



Choose Columbia

Columbia Economic Development Corporation

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF MEETING

Please take notice that there will be a meeting of the Columbia Economic Development Corporation Audit and Finance Committee held on January 30, 2018 at 8:00am, at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: January 24, 2018

Sarah Sterling

Secretary

Columbia Economic Development Corporation

CEDC Audit and Finance Committee Agenda

Chairman:

Rick Bianchi

Members:

Tish Finnegan

Tony Jones

James Lapenn

John Lee

1. Minutes, October 18, 2017*
2. 2017 Audit Engagement Letter*
3. Review of Financials*
4. Portfolio Review
5. Public Comment

Attachments:

Minutes, October 18, 2017

Financials

Loan Status Report

* Requires action



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**MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
AUDIT and FINANCE COMMITTEE
Wednesday, October 18, 2017
4303 Route 9
Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Audit and Finance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on October 18, 2017. The meeting was called to order at 8:31am by Mr. Lapenn, Acting Chair.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Chairman	Excused	
Tish Finnegan	Committee Member	Excused	
Tony Jones	Committee Member	Present	
James Lapenn	Committee Member	Present	
John Lee	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	Counsel	Present	
Brandon Dory	Project Manager	Excused	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Excused	
Martha Lane	Business Development Specialist	Present	
Carol Wilber	Marketing Director	Excused	

Minutes:

Mr. Lee made a motion, seconded by Mr. Jones to approve the minutes from July 19, 2017. Carried.

Budget:

Mr. Tucker presented and reviewed the 2018 proposed budget with the committee. Mr. Tucker stated the budget submitted to the full board would have categories conforming to the chart of accounts, and would include a comparison to 2016 and 2017. Mr. Tucker noted this was the first year with the new accounting system and he was attempting to structure the budget to accurately reflect the changes. *Mr. Lee made a motion, seconded by Mr. Jones to recommend approval of the proposed budget with modifications discussed. Carried.*



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Financials:

Mr. Tucker reviewed the financials with the Committee. He noted an increase in cash due to loans repaying and drawdown of a portion of the \$300,000 from the SBA. He reviewed the reserve accounts with the Committee, noting the need to monitor write-offs. *Mr. Lee made a motion, seconded by Mr. Jones to recommend the financial to the full board. Carried.*

Portfolio Review

Mr. Tucker noted Nancyscans is within two payments of paying off their loan. He noted collection efforts continued. Paul Calcagno was two months late, collection calls had been made. He noted the Hudson River Laundress was delinquent by one month. He noted Primitive Twig was one month delinquent. Mr. Tucker noted Monkshood Nursery had paid their loans in full. Mr. Tucker suggested maintaining a list of loan modification details to reference.

Other Business:

Mr. Tucker stated the search continued for alternative office. He informed the Board that under the procurement guidelines, three written quotes would be required. He stated he would do an RFP.

With no other business to come before the committee and no public comment, Mr. Lee made a motion, seconded by Mr. Jones to adjourn the meeting. Carried.

The meeting adjourned at 9:35am

Respectfully submitted by Lisa Drahushuk

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01/09/18

Accrual Basis

Columbia Economic Development Corp
Balance Sheet Prev Year Comparison
 As of December 31, 2017

	Dec 31, 17	Dec 31, 16	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Checking and Savings	2,034,145.98	1,973,421.25	60,724.73	3.1%
Total Checking/Savings	2,034,145.98	1,973,421.25	60,724.73	3.1%
Other Current Assets				
Accounts Receivable	36,666.66	22,034.88	14,631.78	66.4%
Allowance for Bad debt SBA	-42,291.54	-58,024.97	15,733.43	27.1%
Other loans receivable	16,468.33	32,182.75	-15,714.42	-48.8%
Prepaid expense	1,373.40	904.00	469.40	51.9%
SBA Loans Receivable	352,613.17	402,247.97	-49,634.80	-12.3%
Total Other Current Assets	364,830.02	399,344.63	-34,514.61	-8.6%
Total Current Assets	2,398,976.00	2,372,765.88	26,210.12	1.1%
Fixed Assets				
Property & Capitalized Assets	13,343.51	12,749.52	593.99	4.7%
Total Fixed Assets	13,343.51	12,749.52	593.99	4.7%
Other Assets				
Allowance for Bad Debt Loans	-119,630.67	-135,671.57	16,040.90	11.8%
Comm. Pk Land Sale Recv.	37,182.98	45,500.00	-8,317.02	-18.3%
Grants Receivable	297,767.80	329,554.59	-31,786.79	-9.7%
Loans Receivable	654,631.79	623,096.23	31,535.56	5.1%
Total Other Assets	869,951.90	862,479.25	7,472.65	0.9%
TOTAL ASSETS	3,282,271.41	3,247,994.65	34,276.76	1.1%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000-01 *Accounts Payable	15,459.26	18,407.26	-2,948.00	-16.0%
Total Accounts Payable	15,459.26	18,407.26	-2,948.00	-16.0%
Other Current Liabilities				
Accounts payable .. other	0.00	2,627.03	-2,627.03	-100.0%
Accrued Expenses	9,657.28	10,745.24	-1,087.96	-10.1%
Deferred Revenue	150.00	18,581.00	-18,431.00	-99.2%
Land Deposit	3,300.00	3,300.00	0.00	0.0%
Total Other Current Liabilities	13,107.28	35,253.27	-22,145.99	-62.8%
Total Current Liabilities	28,566.54	53,660.53	-25,093.99	-46.8%
Long Term Liabilities				
Loans Payable to SBA	539,691.73	478,775.73	60,916.00	12.7%
Long term Deferrd Revenue	92,767.80	124,554.59	-31,786.79	-25.5%
Total Long Term Liabilities	632,459.53	603,330.32	29,129.21	4.8%
Total Liabilities	661,026.07	656,990.85	4,035.22	0.6%
Equity				
Invested in Capital Assets	12,933.52	12,749.00	184.52	1.5%
Net assets Restricted	307,991.06	263,530.00	44,461.06	16.9%

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Accrual Basis

Columbia Economic Development Corp
Balance Sheet Prev Year Comparison
As of December 31, 2017

	<u>Dec 31, 17</u>	<u>Dec 31, 16</u>	<u>\$ Change</u>	<u>% Change</u>
Unrestricted Net Position	2,270,079.22	2,226,956.73	43,122.49	1.9%
Net Income	30,241.54	87,768.07	-57,526.53	-65.5%
Total Equity	<u>2,621,245.34</u>	<u>2,591,003.80</u>	<u>30,241.54</u>	<u>1.2%</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,282,271.41</u></u>	<u><u>3,247,994.66</u></u>	<u><u>34,276.76</u></u>	<u><u>1.1%</u></u>

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Accrual Basis

Columbia Economic Development Corp
Profit & Loss Prev Year Comparison
 January through December 2017

	Jan - Dec 17	Jan - Dec 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
3801 Interfund Transfer Income	0.00	5,150.00	-5,150.00	-100.0%
Administrative Revenue	48,166.66	64,462.50	-16,295.84	-25.3%
Columbia County	460,000.00	437,000.00	23,000.00	5.3%
Goat Genetics Grant	35,000.00	0.00	35,000.00	100.0%
Grant Income	35,426.98	61,334.00	-25,907.02	-42.2%
Land Sale Revenue	0.00	48,889.50	-48,889.50	-100.0%
Loan Income	62,355.41	75,059.77	-12,704.36	-16.9%
Membership/Sponsorship	51,956.00	33,819.00	18,137.00	53.6%
Other Income	19,575.23	16,161.64	3,413.59	21.1%
SBA Incoming	0.00	0.00	0.00	0.0%
SBA Microloan T/A	77,536.42	68,814.38	8,722.04	12.7%
Total Income	790,016.70	810,690.79	-20,674.09	-2.6%
Expense				
5001 Bank Service Charges	122.49	0.00	122.49	100.0%
Conferences and Training	1,873.19	3,186.82	-1,313.63	-41.2%
Consulting -TSI	120,000.00	20,318.75	99,681.25	490.6%
Consulting Fees	20,371.26	123,623.23	-103,251.97	-83.5%
Direct Program Expenses	7,354.83	11,094.71	-3,739.88	-33.7%
Employer Payroll Taxes	27,118.21	26,114.25	1,003.96	3.8%
Facility	28,845.54	26,223.12	2,622.42	10.0%
Fringe Benefits	42,577.90	39,547.80	3,030.10	7.7%
Grant Exp - 267ED760-11	0.00	20,000.00	-20,000.00	-100.0%
Insurance	3,346.31	5,217.67	-1,871.36	-35.9%
Inter-Fund Expenses	5,000.00	36,275.00	-31,275.00	-86.2%
Interest Expense	-911.25	612.13	-1,523.38	-248.9%
Marketing**	20.00	0.00	20.00	100.0%
MicroBiz Expenses	20,790.13	19,541.23	1,248.90	6.4%
New Initiatives	78,055.65	0.00	78,055.65	100.0%
Office Expense	51,343.55	47,218.38	4,125.17	8.7%
Other expense and activities	3,857.98	22.00	3,835.98	17,436.3%
Other Expenses	15,000.21	17,127.79	-2,127.58	-12.4%
Payroll	285,396.28	265,109.19	20,287.09	7.7%
Professional Fees	34,056.44	42,593.31	-8,536.87	-20.0%
Public Relations/Marketing	15,556.44	16,236.34	-679.90	-4.2%
5120-01 - Depreciation Expense	0.00	2,736.00	-2,736.00	-100.0%
Total Expense	759,775.16	722,797.72	36,977.44	5.1%
Net Ordinary Income	30,241.54	87,893.07	-57,651.53	-65.6%

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Accrual Basis

Columbia Economic Development Corp
Profit & Loss Prev Year Comparison
January through December 2017

	<u>Jan - Dec 17</u>	<u>Jan - Dec 16</u>	<u>\$ Change</u>	<u>% Change</u>
Other Income/Expense				
Other Expense				
Interfund Exp. Transfer	<u>0.00</u>	<u>125.00</u>	<u>-125.00</u>	<u>-100.0%</u>
Total Other Expense	<u>0.00</u>	<u>125.00</u>	<u>-125.00</u>	<u>-100.0%</u>
Net Other Income	<u>0.00</u>	<u>-125.00</u>	<u>125.00</u>	<u>100.0%</u>
Net Income	<u>30,241.54</u>	<u>87,768.07</u>	<u>-57,526.53</u>	<u>-65.5%</u>

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Accrual Basis

Columbia Economic Development Corp
Profit & Loss Budget vs. Actual
 January through December 2017

	Jan - Dec 17	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Administrative Revenue	48,166.66	59,000.00	-10,833.34	81.6%
Columbia County	460,000.00	460,000.00	0.00	100.0%
Goat Genetics Grant	35,000.00			
Grant Income	35,426.98	41,334.00	-5,907.02	85.7%
Loan Income	62,355.41	60,293.07	2,062.34	103.4%
Membership/Sponsorship	51,956.00	75,000.00	-23,044.00	69.3%
Other Income	19,575.23	31,961.39	-12,386.16	61.2%
SBA Microloan T/A	77,536.42	80,000.00	-2,463.58	96.9%
4101 - CEO Roundtable sponsor	0.00	0.00	0.00	0.0%
Total Income	790,016.70	807,588.46	-17,571.76	97.8%
Expense				
5001 Bank Service Charges	122.49			
Conferences and Training	1,873.19	5,000.00	-3,126.81	37.5%
Consulting -TSI	120,000.00	120,000.00	0.00	100.0%
Consulting Fees	20,371.26	25,000.00	-4,628.74	81.5%
Direct Program Expenses	7,354.83	16,094.72	-8,739.89	45.7%
Employer Payroll Taxes	27,118.21	24,873.73	2,244.48	109.0%
Facility	28,845.54	28,845.54	0.00	100.0%
Fringe Benefits	42,577.90	47,129.78	-4,551.88	90.3%
Insurance	3,346.31	6,500.00	-3,153.69	51.5%
Inter-Fund Expenses	5,000.00			
Interest Expense	-911.25	1,796.64	-2,707.89	-50.7%
Marketing**	20.00			
MicroBiz Expenses	20,790.13	19,541.16	1,248.97	106.4%
New Initiatives	78,055.65	25,000.00	53,055.65	312.2%
Office Expense				
5060-01 - Comp./Equip & Leasing & Maint.	15,486.28	15,000.00	486.28	103.2%
5060-02 - Telephone & Fax	3,856.92	4,500.00	-643.08	85.7%
5060-03 - Internet	1,581.55	1,850.00	-268.45	85.5%
5060-04 - Office Supplies & Printing	4,863.67	5,000.00	-136.33	97.3%
5060-05 - Dues & Subscriptions	6,888.40	6,500.00	388.40	106.0%
5060-06 - Postage	367.24	1,500.00	-1,132.76	24.5%
5060-07 - Misc. Office Expenses	6,236.99	5,000.00	1,236.99	124.7%
5060-08 - Web Site	12,062.50	8,000.00	4,062.50	150.8%
Total Office Expense	51,343.55	47,350.00	3,993.55	108.4%
Other expense and activities	3,857.98			
Other Expenses	15,000.21	17,127.84	-2,127.63	87.6%
Payroll	285,396.28	309,496.43	-24,100.15	92.2%
Professional Fees	34,056.44	37,800.00	-3,743.56	90.1%
Public Relations/Marketing	15,556.44	18,000.00	-2,443.56	86.4%
Total Expense	759,775.16	749,555.84	10,219.32	101.4%
Net Ordinary Income	30,241.54	58,032.62	-27,791.08	52.1%

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Accrual Basis

Columbia Economic Development Corp
Profit & Loss Budget vs. Actual
January through December 2017

	<u>Jan - Dec 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Net Income	<u>30,241.54</u>	<u>58,032.62</u>	<u>-27,791.08</u>	<u>52.1%</u>

Columbia Economic Development Corp
Profit & Loss by Class
January through December 2017

Ordinary Income/Expense Income	Total 1 Operating	2 Loan Fund	Total 3 CDBG Fund	Total 4 SBA	TOTAL
Administrative Revenue	48,166.66	0.00	0.00	0.00	48,166.66
Columbia County	460,000.00	0.00	0.00	0.00	460,000.00
Goat Geneics Grant	35,000.00	0.00	0.00	0.00	35,000.00
Grant Income	0.00	0.00	35,426.98	0.00	35,426.98
Loan Income	0.00	35,380.33	1,252.26	25,722.82	62,355.41
Membership/Sponsorship	51,956.00	0.00	0.00	0.00	51,956.00
Other Income	15,088.72	2,412.24	650.09	1,424.18	19,575.23
SBA Microloan T/A	77,536.42	0.00	0.00	0.00	77,536.42
Total Income	687,747.80	37,792.57	37,329.33	27,147.00	790,016.70
Expense					
5001 Bank Service Charges	102.49	20.00	0.00	0.00	122.49
Conferences and Training	1,873.19	0.00	0.00	0.00	1,873.19
Consulting -TSI	120,000.00	0.00	0.00	0.00	120,000.00
Consulting Fees	20,371.26	0.00	0.00	0.00	20,371.26
Direct Program Expenses	7,354.83	0.00	0.00	0.00	7,354.83
Employer Payroll Taxes	27,118.21	0.00	0.00	0.00	27,118.21
Facility	28,845.54	0.00	0.00	0.00	28,845.54
Fringe Benefits	42,577.90	0.00	0.00	0.00	42,577.90
Insurance	3,346.31	0.00	0.00	0.00	3,346.31
Inter-Fund Expenses	5,000.00	0.00	0.00	0.00	5,000.00
Interest Expense	0.00	0.00	0.00	-911.25	-911.25
Marketing**	20.00	0.00	0.00	0.00	20.00
MicroBiz Expenses	20,790.13	0.00	0.00	0.00	20,790.13
New Initiatives	78,055.65	0.00	0.00	0.00	78,055.65
Office Expense	51,321.55	0.00	0.00	22.00	51,343.55
Other expense and activities	0.00	0.00	0.00	3,857.98	3,857.98
Other Expenses	0.00	15,000.21	0.00	0.00	15,000.21
Payroll	285,396.28	0.00	0.00	0.00	285,396.28
Professional Fees	34,056.44	0.00	0.00	0.00	34,056.44
Public Relations/Marketing	15,556.44	0.00	0.00	0.00	15,556.44

Columbia Economic Development Corp
Profit & Loss by Class
January through December 2017

	Total 1 Operating	2 Loan Fund	Total 3 CDBG Fund	Total 4 SBA	TOTAL
Total Expense	741,786.22	15,020.21	0.00	2,968.73	759,775.16
Net Ordinary Income	-54,038.42	22,772.36	37,329.33	24,178.27	30,241.54
Net Income	-54,038.42	22,772.36	37,329.33	24,178.27	30,241.54

Columbia EDC Available Funds to Loan, Current Outstanding Loan Portfolio & Reserve Account Balances - Dec 31, 2017

CEDC Loan Fund	Bank Relationship	TYPE	Available to lend	Total Available	Total
CEDC Loan Fund (Small Cities)	Kindershook Bank	SV	-		Current CEDC Outstanding Loan Balances 747,633.00
	Kindershook Bank	SV	-		
	Kindershook Bank	CK	39,229.00	39,229.00	
SBA Micro Loan Fund	Kindershook Bank	CK	-		Current SBA Loan Portfolio Balance 353,122.00
	Kindershook Bank	SV	869,499.00	908,728.00	
SBA - Available Funds	Key Bank	RLF3	39,748.00		Total CEDC & SBA Outstanding Loan Balances 1,100,755.00
	Key Bank	RLF 4	46,775.00		
	Bank of Greene County	RLF 5	132,998.00		
	Bank of Greene County	RLF6	120,531.00	340,052.00	
	SBA - Available Funds		150,000.00	150,000.00	
				490,052.00	

Reserve Accounts	Bank Relationship	TYPE	Available	Total Reserves
CEDC Loan Fund			119,631.00	
SBA Loan Funds			42,292.00	161,923.00
SBA Loan Funds	Key Bank	LLR 3	21,057.00	
	Key Bank	LLR 4	20,754.00	
	Bank of Greene County	LLR 5	39,484.00	103,931.00
	Bank of Greene County	LLR 6	22,636.00	265,854.00
Water Tower Reserve			71,817.00	337,671.00

CEDC LOAN STATUS REPORT

12/31/2017	Loan Type	Orig Loan Amount	Orig Loan date	Loan Bal	# of Years	Interest Rate	Monthly Payment	Day Due	Past Due if >30	Last Pymt	Change Date
SBA Micro Loan											
BASIC INDUSTRIES	MICRO	\$35,000	07/13/16	25,207.00	6	7.00%	\$693.00	15		12/15/17	04/13/21
BROWN'S CAR SALES, LLC	MICRO	\$12,500	09/08/17	11,973.00	5	7.00%	\$247.51	31		12/06/17	09/08/22
EAST CENTRAL FOOD CO	MICRO	\$15	03/04/16	15,332.00	5	7.25%	\$398.39	21		01/02/17	08/04/21
EZ FOODS #3	MICRO	\$9,000	08/31/16	5,431.00	3	7.25%	\$278.75	31		01/02/18	08/30/19
BERG FOREST FARM COHEN	MICRO	\$23,000	05/27/14	17,823.00	5	7.50%	\$469.87	27		11/17/17	05/27/19
GREEN BEAUTY	MICRO	\$5,000	10/19/17	4,750.00	3	7.25%	\$154.96	19		12/26/17	10/19/20
FOX CARRON	MICRO	\$8,500	06/05/17	7,725.00	4	7.25%	\$204.53	5		11/13/17	06/05/21
HUDSON ATHENS RETAIL	MICRO	\$25,000	09/13/17	24,128.00	13	6.00%	\$414.32	13		01/02/18	09/13/23
HUDSON CLOTHIER	MICRO	\$20,000	05/09/15	12,503.00	6	7.5%	\$348.23	11		12/20/17	05/09/21
HUDSON CHATHAM WINERY	MICRO	\$20,500	08/02/13	6,757.00	6	6.00%	\$339.74	2		12/05/17	08/02/19
JUST MARTINE ENGINE REPAIRS	MICRO	\$10,000	04/03/15	6,185.00	5	7.5%	\$201.57	8		12/20/17	04/03/20
JEM WOODWORKING #2	MICRO	\$25,000	06/01/15	15,924.00	6	7.50%	\$432.25	1		12/01/17	06/01/21
JORDISSY'S COMES	MICRO	\$49,500	07/06/15	14,222.00	6	7.75%	\$839.52	6		12/26/17	07/06/21
215 MAIN VENTURES LLC	MICRO	\$25,000	06/30/17	23,592.00	6	7.25%	\$429.23	30		01/02/18	06/30/23
WICK FARMERS MBB	MICRO	\$5,000	04/13/17	4,429.00	5	7.00%	\$99.00	13		12/14/17	04/13/22
OAK PIZZERIA NAPOLETANA	MICRO	\$25,000	05/11/16	18,037.00	5	7.25%	\$497.98	11		12/15/17	05/11/21
ODE PODSON LLC	MICRO	\$35,000	12/02/15	25,063.00	6	7.5%	\$609.40	2		12/14/17	12/02/21
PAGODA HOME, INC.	MICRO	\$25,000	11/11/15	17,553.00	6	7.75%	\$435.29	11		12/20/17	11/11/21
PARRAN BAR CORPORATION	MICRO	\$15,000	04/25/13	15,192.00	6	7.00%	\$255.74	23		12/20/17	04/25/19
PRIMITIVE TWIG	MICRO	\$15,000	12/10/13	4,278.00	5	7.50%	\$300.57	10	\$300.00	11/21/17	03/21/16
RAJON BARBERS & CO	MICRO	\$25,000	05/28/16	18,790.00	6	7.25%	\$428.84	30		12/26/17	03/30/22
RCKHOUNDZZ	MICRO	\$2,000	09/28/17	1,843.00	3	7.00%	\$61.75	28		12/27/17	09/28/20
ROAN BARCK	MICRO	\$25,000	02/06/14	10,345.00	6	7.30%	\$497.25	6		12/06/17	02/06/20
SUH6 ENTERPRISES, LLC	MICRO	\$25,000	10/13/17	24,438.00	6	7.00%	\$426.23	6		10/30/17	10/13/23
STATE CUISINERY	MICRO	\$25,000	02/24/17	22,141.00	6	7.25%	\$409.23	6		12/21/17	02/24/23
MERCERS TEA	MICRO	\$50,000	09/09/15	20,341.00	6	7.5%	\$529.54	9		12/04/17	09/09/21
		\$ 490,015.00		\$ 353,122.00			\$ 9,441.54				
Current Total		\$1,869,044.30		\$1,100,755.00			\$31,607.98				

