

COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION NOTICE OF MEETING

Please take notice that there will be a regular meeting of the Columbia County Capital Resource Corporation and its Audit, Finance and Governance Committees which will be held on February 2, 2021 at 8:30am on Google Meet for the purpose of discussing any matters that may be presented to the Corporation for consideration. The meeting can be accessed by the link: meet.google.com/vji-xvjf-iou Join by phone +1 605-653-3560 PIN 399969805

Dated: January 26, 2021
Nina Fingar-Smith
Secretary
Columbia County Capital Resource Corporation

CRC Finance Committee Meeting Agenda

Members:

| | | |
|-------------------|----------------|--|
| Nina Fingar-Smith | Brian Keeler | |
| Bob Galluscio | Carmine Pierro | |
| William Gerlach | Sarah Sterling | |

1. Minutes, October 6, 2020*
2. Treasurer's Report*
3. Finance Committee Charter*
4. 2020 Investment Report without Audited Financials*
5. 2020 Discharged Duties*
6. Public Comment

Attachments:

Draft October 6, 2020 minutes
Treasurer's Report
Finance Committee Charter
2020 Investment Report
2020 Discharged Duties

* Requires Approval

COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

MINUTES

COLUMBIA COUNTY

Capital Resource Corporation

Finance Committee Meeting

Tuesday, October 6, 2020

VIA CONFERENCE CALL due to Covid-19 outbreak

The regular meeting of Columbia County Capital Resource Corporation Finance Committee, via conference call on the above date. The meeting was called to order at 8:31am by Carmine Pierro, Chairman.

| Attendee Name | Title | Status | Arrived |
|----------------------|---------------------------------|-------------------|---------|
| Nina Fingar-Smith | Board Member | Present via phone | |
| Robert Galluscio | Treasurer | Present via phone | |
| William Gerlach | Board Member | Present via phone | |
| Brian Keeler | Board Member | Present via phone | |
| Carmine Pierro | Chairman | Present via phone | |
| Sarah Sterling | Secretary | Present via phone | |
| Theodore Guterman II | Counsel | Present via phone | |
| F. Michael Tucker | President/CEO | Present via phone | |
| Lisa Drahushuk | Administrative Supervisor | Present via phone | |
| Erin McNary | Bookkeeper | Present via phone | |
| Edward Stiffler | Economic Developer | Present via phone | |
| Martha Lane | Business Development Specialist | Excused | |
| Carol Wilber | Marketing Director | Present via phone | |
| Bill Better | Gtel Counsel | Present via phone | |
| A Joseph Scott | IDA Bond Counsel | Present via phone | |
| Karen Borovich | Gtel | Present via phone | |

Minutes:

Mr. Galluscio made a motion, seconded by Ms. Sterling to approve the minutes from the August 4, 2020 Finance Committee Meeting. Carried.

Treasurer's Report, 2021 Budget:

Mr. Tucker stated there was no change in the report. He noted the organization had received a grant from CEDC for operating expenses. He stated in the proposed CRC budget a \$5,000 grant from CEDC had been included. *Ms. Sterling made a motion, seconded by Mr. Galluscio to recommend approval of the Treasurer's Report and the 2021 budget to the full board. Carried.*

With no public comment and no further business to come before the Committee, Ms. Sterling made a motion, seconded by Mr. Gerlach to adjourn the meeting. Carried. The meeting was adjourned at 8:34am.

Respectfully submitted by Lisa Drahushuk

Columbia County Capital Resource Corporation
FINANCE COMMITTEE CHARTER

Purpose

Pursuant to Article IV, Section 2 of the Corporation's bylaws, the purpose of the finance committee is to oversee the Corporation's debt and debt practices and to recommend policies concerning the corporation's issuance and management of debt.

Duties of the Finance Committee

It shall be the responsibility of the finance committee to:

- Review proposals for the issuance of debt by the Corporation and its subsidiaries and to make recommendations concerning those proposals to the board.
- Make recommendations to the board concerning the level of debt and nature of debt issued by the Corporation.
- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Corporation and to oversee the work performed by these individuals and firms on behalf of the Corporation.
- Meet with and request information from corporate staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.
- Retain, at the corporation's expense, such outside counsel, experts and other advisors as the finance committee may deem appropriate.
- Review proposals relating to the repayment of debt or other long-term financing arrangements by the corporation and its subsidiaries.
- Annually review the corporation's financing guidelines and make recommendations to the board concerning criteria that should govern its financings. These should include security provisions required for a bond financing undertaking, specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.
- Report annually to the corporation's board how it has discharged its duties and met its responsibilities as outlined in the charter.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

Composition of Committee and Selection of Members

The finance committee shall consist of not less than three independent members of the board of directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee.

The corporation's board shall appoint the finance committee members and the finance committee chair. Members shall serve on the committee at the discretion of the board.

Members appointed to the committee shall have the background necessary to perform its duties.

Meetings

The finance committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The committee must meet prior to any debt issuance planned to be undertaken by the corporation. Members of the finance committee are expected to attend each committee meeting, in person. The finance committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting agendas shall be prepared prior to every meeting and provided to finance committee members along with briefing materials five (5) business days before the scheduled finance committee meeting. The Finance committee may act only on the affirmative vote of a majority of the members or by unanimous consent.

Minutes of these meetings shall be recorded. A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

The finance committee shall:

- Review the corporations proposed annual operating budget as presented by corporate management for the upcoming fiscal year.
- Recommend the annual budget to the board for approval after incorporating necessary amendments.
- Monitor and report to the board on the corporation's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a monthly quarterly basis.

Oversee the Corporation's Investments

The finance committee shall:

- Annually review the corporation's investment policy and evaluate allocation of assets.
- Review and recommend to the board approval of the corporation's annual investment report.
- Annually review the corporation's audit of investments as provided by independent auditors.
- Recommend to the board the selection of investment advisors.
- Monitor the economic performance of the corporation's pension plans.

Assess the corporation's Capital Requirements and Capital Plan

The finance committee shall:

- Assess the financial requirements of the corporation's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is

required and an explanation of funding sources for capital projects such as grants, issuance of debtor specified pay-as-you-go resources.

- Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the board.

Review Financial and Procurement Thresholds

The finance committee shall:

- Review and make recommendations to the board regarding any proposed procurements submitted to the committee by the corporation's procurement officer.
- Review and recommend changes to the corporation's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to the corporation's uniform tax exemption policy that includes general provisions for allowing tax exemptions.
- Review and recommend changes to the corporation fee schedules.
- Review the scope and terms of the corporation's insurance policies and liability coverage on an annual basis.

Reviewed and re-adopted February 6, 2018

**COLUMBIA COUNTY
CAPITAL RESOURCE CORPORATION
2020 Investment Report**

In accordance with Section 2925 of the Public Authorities Law; Sections 10, 11 and 858-a of General Municipal Law, the Columbia County Capital Resource Corporation has prepared an annual Investment Report for 2020.

The Columbia County Capital Resource Corporation Investment Policy was originally approved on February 5, 2015.

The Policy was amended, reviewed and adopted on December 3, 2019. All changes are italicized and underlined in the document. The policy was reviewed and adopted with no further changes on February 4, 2020.

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

The 2020 Annual Financial Audit is attached as Schedule B.

The Corporation generated \$.05 in interest income for the period January 1, 2020 – December 31, 2020.

| Bank Name | Amount Generated | Fees |
|---------------------------|------------------|---------|
| Key Bank Checking account | \$.01 | \$65.00 |

Schedule A

Scope

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

I. 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.

II. Delegation of Authority

The responsibility for administration of the investment program is delegated to the Administrative Director 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.

III. 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 the Columbia County Capital Resource Corporation'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.

IV. 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.

V. 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 Administrative Director or their designee, within 5 days of receipt for deposit into the Corporation's account.

The Administrative Director 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.

VI. Designation of Authorized Depositories

The banks and trust companies authorized for the deposit of monies, up to the amounts; which are collateralized:

Depository
Key Bank

VII. 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).

VIII. 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.

IX. Authorized Investments

As authorized by General Municipal Law, §11, the Corporation authorizes the Administrative Director 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.

X. Monthly Reporting Requirements

At each regularly scheduled meeting of the Corporation's Board, 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
- Maturity date in the case where funds are not currently available

THIS POLICY SHALL BE REVIEWED AND ADOPTED ANNUALLY.

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".

Amended and Adopted on 12/3/19 The changes from the previous version are italicized and underlined.

Schedule B

2020 Audited Financials

(The remainder of this page was left intentionally blank)

Columbia County Capital Resource Corporation

2020 Discharged Duties

Audit Committee:

- Reviewed and recommended approval by the full board: Internal Controls Statement and 2019 Audited Financials
- Reviewed and approved Committee Charter, 2019 Discharged Duties, 2019 Committee Evaluation.
- Reviewed and recommended the 2020 Audit engagement letter

Finance Committee:

- Reviewed and recommended approval by the full board: semi-annual financial reports and 2021 budget.
- Reviewed and approved Committee Charter, 2019 Discharged Duties, 2019 Committee Evaluation.
- Reviewed and recommended the 2019 Investment Report.

Governance Committee:

- Reviewed and recommended for full board approval: Slate of Officers, Compliance Calendar.
- Reviewed and approved Committee Charter, 2019 Discharge of Duties, 2019 Committee evaluation.

Full Board:

- Reviewed and approved appointment of: Officers, Corporate Attorney, Corporation Accountants, Administrative Officer and staff, committee members, ethic and procurement officers.
- Reviewed and approved: 2020 meeting schedule, corporate policies and procedure, banks and financial accounts, compliance calendar, 2019 internal controls statement, 2019 Committee discharged duties, 2019 Operations and accomplishments, 2019 performance measures report, 2020 mission and measurements statement, 2019 audited financials, 2019 Board evaluation and the 2021 budget.