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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Annual Members Meeting
Tuesday, April 24, 2018
Kozel's Restaurant
Route 9H
West Ghent, NY 12075

The annual meeting of the Columbia Economic Development Corporation (CEDC) Members was held at Kozel's Restaurant, located at Route 9H, West Ghent, NY 12075 on April 24, 2018. The meeting was called to order at 8:00am. by Tony Jones, Chair of the Board of Directors.

Mr. Jones welcomed the attendees to the CEDC 2018 Annual Members Meeting. He gave a brief overview of the speakers. Mr. Jones stated over 170 people had signed up in advance for the breakfast. He introduced F. Michael Tucker as the program's master of ceremonies and then introduced the CEDC staff to the attendees. He recognized the Board of Directors and thanked the event sponsors. He noted this years program had been sponsored by 34 local and regional businesses, far exceeding any previous year. Mr. Jones thanked the attendees and turned the meeting to Mr. Tucker.

Mr. Tucker introduced Congressman John Faso., who briefly updated the audience regarding recent developments in Congress. He noted an increase had been approved for mental health and rural broadband funding. He stated he was currently working on a farm bill that would assist dairy farmers as well as enhance agricultural conservation efforts. He thanked the attendees for their work and confidence.

Mr. Tucker introduced Chairman of the Columbia County Board of Supervisors, Matt Murell. Chairman Murell informed the attendees the county had undergone a successful procurement audit thanks to the efforts of the County Treasurer. He noted the County maintained an excellent Moody's rating; had purchased land and a building for an emergency training center; purchased new busses for seniors and was coordinating a shared services plan for all towns, most villages and the City of Hudson.

He looked ahead toward continued work on broadband; the expansion of the water and sewer line from the Commerce Park to the Town of Greenport and the stabilization of funding Columbia Greene Community College.

Mr. Tucker then introduced the Mayor of the City of Hudson, Rick Rector. He noted great things were happening in Hudson including the award of the Downtown Revitalization Initiative

and the multi-faceted growth in the City. He stated the City was welcoming businesses and anticipated the creation of trails within the City limits, joining with other trail systems.

Mr. Tucker thanked each of the speakers and introduced Mike Yevoli, Regional Director the Empire State Development and Executive Director of the Capital Region Economic Development Council. Mr. Yevoli referenced the many projects he and his organization have been involved with in Columbia County including: Hawthorne Valley Farm's sauerkraut operation, Hudson Valley Creamery and the expansion of Digifab. He noted they have also been involved in multiple tourism related projects including the Skywalk project, Olana and the new transportation project. He thanked all involved.

Mr. Tucker then introduced Hugh Johnson of Hugh Johnson Advisors, LLC. Mr. Johnson addressed the current economic cycle, the stock market and trends. He addressed the stock market volatility and the housing trends that could signal the end of the current cycle.

Mr. Tucker introduced Professor Don Levy, Director of the Siena College Research Institute. Professor Levy reviewed the results of the first Annual Columbia County Business Leaders Survey with the attendees. He noted 176 surveys had been conducted and tabulated to form the report. He informed the attendees Siena asked the same questions across New York State. The results were broken into business categories, with the largest being: Service, Food/Beverage, Retail and Manufacturing.

Professor Levy stated the overall index of confidence indicated a strong level of collective confidence; an indicator of current and anticipated success. He noted the majority of respondents felt business and economic conditions were better or the same in New York and Columbia County than one year ago. A majority anticipated conditions to remain the same or be better in the future. Expectations for the coming year were positive regarding revenues, profits, fixed assets acquisitions and workforce.

Professor Levy noted some aspects of the workforce were seen as problematic, issues included: work ethic, workforce skills, verbal and written expression, drug and alcohol usage and realistic salary and benefit expectations. Job training programs were also rated low, but many answered they would be interested in participating in internships, apprenticeships or assisting in developing curriculum for training programs.

Overall, the respondents expressed confidence in local government, with a few exceptions including infrastructure. Sixty one percent of Columbia County business leaders expect to still be in business in ten years and 60% would locate again to Columbia County taking into account all factors. Professor Levy stated the figures, which might seem to be low to the average reader, represented the highest levels of any region or the state as a whole.

Mr. Tucker thanked Professor Levy. He stated he would forego his review of the annual report due to time constraints, but noted the information was available at their tables. He noted he had been President and CEO for nearly three years, during which time public confidence had been restored, the relationship with the Board of Supervisors had been renewed and attempts had been made to engage local businesses and community organizations. He noted activities had been



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formulated around the four pillars of CEDC's Strategic Plan, which had culminated in a year of unprecedented successes in 2017.

He reviewed the pillars for the attendees referencing the initiatives and projects that related to each pillar.

Mr. Jones turned the microphone to CEDC Board member Sarah Sterling. Ms. Sterling presented Mr. Tucker with an engraved silver bowl to recognize his great positive impact on the organization and the local economy. with the appreciation of the CEDC Board. The bowl contained lemons, representing the sentiments of the Board, that Mr. Tucker could make lemon-aid out of lemons and had proved it over his time at CEDC. Mr. Tucker expressed his thanks to the Board for their gift.

Mr. Jones announced the beginning of the business portion of the meeting. He introduced Richard Bianchi, CEDC Treasurer. Mr. Bianchi stated Pattison, Koskey, Howe and Bucci CPA's conducted an independent audit of CEDC's financial statements as of and for the year ended December 31, 2017. The audit report reflected an unqualified opinion that the financial statements present fairly, in all material respects, the financial position and respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Mr. Bianchi reported there were no findings in the report and as of December 31, 2017 CEDC had: total assets of \$3,253,304 (consisting primarily of cash and receivables), total liabilities of \$651,387 (consisting primarily of amounts due to the SBA) and total net assets of \$2,601,917. For the year ended December 31, 2017, CEDC had total revenue of \$780,644, expenses of \$769,733, and a profit, or increase to its net assets of \$10,911.

Mr. Bianchi noted that a comparison of the operations of 2017 to 2016, operating revenue was approximately even, while operating expenses for 2017 were higher than 2016's operating expenses by approximately \$102,000. The increase of \$102,000 in the amount of 2017 expenses was due primarily to the costs of new business initiatives the organization pursued in 2017. He continued, noting CEDC's non-operating revenue, which consists primarily of the support from Columbia County increased by \$23,000 in 2017 to \$460,000 when compared to the \$437,000 the Board of Supervisors provided in 2016.

Mr. Bianchi reviewed the 2018 year to date activity for the period ending March 31, 2018. He stated the organization's revenue was \$219,000 which is approximately \$19,000 over its budgeted amount of revenue. The increase in revenue is due primarily to increased membership and sponsorship revenue. For the same three month period, the expenses of the organization

were \$191,000, which is \$16,000 less than the amount of budgeted expenses. Overall for the three months ending March 31, 2018 CEDC reflects a profit of \$27,000 or approximately \$35,000 better than the budgeted outcome for the same three month period. *David Fingar made a motion, seconded by James Campion to approve the Treasurer's Report. Carried.*

Mr. Jones called for a motion to approve the draft minutes from the April 25, 2017 Annual Meeting. *James Calvin made the motion, seconded by David Fingar to approve the minutes as presented.*

Mr. Jones introduced James Campion, President of Columbia Greene Community College and Chairman of the CEDC Governance and Nominating Committee who would present the slate of Directors for election and ratification. Mr. Campion stated the slate would be completing a three-year term expiring on May 1, 2021. Mr. Campion presented the following slate:

David Fingar – Mid-Hudson Cablevision
Michael Polemis – Columbia Land Conservancy
Russell Bartolotta – Klein's Kill Fruit Farm
Sarah Sterling – HOUSE Hudson Valley Realty
Ruth Adams – Art Omi
Gary Spielmann – Kinderhook Memorial Library

Mr. Campion called for a motion to approve the slate as presented. *James Calvin made the motion, seconded by Richard Bianchi. Carried.*

Mr. Jones introduced Andrew Howard Esq., CEDC Attorney to present the review of the amended by-laws and acceptance of the minutes. Mr. Howard asked if anyone had any questions concerning the proposed Amended By-laws that were on everyone's table. Mr. Howard then highlighted that among other things, the by-laws elevated the Workforce and Education Committee from an ad-hoc committee to a standing committee and clarified how service on the Board of Directors would be calculated for term limit purposes. Mr. Howard asked for a motion to approve the proposed by-law changes as outlined. *Mr. James Campion made the motion, seconded by Mr. David Fingar to approve the proposed changes and April 25, 2017 minutes. Carried.*

Mr. Jones thanked the attendees, the sponsors and the speakers for their time and commitment to CEDC. The meeting adjourned at 9:38am.

Respectfully submitted by Lisa Draushuk