

MINUTES



BOARD OF DIRECTORS REGULAR MEETING

Wednesday, July 17, 2019

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen Bauer
Jamie Piccone II
Don Sagliano

Unable to Attend: Stacey Langenthal, Secretary/Treasurer
Alfred Torreggiani

Also Present: Sarah Lee, CEO
Marilyn Yerks, CFO
Jasmin Haylett, Office Administrator
Donald Cappillino & Elizabeth Cappillino, Counsel
Katherine Bacher, Health Quest/Nuvance

On Wednesday, July 17, 2019, the Dutchess County Local Development Corporation [DCLDC] Board of Directors Meeting was called to order by Chairman Dean at 8:37 a.m. Present was: Tim Dean, Mark Doyle, Kathleen Bauer, Jamie Piccone II and Don Sagliano. Unable to attend was: Stacey Langenthal and Alfred Torreggiani. Quorum was established.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. Chairman Dean noted he has a conflict with the Nuvance project because he is on the board of trustees of VBH and also serves on the captive insurance company board for Nuvance.

PROOF OF MEETING NOTICE

Meeting notice was published on July 11, 2019

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

June 12, 2019

Chairman Dean asked for a motion to approve the June 12, 2019 Minutes of the Dutchess County Local Development Corporation.

A motion was made by Mr. Sagliano, duly seconded by Mr. Doyle to approve the DCLDC Board of Directors Meeting Minutes for June 12, 2019. All voted in favor. Motion carried.

REPORT OF THE TREASURER

A. Financial Report

Ms. Yerks reported on the 6/30/2019 Balance Sheet and Profit & Loss Budget

Balance Sheet

- Cash balance was \$3,196,273.63
- \$2,000,000 went into CDs approved by the board

Profit & Loss

- Revenue was \$668,177.27

A motion was made by Mr. Sagliano, duly seconded by Mr. Doyle to approve the 6/30/2019 financial report as presented. All voted in favor. Motion carried.

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

Chairman Dean recused himself due to the conflicts of interest noted above and left the room. Mr. Doyle presided over this portion of the meeting.

- A. Consideration and Approval of a Final Bond Resolution for the Issuance of the LDC's Tax-Exempt Bonds Series 2019 (Nuvance Health) in an amount not to exceed \$130,000,000.00 for the benefit of Nuvance Health, and one or more of its affiliated entities including Western Connecticut Health Network, Inc. and Health Quest Systems, Inc., approximately \$90,000,000.00 to be used for refinancing existing Health Quest bonds (City of Poughkeepsie, Town of Fishkill, Village of Rhinebeck) and approximately \$40,000,000.00 to be used for the construction of the 8th floor of the Patient Pavilion at Vassar Brothers Medical Center (City of Poughkeepsie).

Ms. Lee noted that the board was sent a revised packet. The original preliminary inducement included the refunding of the existing Health Quest debt and the construction of the medical school. It was determined the medical school would not be ready in time for the bond financing and instead the construction and fit up of the 8th floor of the hospital tower will be included in the bond issuance. The 8th floor was added after the 2016 bonds and was not included in financing of the 2016 bond for the hospital tower. The new bond amount is estimated at \$130,000,000.

Mr. Cappillino noted that this resolution calls for the approval of the refinancing under SEQRA and noted that a change be made on page 2 to #1 of section A under the 3rd whereas. The word "Issuer's" should be changed to Dutchess County Industrial Development Agency.

A motion was made by Mr. Sagliano, duly seconded by Mr. Piccone to approve the amendment to the final resolution as noted above by Mr. Cappillino. All voted in favor. Motion carried.

A motion was made by Ms. Bauer, duly seconded by Mr. Piccone to approve the Final Bond Resolution for the Issuance of the LDC's Tax-Exempt Bonds Series 2019 (Nuvance Health) in an amount not to exceed \$130,000,000.00 for the benefit of Nuvance Health, and one or more of its affiliated entities including Western Connecticut Health Network, Inc. and Health Quest Systems, Inc., approximately \$90,000,000.00 to be used for refinancing existing Health Quest bonds (City of Poughkeepsie, Town of Fishkill, Village of Rhinebeck) and approximately \$40,000,000.00 to be used for the construction of the 8th floor of the Patient Pavilion at Vassar Brothers Medical Center (City of Poughkeepsie). All voted in favor. Motion carried.

B. FYI

Ms. Lee informed the board that Mr. Minichino will be leaving in mid-August as Director of Business Attraction and he had expressed interest in purchasing the laptop he currently uses for the office at the current market value of \$450.00. The LDC policy is to provide notification of equipment disposals. If Mr. Minichino decides to purchase this equipment any access he currently has to company's cloud-based system will be terminated and any information related to the organization will be removed prior to his purchase from the organization.

ADJOURNMENT

There being no further business to discuss, a motion was made by Mr. Piccone, duly seconded by Ms. Bauer to adjourn the meeting. All voted in favor. Motion carried. Meeting adjourned at 8:54 a.m.

Respectfully submitted,



Stacey Langenthal, Secretary/Treasurer

9/14/19

Date

Meeting	<u>07-17-19</u>
Approved	<u>09-11-19</u>
Certified	<u>09-11-19</u>

Dutchess County Local Development Corporation
Balance Sheet
 As of June 30, 2019

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1100 · Checking -- TD Bank	1,193,617.19
1101 · Petty Cash	300.00
1180 · CD1 - Riverside	250,361.87
1182 · CD2 - Riverside	1,751,994.57
Total 1010 · Cash	3,196,273.63
Total Checking/Savings	3,196,273.63
Accounts Receivable	
11000 · Accounts Receivable	2,500.00
Total Accounts Receivable	2,500.00
Total Current Assets	3,198,773.63
Fixed Assets	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	97,267.28
1710 · Accumulated Depreciation	-40,443.00
Total 1390 · Furniture & Equipment	56,824.28
Total Fixed Assets	56,824.28
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expenses	4,635.35
1320 · Payroll Deposit	15,011.00
Total 1175 · Other Assets	19,646.35
Total Other Assets	19,646.35
TOTAL ASSETS	3,275,244.26
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · *Accounts Payable	20,036.53
Total Accounts Payable	20,036.53
Total Current Liabilities	20,036.53
Total Liabilities	20,036.53
Equity	
30000 · Opening Balance Equity	1,093,744.17
32000 · Unrestricted Net Assets	1,954,134.93
Net Income	207,328.63
Total Equity	3,255,207.73
TOTAL LIABILITIES & EQUITY	3,275,244.26

Dutchess County Local Development Corporation
Profit & Loss Budget vs. Actual
 January through June 2019

	Jan - Jun 19	Budget	\$ Over Budget	% of Budget
Income				
4000 · Cash Revenues				
4020 · Administration Fees	0.00	300,000.00	-300,000.00	0.0%
4030 · Application Fees	250.00	750.00	-500.00	33.3%
4050 · DC/DA	601,500.00	601,500.00	0.00	100.0%
4060 · Private Sector	33,010.00	110,000.00	-76,990.00	30.0%
4080 · DCWIB	12,012.00	23,676.00	-11,664.00	50.7%
4910 · Interest	21,405.27	4,500.00	16,905.27	475.7%
4940 · Other Income	0.00			
Total 4000 · Cash Revenues	668,177.27	1,040,426.00	-372,248.73	64.2%
Total Income	668,177.27	1,040,426.00	-372,248.73	64.2%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	12,000.00	-12,000.00	0.0%
6241 · Bad Debt Expense	270.00			
6245 · Board & Committee	0.00	1,500.00	-1,500.00	0.0%
6270 · Computer Consulting	4,130.00	10,800.00	-6,670.00	38.2%
6273 · Dues, Subs, & Pubs	14,159.52	16,000.00	-1,840.48	88.5%
6274 · Education/Training	850.89	3,900.00	-3,049.11	21.8%
6275 · Equipment	112.45	4,000.00	-3,887.55	2.8%
6277 · Equipment Lease	0.00	1,000.00	-1,000.00	0.0%
6310 · Insurance	3,747.94	4,000.00	-252.06	93.7%
6390 · Marketing	24,180.26	65,000.00	-40,819.74	37.2%
6395 · Office Supplies	3,177.58	4,000.00	-822.42	79.4%
6400 · Other Expenditure	0.00	2,000.00	-2,000.00	0.0%
6410 · Payroll	182,555.95	402,905.00	-220,349.05	45.3%
6415 · Payroll Tax	17,066.02	37,103.00	-20,036.98	46.0%
6420 · Payroll Fringe	42,192.58	103,500.00	-61,307.42	40.8%
6450 · Professional Fees	2,815.78	10,000.00	-7,184.22	28.2%
6500 · Professional Service Contracts	109,041.48	220,000.00	-110,958.52	49.6%
6505 · Phone	4,428.65	7,000.00	-2,571.35	63.3%
6510 · Postage	-9.62	1,000.00	1,009.62	-1.0%
6520 · Printing	660.00	2,000.00	-1,340.00	33.0%
6540 · Rent	32,354.82	62,453.00	-30,098.18	51.8%
6548 · Trade Show	5,449.00	15,000.00	-9,551.00	36.3%
6550 · Travel & Meetings	8,844.84	20,000.00	-11,155.16	44.2%
Total 6000 · Expenditures	456,028.14	1,005,161.00	-549,132.86	45.4%
6243 · Event Expenses	4,820.50	45,000.00	-40,179.50	10.7%
Total Expense	460,848.64	1,050,161.00	-589,312.36	43.9%
Net Income	207,328.63	-9,735.00	217,063.63	-2,129.7%