



**CAPITALIZE ALBANY**  
CORPORATION

**Monday, September 17, 2018**  
21 Lodge Street, 11:00 a.m.

**Capitalize Albany Corporation**  
**Finance and Investment Committee Meeting**  
**Agenda**

1. Review of the minutes from the Finance & Investment Committee meeting of June 18, 2018
2. 99 Pine Street, LLC Loan Request
3. Review 2018 Draft Proposed Annual Budget
4. Other Business

**Capitalize Albany Corporation Finance & Investment Committee Meeting  
MINUTES  
June 18, 2018**

The meeting of the Capitalize Albany Corporation Finance & Investment Committee was held at 11:00 a.m., Monday, June 18, 2018 at 21 Lodge Street.

The following were in attendance:

**Committee Members:**

Anders Tomson, Jeff Sperry, John Harris and John Vero.

**Other:**

Thomas M. Owens, Esq., Michael Castellana

**Staff:**

Sarah Reginelli, Mark Opalka, Alie Matthews, Joe Landy and Andy Corcione

**Excused:**

Bob Curley

The regular meeting of the Capitalize Albany Corporation Finance & Investment Committee was called to order at 11:05 a.m.

**Approval of Minutes for April 16, 2018 Finance & Investment Committee Meeting**

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

**Review of Investment Portfolio**

Bob Hennes of Hugh Johnson Advisors reviewed the Capitalize Albany Investment Portfolio Report and the Short Term Investment Services Report as of May 31, 2018 with the Committee. Mr. Hennes discussed in the Investment Portfolio in detail. Mr. Hennes advised the Committee that Corporation's Investment Portfolio remains appropriate. The Committee members discussed the Policy and how they want to see the portfolio as established in the future.

The Committee recommended that Hugh Johnson Advisors present the portfolio at the full Board meeting on June 26<sup>th</sup>.

The Committee discussed the Corporation's investment policy and metrics for performance.

**99 Pine Street of Albany, LLC Loan Update/ 420 Broadway Albany, LLC Loan Request**

John Vero disclosed that he was representing an entity or individual involved with 420 Broadway. Due to a potential conflict of interest as a result of representing an entity or individual involved with 420 Broadway, John Vero recused himself from this discussion and left the room.

Staff provided the Committee with the requested update regarding the existing 99 Pine Street of Albany, LLC loan. Staff indicated that any changes to the existing structure of any loan in the portfolio would be brought to the Committee and requires Board approval. No request was in front of the Committee regarding the 99 Pine Street of Albany, LLC loan at this time. Staff discussed the 420 Broadway Albany, LLC loan request with the Committee. 420 Broadway Albany, LLC is requesting financing for the acquisition of an approximately 9,400 square foot building at 420 Broadway, Albany, NY and the conversion into mixed use, including the current commercial space on the first floor and seven new residential units on the upper four floors. Coulson's News will continue to occupy the commercial space. After discussions, a motion to recommend the approval of a subordinate loan and move it to the full Board for approval was made by Anders Tomson and seconded by Jeff Sperry. A vote being taken, the motion passed unanimously.

### **Liberty Park Update**

Staff informed the Committee that Capitalize Albany is continuing with the due diligence process. Staff has an upcoming meeting regarding possible URI funds and options for Liberty Park. Staff updated the Committee that the Albany IDA is moving forward with reviewing their potential involvement in the Liberty Park project.

### **Strategic Development Update**

A motion to go into Executive Session was made by John Harris and seconded by John Vero to discuss an update on strategic development. The basis for going into Executive Session was to discuss a possible real estate transaction, the public discussion of which may impact the price of such real estate. The Committee entered into Executive Session at 12:05 p.m. Committee members, staff and counsel remained in the room. The Committee left Executive Session at 12:15 p.m. and returned to its regular session. No action was taken during the Executive Session.

### **Other Business**

None.

There being no further business the Capitalize Albany Corporation Finance & Investment Committee meeting was adjourned at 12:29 a.m.

TO: Capitalize Albany Corporation Finance Committee  
FROM: Mark Opalka  
DATE: September 17, 2018  
RE: Capitalize Albany Corporation Preliminary Draft 2019 Budget

Net income for 2019 before Depreciation Expense and Program Activity is budgeted to be approximately \$33,850. Overall, the preliminary budget anticipates a deficit of approximately \$265,690. The major contributors to this budgeted deficit are related to approximately \$168,000 depreciation and net expenses of \$100,000 toward the implementation of the Impact Downtown strategy.

The projected ending unrestricted cash balance for 2018 is anticipated to be \$4,543,812. Given the proposed Draft Budget, the anticipated ending cash balance for 2019 would be \$3,853,378.

Below are identified significant revenue and expense variances for the projected 2019 budget compared to the 2018 approved budget.

#### **2019 REVENUE ASSUMPTIONS:**

Revenue derived from non-program activity is budgeted at approximately \$1.4 million.

- **Real Estate Income**

Real Estate Income is budgeted to be approximately \$302,022 which is approximately \$940 lower than the 2018 budget. This is a direct result of the loss of rental income from the Riverfront Barge and Grill offset by the increases in rent which are scheduled to occur in 2019.

- **Lending Income**

Lending Income is budgeted to be approximately \$124,699 which is approximately \$4,156 lower than the 2018 budget. This is a direct result of no loan closings in 2017. This interest income was budgeted for in the 2018 budget.

- **Investment & Interest Income**

Investment Income is budgeted to be approximately \$91,573 which is approximately \$15,696 higher than the 2018 approved budget. This is a direct result of higher interest rates being earned on the Corporation's bank accounts and fixed income securities purchased in the Corporation's investment portfolio.

- **Direct Financing Lease Income**

Direct Finance Lease income is budgeted to be approximately \$0 which is \$1,762 lower than the 2018 approved budget. This is a direct result of the Corporation's two remaining leases ending in the 1<sup>st</sup> Quarter of 2018. This income was offset by \$1,500 in interest expense in 2018.

### **2019 EXPENSE ASSUMPTIONS:**

Expense incurred from non-program activity is budgeted at approximately \$1.34 million.

- **Salary & Benefit Expense**

Salary & Benefit Expense for 2019 is budgeted to be approximately \$938,965 which is approximately \$69,700 higher than the 2018 approved budget. This is attributable to budgeting for eight full time staff as well as market and merit based increases.

- **Professional Fees**

Professional fees expense for 2019 is budgeted to be approximately \$237,850 which is approximately \$2,060 higher compared to the 2018 approved budget. This increase is due to funds being allocated for web-site design and maintenance as well as anticipated annual increases in support contracts.

- **Depreciation Expense**

Depreciation Expense for 2019 is budgeted to be approximately \$199,540. Of this amount, \$168,500 (86%) is attributable to the anticipated recording of depreciation expense for the Corning Preserve.

**Capitalize Albany Corporation  
Proposed 2019 Budget Summary**

	2018 Budget	2018 Projected	Variance 2018 Projected v. 2018 Budget	2019 Budget	Variance	
					2019 Budget v. 2018 Projected - \$	2019 Budget v. 2018 Projected - %
<b>Revenue</b>						
General Economic and Community Development Support Income	\$ 497,443	\$ 497,443	\$ -	\$ 497,443	\$ -	0.00%
Real Estate Income	302,963	299,518	(3,445)	302,022	2,504	0.84%
Professional Service Agreement Income	348,582	348,582	-	348,582	-	0.00%
Lending Income	128,854	112,768	(16,086)	124,698	11,930	10.58%
Direct Financing Lease Income	1,762	1,762	-	-	(1,762)	-100.00%
Investment & Interest Income	75,877	106,644	30,767	91,573	(15,071)	-14.13%
Membership & Event Support	33,500	33,540	40	33,500	(40)	-0.12%
<b>Total</b>	<b>\$ 1,388,981</b>	<b>\$ 1,400,257</b>	<b>\$ 11,276</b>	<b>\$ 1,397,818</b>	<b>\$ (2,439)</b>	<b>-0.17%</b>
<b>Expenses</b>						
Salary & Benefits	\$ 869,263	\$ 771,004	\$ (98,258)	\$ 938,966	\$ 167,962	21.78%
Professional Fees	235,790	238,233	2,443	237,849	(384)	-0.16%
Administration Expenses	67,986	64,047	(3,939)	67,073	3,026	4.72%
Interest Expense	15,742	23,437	7,695	20,493	(2,944)	-12.56%
Real Estate Expenses	38,924	39,613	689	41,328	1,714	4.33%
Occupancy Expense	44,837	43,122	(1,715)	45,809	2,687	6.23%
Membership & Event Expense	12,450	9,000	(3,450)	12,450	3,450	38.33%
Bad Debt (Recovery)	-	-	-	-	-	100.00%
<b>Total</b>	<b>\$ 1,284,992</b>	<b>\$ 1,188,457</b>	<b>\$ (96,535)</b>	<b>\$ 1,363,967</b>	<b>\$ 175,511</b>	<b>14.77%</b>
<b>Net Income/Loss Before Depreciation and Program Activity</b>	<b>\$ 103,989</b>	<b>\$ 211,801</b>	<b>\$ 107,812</b>	<b>\$ 33,851</b>	<b>\$ (177,950)</b>	<b>-84.02%</b>
<b>Depreciation</b>	<b>201,299</b>	<b>201,299</b>	<b>-</b>	<b>199,541</b>	<b>(1,758)</b>	<b>-0.87%</b>
<b>Net Income/Loss after Depreciation</b>	<b>\$ (97,310)</b>	<b>\$ 10,502</b>	<b>\$ 107,812</b>	<b>\$ (165,690)</b>	<b>\$ (176,192)</b>	<b>-1677.73%</b>
<b>Program Activity</b>						
<i>Program Revenue</i>						
New York Main Street	-	-	-	-	-	100.00%
NY DOT Grant (Skyway)	375,000	375,000	-	-	-	-
New York Main Street Admin Cost Recovery	-	-	-	-	-	100.00%
Capitalize Albany Retail and Amplify Albany Grants	-	93,567	93,567	-	(93,567)	-100.00%
<i>Program Expenses</i>						
Liberty Park Due Diligence	-	(60,000)	(60,000)	-	60,000	-100.00%
Downtown Tactical Plan	(475,000)	(475,000)	-	(100,000)	375,000	-78.95%
Capitalize Albany Retail and Amplify Albany Grants	-	(93,567)	(93,567)	-	93,567	-100.00%
<b>Net Income (Loss) from Program Activity</b>	<b>\$ (100,000)</b>	<b>\$ (160,000)</b>	<b>\$ (60,000)</b>	<b>\$ (100,000)</b>	<b>\$ 435,000</b>	<b>-271.88%</b>
<b>Net Income(Loss) after Depreciation and Program Activity</b>	<b>\$ (197,310)</b>	<b>\$ (149,498)</b>	<b>\$ 47,812</b>	<b>\$ (265,690)</b>	<b>\$ (116,192)</b>	<b>-243.02%</b>

**Capitalize Albany Corporation**  
Proposed 2019 Budget

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Variances						
					2018 Projected V. 2018 Budget		2019 Budget V. 2018 Budget		2019 Budget V. 2018 Projected		
					\$	%	\$	%	\$	%	
<b>REVENUE</b>											
<i><b>General Economic and Community Development Support Income</b></i>											
CAIDA	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00			\$ -		\$ -		
ACDA	153,306.00	165,843.00	165,843.00	165,843.00	-		-		-		
Renaissance Support	51,700.00	51,700.00	51,700.00	51,700.00	-		-		-		
CHF - Redevelopment Support	29,900.00	29,900.00	29,900.00	29,900.00	-		-		-		
<b>Total Support Income</b>	<b>\$ 484,906.00</b>	<b>\$ 497,443.00</b>	<b>\$ 497,443.00</b>	<b>\$ 497,443.00</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>100.00%</b>	
<i><b>Real Estate Income</b></i>											
<b>Leases</b>											
Quakenbush House	\$ 34,941.08	\$ 35,989.31	\$ 35,989.31	\$ 37,250.00	-		1,260.69		1,261		
Riverfront Bar & Grill	7,124.69	9,441.26	2,000.00	-	(7,441.26)		(9,441.26)		(2,000)		
DBID Lease	17,933.76	18,053.78	18,299.76	18,665.76	245.98		611.98		366		
Port of Albany	152,875.42	151,944.62	154,710.45	156,566.98	2,765.83		4,622.36		1,857		
<b>Licenses</b>											
Albany Convention Center Authority- 10 Dallius Street	49,773.71	50,034.50	51,018.97	52,039.35	984.47		2,004.85		1,020		
Albany Parking Authority - Quakenbush Lot	37,500.00	37,500.00	37,500.00	37,500.00	-		-		-		
<b>Gain on Sale of Property</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>		<b>-</b>		
<b>Total Real Estate Income</b>	<b>\$ 300,148.66</b>	<b>\$ 302,963.47</b>	<b>\$ 299,518.49</b>	<b>\$ 302,022.08</b>	<b>\$ (3,445)</b>	<b>-1.14%</b>	<b>\$ (941)</b>	<b>-0.31%</b>	<b>\$ 2,504</b>	<b>0.84%</b>	
<i><b>Professional Service Agreement Income</b></i>											
CAIDA	\$ 348,582.00	\$ 348,582.00	\$ 348,582.00	\$ 348,582.00	\$ -		\$ -		\$ -		
<b>Total Professional Service Agreement Income</b>	<b>\$ 348,582.00</b>	<b>\$ 348,582.00</b>	<b>\$ 348,582.00</b>	<b>\$ 348,582.00</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>100.00%</b>	
<i><b>Lending Income</b></i>											
<b>Interest</b>											
CDBG	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -		
CAC Miscellaneous	81,270.37	104,157.00	90,472.24	105,712.00	(13,684.76)		1,555.00		15,239.76		
Ten Broeck	731.79	667.00	516.00	516.00	(151.00)		(151.00)		-		
<b>Fees</b>											
Commitment Fees	-	4,000.00	1,500.00	4,000.00	(2,500.00)		-		2,500.00		
Application Fees	1,250.00	250.00	500.00	250.00	250.00		-		(250.00)		
Legal Fees	-	3,000.00	3,000.00	3,000.00	-		-		-		
Enterprise Comm Admin Cost Allowance	19,805.82	16,780.00	16,780.00	11,220.00	-		(5,560.00)		(5,560.00)		
Other Fees	-	-	-	-	-		-		-		
<b>Total Lending Income</b>	<b>\$ 103,057.98</b>	<b>\$ 128,854.00</b>	<b>\$ 112,768.24</b>	<b>\$ 124,698.00</b>	<b>\$ (16,086)</b>	<b>-12.48%</b>	<b>\$ (4,156)</b>	<b>-3.23%</b>	<b>\$ 11,930</b>	<b>10.58%</b>	

**Capitalize Albany Corporation**  
Proposed 2019 Budget

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Variances					
					2018 Projected V. 2018 Budget		2019 Budget V. 2018 Budget		2019 Budget V. 2018 Projected	
					\$	%	\$	%	\$	%
<b><u>Direct Financing Lease Income</u></b>										
200 Henry Johnson Blvd.	\$ 22,402.94	\$ 1,662.45	\$ 1,662.45	\$ -	\$ -		\$ (1,662.45)		\$ (1,662)	
170 Henry Johnson Blvd	694.64	99.10	99.10	-	-		(99)		(99)	
Other Interest Income	715.84	-	-	-	-		-		-	
	-	-	-	-	-		-		-	
<b>Total Direct Financing Lease Income</b>	<b>\$ 23,813.42</b>	<b>\$ 1,761.55</b>	<b>\$ 1,761.55</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ (1,762)</b>	<b>-100.00%</b>	<b>\$ (1,762)</b>	<b>100.00%</b>
<b><u>Investment &amp; Interest Income</u></b>										
<b>Investment Income</b>										
Gain/Loss on Sale/Disposal of Investments	\$ (11,498.34)	\$ -	\$ 53,080.70	\$ -	\$ 53,081		\$ -		\$ (53,081)	
Interest and Dividends - Fidelity	59,537.45	57,000.00	71,047.00	72,000.00	14,047.00		15,000		953	
Change in FV Mkt Adj on Fidelity Investments	66,414.73	-	(43,154.89)	-	(43,154.89)		-		43,155	
									-	
<b>Interest Income</b>										
Capital Bank	-	469.80	464.13	475.73	(5.67)		6		12	
Kinderhook Bank	23,276.46	18,346.97	24,721.00	19,000.00	6,374.03		653			
Fidelity Cash Account	108.81	60.00	96.22	97.18	36.22		37		1	
Other interest	277.66	-	389.84	-	389.84		-		(390)	
									-	
<b>Total Investment and Interest Income</b>	<b>\$ 138,116.77</b>	<b>\$ 75,876.77</b>	<b>\$ 106,644.00</b>	<b>\$ 91,572.91</b>	<b>\$ 30,767</b>	<b>40.55%</b>	<b>\$ 15,696</b>	<b>20.69%</b>	<b>\$ (9,350)</b>	<b>-8.77%</b>
<b><u>Membership &amp; Event Support</u></b>										
Membership Fees	\$ 31,325.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -		\$ -		-	
Sponsorship Revenue	8,500.00	8,500.00	8,500.00	8,500.00	-		-		-	
Miscellaneous	120.00	-	40.00	-	40		-		(40)	
									-	
<b>Total Membership &amp; Event Support</b>	<b>\$ 39,945.00</b>	<b>\$ 33,500.00</b>	<b>\$ 33,540.00</b>	<b>\$ 33,500.00</b>	<b>\$ 40</b>	<b>0.12%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ (40)</b>	<b>-0.12%</b>
<b>TOTAL REVENUE</b>	<b>\$ 1,438,569.83</b>	<b>\$ 1,388,980.79</b>	<b>\$ 1,400,257.28</b>	<b>\$ 1,397,817.99</b>	<b>\$ 11,276</b>	<b>0.81%</b>	<b>\$ 8,837</b>	<b>0.64%</b>	<b>\$ (2,439)</b>	<b>-0.17%</b>
<b><u>EXPENSES</u></b>										
<b><u>Salary &amp; Benefits</u></b>										
Salaries	\$ 527,965.61	\$ 617,704.25	\$ 545,286.53	\$ 644,370.00	\$ (72,418)		\$ 26,666		\$ 99,083	
Fringe Benefits	176,375.37	251,558.25	225,717.85	294,595.88	(25,840)		43,038		68,878	
<b>Total Salary &amp; Benefits</b>	<b>\$ 704,340.98</b>	<b>\$ 869,262.50</b>	<b>\$ 771,004.38</b>	<b>\$ 938,965.88</b>	<b>\$ (98,258)</b>	<b>-11.30%</b>	<b>\$ 69,703</b>	<b>8.02%</b>	<b>\$ 167,962</b>	<b>21.78%</b>
<b><u>Professional Fees</u></b>										
Legal	\$ 46,834.75	\$ 60,000.00	\$ 56,421.00	\$ 60,000.00	\$ (3,579.00)		\$ -		3,579	
Accounting	71,536.00	75,120.00	71,050.00	75,120.00	(4,070)		-		4,070	
ITS Contract	17,680.62	17,020.00	16,886.00	17,224.00	(134)		204		338	
Other	-	-	12,500.00	-	12,500		-		(12,500)	
Usherwood Contract	8,238.76	9,500.00	9,783.00	10,076.00	283		576		293	
City of Albany MOU	53,484.00	53,480.00	53,480.00	53,480.00	-		-		-	
Connectivity Support	4,990.89	8,077.00	5,368.00	9,076.55	(2,709)		1,000		3,709	
Fidelity Brokerage Fees	12,610.17	12,593.00	12,745.00	12,872.45	152		279		127	
									-	
<b>Total Professional Fees</b>	<b>\$ 215,375.19</b>	<b>\$ 235,790.00</b>	<b>\$ 238,233.00</b>	<b>\$ 237,849.00</b>	<b>\$ 2,443</b>	<b>1.04%</b>	<b>\$ 2,059.00</b>	<b>0.87%</b>	<b>(384)</b>	<b>-0.16%</b>



**Capitalize Albany Corporation**  
Proposed 2019 Budget

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Variances					
					2018 Projected V. 2018 Budget		2019 Budget V. 2018 Budget		2019 Budget V. 2018 Projected	
					\$	%	\$	%	\$	%
<b><u>Administration Expenses</u></b>										
Supplies & Non-capitalized equipment	\$ 6,366.47	\$ 6,000.00	\$ 5,431.00	\$ 6,000.00	\$ (569)		\$ -		\$ 569	
Postage & Printing	2,593.45	2,820.00	2,477.00	\$ 2,885.00	(343.00)		65		408	
Dues & Subscriptions	870.00	2,435.00	2,435.00	\$ 2,590.00	-		155		155	
Filing Fees	245.35	1,000.00	800.00	\$ 1,000.00	(200.00)		-		200	
Insurance	25,714.53	31,591.00	28,325.00	\$ 29,458.00	(3,266.00)		(2,133)		1,133	
Training & Education	1,075.00	3,500.00	3,500.00	\$ 3,500.00	-		-		-	
Travel	808.60	7,500.00	7,500.00	\$ 7,500.00	-		-		-	
Miscellaneous	2,076.17	4,500.00	3,469.00	\$ 3,500.00	(1,031.00)		(1,000)		31	
Payroll Processing Fees	4,863.06	4,640.00	4,558.00	\$ 4,640.00	(82.00)		-		82	
Bank Service Fees	378.88	-	-	-	-		-		-	
Director Fees	13,500.00	-	-	-	-		-		-	
Meetings Expense	3,346.71	4,000.00	5,552.00	\$ 6,000.00	1,552.00		2,000		448	
Citywide Closing Costs & Legal Expenses	-	-	-	-	-		-		-	
<b>Total Administration Expenses</b>	<b>\$ 61,838.22</b>	<b>\$ 67,986.00</b>	<b>\$ 64,047.00</b>	<b>\$ 67,073.00</b>	<b>\$ (3,939)</b>	<b>-5.79%</b>	<b>\$ (913)</b>	<b>-1.34%</b>	<b>\$ 3,026</b>	<b>4.72%</b>
<b><u>Interest Expense</u></b>										
200 HJB	\$ 10,637.50	\$ 1,533.33	\$ 1,533.00	\$ -	\$ (0)		\$ (1,533)		\$ (1,533)	
Port/Corning Bonds 2002	14,617.31	14,208.66	21,903.95	20,492.96	7,695		6,284		(1,411)	
<b>Total Interest Expense</b>	<b>\$ 25,254.81</b>	<b>\$ 15,741.99</b>	<b>\$ 23,436.95</b>	<b>\$ 20,492.96</b>	<b>\$ 7,695</b>	<b>48.88%</b>	<b>\$ 4,751</b>	<b>30.18%</b>	<b>\$ (2,944)</b>	<b>-12.56%</b>
<b><u>Real Estate Expenses</u></b>										
174 North Pearl Street	\$ 1,242.61	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ -		\$ -		\$ -	
Quackenbush House	300.00	1,500.00	1,500.00	\$ 1,500.00	-		-		-	
Albany Convention Center Authority- 10 Dallius Street	34,841.61	35,024.15	35,713.28	\$ 36,427.54	689		1,403		714	
Other	-	-	-	\$ 1,000.00	-		1,000		1,000	
<b>Total Rental Property Expenses</b>	<b>\$ 36,384.22</b>	<b>\$ 38,924.15</b>	<b>\$ 39,613.28</b>	<b>\$ 41,327.54</b>	<b>\$ 689</b>	<b>1.77%</b>	<b>\$ 2,403</b>	<b>6.17%</b>	<b>\$ 1,714</b>	<b>4.33%</b>
<b><u>Occupancy Expense</u></b>										
Utilities & Telephone	\$ 11,454.19	\$ 12,939.00	\$ 12,446.00	\$ 13,722.00	\$ (493)		\$ 783		\$ 1,276	
Maintenance, Repairs & Cleaning	19,145.43	30,398.00	29,176.00	\$ 30,587.00	(1,222)		189		1,411	
Renovations	-	1,000.00	1,000.00	1,000.00	-		-		-	
Supplies	-	500.00	500.00	500.00	-		-		-	
<b>Total Occupancy Expenses</b>	<b>\$ 30,599.62</b>	<b>\$ 44,837.00</b>	<b>\$ 43,122.00</b>	<b>\$ 45,809.00</b>	<b>\$ (1,715)</b>	<b>-3.82%</b>	<b>\$ 972</b>	<b>2.17%</b>	<b>\$ 2,687</b>	<b>6.23%</b>
<b><u>Sponsorship &amp; Event Expense</u></b>										
Development Today/annual meeting	\$ 6,998.21	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ -		\$ -		\$ -	
Sponsorships	-	3,950.00	500.00	3,950.00	(3,450.00)		-		3,450	
Other Events	2,470.10	-	-	-	-		-		-	
<b>Total Membership &amp; Event Expense</b>	<b>\$ 9,468.31</b>	<b>\$ 12,450.00</b>	<b>\$ 9,000.00</b>	<b>\$ 12,450.00</b>	<b>\$ (3,450)</b>	<b>-27.71%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 3,450</b>	<b>38.33%</b>
<b>Bad Debt (Recovery)</b>	<b>\$ 1,017.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>100.00%</b>	<b>\$ -</b>	<b>100.00%</b>
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	<b>\$ 1,084,278.35</b>	<b>\$ 1,284,991.64</b>	<b>\$ 1,188,456.61</b>	<b>\$ 1,363,967.38</b>	<b>\$ (96,535)</b>	<b>-7.51%</b>	<b>\$ 78,976</b>	<b>6.15%</b>	<b>\$ 175,511</b>	<b>14.77%</b>
<b>NET INCOME BEFORE DEPRECIATION AND PROGRAM ACTIVITY</b>	<b>\$ 354,291.48</b>	<b>\$ 103,989.15</b>	<b>\$ 211,800.67</b>	<b>\$ 33,850.61</b>	<b>\$ 107,812</b>	<b>103.68%</b>	<b>\$ (70,139)</b>	<b>-67.45%</b>	<b>\$ (177,950)</b>	<b>-84.02%</b>
<b><u>Depreciation</u></b>										

**Capitalize Albany Corporation**  
Proposed 2019 Budget

	2017 Actual	2018 Budget	2018 Projected	2019 Budget	Variances					
					2018 Projected V. 2018 Budget		2019 Budget V. 2018 Budget		2019 Budget V. 2018 Projected	
					\$	%	\$	%	\$	%
Property & Equipment	\$ 12,117.51	\$ 13,347.72	\$ 13,988.74	\$ 11,590.00	\$ 641		\$ (1,758)		\$ (2,399)	
Quakenbush House	6,933.44	6,933.44	6,933.44	6,933.44	-		-		-	
Corning Preserve	168,549.09	168,549.09	168,549.09	168,549.09	-		-		-	
21 Lodge Street	11,827.58	12,468.60	11,827.58	12,468.00	(641.02)		(1)		640	
<b>Total Depreciation</b>	<b>\$ 199,427.62</b>	<b>\$ 201,298.85</b>	<b>\$ 201,298.85</b>	<b>\$ 199,540.53</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ (1,758)</b>	<b>-0.87%</b>	<b>\$ (1,758)</b>	<b>100.00%</b>
<b>NET INCOME AFTER DEPRECIATION</b>	<b>\$ 154,863.86</b>	<b>\$ (97,309.70)</b>	<b>\$ 10,501.82</b>	<b>\$ (165,689.92)</b>	<b>\$ 107,812</b>	<b>-110.79%</b>	<b>\$ (68,380)</b>	<b>70.27%</b>	<b>\$ (176,192)</b>	<b>-1677.73%</b>
<b><u>Program Income</u></b>										
Amplify Albany/Retail Grant Programs	63,510.78	-	93,566.74	-	93,566.74		-		(93,567)	
Other Program Income	15,785.87	375,000.00	375,000.00	-	-		(375,000)		(375,000)	
<b>Total Program Income</b>	<b>\$ 79,296.65</b>	<b>\$ 375,000.00</b>	<b>\$ 468,566.74</b>	<b>\$ -</b>	<b>\$ 93,567</b>	<b>24.95%</b>	<b>\$ (375,000)</b>	<b>-100.00%</b>	<b>\$ (468,567)</b>	<b>-100.00%</b>
<b><u>Program Expenses</u></b>										
Liberty Park Due Diligence	\$ 32,543.25		\$ 60,000.00							
Amplify Albany/Retail Grant Programs	\$ 71,010.78	\$ -	\$ 93,566.74	\$ -	\$ 93,567		\$ -		\$ (93,567)	
Downtown Tactical Plan Implementation	-	475,000.00	475,000.00	100,000.00	-		(375,000)		(375,000)	
<b>Total Program Expenses</b>	<b>\$ 103,554.03</b>	<b>\$ 475,000.00</b>	<b>\$ 628,566.74</b>	<b>\$ 100,000.00</b>	<b>\$ 93,566.74</b>	<b>19.70%</b>	<b>\$ (375,000)</b>	<b>-78.95%</b>	<b>\$ (468,567)</b>	<b>-74.55%</b>
<b>NET INCOME (LOSS) FROM PROGRAM ACTIVITY</b>	<b>\$ (24,257.38)</b>	<b>\$ (100,000.00)</b>	<b>\$ (160,000.00)</b>	<b>\$ (100,000.00)</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 60,000</b>	<b>100.00%</b>
<b>NET INCOME (LOSS) AFTER DEPRECIATION AND PROGRAM ACTIVITY</b>	<b>\$ 130,606.48</b>	<b>\$ (197,309.70)</b>	<b>\$ (149,498.18)</b>	<b>\$ (265,689.92)</b>	<b>\$ 107,812</b>	<b>-54.64%</b>	<b>\$ (68,380.22)</b>	<b>34.66%</b>	<b>\$ (116,192)</b>	<b>77.72%</b>

# CAPITALIZE ALBANY CORPORATION

## Comparative Balance Sheets

### Pre-Audited Draft

	Projected December 31, 2018	Projected December 31, 2019
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 4,531,312	\$ 3,853,378
Investments	3,673,915	3,745,915
Restricted cash	624,368	699,876
Mortgage notes receivable, net	1,845,729	2,125,612
Net investment in direct financing leases	-	-
Accrued interest receivable	20,144	20,144
Grants receivable	-	-
Receivables from the City of Albany and City agencies	65,843	65,843
Other receivables, net	89,229	86,123
Property held for investment and lease, net	1,869,760	1,694,278
Property and equipment, net	357,352	333,294
Other assets	661,131	661,131
<b>Total assets</b>	<b>\$ 13,738,783</b>	<b>\$ 13,285,594</b>
<b>Deferred Outflows of Resources</b>		
	\$ -	\$ -
<b>Liabilities</b>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 43,727	\$ 43,727
Due to the City of Albany	59,521	59,521
Unearned grant and other income	575,737	575,737
Bonds payable	1,350,000	1,150,000
Revolving loan fund liability	671,760	671,760
Unearned program support	20,384	20,387
<b>Total liabilities</b>	<b>\$ 2,721,129</b>	<b>\$ 2,521,132</b>
<b>Deferred Inflows of Resources</b>		
	\$ -	\$ -
<b>Net Position</b>		
Net invested in capital assets	\$ 835,543	\$ 835,543
Restricted for:		
Debt service	171,466	171,466
CDBG eligible activities	114,287	114,287
Other program specific activities	6,761	6,761
Impact Downtown Albany	-	-
Unrestricted	9,889,597	9,636,405
<b>Total net position</b>	<b>\$ 11,017,654</b>	<b>\$ 10,764,462</b>

## Capitalize Albany Corporation

### STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

Pre Audited Draft

	<b>Projected 2018</b>	<b>Projected 2019</b>
Revenues		
Grant income and Contribution Income	\$ 966,010	\$ 497,443
Rental income	299,618	302,022
Other interest and investment income	108,306	91,573
Interest income on mortgage notes	90,988	106,228
Gain on sale of properties	-	-
Fees and other income	403,902	400,552
Total revenues	<u>1,868,824</u>	<u>1,397,818</u>
Expenses		
Salaries and fringe benefits	771,004	938,966
Program and project costs	844,163	319,760
Interest expense	23,437	20,493
Bad debt expenses (recovery)	-	-
Administrative Expenses	379,719	384,289
Total expenses	<u>2,018,323</u>	<u>1,663,508</u>
Excess of (expenses over revenues) revenues over expenses	(149,499)	(265,690)
Net Position, Beginning of Year	<u>11,167,153</u>	<u>11,017,654</u>
Net Position, End of Month	\$ 11,017,654	\$ 10,751,964

**CAPITALIZE ALBANY CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Pre-Audited Draft**

	Projected December 31, 2018	Projected December 31, 2019
<b>Cash Flows From Operating Activities</b>		
Cash received from customers	\$ 393,778	\$ 411,356
Cash received from grantors	659,451	497,444
Other operating cash receipts	403,902	400,552
Cash payments to suppliers and grantees	(1,055,858)	(504,509)
Cash payments to employees	(771,004)	(938,966)
Net cash provided by operating activities	<u>(369,731)</u>	<u>(134,123)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Proceeds from sale of property held for sale	-	-
Purchase of property held for investment and lease	-	-
Purchase of property and equipment	(52,868)	-
Purchase of other assets including purchase options	-	-
Principal payments on bonds payable	(350,000)	(200,000)
Interest paid on bonds payable	(26,312)	(20,492)
Net cash used in capital and related financing activities	<u>(429,180)</u>	<u>(220,492)</u>
<b>Cash Flows From Investing Activities</b>		
Interest on cash and cash equivalents and investments	96,535	91,573
Net decrease (increase) in restricted cash	102,697	(75,508)
Proceeds from sales and maturities of investments	1,542,495	2,074,017
Purchase of investments	(1,565,450)	(2,146,017)
Issuance of mortgage notes receivable	100,000	(400,000)
Repayments received on mortgage notes receivable	(51,354)	120,118
Principal payments received under direct financing leases	188,249	-
Net cash used in investing activities	<u>413,172</u>	<u>(335,817)</u>
<b>Change in cash and cash equivalents</b>	<u>(385,739)</u>	<u>(690,432)</u>
<b>Cash and cash equivalents:</b>		
Beginning of year	<u>4,917,051</u>	<u>4,543,809</u>
End of year	<u>\$ 4,531,312</u>	<u>\$ 3,853,378</u>

	Projected December 31, 2018	Projected December 31, 2019
<b>Reconciliation of Excess of (Expenses Over Revenues)</b>		
<b>Revenues Over Expenses to Net Cash Provided by Operating Activities</b>		
Excess of (expenses over revenues) revenues over expenses	\$ (149,499)	\$ (265,690)
Adjustments to reconcile excess of (expenses over revenues) revenues over expenses to net cash provided by operating activities:		
Depreciation and amortization	201,300	199,540
Adjustment for losses on mortgage notes and other receivables	-	-
Gain on sale of property	-	-
Net realized and unrealized losses (gains) on investments	(24,579)	-
Interest income on cash and cash equivalents and investments	(96,537)	(91,572)
Interest expense on bonds payable	26,312	20,493
Changes in:		
Grants receivable	-	-
Other receivables, accrued interest receivable and other assets	13,105	3,106
Accounts payable and accrued expenses	(54,340)	-
Due to the City of Albany	21,066	-
Unearned grant, program support and other income	(307,375)	-
Revolving loan fund liability	816	-
Net cash provided by operating activities	<u>\$ (369,731)</u>	<u>\$ (134,123)</u>