

Audit & Finance Committee Meeting
January 12th, 2023
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 December 8th Audit & Finance Committee Minutes
3. Payment of Bills
4. Review of Financials
5. New and Unfinished Business
 - Burr Truck Lease
 - NYS Retirement for Employees
6. Executive Session to Discuss the Financial History of a Company

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

**AUDIT & FINANCE COMMITTEE
DECEMBER 8TH, 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 present included:

Jeffrey Lord
David Rowley
Tom Armao
Craig Gelbsman*

Patricia Kennedy
Cheryl Robinson
James Seward

Also, in attendance:

STAFF

Jody Zakrevsky, **CEO**
Meaghan Marino, **Dir. of Finance and Admin.**
Gina Bologna, **Marketing Coordinator**

* Arrived after the start of the meeting.

CHAIR'S COMMENTS

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

MEETING MINUTES

J. Lord requested a motion to approve the meeting minutes from the November 10th 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

M. Marino reviewed the bills and deposits made since the November Audit & Finance committee meeting. Committee members received a report of the expenses and deposits prior to the meeting to review. Most of the bills presented were normal operating expenses for the agency. J. Lord did point out invoices from the Oneonta Abstract Corp. for a title search that was done, and marketing work that has been done by Paperkite and Vibrant Brands. M. Marino noted that the Paperkite invoice was for website

maintenance that is done on a quarterly basis through the year, and not for any of their marketing work. She also briefly touched on the work that Vibrant Brands is doing, as \$2,500 is for their 2023 consulting fee for the agency and another \$10,000 is being spent on a video/photo production that is focusing on the Innovation and Acceleration Center.

C. Robinson made a motion to pay the expenses listed before the committee. J. Seward seconded the motion, and it was approved by remaining members present through a voice vote.

REVIEW OF FINANCIALS

J. Zakrevsky reviewed his YTD budget for the committee. He also reviewed the CFO's reports for the month of November. J. Zakrevsky noted that the agency is up approximately \$90,000 over last year, but other than that there isn't much to note in the agency's financials, but was open to questions from the committee.

NEW AND UNFINISHED BUSINESS

Burr Truck Lease – M. Marino noted to the board that the Burr Truck lease is up at the beginning of February (**note: M. Marino actually misspoke, and the lease is up on the 1st of March**) and Mike Burr reached out to M. Marino to “renew the lease for two more one-year terms”. She advised him that she would bring it to the committee/board. M. Marino advised that she did ask them about their option to purchase the building, and they said that they just purchased a building in the Binghamton-area, so their capital is tied up with that project at the moment, but purchasing this building is something that they have been discussing and would potentially like to do in the next two years. Committee members expressed confusion at extending the least for “two more one-year terms” and discussed extending the lease for one year and reconsider in another year. J. Lord questioned if the monthly rental fee on this lease has ever fluctuated. M. Marino noted that if the agency were to resign, this would be their third year in the building, and the rent has remained the same the last two years at \$4,295. Committee members agreed to table the discussion and discuss it when it's closer to the expiration of their current lease.

EXECUTIVE SESSION

C. Robinson made a motion to enter executive session, with committee members and the CEO of the agency, under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:09am for the following reasons: To discuss the financial history of an outstanding loan with the agency and a personnel issue. D. Rowley seconded the motion, and it was approved by all committee members present. The committee entered executive session at 8:09am.

There was no action taken in executive session.

C. Robinson made a motion to enter back into public session; D. Rowley seconded, and all members approved. The committee exited executive session at 8:48am.

ADJOURNMENT

There being no further business to discuss, J. Seward made a motion to adjourn the Audit & Finance committee meeting at 8:49am.

UPCOMING MEETING SCHEDULE

The next Audit & Finance Committee meeting is January 12th, 2023 at 8:00am.

DRAFT

COIDA DEPOSITS 12/15/2022 - 1/11/2023			
Vendor	Amount	Date of Deposit	Notes
Burr Truck	\$4,295	9-Jan	jan. '23 rent
Southern Tier 8	\$100.00	9-Jan	jan. '23 rent
IOXUS	\$500.00	29-Dec	dec. '22 rent
US House of Reps	\$750.00	20-Dec	dec. '22 rent
OCCRC	\$42,905.00	19-Dec	2022 bond admin fees
TOTAL	\$48,550.00		

Vendor	Amount Due	Due Date	Reimbursable ?	Notes
Arch Insurance	\$944.92	12-Jan		23 PFL/Disability Benefits
Ed & Ed	\$58.25			copies/prints
First Bankcard	\$60.79	25-Jan		business cards/gotomeeting
GreatAmerica	\$174.83	25-Jan		copier agreement
Hummel's	\$9.99			office supplies
ISD	\$95.00			tech support - Gina's desktop
ISD	\$427.50			tech support - new emails, laptop updates
ISD	\$73.75			monthly microsoft email exchange
JMS	\$8,200.00			building repair - IOXUS
Melex	\$4,116.67			jan. '23 rent
NYSEG	\$645.91	26-Jan		189 main st. utilities
NYSEG	\$109.52	27-Jan		pony farm utilities
Otsego Co. Chamber	\$60.00			state of the state bkfst - x3
Paperkite	\$9,000.00			marketing campaign - dec.
Paperkite	\$16,000.00			marketing campaign - jan.
Philadelphia Insurance	\$9,023.13	23-Jan		umbrella/liability insurance 2023
COIDA TOTAL	\$49,000.26			

County of Otsego Industrial Development Agency

Balance Sheet

Dec '22 vs Dec '21

	As of Dec 31, 2022	Total As of Dec 31, 2021 (PY)	Change
ASSETS			
Current Assets			
Bank Accounts			
2000000 Community Bank Checking	484,606.14	444,630.21	39,975.93
2000001 Petty Cash	100.00	100.00	0.00
2000010 Community Bank - Security Dep.	15,055.45	15,053.95	1.50
2020000 Community Bank CD	361,841.02	360,741.02	1,100.00
2051000 NBT Money Market	233,153.46	233,095.66	57.80
2051050 Community Bank Money Market	4,025.48	4,025.28	0.20
Total Bank Accounts	\$ 1,098,781.55	\$ 1,057,646.12	\$ 41,135.43
Accounts Receivable			
11000 *Accounts Receivable	11,000.00	6,000.00	5,000.00
Total Accounts Receivable	\$ 11,000.00	\$ 6,000.00	\$ 5,000.00
Other Current Assets			
3801000 Unbilled Receivables/Grants	150,000.00	150,000.00	0.00
3950000 Notes Receivable			0.00
3952200 Enviro Energy -- Note Rec	0.00	45,953.25	-45,953.25
3952800 Oneonta Theatre -- Note Rec	85,978.84	85,978.84	0.00
3954000 Foothills -- Note Rec	100,000.00	100,000.00	0.00
3955051 Brooks' Bottling -- Note Rec	0.00	13,483.88	-13,483.88
Total 3950000 Notes Receivable	\$ 185,978.84	\$ 245,415.97	-\$ 59,437.13
4800102 Prepaid Insurance	5,638.00	378.00	5,260.00
4800103 Prepaid Other	10,000.00	4,116.67	5,883.33
6080000 Reserve for Bad Debt			0.00
6085000 Reserve - Oneonta Theatre	-85,978.84	-85,978.84	0.00
6089000 Reserve - Foothills	-100,000.00	-100,000.00	0.00
6091000 Reserve -- Enviro Energy	0.00	-45,953.25	45,953.25
Total 6080000 Reserve for Bad Debt	-\$ 185,978.84	-\$ 231,932.09	\$ 45,953.25
Total Other Current Assets	\$ 165,638.00	\$ 167,978.55	-\$ 2,340.55
Total Current Assets	\$ 1,275,419.55	\$ 1,231,624.67	\$ 43,794.88
Fixed Assets			
1010101 Land -- Pony Farm	465,794.69	465,794.69	0.00
1010103 Land - Richfield	82,926.80	82,926.80	0.00
1010110 Land - Soccer Hall Property	681,190.00	681,190.00	0.00
1010120 Building - Soccer Hall of Fame	1,649,608.91	1,649,608.91	0.00
1010125 Improvements - Soccer Property	11,300.00	11,300.00	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
1030105 Improvements - Leased Office	1,476.60	1,476.60	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
1040000 Machinery & Equipment	105,491.89	105,491.89	0.00
1040010 Furniture & Fixtures	44,312.82	44,312.82	0.00
1050146 Engineering - RS 2006	4,644.60	4,644.60	0.00
1120000 Accum Deprec - Bldg	-478,352.65	-436,349.53	-42,003.12
1150000 Accum Dep - Incubator	-514,273.73	-492,121.61	-22,152.12
1160000 Accum Deprec- Office Equip	-183,304.82	-157,086.38	-26,218.44
Total Fixed Assets	\$ 3,523,549.96	\$ 3,613,923.64	-\$ 90,373.68
Other Assets			
3830000 Accrued Interest Receivable	1,390.54	1,390.54	0.00
Total Other Assets	\$ 1,390.54	\$ 1,390.54	\$ 0.00
TOTAL ASSETS	\$ 4,800,360.05	\$ 4,846,938.85	-\$ 46,578.80
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
6000000 Accounts Payable	3,421.17	4,494.67	-1,073.50
Total Accounts Payable	\$ 3,421.17	\$ 4,494.67	-\$ 1,073.50
Other Current Liabilities			
6000010 Security Deposit - IOXUS	15,035.14	15,035.14	0.00
6010000 Accrued Expenses	1,600.00	2,353.60	-753.60
Total Other Current Liabilities	\$ 16,635.14	\$ 17,388.74	-\$ 753.60
Total Current Liabilities	\$ 20,056.31	\$ 21,883.41	-\$ 1,827.10
Total Liabilities	\$ 20,056.31	\$ 21,883.41	-\$ 1,827.10
Equity			
32000 Retained Earnings	57,017.44	405.10	56,612.34
9090000 Fund Balance	4,768,038.00	4,768,038.00	0.00
Net Income	-44,751.70	56,612.34	-101,364.04
Total Equity	\$ 4,780,303.74	\$ 4,825,055.44	-\$ 44,751.70
TOTAL LIABILITIES AND EQUITY	\$ 4,800,360.05	\$ 4,846,938.85	-\$ 46,578.80

County of Otsego Industrial Development Agency

Profit and Loss

Dec 22 & YTD Dec 22 vs Dec 21

	Dec '22	Jan - Dec 2022	Jan - Dec 2021 (PY)	Change
Income				
9800100 Interest Income - Note Rec		90.04	516.92	-426.88
9800105 Interest Income - Bank Accts	4.21	102.74	200.08	-97.34
9800110 Interest Income - CDs	1,100.00	1,100.00	1,082.08	17.92
9800200 Other Revenue	0.00		124.43	-124.43
9800210 Bad Debt Recoveries		45,953.25		45,953.25
9800260 Administrative Fees	42,905.00	134,370.50	320,552.34	-186,181.84
9800400 Grants			157,538.48	-157,538.48
9800401 Municipal Grants		34,607.50		34,607.50
9800402 State Grants		521.18		521.18
9800506 PILOT Fee -- Annual	3,500.00	162,169.96	63,737.50	98,432.46
9807500 Rents	11,695.00	136,340.00	125,750.00	10,590.00
Total Income	\$ 59,204.21	\$ 515,255.17	\$ 669,501.83	-\$ 154,246.66
Gross Profit	\$ 59,204.21	\$ 515,255.17	\$ 669,501.83	-\$ 154,246.66
Expenses				
5220100 Marketing & Promotion			3,500.00	-3,500.00
5220101 Advertising		202.50	25.00	177.50
5220102 Legal Ads	218.37	1,115.65	645.07	470.58
5220106 Sponsorships		5,200.00	5,000.00	200.00
5220200 Office Supplies & Expense	841.31	6,870.58	6,341.97	528.61
5220205 Computer/Systems	588.65	7,232.97	6,884.08	348.89
5220210 Leased Office Space	4,116.67	49,400.04	49,400.04	0.00
5220211 Utilities	562.26	8,794.29	10,281.45	-1,487.16
5220220 Telephone		520.58	480.00	40.58
5220301 Travel / Lodging / Meals			949.56	-949.56
5220303 Conferences/Meetings		1,821.00	1,187.78	633.22
5220304 Training and Education			75.00	-75.00
5220400 Insurance		46,213.84	32,855.56	13,358.28
5220460 Wages and Salaries	24,500.01	162,896.41	153,769.07	9,127.34
5220462 SUTA	97.65	601.64	472.45	129.19
5220463 FICA	1,751.84	12,519.22	11,736.59	782.63
5220465 DBL	-10.80	-66.00	-62.40	-3.60
5220466 Payroll Service	245.48	1,675.65	1,495.23	180.42
5220501 Professional Fees	4,142.75	111,288.38	69,246.26	42,042.12
5220559 General Maintenance	195.00	5,017.00	6,397.83	-1,380.83
5220700 Interest Expense			48.83	-48.83
5220950 Grants and Eco. Dev Expense		35,517.96	151,538.00	-116,020.04
5221100 Depreciation	7,531.14	90,373.68	90,373.68	0.00
5222222 Benefits	-52.17	-697.88	-620.45	-77.43
5222450 Memberships/Dues/Subscriptions	19.00	12,716.00	10,478.00	2,238.00
5222500 Other Expenses		80.00	61.00	19.00
5222550 Filing/Recording/Search fees		713.36	271.18	442.18
69800 Uncategorized Expenses			58.71	-58.71
Total Expenses	\$ 44,747.16	\$ 560,006.87	\$ 612,889.49	-\$ 52,882.62
Net Operating Income	\$ 14,457.05	-\$ 44,751.70	\$ 56,612.34	-\$ 101,364.04
Net Income	\$ 14,457.05	-\$ 44,751.70	\$ 56,612.34	-\$ 101,364.04

2022 COIDA Draft Budget				
Revenues	2021 Year's End	2022 Adopted Budget	YTD	Dec
Operating Revenues				
Charges for Services (PILOTs)	\$273,178.14	\$73,344.00	\$175,822.96	\$3,500.00
- Manor	\$50,000.00	\$50,000.00	\$50,000.00	
- Advanced Bio-Tech	\$50,396.30	\$3,500.00	\$3,500.00	\$3,500.00
- Northern Eagle	\$3,850.00	\$3,850.00	\$3,850.00	
- Hillside	\$1,500.00	\$1,500.00	\$1,500.00	
- Corning	\$7,791.00	\$7,791.00	\$7,791.18	
- Corning Solar			\$0.00	
- Corning Phase III Expansion	\$147,253.84	\$6,000.00	\$6,000.00	
- Simple Integrity, LLC			\$11,342.50	
- Heritage House	\$9,887.00	\$0.00	\$0.00	
- Klugo	\$2,500.00	\$703.00	\$2,110.50	
- Springbrook		\$4,607.00	\$89,528.78	
Rental and Financing Income	\$124,700.00	\$134,220.00	\$135,590.00	\$6,695.00
- IOXUS	\$60,000.00	\$60,000.00	\$60,000.00	
- Burr Trucking	\$42,950.00	\$51,540.00	\$51,540.00	\$4,295.00
- Int. Food & Policy Research Institute			\$2,000.00	\$500.00
- Chamber of Commerce	\$0.00	\$0.00	\$0.00	
- Training Room Rental/Congressman	\$9,000.00	\$9,000.00	\$8,250.00	\$750.00
- Southern Tier 8	\$1,200.00	\$1,200.00	\$1,200.00	\$100.00
- C.A.D.E.	\$11,550.00	\$12,480.00	\$12,600.00	\$1,050.00
Sub-Total Rentals				
Other Operating Revenue	\$913.37	\$1,200.00	\$29.70	
Administrative Fees			\$0.00	
Other Operating Revenue - Misc. Pilots	\$0.00	\$0.00	\$0.00	
Bank Interest			\$12.89	
Bad Debt Recovery/Bank Interest			\$16.81	
Otsego County Appropriation	\$63,750.00	\$63,750.00	\$75,000.00	
Operating Revenues	\$462,541.51	\$272,514.00	\$386,442.66	\$10,195.00

	2021 Year's End	2022 Adopted Budget	YTD	Dec
Non-Operating Revenues			\$86,366.52	\$42,905.00
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		\$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	\$429,904.18	\$53,100.00

2022 COIDA Budget				
	2021 Adopted Budget	2022 Adopted Budget	YTD	Dec
OPERATING EXPENSES				
<i>Salaries and Wages</i>	\$148,000.00	\$153,000.00	\$149,096.20	\$15,000.00
<i>Other Employee Benefits</i>	\$15,000.00	\$10,000.00	\$9,780.79	\$515.18
- DBL	\$4,000.00		\$51.54	\$49.77
- Other Benefits	\$0.00		\$524.44	\$10.32
- FICA	\$4,800.00		\$9,297.43	\$2.40
- SUTA	\$2,152.00		\$956.26	\$478.13
- Payroll Service	\$6,000.00		\$5,868.11	\$202.90
<i>Subtotal Salary and Benefits</i>	\$179,952.00	\$163,000.00	\$158,876.99	\$15,515.18
<i>Professional Service Contracts</i>	\$45,500.00	\$53,500.00	\$130,452.58	\$13,902.75
- Paperkite Creations			\$42,705.55	
- NYS EDC	\$0.00	\$5,000.00	\$5,000.00	
- ISD	\$2,000.00	\$5,000.00	\$0.00	
- Elan Planning	\$0.00		\$0.00	
- CFO for Hire/BST	\$15,000.00	\$15,000.00	\$13,062.13	\$1,180.00
- 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	
- Vibrant Brands	\$0.00		\$12,500.00	\$12,500.00
- Halal Meat Processing Facility	\$0.00		\$0.00	
- Barton & Loguidice	\$0.00		\$4,009.75	\$222.75
- Keystone Associates	\$0.00		\$21,675.15	
- MRB Group	\$0.00		\$16,500.00	
- CRBE Real Estate Appraisal	\$0.00		\$0.00	

	2021 Adopted Budget	2022 Adopted Budget	YTD	Dec
Advertising and Marketing	\$51,000.00	\$51,000.00	\$1,080.50	\$0.00
- Chamber of Commerce			\$678.00	
- Prolifiq/Memberships			\$200.00	
- Sweet Home Productions			\$202.50	
- Marketing	\$50,000.00	\$50,000.00	\$0.00	
Conference, Meetings	\$1,000.00	\$1,000.00	\$1,976.00	
Supplies and Materials	\$5,000.00	\$5,000.00	\$4,495.44	\$598.62
- Office Cleaning			\$2,277.35	\$340.00
- Office Supplies			\$2,218.09	\$258.62
Computer, Phones, Copier	\$10,000.00	\$10,000.00	\$8,438.00	\$873.20
- Copy Machine - Monthly Paper Fee			\$625.66	\$41.86
- Copier Finance Charge			\$1,992.57	\$200.83
- Data/Wifi/Internet: Spectrum			\$3,892.33	\$588.65
- Data/Wifi/Internet: ISD			\$3,538.11	
- Otsego Telephone			\$499.00	
- Software Updates			\$114.00	
Leased Office Space	\$57,540.04	\$57,540.04	\$45,283.37	
Travel, Lodge, Meals	\$1,500.00	\$1,500.00	\$845.00	
Insurance	\$26,000.00	\$38,766.65	\$33,796.79	\$0.00
- Property Insurance			\$8,734.40	
- Non-Profit PA			\$21,127.85	
- NYFIF			\$697.44	
- Non-Profit Umbrella			\$2,057.05	
- Disability Benefits			\$738.77	
- Workmans Comp			\$441.28	
Utilities and Maintenance	\$25,000.00	\$25,000.00	\$12,012.49	\$409.40
- Accruals (Hale Trans)			\$585.00	
- Oneonta Business Park			\$1,051.60	\$114.41
- 189 Main Street			\$5,749.89	
- Soccer Field Maintance/Richfield WS	\$2,400,000.00		\$407.86	\$407.86
- Pony Farm Grass Mowing			\$2,784.76	\$195.00
- General Maintenance			\$1,841.24	\$99.99

	2021 Adopted Budget	2022 Adopted Budget	YTD	Dec
Filing, Payroll Services, Misc.	\$500.00	\$500.00	\$8,437.76	\$418.37
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	\$432,250.37	\$31,717.52
NET	\$239,694.99	\$59,612.31	\$2,346.19	\$21,382.48

Office of the New York State Comptroller
Thomas P. DiNapoli



Phone: 518-474-0167
Fax: 518-474-8357
Email: RTempSer@osc.ny.gov
Web: www.osc.state.ny.us/retirement

Kimberly Zeto, Director, Member & Employer Services Bureau

January 9, 2023

Jody Zakrevsky
CEO
Otsego County IDA
189 Main Street Suite 500
Oneonta, NY 13820

RE: NYSLRS Participation Inquiry Cost

Dear CEO Jody Zakrevsky:

This letter is in response to the inquiry about participation in the New York State & Local Retirement System (NYSLRS) on behalf of the Otsego County IDA.

Membership

Members are divided in groups called tiers, based on the date they join the Retirement System.

<u>Tier</u>	<u>Date last joined</u>
1	Before July 1, 1973
2	Between July 1, 1973 and July 26, 1976
3	Between July 27, 1976 and August 31, 1983
4	Between September 1, 1983 and December 31, 2009
5	Between January 1, 2010 and March 31, 2012
6	On or after April 1, 2012

Employees who become a member of this system on or after July 27, 1976 are required to contribute a percentage of their wages. All paid personnel in the Agency's employ as of the date of participation in NYSLRS are eligible to become members. This eligibility applies whether they are full-time, part-time or seasonal employees.

Anyone hired after the effective date of participation are mandatory to join, unless:

- The position is temporary or provisional (under Civil Service Law)
- Employment is less than 30 hours per week, **or** less than the standard number of hours for full-time employment as established by the employer for the position

- The duration of employment is for less than one year, or employment is on a less-than 12-month per year basis
- Annual compensation is less than the State's minimum hourly wage multiplied by 2,000 hours. Effective January 1, 2022 the annual State minimum wage is \$26,400. Long Island & Westchester County may have a different rate applied; more information can be found at <https://www.minimum-wage.org/new-york>
- **The Voluntary Defined Contribution Program, an alternate retirement plan option, must be made available to all employees of New York public employers/agencies who:*
 - *Were hired on or after July 1, 2013*
 - *Earn at the rate of pay of \$75,000 or more*
 - *Are unrepresented by union*
 - *Are **not** an active Tier 1 – 5 member*

The Defined Contribution Program is administered by the SUNY system. More information may be found at www.tiaa.org/public/ms/nyvdc/agency.html. There are time restrictions imposed on the selection of this plan therefore your employees should be made aware of this option and directed to the SUNY website noted.

Employees currently enrolled in a TIAA retirement plan would have the choice of continuing in TIAA. TIAA service is neither transferable nor creditable in NYSERS.

Retirement Plans

There is no choice of plan for Tier 3, 4, 5 and 6 members. Several plans are available for Tier 1 and Tier 2 members. To provide any of these plans, the Agency must formally adopt a plan or series of plans in accordance with Retirement System procedures. For more information concerning additional plans available, please contact us or visit our website at www.osc.state.ny.us/retirement.

Cost of Participation

The Otsego County IDA's initial cost for participation in NYSLRS will be \$9,475.

This cost is based on the data provided by the Agency and the applicable billing rates for the New York State fiscal year. An invoice for this amount would be sent and is payable by the end of the Agency's fiscal year in which participation becomes effective (RSSL Section 430).

Please note: If it is noted that an employee listed on the roster is collecting a pension from NYSLRS, or any of the other NYS public retirement systems, the salary of that employee is not used in the calculations.

The Otsego County IDA's estimated annual cost would be:

Estimated Annual Employer Contribution	\$ 9,475
Estimated Deficiency	<u>\$ 2,155</u>
Total	\$11,630

*The cost quoted is valid until **March 31, 2024.***

- The **annual employer contribution** is a percentage of the salaries of employees who already are members or who become members of the system. Each year, the percentages payable under the various plans are calculated, and employer invoices are generated. More information on Employer Contribution Rates can be found on our website at www.osc.state.ny.us/retirement/employers/partnership/about-employer-contribution-rates/overview.
- The **deficiency contribution** is required to fund the liability of members' service rendered with the Agency prior to its date of participation in the system. The amount of the deficiency is dependent on the members' years of service, age and salary at the time the Agency becomes a participating employer, as indicated on the roster that was provided to NYSLRS. The deficiency is paid in annual installments over 25 years and is included on the annual invoice.

The actual deficiency amount payable will not be calculated until an entity has been a participating employer for a full state fiscal year.

Additional Information

If the Otsego County IDA decides to participate, the enclosed resolution and affidavit must be adopted and returned to the Retirement System to the attention of: **'Member and Employer Services Bureau, Mail drop 5-3'**. Language in these documents may not be altered or amended. Benefit adoptions cannot become effective until resolution(s) and affidavit(s) are filed with the Retirement System.

Should the Otsego County IDA elect to become a participating employer, participation can never be terminated.

The most current information regarding the NYS Retirement System may be found on our website at www.osc.state.ny.us/retirement. If you have any questions or require additional information, contact this office by phone at (518) 474-0167, or by email at RTEmpSer@osc.ny.gov.

Respectfully,

William Buckley
ERSE 4
Member & Employer Services Bureau
New York State & Local Retirement System

Enclosures



Please type or print clearly
in blue or black ink

Employer
Location Code

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Received Date

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Affidavit of Chief Fiscal Officer of Otsego County IDA pursuant to Section 430
of the Retirement and Social Security Law.

STATE OF NEW YORK,)
) SS:
COUNTY OF _____)

I, _____ being duly sworn, deposes and says:

1. That (s)he is the chief fiscal officer of the Otsego County IDA.
2. That the regular fiscal year of said employer begins on _____ and ends on _____.
3. That the governing body of said participating employer has elected to make the following retirement benefit(s) available to its employees: **Participation in the NYS & Local Employees' Retirement System.**
4. That (s)he has been advised by the Retirement System that the estimated annual cost to the System of all obligations created by such benefit(s) is \$9,475.
5. That said sum has been appropriated in the budget for said fiscal year, and is available for such payment.
6. That payment of said sum will be made to the Retirement System during said fiscal year.

Signature of Chief Fiscal Officer _____

ACKNOWLEDGEMENT TO BE COMPLETED BY A NOTARY PUBLIC

State of _____ County of _____ On the _____ day of _____ in the
year _____ before me, the undersigned, personally appeared _____,
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose
name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the
same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or
the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC (Please sign and affix stamp)





Please type or print clearly
in blue or black ink

Employer
Location Code

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Received Date

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Employer Participation Resolution – Employees' Retirement System (ERS)

At a meeting of the* _____ of the _____ held at _____, New York,
on _____, 20_____, _____ offered the following resolution:
(person)

"BE IT RESOLVED: that the * _____ of the _____ does hereby elect to participate as
an employer in the New York State and Local Employees' Retirement System and approves inclusion of its officers and employees in
such system, in accordance with any and all of the laws governing such participation as set forth in the Retirement and Social Security
Law, as presently or hereafter amended, together with any administrative rule, regulation or directive governing the same."

**** The effective date of participation, which will be designated by NYSLRS, cannot be prior to the date this
resolution is "filed" with the Comptroller. Documents mailed by the United States Postal Service registered or
certified mail return receipt requested or express mail and ultimately received by the Retirement System will be
considered received as of the postmark date.**

STATE OF NEW YORK,)
COUNTY OF _____) SS:

I, _____, clerk of the * _____ of the
_____ of the State of New York, do hereby certify that I have
compared the foregoing with the original resolution passed by such _____, at a legally
convened meeting held on the _____ day of _____, 20____ on file as part of
the minutes of such meeting, and that the same is a true copy thereof and the whole of such original. I further certify that the full
_____ consists of _____ members, and that _____ of such members were
present at such meeting and that _____ of such members voted in favor of the above resolution.

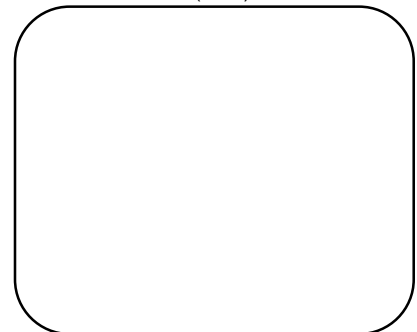
IN WITNESS WHEREOF, I have hereunto set my hand
and the seal of the

(name of employer)

on this _____ day of _____, 20____

(signature of clerk)

(Seal)



* Legislative body.

The resolution must be adopted by the legislative body and be approved by any other body or officer required by law to approve
resolutions of such legislative body.

