

Joint Audit Committee Meeting

January 11, 2016 @ 11:30 am

Present: John Reagan
 Brad Totman
 John Shirley
 Karen Niday - staff
 Ben Owens – Auditor – Insero & Co.

Ben Owens – lead auditor from Insero & Co., presented an audit process overview for each of the three entities. IDA, BDC and the Cortland County Development Corp.

A handout was provided to each member as attached.

Discussion was noted that this is the first time that the Cortland County Development Corp will not be included as a subsidiary to the IDA, but instead will have a separate audit. An adjustment and footnote to the IDA audit will note the change.

The cost for the Cortland County Development Corp audit will be \$800.00.

The timeline for the 3 audits will begin on January 25, 2016 with a draft provided by March 15, 2016.

The committee meeting was adjourned at 11:55 am.

Joint Audit Committee Meeting

March 14, 2016 @ 11:30 am

Present: John Reagan
 Brad Totman
 Paul Dries
 Karen Niday - staff
 Ben Owens – Auditor – Insero & Co.

2015 Draft Financial Audit of the BDC, IDA and Development Corp.

Ben Owens, lead auditor for Insero & Co (formerly CDLM) reviewed the draft 2015 Financial Audit for the 3 agencies with the committee members. Ben noted that there were no changes or corrections made to the 12/31/15 Financial reports for each of the 3 entities. He also highlighted any significant activities that occurred during the year such as the acquisition of property, grants, etc.

The 2015 Financial Reports were approved unanimously and will be presented to the full board at the regular board meeting.

The meeting was adjourned at 12:00 pm.



BDC Revolving Loan Committee

Present: Jason Hage, Mike McMahon, Dave Brandstadt, Garry VanGorder, Johanna Ames, Karen Niday

Absent: Matt McSherry (conflict of interest)

Met on May 2, 2016 at Noon

To discuss: Application submitted by Pat Tees Apparel for \$25,000 loan – 4 years @ 6%. \$7,500 to be used for new equipment and \$17,500 as working capital. The working capital is necessary to purchase raw materials for large orders. Patti Batsford, owner was present to explain the business and the loan request. After her presentation, the committee met in private to discuss.

After much discussion, the committee unanimously agreed that there is not sufficient collateral to support the full amount and the payment on 25k would be a burden to the current cash flow.

The committee would recommend \$15k – 4 years @ 6% to the board if the applicant wants to move forward with a loan request.



_____ Executive _____ Committee

Present: Michael McMahon, Stephen Compagni, John Regan, John Shirley

Absent:

Met on Sept 2, 2016 at 5005 Creal Rd Homer NY 13077

To discuss: Salaries for 2017 budget. Minimal increases to CEO and CFO salaries were discussed as well as changing the office manager's compensation from salary to an hourly rate to avoid the mandatory minimum salary amount which would trigger the overtime increase as per the new labor standard. Other changes included a more definite vacation schedule as follows: two weeks after the first year, three weeks after the fifth year, ~~three weeks after the tenth year~~ and four weeks after the ~~fifteenth~~^{10th} year. The only other change was to accommodate the increase in the cost of health insurance as opposed to passing it on to the staff. _____

OK - G.V.H.

Michael McMahon Chair



BDC Revolving Loan Committee

Present: Mike McMahon, Matt McSherry, Jason Hage, Johanna Ames, Garry VanGorder and Karen Niday

Met on December 20, 2016 at Noon

To discuss: Application submitted by Rainbow's Heavy Duty Truck and Auto Repair for \$55,000 loan – 4 years @ 6%, for use as working capital. Amanda Rainbow, co-owner was present to talk about their business plan and the loan request. After her presentation, the committee met in private to discuss.

After much discussion, the committee unanimously agreed to recommend approval at the next Board meeting. In addition to the collateral reflected in the application, the committee's recommendation includes a lease at the location to mirror the term of the loan and a life insurance policy for the applicant (Dale) in the amount of the loan (55k).