

Saratoga County Capital Resource Corporation

Finance Committee Meeting Minutes October 3, 2018

Stewart's Office Plaza, Malta, N.Y.

The meeting was called to order at 5:20 p.m. by Chairwoman Daly. The following members were present:

Members: Valerie Muratori, Matthew Veitch, Ann Frantti and Anita Daly.

Staff: Raymond O'Connor, CEO, Jeff Reale, CFO; Lori Eddy, Administrative Secretary; James Carminucci, Counsel.

Absent: Arthur Johnson, John Wyatt.

Chairman Daly called the Finance Committee meeting to order at 5:20 p.m.

Mr. O'Connor stated John Wyatt is Chairman of the Finance Committee but could not be present. Mr. O'Connor asked Mr. Reale to review the financial statements as of September 30, 2018.

Mr. Reale stated the balance sheet shows that we put \$400,000.00 in Certificates of Deposit in September. Our checking account balance is \$236,065.14. Mr. O'Connor stated with the last few Federal Reserve rate increases and bond yields going higher, he thought it made sense to go to three area banks for CD quotes. The three banks were Ballston Spa National, Capital Bank & Trust Company and Adirondack Trust Company. He asked for rates from six months to four years. Ballston Spa National was the highest on all of the bids. We invested \$100,000.00 each for six months, twelve months, twenty-four months and thirty-six months. We built a ladder so that every six months some money would come due, hopefully to reinvest at higher rates.

Mr. Reale stated the next item is the budget. The budget numbers are through September 30, 2018. We've taken in \$150,219.69 in revenues year-to-date. Our expenditures are \$32,216.77 year-to-date for a net gain of \$118,002.92.

Ms. Muratori made a motion to accept the financial and budget reports as presented. Mr. Veitch seconded the motion. There was no further discussion. All board members voted in favor.

Mr. O'Connor asked Mr. Reale to go through the proposed budget for 2019. Mr. Reale stated the proposed budget for 2019 has revenues of \$90,500.00. Budgeted expenses total \$112,400.00. So, for the year we are estimating a deficit of \$17,900.00. Chairman Daly questioned Mr. O'Connor on the revenues. She knows previously we estimated \$75,000.00. Mr. O'Connor stated he believes the Wesley Community will do a substantial capital improvement project next year. They may borrow as much as \$16,000,000.00. If all goes according to plan, they will file an application sometime in the first quarter. The total cost of this project is going to be around \$21,000,000.00-\$22,000,000.00. They hope to raise \$6,000,000.00 in a capital campaign.

Chairman Daly asked Mr. O'Connor to refresh her memory. She knows we approved the \$1,500.00 participation in the County Veteran Program. Is that in last years' budget or this year? Mr. O'Connor stated we had budgeted \$40,000.00 for grants. We didn't specifically budget for any particular project, program or request. He thinks we hadn't received an official request. Chairman Daly stated she had

asked for that several times. Mr. Veitch will follow through on this. Mr. Carminucci stated he thought there was a tie in to employment for Veterans. Chairman Daly agreed. Among other objectives, the program helps Veterans transition back into the civilian workforce after returning from service. Sometimes it helps them with housing needs, but by and large they help them get re-acclimated to the workforce including skill development, resumes and helping with employment interviews. Mr. Veitch stated they do a lot.

Mr. O’Conor stated that when he put in a figure for the CFO, it was prior to our discussion about doing that on a flat amount contract basis. He recommends \$2,000.00 paid in four equal quarterly installments.

Mr. O’Conor asked for a resolution of the Finance Committee to the full Board for approval of the proposed 2019 Budget. Ms. Frantti made the motion to approve the recommendation of the Finance Committee for the proposed 2019 Budget as presented. The motion was seconded by Ms. Muratori. There was no further discussion. All members voted in favor.

Mr. O’Conor stated there is one more item. As a separate document, there is a draft of the budget that is submitted before the end of this month to the Authorities Budget Office. Before submission, it has to be reviewed and approved by the Board. It reflects our results from 2017, estimates for the current year, estimates for 2019 and projections for the three years after that. Ms. Muratori asked why does this look different than the budget we just passed? Mr. O’Conor stated this is going to be adjusted to reflect what you approved for 2019. Mr. Veitch made a motion to approve the five-year forecasted budget to be submitted to the ABO as presented. The motion was seconded by Ms. Frantti. There was no further discussion. All board members voted in favor.

There being no other business to discuss, the Finance Committee meeting was adjourned at 5:45 p.m.

Secretary _____ Date _____