



Cortland County

Business Development Corporation

Board of Directors Special Meeting
September 11, 2023 – Noon
40-42 Main Street, Suite A, 2nd Floor Cortland New York, 13405

Roll Call

Michael McMahon	<u>Chairman</u>	
Stephen Compagni	<u>Vice Chairman</u>	
Clint Brooks	<u>Secretary</u>	
John O. Reagan	<u>Treasurer</u>	
Amy Kremenek	<u>Director</u>	
Donald Richards	<u>Director</u>	
Dr. Kathleen Burke	<u>Director</u>	
Jason Hage	<u>Director</u>	
Jerry Contento Jr.	<u>Director</u>	
Johanna Ames	<u>Director</u>	
Lori Law	<u>Director</u>	
Paul Dries	<u>Director</u>	
Robert Edwards	<u>Director</u>	
	Executive Director	
John Sidd	Counsel-Hancock Estabrook LLP	
Karen Niday	Chief Financial Officer	
Eric Mulvihill	Economic Development Specialist	



Cortland County

Business Development Corporation

AGENDA

Approval of Minutes – August 21st, 2023, Special Meeting

New Business

Review/Adopt Proposed BDC 2024 Budget

Authorize Brendan O’Bryan as Additional Signatory on BDC Accounts

Monthly Reports

- Finance Report
- Revolving Loan Fund
- Director’s Report

Adjourn



Cortland County
Business Development Corporation

Minutes



Cortland County

Business Development Corporation

**Minutes of the Board of Directors Special Meeting
August 21, 2023 – Noon
40-42 Main Street, Suite A, 2nd Floor Cortland New York, 13405**

Roll Call – Chairman McMahon called the meeting to order at 11:59 AM

Michael McMahon	<u>Chairman</u>	<u>Present</u>
Stephen Compagni	<u>Vice Chairman</u>	<u>Excused</u>
Clint Brooks	<u>Secretary</u>	<u>Present</u>
John O. Reagan	<u>Treasurer</u>	<u>Present</u>
Amy Kremenek	<u>Director</u>	<u>Present</u>
Donald Richards	<u>Director</u>	<u>Excused</u>
Dr. Kathleen Burke	<u>Director</u>	<u>Excused</u>
Jason Hage	<u>Director</u>	<u>Present</u>
Jerry Contento Jr.	<u>Director</u>	<u>Excused</u>
Johanna Ames	<u>Director</u>	<u>Excused</u>
Lori Law	<u>Director</u>	<u>Present-12:08P</u>
Paul Dries	<u>Director</u>	<u>Present</u>
Robert Edwards	<u>Director</u>	<u>Present</u>
Garry VanGorder	Executive Director	<u>Present</u>
John Sidd	Counsel-Hancock Estabrook LLP	<u>Present</u>
Karen Niday	Chief Financial Officer	<u>Present</u>
Eric Mulvihill	Economic Development Specialist	<u>Present</u>



Cortland County

Business Development Corporation

AGENDA

Approval of Minutes – June 12, 2023 – Mr. Hage made a motion to accept the minutes, Mr. Edwards seconded the motion; all voting in favor, none opposed.

New Business

Authorize the Chair of the BDC to execute documents for the JP Morgan Chase Business card and to close the BDC's NBT credit card – Mr. Regan made the motion, Mr. Edwards seconded the motion; all voting in favor, none opposed.

Executive Session- Chairman McMahon made a motion to enter executive session to discuss matters leading to the employment of a particular person. Mr. Hage seconded the motion; all voting in favor, none opposed. The Board entered executive session at 12:05 PM. Chairman McMahon made a motion to return to regular session, Mr. Hage seconded the motion; all in favor, none opposed. The Board returned to regular session at 12:19PM.

Chairman McMahon made a motion that he be authorized to make an offer of employment to Brendan O'Bryan including a benefit package and a salary of \$120,000. Mr. Edwards seconded the motion.

The Board discussed the salary and Ms. Niday asked the Board to clarify that the proposed salary would be prorated for 2023 and would be a fixed amount of \$120,000 for 2024. The Board agreed.

All voting in favor, none opposed.

Monthly Reports

- Finance Report – Ms. Niday reviewed the monthly financial reports. She said there is \$53,000 in the ARPA grant program. The 2023 budget is performing
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Cortland County

Business Development Corporation

within acceptable ranges, and she has started putting the 2024 budget together. Ms. Niday said there will be some additional expenses on boarding the new executive director.

- Revolving Loan Fund – Ms. Niday reviewed the revolving loan fund; the Board discussed the possibility of establishing a grant program with some of the money in the revolving loan fund.

Adjourn – The meeting was adjourned at 12:32 PM

DRAFT



New Business



Cortland County
Business Development Corporation

Proposed BDC 2024 Budget

**Business Development Corporation
Budget Summary
2024**

		2023 Adopted Budget	2023 Projected at 12/31/23	2024 Draft Budget	Comments
Operating					
Expenses					
	Executive Director	132,480	120,275	120,000	
	Economic Development Specialist	98,034	98,034	101,171	3.2 CPI increase as per
	EDS Assistant/Community Relations	74,333	74,333	76,712	BDC board policy
		<u>304,847</u>	<u>292,642</u>	<u>297,883</u>	
Employee Benefits					
	DBL Insurance/Paid Family Leave	100	100	100	
	FICA - Medicaid	24,162	23,070	23,553	
	FUTA	126	168	126	
	State Unemployment Insurance	1,000	1,033	1,000	
	Health/Dental Benefit	47,552	34,500	49,200	2 family; 1 single est increase
	Workman's Compensation	1,200	1,000	1,200	
	Retirement 401 K	30,485	22,700	21,019	
		<u>104,625</u>	<u>82,571</u>	<u>96,198</u>	
Overhead					
	Professional Services	1,000	18,000	6,000	downtown marketing etc
	D & O Insurance	1,450	1,361	1,600	
	Business Property	650	545	800	
	Audit	7,500	7,500	7,900	as per contract
	Legal	6,000	6,000	7,000	
	Charities Bureau	275	275	275	
	Rent	28,200	24,000	28,200	
	Sublet Rent	31,200	29,350	22,800	CVB/SUNY space
	Telephone	3,200	2,600	3,500	
	Office Supplies	5,000	5,000	6,000	
	Postage	850	725	1,000	
	Office Maintenance	5,200	5,200	6,500	
	Equipment Maintenance	2,500	2,430	3,000	
	Equipment Lease	5,250	4,550	5,250	
	Payroll Service	720	720	840	
	Dues	2,000	1,462	2,750	

**Business Development Corporation
Budget Summary
2024**

	2023 Adopted Budget	2023 Projected at 12/31/23	2024 Draft Budget	Comments
Sub/Publications	1,500	875	1,500	
Meetings/Seminars	3,500	1,250	5,000	
EDS Auto Allowance	5,000	5,000	5,000	
ED Auto Allowance	6,000	3,925	5,000	
Equipment Purchases	7,000	6,000	7,000	
Gas/Parking/Tolls	2,000	1,250	2,000	
Internet/Web Site Hosting	3,000	2,700	15,000	includes new web design
Board Meetings/Governance	800	800	800	
Utilities	8,000	9,400	9,500	
Special Projects /Conditional Grants	112,000	-	112,000	
401 K Administrative Costs	600	600	600	
	<u>250,395</u>	<u>141,518</u>	<u>266,815</u>	
Direct Marketing				
Countywide Marketing	25,000	19,000	40,000	
	<u>684,867</u>	<u>535,731</u>	<u>700,896</u>	
Revenue				
County Funding Contract	492,193	492,193	516,803	
IDA Administrative Support	50,000	50,000	50,000	
Sublet Rent	31,200	27,000	22,800	
Restricted Fund - Special Projects	112,000	-	112,000	
Total Revenue	<u>685,393</u>	<u>569,193</u>	<u>701,603</u>	
Provided to (Utilization of)	<u>526</u>	<u>33,462</u>	<u>707</u>	

**Cortland County Business Development Corp
PAAA Budget Report
2024/2025-2027**

	Draft Budget 2024	Proposed 2025-2027 *
Revenue		
Operating Revenue		
Rental Income	22,800	22,800
Other Optg (IDA)	50,000	50,000
Non Operating		
Municipal (County)	516,803	516,803
Total Revenue Sources	589,603	589,603
Expenses		
Operating Expenses		
Salaries	297,883	297,883
Employee Benefits	70,319	70,319
Professional Svcs	61,740	61,740
Supplies/Materials	33,000	33,000
Other Operating	115,954	115,954
Non Operating Expenses		
Capital Asset Outlay	112,000	
Other Non Optg	10,000	10,000
Total Expenses	700,896	588,896
Equity		
Capital Contributions	112,000.00	0
Provided to (Utilization of)	707.00	707

* Proposed 2025-2027 is required by PAAA however, the BDC does not budget beyond one year due to unknown costs increases.
For reporting purposes, the upcoming 2024 budget is used for estimating this period.



Cortland County
Business Development Corporation

Monthly Financial Reports

**Business Development Corporation
Budget Summary
August 31, 2023**

	BUDGETED AMOUNT	EXPENDED YTD	AVAILABLE BALANCE	% BUDGET REMAINING
Personnel:				
Executive Director Salary	132,480.00	86,621.46	45,858.54	34.62%
Econ. Dev. Specialist Salary	98,034.00	64,099.18	33,934.82	34.62%
Community Relations Salary	74,333.00	48,602.32	25,730.68	34.62%
Employee Benefits	47,552.00	24,787.86	22,764.14	47.87%
DB/PFL Insurance	100.00	-254.82	354.82	354.82%
FICA	24,162.00	15,454.73	8,707.27	36.04%
FUTA	126.00	126.00	0.00	0.00%
SUI	1,000.00	839.71	160.29	16.03%
Retirement	30,485.00	17,502.18	12,982.82	42.59%
Workers C Insurance	1,200.00	504.64	695.36	57.95%
TOTAL PERSONNEL	409,472.00	258,283.26	151,188.74	36.92%
Insurances:				
Directors Liability	1,450.00	902.22	547.78	37.78%
Business Property	650.00	358.59	291.41	44.83%
TOTAL INSURANCES	2,100.00	1,260.81	839.19	39.96%
Contractual:				
Audit	7,500.00	7,500.00	0.00	0.00%
Charities Bureau	275.00	250.00	25.00	9.09%
401K Admin/5500	600.00	600.00	0.00	0.00%
Legal	6,000.00	0.00	6,000.00	100.00%
TOTAL CONTRACTUAL	14,375.00	8,350.00	6,025.00	41.91%
Office:				
Rent	28,200.00	14,600.00	13,600.00	48.23%
Sublet Rent	31,200.00	19,400.00	11,800.00	37.82%
Internet/Web Site	3,000.00	2,699.92	300.08	10.00%
Telephone	3,200.00	1,662.94	1,537.06	48.03%
Office Expense	5,000.00	2,504.88	2,495.12	49.90%
Postage	850.00	299.15	550.85	64.81%
Office Maintenance	5,200.00	2,741.37	2,458.63	47.28%
Equipment Purchase	7,000.00	1,109.28	5,890.72	84.15%
Equipment Maintenance	2,500.00	1,620.00	880.00	35.20%
Equipment Lease	5,250.00	3,021.48	2,228.52	42.45%
Professional Services	1,000.00	18,000.00	-17,000.00	-1700.00%
Payroll Services	720.00	480.00	240.00	33.33%
Dues	2,000.00	1,462.00	538.00	26.90%
Subscriptions/Publications	1,500.00	811.93	688.07	45.87%
Meetings/Seminars	3,500.00	130.36	3,369.64	96.28%
Administrative Board Meetings	800.00	240.93	559.07	69.88%
Special projects	112,000.00	0.00	112,000.00	100.00%
Gas/Parking/Tolls	2,000.00	504.63	1,495.37	74.77%
EDS Auto Allowance	5,000.00	3,269.27	1,730.73	34.61%
Exec Director Auto Allowance	6,000.00	3,923.09	2,076.91	34.62%
Utilities	8,000.00	7,369.89	630.11	7.88%
TOTAL OFFICE	233,920.00	85,851.12	148,068.88	63.30%

**Business Development Corporation
Budget Summary
August 31, 2023**

	BUDGETED AMOUNT	EXPENDED YTD	AVAILABLE BALANCE	% BUDGET REMAINING
Marketing:				
Marketing	25,000.00	8,698.88	16,301.12	65.20%
TOTAL MARKETING	25,000.00	8,698.88	16,301.12	65.20%
TOTALS :				
	684,867.00	362,444.07	322,422.93	47.08%
Non Budget Expenses:				
Executive Director Search		1,724.20		
Depreciation		761.48		
ARPA Grant Programs		159,073.34		
TOTAL NON BUDGET:	-	-		
		161,559.02		
Total Budget and Non Budget:		524,003.09		

Business Development Corp
Balance Sheet
July 31, 2023

ASSETS

Current Assets		
Petty Cash	\$	145.00
NBT - Checking		119,723.61
NBT-Cty ARPA MM Acct		53,765.72
NBT Money market savings		274,907.93
A/R: CVB		85.30
A/R: SUNY Cortland		775.00
Security Deposits		5,800.00
Prepaid Expenses		<u>5,213.75</u>
Total Current Assets		460,416.31
Property and Equipment		
Office Equipmnt/Furniture		23,359.10
Accumulated Depreciation		<u>(22,356.42)</u>
Total Property and Equipment		1,002.68
Other Assets		
A/R-IDA Contento Property		<u>91,834.93</u>
Total Other Assets		<u>91,834.93</u>
Total Assets	\$	<u><u>553,253.92</u></u>

LIABILITIES AND FUND BALANCE

Current Liabilities		
Accrued Fed Unemployment	\$	126.00
Deferred Revenue		<u>51,908.28</u>
Total Current Liabilities		52,034.28
Long-Term Liabilities		
Sublet Security Deposit		<u>2,400.00</u>
Total Long-Term Liabilities		<u>2,400.00</u>
Total Liabilities		54,434.28
Fund Balance		
Unrestricted net assets		4,958.67
Board designated net assets		370,437.71
Net Income		<u>123,423.26</u>
Total Fund Balance		<u>498,819.64</u>
Total Liabilities & Fund Balance	\$	<u><u>553,253.92</u></u>

Business Development Corp
Income Statement
For the Eight Months Ending August 31, 2023

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE AND SUPPORT						
County Gov't Funding	0.00	0.00	0.00	369,144.75	369,144.75	0.00
IDA Administrative Support	0.00	0.00	0.00	50,000.00	50,000.00	0.00
Sublet Rent	1,900.00	2,600.00	(700.00)	19,400.00	20,800.00	(1,400.00)
Interest Income	159.97	0.00	159.97	1,715.21	0.00	1,715.21
Total General Revenue	2,059.97	2,600.00	(540.03)	440,259.96	439,944.75	315.21
Projects & Events Income						
Grant Revenue County ARP	4,515.00	0.00	4,515.00	159,073.35	0.00	159,073.35
Total Projects & Events	4,515.00	0.00	4,515.00	159,073.35	0.00	159,073.35
Special Project Grants						
Total Special Projects	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue & Support	6,574.97	2,600.00	3,974.97	599,333.31	439,944.75	159,388.56
EXPENDITURES						
General Expenses						
Salary-Executive Director	10,190.76	10,190.76	0.00	86,621.46	86,621.46	0.00
Salary-Economic Dev Spec.	7,541.08	7,541.08	0.00	64,099.18	64,099.18	0.00
Salary-Community Relations	5,717.92	5,717.92	0.00	48,602.32	48,602.32	0.00
Employee Benefits	2,054.93	3,917.00	(1,862.07)	24,787.86	31,884.00	(7,096.14)
Executive Director Search	0.00	0.00	0.00	1,724.20	0.00	1,724.20
Pension 401 K expenses	0.00	0.00	0.00	600.00	600.00	0.00
Retirement Contributions	2,059.08	2,345.00	(285.92)	17,502.18	19,932.00	(2,429.82)
Employers F.I.C.A	1,818.21	1,858.64	(40.43)	15,454.73	15,798.44	(343.71)
Fed Unemployment Tax	0.00	0.00	0.00	126.00	126.00	0.00
State Unemploymnt Insure	64.80	210.00	(145.20)	839.71	984.90	(145.19)
DBL/ PFL Insurance	(105.26)	8.33	(113.59)	(254.82)	66.64	(321.46)
Workers Comp Insure	81.58	100.00	(18.42)	504.64	800.00	(295.36)
Professional Services	9,000.00	0.00	9,000.00	18,000.00	1,000.00	17,000.00
Office Rent	2,350.00	2,350.00	0.00	14,600.00	18,800.00	(4,200.00)
Sublet Rent	1,900.00	2,600.00	(700.00)	19,400.00	20,800.00	(1,400.00)
Internet/Web Site	929.99	250.00	679.99	2,699.92	2,000.00	699.92
Telephone	215.73	266.67	(50.94)	1,662.94	2,133.36	(470.42)
Office Expense	225.54	416.67	(191.13)	2,504.88	3,333.36	(828.48)
Postage	26.82	70.83	(44.01)	299.15	566.64	(267.49)
Office Maintenance	596.41	433.33	163.08	2,741.37	3,466.64	(725.27)
Equipment Purchase	0.00	0.00	0.00	1,109.28	1,109.28	0.00
Equipment Maintenance	202.50	208.33	(5.83)	1,620.00	1,666.64	(46.64)
Office Equipment Lease	291.63	333.75	(42.12)	3,021.48	3,292.50	(271.02)
Accounting	1,500.00	1,500.00	0.00	7,500.00	7,500.00	0.00
Payroll Service	60.00	60.00	0.00	480.00	480.00	0.00
Dues	0.00	0.00	0.00	1,462.00	1,462.00	0.00
Subscriptions/Publication	59.99	125.00	(65.01)	811.93	1,000.00	(188.07)
Marketing Expense	1,933.79	1,933.79	0.00	8,698.88	8,698.88	0.00
State/Federal Filing Fees	0.00	0.00	0.00	250.00	275.00	(25.00)
Directors & Officers Ins.	113.42	120.83	(7.41)	902.22	966.64	(64.42)
Property Insurance	45.46	54.17	(8.71)	358.59	433.36	(74.77)
Mtgs/Seminars/Conferences	32.54	32.54	0.00	130.36	130.36	0.00
Board Meetings	0.00	0.00	0.00	240.93	240.93	0.00
EDS Auto Allowance	384.62	384.62	0.00	3,269.27	3,269.27	0.00

Business Development Corp
Income Statement
For the Eight Months Ending August 31, 2023

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
Mileage/Gas/Tolls/Parking	0.00	0.00	0.00	504.63	504.63	0.00
Auto Allowance/Director	461.54	461.54	0.00	3,923.09	3,923.09	0.00
Utilities	399.93	666.67	(266.74)	7,369.89	5,333.36	2,036.53
Depreciation	0.00	0.00	0.00	761.48	761.48	0.00
Total General Expenses	50,153.01	44,157.47	5,995.54	364,929.75	362,662.36	2,267.39
Projects and Events						
Cty ARPA Grant Programs	4,515.00	0.00	4,515.00	159,073.34	0.00	159,073.34
Total Projects & Events	4,515.00	0.00	4,515.00	159,073.34	0.00	159,073.34
Special Projects Expense						
Total Special Projects	0.00	0.00	0.00	0.00	0.00	0.00
Other Income/Expense						
Total Other Income/Expense	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	54,668.01	44,157.47	10,510.54	524,003.09	362,662.36	161,340.73
NET INCOME	(48,093.04)	(41,557.47)	(6,535.57)	75,330.22	77,282.39	(1,952.17)



Cortland County
Business Development Corporation

Revolving Loan Fund

CORTLAND COUNTY BUSINESS DEVELOPMENT CORP. RLF

August 31, 2023

BORROWER	Rating	Original Loan Amount	Mthly Pymnt Amount	Date Last Paid	# of Total Payments	# of Payments Remaining	# of Payments Past Due	Amount Past Due	LOAN BALANCE
Armideo Housing (COVID)	**	\$ 25,000.00	\$ 716.06	8/15/2023	36	9			\$ 6,391.35
J Brown Performance Horse	****	\$25,000.00	\$ 716.06	7/31/2023	36	17			\$ 12,687.41
Community Restaurant COVID	**	\$ 25,000.00	\$ 716.06	8/29/2023	36	9			\$ 6,391.35
60 Main LLC COVID	***	\$ 25,000.00	\$ 716.06	8/29/2023	36	13			\$ 9,201.25
Mironti Enterprise COVID	****	\$15,000.00	\$ 429.64	8/3/2023	36	14			\$ 5,870.41
Community Restaurant/NAFS		\$75,000.00	\$ 1,449.96	8/29/2023	60	25			\$ 33,995.24
Mironti, Sandro & Denise		\$63,000.00	\$ 699.43	08/03/23	60	13			\$ 42,689.18
P Smith/Crown Stove		\$50,000.00	\$ 555.10	08/29/23	120			*	\$ 10,375.24
Allowance for doubtful accts									(\$25,000.00)
		\$ 303,000.00	\$ 5,998.37					\$ -	\$ 102,601.43

BDC RLF Assets as of
8/31/2023
Less outstanding loans
Funds available

\$789,564.12
\$ (102,601.43)
\$ 686,962.69

Rating * W - Watch L Rating * W - Watch List
Rating D - Legal Proc Rating D - Legal Proceedings
Rating B-Bankruptcy Proceedings

* Any monies received are applied as principal payments

** COVID loan-payments begin 6/1/2021
***COVID loan-payments begin 10/1/2021
****COVID loan-payments begin 11/1/2021
*****Covid loan-payments begin 2/1/2022

BDC Revolving Loan Fund
Balance Sheet
August 31, 2023

ASSETS

Current Assets		
NBT-Checking	\$	32,231.86
Tompkins Trust-Money Mkt		101,161.43
NBT Money market account		553,569.40
		<hr/>
Total Current Assets		686,962.69
Property and Equipment		<hr/>
Total Property and Equipment		0.00
Receivables		
Armideo Housing LLC (COVID)		6,391.35
J. Brown Perform Horse(COVID)		12,687.41
Community Restaurant (COVID)		6,391.35
Mironti Enterprises Inc (COVID)		5,870.41
Paul Smith		10,375.24
60 MAIN LLC (COVID)		9,201.25
Community Restaurant/NAFS1571		33,995.24
Sandro & Denise Mironti		42,689.18
Allowance for Doubtful Accts		(25,000.00)
		<hr/>
Total Receivables		102,601.43
		<hr/>
Total Assets	\$	<u><u>789,564.12</u></u>

LIABILITIES AND FUND BALANCE

Current Liabilities		<hr/>
Total Current Liabilities		0.00
Long-Term Liabilities		<hr/>
Total Long-Term Liabilities		0.00
Total Liabilities		<hr/> 0.00
Fund Balance		
Retained Earnings	\$	782,287.75
Net Income		7,276.37
		<hr/>
Total Fund Balance		789,564.12
Total Liabilities & Fund Balance	\$	<u><u>789,564.12</u></u>

BDC Revolving Loan Fund
Income Statement
For the Eight Months Ending August 31, 2023

	Current Month	Ratio	Year to Date	Ratio
Revenue				
Interest on Deposits	\$ 2,107.64	82.63	\$ 3,192.63	43.88
Interest on Loans	442.96	17.37	4,083.74	56.12
	<u>2,550.60</u>		<u>7,276.37</u>	
Total Revenue	2,550.60	100.00	7,276.37	100.00
	<u>2,550.60</u>		<u>7,276.37</u>	
TOTAL REVENUE	2,550.60	100.00	7,276.37	100.00
	<u>2,550.60</u>		<u>7,276.37</u>	
Expenses				
Total Expenses	0.00	0.00	0.00	0.00
	<u>0.00</u>		<u>0.00</u>	
Net Income	\$ 2,550.60	100.00	\$ 7,276.37	100.00
	<u><u>2,550.60</u></u>		<u><u>7,276.37</u></u>	