



Meeting of the Board of Directors

March 9th, 2020

Saratoga County Prosperity Partnership Boardroom
2911 Route 9, Malta, NY 12020

Meeting called to order at 3:59 pm by Chairman Kevin Hedley.

Board Members Present:

Chairman Kevin Hedley, Board Members: Supervisor Eric Connolly, Supervisor Todd Kusnierz, Supervisor Darren O'Connor, Supervisor Benny Zlotnick, Steve Bulger, Brendan Chudy, Penny Hill, Josh Spain, Charles Wait, and David Wood

Board Members Absent: Rocco Ferraro, Scott Solomon

Saratoga Partnership Staff Present: Shelby Schneider, Jennifer Kelley, Michele Battle

Guests: Amy Pedrick from West & Company CPA, and Justin Miller from Harris Beach

CALL TO ORDER

ADOPTION OF THE JANUARY 30th MINUTES

A motion to accept the January 30, 2020 Minutes was made by Charles Wait, and the motion was seconded by Josh Spain. There was no discussion and the vote on the Motion was **AYES:11 NOES: 0**. The Motion was carried.

TREASURER'S REPORT – SHELBY SCHNEIDER

President Shelby Schneider presented the bills from January and February which had been approved by Treasurer Rocky Ferraro. Ms. Schneider stated that there were some higher bills from Harris Beach due to the leadership transition in January and health care benefits through Saratoga County.

Ms. Schneider then presented the statement of activity which showed the Saratoga Partnership had received their check from the Treasurer's office for \$125,000, which is received quarterly. She stated that the Saratoga Partnership is still operating on the 2020 budget that was passed on December 16th. However, she stated that the budget will be revised because 2020 revenue is \$50,000 less than what was anticipated. The Saratoga Partnership has been working on an austerity budget until the organization can look at new streams of revenue and reexamine the budget and programs.

Ms. Schneider then presented the Statement of Financial Position. She said the Saratoga Partnership's current assets are about \$137,000 and there is about \$100,000 in the bank. She continued by stating, credit card expenses have been significantly lower than before.

Chairman Hedley inquired about the \$7,000 receivable on the statement of financial position. Michele Battle replied that the \$7,000 is from the contract with National Grid that the Saratoga Partnership received for Statebook. She stated that the \$7,000 dollars is on an accrual basis, but we put the whole lump sum at once in the financial statement.

Ms. Schneider then presented the Statement of Activity which gives the general percentage of where the Saratoga Partnership is. Based on the Statement of Activity, the budgeted income was \$550,000, but the actual will be \$500,000.

Chairman Hedley clarified that the County used to give the Saratoga Partnership all of the money upfront at the beginning of the year. In order for the County to better manage their funding, they are now allocating the Saratoga Partnership funding in quarterly installments.

Ms. Schneider stated that typically in the first quarter the Saratoga Partnership's expenses are higher primarily due to the cost of the annual audit.

Penny Hill asked if under the total private sector funding section, if there is an anticipated revenue stream for the \$85,000 that was listed? Ms. Schneider stated that that will be reviewed and recast based on more realistic numbers. In past years the Saratoga Partnership hasn't made the total private sector funding numbers and would like to base the new budget on more realistic options.

Charles Wait asked, given the fluctuations in the budget, will the Saratoga Partnership have enough money to operate in the first quarter? Ms. Schneider responded, yes.

Steve Bulger remarked that in the Governance Committee meeting, they discussed the impacts being seen in the hospitality industry due to the Coronavirus. He asked if the Saratoga Partnership was in contact with the other tourism industry leaders in Saratoga County.

Ms. Schneider stated that she talked with the tourism industry leaders on Friday and that she meets with them on a weekly basis.

A motion to approve the Treasurer's Report was made by Charles Wait, and the motion was seconded by Supervisor Kusnierz. There was no discussion and the vote on the Motion was **AYES: 11** **NOES: 0** . **The Motion was carried.**

2019 Audit Presented by West & Company – Amy Pedrick

Amy Pedrick from West & Company presented the financial audit, financial audit, and a draft Form 990 federal tax return, as of December 19, 2019. She stated the audit went really well and

everything was provided by the Saratoga Partnership efficiently and timely, making the audit process go smoothly. She continued stating, there were no major issues that needed to be brought to the attention of the Board. Additionally, Ms. Pedrick stated she went over the financial statements with the Finance Committee in the prior week.

She started by reviewing the financial statements which are consistent with the formatting of other statements in the past. The independent auditor's opinion was given which stated the financial statements present fairly. She stated that this is the highest opinion the auditors give and that the financial statements are consistent with last year. She did point out that the Saratoga Partnership had an increase in net assets and that although the revenue was less, so were expenses.

Ms. Pedrick then presented the Statement of Functional Expenses that was newly required in 2018, which did not change from 2018 to 2019. She stated that overall there were no significant or major changes in this year's audit compare to last year.

She then talked about the issue of a second opinion that was given on the audit due to the fact that the Saratoga Partnership receives governmental funding. The Governmental Report had an unmodified opinion.

She then presented the second bound report which was the Schedule of Investments which is required by the Public Authorities Accountability Act. The report gives an opinion on the fact that the Saratoga Partnership has no investments. Ms. Pedrick gave an unmodified opinion that the Saratoga Partnership had no investments.

Lastly, she presented a draft of the Form 990 Federal tax return which is due May 15th, but due to the PARIS reporting, it is due March 31st. She stated there were a few minor changes that were made following the Finance Committee meeting that Treasurer Rocco Ferraro had brought to the attention of the auditors which is reflected in the Form 990 draft. She said it is required for the board to receive a draft of the Form 990 before being submitted.

Charles Wait asked if there were any changes coming up that could impact the Saratoga Partnership. Ms. Pedrick responded that there was nothing significant in the accounting world that would affect the Saratoga Partnership.

A motion to approve the 2019 Audit Report from West & Company was made by Penny Hill, and the motion was seconded by Supervisor Connolly. There was no discussion and the vote on the Motion was **AYES: 11 NOES: 0 . The Motion was carried.**

Ms. Pedrick stated that she would deliver the final Form 990 Federal tax return to Saratoga Partnership to be signed. Chairman Hedley asked if it would be electronically filed. Ms. Pedrick responded yes, and she would email the 990 for Chairman Hedley to fill out and scan back instead.

NEW BUSINESS

Committee Reports

Audit + Finance – Shelby Schneider

Ms. Schneider reported that Amy Pedrick met with the Audit + Finance Committee to present the audit information to the committee. Also, at the committee meeting, Ms. Schneider familiarized the committee with the former budget and where it stands.

Something that was clarified was that Jennifer Smith from Smith Executives is no longer working with us. Ms. Schneider also stated that Michele Battle is now taking over bookkeeping duties.

Additionally, Ms. Schneider reported that the Saratoga Partnership is contracting with a CFO-For-Hire to cleanup our chart of accounts in Quickbooks and make sure the Saratoga Partnership is operating with full operational transparency. Additionally, the Saratoga Partnership is working with our Treasurer Rocky Ferraro through this process.

Dave Wood stated that everything Ms. Schneider presented was represented in the Audit + Finance Committee and that he had nothing further to add.

Personnel Committee – Josh Spain

Chairman Hedley stated that the Board would need to go into Executive Session, so the Personnel Committee report would be pushed back to the end of the board meeting.

Governance Committee– Charles Wait

Charles Wait handed out minutes from the Governance Committee meeting and summarized what was discussed. Charles Wait stated there were three recommendations, two from the Chairman and one from management.

Charles Wait stated that the two changes from the Chairman were about the Board of Directors. One of the changes requests changing the language that the private sector members of the board have the ability to fill vacancies for new private-sector board members. Additionally, the Board of Supervisors should only appoint Supervisors to the board, not private sector members. The Governance Committee agreed with the Chairman but strongly suggested that he contact the Chair of County Board of Supervisors to approve by-laws since the County Board of Supervisors is the sole member of the Saratoga Partnership.

Charles Wait also presented the second recommendation from the Chairman which discusses rotating terms for all officers. The rotation would mean that private sector members should serve for one year as Treasurer, then a year as Vice-Chair, then a year as Chair before rotating off the board. It was also proposed that the Secretary should always be an elected official. The Governance Committee agreed with the Chairman but stated it would be best to discuss with the Board of Supervisors to make sure they were ok with the change.

The last change was an operational change in regard to check signatures. Currently, the by-laws state there needs to be two check signers, CEO and Treasurer or Chairperson of the Board. At the January 30, 2020 board meeting when the board passed a check-signing resolution, it was suggested that the CEO not have check signing responsibilities. It was discussed whether the board should change this section of the by-laws to only require a single signature from the Treasurer or Chairperson. After some discussion, the committee believed that the CEO should be an approved check signer. Additionally, the Governance Committee suggested the by-laws be edited to state the following:

“All checks, drafts and other orders for the payment of money out of the funds of the Corporation, and all notes or other evidence of indebtedness of the Corporation, must be signed on behalf of the Corporation by **one** of the following persons: the Chief Executive Officer, the Treasurer, the Chairperson, Vice-Chair, or Secretary of the board for checks, drafts, and other orders for payment up to \$5,000. Any amount higher than \$5,000 must be signed on behalf of the Corporation by **two** of the following persons: the Chief Executive Officer, the Treasurer, or the Chairperson, Vice-Chair, Secretary of the board.”

Charles Wait reported that the Governance Committee had considered revising the Saratoga Partnership’s mission statement given the Memorandum of Understanding with SEDC, but the committee agreed that they did not recommend changes to the mission statement due to its general language and the fluid economic development situation in Saratoga County.

Charles Wait also stated that the Governance Committee discussed the vetting process for board candidates. He stated that the Saratoga Partnership should get the approval of candidates from the County Board of Supervisors before starting the vetting process. However, he stated that if the Saratoga Board of Supervisors approves the Saratoga Partnership approving its own private sector members, then there should be a vetting process for potential candidates to make sure they are qualified to serve on the board and that they want to serve on the board.

Charles Wait discussed a formal onboarding process for new board members and that he would help with that process.

Finally, Charles Wait discussed a board self-evaluation that was done last March. Ms. Schneider stated that according to the Public Authorities Accountability Act (PAAA) requires a self-evaluation. Charles Wait asked for the board members to return the evaluations back to the Governance committee.

Resolution

A motion to pass a Corporate Resolution changing the language of the Adirondack Trust Authorizing Resolution to include the President/CEO as a check signer up to \$5,000. Justin Miller will edit the Resolution based on the intent of the Board and edit the titles of the Chairs. A motion was made by

Josh Spain, and the motion was seconded by Supervisor Zlotnick. There was no discussion and the vote on the Motion was **AYES: 11 NOES: 0 . The Motion was carried.**

RESOLUTIONS

SCPP – Organizational Resolution

The Organization Resolution which covers the Committee assignments and appointment of staff was postponed until after the Executive Session. Justin Miller stated that salaries were included in the resolution as recommended by the Personnel Committee.

PRESIDENT'S REPORT

Ms. Schneider reported that, in preparation for this board meeting, the Saratoga Partnership held all of the Committee meetings to get everyone up to speed and to get the 2019 audit finished in time for the PARIS report.

Ms. Schneider reported on the Saratoga County Update. She stated that the County Economic Development Committee is providing economic development grants to each town for up to \$7,400. The Saratoga Partnership has been asked to help review, make recommendations, and provide technical assistance for those applications. There is a meeting coming up with the Northern Towns (Hadley, Day, Corinth, Edinburgh, and maybe Providence) to talk about how they could collaborate and work together to pool their money and possibly find a unified cause.

Ms. Schneider also discussed the Saratoga Partnership's upcoming presentation to the Saratoga County Economic Development Committee which will discuss the updated MOU with SEDC, our unified approach to economic development, and other economic development activities the Saratoga Partnership has done.

Ms. Schneider also talked about the approved logo and landing page for the Saratoga County Economic Development Alliance which was presented to the Unity Committee. These initiatives were also presented to the County Economic Development Committee and the landing page was embedded onto the County webpage.

Ms. Schneider also updated the board on the Next Wave Communities Initiative. She stated that the Saratoga Partnership has been meeting with consultants who have been providing technical assistance. In Ballston Spa, the consultants are helping to apply for a Brownfield Opportunity Area Program (BOA) and other planning grants.

Ms. Schneider reported, in Malta there was a fantastic collaborative meeting about Luther Forest Technology Campus, STEP, and other adjacent properties to envision what is next. She continued stating that the Luther Forest Technology Campus Economic Development Corporation (LFTCEDC) has no operating money, but they have a financial obligation to the community to maintain the campus. As part of the Next Wave Communities Initiative, the Saratoga Partnership is working collaboratively to help the community and LFTCEDC discuss what should be done next.

Ms. Schneider stated she had an upcoming meeting with Dave Rooney, who has worked for the past 20 years for the Center for Economic Growth and New York Loves Nanotech. The meeting will be to discuss what is going on in the semiconductor industry and to discuss what the marketplace is like for artificial intelligence, the Internet of Things, and MEMS. There are regional talks about potentially hiring a consultant to discuss and market to the semiconductor industry.

Ms. Schneider reported that there was a meeting held with the Mayor, Supervisor, and Commissioner of Accounts of Mechanicville to discuss the Mechanicville Industrial Park and the Invest/Mechanicville marketing sheets. At the meeting, the elected officials expressed the desire to convene a group of stakeholders in May to ask them what they can give back to the community that they grew up in. Ms. Schneider stated, the first Invest/Mechanicville breakfast was instrumental in moving a group of properties in Mechanicville.

Ms. Schneider reported that there is a meeting scheduled with the Town of Halfmoon to discuss creating sell sheets for the town.

Ms. Schneider also requested to meet with Supervisor Kusnierz from the Town of Moreau to discuss economic development plans in the town and to also meet collaboratively with SEDC who is also doing work in the town as it relates to the Moreau Industrial Park.

Ms. Schneider then discussed the Saratoga Partnership's Business Retention + Expansion efforts. She stated the Saratoga Partnership has received several calls and leads since she has become President. It was then stated that one of the Saratoga Partnership's legacy clients, Key Capture Energy needs to extend their sales tax exemption PILOT with the Mechanicville-Stillwater IDA. The Saratoga Partnership has been in communication with SEDC on this as IDA work falls under SEDC roles and responsibilities.

Ms. Schneider then provided updates on Project Victory. She stated that the developer has met with the Department of Housing and Community Renewal. They are doing bond financing with the State, and that the developer will most likely go into the fourth round of tax credits with DHCR. She reported that there has not been any public opposition to the Project. Ms. Schneider also stated that if prevailing wage or additional costs are added to the Project, then it might push the Project past the point of being financially viable.

Charles Wait asked if the developer can do a State-funded project that doesn't trigger prevailing wage? Justin Miller replied that yes, for now. He stated the IDA can support a project that doesn't trigger the prevailing wage. Additionally, affordable housing tax credits or DHCR bonding doesn't trigger prevailing wage as well. Mr. Miller continued that the Governor's budget does have a prevailing wage bill that would trigger prevailing wage if an IDA project over \$5 million includes assistance that is more than 30% of the project cost. However, he stated there is no real standard to measure that against. Mr. Miller specified that the Governor's bill does exclude workforce housing.

He said in the future, there may or may not be an exception. Ms. Schneider stated that that was in the Governor's budget last year, but there was a lot of chatter in the Southern New York area and the individual counties were adopting prevailing wage standards for IDAs.

Ms. Schneider then reported on some of the Saratoga Partnership's general activities. She said that the Saratoga Partnership attended the Saratoga County Planning and Zoning Conference. Additionally, the Saratoga Partnership met with Empire State Development and the New York State Department of Labor to give them an overview of the roles and responsibilities of our organization. At the meeting, it was discussed how Saratoga County has not been a large winner of New York State Regional Council funding. Ms. Schneider stated that our work with Next Wave Communities and spirit of collaboration with SEDC will position the Saratoga Partnership to bring in more CFA funding when it comes out in July. She stated that typically Empire State Development holds public meetings in May or June promoting the CFA process, but we encouraged them to hold those meetings earlier in the year.

Ms. Schneider also brought up the Northern Borders grant funding opportunity which is due May 15th (since the meeting, the deadline has been extended to June 1). She remarked that Congresswoman Stefanik had encouraged the Saratoga Partnership to put in an application.

Lastly, Mrs. Schneider reported that Wendy Liberatore wrote a nice article in the Times Union about the Saratoga Partnership and our work in Ballston Spa.

EXECUTIVE SESSION

A motion to adjourn into executive session was brought by Brendan Chudy and seconded by Supervisor Todd Kusnierz for the purposes of discussing a personnel issue. There was no discussion and the vote on the Motion was **AYES: 11 NOES: 0 . The Motion was carried.**

The meeting was adjourned to executive session at 4:39pm.

The Board reconvened at 4:59 pm.

Corporate Resolution for Adirondack Trust for Bank Account

A motion to approve the Corporate Resolution for Adirondack Trust was made by Josh Spain, and the motion was seconded by Penny Hill. There was no discussion and the vote on the Motion was **AYES: 10 NOES: 0 ABSTAIN: 1 . The Motion was carried.**

Charles Wait abstained due to his affiliation as the Chairman of the Board and CEO of Adirondack Trust Company. The Motion was carried.

SCPP – Organizational Resolution

A motion to approve the SCPP Organizational Resolution which included a salary offer to the President which was stated in Executive Session was made by Charles Wait, and the motion was

seconded by Supervisor Kusnierz. There was no discussion and on a roll call vote, **all present were AYES. The Motion was carried.**

Motion to adjourn the meeting was brought by Brendan Chudy and seconded by Supervisor Eric Connolly. There was no discussion and the vote on the Motion was **AYES: 11 NOES: 0 . The Motion was carried.**

The meeting adjourned at 5:05 pm.

Recording Secretary

A handwritten signature in black ink, appearing to read "Jennifer M. Kelley", written over a horizontal line.

Jennifer M. Kelley