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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 March 24, 2020 at 8:30am, at One Hudson City Centre, Suite 301, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: March 17, 2020

Sarah Sterling

Secretary

Columbia Economic Development Corporation

CEDC Audit and Finance Committee Agenda

Chairman:

John Lee

Members:

David Fingar

Tish Finnegan

James Lapenn

Seth Rapport

1. Minutes, January 15, 2020*
2. 2019 Audit*
3. Treasurer's Report*
4. Portfolio Review*
5. 2019 Investment Report *
6. 2019 Internal Controls Statement*
7. Public Comment

Attachments:

Minutes, January 15, 2020

2019 Audit

Treasurer's Report

Portfolio Report

2019 Investment Report

2019 Internal Controls Statement

* Requires action



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MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
AUDIT and FINANCE COMMITTEE
Wednesday, January 15, 2020
One Hudson City Centre, Suite 301,
Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation’s (CEDC) Audit and Finance Committee was held at One Hudson City Centre, Suite 301, Hudson, NY 12534 on January 15, 2020. The meeting was called to order at 8:31am by Mr. Rapport, Acting-Chair.

Attendee Name	Title	Status	Departed
David Fingar	Committee Member	Present	
Tish Finnegan	Committee Member	Present	
James Lapenn	Committee Member	Excused	
John Lee	Committee Member	Excused	
Seth Rapport	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	Counsel	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Present	
Martha Lane	Business Development Specialist	Present	
Carol Wilber	Marketing Director	Present	
Kayla Duntz	CEDC Intern	Excused	

Minutes:

Mr. Fingar made a motion, seconded by Ms. Finnegan to approve the minutes from October 16, 2019. Carried.

Treasurer’s Report:

Mr. Tucker reviewed the balance sheet, profit and loss statements and the reserves with the Committee. He informed the Committee he had met with the accountants to discuss the formatting of the Balance Sheet. He requested that the committee review at their next meeting the allocation of the reserve account. He stated he was determining an appropriate administrative fee from the loan income to be paid to CEDC with the remainder to be put back into the loan fund. *Mr. Fingar*



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made a motion, seconded by Ms. Finnegan to recommend approval of the Treasurer's Report as presented to the full board. Carried.

Portfolio Report:

Mr. Tucker reviewed the Portfolio report noting Serenity Wellness would be written off in accordance with SBA requirements, but negotiations would continue for repayment. *Ms. Finnegan made a motion, seconded by Mr. Fingar to recommend approval of the report as presented to the full board. Carried.*

2019 Audit and Finance Committee Discharged Duties:

Ms. Finnegan made a motion, seconded by Mr. Fingar to approve the 2019 Audit and Finance Committee Discharged Duties. Carried.

Division of the Audit and Finance Committee:

Mr. Tucker explained the ABO had stated the Audit and Finance Committees must be separated due to their duties. He explained that the Executive Committee had approved the separation of the committees, which would contain the same members. He noted the charters had been separated according to duties. The By-Laws would need to be revised and approved by the Corporate membership at the Annual meeting.

Mr. Tucker noted the announcement of Pattison Koskey, Howe and Bucci CPA's, had been bought by UHY LLP. He asked the Committee to approve the new firm as the corporate accountants. *Mr. Fingar made a motion, seconded by Ms. Finnegan to approve UHY as the CEDC's auditor and accountants and proceed with the 2019 audit. Carried.*

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

The meeting adjourned at 9:18am

Respectfully submitted by Lisa Draushuk

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COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(a component unit of the County of Columbia, New York)

AUDITED FINANCIAL STATEMENTS

For the year ended December 31, 2019
(with memorandum totals for the year ended December 31, 2018)

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)

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INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of
Columbia Economic Development Corporation:

Report on the Financial Statements

We have audited the accompanying financial statements of Columbia Economic Development Corporation (a not-for-profit component unit of the County of Columbia, New York) (the "Corporation"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Columbia Economic Development Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Columbia Economic Development Corporation's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Columbia Economic Development Corporation as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 to 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March __, 2020 on our consideration of Columbia Economic Development Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Columbia Economic Development Corporation's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

Pattison, Koskey, Howe & Bucci, CPAs, P.C. who combined with UHY LLP effective January 1, 2020 previously audited Columbia Economic Development Corporation's 2018 financial statements, and it expressed an unmodified opinion on those audited financial statements in its report dated March 27, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hudson, New York
March __, 2020

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**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2019**

1. Introduction:

Within this section of the Columbia Economic Development Corporation's (the "Corporation") financial statements, the Corporation's management provides narrative discussion and analysis of the financial activities of the not-for profit Corporation for the year ended December 31, 2019. This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements for the year ended December 31, 2019.

2. Overview of the Financial Statements:

The Corporation's basic financial statements include: (1) financial statements, and (2) notes to the financial statements.

Financial Statements:

The Corporation's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Corporation is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated over their useful lives. See notes to the financial statements for a summary of the Corporation's significant accounting policies.

The *Statement of Net Position* presents information on the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Corporation's financial position.

The *Statement of Revenues, Expenses and Change in Net Position* presents information showing how the Corporation's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will result in cash flows in future periods.

The *Statement of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Corporation's cash accounts are recorded in this statement. A reconciliation is provided at the bottom of the statement of cash flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Notes to Financial Statements:

The accompanying notes to the financial statements provide information essential to a full understanding of the basic financial statements.

3. Financial Highlights:

Net position increased \$595 during the year ended December 31, 2019. Operating expenses increased \$33,331 or 4%, primarily due to an increase in bad debt expense of \$20,000, a decrease in new initiatives of \$36,559, an increase in program delivery fees of \$19,154, an increase in marketing of \$12,717 and an increase in moving expenses of \$15,769. Operating revenues decreased \$378,858 or 56%, primarily due to a decrease in land sale revenue of \$339,459 and a decrease in bad debt recovery of \$30,000. Non-operating activity in 2019 resulted in a gain of \$27,196 as a result of interest income exceeding interest expenses.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2019

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3. Financial Highlights (Continued):

Total assets decreased by \$104,065 or 2.86% and total liabilities decreased \$97,077 or 15.55% for the year ended December 31, 2019. Cash and cash equivalents was \$1,434,564 at December 31, 2019, a decrease of \$484,863 from December 31, 2018. Total loans increased by \$358,748 to \$1,510,080 presented net of an allowance for loan loss of \$145,468 at December 31, 2019.

4. Financial Statement Analysis:

Below is a comparative summary of the Corporation's Statements of Net Position as of December 31:

	<u>2019</u>	<u>2018</u>
Assets		
Capital assets	\$ 13,532	\$ 6,782
Current assets	1,955,259	2,273,000
Long-term assets	1,564,374	1,357,448
Total assets	<u>\$ 3,533,165</u>	<u>\$ 3,637,230</u>
Current liabilities	\$ 151,848	\$ 122,293
Long-term liabilities	375,203	501,835
Deferred inflow of resources	11,711	19,294
Net position		
Unrestricted	2,626,467	2,661,273
Capital	13,532	6,782
Restricted	354,404	325,753
Total liabilities, deferred inflows, and net position	<u>\$ 3,533,165</u>	<u>\$ 3,637,230</u>

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2019

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4. Financial Statement Analysis (Continued):

Below is a comparative summary of the Corporation's statements of Revenues, Expenses and Changes in Net Position for the years ended December 31:

	2019	2018
Operating revenues		
Charges for services	\$ 34,000	\$ 34,000
Interest from loans	68,578	63,625
Grant revenues	135,178	161,650
Membership fees	55,148	47,625
Land sale	1,282	340,741
Bad debt recovery	-	30,000
Other operating revenues	6,795	2,198
Total operating revenues	<u>300,981</u>	<u>679,839</u>
Non-operating revenues		
Columbia County appropriation	460,000	460,000
Interest earnings	27,495	6,800
Total non-operating revenues	<u>487,495</u>	<u>466,800</u>
Total revenues	<u>788,476</u>	<u>1,146,639</u>
Operating expenditures		
Personnel and benefits	347,214	365,121
Professional fees	29,266	30,229
Grants	5,000	5,000
Rent and office	96,978	74,756
Consulting	157,190	159,922
Marketing	28,211	15,494
New initiatives	20,852	57,411
Bad debt	20,000	-
Other operating expenditures	82,871	46,318
Total operating expenditures	<u>787,582</u>	<u>754,251</u>
Nonoperating expenditures		
Interest	299	497
Total nonoperating expenditures	<u>299</u>	<u>497</u>
Total expenditures	<u>787,881</u>	<u>754,748</u>
Total revenues in excess of expenditures	595	391,891
Net position at the beginning of the year	2,993,808	2,601,917
Net position at the end of the year	<u>\$ 2,994,403</u>	<u>\$ 2,993,808</u>

The revenue budget for 2019 was \$780,000 with a projected loss of \$42,750.

Total revenues were 1% more than budget and total expenditures were less than budget by 4%.

**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2019**

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5. Additional Information:

This report is prepared for the use of the Corporation's audit committee, management, federal awarding agencies and pass through entities, and members of the public interested in the affairs of the Corporation. Questions with regard to this financial report or requests for additional information may be addressed to the President/CEO, Columbia Economic Development Corporation, 1 Hudson City Centre, Suite 301, Hudson, NY 12534.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
STATEMENT OF NET POSITION
December 31, 2019
(with memorandum only totals at December 31, 2018)

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	2019	2018 (memorandum only)
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,434,564	\$ 1,919,427
Certificate of deposit	151,029	-
Prepaid expenses	6,323	4,769
Accounts receivable	1,667	1,767
Grant receivable	62,750	50,000
Land sale receivable, current portion	9,491	9,082
SBA technical assistance grant receivable	62,740	51,498
Loans receivable, current portion	226,695	236,457
Total current assets	1,955,269	2,273,000
FURNITURE AND EQUIPMENT, NET		
Furniture and equipment, net of \$20,600 of accumulated depreciation	13,532	6,782
Total furniture and equipment, net	13,532	6,782
OTHER ASSETS		
Restricted cash	267,871	423,163
Security deposit	3,200	-
Land sale receivable, long term portion	9,918	19,410
Loans receivable, less current portion, net of allowance of \$145,468	1,283,385	914,875
Total other assets	1,664,374	1,357,448
Total assets	3,533,165	3,637,230
CURRENT LIABILITIES		
Accounts payable	21,465	12,096
Accrued expenses	11,332	7,504
Land deposit	-	3,300
Loans payable - SBA, current portion	110,310	77,810
Unearned revenue, current portion	8,741	21,583
Total current liabilities	151,848	122,293
NON-CURRENT LIABILITIES		
Loans payable-SBA, long-term portion	346,892	486,071
Unearned revenue, long-term portion	18,311	15,764
Debt reserve deposit	10,000	-
Total non-current liabilities	375,203	501,835
Total liabilities	527,051	624,128
DEFERRED INFLOWS OF RESOURCES		
Deferred grant income	-	4,735
Deferred membership income	11,711	14,559
Total deferred inflows of resources	11,711	19,294
NET POSITION		
Unrestricted	2,626,467	2,661,273
Invested in capital assets	13,532	6,782
Restricted		
Commerce Park water tower	71,817	71,817
County directed	48,889	48,889
SBA microloan program	233,698	205,047
Total net position	\$ 2,994,403	\$ 2,993,808

See notes to financial statements.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
For the year ended December 31, 2019
(with memorandum only totals for the year ended December 31, 2018)

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	2019	2018 (memorandum only)
OPERATING REVENUE		
Administrative fees - related party	\$ 24,000	\$ 24,000
Administrative fees - Hudson IDA	10,000	10,000
Grant revenue	135,178	161,650
Interest on loans	68,578	63,625
Membership fees	55,148	47,625
Land sale	1,282	340,741
Bad debt recovery	-	30,000
Other income	6,795	2,198
Total operating revenue	300,981	679,839
OPERATING EXPENSES		
Personnel and benefits	347,214	365,121
Grant expense	-	5,000
Grant expense- CRC	5,000	-
Office expense	96,978	74,756
Program delivery fees	46,125	26,971
Professional fees	29,266	30,229
Consulting	157,190	159,922
Meetings and events	10,088	13,157
Insurance	3,192	3,171
Marketing	28,211	15,494
New initiatives	20,852	57,411
Depreciation	3,650	3,019
Moving expenses	15,769	-
Bad debt	20,000	-
Miscellaneous	4,047	-
Total operating expenses	787,582	754,251
OPERATING LOSS	(486,601)	(74,412)
NON-OPERATING REVENUE (EXPENSES)		
Bank interest	27,495	6,800
Interest expense and fees	(299)	(497)
Total Non-Operating Revenue (Expenses)	27,196	6,303
Appropriation from the County of Columbia, NY	460,000	460,000
CHANGE IN NET POSITION	595	391,891
NET POSITION, Beginning of the year	2,993,808	2,601,917
NET POSITION, End of year	\$ 2,994,403	\$ 2,993,808

See notes to financial statements.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
STATEMENT OF CASH FLOWS
For the year ended December 31, 2019
(with memorandum only totals for the year ended December 31, 2018)

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	<u>2019</u>	<u>2018</u> <u>(memorandum only)</u>
Cash flows from operating activities:		
Administrative fees - related party	\$ 24,000	\$ 24,000
Administrative fees - Hudson IDA	10,000	10,000
Principal disbursed on loans receivable	(697,000)	(376,700)
Principal received on loans receivable	318,252	389,927
Membership contributions	52,300	56,720
Grant revenue	96,156	59,666
Land sale	10,365	349,432
Interest on loans	68,578	63,625
Payments to employees	(347,114)	(365,221)
Payments to vendors	(408,275)	(400,023)
Other income	13,495	2,198
Net cash used for operating activities	<u>(859,243)</u>	<u>(186,376)</u>
Cash flows from noncapital financing activities:		
Appropriation from the County of Columbia, NY	460,000	460,000
Payments on SBA loans	(106,679)	(125,858)
Proceeds from SBA loans	-	150,000
Net cash provided by noncapital financing activities	<u>353,321</u>	<u>484,142</u>
Cash flows from investing activities:		
Purchase of certificate of deposit	(151,029)	-
Purchase of equipment	(10,400)	(625)
Interest paid	(299)	(497)
Interest received	27,495	6,800
Net cash (used for) provided by investing activities	<u>(134,233)</u>	<u>5,678</u>

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
STATEMENT OF CASH FLOWS (CONTINUED)
For the year ended December 31, 2019
(with memorandum only totals for the year ended December 31, 2018)

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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (640,155)	\$ 303,444
CASH AND CASH EQUIVALENTS, Beginning of year	2,342,590	2,039,146
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 1,702,435</u>	<u>\$ 2,342,590</u>

RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS

Cash and cash equivalents	\$ 1,434,564	\$ 1,919,427
Restricted cash	267,871	423,163
	<u>\$ 1,702,435</u>	<u>\$ 2,342,590</u>

Reconciliation of operating loss to net cash used for operating activities:

Operating loss	\$ (486,601)	\$ (74,412)
Bad debt reserve (recovery)	20,000	(30,000)
Depreciation expense	3,650	3,019

Changes in assets, liabilities, and deferred inflows:

Prepays	(1,554)	(3,396)
Loans receivable	(378,748)	13,227
Land sale receivable	9,083	8,691
SBA receivable	(11,242)	(36,298)
Grant receivable	(12,750)	(35,000)
Accounts receivable	100	(100)
Security deposit	(3,200)	-
Accounts payable	9,369	(3,363)
Due to related party	-	(5,000)
Unearned revenue	(10,295)	(35,421)
Debt reserve deposit	10,000	-
Land deposit	(3,300)	-
Accrued expenses	3,828	(2,153)
Deferred grant income	(4,735)	4,735
Deferred membership income	(2,848)	9,095

Net cash used for operating activities	<u>\$ (859,243)</u>	<u>\$ (186,376)</u>
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NOTE 1 – NATURE OF ORGANIZATION

Financial Reporting Entity

The Columbia Economic Development Corporation ("CEDC" or the "Corporation") was organized as a not-for-profit entity for the purpose of promoting and developing industry and job development in Columbia County, New York (the "County"). The Corporation is a component unit of the County, is a separate entity, and operates independently of the County.

In February 1995, the Corporation agreed to consolidate administrative operations with Hudson Development Corporation ("HDC") to better coordinate efforts in promoting economic development in the County. The new entity, Columbia Hudson Partnership, LLC (the "Partnership"), managed both organizations' operations. In 2003, an agreement was signed to dissolve The Partnership and in 2006, the CEDC purchased the entire equity share of HDC. The Corporation now, in effect, solely owns the assets of the Partnership.

Programs of the Corporation

Operating Fund

The operating fund derives its revenues primarily from Columbia County appropriations and from administrative fees from related parties such as Columbia County Capital Resource Corporation ("CRC") and Columbia County Industrial Development Agency ("CCIDA"). The fund also derives revenue from interest from loan receivables.

Loan Program – Revolving Loan Fund

The loan program offers loans to local businesses at a discounted interest rate to attract business to the County as well as expand business growth from existing businesses already located in the County. The fund also is used to continue offering the Microbusiness seminar series and is used to fund expenses as it applies to the administration and delivery of programs.

The loan program receives grant money from time to time from CDBG-NYS. As a requirement of the grant, the loan program awards a contingent grant (usually based on employment goals) to local organizations after meeting certain NYS grant requirements. If requirements of the grant are not met by the local organization, the grant converts to a loan. The Corporation treats these arrangements as loans until the contingencies are met. As of December 31, 2019, the Corporation's loans receivables include \$200,000 of these loan types, expected to be forgiven in 2022, comprised of:

	Original Loan Balance	Loan Balance at December 31, 2019
Flanders/Precisionaire Corporation	\$ 200,000	\$ 200,000

NOTE 1 – NATURE OF ORGANIZATION (Continued)

Programs of the Corporation (Continued)

CDBG Small Cities

Grant funds received with performance requirements are recorded as unearned revenue in the period granted. The Corporation records a receivable for the amount of the loan lent out or grant made to the third party business. As obligations are met, the loan is paid off or written down and the loan balance is earned or forfeited. Unearned revenue is recognized in income as performance obligations are met and contingent grants made are recognized in expense as earned by the grantee.

267ED424-02 Grant

The 267ED424-02 grant offered assistance to local businesses by offering low interest business loans. The Corporation receives interest and principal payments on a monthly basis. At December 31, 2019, the loan balance outstanding was \$27,052.

Microbusiness Program

The microbusiness program is funded by the loan program. The program offers technical assistance to local businesses. The program also offers seminars taught by local business owners and professionals.

SBA-Microloan Program

Loans are provided to small businesses in Columbia and Greene Counties funded by the Small Business Administration (SBA). Loans over 120 days past due are required to be charged off. The loan maturity date should not exceed six years on Microloans. The Corporation may charge up to 7.75% over the Corporation's cost of funds on a microloan of more than \$10,000 and up to 8.5% over the Intermediary's cost of funds on a microloan of \$10,000 or less. Amounts loaned to the Corporation are maintained in a restricted revolving loan fund. The Corporation is also required to maintain a separate loan loss reserve fund with its own funds representing at least 15% of SBA funds received.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities. Revenues are recorded when earned and expenses are recorded when incurred. In accordance with accounting principles generally accepted in the United States of America, the Corporation applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as the Corporation is a component unit of the County of Columbia, New York (the "County"), a governmental entity. The Corporation does not apply any Financial Accounting Standards Board (FASB) or AICPA pronouncements post November 30, 1989, as clarified by GASB No. 62. In accordance with GASB standards, balances and activity for the Corporation are presented as an enterprise fund.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, defined and classified deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets that applies to future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditure) until that time. A deferred inflow of resources is an acquisition of net assets that applies to future period(s), and as such, will not be recognized as an inflow of resources (revenue) until that time.

Statement 63 changed how governments organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet).

As a result of Statement 63, financial statements will include deferred outflows of resources and deferred inflows of resources ("deferrals"), in addition to assets and liabilities, and will report net position instead of net assets.

Membership fees collected in the current year that will be recognized as revenue next year are classified as a deferred inflow. As of December 31, 2019, \$11,711 of membership fees that pertain to the year ending December 31, 2020 are presented as deferred inflows.

Prior Year Amounts

Amounts shown for December 31, 2018, in the accompanying statements are included to provide a basis for comparison with December 31, 2019 and present summarized totals only. Accordingly, the December 31, 2018 amounts are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America.

Budgetary Data

The budget policies are as follows:

In October of each year, the President/CEO submits a tentative budget to the Board of Directors for their approval for the next fiscal year. The tentative budget includes proposed expenditures and the proposed means of financing, which is to be used as a guide of activity for the fiscal year.

Income Taxes

A provision for income tax has not been provided for in these financial statements, as the Corporation is a not-for-profit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Corporation has evaluated any uncertain tax positions and related income tax contingencies and determined uncertain positions, if any, are not material to the financial statements, according to FASB ASC 740-10. Penalties and interest assessed by income taxing authorities are included in operating expenses, if incurred. None of the Corporation's returns are currently under examination.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those amounts.

The determination of the adequacy of the allowance for loan losses is based on estimates that are particularly susceptible to significant changes in the economic environment and market conditions. In connection with the determination of the estimated losses on loans, management obtains independent appraisals for significant collateral.

The Corporation's loans are generally secured by specific items of collateral including real property, consumer assets, and business assets. Although the Corporation has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent on local economic conditions in Columbia County, New York.

While management uses available information to recognize losses on loans, further reductions in the carrying amounts of loans may be necessary based on changes in local economic conditions. Because of these factors, it is reasonably possible that the estimated losses on loans may change materially in the near term.

Revenue Recognition

Contribution revenue is recognized in the period it is unconditional, measurable, and future installments are considered probable of collection. Contribution revenue that is restricted as a result of a purpose or time restriction is included as a component of "restricted net position", when applicable.

Administrative revenue is recognized in the period services are provided and payments are generally received from related parties on a quarterly basis. Grant revenue is recognized on cost reimbursable contracts in the period the costs are incurred. Advances on grants prior to costs being incurred in accordance with the terms of the grant agreement are deferred until the period costs are incurred. Membership revenue is recognized as revenue over the period of membership.

Interest on loans is recognized in the period earned over the life of the related loans receivable.

Operating revenues include revenue generated from ongoing operating activities. Non-operating revenues include investing, financing and other non-recurring activities.

Columbia County Appropriation

For the year ended December 31, 2019, Columbia County appropriated \$460,000 for unrestricted use by the Corporation. The Corporation recognizes appropriated income in the period appropriated.

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**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Corporation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Property and Equipment

Property and equipment are stated at cost and fair market value for donated items. Maintenance and repairs are expensed as incurred whereas major repairs and betterments are capitalized. Property and equipment comprise office equipment, furniture and software. Depreciation is provided for using the straight-line method over the estimated useful lives of the respective assets, which are:

Computer/Software	3 – 5 years
Furniture and Equipment	5 – 10 years

Loans and Allowance for Loan Losses

Loans are stated at their recorded investment, which is the amount of unpaid principal, reduced by an allowance for loan losses. Interest is calculated by using the simple interest method.

The allowance for loan losses reflects management's judgment of probable loan losses inherent in the portfolio at the balance sheet date. The Corporation uses a disciplined process and methodology to establish the allowance for loan losses. To determine the total allowance for loan losses, management estimates the reserves needed for each loan outstanding.

To determine the balance of the allowance account, loans are evaluated on a case by case basis and future losses are projected using historical experience adjusted for current economic and industry conditions. Management exercises significant judgment in determining the estimation method that fits the credit risk characteristics of each case. Management must use judgment in establishing additional input factors for estimating purposes. The assumptions used to determine the allowance are periodically reviewed by management to ensure that their theoretical foundation, assumptions, data integrity, computational processes, and reporting practices are appropriate and properly documented.

The establishment of the allowance for loan losses relies on a consistent process that requires multiple layers of management review and judgment and responds to changes in economic conditions, customer behavior, and collateral value, among other influences. From time to time, events or economic factors may affect the loan portfolio, causing management to provide additional amounts to, or release balances from, the allowance for loan losses.

Management monitors differences between estimated and actual incurred loan losses. This monitoring process includes periodic assessments by senior management of loan portfolios and the assumptions used to estimate incurred losses in those portfolios. Additions to the allowance for loan losses are made by charges to the provision for loan losses. Credit exposures deemed to be uncollectible are charged against the allowance for loan losses. Recoveries of previously charged off amounts are credited to the allowance for loan losses.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit and Market Risk

Financial instruments that potentially expose the Corporation to concentrations of credit and market risk consist primarily of cash and cash equivalents and loans receivable. Cash and cash equivalents are maintained at Federal Deposit Insurance Corporation insured financial institutions and credit exposure is limited to any one institution.

Concentrations of credit risk with respect to notes receivables are limited due to the diverse industry backgrounds of its borrowers. Furthermore, management feels its borrower approval processes and regular review of provisions for loan losses, adequately provides for any material credit risks. Generally, sufficient collateral or a personal guarantee is obtained for all loans at the time of disbursement. Collateral is generally in the form of a mortgage on real property or a chattel lien on equipment title.

Interest Income on Loans

Interest on loans is accrued and credited to income based on the principal amount outstanding. The accrual of interest on loans is discontinued when, in accordance with adopted policies, there is an indication that the borrower may be unable to meet payments as they become due. Upon such discontinuance, all unpaid accrued interest is reversed.

Reclassification

Restricted cash of \$423,163 was reclassified from a current asset to a long-term asset in the Statement of Net Position for the year ended December 31, 2018.

Subsequent Events

Subsequent events have been evaluated through March __, 2020, which is the date the financial statements were available to be issued.

NOTE 3 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31, 2019, were comprised of the following:

Bank	Book Balance	Bank Balance	FDIC Insurance	In Excess
Key Bank	\$ 589,910	\$ 600,420	\$ 250,000	\$ 350,420
Community Bank N.A.	701,837	701,837	250,000	451,837
Bank of Greene County	409,867	409,957	250,000	159,957
TD Bank	821	821	250,000	-
	<u>\$ 1,702,435</u>	<u>\$ 1,713,035</u>		<u>\$ 962,214</u>

Included in the book balance above is \$267,871 of long-term restricted cash, \$70,370 held with KeyBank and \$197,501 held with the Bank of Greene County. The Small Business Administration requires the Corporation to keep the SBA bank accounts restricted as they can only be used for small business loans.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

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NOTE 4 – CERTIFICATE OF DEPOSIT

During the year ended December 31, 2019, the Corporation purchased a certificate of deposit (CD) at Berkshire Bank. The CD is for a 13-month term scheduled to mature in September 2020. The CD earns interest at a rate of 1.982%.

NOTE 5 – LOANS RECEIVABLE

During the year ended December 31, 2019, the Corporation loaned \$697,000 to 11 local businesses.

A summary of loan activity is as follows:

	Balance at December 31, 2018	New Lendings	Payments	Balance at December 31, 2019
Loan Fund	\$ 843,743	\$ 515,000	\$ 154,831	\$ 1,203,912
CDBG Small Cities	37,347	-	10,295	27,052
SBA Microloan	391,401	182,000	148,817	424,584
	<u>1,272,491</u>	<u>\$ 697,000</u>	<u>\$ 313,943</u>	<u>1,655,548</u>
Less: Allowance for loan losses	<u>(121,159)</u>			<u>(145,468)</u>
Total Loans	<u>\$ 1,151,332</u>			<u>\$ 1,510,080</u>

NOTE 6 – FURNITURE AND EQUIPMENT

A summary of furniture and equipment is as follows as of December 31, 2019:

	December 31, 2018	Acquisitions	Disposals	December 31, 2019
Furniture and equipment	\$ 28,185	\$ 10,400	\$ (4,453)	\$ 34,132
Accumulated depreciation	(21,403)	(3,650)	4,453	(20,600)
Total Furniture and Equipment	<u>\$ 6,782</u>	<u>\$ 6,750</u>	<u>\$ -</u>	<u>\$ 13,532</u>

Depreciation expense was \$3,650 during the year ended December 31, 2019.

NOTE 7 – RESTRICTED NET POSITION

Restricted net position at December 31, 2019, consists of the following:

Commerce Park water tower	\$ 71,817
County directed	48,889
SBA loan program	233,698
Total Restricted Net Position	<u>\$ 354,404</u>

For one year only the Corporation did not remit the principal back to Columbia County, New York for Commerce Park loans. The principal is to be retained by the Organization to aide in the construction of the water tower within Commerce Park. Refer to Note 9 for more information on the restrictions. See note 9 for more information on the County directed restricted net position balance.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

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NOTE 8 – SBA MICROLOAN PROGRAM

Since 2003, the Corporation took the steps toward acquiring the Hudson Development Corporation's SBA loan portfolio by establishing a small business loan program. The Corporation acquired the SBA loan program in 2008. Total loans outstanding, net of an allowance under this program of \$69,452, totaled \$355,132 at December 31, 2019.

The Corporation borrows money from SBA loan awards in order to fund loans given to businesses participating in the SBA program. The following illustrates the amounts payable to the SBA:

Balance at December 31, 2018	Drawdowns	Payments	Balance at December 31, 2019
\$ 563,881	\$ -	\$ 106,679	\$ 457,202

Once draws have been made from the SBA, the Corporation pays the SBA back based on an amortization schedule for each specific drawdown. The following shows the combined expected payout of the SBA drawdowns—Draw Three, Draw Four, Draw Five and Draw Six:

December 31,	Balance
2020	\$ 110,310
2021	107,611
2022	79,722
2023	61,782
2024	36,667
Thereafter	61,110
Total	<u>\$ 457,202</u>

Each drawdown has repayments of principal and interest, with each drawdown having a separate interest rate based on the agreement—1.625% (Draw Four), 0.75% (Draw Five) and 1.25% (Draw Six), per annum.

During the year ended December 31, 2019, the Corporation's Board of Directors approved an additional SBA drawdown (Draw Seven) for \$300,000. As of December 31, 2019, no amount had been drawn on this available balance.

NOTE 9 – COMMERCE PARK LAND

Beginning in 2005, Columbia County initiated a program to sell undeveloped land it owns in Commerce Park through a component unit, the Columbia County IDA. CEDC works directly with the buyer on the County's behalf. CEDC receives a deposit from the buyer and in turn uses this money to pay for surveying and legal fees associated with the transfer of the land.

CEDC recognizes a receivable for the sales price due from the buyer and a liability to the County for the same amount. The CCIDA plays an administrative role in the transfer of the land and receives a stipend from the first payment made. The CEDC retains the interest portion earned on land sale receivables as payment for servicing the loans and the remaining principal portion is forwarded to the County. In 2008 and only for 2008, the CEDC retained the principal and interest payments, as agreed upon with the County, to assist the County with the possible future construction of a water tower in Commerce Park. The principal forgiven during 2008 was recognized as revenue.

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the County of Columbia, New York)
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

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NOTE 9 – COMMERCE PARK LAND (Continued)

In June 2016, the Corporation sold land in the Commerce Park to a local individual for \$50,000, with \$4,500 being paid to the Corporation as a deposit in 2015. The Corporation received a \$45,500 five-year note at 4.5% per annum with payments commencing on June 8, 2017. The note provides for an annual payment of \$10,365 of principal and interest, with a final payment due to the Corporation on June 8, 2021. The principal portion, \$48,889, of the note, net of legal fees of \$1,111, normally remitted to the County was recognized as revenue during the year ended December 31, 2016. The County asked CEDC to retain the principal portion as restricted net position to be used as directed by the County in the future.

NOTE 10 – PENSION PLAN

The Corporation has a SARSEP pension plan. The Corporation pays 5% of eligible employee's gross wages each year. For the year ended December 31, 2019, the Corporation recorded \$11,663 in pension expense.

NOTE 11 – UNEARNED REVENUE

As of December 31, 2019, unearned revenue (note 1) is comprised of:

CDBG Small Cities:	
Angello's Distributing, Inc.	\$ 27,052
Total unearned revenue	<u>\$ 27,052</u>

NOTE 12 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2019, the Corporation received \$24,000 in administrative fees from Columbia County Industrial Development Agency (CCIDA). During 2019, the Corporation paid \$5,000 to Columbia County Capital Resource Corporation (CCCRC) in the form of a grant.

NOTE 13 – RENT EXPENSE

The Corporation rents office space under the terms of a lease commencing September 1, 2019 and terminating August 31, 2024. The lease includes an option to renew for an additional five-year term. The lease calls for monthly payments ranging from \$3,200 to \$3,532 over the term of the lease. During the year ended December 31, 2019, the Corporation paid \$38,774 of rent expense. Future minimum lease commitments are as follows:

2020	\$ 38,720
2021	39,688
2022	40,680
2023	41,696
2024	<u>28,256</u>
	<u>\$ 189,040</u>

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of
Columbia Economic Development Corporation:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* Issued by the Comptroller General of the United States, the financial statements of Columbia Economic Development Corporation as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Columbia Economic Development Corporation's basic financial statements, and have issued our report thereon dated March __, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Columbia Economic Development Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Columbia Economic Development Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia Economic Development Corporation's Internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia Economic Development Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hudson, New York
March __, 2020

Columbia Economic Development Corp
Balance Sheet Prev Year Comparison
As of February 29, 2020

	<u>Feb 29, 20</u>	<u>Feb 28, 19</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
1000-02 · Loan Community Ckg 648	59,303.80	37,190.17	22,113.63	59.46%
1100-07 · SBA Bank of Greene Cnty RLF #6	45,927.62	135,913.26	-89,985.64	-66.21%
1100-03 · SBA Bank of Greene Cnty RLF #5	75,738.10	106,781.59	-31,043.49	-29.07%
1100-02 · SBA Key-RLF #4	55,745.13	62,461.96	-6,716.83	-10.75%
1100-01 · SBA Key -RLF #3	73,847.17	41,050.27	32,796.90	79.89%
1100-10 · SBA Key- RLF #7	100.00	0.00	100.00	100.0%
Checking and Savings				
Bank Accounts				
1000-00 · 1000 Checking -Key Bank	55,512.06	79,383.23	-23,871.17	-30.07%
1000-05 · Cash, TD Bank Checking	821.48	821.48	0.00	0.0%
1020-00 · Key Bank - SAVINGS	0.00	491,653.99	-491,653.99	-100.0%
1021-00 · Key Bank - Gold MM Savings	266,028.83	0.00	266,028.83	100.0%
1031-00 · BOGC - Reserve	212,574.06	261,155.22	-48,581.16	-18.6%
1032.00 · Berkshire Bank	151,028.98	0.00	151,028.98	100.0%
Total Bank Accounts	<u>685,965.41</u>	<u>833,013.92</u>	<u>-147,048.51</u>	<u>-17.65%</u>
LOAN Cash				
1020-01 · 1003-Community Svgs DM SC	671,550.54	945,351.48	-273,800.94	-28.96%
Total LOAN Cash	<u>671,550.54</u>	<u>945,351.48</u>	<u>-273,800.94</u>	<u>-28.96%</u>
SBA Cash				
1100-04 · Key Bank- LLR#3	21,085.71	21,069.00	16.71	0.08%
1100-05 · Key Bank- LLR #4	13,048.57	13,038.24	10.33	0.08%
1100-06 · Bank of Greene County LLR #5	39,963.68	39,724.76	238.92	0.6%
1100-08 · Bank of Greene County LLR #6	41,978.17	45,312.96	-3,334.79	-7.36%
1100-09 · Key Bank - LLR #7	100.00	0.00	100.00	100.0%
Total SBA Cash	<u>116,176.13</u>	<u>119,144.96</u>	<u>-2,968.83</u>	<u>-2.49%</u>
Total Checking and Savings	<u>1,473,692.08</u>	<u>1,897,510.36</u>	<u>-423,818.28</u>	<u>-22.34%</u>
Total Checking/Savings	<u>1,784,353.90</u>	<u>2,280,907.61</u>	<u>-496,553.71</u>	<u>-21.77%</u>
Other Current Assets				
Due from PFL	0.00	33.65	-33.65	-100.0%
Accounts Receivable				
1214 · Rail Trall	12,750.00	0.00	12,750.00	100.0%
1115-09 · Hudson IDA	3,333.33	833.33	2,500.00	300.0%
1115-06 · SBA T/A	51,736.00	15,833.34	35,902.66	226.75%
1115-07 · Columbia County	76,666.66	76,666.66	0.00	0.0%
1115-08 · Goat Grant	50,000.00	50,000.00	0.00	0.0%
1203 · Columbia County IDA	4,000.00	4,000.00	0.00	0.0%
Total Accounts Receivable	<u>198,485.99</u>	<u>147,333.33</u>	<u>51,152.66</u>	<u>34.72%</u>
Allowance for Bad debt SBA				
1280-03 · SBA Bad Debt Reserve	-34,078.51	-36,091.73	2,013.22	5.58%
Total Allowance for Bad debt SBA	<u>-34,078.51</u>	<u>-36,091.73</u>	<u>2,013.22</u>	<u>5.58%</u>
1251-15 · Prepaid expense	1,804.50	4,328.40	-2,523.90	-58.31%
Loans Receivable				
CEDC-01	-160,804.77	-16,835.81	-143,968.96	-855.14%
SBA RLF-03	1,295.12	32,254.83	-30,959.71	-95.99%
SBA RLF-04	45,440.35	65,692.08	-20,251.73	-30.83%
SBA RLF-05	139,731.97	141,579.85	-1,847.88	-1.31%

Columbia Economic Development Corp
Balance Sheet Prev Year Comparison
As of February 29, 2020

	<u>Feb 29, 20</u>	<u>Feb 28, 19</u>	<u>\$ Change</u>	<u>% Change</u>
SBA RLF-06	215,978.25	147,755.56	68,222.69	46.17%
Total Loans Receivable	241,640.92	370,446.51	-128,805.59	-34.77%
1270-01 · prepaid Exp	0.00	-323.40	323.40	100.0%
Total Other Current Assets	407,852.90	485,726.76	-77,873.86	-16.03%
Total Current Assets	2,192,206.80	2,766,634.37	-574,427.57	-20.76%
Fixed Assets				
Property & Capitalized Assets				
1500-01 · Furniture	8,687.28	3,385.95	5,301.33	156.57%
1500-02 · Computers & Equipment	12,792.45	14,580.46	-1,788.01	-12.26%
1500-03 · website	10,037.00	10,037.00	0.00	0.0%
1500-04 · Equipment	2,616.00	2,616.00	0.00	0.0%
1600-00 · Acc.Dep.-Computers & Equipment	-20,599.90	-21,402.90	803.00	3.75%
Total Property & Capitalized Assets	13,532.83	9,216.51	4,316.32	46.83%
Total Fixed Assets	13,532.83	9,216.51	4,316.32	46.83%
Other Assets				
Allowance for Bad Debt Loans				
1280-01 · Allowance for loan loss	-107,938.60	-85,355.32	-22,583.28	-26.46%
Total Allowance for Bad Debt Loans	-107,938.60	-85,355.32	-22,583.28	-26.46%
Comm. Pk Land Sale Recv.				
1265-03 · Harpis	19,409.30	28,491.69	-9,082.39	-31.88%
Total Comm. Pk Land Sale Recv.	19,409.30	28,491.69	-9,082.39	-31.88%
Grants Receivable				
1260-02 · Flanders (Grant)	200,000.00	200,000.00	0.00	0.0%
1260-04 · L/R - HVCreamery (Loan)	0.00	5,168.88	-5,168.88	-100.0%
1260-06 · 1247 L/R Angello's Distributing	27,051.84	27,051.84	0.00	0.0%
Total Grants Receivable	227,051.84	232,220.72	-5,168.88	-2.23%
CEDC-LF	1,147,743.08	677,743.08	470,000.00	69.35%
2300 · Security Deposit	3,200.00	0.00	3,200.00	100.0%
Total Other Assets	1,289,465.62	853,100.17	436,365.45	51.15%
TOTAL ASSETS	<u>3,495,205.25</u>	<u>3,628,951.05</u>	<u>-133,745.80</u>	<u>-3.69%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000-01 · *Accounts Payable	12,585.91	14,080.07	-1,494.16	-10.61%
Total Accounts Payable	12,585.91	14,080.07	-1,494.16	-10.61%
Other Current Liabilities				
2000-02 · Recruitment Exp - Due to RS	0.00	2,250.00	-2,250.00	-100.0%
Accrued Expenses				
2115-02 · Paid Family Leave	50.76	0.00	50.76	100.0%
2115-03 · Pension	2,266.68	2,166.66	100.02	4.62%
2115-04 · Vac buy back	1,666.67	1,666.68	-0.01	-0.0%
2120-01 · Application Fees (Net Advance)	3,614.05	3,375.00	239.05	7.08%
Total Accrued Expenses	7,598.16	7,208.34	389.82	5.41%
Deferred Revenue				
2400-06 · Berkshire Taconic Grant	0.00	4,735.01	-4,735.01	-100.0%
Total Deferred Revenue	0.00	4,735.01	-4,735.01	-100.0%
Land Deposit				
2300-04 · Keyser Realty, LLC				

Columbia Economic Development Corp
Balance Sheet Prev Year Comparison
As of February 29, 2020

	Feb 29, 20	Feb 28, 19	\$ Change	% Change
Keyser Realty, LLC Exp.	0.00	-1,200.00	1,200.00	100.0%
2300-04 · Keyser Realty, LLC - Other	0.00	4,500.00	-4,500.00	-100.0%
Total 2300-04 · Keyser Realty, LLC	0.00	3,300.00	-3,300.00	-100.0%
Total Land Deposit	0.00	3,300.00	-3,300.00	-100.0%
Total Other Current Liabilities	7,598.16	17,493.35	-9,895.19	-56.57%
Total Current Liabilities	20,184.07	31,573.42	-11,389.35	-36.07%
Long Term Liabilities				
Debt Reserve				
2056 · Hudson Dev. Corp Debt Reserve	10,000.00	0.00	10,000.00	100.0%
Total Debt Reserve	10,000.00	0.00	10,000.00	100.0%
Loans Payable to SBA				
2600-02 · Loan Payable to SBA #4	53,416.29	83,725.49	-30,309.20	-36.2%
2600-03 · Loan Payable to SBA #5	147,106.48	190,162.00	-43,055.52	-22.64%
2600-04 · Loan Payable to SBA #6	238,333.26	274,999.98	-36,666.72	-13.33%
Total Loans Payable to SBA	438,856.03	548,887.47	-110,031.44	-20.05%
Long term Deferrd Revenue				
Def Rev. - GOSC 267ED760-11				
2400-02 · Def. Rev HVCreamery (Loan)	0.00	5,168.88	-5,168.88	-100.0%
Total Def Rev. - GOSC 267ED760-11	0.00	5,168.88	-5,168.88	-100.0%
Deferred rev.CDBG-267ED424-02				
2400-03 · 2549 Angello's Distributing, I	27,051.84	27,051.84	0.00	0.0%
Total Deferred rev.CDBG-267ED424-02	27,051.84	27,051.84	0.00	0.0%
Total Long term Deferrd Revenue	27,051.84	32,220.72	-5,168.88	-16.04%
Total Long Term Liabilities	475,907.87	581,108.19	-105,200.32	-18.1%
Total Liabilities	496,091.94	612,681.61	-116,589.67	-19.03%
Equity				
Invested in Capital Assets				
3200-01 · Invested in Capital Assets	13,532.83	9,926.51	3,606.32	36.33%
Total Invested in Capital Assets	13,532.83	9,926.51	3,606.32	36.33%
Net assets Restricted				
1110 R SBA Microloan	277,002.51	171,525.89	105,476.62	61.49%
3100-01 · County Directed	48,889.00	48,889.00	0.00	0.0%
3100-03 · R- Net Assets- Comm Prk Princip	71,817.00	71,817.00	0.00	0.0%
Total Net assets Restricted	397,708.51	292,231.89	105,476.62	36.09%
Unrestricted Net Position	2,583,157.71	2,691,647.87	-108,490.16	-4.03%
Net Income	4,714.26	22,463.17	-17,748.91	-79.01%
Total Equity	2,999,113.31	3,016,269.44	-17,156.13	-0.57%
TOTAL LIABILITIES & EQUITY	3,495,205.25	3,628,951.05	-133,745.80	-3.69%

Columbia Economic Development Corp
Profit & Loss Budget vs. Actual
January through February 2020

	<u>Jan - Feb 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Administrative Revenue				
4050-03 · Columbia County IDA	4,000.00	4,000.00	0.00	100.0%
4050-06 · Hudson IDA	1,666.67	1,833.32	-166.65	90.91%
Total Administrative Revenue	5,666.67	5,833.32	-166.65	97.14%
Columbia County				
4000-01 · Columbia County Income	76,666.66	76,666.66	0.00	100.0%
Total Columbia County	76,666.66	76,666.66	0.00	100.0%
Membership/Sponsorship				
4030-01 · Sustaining Membership	7,500.00			
4030-02 · Full Membership	6,150.00			
4030-03 · Associate Membership	1,650.00			
4030-05 · Member Deferral	11,710.50			
Membership/Sponsorship - Other	0.00	30,000.00	-30,000.00	0.0%
Total Membership/Sponsorship	27,010.50	30,000.00	-2,989.50	90.04%
5900 · Interest Income	14,354.40	13,333.32	1,021.08	107.66%
Other Income				
Bank Interest - SBA RLF				
4040-08 · Bank Interest - SBA RLF 3	12.10	12.10	0.00	100.0%
4040-11 · Bank Interest - SBA RLF 4	9.20	9.20	0.00	100.0%
4040-14 · Bank Interest - SBA RLF 5	71.63	71.63	0.00	100.0%
4040-18 · Bank Interest - SBA RLF 6	41.90	41.90	0.00	100.0%
Total Bank Interest - SBA RLF	134.83	134.83	0.00	100.0%
Bank Interest SBA LLR				
4040-06 · Bank Interest SBA LLR 3	3.46	3.46	0.00	100.0%
4040-09 · Bank Interest SBA LLR 4	2.13	2.13	0.00	100.0%
4040-12 · Bank Interest SBA LLR 5	39.17	39.17	0.00	100.0%
4040-20 · Bank Interest SBA LLR #6	41.67	40.86	0.81	101.98%
Total Bank Interest SBA LLR	86.43	85.62	0.81	100.95%
4040-02 · Bank/Miscellaneous Income	3,498.29	3,801.75	-303.46	92.02%
Total Other Income	3,719.55	4,022.20	-302.65	92.48%
SBA Microloan T/A				
4040.15 · SBA - T/A	20,000.00	20,000.00	0.00	100.0%
Total SBA Microloan T/A	20,000.00	20,000.00	0.00	100.0%
Total Income	147,417.78	149,855.50	-2,437.72	98.37%
Gross Profit	147,417.78	149,855.50	-2,437.72	98.37%
Expense				
Conferences and Training				
5090-01 · Conference & Training	99.00	1,250.00	-1,151.00	7.92%
Total Conferences and Training	99.00	1,250.00	-1,151.00	7.92%
Consulting -TSI				
5040-03 · 5002 Consulting TSI	21,334.00	21,334.00	0.00	100.0%
Total Consulting -TSI	21,334.00	21,334.00	0.00	100.0%
Consulting Fees				
5040-02 · Consulting Other	5,132.50	5,000.00	132.50	102.65%
Total Consulting Fees	5,132.50	5,000.00	132.50	102.65%
Direct Program Expenses				
5070-03 · Meetings / Events	0.00	200.00	-200.00	0.0%

Columbia Economic Development Corp
Profit & Loss Budget vs. Actual
January through February 2020

	<u>Jan - Feb 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Total Direct Program Expenses	0.00	200.00	-200.00	0.0%
Facility				
5060-01 · Rent	6,400.00	6,400.00	0.00	100.0%
Total Facility	6,400.00	6,400.00	0.00	100.0%
Insurance				
5065-01 · Insurance	2,684.65	3,500.00	-815.35	76.7%
Total Insurance	2,684.65	3,500.00	-815.35	76.7%
SBA Interest Expense				
5101-02 · Interest on Loans from SBA 4	38.04			
Total SBA Interest Expense	38.04			
MicroBiz Expenses				
5150-01 · Technical Assistance	5,391.12	5,083.32	307.80	106.06%
5150-02 · Marketing	0.00	150.00	-150.00	0.0%
5150-03 · Seminars/Workshops	0.00	200.00	-200.00	0.0%
Total MicroBiz Expenses	5,391.12	5,433.32	-42.20	99.22%
5200 · New Initiatives				
5200A · Workforce & Education	9,100.00			
5200 · New Initiatives - Other	9,000.00	12,500.00	-3,500.00	72.0%
Total 5200 · New Initiatives	18,100.00	12,500.00	5,600.00	144.8%
Office Expense				
5060-01 · Comp./Equip & Leasing & Maint.	3,740.32	2,683.32	1,057.00	139.39%
5060-02 · Telephone & Fax	894.06	666.68	227.38	134.11%
5060-03 · Internet	205.47	233.32	-27.85	88.06%
5060-04 · Office Supplies & Printing	366.08	1,666.68	-1,300.60	21.97%
5060-05 · Dues & Subscriptions	4,787.50	5,000.00	-212.50	95.75%
5060-06 · Postage	300.00	83.34	216.66	359.97%
5060-08 · Web Site	492.50	833.32	-340.82	59.1%
Total Office Expense	10,785.93	11,166.66	-380.73	96.59%
Other Expenses				
5100-01 · Miscellaneous Expense	4,109.25	2,083.32	2,025.93	197.25%
Total Other Expenses	4,109.25	2,083.32	2,025.93	197.25%
Employer Expenses				
Payroll				
5000-01 · Marketing Manager	11,083.32	11,366.66	-283.34	97.51%
5000-02 · Business Dev Spec.	9,166.68	9,625.00	-458.32	95.24%
5000-04 · Bookkeeper	9,083.32	9,375.00	-291.68	96.89%
5000-05 · Office Manager	9,541.68	9,833.34	-291.66	97.03%
5000-06 · Economic Developer	4,916.68	5,083.34	-166.66	96.72%
5000-07 · Intern	2,067.50	2,166.66	-99.16	95.42%
5000-08 · Project Manager	0.00	7,083.34	-7,083.34	0.0%
Total Payroll	45,859.18	54,533.34	-8,674.16	84.09%
Fringe Benefits				
5020-04 · Life Insurance	541.50	583.32	-41.82	92.83%
5020-01 · Health Insurance	3,788.00	4,750.00	-962.00	79.75%
5020-03 · Pension	2,266.68	2,266.68	0.00	100.0%
5020-02 · Vacation Buy Back	1,666.67	1,666.68	-0.01	100.0%
Total Fringe Benefits	8,262.85	9,266.68	-1,003.83	89.17%
Employer Payroll Taxes				
5010-07 · Workers Comp.	0.00	250.00	-250.00	0.0%

Columbia Economic Development Corp
Profit & Loss Budget vs. Actual
January through February 2020

	<u>Jan - Feb 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5010-05 · State Unemployment	82.20	595.82	-513.62	13.8%
5010-01 · Disability	-31.20	98.42	-129.62	-31.7%
5010-04 · Social Security	3,530.08	3,383.32	146.76	104.34%
5010-03 · Medicare	825.57	796.32	29.25	103.67%
Total Employer Payroll Taxes	<u>4,406.65</u>	<u>5,123.88</u>	<u>-717.23</u>	<u>86.0%</u>
Total Employer Expenses	<u>58,528.68</u>	<u>68,923.90</u>	<u>-10,395.22</u>	<u>84.92%</u>
Professional Fees				
5030-01 · Legal and accounting Fees	1,220.00	2,083.32	-863.32	58.56%
5030-03 · Accounting and Audit Fees	0.00	400.00	-400.00	0.0%
5030-04 · Payroll Services	321.00	333.32	-12.32	96.3%
Total Professional Fees	<u>1,541.00</u>	<u>2,816.64</u>	<u>-1,275.64</u>	<u>54.71%</u>
Public Relations/Marketing				
5080-01 · Travel & Entertainment	55.43	500.00	-444.57	11.09%
5080-02 · Marketing	8,503.92	8,758.29	-254.37	97.1%
Total Public Relations/Marketing	<u>8,559.35</u>	<u>9,258.29</u>	<u>-698.94</u>	<u>92.45%</u>
Total Expense	<u>142,703.52</u>	<u>149,866.13</u>	<u>-7,162.61</u>	<u>95.22%</u>
Net Ordinary Income	<u>4,714.26</u>	<u>-10.63</u>	<u>4,724.89</u>	<u>-44,348.64%</u>
Net Income	<u>4,714.26</u>	<u>-10.63</u>	<u>4,724.89</u>	<u>-44,348.64%</u>

Columbia Economic Development Corp
Profit & Loss Prev Year Comparison
January through February 2020

	<u>Jan - Feb 20</u>	<u>Jan - Feb 19</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
Fee Income	0.00	25.00	-25.00	-100.0%
Administrative Revenue				
4050-03 · Columbia County IDA	4,000.00	4,000.00	0.00	0.0%
4050-06 · Hudson IDA	1,666.67	1,666.67	0.00	0.0%
Total Administrative Revenue	5,666.67	5,666.67	0.00	0.0%
Columbia County				
4000-01 · Columbia County Income	76,666.66	76,666.66	0.00	0.0%
Total Columbia County	76,666.66	76,666.66	0.00	0.0%
Grant Income				
Grant Income - 267ED760-11				
4020-01 · Loan Int. Income	0.00	75.14	-75.14	-100.0%
4020-02 · Loan Rec. Principal	0.00	5,126.14	-5,126.14	-100.0%
Total Grant Income - 267ED760-11	0.00	5,201.28	-5,201.28	-100.0%
Total Grant Income	0.00	5,201.28	-5,201.28	-100.0%
Loan Income				
Interest Earned on SBA Loans				
4010-03 · Interest Earned on SBA Loan 3	0.00	373.57	-373.57	-100.0%
4010-04 · Interest Earned on SBA Loan 4	0.00	539.03	-539.03	-100.0%
4010-05 · Interest Earned on SBA Loan 5	0.00	892.19	-892.19	-100.0%
4010-06 · Interest Earned on SBA loan 6	0.00	843.89	-843.89	-100.0%
Total Interest Earned on SBA Loans	0.00	2,648.68	-2,648.68	-100.0%
4010-02 · Int. on Loan Receivables (L.F)	0.00	3,557.27	-3,557.27	-100.0%
Total Loan Income	0.00	6,205.95	-6,205.95	-100.0%
Membership/Sponsorship				
4030-01 · Sustaining Membership	7,500.00	7,500.00	0.00	0.0%
4030-02 · Full Membership	6,150.00	6,150.00	0.00	0.0%
4030-03 · Associate Membership	1,650.00	3,500.00	-1,850.00	-52.86%
4030-05 · Member Deferral	11,710.50	14,558.56	-2,848.06	-19.56%
Total Membership/Sponsorship	27,010.50	31,708.56	-4,698.06	-14.82%
5900 · Interest Income	14,354.40	4,349.45	10,004.95	230.03%
Other Income				
Bank Interest - SBA RLF				
4040-08 · Bank Interest - SBA RLF 3	12.10	2.55	9.55	374.51%
4040-11 · Bank Interest - SBA RLF 4	9.20	9.98	-0.78	-7.82%
4040-14 · Bank Interest - SBA RLF 5	71.63	100.68	-29.05	-28.85%
4040-18 · Bank Interest - SBA RLF 6	41.90	149.22	-107.32	-71.92%
Total Bank Interest - SBA RLF	134.83	262.43	-127.60	-48.62%
Bank Interest SBA LLR				
4040-06 · Bank Interest SBA LLR 3	3.46	1.70	1.76	103.53%
4040-09 · Bank Interest SBA LLR 4	2.13	1.06	1.07	100.94%
4040-12 · Bank Interest SBA LLR 5	39.17	38.40	0.77	2.01%
4040-20 · Bank Interest SBA LLR #6	41.67	43.80	-2.13	-4.86%
Total Bank Interest SBA LLR	86.43	84.96	1.47	1.73%
4040-01 · Other Income	0.00	25.00	-25.00	-100.0%
4040-02 · Bank/Miscellaneous Income	3,498.29	585.34	2,912.95	497.65%
Total Other Income	3,719.55	957.73	2,761.82	288.37%
SBA Microloan T/A				

Columbia Economic Development Corp
Profit & Loss Prev Year Comparison
January through February 2020

	<u>Jan - Feb 20</u>	<u>Jan - Feb 19</u>	<u>\$ Change</u>	<u>% Change</u>
4040.15 · SBA - T/A	20,000.00	15,833.34	4,166.66	26.32%
Total SBA Microloan T/A	20,000.00	15,833.34	4,166.66	26.32%
Total Income	147,417.78	146,614.64	803.14	0.55%
Gross Profit	147,417.78	146,614.64	803.14	0.55%
Expense				
Conferences and Training				
5090-01 · Conference & Training	99.00	1,685.00	-1,586.00	-94.13%
Total Conferences and Training	99.00	1,685.00	-1,586.00	-94.13%
Consulting -TSI				
5040-03 · 5002 Consulting TSI	21,334.00	21,334.00	0.00	0.0%
Total Consulting -TSI	21,334.00	21,334.00	0.00	0.0%
Consulting Fees				
5040-02 · Consulting Other	5,132.50	3,116.50	2,016.00	64.69%
Total Consulting Fees	5,132.50	3,116.50	2,016.00	64.69%
Facility				
5050-01 · Rent	6,400.00	5,411.34	988.66	18.27%
Total Facility	6,400.00	5,411.34	988.66	18.27%
5051 · Grant Exp.to CRC	0.00	2,500.00	-2,500.00	-100.0%
Insurance				
5065-01 · Insurance	2,684.65	2,832.65	-148.00	-5.23%
Total Insurance	2,684.65	2,832.65	-148.00	-5.23%
SBA Interest Expense				
5101-02 · Interest on Loans from SBA 4	38.04	58.54	-20.50	-35.02%
Total SBA Interest Expense	38.04	58.54	-20.50	-35.02%
MicroBiz Expenses				
5160-01 · Technical Assistance	5,391.12	1,643.34	3,747.78	228.06%
5160-02 · Marketing	0.00	775.00	-775.00	-100.0%
Total MicroBiz Expenses	5,391.12	2,418.34	2,972.78	122.93%
5200 · New Initiatives				
5200A · Workforce & Education	9,100.00	0.00	9,100.00	100.0%
5200 · New Initiatives - Other	9,000.00	6,560.00	2,440.00	37.2%
Total 5200 · New Initiatives	18,100.00	6,560.00	11,540.00	175.82%
Office Expense				
5060-01 · Comp./Equip & Leasing & Maint.	3,740.32	3,790.87	-50.55	-1.33%
5060-02 · Telephone & Fax	894.06	895.05	-0.99	-0.11%
5060-03 · Internet	205.47	234.70	-29.23	-12.45%
5060-04 · Office Supplies & Printing	366.08	455.37	-89.29	-19.61%
5060-05 · Dues & Subscriptions	4,787.50	4,290.50	497.00	11.58%
5060-06 · Postage	300.00	0.00	300.00	100.0%
5060-07 · Misc. Office Expenses	0.00	1,572.08	-1,572.08	-100.0%
5060-08 · Web Site	492.50	708.14	-215.64	-30.45%
Total Office Expense	10,785.93	11,946.71	-1,160.78	-9.72%
Other Expenses				
5100-01 · Miscellaneous Expense	4,109.25	198.70	3,910.55	1,968.07%
Total Other Expenses	4,109.25	198.70	3,910.55	1,968.07%
Employer Expenses				
Payroll				
5000-01 · Marketing Manager	11,083.32	11,083.32	0.00	0.0%
5000-02 · Business Dev Spec.	9,166.68	9,166.68	0.00	0.0%

Columbia Economic Development Corp
Profit & Loss Prev Year Comparison
January through February 2020

	<u>Jan - Feb 20</u>	<u>Jan - Feb 19</u>	<u>\$ Change</u>	<u>% Change</u>
5000-04 · Bookkeeper	9,083.32	9,083.32	0.00	0.0%
5000-05 · Office Manager	9,541.68	9,541.68	0.00	0.0%
5000-06 · Economic Developer	4,916.68	4,916.68	0.00	0.0%
5000-07 · Intern	2,067.50	1,781.55	285.95	16.05%
Total Payroll	45,859.18	45,673.23	285.95	0.63%
Fringe Benefits				
5020-04 · Life Insurance	541.50	481.50	60.00	12.46%
5020-01 · Health Insurance	3,788.00	3,466.56	321.44	9.27%
5020-03 · Pension	2,266.88	2,166.66	100.02	4.62%
5020-02 · Vacation Buy Back	1,666.67	1,666.68	-0.01	-0.0%
Total Fringe Benefits	8,262.85	7,781.40	481.45	6.19%
Employer Payroll Taxes				
5010-05 · State Unemployment	82.20	32.35	49.85	154.1%
5010-01 · Disability	-31.20	-31.20	0.00	0.0%
5010-04 · Social Security	3,530.08	3,258.88	271.20	8.32%
5010-03 · Medicare	825.57	762.15	63.42	8.32%
Total Employer Payroll Taxes	4,406.65	4,022.18	384.47	9.56%
Total Employer Expenses	58,528.68	57,376.81	1,151.87	2.01%
Professional Fees				
5030-01 · Legal and accounting Fees	1,220.00	409.16	810.84	198.17%
5030-04 · Payroll Services	321.00	311.00	10.00	3.22%
Total Professional Fees	1,541.00	720.16	820.84	113.98%
Public Relations/Marketing				
5080-01 · Travel & Entertainment	55.43	98.46	-43.03	-43.7%
5080-02 · Marketing	8,503.92	7,894.26	609.66	7.72%
Total Public Relations/Marketing	8,559.35	7,992.72	566.63	7.09%
Total Expense	142,703.52	124,151.47	18,552.05	14.94%
Net Ordinary Income	4,714.26	22,463.17	-17,748.91	-79.01%
Net Income	4,714.26	22,463.17	-17,748.91	-79.01%

Columbia Economic Development Corp
Profit & Loss by Class
January through February 2020

	1 Operating	SBA RLF-06	SBA RLF-05	SBA RLF-04	SBA RLF-03	2 Loan Fund	3 CDBG Fund	Total 4 SBA	TOTAL
Ordinary Income/Expense									
Income									
Administrative Revenue	5,666.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,666.67
Columbia County	76,666.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	76,666.66
Membership/Sponsorship	27,010.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,010.50
5900 - Interest Income	0.00	2,235.55	1,622.94	578.24	3.11	9,914.56	0.00	0.00	14,354.40
Other Income	1,245.78	41.90	71.63	9.20	12.10	0.00	2,252.51	86.43	3,719.55
SBA Microloan T/A	20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
Total Income	<u>130,589.61</u>	<u>2,277.45</u>	<u>1,694.57</u>	<u>587.44</u>	<u>15.21</u>	<u>9,914.56</u>	<u>2,252.51</u>	<u>86.43</u>	<u>147,417.78</u>
Gross Profit	<u>130,589.61</u>	<u>2,277.45</u>	<u>1,694.57</u>	<u>587.44</u>	<u>15.21</u>	<u>9,914.56</u>	<u>2,252.51</u>	<u>86.43</u>	<u>147,417.78</u>
Expense									
Bad Debt Writeoff	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5001 Bank Service Charges	0.00	0.00	0.00	0.00	0.00	97.36	0.00	0.00	97.36
Conferences and Training	99.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	99.00
Consulting - TSI	21,334.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,334.00
Consulting Fees	5,132.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,132.50
Facility	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,400.00
Insurance	2,684.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,684.65
Interest Expense	0.00	0.00	0.00	38.04	0.00	0.00	0.00	0.00	38.04
MicroBiz Expenses	5,391.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,391.12
5200 - New Initiatives	9,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,100.00
Office Expense	19,785.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19,785.93
Other Expenses	4,011.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,011.89
Employer Expenses	58,528.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	58,528.68
Professional Fees	1,541.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,541.00
Public Relations/Marketing	8,559.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,559.35
Total Expense	<u>142,568.12</u>	<u>0.00</u>	<u>0.00</u>	<u>38.04</u>	<u>0.00</u>	<u>97.36</u>	<u>0.00</u>	<u>0.00</u>	<u>142,703.52</u>
Net Ordinary Income	<u>-11,978.51</u>	<u>2,277.45</u>	<u>1,694.57</u>	<u>549.40</u>	<u>15.21</u>	<u>9,817.20</u>	<u>2,252.51</u>	<u>86.43</u>	<u>4,714.26</u>
Net Income	<u>-11,978.51</u>	<u>2,277.45</u>	<u>1,694.57</u>	<u>549.40</u>	<u>15.21</u>	<u>9,817.20</u>	<u>2,252.51</u>	<u>86.43</u>	<u>4,714.26</u>

Loan, Current Outstanding Loan Portfolio & Reserve Account Balances - Feb 29, 2020

CEDC Loan Fund	Bank Relationship	TYPE	Available to lend	Total Available	Total
	Community Bank	SV	-		
	Community Bank	SV	-		
	Community Bank	CK	34,304.00	34,304.00	
	Community Bank	CK	-		
	Community Bank	SV	696,551.00	730,855.00	
SBA Micro Loan Fund					
	Key Bank	RLF7	100.00		
	Key Bank	RLF3	73,847.00		
	Key Bank	RLF4	55,745.00		
	Bank of Greene County	RLF5	75,738.00		
	Bank of Greene County	RLF6	45,928.00	251,358.00	
	SBA - Available Funds		-		982,213.00
					1,389,384.00

Current CEDC Outstanding Loan Balances	Current SBA	Loan Portfolio Balance
986,938.00		
		402,446.00

Reserve Accounts	Bank Relationship	TYPE	Available	Total Reserves
CEDC Loan Fund			107,962.00	
SBA Loan Funds			34,079.00	142,041.00
	Key Bank	LLR 3	21,086.00	
	Key Bank	LLR 4	13,049.00	
	Key Bank	LLR 7	100.00	
	Bank of Greene County	LLR 5	39,964.00	
	Bank of Greene County	LLR 6	41,978.00	116,177.00
				258,218.00
Water Tower Reserve			71,817.00	330,035.00

Trial Balance Report for All Funds for the Period 01/01/2020 - 02/29/2020

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By Funding Source
(All transactions)

LoanID	Borrower	Close Date	Loan Amount	Principal Balance	Cumulative Pmts ==		Latest Pmts ==		Periods Past Due ==									
					Principal	Interest	Amount	Date	ONE	TWO+	THREE+	FOUR+	FIVE+	SIX+	Total Past	Days Past		
Fund: CEDC Loan Fund, Subfund: CEDC-01																		
1220-44	2 Dukes & a Princess	03/28/2018	25,000.00	17,782.35	652.97	152.27	402.62	02/28/2020									< 30	
1220-41	41 Cross Street H.,	12/13/2017	75,000.00	68,159.71	3,074.48	1,165.68	1,050.04	02/07/2020									< 30	
1220-80	AbraxasTacos LLC	05/09/2019	12,500.00	11,565.14	250.13	250.13	250.13	02/19/2020	250.13	250.13						500.26	30 +	
1220-45	ACW Millwork & Ca.,	06/20/2018	50,000.00	39,605.57	1,076.62	366.78	706.70	02/19/2020									< 30	
1220-47	Alvia Woodworks	05/24/2018	13,350.00	9,340.66	419.40	104.60	262.00	02/28/2020	261.21							261.21	< 30	
1220-40	Brown's Car Sales...	09/09/2017	12,500.00	7,130.13	205.64	36.68	242.32	01/24/2020	241.66							241.66	< 30	
1220-66	Germentown Beer F.,	06/07/2019	30,000.00	27,579.55	715.41	254.07	484.74	02/06/2020									< 30	
1220-47b	Germentown Laundr.,	09/14/2018	25,000.00	19,744.39	636.84	168.52	402.68	02/18/2020									< 30	
1220-49	G.G. & G. Flower ...	10/10/2018	15,000.00	11,348.56	468.64	97.50	283.07	02/12/2020									< 30	
1220-50	Hudson-Athens Ref.,	09/13/2017	25,000.00	15,762.52	669.53	135.71	402.62	02/06/2020									< 30	
1220-09	Hudson Cruises, Inc	06/15/2014	50,000.00	41,874.74	425.17	737.78	387.65	01/27/2020									< 30	
1220-67	Hudson Dev. Corp	10/30/2019	200,000.00	200,000.00		2,499.99	833.33	02/28/2020									< 30	
1220-37	Les Collines	03/21/2018	14,222.33	9,756.28	498.65	51.27	549.92	01/03/2020	274.96	274.96						549.92	30 +	
1220-51	Mirna Goods, LLC	02/15/2019	45,000.00	38,381.51	1,122.57	326.87	724.72	02/18/2020									< 30	
1220-54	Miracle Springs F.,	05/01/2019	100,000.00	100,000.00		1,250.01	416.67	02/27/2020									< 30	
1220-36	Nick Jennings LLC	04/13/2017	10,000.00	4,668.55	337.44	49.22	193.33	02/13/2020									< 30	
1220-16	Olds Hudson, LLC	12/02/2015	40,000.00	14,225.69	1,197.56	195.36	656.46	02/14/2020									< 30	
1220-48	Old Kaverack Bre.,	08/15/2018	15,132.44	11,028.39	761.96	210.64	324.20	02/26/2020	324.20							324.20	< 30	
1220-18	Paul Calcagno, Jr.,	12/15/2014	60,000.00	61.97			1,257.02	12/27/2019	7.65	14.90	21.83	17.59				61.97	90 +	
1220-58	Philmont Beautifi.,	12/17/2019	25,000.00	25,000.00			1,017.74	02/07/2020									< 30	
1220-21	Phoenix Services ...	05/01/2015	128,698.52	89,355.68	1,307.73	752.75	1,017.74	02/07/2020									< 30	
1220-22	Rontybrook Farm D.,	02/06/2014	25,000.00			879.78	8.18	492.25	02/07/2020								< 30	
1220-43	SUHE Enterprises,...	10/13/2017	25,000.00	16,126.28	666.69	138.55	402.62	02/18/2020									< 30	
1220-12	The Pond Restaurant	10/13/2017	100,000.00	92,336.73	363.75	386.25	750.00	02/24/2020									< 30	
1220-69	Tivoli Farm Inc.	12/16/2019	50,000.00	49,508.06	491.94	315.07	807.01	01/31/2020									< 30	
1220-53	Train Time Express...	04/19/2019	22,500.00	21,026.23			387.23	10/31/2019									< 30	
1220-46	Wandering Fool, LLC	06/28/2018	25,000.00	18,765.56	644.82	160.42	402.62	02/21/2020									< 30	
1220-52	Willie's Bakery Ca.,	04/17/2019	30,000.00	26,784.04	353.04	130.11	483.15	01/31/2020									< 30	
CEDC Loan Fund - CEDC-01; 28 loans				1,248,903.6	986,938.31	9,914.41	14,562.84		1,359.81	539.99	21.83	17.59				1,939.22		
CEDC Loan Fund; 28 loans				1,248,903.6	986,938.31	9,914.41	14,562.84		1,359.81	539.99	21.83	17.59					1,939.22	

Trial Balance Report for All Funds for the Period 01/01/2020 - 02/29/2020

03/13/2020 03 17 PM

By Funding Source
(All transactions)

LoanID	Borrower	Close Date	Loan Amount	Principal Balance	Cumulative Prints		Latest Prints		Periods Past Due						Total Past	Days Past	
					Principal	Interest	Amount	Date	ONE	TWO+	THREE+	FOUR+	FIVE+	SIX+			
1250-16a	Fahant Bazaar	02/07/2018	15,000.00	8,089.14	620.20	99.80	360.00	02/03/2020									< 30
1250-37a	Germanatown Beer F...	06/07/2019	30,000.00	27,769.32	675.41	352.23	513.82	02/06/2020									< 30
1250-28a	Karyn Quills	11/27/2018	12,000.00	8,838.99	234.42	52.93	287.35	01/27/2020	287.35							287.35	< 30
1250-30	Mina Goods, LLC	02/15/2019	25,000.00	21,517.83	593.07	265.39	429.23	02/18/2020									< 30
1250-15a	Primitive Twig	02/08/2018	9,277.61	3,245.71	557.26	42.74	300.00	02/05/2020									< 30
1250-29a	Serenity Wellness...	12/13/2018	4,500.00		3,604.28			01/08/2020									< 30
1250-13a	SUHG Enterprises...	10/13/2017	25,000.00	16,498.21	654.25	198.21	426.23	02/21/2020									< 30
1250-32a	Train Time Express...	04/19/2019	22,500.00	19,961.16	540.15	234.31	387.23	02/26/2020									< 30
1250-20a	Wandering Fool, LLC	05/28/2018	25,000.00	19,065.25	624.56	227.90	426.23	02/21/2020									< 30
1250-31a	Willie's Bakery Ca...	04/17/2019	30,000.00	26,987.51	328.12	183.35	511.47	01/31/2020								1,092.18	< 30
SBA Loan Fund - SBA RLF-06: 15 loans																	
			281,127.61	215,978.25	10,201.44	2,235.55	5,462.51									1,092.18	
SBA Loan Fund: 34 loans																	
			659,627.61	402,445.69	22,136.80	4,439.84	13,802.51									1,618.44	278.75
Report total: 62 loans																	
			1,908,531.3	1,369,384.0	99,107.43	14,354.25	28,365.35									2,978.25	818.74
			0	0	0	0	0									21.83	17.59

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**COLUMBIA ECONOMIC
DEVELOPMENT CORPORATION
2019 Investment Report**

In accordance with Section 2925 of the Public Authorities Law; Sections 10, 11 and 858-a of General Municipal Law, the Columbia Economic Development Corporation has prepared an annual Investment Report for 2019.

The Columbia Economic Development Corporation Investment Policy was approved on February 5, 2015.

The Policy was amended on October 29, 2019. Section VI was corrected to reflect the name changes of the Authorized Depositories. No other amendments were made since the policy was reviewed and adopted on February 5, 2019.

The amended Investment Policy has been attached to this document as Schedule A.

The 2019 Annual Financial Audit is attached as Schedule B.

The Corporation generated \$ 26,743.00 in interest income for the period January 1, 2019 – December 31, 2019.

Bank Name	Amount Generated	Fees
Community Bank	\$14,069.00	\$ 0.00
Key Bank	\$8,667.00	\$1,225.00
TD Bank	\$0.00	\$0.00
The Bank of Greene County	\$2,978.00	\$0.00
Berkshire Bank	\$1,029.00	\$0.00

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Schedule A

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION INVESTMENT POLICY

I. Scope

This investment policy applies to all moneys and other financial resources available for investment by the Columbia Economic Development Corporation (the "Corporation").

II. Objectives

The primary objectives of the Corporation's investment activities are, in priority order.

- To conform with all applicable federal, state and other legal requirements;
- To adequately safeguard principal;
- To provide sufficient liquidity to meet all operating requirements; and
- To obtain a reasonable rate of return.

III. Delegation of Authority

The responsibility for administration of the investment program is delegated to the President/CEO who shall establish procedures, subject to Board approval, for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a database or records incorporating description and amounts of investments, transaction dates, and other relevant information.

IV. Prudence

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Corporation.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

Consistent with CEDC's Conflict of Interest policy, all participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. Diversification

It is the policy of the Corporation to diversify its deposits and investments by financial institution such that the Corporation's deposits and investments do not exceed FDIC coverage and collateral pledged by such institution.

VI. Internal Controls

It is the policy of the Corporation that all moneys collected by any officer or employee of the Corporation be transferred to the President/CEO or his designee within 5 days of receipt for deposit into the Corporation's account.

The President/CEO is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

VII. Designation of Authorized Depositories

The banks and trust companies authorized for the deposit of monies,:

Depository

Community Bank formerly Kinderhook Bank
Key Bank formerly First Niagara Bank
TD Bank
The Bank of Greene County
Berkshire Bank

VIII. Collateralizing of Deposits

In accordance with the provisions of General Municipal Law, §10, all deposits of the Corporation, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of "eligible securities" with an aggregate market value, as provided by General Municipal Law, §10, equal to the aggregate amount of such deposits (a list of eligible collateral securities are included as Appendix A to this policy).

IX. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by the depositories trust department and/or a third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which enable the Corporation to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Corporation or its custodial bank.

The custodial agreement shall provide securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other

liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

X. Authorized Investments

As authorized by General Municipal Law, §11, the Agency authorizes the President/CEO to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York
- Money market/savings

All investment obligations shall be payable or redeemable at the option of the Corporation within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Corporation within one year of the date of purchase.

XI. Quarterly Reporting Requirements

Each quarter, at the regularly scheduled monthly meeting of the Corporation's Board of Trustees, the Treasurer shall prepare a report of the Corporation's cash and investment balances as of the last day of the preceding month or a later date, if available. At a minimum such report shall contain:

- The name of each financial institution
- Type of account (checking, savings, certificate of deposit, etc.)
- Current rate of interest
- Account balance as of the last day of the previous month

THIS POLICY SHALL BE REVIEWED AND ADOPTED ANNUALLY.

Reviewed and approved with changes October 29, 2019

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APPENDIX A

Schedule of securities eligible for collateralization of Corporation deposits:

- I. Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation.
- II. Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty.
- III. Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a Municipal Corporation, school district or District Corporation of such State or obligations of any public benefit corporation that under a specific State statute may be accepted as security for deposit of public moneys.
- IV. Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- V. Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- VI. Obligations of counties, cities and other governmental entities of a state other than the State of New York having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- VII. Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally statistical rating organization.
- VIII. Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by bank regulatory agencies.
- IX. Commercial paper and bankers' acceptances issued by a bank, other than the Bank, rated in the highest short term category by at least one nationally recognized statistical rating organization and having maturities of not longer than 60 days from the date they are pledged.
- X. Zero coupon obligations of the United States government marketed as "Treasury Strips".

Schedule B

2019 Audit

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Statement of the Effectiveness of Internal Control

This Statement of the Effectiveness of Internal Controls was adopted by the Board of Directors of the Columbia Economic Development Corporation, (the “Corporation”), a public benefit corporation established under the laws of the State of New York, on this , 2020.

Purpose

To satisfy the requirement of Section 2800 (1)(a)(9) and Section 2800 (2)(a)(9) of Public Authorities Law, the Corporation has prepared the following statement:

Statement of the Effectiveness of Internal Controls

This statement certifies that the Columbia Economic Development Corporation followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2019.

To the extent that deficiencies were identified, the Corporation has developed corrective action plans to reduce any corresponding risk.