MINUTES

Dutchess County Local Development Corporation

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BOARD OF DIRECTORS REGULAR MEETING

Wednesday, March 22, 2023

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen Bauer, Secretary/Treasurer
Amy Bombardieri (via zoom)
Jamie Piccone II
Don Sagliano
Alfred Torreggiani

Also Present: Sarah Lee, CEO
Jane Denbaum, CFO
Elizabeth Cappillino & Don Cappillino (Counsel)
Elizabeth Veasey, Marist College
Jim Beretta & Doreen Tignanelli (Members from the public)

On Wednesday, March 22, 2023, the Dutchess County Local Development Corporation [DCLDC] Board of Directors regular meeting was called to order by Chairman Dean at 9:45 AM. Present was Tim Dean, Mark Doyle, Kathleen Bauer, Amy Bombardieri (via zoom), Jamie Piccone II, Don Sagliano and Al Torreggiani Quorum was established with (6) members in-person and (1) via zoom.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. Chairman Dean noted he has a conflict with item A on the agenda under new business because his firm, Marshall & Sterling, provides some insurance and risk management services to Marist College.

PROOF OF MEETING NOTICE

Meeting notice was published on March 17, 2023.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

February 8, 2023

Chairman Dean asked for a motion to approve the February 8, 2023 regular meeting minutes of the Dutchess County Local Development Corporation.

A motion was made by Mr. Piccone, duly seconded by Mr. Torreggiani to approve the DCLDC Board of Directors regular meeting minutes for February 8, 2023. Roll call vote was taken, all voted in favor and the motion was carried.

REPORT OF THE TREASURER

A. Financial Report
Ms. Denbaum proceeded to report on the February 28, 2023 Balance Sheet and Profit & Loss Budget

- Current cash balance is $2,745,631.73
- New to the balance sheet, which is also in the audit, is the right of use lease, which is $803,000 with the accumulated amortization of $155,480.00
- Accrued payroll is included in the accounts payable
- The current lease liability is $60,703.00
- The P&L revenue is $14,748.43 to a budget of $926,428
- Expenditures is $196,423.83 to a budget of $1,273,463 with a net income loss of $181,675.40 to a budgeted loss of $347,035

REPORTS OF COMMITTEES

A. Finance & Audit – For Discussion and Approval of the 2022 Audit

Ms. Bauer noted the following from the 2022 audit:

- There were no adjustments made to the balances, no misstatements, they did not encounter any disagreements from management, and there were no significant issues
- Independent auditor's report
  There are three footnote changes on how to account for the lease change
- Assets and liabilities
- The previous year is restated because the lease liabilities and assets were added
- Overview of the following from the financial statement
  - Cash equivalence
  - Liabilities
  - Interest
  - Accounts payable
  - Revenues and expenses
  - Statement of cash flows
  - Net ending position
  - Footnotes
  - Schedule of conduit debts
  - Projects
  - No internal control and compliance findings

Questions, responses and comments ensued.

Chairman Dean asked for a motion to approve the 2022 LDC audit.

A motion was made by Mr. Piccone, duly seconded by Mr. Torreggiani to approve the 2022 LDC audit. Roll call vote was taken, all voted in favor and the motion was carried

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Consideration and Approval of a Preliminary Inducement Resolution for the Issuance of the LDC's Tax-Exempt Refunding Bonds Series 2023 (Marist College) in an amount presently estimated to be $39,400,000 but not to exceed $45,000,000 for the benefit of Marist College

Chairman Dean left the room for this item due to the conflict he noted above and Mr. Doyle presided over this portion of the agenda.

Ms. Lee noted the following:

- Marist College is in front of the board for their inducement resolution
- They are requesting conduit tax-exempt bond financing through the LDC in the amount of $39,400,000 to refund previously issued LDC bonds, in particular Series 2013A, 2013B and 2016
- These bonds were used to refinance older IDA bonds and finance the construction of the, the student center and general campus improvements

Ms. Lee introduced Ms. Veasey who proceeded to give an overview of this refinancing request and answered any questions from the board.

Vice Chairman Doyle asked for a motion to approve this Preliminary Inducement Resolution.

A motion was made by Ms. Bauer, duly seconded by Mr. Sagliano to approve the Preliminary Inducement Resolution for the Issuance of the LDC's Tax-Exempt Refunding Bonds Series 2023 (Marist College) in an amount presently estimated to be $39,400,000 but not to exceed $45,000,000 for the benefit of Marist College. Roll call vote was taken, all voted in favor and the motion was carried.

B. For Discussion and Approval of the 2022 PARIS Reports
- Annual Report
- Investment Report
- Procurement Report
- Audit Report

Ms. Lee noted the following about these reports:
- Annual Report
  - Board members should review their information in the annual report for accuracy
  - The first section of the annual report is consistent with the audited financial statements
  - Two new projects were added on page 23 of 34, the Culinary Institute of America series 2022 Bond and page 29 of 34, Marist College bond issuance
- Investment Report
  - Once the audit is uploaded the exact location of documents on the website will be updated
- Procurement Report
  Purchases that are over $5,000 in 2022
- Audit Report
  The certified audit will be update after the audit is approved

Chairman Dean asked for a motion to approve the Annual, Investment, Procurement and Audit reports for PARIS.

A motion was made by Mr. Torreggiani, duly seconded by Ms. Bauer to approve the 2022 DCLDC Annual, Investment, Procurement and Audit reports as presented for submission to PARIS. Roll call vote was taken, all voted in favor, and the motion was carried.

C. Proposed Executive Session, Subject to Board Approval
- Review and discuss employment history and 2022 performance of CEO

Chairman Dean noted that due to personal reasons and a scheduled vacation he was unable to review the employment history and 2022 performance of the CEO and would like to move this item and item D to the next meeting. Prior to the next meeting, he will collect the review forms from all board members, collate them and enter into an executive session at the next meeting to discuss them.

D. Consideration and Approval of 2023 Salary for CEO

ADJOURNMENT
There being no further business on the agenda to discuss, the meeting was adjourned by Chairman Dean at 10:13 AM.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer — Date: 4/12/23

Meeting 03-22-2023
Approved 04-12-2023
Certified 04-12-2023

Dutchess County Local Development Corporation
Balance Sheet
As of February 28, 2023

	Feb 28, 23	
ASSETS		
Current Assets		
Checking/Savings		
1010 · Cash		
1100 · Checking -- TD Bank	679,370.41	
1101 · Petty Cash	300.00	
1180 · CD1 - Salisbury	258,057.07	
1182 · CD2 - Salisbury	1,807,904.25	
Total 1010 · Cash		2,745,631.73
Total Checking/Savings		2,745,631.73
Total Current Assets		2,745,631.73
Fixed Assets		
1390 · Furniture & Equipment		
1680 · Furniture & Equipment	127,128.18	
1710 · Accumulated Depreciation	-100,578.24	
Total 1390 · Furniture & Equipment		26,549.94
1600 · ROU Lease Asset		
1690 · ROU Lease	803,315.00	
1790 · Accumulated Lease Amortization	-155,480.00	
Total 1600 · ROU Lease Asset		647,835.00
Total Fixed Assets		674,384.94
Other Assets		
1175 · Other Assets		
1200 · Receivables	2,457.43	
1320 · Payroll Deposit	15,011.00	
Total 1175 · Other Assets		17,468.43
Total Other Assets		17,468.43
TOTAL ASSETS		**3,437,485.10**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · *Accounts Payable		30,458.11
Total Accounts Payable		30,458.11
Other Current Liabilities		
1990 · Liabilities		
2100 · Accounts Payable	12,900.00	
2290 · Lease Liability - Current	60,703.00	
Total 1990 · Liabilities		73,603.00
Total Other Current Liabilities		73,603.00
Total Current Liabilities		104,061.11
Long Term Liabilities		
2300 · Long Term Liabilities		
2390 · Lease Liability - Long Term	636,515.00	
Total 2300 · Long Term Liabilities		636,515.00
Total Long Term Liabilities		636,515.00
Total Liabilities		740,576.11

Dutchess County Local Development Corporation
Balance Sheet
As of February 28, 2023

	Feb 28, 23
Equity	
30000 · Opening Balance Equity	1,093,744.17
32000 · Unrestricted Net Assets	1,784,840.22
Net Income	-181,675.40
Total Equity	2,696,908.99
TOTAL LIABILITIES & EQUITY	**3,437,485.10**

Dutchess County Local Development Corporation
Profit & Loss Budget vs. Actual
January through February 2023

	Jan - Feb 23	Budget	$ Over Budget	% of Budget
Income				
4000 · Cash Revenues				
4020 · Administration Fees	0.00	215,000.00	-215,000.00	0.0%
4030 · Application Fees	1,000.00	1,000.00	0.00	100.0%
4035 · Compliance Fees	0.00	1,500.00	-1,500.00	0.0%
4040 · Dutchess County	0.00	450,000.00	-450,000.00	0.0%
4050 · DCIDA	0.00	150,000.00	-150,000.00	0.0%
4060 · Private Sector	0.00	70,000.00	-70,000.00	0.0%
4080 · DCWIB	4,752.80	28,928.00	-24,175.20	16.4%
4910 · Interest	8,995.63	10,000.00	-1,004.37	90.0%
Total 4000 · Cash Revenues	14,748.43	926,428.00	-911,679.57	1.6%
Total Income	14,748.43	926,428.00	-911,679.57	1.6%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	13,300.00	-13,300.00	0.0%
6245 · Board & Committee	0.00	1,000.00	-1,000.00	0.0%
6270 · Computer Consulting	2,204.05	14,100.00	-11,895.95	15.6%
6273 · Dues, Subs, & Pubs	18,834.97	50,000.00	-31,165.03	37.7%
6274 · Education/Training	1,140.00	4,000.00	-2,860.00	28.5%
6275 · Equipment	0.00	2,000.00	-2,000.00	0.0%
6310 · Insurance	2,297.66	4,500.00	-2,202.34	51.1%
6390 · Marketing	2,475.85	100,000.00	-97,524.15	2.5%
6392 · Marketing-MMP-ARPA	0.00	0.00	0.00	0.0%
6395 · Office Supplies	407.64	5,000.00	-4,592.36	8.2%
6400 · Other Expenditure	0.99	2,000.00	-1,999.01	0.0%
6410 · Payroll	78,630.11	475,531.00	-396,900.89	16.5%
6415 · Payroll Tax	10,235.97	43,535.00	-33,299.03	23.5%
6420 · Payroll Fringe	24,006.90	144,000.00	-119,993.10	16.7%
6450 · Professional Fees	1,301.48	10,000.00	-8,698.52	13.0%
6500 · Professional Service Contracts	32,000.00	215,000.00	-183,000.00	14.9%
6505 · Phone	1,019.35	6,500.00	-5,480.65	15.7%
6510 · Postage	0.00	500.00	-500.00	0.0%
6520 · Printing	0.00	500.00	-500.00	0.0%
6540 · Rent	15,666.08	91,997.00	-76,330.92	17.0%
6548 · Trade Show	2,100.00	15,000.00	-12,900.00	14.0%
6550 · Travel & Meetings	4,102.78	25,000.00	-20,897.22	16.4%
Total 6000 · Expenditures	196,423.83	1,223,463.00	-1,027,039.17	16.1%
6243 · Event Expenses	0.00	50,000.00	-50,000.00	0.0%
Total Expense	196,423.83	1,273,463.00	-1,077,039.17	15.4%
Net Income	**-181,675.40**	**-347,035.00**	**165,359.60**	**52.4%**