MINUTES

Dutchess County Local Development Corporation

3 Neptune Road, Poughkeepsie, NY 12601
Tel. # - (845) 463-5400 / Fax # - (845) 463-0100

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, October 11, 2023

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Amy Bombardieri
Jamie Piccone II
Don Sagliano

Unable to Attend: Kathleen Bauer, Secretary/Treasurer
Alfred Torreggiani

Also Present: Sarah Lee, CEO
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Amanda Gomes, Marketing & Dev. Manager
Don Cappillino (Counsel)
Jim Beretta & Doreen Tignanelli (Members from the public)

On Wednesday, October 11, 2023, the Dutchess County Local Development Corporation [DCLDC] Board of Directors regular meeting was called to order by Chairman Dean at 9:00 AM. Present was Tim Dean, Mark Doyle, Amy Bombardieri, Jamie Piccone II and Don Sagliano. Unable to attend was Kathleen Bauer and Al Torreggiani. Quorum was established with (5) members in-person.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. No potential conflict was noted.

PROOF OF MEETING NOTICE

The meeting notice was published on October 5, 2023.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

September 13, 2023

Chairman Dean asked for a motion to approve the September 13, 2023 meeting minutes of the Dutchess County Local Development Corporation.

A motion was made by Mr. Sagliano, duly seconded by Mr. Piccone to approve the DCLDC Board of Directors meeting minutes for September 13, 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 September 30, 2023 Balance Sheet and Profit & Loss Budget

- Current cash balance is $3,066,024.71
- The P&L revenue is $1,116,642.84 to a budgeted income of $926,428.00 for a favorable revenue of $190,214.84
- Expenses are $834,236.97 to a budget of $1,273,463.00 for an unfavorable budget of $439,226.03
- There is a net income of $282,405.87 to a budgeted loss of $347,035.00 to a favorable budget of $629,440.87

Discussion ensued with questions, responses, and comments.

REPORTS OF COMMITTEES

A. For Consideration and Approval of Auditing Firm

Mr. Piccone noted the following:

- The committee met to discuss and review three proposals that were submitted
- Proposals were received from RBT, PKF O'Connor and Prager Metis
- RBT and PKF has more not-for-profit and IDA experience
- Prager Metis works mainly with government entities and their proposal was higher
- The committee recommends continuing to work with RBT for the three-year contract because of their experience

Discussion ensued with questions, responses, and comments.

Chairman Dean asked for a motion to approve RBT as the auditing firm for the LDC for the next three years.

A motion was made by Mr. Sagliano, duly seconded by Mr. Doyle to approve RBT as the auditing firm for the LDC for the next three years. Roll call vote was taken, all voted in favor and the motion was carried.

B. For Consideration and Approval of 2024 Budget and submission to PARIS

Mr. Piccone reported on 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.

Chairman Dean asked for a motion to approve the LDC 2024 budget and submit it to PARIS as presented.

A motion was made by Mr. Sagliano, duly seconded by Ms. Bombardieri to approve the LDC 2024 budget and submit it to PARIS as presented. Roll call vote was taken, all voted in favor and the motion was carried.

UNFINISHED BUSINESS

None

NEW BUSINESS
None

ADJOURNMENT
There being no further business on the agenda to discuss, the meeting was adjourned by Chairman Dean at 9:25 AM.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer — Date 2/14/24

Meeting	10-11-2023
Approved	11-08-2023
Certified	11-08-2023

Dutchess County Local Development Corporation
Balance Sheet
As of September 30, 2023

	Sep 30, 23	
ASSETS		
Current Assets		
Checking/Savings		
1010 · Cash		
1100 · Checking -- TD Bank	964,240.12	
1101 · Petty Cash	300.00	
1180 · CD1 - Salisbury	-10.00	
1182 · CD2 - Salisbury	2,101,494.59	
Total 1010 · Cash		3,066,024.71
Total Checking/Savings		3,066,024.71
Accounts Receivable		
11000 · Accounts Receivable		2,589.70
Total Accounts Receivable		2,589.70
Total Current Assets		3,068,614.41
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	120,119.13	
1310 · Prepaid Expenses	10,307.23	
1320 · Payroll Deposit	15,011.00	
Total 1175 · Other Assets		145,437.36
Total Other Assets		145,437.36
TOTAL ASSETS		**3,888,436.71**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · *Accounts Payable		30,228.45
Total Accounts Payable		30,228.45
Other Current Liabilities		
1990 · Liabilities		
2290 · Lease Liability - Current	60,703.00	
Total 1990 · Liabilities		60,703.00
Total Other Current Liabilities		60,703.00
Total Current Liabilities		90,931.45

Dutchess County Local Development Corporation
Balance Sheet
As of September 30, 2023

	Sep 30, 23
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	727,446.45
Equity	
30000 · Opening Balance Equity	1,093,744.17
32000 · Unrestricted Net Assets	1,784,840.22
Net Income	282,405.87
Total Equity	3,160,990.26
TOTAL LIABILITIES & EQUITY	**3,888,436.71**

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

	Jan - Sep 23	Budget	$ Over Budget	% of Budget
Income				
4000 · Cash Revenues				
4020 · Administration Fees	608,710.88	215,000.00	393,710.88	283.1%
4030 · Application Fees	3,000.00	1,000.00	2,000.00	300.0%
4035 · Compliance Fees	1,500.00	1,500.00	0.00	100.0%
4040 · Dutchess County	228,942.58	450,000.00	-221,057.42	50.9%
4041 · Dutchess County - ARP	12,189.80	0.00	12,189.80	100.0%
4050 · DCIDA	150,000.00	150,000.00	0.00	100.0%
4060 · Private Sector	34,350.00	70,000.00	-35,650.00	49.1%
4080 · DCWIB	21,600.90	28,928.00	-7,327.10	74.7%
4910 · Interest	56,348.68	10,000.00	46,348.68	563.5%
Total 4000 · Cash Revenues	1,116,642.84	926,428.00	190,214.84	120.5%
Total Income	1,116,642.84	926,428.00	190,214.84	120.5%
Expense				
6000 · Expenditures				
6240 · Audit	960.00	13,300.00	-12,340.00	7.2%
6245 · Board & Committee	0.00	1,000.00	-1,000.00	0.0%
6270 · Computer Consulting	9,658.56	14,100.00	-4,441.44	68.5%
6273 · Dues, Subs, & Pubs	31,526.56	50,000.00	-18,473.44	63.1%
6274 · Education/Training	1,790.00	4,000.00	-2,210.00	44.8%
6275 · Equipment	872.53	2,000.00	-1,127.47	43.6%
6310 · Insurance	4,424.19	4,500.00	-75.81	98.3%
6390 · Marketing	13,394.24	100,000.00	-86,605.76	13.4%
6392 · Marketing-MMP-ARPA	0.00	0.00	0.00	0.0%
6395 · Office Supplies	3,413.46	5,000.00	-1,586.54	68.3%
6400 · Other Expenditure	1,243.61	2,000.00	-756.39	62.2%
6410 · Payroll	356,648.17	475,531.00	-118,882.83	75.0%
6415 · Payroll Tax	32,919.11	43,535.00	-10,615.89	75.6%
6420 · Payroll Fringe	108,007.08	144,000.00	-35,992.92	75.0%
6450 · Professional Fees	6,940.45	10,000.00	-3,059.55	69.4%
6500 · Professional Service Contracts	133,500.00	215,000.00	-81,500.00	62.1%
6505 · Phone	4,947.73	6,500.00	-1,552.27	76.1%
6510 · Postage	180.55	500.00	-319.45	36.1%
6520 · Printing	235.00	500.00	-265.00	47.0%
6540 · Rent	70,826.25	91,997.00	-21,170.75	77.0%
6548 · Trade Show	2,100.00	15,000.00	-12,900.00	14.0%
6550 · Travel & Meetings	17,038.48	25,000.00	-7,961.52	68.2%
Total 6000 · Expenditures	800,625.97	1,223,463.00	-422,837.03	65.4%
6243 · Event Expenses	33,611.00	50,000.00	-16,389.00	67.2%
Total Expense	834,236.97	1,273,463.00	-439,226.03	65.5%
Net Income	**282,405.87**	**-347,035.00**	**629,440.87**	**-81.4%**

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

	Jan - Sept 23 Actual	Jan - Sept 23 Budget	$ Over Budget	% of Budget
Income				
4000 · Cash Revenues				
4020 · Administration Fees	608,710.88	161,250.00	447,460.88	377.5%
4030 · Application Fees	3,000.00	750.00	2,250.00	400.0%
4035 · Compliance Fees	1,500.00	1,125.00	375.00	133.3%
4040 · Dutchess County	228,942.58	337,500.00	-108,557.42	67.8%
4041 · Dutchess County - ARP	12,189.80	0.00	12,189.80	100.0%
4050 · DCIDA	150,000.00	112,500.00	37,500.00	133.3%
4060 · Private Sector	34,350.00	52,500.00	-18,150.00	65.4%
4080 · DCWIB	21,600.90	21,696.00	-95.10	99.6%
4910 · Interest	56,348.68	7,500.00	48,848.68	751.3%
Total 4000 · Cash Revenues	1,116,642.84	694,821.00	421,821.84	160.7%
Total Income	1,116,642.84	694,821.00	421,821.84	160.7%
Expense				
6000 · Expenditures				
6240 · Audit	960.00	9,975.00	-9,015.00	9.6%
6245 · Board & Committee	0.00	750.00	-750.00	0.0%
6270 · Computer Consulting	9,658.56	10,575.00	-916.44	91.3%
6273 · Dues, Subs, & Pubs	31,526.56	37,500.00	-5,973.44	84.1%
6274 · Education/Training	1,790.00	3,000.00	-1,210.00	59.7%
6275 · Equipment	872.53	1,500.00	-627.47	58.2%
6310 · Insurance	4,424.19	3,375.00	1,049.19	131.1%
6390 · Marketing	13,394.24	75,000.00	-61,605.76	17.9%
6392 · Marketing-MMP-ARPA	0.00	0.00	0.00	0.0%
6395 · Office Supplies	3,413.46	3,750.00	-336.54	91.0%
6400 · Other Expenditure	1,243.61	1,500.00	-256.39	82.9%
6410 · Payroll	356,648.17	356,648.25	-0.08	100.0%
6415 · Payroll Tax	32,919.11	32,651.25	267.86	100.8%
6420 · Payroll Fringe	108,007.08	108,000.00	7.08	100.0%
6450 · Professional Fees	6,940.45	7,500.00	-559.55	92.5%
6500 · Professional Service Contracts	133,500.00	161,250.00	-27,750.00	82.8%
6505 · Phone	4,947.73	4,875.00	72.73	101.5%
6510 · Postage	180.55	375.00	-194.45	48.1%
6520 · Printing	235.00	375.00	-140.00	62.7%
6540 · Rent	70,826.25	68,997.75	1,828.50	102.7%
6548 · Trade Show	2,100.00	11,250.00	-9,150.00	18.7%
6550 · Travel & Meetings	17,038.48	18,750.00	-1,711.52	90.9%
Total 6000 · Expenditures	800,625.97	917,597.25	-116,971.28	87.3%
6243 · Event Expenses	33,611.00	37,500.00	-3,889.00	89.6%
Total Expense	834,236.97	955,097.25	-120,860.28	87.3%
Net Income	**282,405.87**	**-260,276.25**	**542,682.12**	**-108.5%**

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)