
5220303 · Conferences/Meetings	422.69	1,821.00	812.78	1,008.22
5220400 · Insurance	54.28	46,213.84	32,171.56	14,042.28
5220211 · Utilities	555.29	4,144.99	7,001.02	-2,856.03
5220559 · General Maintenance	590.00	1,857.00	3,057.83	-1,200.83
5220700 · Interest Expense		0.00	48.83	-48.83
5221100 · Depreciation	7,531.14	52,717.98	52,717.98	0.00
5222550 · Filing/Recording/Search fees		212.40	0.00	212.40
Total Expense	34,336.68	359,843.21	385,174.01	-25,330.80
Net Ordinary Income	-23,209.23	-140,282.84	-195,851.66	55,568.82
Net Income	-23,209.23	-140,282.84	-195,851.66	55,568.82