

MINUTES



**BOARD OF DIRECTORS REGULAR MEETING**

Wednesday, October 9, 2019

**Present:** Tim Dean, Chairman  
Mark Doyle, Vice Chairman  
Stacey Langenthal, Secretary/Treasurer  
Kathleen Bauer  
Jamie Piccone II  
Don Sagliano  
Alfred Torreggiani

**Also Present:** Sarah Lee, CEO  
Marilyn Yerks, CFO  
Jasmin Haylett, Office Administrator  
Donald Cappillino & Elizabeth Cappillino, Counsel  
Renee Richard, Director of BR & E  
Chris Glancy, Director of BA  
Mary Kay Vrba, DC Tourism

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On Wednesday, October 9, 2019, the Dutchess County Local Development Corporation [DCLDC] Board of Directors Meeting was called to order by Chairman Dean at 8:43 a.m. Present was: Tim Dean, Mark Doyle, Kathleen Bauer, Stacey Langenthal, Jamie Piccone II, Don Sagliano 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. Ms. Lee noted that Ms. Langenthal and Ms. Bauer will need to leave the room prior to Ms. Yerks' RFP report.

**PROOF OF MEETING NOTICE**

Meeting notice was published on October 3, 2019

**BILLS AND COMMUNICATIONS**

None

**APPROVAL OF MINUTES**

September 11, 2019

Chairman Dean asked for a motion to approve the September 11, 2019 Minutes of the Dutchess County Local Development Corporation.

A motion was made by Mr. Doyle, duly seconded by Mr. Sagliano to approve the DCLDC Board of Directors Meeting Minutes for September 11, 2019. All voted in favor. Motion carried.

### **REPORT OF THE TREASURER**

#### **A. Financial Report**

Ms. Yerks reported on the 9/30/2019 Balance Sheet and Profit & Loss Budget

##### **Balance Sheet**

- Cash balance was \$3,341,486.48

##### **Profit & Loss**

- Revenue was \$1,014,043.45

A motion was made by Mr. Sagliano, duly seconded by Mr. Torreggiani to approve the 9/30/2019 financial report as presented. All voted in favor. Motion carried.

##### **Update of RFP for CDs**

Ms. Langenthal and Ms. Bauer left the room for this portion of the meeting.

Ms. Yerks noted that she sent RFP to 8 banks and the best rate came from Riverside for 365 days at 1.9% which is the bank she recommends for the CDs.

### **REPORTS OF COMMITTEES**

#### **A. Finance Committee - 2020 Budget**

Ms. Langenthal noted that the Committee carefully considered the changes/additions to the budget based on information Ms. Lee and Ms. Yerks provided and recommends approving the budget as presented.

Ms. Lee noted that the Finance Committee met to review the 2020 proposed LDC budget and proceeded to explain the following line items from the 2020 Proposed Budget.

##### **Revenues:**

- While Dutchess County will not have an approved budget until December it is expected the funding from the County for Economic Development services will be the same as 2018 at \$451,500.
- *WIB (Workforce Investment Board)* – income from the contract for occupancy at 3 Neptune Road  
Currently the LDC subsidizes 50% of the WIB's occupancy costs. The goal is to eventually transition WIB to pay their full occupancy costs.

##### **Expenditures:**

- *Dues, Publications and Subscriptions* - To remain competitive and to improve our lead and business intelligence, the LDC would like to subscribe data analytics programs to improve lead generation, deal flow and business attraction and retention efforts.
- *Equipment costs* have been increased to purchase new equipment related to the office expansion.

- Rent includes estimated costs as a result of the office expansion.

A motion was made by Ms. Bauer, duly seconded by Mr. Torreggiani to accept the 2020 LDC budget as presented and submit it to PARIS. All voted in favor. Motion carried.

**UNFINISHED BUSINESS**

None

**NEW BUSINESS**

Ms. Lee noted that the ABO (Authorities Budget Office) released its report on the conduit bond financing. The LDC was one of the agencies reviewed but was not named in the report.

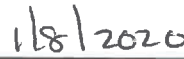
**ADJOURNMENT**

There being no further business to discuss, a motion was made by, duly seconded by to adjourn the meeting. All voted in favor. Motion carried. Meeting adjourned at 8:56 a.m.

Respectfully submitted,



Kathleen M. Bauer, Secretary/Treasurer



Date

Meeting	<u>10-09-19</u>
Approved	<u>01-08-20</u>
Certified	<u>01-08-20</u>

## Dutchess County Local Development Corporation

## Balance Sheet

As of September 30, 2019

10/03/19

Accrual Basis

	Sep 30, 19
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>1010 · Cash</b>	
1100 · Checking -- TD Bank	1,327,442.88
1101 · Petty Cash	300.00
1180 · CD1 - Riverside	251,824.89
1182 · CD2 - Riverside	1,761,918.71
<b>Total 1010 · Cash</b>	<b>3,341,486.48</b>
<b>Total Checking/Savings</b>	<b>3,341,486.48</b>
<b>Accounts Receivable</b>	
11000 · Accounts Receivable	16,232.00
<b>Total Accounts Receivable</b>	<b>16,232.00</b>
<b>Total Current Assets</b>	<b>3,357,718.48</b>
<b>Fixed Assets</b>	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	96,740.28
1710 · Accumulated Depreciation	-40,443.00
<b>Total 1390 · Furniture &amp; Equipment</b>	<b>56,297.28</b>
<b>Total Fixed Assets</b>	<b>56,297.28</b>
<b>Other Assets</b>	
1175 · Other Assets	
1310 · Prepaid Expenses	7,758.36
1320 · Payroll Deposit	15,011.00
<b>Total 1175 · Other Assets</b>	<b>22,769.36</b>
<b>Total Other Assets</b>	<b>22,769.36</b>
<b>TOTAL ASSETS</b>	<b>3,436,785.12</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 · *Accounts Payable	40,590.54
<b>Total Accounts Payable</b>	<b>40,590.54</b>
<b>Total Current Liabilities</b>	<b>40,590.54</b>
<b>Total Liabilities</b>	<b>40,590.54</b>
<b>Equity</b>	
30000 · Opening Balance Equity	1,093,744.17
32000 · Unrestricted Net Assets	1,954,134.93
Net Income	348,315.48
<b>Total Equity</b>	<b>3,396,194.58</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,436,785.12</b>

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

10/03/19

Accrual Basis

	Jan - Sep 19	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4000 · Cash Revenues				
4020 · Administration Fees	268,787.35	300,000.00	-31,212.65	89.6%
4030 · Application Fees	250.00	750.00	-500.00	33.3%
4050 · DCIDA	601,500.00	601,500.00	0.00	100.0%
4060 · Private Sector	89,345.00	110,000.00	-20,655.00	81.2%
4080 · DCWIB	18,018.00	23,676.00	-5,658.00	76.1%
4910 · Interest	36,143.10	4,500.00	31,643.10	803.2%
4940 · Other Income	0.00			
<b>Total 4000 · Cash Revenues</b>	<b>1,014,043.45</b>	<b>1,040,426.00</b>	<b>-26,382.55</b>	<b>97.5%</b>
<b>Total Income</b>	<b>1,014,043.45</b>	<b>1,040,426.00</b>	<b>-26,382.55</b>	<b>97.5%</b>
<b>Expense</b>				
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	7,170.00	10,800.00	-3,630.00	66.4%
6273 · Dues, Subs, & Pubs	17,862.53	16,000.00	1,862.53	111.6%
6274 · Education/Training	1,501.89	3,900.00	-2,398.11	38.5%
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	32,027.76	65,000.00	-32,972.24	49.3%
6395 · Office Supplies	3,755.17	4,000.00	-244.83	93.9%
6400 · Other Expenditure	1,283.12	2,000.00	-716.88	64.2%
6410 · Payroll	259,703.39	402,905.00	-143,201.61	64.5%
6415 · Payroll Tax	23,483.46	37,103.00	-13,619.54	63.3%
6420 · Payroll Fringe	59,739.61	103,500.00	-43,760.39	57.7%
6450 · Professional Fees	12,243.89	10,000.00	2,243.89	122.4%
6500 · Professional Service Contracts	156,190.05	220,000.00	-63,809.95	71.0%
6505 · Phone	5,688.42	7,000.00	-1,311.58	81.3%
6510 · Postage	45.38	1,000.00	-954.62	4.5%
6520 · Printing	660.00	2,000.00	-1,340.00	33.0%
6540 · Rent	47,615.85	62,453.00	-14,837.15	76.2%
6548 · Trade Show	5,449.00	15,000.00	-9,551.00	36.3%
6550 · Travel & Meetings	10,307.56	20,000.00	-9,692.44	51.5%
<b>Total 6000 · Expenditures</b>	<b>648,857.47</b>	<b>1,005,161.00</b>	<b>-356,303.53</b>	<b>64.6%</b>
6243 · Event Expenses	16,870.50	45,000.00	-28,129.50	37.5%
<b>Total Expense</b>	<b>665,727.97</b>	<b>1,050,161.00</b>	<b>-384,433.03</b>	<b>63.4%</b>
<b>Net Income</b>	<b>348,315.48</b>	<b>-9,735.00</b>	<b>358,050.48</b>	<b>-3,578.0%</b>

## Dutchess County Local Development Corporation

LDC	2018 Audit	2019 Budget	2019 Estimate EOY	2020 Budget
<b>Revenues:</b>				
1 Administration Fees	266,954	300,000	268,787	300,000
2 Application Fees	750	750	250	750
3 Dutchess County	451,500	0	0	451,500
4 DCIDA	174,000	601,500	601,500	150,000
5 Private Sector	124,900	110,000	100,000	100,000
6 Private Sector - In Kind	0	0	0	0
7 WIB	55,601	23,676	24,024	32,000
8 Interest	34,599	4,500	44,000	30,000
<b>Total Revenue</b>	<b>1,108,304</b>	<b>1,040,426</b>	<b>1,038,561</b>	<b>1,064,250</b>
<b>Expenditures:</b>				
9 Audit	12,000	12,000	12,000	12,000
10 Board & Committee	0	1,500	0	1,500
11 Computer Consulting	10,759	10,800	10,759	14,000
12 Dues, pub, sub	13,156	16,000	18,613	47,000
13 Education/Training	1,770	3,900	1,100	3,900
14 Equipment	1,591	4,000	10,000	40,000
15 Equipment lease	0	1,000	0	0
16 Events - TD produced	41,248	45,000	55,000	50,000
17 Insurance	3,772	4,000	3,772	4,000
18 Marketing	64,468	65,000	60,000	45,000
19 Misc/Other/Depr	19,389	2,000	20,000	2,000
20 Office Supplies	4,214	4,000	4,500	5,500
21 Payroll	327,833	402,905	402,905	420,189
22 Payroll tax	29,825	37,103	37,103	38,426
23 Payroll Fringe	75,370	103,500	84,000	108,000
24 Phone	6,021	7,000	7,000	15,000
25 Postage	548	1,000	200	600
26 Printing	0	2,000	1,000	1,000
27 Private Sector - Inkind	0	0	0	0
28 Professional Fees	11,227	10,000	5,200	15,000
29 Professional Service Contracts	250,209	220,000	220,000	238,000
30 Rent	60,675	62,453	62,900	71,627
31 Trade Show	12,847	15,000	5,500	15,000
32 Travel & Meeting	17,189	20,000	10,000	20,000
<b>Total Expense</b>	<b>964,114</b>	<b>1,050,161</b>	<b>1,031,552</b>	<b>1,167,741</b>
Excess Income /Expense	144,190	(9,735)	7,009	(103,491)
	2018	2019	2019	2020
29 Professional Service Contracts	Audit	Budget	Estimate	Budget
Accel7	0	0	0	18,000
DCI-Marketing	308,260	200,000	200,000	200,000
DCWIB	21,183	0	0	0
P-TAC	0	5,000	5,000	5,000
WEDC	0	15,000	15,000	15,000
	<b>329,443</b>	<b>220,000</b>	<b>220,000</b>	<b>238,000</b>

9/26/2019

I:\LDC\Budget\2020\2020 Budget

## Dutchess County Local Development Corporation 2020 Budget Narrative

### Revenues:

1. *Administrative Fees* income is based on a historic average of 3 projects
2. *Application Fees* income is based on 3 projects
3. While Dutchess County will not have an approved budget until December it is expected the funding from the County for Economic Development services will be the same as 2018 at \$451,500.
4. The Dutchess County IDA professional service contract for administrative services will be \$150,000.
5. The projection for *Private Sector* contributions has been adjusted downward as we are expecting a decrease in private contributions.
6. *Private Sector In Kind* is estimated at \$0
7. *WIB (Workforce Investment Board)* – income from the contract for rent, equipment and any additional fees as a result of the co-location.
8. DCLDC expects to continue to invest in short-term CD's similar to 2019, however, the interest expectations are lowered in as interest rates have fallen.

### Expenditures:

9. *Audit* costs is based on the contract with RBT, LLP
10. *Board & Committee* remains the same as 2019.
11. *Computer Consulting* are expected to rise in 2020 as a result of our current provider investing in increased security software and the additional license to our cloud computing system.
12. *Dues, Publications and Subscriptions* - To remain competitive and to improve our lead and business intelligence, the LDC would like to subscribe to two cloud based data programs that will improve lead generation, deal flow and talent retention and attraction as it relates to business attraction, business retention and expansion and talent attraction. The two programs in particular are EMSI, a labor market analytics tool and Gazelle.AI, a user friendly business intelligence program to help us identify target industry leads.
13. *Education/Training* is the estimated costs for staff training.
14. *Equipment costs* have been increased to purchase new equipment related to the office expansion.
15. The office will not be leasing Equipment in 2020.
16. *Events* is a new line budget item to reflect the costs to produce Think Dutchess/LDC events.
17. *Insurance* includes the crime bond and general liability.



18. *Marketing* expenses has been reduced as the organization will not be publishing a Magazine in 2020.
19. *Misc/Other/Depr* does not reflect the costs as a result of depreciation which will be determined in the 2020 Audit.
20. *Offices Supplies* is based on current and projected usage
21. *Payroll* reflects a 3% increase
22. *Payroll Taxes* reflect the associated taxes.
23. *Payroll Fringe* are calculated based on full time staff at the maximum benefit package worth \$18,000 per employee.
24. *Phones* - The cost of phones has been increased to reflect the purchase of additional phones with the expansion and projected maintenance and support.
25. *Postage* is estimated based on current and projected usage.
26. *Printing cost* is estimated based on current and projected usage of marketing collateral and other office materials.
27. *Private Sector –In-kind* has been added to account for in-kind services the organization receives.
28. *Professional Fees* reflect the services provided by Staff-Line, Cappillino & Rothschild, LLP, and estimated fees related to the video recording requirement of meetings and public hearings.
29. *Professional Service Contracts* reflect the costs incurred by service contracts with other economic development service organizations and marketing contract.
30. *Rent* is based on the rental agreement with Guardian Storage. The cost has been increased to reflect the expanded space.
31. *Trade Show* budget is based potential trade show activity for 2020.
32. *Travel and Meeting* is an estimate based on past travel and planned travel activity.



## Dutchess County Local Development Corporation

Paris 5 Year Budget filing

Year: 2020

	Audit 2018	Estimated EOY 2019	Proposed 2020	Proposed 2021	Proposed 2022	Proposed 2023
<b>Operating Revenues:</b>						
Administrative and Closing Fees	267,704	269,037	300,750	300,750	300,750	300,750
Program Revenue	124,900	100,000	100,000	100,000	100,000	100,000
Service Contract Revenue	681,101	625,524	633,500	633,500	633,500	633,500
<b>Nonoperating Revenues:</b>						
Investment earnings	34,599	44,000	30,000	30,000	25,000	25,000
Other Non-Operating Revenues	0	0	0	0	0	0
<b>Total Revenue</b>	<b>1,108,304</b>	<b>1,038,561</b>	<b>1,064,250</b>	<b>1,064,250</b>	<b>1,059,250</b>	<b>1,059,250</b>
<b>Operating Expenditures:</b>						
Salaries and Wages	327,833	402,905	420,189	432,794	445,778	459,152
Other Employee Benefits	75,370	84,000	108,000	108,000	108,000	108,000
Professional Services Contracts	284,195	247,959	279,000	279,000	279,000	279,000
Other	275,916	292,188	355,052	325,704	335,475	345,539
Supplies	801	4,500	5,500	5,500	5,500	5,500
<b>Nonoperating Expenditures:</b>						
Other Non-Operating Expenditures	0	0	0	0	0	0
<b>Total Expense</b>	<b>964,115</b>	<b>1,031,552</b>	<b>1,167,741</b>	<b>1,150,998</b>	<b>1,173,753</b>	<b>1,197,190</b>
<b>Excess Income /Expense</b>	<b>144,189</b>	<b>7,009</b>	<b>(103,491)</b>	<b>(86,748)</b>	<b>(114,503)</b>	<b>(137,940)</b>
<b>Projected Y/E Fund Balance</b>	<b>3,047,878</b>	<b>3,054,887</b>	<b>2,951,396</b>	<b>2,864,648</b>	<b>2,750,145</b>	<b>2,612,205</b>