

MINUTES

Dutchess County  Industrial Development Agency

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FINANCE and AUDIT COMMITTEE MEETING

Friday, September 11, 2020

Present: Kathy Bauer, Secretary/Treasurer
Don Sagliano

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

On Friday, September 11, 2020, the Dutchess County Industrial Development Agency [DCIDA] Finance and Audit Committee was called to order by Ms. Bauer at 8:41 a.m. Present was: Kathy Bauer and Don Sagliano. Quorum was established.

APPROVAL OF MINUTES

A motion was made by Mr. Sagliano, duly seconded by Ms. Bauer to approve the DCIDA February, 18, 2020 Finance and Audit Committee Minutes. All voted in favor. Motion carried.

2021 PROPOSED BUDGET

Ms. Lee briefly explained the following line items from the 2021 Proposed Budget.

A. 2020 End of Year Budget

Revenues:

1. *Administrative Fees* is estimated on revenue from three projects closing in 2021: Shoprite, 23-28 Creek Drive and Arthur May Development
2. *Application Fees* is estimated on 3 application submissions
3. *Compliance Fees* is estimated on 10 active projects that are subject to the fee
4. *Interest* is based on short term investment interest. For 2021, \$8,000 is projected because the interest rate is currently low.

Question: For 2020, the compliance fee is estimated at \$4,005 and \$5,010 for 2021. Is there a flat fee for each of the projects?

Response: Yes, it's \$501.00

Question: The reduction on the interest is twofold because the fund balance is being reduced and the interest rates are very low. Could someone comment on this?

Response: Yes, this is correct. Because the interest rate is so low it's time to do another RFP and every year the IDA runs into a deficit which cuts into the fund balance and cash.

Expenditures:

5. *Audit* is based on costs outlined in RBT's proposal
6. *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.
7. *Insurance* is the Crime Bond for the IDA
8. *Misc/Other* include costs for transcription services for project hearings
9. The *Professional Service Contract* includes contracts with the Dutchess County Local Development Corporation, Dutchess Tourism, and Hudson Valley Agriculture. The professional service contract amount with DTI will be \$425,000. The IDA contract amount with the LDC will be \$150,000. The professional service contract with Hudson Valley Agriculture is \$25,000.
10. The *Professional Services* includes estimated cost for services from Cappillino, Rothschild & Egan, LLP and video services related to the regulation requiring video recordings of meetings and public hearings.
11. *Rent* is the IDA's shared cost of the storage unit
12. *Supplies* is an estimated cost of supplies
13. *Travel and meeting* is based on an estimated costs

Question: In line 9 of the expenditures, there is a significant decrease in the professional service contracts for year 2020 and 2021. Is this due to the change/modification that occurred with the sales tax agreement/arrangement that we had with IBM?

Response: Yes

Question: These funds are not coming to the IDA but is now going directly to Dutchess County Government based on the NYS sales tax department, correct?

Response: Correct

Question: However it was being shared/parceled out to the County or this agency, the County still maintains a whole position for receiving these sales taxes?

Response: Correct

Comment: The proposed budget for 2021 is showing an excess of expenses over income of \$415,000. Are you going to describe how these monies will be funded?

Response: The IDA runs on a deficit because of the professional service contracts with Dutchess Tourism, LDC and Hudson Valley Agribusiness.

Question: What is the current fund balance?

Response: The recorded net position from the 2019 audit is \$4.4 million.

B. PARIS 5 Year Projection

Comment: The investment earnings under year 2020 is \$8,000 but was increased to \$30,000 for years 2020-2024. To be more conservation, this should be \$10,000 or \$15,000.

All was in agreement to change the amount to \$10,000 and Ms. Lee noted she will change the 2022, 2023 & 2024 investment earnings to reflect this amount.

Question: Is there any discussion with Dutchess Tourism about keeping the professional service contract amount the same for the other projected years?

Response: Dutchess Tourism is comfortable with the current amount and as for the other projected years they are having conversations with the County that may impact future contract amounts.

A motion was made by Mr. Sagliano, duly seconded by Ms. Bauer to present the 2021 Proposed Budget to the board for approval along with the adjustments that was discussed. All voted in favor. Motion carried.

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

There being no further business, the meeting adjourned at 9:02 a.m.

Kathleen Bauer, Secretary/Treasurer

Date

Meeting	<u>09-11-2020</u>
Approved	<u>03-10-2021</u>
Certified	<u>03-10-2021</u>