

THE AGENCY

BROOME COUNTY IDA / LDC

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT & FINANCE COMMITTEE MEETING

September 27, 2021 at 12:00 p.m.
The Thomas Libous Community Room
FIVE South College Drive, Suite 201
Binghamton, NY 13905

AGENDA

- | | |
|---|------------|
| 1. Call to Order | D. Crocker |
| 2. Accept the Transcript – March 17, 2021 Audit & Finance Committee Meeting | D. Crocker |
| 3. Public Comment | D. Crocker |
| New Business | |
| 4. 2022 Budget | S. Duncan |
| Old Business | |
| 5. Adjournment | D. Crocker |

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Audit & Finance Committee Meeting Transcript

Held telephonically, March 17, 2021, commencing at
11:20 a.m. Adjourned at 11:51 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Crocker: Good morning, everyone.
I -- just for a point of order, I see both agendas for the IDA and the LDC, say 11:15. But, we're going to do the IDA Committee meeting first, correct?

Ms. Duncan: Correct.

Chairman Crocker: So, it is 11:20 a.m., on March 17th, 2021. I'd like to call the meeting of the Audit and Finance Committee to order. Everybody's had a chance to review the transcript from the October 7th, 2020 meeting. Looking for a motion to approve.

Mr. Rose: I'll move it.

Chairman Crocker: Second?

Mr. Mirabito: I'll second it, Joe.

Chairman Crocker: All in favor?

Unknown: [Aye -- in unison.]

Chairman Crocker: Opposed? Motion carried.

Now, we've come to the Public Comment meeting of -- full committee meeting [sic]. Anyone wishing to speak, please state your name, your address for the record, and you have five minutes. Hearing none, seeing none, we'll put the Public Comment meeting to a close.

On to New business: Review of the Investment Portfolio. Brad Eaton is here from [inaudible].

Ms. Duncan: I'll do a quick intro for Brad. So, we do have a new composition of our Audit and Finance Committee, and as well, new Board members. So, I did want to provide an opportunity, as we do at least a few times per year, to have Brad Eaton with NBT Bank, provide an overview of our investment portfolio. So, Natalie, if you could sort -- temporarily make Brad host, he can share his screen and Brad, welcome. Thanks for being here. And I'll turn the floor over to you.

Mr. Eaton: Great, thanks, Stacey. Bear with me here while I see if I can share my screen, so I can put something up on the board here.

Ms. Abbadessa: [Inaudible] should be able to. I made multiple participants -- just so -- because the people keep coming in, I don't want you have to worry about letting people in the room. There.

Ms. Duncan: Yep.

Mr. Eaton: So, what I've got here, up on the screen, is really just a sampling of the reports

that I typically provide to Stacey and her team on a monthly basis, where we evaluate the portfolio, take a look at the current status and the current holdings. And I know that there's [sic] several new members in this group. So, I thought I would walk this -- through this with you, so you can get a glimpse of what it is that we're doing here. And also, to provide you with a brief update on where we see interest rates going. Where, actually -- where they've come from over the past year, and where we expect them to be going over the next year or so and how that impacts the portfolio. So, the first report that we've got here is just an account profile, which shows the -- generally, the account balance, the estimated income, and when we see the estimated income, that's what we expect to be coming in over the next 12 months, given the current assets that we have in the portfolio. Now, for those who aren't familiar with -- terribly familiar with the portfolio, there are some very strict limitations on the types of securities that we can purchase. We're generally limited to US Treasuries and some guaranteed Government Agencies, certain Certificates of Deposit, provided that the underlying banks are headquartered

and do business in the State of New York, and certain Municipal Securities. Now, given your tax-exempt status, Municipal Securities really don't make sense anyways, and given the -- some of the structural changes we've seen in the fixed-income markets over the past 12 months, really, we've been very limited to using Treasuries, because they've offered the best combination of security, availability and yield. Now, when we look -- one other point to note is that the maximum maturity, based on the policy, is five years, so when we look at the underlying holdings, you'll see that we're very much skewed to really, roughly, a three-year average maturity, with our maximum maturity of five years. So, when we look at this first report, one thing you'll notice is that under the cash equivalents line, we're currently showing a negative balance of \$646,000.00. This is only reflective of the fact that there were some security purchases that we made yesterday, upon maturity of some of the previous securities we had held, and we're in the process of transferring the cash over to cover the settlement of those securities today. So, one of the limitations that we have here in the portfolio is that by policy, and by state regulatory authority, we are

not allowed to own money market or hold cash in the portfolio. So typically, what we've got is just a series of securities, and what we use is another account called the transition account, which is a deposit account. Whenever we have income or maturity proceeds coming in, we automatically sweep those funds over to the transition account, and then when we make new purchases, we sweep that money back in. So, on the 15th, we had a maturity of roughly \$625,000.00, I believe. That money was swept over into the transition account. We made some security purchases yesterday using those proceeds, plus some additional cash that we had on hand in the transition account. Those securities have settled into the portfolio, which you'll see reflected under the fixed-income line, but the cash is coming over today. So, that negative balance that you're currently seeing there will be cleared by the end of the day, so that there's no cash balance, either positive or negative on the portfolio. So, when we think about the actual value of the securities as of today, that market value of the fixed -- on that fixed-income line of \$7,391,081.91 -- that is the true value of the securities in the portfolio, as of today. And then

again, if we project 12 months going forward, what we expect the income to be from those securities -- we're currently at about \$121,288.00. So again, there's a lot of activity -- generally, almost on a monthly basis -- at least for the next year, or so, we do have securities maturing, and we do replace those, as they come due. The next page here is this report that we provide showing the maturity ladder, so that we can go to get a good sense of the number of securities and on a dollar value, the value of those securities that will be maturing each year. And then internally, I use some other reports so I know what's coming due every month, and we can look and compare and see what the best replacement securities would be for each of those, as they mature. So, you'll see based on this report, during the year 2021, we've got a little under \$3.3 million in maturities coming due. In 2022, another 2.1 million, and so on, until we get to our final maturity's coming due in 2025. Given the state of the yield curve prior to last year, really what our goal had been was to try to keep a well-balanced portfolio with maturities coming due, roughly on a monthly basis, or every other month, or so, and then trying to maximize the yield that was available in

that current market environment. Something you'll see and we'll talk about going forward -- and as I'm sure everybody's aware, about a year ago, the Federal Reserve slashed the overnight funds rate from about two percent down to zero percent, as a reaction to the pandemic and its impact on the financial markets. So, what we've been faced with it -- since then -- is a declining yield in the portfolio, but a very, very challenging market, where we look at reinvesting the proceeds from previous maturities. So, we'll talk a little bit more about that over the next couple slides here. This, again, is just a reflection of the maturity -- another quick look at it. That pie chart that we've got up at the top just shows it's a quality -- it's a bond-quality graph, and it just shows that the quality of the securities underlying the portfolio are all triple A. Again, we're currently holding all Treasuries. We have held a couple CDs in the past, but the availability of CDs is very, very limited, as is the availability of Federal Agencies, and there's really no yield advantage right now to either of those types of assets. So, the NA class -- you see that 4.71 percent is actually just that negative money marker -- that negative cash balance, which will be

cleared by the end of the day. So really, it's a very high-quality, triple A-rated portfolio. Composition is 100 percent Treasury Bonds, Treasury Notes that you'll see there. And then here is a listing of all of the individual Treasuries that we have in the portfolio. Again, security description over on the left-hand side. The coupon of the portfolio would be the next column over -- maturity date. Then, the dollar, or the par value of the holding, and then cost basis and market value. So again, we are very much more heavily loaded here in the first couple of years, just as it had not made sense to go out much further on the yield curve, because there was really no additional reward for going out further on the maturity ladder. But typically, what we do when I've got to maturity that comes due -- I'll look -- generally, look for a gap in the current maturity ladder -- try to find a gap that's in there, so that again, we continue to keep that on ongoing stream of maturities. And then once I find a gap, I try to find the best available yield that I can find. We'll go -- we're very active in the Treasury market. We do all of our purchases electronically. It's a third-party platform that we use, and we're able to get very

competitive pricing. So, one of the things that I pointed out was that when the Fed cut rates about a year ago, at that point in time, we were able to purchase Treasuries with coupons anywhere from, say one and a half percent, up to two and a half percent, maybe two or three-eighths percent and get very, very solid yields. As the Fed cut rates, essentially down to zero, the yield curve itself flattened and I'm going to show you a graph here, which shows you, kind of, what we're up against now. This is what we call the yield curve graph, which shows the yield on Treasury securities, with maturities, ranging anywhere from the overnight funds, all the way out to the 30-year Treasury. So, if we look at that -- the left-hand side of the graph where you see down at the bottom of one month, that is essentially the overnight yield. So, basically, the Fed funds rate, or the one-month Treasury. All the way out to the right-hand side, would be the 30. And then, that slope from the one month all the way out to the 30-year, is what yields look like during that period of time. If we look at that lighter blue-dotted graph, or dotted line, that is the yield curve from back on December 31st, of 2018. So back then, the -- a one-month

Treasury was yielding about two and a half percent, and the curve was relatively flat all the way out to a 30-year, which is a little -- right around three a little under three percent. But where we're looking at is essentially the overnight or the one-month out to five years, because again, our maximum maturity that we can hold is a five-year Treasury. And again, that curve a year and a half ago was very flat -- or two years ago, was very flat. A year ago, roughly, so, 12/31 of 2019, again, before the pandemic hit, we were looking at a one-month Treasury yield of one and a half percent, and working our way out to the five-year -- maybe, 1.6 percent. And all of a sudden, the pandemic hit last February, and it's March -- the Fed lowered rates. And now, this dark blue line is what we're currently faced with. So, we're looking at a one-month, all the way out to one year, of basically zero percent to maybe .1 percent. Now that curve is steep -- and a little bit, most recently -- but even a two-year Treasury is yielding about .15 percent. A three-year Treasury, about .3 percent. A five-year Treasury a little over .5 percent, about .6, .7 percent. So, you can see the dramatic decline we've had where a year ago, we could purchase securities

very easily, and that one and a half to two percent range, and now we're lucky if we can get 40 to 50 basis points. So, this creates a very challenging environment, knowing that we've got a lot of maturities coming off over the next couple of years, and it's very likely that the Fed will not be actively raising rates again for quite some time. Even a month ago, or a month and a half ago, the Fed had stated that they probably would not entertain raising rates until late in 2024 or early 2025. Now, more recently, we've actually seen the yield on this 10-year Treasury creeping up on its own, and that's in reaction to inflationary effects that we're beginning to see in the economy. What the Fed is going to be looking at when they talk about raising interest rates is, they're going to be looking for sustained inflation over a period of time of roughly what's equivalent to a two percent growth rate. So, they're looking for a two percent rate of inflation annually, that's sustained for a period of time. Coupled with that, they want to see significant improvement in the job market. So, they want to see the unemployment number going down, and they want to see wage growth going up. Now, we've already been seeing inflation in a number

of different pockets of the economy, and I know that the Fed Chairman, Jerome Powell, is going to be addressing some of that this afternoon, and I don't believe that they're even going to be talking about the possibility of raising rates right now, but what he will offer, is hopefully, some guidance, as to when they may be considering this. So again, a month and a half or so ago, they were talking about 2024/2025 before they started raising rates. Now, because of some of the inflationary effects we've been seeing, it's very possible that it could be 2023, or early 2024 -- maybe sooner, if inflation really picks up. So, from an investment standpoint, we certainly want to see those higher coupon rates. We want to see higher yields on our Treasuries that we're buying. From an economic standpoint, we certainly don't want inflation to get out of hand, but some inflation is good, because that means we're sustaining economic growth, and hopefully, the economic rebound that we're seeing -- in effect right now, will continue to be more strong [sic], through the end of this year. But in the meantime, again, we're focused on the fact that we've got very limited opportunities on what we're buying. Now, I mentioned earlier that we had a

Treasury mature a couple of days ago, and I believe if I'm not mistaken, that was -- had a coupon of a little over two percent. When we invest -- reinvested those funds yesterday, we split those proceeds into two separate maturities -- one a little bit shorter, that was yielding 30 basis points or .3 percent, and the other half of that was yielding about 46 basis points or .46 percent. So again, not terribly attractive. We would like to see rates -- we'd like to actually see that yield curve steepen a little bit, so that we can take advantage of some higher rates, but it's gonna [sic] be a while before we're able to do that. Stacey knows -- because we had talked about this last year -- that one of the things we had done in response to this much lower rate environment was -- we'd spoken with Stacey and we spoke with John Stevens at the time, and we had offered to lower our management fee on the portfolio, in recognition of what's going on with the rate environment. So, we did cut our fees quite a bit, just to try to ensure that you're continuing to have a net positive cash flow effect in the portfolio, and we'll continue to monitor that going forward. The intention was that we would not raise rate -- or raise our fees again, until we

reached what we believe to be a more normalized rate environment. And again, we don't see that happening anytime soon, and probably won't be for another couple of years, but we'll continue to monitor that, and speak with Stacey and the group about that, going forward. But we're, again, we're in no rush. We recognize that it's a much more challenging environment for you. So, from our standpoint, we're willing to say, hey, we're going to, kind of, share that pain a little bit, lower our fees, to ensure that you've got some positive cash flow. One more slide I just want to go back to, is -- this is just a snapshot of what we call the transition account. It's just a deposit account on the bank side -- by the commercial banking unit. This is the account that we sweep the proceeds from our maturities, as well as all of our income that we receive on a regular basis into. So again, we're never holding cash, we're never holding money market, we're always sweeping it out. You'll see that this balance was taken yesterday -- actually, even as of this morning, the balance of this account was \$648,066.77. But as mentioned, we've got about \$640,000.00 of that, or more -- I think it's \$646,000.00 will be sweeping back into the investment

account, to cover those purchases that we made yesterday. So, this is one of the reports that we also provide on a monthly basis. We're actively monitoring the balance in that transition account. Again, because it's a bank-based deposit account, it doesn't get a very high yield. So, what we do is -- as we see the balance in this begin to climb, as we continue to receive interest payments -- we generally talk to Stacey and say, hey, we've got this extra cash on hand, let's look at reinvesting it as long as The Agency doesn't have a need for it. Now, historically, when we go back -- since the time that we've been managing the portfolio -- there have been a couple of times where funds have been needed. So, we would allow this cash balance to accumulate until such time that The Agency needed those funds, and then we transfer those out. But generally, the cash hasn't been needed for operating purposes. So, we've had the ability to reinvest that, on a periodic basis. And again, the holdings. I just like to take a moment to open that for any questions. I know there's some new members on the committee, here. So, if there's any questions, I'd be happy to entertain them.

Mr. Mirabito: Hey, Brad. This is Joe. Do we always hold these to maturity? Or do you ever see a point where sometimes we get out of them, earlier than that?

Mr. Eaton: There's been a couple times where we sold a couple, Joe. I'm trying to think back -- there was a couple points of time where rates moved a bit, and I believe cash needs changed a little bit, so we were actually going to be raising some cash. So, not only did we raise enough, sell enough securities to raise cash for that distribution we were going to be making, but we also -- we also tinkered with the portfolio, a little bit. So, what I would look at there, is an instance where perhaps we can either make a profit on a security and reinvest it to maturity that would fit within the portfolio. . .

Mr. Mirabito: Yeah.

Mr. Eaton: . . .or even perhaps, if we had to take a loss -- if we could buy something to replace it that offered a high enough yield.

Mr. Mirabito: Yeah, okay. Good.

Mr. Eaton: Now, unfortunately, with the environment that we've been in -- is so challenging that, in many cases, it doesn't even make sense. Some

of these, we've got profits, right now. I mean, one of the larger holdings we've got as a maturity in 2023, where we've got a \$33,000.00 profit in that particular security. However, if we were to -- if there were no cash needs, and we were to sell this, yes, we could realize that profit, but we'd be reinvesting into something yielding 30 to 45 basis points, and we just, we couldn't make that up. So, to answer your question, yes, there are certain circumstances where I will be looking for opportunities to either take a profit or a loss to reposition the portfolio. . .

Mr. Mirabito: Okay.

Mr. Eaton: . . . but there hasn't -- just the market hasn't made sense to be able to do that in quite some time.

Mr. Mirabito: Okay, thanks.

Ms. Duncan: Questions for Brad? And I know, we've said this for multiple years, maybe. . .

Unknown: [Inaudible.]

Ms. Duncan: Oh. I'm sorry. Is there a question? We have had a tremendously great relationship with NBT. It's been a -- Brad and the team have been tremendously responsive and

recommendations, I think, over a period of years has yielded much better results than we had previously. So, we do you value this relationship. And thank you, Brad, for your continued counsel and guidance on the best use of those funds. So, thank you.

Mr. Eaton: Thank you.

Ms. Duncan: All right.

Chairman Crocker: Thank you, Brad. Next item on the agenda . . .

Mr. Eaton: Thank you.

Ms. Duncan: Thanks, Brad.

Chairman Crocker: . . .is the 2020 Audit of the Broome County Industrial Development Agency conducted by Insero and Company, CPA's, LLP. Stacey.

Ms. Duncan: Okay. Again, another great relationship we've had for the last couple of years, is our work with Insero. They've been -- we've really had a great process. They've made our Audits on an annual basis very easy. It's easy for me to say -- Theresa has carried the brunt of this -- but especially, during a time when we're doing this all virtually -- it was an interesting year to do it. I don't know is -- Evan is -- I have Evan Cleveland,

with Insero. Is Leslie on the call, as well? Or are you handling -- you covering everything today?

Mr. Cleveland: Just me.

Ms. Duncan: Just you. All right, well, you probably need to share a screen.

Mr. Cleveland: Yep.

Ms. Duncan: Okay. I will turn that over to you.

Mr. Cleveland: Excellent. So, I -- please let me know if everybody can see the screen.

Ms. Duncan: Yes. So far, so good.

Mr. Cleveland: So, I'm Evan Cleveland, a Senior Audit Manager with Insero. I'm charged with overseeing the Audit, and then ultimately presenting you all with the results of the Audit. So, as Stacey mentioned, the Audit was completely remote this year, as opposed to previous years where we were able to make visits, on site. And a big thank you, to Stacey, Theresa and Tom, for all their help uploading information to us, to make the process as seamless as it was, when we were in the field, on site. So, the first page, or what I'm sharing my screen is -- our Executive Summary, which is a snapshot of our Audit results. So, at the top, we're issuing an Unmodified

Opinion on the Broome County IDA's basic Financial Statements, as well as the Broome County Local Development Corp.'s financial statements. So, an Unmodified Opinion is the best opinion that you can get, as otherwise known as a Clean Opinion. Next, because we audit the IDA and Local Development Corp. under Government Auditing Standards, we have to issue a report on Internal Control over Financial Reporting and Compliance. So, both of those reports identified no instances of non-compliance or material internal control weaknesses. And continuing on. We also issue a communication with those charged with governance, at the conclusion of the Audit. That letter is addressed to the Board of Directors and it identifies no comments of concern. We had no new accounting policies to implement this year. We had no difficulties encountered in performing the Audit, no corrective or uncorrected misstatements, no disagreements with management. We then provided a Management Representation Letter that states that we've been provided with everything that we need for the Audit and we're not unaware of anything that would affect our Audit Opinion. There were no consultations with other independent accountants. No other audit

findings, or issues, or other matters to discuss, or bring up. We also issue a Management Comment Letter. The Comment Letter communicates that there are no issues to report to -- no findings related to the Audit. So, continuing on, this is the five-year Financial Statement Analysis of the Statement of Financial Position for the IDA. So, at the end of the year, total assets were 24.9 million. So, that was down slightly from the previous year of 25.8 million. So, I'll touch on some of the main changes within the Assets. So, there was a significant reduction in restricted cash -- so, that was a significant amount of loans that were provided this year by the IDA. Additionally, there is an increase in due from Binghamton Local Development Corps. This will tie into other areas. The IDA sold a portion of 30 Charles Street last year, and sold the remaining portion of 30 Charles Street this year, for a note receivable from the Binghamton Local Development Corp. So, that increased from 385,000 to 551,000. There was a large increase in loans -- about \$900,000.00 in new loans this year. On Mortgage Receivables -- slight decrease, due to payments during the year. Capital Assets Net -- that had a significant drop from about -

- almost a million dollars -- and that was the result of the sale of 30 Charles Street. Total Liabilities were 28,000 -- a slight decrease from 77,000 the year before -- just the timing of when invoices are received near year end. And Total Net Position was 24.9 million -- a reduction from 25.7 million the previous year, and that relates to the sale of 30 Charles Street and we'll get into the Revenues and Expenses on the next page. So, for the Local Development Corporate [sic] is here at the bottom, shows Total Assets, Liabilities and Net Position -- end of the year 495,000. A slight increase due to revenues over expenses. Total Liabilities were at 10,000 -- slight increase, based on timing of invoices received at year end -- ending the year with a Total Net Position of \$480,000.00. So, the next page is a snapshot of the Revenues and Expenses. So, the IDA ended the year with a little over \$560,000.00 in Total Revenue. So, that was up from a Loss of 1.4 million the year before, and what drove that was the Gain and Loss on sale of Assets of \$638,000.00 -- that was the sale of 30 Charles Street -- the remaining portion, during 2020. So, Fee Income was 631,000. Rental Income -- Other Income remained stable. New grant was

received related to -- from the Appalachian Regional Conference -- or Commission. And Investment Income saw a slight decrease in that. Total Expenses were 1.3 million, consistent with the year before -- saw a large decrease in Depreciation Expense, that was the result of the sale of 30 Charles Street, so you're no longer depreciating that asset, so it doesn't show up on your books anymore. Slight increase in professional fees, related to an inventory project, as well as additional Grant Expenses and Other Expenses remained consistent with the previous year at 308,000. All resulting in a change in that position of 832,000. So, Total Revenues for the Local Development Corp. were almost 450,000. Fee income 374,000 -- large increase from the year before. There was a new bond this year for UHS. Additionally, Total Expenses were almost 150,000 -- down slightly, mostly due to the pandemic and resulted in a positive change in Net Position of \$300,000.00. So, any questions so far, until I move on to the next page? Okay, so, next page of the Executive Summary is the Statement of Cash Flows. So, the top -- the IDA had a Net Cash used by Operating Activities, of \$13,000.00. Had a Net Cash provided by Capital Financing Activities of 205,000.

So, this was a payment on the Airport Hangar Loan by the county. Cash provided by Capital and Related Financing Activities of almost 170,000. So, this was related to the sale of 30 Charles Street. And Net Cash used by Investing Activities 781,000. So, the big driver of that was the new loans issued -- \$939,000.00. All that End of the Year and Use of Cash and Cash Equivalents of 410,000, ending the year with 1.2 million in Cash and Cash Equivalents. So, this bottom section just reconciles from the Operating Income and Gain, to Net Cash Provided Used by Operating Activities at the top of the page -- this 13,000. So, what takes out your non-cash items, like Depreciation and shows the changes in your Assets and your Liabilities. So, the final page just discusses our autofocus approach, our understanding [of] The Agency's operations, factors that affect the scope of the Audit. Overall, a very positive Audit, a very good Audit, and I'll open up to any questions that anyone may have for me.

Chairman Crocker: Hearing none, thank you, Evan. Brian [sic]. So, we need a -- is there any other questions for Stacey or Brian? We can move this

ahead to the full Board for approval. Look for a motion.

Mr. Rose: I'll move it, Brian.

Chairman Crocker: Second?

Mr. Mirabito: Joe, seconds.

Chairman Crocker: Thank you. All those in favor?

Unknown: [Aye -- in unison.]

Chairman Crocker: Opposed? Motion is carried. Next on the agenda is the Readoption of The Agency's Investment and Deposit Policy, Internal Controls and Financial Accountability Policy, Purchasing Policy, Property Acquisition Guidelines and Property Disposition Guidelines, with No Changes. Tom.

Mr. Gray: Yeah. This is an annual requirement of the Authority Budget Office that The Agency review its financial-related policies and recommend either changes to those policies, or their acceptance, with no changes. The staff has reviewed its current financial policies, and are recommending to the Audit and Finance Committee that they accept them, with no changes, going forward.

Chairman Crocker: Any questions? Look for a motion for readoption to send it to the full Board.

Mr. Mirabito: Joe makes a motion.

Chairman Crocker: Second?

Mr. Cornwell. Cornwell seconds.

Chairman Crocker: Thank you. All in favor?

Unknown: [Aye -- in unison.]

Mr. Gray: Thank you.

Chairman Crocker: Motion is carried.

Any New Business up for discussion -- or Old Business, excuse me. Hearing none, motion for adjournment is in order. Motion for adjournment?

Mr. Rose: Just a point of order -- are we adjourning the IDA Audit Committee to open the LDC Audit Committee? Is that where we're going?

Chairman Crocker: Yes.

Mr. Rose: Okay. So, moved.

Chairman Crocker: [Inaudible.]

Mr. Mirabito: Second.

Chairman Crocker: We are adjourned.

[The meeting was adjourned on a motion by Mr. Rose, seconded by Mr. Mirabito at 11:51 a.m.]

[Attendees: Dan Crocker, Joe Mirabito, Brian Rose,
Steve Cornwell, Rich Bucci, Jim Peduto, John Bernardo,
Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie
Hornbeck, Theresa Ryan, Brendan O'Bryan, Amy
Williamson, Kevin Wu, Joe Meagher, Brad Eaton, Evan
Cleveland, Aaron Martin, Michael Tanzini, John Solak.]

STATE OF NEW YORK :

COUNTY OF BROOME :

I, CARRIE HORNBECK, Executive Assistant,
do certify that the foregoing is a true and accurate
transcript of the Broome County Industrial Development
Agency Audit & Finance Committee Meeting, held
telephonically, on March 17, 2021.

Carrie Hornbeck / signed electronically

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

FIVE South College Drive

Binghamton, NY 13905

**Broome County Industrial Development Agency
2022 Proposed Budget**

	2021	2021	2021	2022	Year Over
	Approved	Revised	EOY	Budget	Year
	Budget	Budget	Estimate	Estimate	Change
INCOME:					
A) Land/Building Income:					
265 Industrial Park Drive	\$ 460,071.00	\$ 460,071.00	\$ 3,279,989.00	\$ -	\$ (460,071.00)
Federal Express	\$ -	\$ -	\$ -	\$ 100,000.00	\$ 100,000.00
Bluestone	\$ -	\$ -	\$ -	\$ 94,058.00	\$ 94,058.00
Spark JC, LLC			\$ -	\$ 115,499.00	\$ 115,499.00
ADEC Mortgage	\$ 58,838.00	\$ 58,838.00	\$ 58,837.56	\$ 58,838.00	\$ -
Canopy	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -
FIVE South College Drive Tenant Leases*	\$ 87,600.00	\$ 87,600.00	\$ 84,000.04	\$ 80,400.00	\$ (7,200.00)
Miscellaneous Income	\$ 10,000.00	\$ 10,000.00	\$ 14,700.98	\$ 10,000.00	\$ -
Solar City	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -
Subtotal	\$ 721,509.00	\$ 721,509.00	\$ 3,542,527.58	\$ 563,795.00	\$ (157,714.00)
B) BCIDA Fees:					
IRB/Sale Leasback Fees	615,000	615,000	670,985	615,000	-
Loan Fund Administration	35,000	35,000	35,000	35,000	-
Subtotal	650,000	650,000	705,985	650,000	-
C) Other Income:					
Bank Interest	90,000	90,000	115,000	90,000	-
TOTAL INCOME	\$ 1,461,509	\$ 1,461,509	\$ 4,363,513	\$ 1,303,795	\$ (157,714)
EXPENSES:					
A) Administration:					
Salaries	\$ 462,520	\$ 462,520	\$ 450,855	\$ 482,520	\$ 20,000
Benefits	272,749	200,749	195,902	212,309	11,560
Professional Service Contracts	40,000	40,000	30,900	40,000	-
Payroll Administration	2,000	2,000	1,929	2,000	-
Investment Management	20,000	20,000	9,025	20,000	-
Subtotal	797,269	725,269	688,611	756,829	31,560
B) Office Expense:					
Postage	2,000	2,000	1,631	2,000	-
Telephone/Internet Service	5,000	5,000	5,754	6,000	1,000
Equipment & Service/Repair Contracts	15,000	15,000	10,770	12,000	(3,000)
Supplies	7,000	7,000	7,552	7,000	-
Travel/Transportation	16,000	16,000	7,674	16,000	-
Meetings	17,000	17,000	6,954	14,000	(3,000)
Training/Professional Development	10,000	10,000	9,984	13,000	3,000
Membership/Dues/Subscriptions	7,000	7,000	7,578	7,000	-
Audit	15,000	15,000	7,920	8,500	(6,500)
Legal	70,000	70,000	110,484	70,000	-
Insurance (Agency, Director & Officers)	18,000	18,000	14,763	17,000	(1,000)
Contingency	5,000	5,000	2,359	5,000	-
Subtotal	187,000	187,000	193,423	177,500	(9,500)
C) Business Development:					
Advertising	40,000	112,000	108,370	112,000	-
Printing & Publishing	15,000	15,000	14,590	15,000	-
Public Relations Contract	40,000	40,000	30,702	40,000	-
Subtotal	95,000	167,000	153,662	167,000	-
D) FIVE South College Drive Expenses	87,600	87,600	93,047	80,400	(7,200)

**Broome County Industrial Development Agency
2022 Proposed Budget**

	2021	2021	2021	2022	Year Over
	Approved	Revised	EOY	Budget	Year
	Budget	Budget	Estimate	Estimate	Change
E) Building/Property Maintenance:					
Broome Corporate Park					
Maintenance - Mowing/Snowplowing	5,000	5,000	7,174	8,000	3,000
600 Main Street					-
Maintenance - Mowing/Snowplowing	14,000	14,000	14,405	14,000	-
Subtotal	19,000	19,000	21,579	22,000	3,000
					-
TOTAL EXPENSES	\$ 1,185,869	\$ 1,185,869	\$ 1,150,321	\$ 1,203,729	\$ 17,860
					\$ -
OPERATING INCOME	\$ 275,640	\$ 275,640	\$ 3,213,192	\$ 100,066	\$ (175,574)
	APPROVED	ACTUAL		VARIANCE	
PROJECTED CAPITAL EXPENDITURES	BUDGET	YEAR TO DATE		TO DATE	
	2022	2022		2022	
IDA Capital Expenditures	\$3,000,000.00				
	\$3,000,000.00				