MINUTES

Dutchess County Local Development Corporation

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FINANCE and AUDIT COMMITTEE MEETING

Wednesday, October 4, 2023

Present: Kathy Bauer, Secretary/Treasurer
Jamie Piccone II

Unable to Attend: Don Sagliano

Also Present: Sarah Lee, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Jim Beretta & Doreen Tignanelli (Members from the public)

On Wednesday, October 4, 2023, the Dutchess County Local Development Corporation [DCLDC] Finance and Audit Committee meeting was called to order by Ms. Bauer at 8:30 AM. Present was Kathy Bauer and Jamie Piccone II. Unable to attend was Don Sagliano. Quorum was established.

APPROVAL OF MINUTES

Ms. Bauer asked for a motion to approve the March 9, 2023 Finance and Audit Committee minutes.

A motion was made by Mr. Piccone, duly seconded by Ms. Bauer to approve the DCLDC March 9, 2023 Finance and Audit Committee Minutes. Roll call vote was taken, all voted in favor and the motion was carried.

OLD BUSINESS

None

NEW BUSINESS

A. Review RFPs from Auditors
Ms. Bauer reported on the following:
- The RFP was sent to list of auditors.
- Proposals were received from RBT, PKF O'Connor and Prager Metis
- RBT and PKF O'Connor has experience working with IDAs and Prager Metis works mainly with government entities

Discussion ensued with questions, responses, and comments.

Ms. Bauer asked for a motion to recommend RBT to the board as the auditor for the LDC for the next three years.

A motion was made by Mr. Piccone, duly seconded by Ms. Bauer to recommend RBT to the board as the auditor for the IDA for the next three years. Roll call vote was taken, all voted in favor and the motion was carried.

B. 2024 LDC Proposed Budget
Ms. Lee presented the 2023 LDC year-end estimate revenues and expenses and the 2024 LDC proposed budget revenues and expenses.

Discussion ensued with questions, responses, and comments.

Ms. Bauer asked for a motion to present the proposed 2024 LDC budget to the board for final approval.

A motion was made by Mr. Piccone, duly seconded by Ms. Bauer to present the proposed 2024 LDC budget to the board for final approval. Roll call vote was taken, all voted in favor and the motion was carried.

ADJOURNMENT
There being no further business on the agenda to discuss, the meeting was adjourned by Ms. Bauer at 8:45 AM.

Kathleen Bauer, Secretary/Treasurer 2/28/24
Date

Meeting	10-04-2023
Approved	02-28-2024
Certified	02-28-2024

Dutchess County Local Development Corporation

	LDC	2022 Audit	2023 Budget	2023 Estimate EOY	2024 Budget Proposed
	Revenues:				
1	Administration Fees	264,035	215,000	608,711	200,000
2	Application Fees	1,000	1,000	3,000	1,000
3	Compliance Fee	1,000	1,500	1,500	3,500
4	Dutchess County	609,644	450,000	502,190	450,000
5	DCIDA	150,000	150,000	150,000	200,000
6	Private Sector	96,091	70,000	70,000	70,000
7	WIB	29,100	28,928	28,928	30,868
8	Other	10,000	0	0	0
9	Interest	21,795	10,000	50,000	40,000
	Total Revenue	**1,182,664**	**926,428**	**1,414,329**	**995,368**
	Expenditures:				
10	Audit	12,995	13,300	13,600	12,900
11	Board & Committee	0	1,000	0	1,000
12	Computer Consulting	12,322	14,100	12,900	14,000
13	Dues, pub, sub	45,407	50,000	48,000	50,000
14	Education/Training	2,765	4,000	2,500	4,000
15	Equipment	836	2,000	2,000	2,000
16	Events - TD produced	90,403	50,000	80,000	60,000
17	Insurance	4,223	4,500	4,424	4,500
18	Marketing	154,020	100,000	50,000	50,000
19	Misc/Other/Depr	4,143	2,000	1,500	2,000
20	Office Supplies	4,032	5,000	4,000	4,500
21	Payroll	439,194	475,531	475,531	544,797
22	Payroll tax	44,361	43,535	43,535	49,698
23	Payroll Fringe	101,639	144,000	144,000	168,000
24	Phone	6,945	6,500	6,800	6,500
25	Postage	281	500	500	500
26	Printing	410	500	500	500
27	Professional Fees	8,841	10,000	8,000	10,000
28	Professional Service Contracts	189,000	215,000	215,000	215,000
29	Rent	87,489	91,997	91,997	96,253
30	Trade Show	5,075	15,000	7,000	10,000
31	Travel & Meeting	16,521	25,000	20,000	20,000
	Total Expense	**1,230,903**	**1,273,463**	**1,231,787**	**1,326,148**
	Excess Income /Expense	(48,239)	(347,035)	182,542	(330,780)

29	Professional Service Contracts	2022 Audit	2023 Budget	2023 Estimate	2024 Proposed
	Marketing	174,000	200,000	200,000	200,000
	WEDC	15,000	15,000	15,000	15,000
		189,000	215,000	215,000	215,000

Dutchess County Local Development Corporation
2023 End of Year Estimate Budget Narrative

Revenues:

1. *Administrative Fees* income is based on the Marist 2023, Tompkins Terrace and Bard bond issuance fees
2. *Application Fees* income is based on three applications received
3. Compliance Fees from three projects
4. The Service Contract between the County and DCLDC reflects the $450,000 from the annual service contract and $42,190 as part of the American Relief Plan service contract. In addition, the County amended our contract to incorporate printing of a business survey.
5. The Dutchess County IDA professional service contract for administrative services $150,000.
6. Private Sector income is a result of the sponsor and ticket revenue from Connect Hudson Valley and the Business Excellence Awards.
7. *WIB (Workforce Investment Board)* – income from the contract for professional services which includes rent, equipment and any additional service fees as a result of the co-location
8. In 2022 we received a grant from Pursuit, however the program was discontinued in 2023.
9. Interest income from DCLDC investments.

Expenditures:

10. *Audit* costs of $12,900 is based on the contract with RBT, LLP
11. *Board & Committee* is lowered to $0.
12. *Computer Consulting* spending is expected to be at $12,900.
13. *Dues, Publications and Subscriptions* - The estimated amount of $48,000 is expected to be close to budget.
14. *Education/Training* spending is projected to be less than budgeted.
15. *Equipment costs* is expected to be close to budget..
16. *Events* –In 2023, we will have produced two in person events which will be higher than budgeted however, the County approved the extension of the ARP fund which will fund the Business Resource fair for small businesses.
17. Insurance includes Crime Bond and General Liability
18. The Marketing spending was reduced in 2023.
18. *Misc/Other/Depr* does not reflect the costs as a result of depreciation which will be determined in the 2023 Audit.
19. *Offices Supplies* is based on current and projected usage at $4,000.

20. *Payroll* is expected to be on budget
21. *Payroll Taxes* reflect the associated taxes including SUTA & FUTA
22. *Payroll Fringe* reflect the benefit package amount of $24,000 per employee
23. *Phones* - The projected $6,800 is slightly over budget due to the installation of security software for the phone system.
24. *Postage* spending reflects projected usage.
25. *Printing cost* is reduced to reflect estimated usage.
26. *Professional Fees* reflect the services provided by Staff-Line, Cappillino & Rothschild, LLP, and fees related to the video recording requirement of meetings and public hearings.
27. *Professional Service Contracts* is on track as budgeted at $215,000 and reflects the costs incurred by service contracts with other economic development service organizations and marketing contract.
28. In 2022 GASB rules have changed how rent is presented in the AFS. Interest Expense and Lease Amortization Expense will be determined in the 2023 Audit. Presented in the rent expense line is the actual cash payment for leased property and storage unit.
29. *Trade Show* spending is slightly reduced
30. *Travel and Meeting* is based on current and projected travel for the remainder of the year

Dutchess County Local Development Corporation
2024 Budget Narrative
Proposed

Revenues:

1. *Administrative Fees* income is based on a projected income from 1 project. Based on increased interest rates and few existing projects eligible for refunding their bonds it is expected that bond projects will be decrease compared to past years.
2. *Application Fees* income is based on 1 project.
3. 3 projects will be subject to the new compliance fee.
4. We have requested an increase to $500,000 for FY2024. However, to be conservative we have kept it at our current contract value of $450,000. We will not have confirmation of our contract amount until December.
5. It has been requested the Dutchess County IDA professional service contract for administrative services will be increased to $200,000 as a result of increase complexity of projects and new regulatory rules.
6. The projection for *Private Sector* contributions is a conservative estimated income from Think Dutchess events and programs. In-person event attendance is still lagging from pre-pandemic times, therefore we estimate the willingness of organizations to sponsor in person events to remain conservative.
7. *WIB (Workforce Investment Board)* – income from the contract for professional services which include rent, equipment and any additional service fees as a result of the co-location.
8. At this time, DCLDC does not expect to apply for grants in 2024
9. Due to the uncertainty of the economy, interest expectations were lowered.

Expenditures:

10. *$12,900 Audit* costs is based on the past contract with RBT, LLP
11. *$1,000 Board & Committee* to provide supplies and pay for training.
12. *$14,100 Computer Consulting* are expected to increase as a result of increased service support costs and the implementation of additional security measures.
13. *$50,000 in Dues, Publications and Subscriptions,* the budgeted amount includes the annual dues, publication and subscription costs and the subscription to a CRM system, cost-benefit program and business intelligence programs.
14. *$4,000 in Education/Training* for staff training.
15. *$2,000 in Equipment costs*.
16. *$60,000* for planned events
17. *$4,500 Insurance* includes the crime bond and general liability.
18. *$50,000 for Marketing* expenses

19. *The $2,000 in Misc/Other/Depr* historically does not include depreciation which will be determined in the 2023 Audit.
20. *$4,500 budget in Offices Supplies* is based on past usage
21. *$544,797 in Payroll* – represents a 3 % increase from 2023 and the hiring of a full-time Compliance Officer.
22. *$49,698 Payroll Taxes* align with the proposed salary increases and include State and Federal Unemployment Tax (SUTA & FUTA), Disability, Workers Comp and Social Security (FICA).
23. *$168,000 Payroll Fringe* are calculated based on full time staff at the maximum benefit package worth $24,000 per employee.
24. *$6,500* for service, maintenance and support for the phone system.
25. *$500 in Postage* includes mailing, postage of marketing materials and other documents.
26. *$500 in Printing* includes printing of marketing collateral and other office materials.
27. *$10,000 in Professional Fees* reflect the services provided by Staff-Line, Cappillino & Rothschild, LLP, and estimated fees related to the video recording requirement of meetings and public hearings.
28. *$215,000 in Professional Service Contracts* reflect the costs incurred through a service contracts with the Women's Enterprise Development Center and the marketing contract.
29. In 2022 GASB rules have changed how rent is presented in the AFS. Interest Expense and Lease Amortization Expense will be determined in the 2023 Audit. Presented in the rent expense line is the actual cash payment expected for leased property and storage unit.
30. *$10,000 Trade Show* - Attendance at industry trade shows are a pivotal part of the Business Attraction program.
31. *$20,000 Travel and Meeting* is an estimate based on planned travel and meeting activity by staff.

Dutchess County
Local Development Corporation
2024 Budget
DRAFT - Proposed

Operating Revenues:	
Charges for services	204,500
Other Operating Revenue	750,868
	955,368
Operating Revenues:	
Investment Earnings	40,000
Other Non-Operating Revenue	0
Total Revenue	**995,368**
Operating Expenditures:	
Salary and Wages	594,495
Other Employee Benefits	168,000
Professional Services Contracts	237,900
Other	321,253
Supplies	4,500
	1,326,148
Non-Operating Expenditures:	
Other Non-Operating Expenditures	0
Total Expense	**1,326,148**
Excess Income /Expense	(330,780)

Dutchess County Local Development Corporation

Paris 5 Year Budget filing

Year: 2024

	Audit **2022**	Estimated EOY **2023**	Proposed **2024**	Proposed **2025**	Proposed **2026**	Proposed **2027**
Operating Revenues:						
Admininstrative and Closing Fees	266,035	613,211	204,500	250,000	300,000	300,000
Program Revenue	96,091	70,000	70,000	100,000	100,000	100,000
Service Contract Revenue	798,743	681,118	680,868	632,000	632,000	632,000
Nonoperating Revenues:						
Investment earnings	21,795	50,000	40,000	5,000	5,000	5,000
Other Non-Operating Revenues	0	0	0	0	0	0
Total Revenue	**1,182,664**	**1,414,329**	**995,368**	**987,000**	**1,037,000**	**1,037,000**
Operating Expenditures:						
Salaries and Wages	483,555	519,066	594,495	612,330	630,700	649,621
Other Employee Benefits	101,639	144,000	168,000	168,000	168,000	168,000
Professional Services Contracts	210,836	236,600	237,900	300,000	300,000	300,000
Other	429,874	328,121	320,753	330,376	340,287	350,496
Supplies	5,000	4,000	5,000	5,500	5,500	5,500
Nonoperating Expenditures:						
Other Non-Operating Expenditures	0	0	0	0	0	0
Total Expense	**1,230,903**	**1,231,787**	**1,326,148**	**1,416,205**	**1,444,487**	**1,473,615**
Excess Income /Expense	(48,239)	182,542	(330,780)	(429,205)	(407,487)	(436,615)