

**Capitalize Albany Corporation Finance & Investment Committee Meeting
MINUTES
September 18, 2015**

The meeting of the Capitalize Albany Corporation Finance & Investment Committee was held at 10:30 a.m., Friday, September 18, 2015 at 21 Lodge Street.

The following were in attendance:

Committee Members:

Anders Tomson
John Harris
John Vero

Other:

Thomas M. Owens, Esq.
Jeff Sperry (participated via teleconference but not counted for quorum purposes)

Staff:

Sarah Reginelli, Brad Chevalier, Mark Opalka, and Chantel Burnash

Excused:

Bob Curley

The regular meeting of the Capitalize Albany Corporation Finance & Investment Committee was called to order at 10:35 a.m.

Approval of Minutes for July 21, 2015 Finance & Investment Committee Meeting

The Committee reviewed the minutes of the July 21, 2015 meeting. John Harris made a motion for approval. John Vero seconded. The Committee agreed unanimously to approve the minutes.

Review 2016 Draft Proposed Annual Budget

Mark Opalka reviewed the 2016 Draft Proposed Annual Budget with the Committee. Mr. Opalka stated the net income for 2016 before depreciation expense and program activity is budgeted to be approximately \$57,700. Mr. Opalka explained that the preliminary budget anticipates a deficit of approximately \$246,530. The major contributors to this budgeted deficit are related to depreciation, the sale of previously leased income-generating properties, and a strategic allocation of \$100,000 toward implementation of the Impact Downtown strategy. A motion to accept the 2016 Draft Proposed Annual Budget and move it to the full Board was made by John Harris and seconded by John Vero. A vote being taken, the motion passed unanimously.

Review of Banking Services

Anders Tomson recused himself due to a potential conflict of interest for this discussion. He left the room. Staff advised the Committee that the Corporation received responses from four banks (including Capital Bank which is the employer of the Chair of the Finance Committee) after an RFP was sent out seeking alternatives for banking services. Staff informed the Committee that

none of the RFP's have been opened yet. Staff sought guidance from the Committee and Counsel on best protocol moving forward to ensure the Corporation fully complies with any statutory/policy requirements to avoid any apparent/actual conflicts of interest. The Committee advised Staff to open the RFP's, score them using a standardized scoring system, and bring the results back to the Committee. The interested Committee/Board member will have no part in the review/evaluation process and will not participate in any of the Committee/Board deliberations or voting.

Annual Review of Corporate Policies – Review Investment Policy

Anders Tomson returned to the room. Counsel reviewed the Corporation's investment policy with the Committee. Counsel explained it is required to review/approve the Investment Policy annually. Counsel explained that the existing guidelines do a good job of addressing what type of investments are permitted and the diversification requirements for such investments, but there are other PAAA requirements which the existing guidelines do not address. Counsel recommended the addition of some language address all of the legal requirements without changing any of the substantive parts of the existing guidelines. Following discussion, a motion to accept the proposed changes to the investment policy and move it to the full Board was made by John Harris and seconded by John Vero. A vote being taken, the motion passed unanimously.

John Harris left the room and the meeting was formally adjourned at 11:00 a.m. The remaining members continued to discuss the following items. No actions were taken.

526 Central Avenue Brokerage Services Update

Staff gave an update on the commercial real estate brokerage services for 526 Central Avenue, stating that Vanguard-Fine, LLC signed the contract. The Committee credited Staff on a tremendous job which created a lot of savings for the Corporation.

Other Business

Staff briefly discussed the list of the Corporation's properties near the Palace Theatre.