

MINUTES

Dutchess County  Industrial Development Agency

3 Neptune Road, Suite A21, Poughkeepsie, NY 12601  
Tel. # - (845) 463-5400 / Fax # - (845) 463-0100

**FINANCE AND AUDIT COMMITTEE MEETING**

Monday, September 17, 2018

**Present:** Stacey Langenthal  
Don Sagliano

**Unable to Attend:** Mark Doyle (via phone)

**Also Present:** Sarah Lee, Executive Director  
Marilyn Yerks, CFO  
Jasmin Haylett, Office Administrator

---

On Monday, September 17, 2018, the Dutchess County Industrial Development Agency [DCIDA] Finance and Audit Committee Meeting was called to order at 9:13 a.m. by Ms. Langenthal. Present was: Stacey Langenthal and Don Sagliano. Unable to attend was: Mark Doyle (via phone).

**APPROVAL OF MINUTES**

The March 1, 2018 Finance and Audit Committee Minutes was approved by Mr. Sagliano, duly seconded Ms. Langenthal.

**2019 PROPOSED BUDGET**

Ms. Lee briefly explained the following line items from the 2019 Proposed Budget.

**Revenues:**

- *Administrative Fees* is based on an averaged administrative fee of \$36,000 for 3 projects and the proposed IBM administrative fee of \$1,400,000.

The major changes from prior years to the administrative fees is that a fairly large amount of this fees is estimated because the deal between IBM and IDA for the Transfer Agreement that expired earlier in the year is being restructured. If the same structure under the former Transfer Agreement was renewed, the County would basically lose about \$700,000 in sales tax revenue. In order to mitigate the County's loss, this new Transfer Agreement is being restructured in a way which would allow IBM to allocate a large amount of the administrative fees to the IDA. The IDA will then disburse \$451,500 to the LDC which is the current contract

amount between the LDC and the County and allocate approximately \$861,000 to Dutchess Tourism. The County will also reduce its contribution to Dutchess Tourism by this same amount.

- *Application Fees* is based on 3 projects.
- *Compliance Fees* is based on 7 projects that are subject to the fee.
- *Interest* projected for 2019 is \$1,500.

The reason this amount is low compared to the prior year is because it is placed in 18-months CDs and is likely to mature this year.

### **Expenditures:**

This is consistent with what IDA has always been doing. The greatest change is with the Professional Service Contracts. This amount is conservatively higher because it includes the additional \$861,000 that IDA will have with the Dutchess Tourism contract.

The professional service fees have been increased to \$10,000 in order to pay for any third party service IDA may need to use to monitor its local workforce policy.

- *Audit* is based on costs outlined in RBT's proposal.
- *Dues, Publications and Subscriptions* includes a subscription to Center of Government Research (Cost Benefit program), shared membership with LDC to NYSEDC and web-domain fees.
- *Insurance* is the Crime Bond for the IDA.
- *Misc./Other* include costs for transcriptions services for project hearings.
- The *Professional Service Contract* includes contracts with the Dutchess County Local Development Agency, Dutchess County Tourism, and Hudson Valley Agriculture. With the increased administrative fee from IBM, the IDA will be increasing its contract amount by \$861,000 for a total of \$1,476,000. The IDA will also increase the contract amount with the LDC by \$451,500 for a total of \$601,500. The professional service contract with Hudson Valley Agriculture will remain the same at \$25,000.
- The *Professional Services* includes estimated cost for a firm to assist in enforcing the Local Workforce Policy.
- *Rent* is the IDA's shared cost of the storage unit.

### **5 YEAR PROJECTIONS**

Ms. Lee noted the following:

- The third column (Next Year Proposed 2019) is basically an aggregated version of the 2019 Proposed Budget.
- The proposed budget for the following years (2020, 2021, and 2022) is based on a 2% increase.
- This 5 year budget is a requirement from PARIS.

Questions and answers ensued.

A motion was made by Mr. Sagliano, duly seconded by Ms. Langenthal to approve the 2019 IDA Proposed Budget. Motion was approved carried.

**OLD BUSINESS**

Nothing to report

**NEW BUSINESS**

Nothing to report

**ADJOURNMENT**

There being no further business, a motion was made by Mr. Sagliano to adjourn the meeting. The meeting adjourned at 9:25 a.m.

Respectfully submitted,

  
\_\_\_\_\_  
Mark Doyle, Secretary/Treasurer

03/14/2019  
Date

<b>Meeting</b>	<u>09-17-18</u>
<b>Approved</b>	<u>03-13-19</u>
<b>Certified</b>	<u>03-13-19</u>