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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, March 28, 2017
4303 Route 9
Hudson, NY 12534

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Directors was held at their offices located at 4303 Route 9, Hudson, NY 12534 on March 28, 2017. The meeting was called to order at 8:35a.m. by David Fingar, Vice-Chair.

Attendee Name	Title	Status	Arrived
Russell Bartolotta	Board Member	Present	
Rick Bianchi	Treasurer	Present	
Jim Calvin	Board Member	Present	
Jim Champion	Board Member – Ex Officio	Present	
David Fingar	Vice-Chairman	Present	
Tish Finnegan	Board Member	Present	
Triona Fritsch	Board Member	Present	
Kate Johns	Board Member	Present	
Tony Jones	Chairman	Excused	
James Lapenn	Board Member	Present	
John Lee	Board Member	Excused	
Jim Mackerer	Board Member – Ex Officio	Present	
Ed Nabozny	Board Member – Ex Officio	Present	
Michael Polemis	Board Member	Present	
Robert Sherwood	Board Member	Excused	
Colin Stair	Board Member	Excused	
Sarah Sterling	Secretary	Present	
Maria Suttmeier	Board Member	Present	
Andy Howard	CEDC Attorney	Present	
F. Michael Tucker	President/CEO	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	

Minutes:

Mr. Calvin made the motion, seconded by Mr. Lapenn to approve the minutes from the February 28, 2017 meeting. Carried.

Treasurer's Report:

Mr. Tucker asked the Board to refer to the compressed February 2017 financials being handed out with a time stamp of 7:45am. He noted the detailed financials distributed with the meeting packet had shown the depth and breadth of the financials.

Mr. Bianchi referred the Board to page 1 of the balance sheet previous year comparison, just distributed. He noted the total checking and savings account balance and total other current assets had increased over last year. He stated fixed assets had remained the same while total other assets were down from the previous year. He noted total assets for the organization had increased by \$5,500.

Mr. Bianchi turned to the liabilities and equities. He noted total current liabilities were up from the previous year, while total long term liabilities had decreased from the previous year, resulting in a decrease in total liabilities of \$95,000. He noted total equity had increased \$101,000.

Mr. Bianchi drew the Boards attention to the income statement, profit and loss budget vs actual page 2. He noted total income was up \$16,000, total expenses were up \$23,000 and net ordinary income was down \$6900. He informed the board the interfund income and expense accounts were accounts used to move funds. *Mr. Lapenn made a motion, seconded by Ms. Sterling to approve the Treasurer's Report as presented. Carried.*

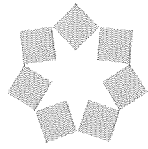
President and CEO Report:

Mr. Tucker stated the Governor had announced the phase II awards for broadband. He noted Columbia County had received the largest portion of the funding statewide and 65% of the amount awarded in the Capital Region. He anticipated announcement of round 3 RFP's in the next several days. He informed the board that CEDC may have a role to play in the Round 3 awards. He stated round 3 would address the last mile of coverage for the county. Mr. Tucker stated he had attended the latest county broadband meeting where the perceived gaps in coverage were addressed.

Mr. Tucker stated CEDC was working with the Columbia County Trail Coalition which was working to extend and join the network of trails in Columbia County to the Empire State Trail. He stated he has met with the NYS Bridge Authority, DOT and other interested parties to discuss the Skywalk project. He stated the project included a significant reconfiguration and possible roundabout at the Route 23, Route 9G intersection leading to the Rip Van Winkle Bridge. He stated grant applications would need to be submitted for the project.

Mr. Tucker stated the staff has been busy working with Ms. McNary on the annual PARIS submission to comply with the NYS ABO requirements, which was in good shape. He informed the board that CEDC had attended the first meeting of the City of Hudson IDA where they acted as staff. He stated a complete review and re-approval of all policies is being undertaken by CEDC.

Mr. Tucker stated he had attended the public hearing for the Empire State Development grant awarded to the Hudson Opera House. He stated CEDC had assisted the Opera House with their recent tourism survey. Mr. Tucker informed the board that he had received the first draft of IDA closing documents for the Wick Hotel. He reminded the board that the County IDA would be splitting the project fee with the City IDA. He also stated Architectural Cast Stone had taken their first order for the Commerce Park facility.



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Mr. Tucker met with Empire State Development regional director, Mike Yevoli at a local business to discuss their needs. He stated he had also been in contact with Senators Schumer and Gillibrand, as well as Congressman Faso regarding the potential projects.

Mr. Tucker informed the Board he had met with the County Social Services Commissioner and several county Supervisors to discuss housing issues in the county. He noted a high rate of homeless and families who were using alternative housing solutions throughout the county. He stated CEDC needed to be cautious as to its role, as its primary focus should be on workforce housing opportunities

Mr. Tucker stated CEDC had supported a joint grant application for funding for the summer leadership program for High School students in partnership with the Chamber of Commerce. He stated the pilot program would include soft skills training and a tour of a local business. He stated the Workforce Development and Education Committee were discussing how to focus on the high school level students, as well. He noted Ms. Wilber and Intern, Kayla Duntz were working on a list of currently available programs within the county to insure that CEDC was not duplicating programs and to also identify opportunities for partnerships.

Mr. Tucker reminded the board that the annual meeting would be held on Tuesday, April 25th at Kozel's. He stated several sponsors had been obtained and a large crowd was anticipated to hear the keynote address by Hugh Johnson, a nationally recognized investment advisor.

Mr. Tucker stated the County had completed the environmental assessment required prior to an application to NYS Environmental Facilities for the Commerce Park Sewer Project.

Record Retention Policy:

Mr. Calvin made a motion, seconded by Ms. Sterling to approve the Record Retention Policy as presented. Carried.

2016 Audited Financials:

Mr. Bianchi stated the Audit and Finance Committee had met earlier. He reminded the Board they had received drafts of the audited financials. He stated Mr. Vanderbeck would be presenting the document.

Mr. Vanderbeck stated there were two opinions in the documents. One was an unmodified opinion and the other was a government audit report. He noted both were clean reports. He stated the financial statements compared the results of 2016 to the previous year. Mr. Vanderbeck directed the Board to the footnotes for details. Mr. Bianchi stated he felt it was important to note the operating loss on page 8 had been totally offset by County funding.

Mr. Tucker stated he regularly attends County meetings related to economic development and in constant contact with the Board of Supervisors. He stated CEDC appreciated the support from the County. Mr. Nabozny expressed the County's appreciation.

Mr. Lapenn asked Mr. Vanderbeck the following questions:

Did management place any limitation on PKHD's scope of service, agreed upon audit plan, particular inquiries or access to books and records?

In the course of your work at CEDC, including your examination of CEDC's internal controls, did you observe (I) any activity that you consider a violation of law, GAAP, the Public Authorities Accountability Act, best practices or highest ethical standards and (ii) any activity that made you, as an Independent auditor, uncomfortable?

Mr. Vanderbeck's answered No, there was nothing to report.

Mr. Vanderbeck then addressed the 3 page required communication letter. He noted it was a clean letter with no disagreements. He noted if there had been disagreements the letter would have referenced them. He stated a good job had been done closing the books and records.

Mr. Vanderbeck turned his attention to the 6 page letter. He noted this letter carried forward comments relating to 2015. He stated there were no additional comments for 2016. He reviewed the past comments, and noted the managements response. He stated he had been asked to include the risk assessment as part of the audit. He stated a great deal of the document had been implemented. Mr. Vanderbeck noted the 2015 comments would not be carried forward. *Mr. Calvin made a motion, seconded by Mr. Lapenn to approve the 2016 audited financials as presented. Carried.*

2016 Management Letter:

Mr. Calvin made a motion, seconded by Mr. Lapenn to approve the 2016 management letter. Carried.

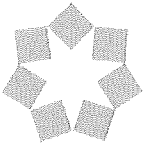
2016 Form 990:

Mr. Tucker noted this was not required to be approved. Mr. Bianchi asked the board to review the form within the next couple of days and report and suggested changes to Mr. Tucker. He stated the form would be filed by mid April.

PARIS Report:

Mr. Tucker briefly reviewed the document with the board. Ms. Sterling made a motion, seconded by Ms. Finnegan to approve the document. Carried.

Mr. Tucker thanked Mr. Vanderbeck and the audit team from Pattison, Koskey, Howe & Bucci, as well as Erin McNary and Lisa Drahushuk of CEDC's staff for their work in completing the Audit and PARIS reporting.



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Committee Reports:

Executive Committee:

Mr. Fingar noted the Committee had not met since the last board meeting.

Governance and Nominating Committee:

Mr. Tucker stated the Governance and Nominating Committee had reviewed the bylaws and suggested several changes. He noted there was not a two thirds majority present so the by-laws would not be presented for a vote. Mr. Campion noted the changes had been review at the last two meetings with no quorum. Mr. Tucker stated the April 18th meeting would be the next chance prior to the annual meeting. He stated if necessary, a Special Board Meeting could be held immediately before the annual meeting just to approve the changes to the bylaws so they can be presented to the Members for approval.

Loan Committee:

Ms. Lane stated a request had been received from Central Market & Delicatessen for a \$25,000 loan. She stated the principals were purchasing the current Otto's Market in Germantown. They had approached a lender for a 504 loan to finance the majority of the project, and were requesting funding from CEDC to provide working capital. Ms. Lane stated if the 504 loan were approved, CEDC would be holding 3rd position on the collateral.

Ms. Lane suggested an interest rate of 7.25%, with a term of 72 months. She stated a lien would be taken on business assets, including equipment, furniture, fixtures, inventory and accounts receivables. She stated the project anticipates retaining 4 full time and 6 part-time jobs and creating 2 full time and 4 part-time jobs. *Mr. Calvin made a motion, seconded by Ms. Johns to approve the loan as presented. Mr. Bianchi and Mr. Fingar recused themselves from the vote noting they both had a business relationship with the principals. Carried.*

Portfolio Review:

Ms. Lane informed the Board of the writeoff of the Monkshood Nursery loan. She stated the principal intends to pay off the loan when his property sells.

Workforce Development and Education Committee:

Mr. Tucker stated a meeting date would be determined today for the next Committee meeting.

Having no other business to discuss and no public comments, a motion to adjourn was made by Mr. Bianchi seconded by Mr. Bartolotta. Carried. The meeting was adjourned at 9:43 a.m.

Respectfully submitted by Lisa Draushuk