

Monday, April 15, 2024 21 Lodge St., Albany, NY 10:30 a.m.

Capitalize Albany Corporation Finance and Investment Committee Meeting

Agenda

Detailed minutes of the proceedings will be posted on the Corporation's website following the meeting.

- 1. Review of the minutes from the Finance & Investment Committee meeting of March 18, 2024
- 2. Financial Update
 - a) Investment Update from Graypoint Advisors, LLC
 - b) Review Investment Policy
 - c) Quarterly Financial Report & Investment Review
- 3. Other Business
 - a) Liberty Park Update 34 Hamilton Purchase & Sale Agreement
- 4. Executive Session (if necessary)



Date of Meeting:March 18, 2024Meeting:Capitalize Albany Corporation Finance & Investment Committee Meeting

The meeting of the Capitalize Albany Corporation Finance & Investment Committee was held at 11:00 a.m., March 18, 2024 at 21 Lodge Street.

The following were in attendance:

Committee Members: Anders Tomson, John Harris and John Vero *Excused:* none *Other:* Thomas M. Owens, Esq.; Tom Libertucci, BST; Mark Opalka, BST; and Tom Wilson, TW&A *Staff:* Ashley Mohl, Andy Corcione and Cassidy Roberts

Chair Anders Tomson called the meeting of the Finance Committee to order at 11:06 a.m.

Review of the minutes from the Finance & Investment Committee meeting of January 22, 2024

The Committee reviewed the minutes of the previous meeting. John Harris made a motion for approval and John Vero seconded. The Committee agreed unanimously to approve the minutes from the Finance & Investment Committee meeting of January 22, 2024.

Clinton Market Construction Update

At the Committee's request, TW&A Founder/Principal and construction manager and owner's representative for the Clinton Market Collective project, Tom Wilson, was present to brief the Committee on TW&A's additional estimated staffing costs that are associated with the six-month extension of the project timeline due to the unforeseen severity of subsurface conditions and required scope modifications.

Tom Wilson left the meeting at 11:34 p.m.

Following a robust and extended discussion, the Committee advised Interim President, Ashley Mohl, to negotiate a contract amendment with TW&A for up to \$265,000 with the inclusion of a Not to Exceed clause.

For a discussion regarding the financial history of a particular person or corporation, Chair Tomson made a motion to enter Executive Session and was seconded by John Vero. The Committee voted unanimously to enter Executive Session at 12:05 p.m. John Harris made a motion to exit Executive Session and was seconded by John Vero at 12:44 p.m. It was noted that no action was taken during Executive Session.

Review Bank Account

Subject to Staff and Counsel review of the governing documents, a motion for a positive recommendation to the Board to pass a resolution removing the restriction from the subject corporation bank accounts was made by John Harris and seconded by John Vero, with all present Committee members voting aye.

Other Business

<u>Loan Receivables Update</u> Staff updated the Committee on current loan receivables.

2023 Audit Update

Staff advised the Committee that the Draft 2023 Financial Statements and Audit have been completed and would be reviewed by the Audit Committee on Friday, March 22nd.

Adjournment

There being no further business, the Capitalize Albany Corporation Finance & Investment Committee meeting was adjourned at 1:02 p.m.

	I 1 2024 D 1 21 2024								
	January 1, 2024 - December 31, 2024								
								Original	Projected Variance
	YTD Act	ual	YTD Budget	Va	riance - \$	Variance - %	2024 Projection	Budget	from Budget
REVENUE			TTD Duuget			, un nunce , v	2021110j0000	Duuget	n oli Duuget
General Economic & Community Development Support Income	\$ 85.	075	\$ 62,500	\$	22,575	36%	\$ 490,118	\$ 490,118	\$ -
Real Estate Income	166,		16,105		150,877	937%	372,502	229,123	143,379
Professional Service Agreement Income	173,		158,054		14,959	9%	666,993	662,228	4,765
Loan Interest Income	6,	692	7,700		(1,008)	-13%	30,035	30,365	(330)
Fee Income		500	-		500	100%	7,500	7,415	85
Direct Finance Lease Income		-	-		-	0%	-	-	-
Investment & Interest Income	85,	226	74,730		10,496	14%	277,285	298,920	(21,635)
FMV Adj on Fidelity Inv	21,	635	-		21,635	100%	21,635	-	21,635
G/L on Sale/Redemption		-	-		-	0%	-	-	-
Membership & Event Support		79 <u>5</u>			795	100%	33,500	33,500	
TOTAL REVENUE	<u>\$ 539</u> ,	<u>918</u>	<u>\$ 319,089</u>	\$	220,829	69%	<u>\$ 1,899,568</u>	<u>\$ 1,751,669</u>	<u>\$ 147,899</u>
EXPENSE									
Salaries & Fringe Expense	\$ 208,	997	\$ 344,569	\$	(135,572)	-39%	\$ 1,242,719	\$ 1,378,291	\$ (135,572)
Professional Fees		190	97,434	Ψ	(29,244)	-30%	304,748	304,748	• (155,572)
Administrative Expenses	24,		23,038		1,003	4%	124,803	112,843	11,960
Interest Expense	,	_	-		-	0%	1,600	1,600	-
Real Estate Expenses		-	-		-	0%	3,500	3,500	-
Occupancy Expense	14,	824	14,340		484	3%	60,860	60,860	-
Bad Debt Expense (recovery)		-	-		-	0%	-	-	-
Membership, Event & Marketing Expenses	-	_	2,450		(2,450)	-100%		30,900	
TOTAL EXPENSES BEFORE DEPRECIATION	<u>\$</u> 316,	052	\$ 481,831	\$	(165,779)	-34%	<u>\$ 1,769,130</u>	<u>\$ 1,892,742</u>	<u>\$ (123,612)</u>
NET INCOME BEFORE DEPRECIATION & PROGRAM ACTIVITY	<u>\$ 223,</u>	866	<u>\$ (162,742)</u>	\$	386,608	-238%	<u>\$ 130,438</u>	<u>\$ (141,073)</u>	<u>\$ 271,511</u>
DEPRECIATION	<u>\$</u>	-	<u>\$</u> -	\$		0%	<u>\$ 264,216</u>	<u>\$ 264,216</u>	<u>\$</u>
NET INCOME (LOSS) AFTER DEPRECIATION	<u>\$ 223</u> ,	866	\$ (162,742)	<u>\$</u>	386,608	238%	<u>\$ (133,778)</u>	<u>\$ (405,289)</u>	<u>\$ 271,511</u>
PROJECT & PROGRAM REVENUE	¢ 24	105	¢ 00.6 2 0	¢	(54.205)	(10/	754.525	¢ 754.535	0
Liberty Park		425 359	\$ 88,630	\$	(54,205)	-61%	754,535 270,000	\$ 754,535 70.000	
Capitalize Albany Grant Programs including BIG Clinton Market Collective	42,	339	-		42,359	100% 0%	1,050,792	1,050,792	200,000
Total Program Income	\$ 76	- 784	\$ 88.630	¢	(11.846)	-13%	\$ 2,075,327	\$ 1.875.327	\$ 200.000
	<u>\$ 70</u> ,	104	<u>a 00,030</u>	9	(11,040)	-1370	<u>* 2,073,527</u>	<u>\$ 1,073,327</u>	<u> </u>
PROJECT & PROGRAM EXPENSE									
Liberty Park Expenses	\$ 57.	038	\$ 116,403	\$	(59,365)	-51%	278,517	\$ 278,517	\$
Capitalize Albany Grant Programs		359	-		42,359	100%	270,000	70,000	200,000
Clinton Market Collective	,	-			-	0%	130,725	130,725	
Total Program Expense	<u>\$ 9</u> 9,	397	\$ 116,403	\$	(17,006)	-15%	\$ 679,242	\$ 479,242	\$ 200,000
NET INCOME (LOSS) FROM PROGRAM ACTIVITY	\$ (22,	613)	\$ (27,773)	\$	5,160	19%	\$ 1,396,085	\$ 1,396,085	\$ -
NET INCOME (LOSS) AFTER DEPRECIATON & PROGRAM ACTIVITY	<u>\$ 201,</u>	<u>253</u>	<u>\$ (190,515)</u>	<u>\$</u>	391,768	206%	<u>\$ 1,262,307</u>	<u>\$ 990,796</u>	<u>\$ 271,511</u>

These financial statements omit substantially all disclosures required by US GAAP. They have not been subjected to an audit, review or compilation agreement, and therefore no assurance is provided on them.

CAPITALIZE ALBANY CORPORATION

Comparative Balance Sheets

Pre-Audited Draft

	March 31, 2024			12/31/2023	
Assets					
Current Assets:	•				
Cash and cash equivalents	\$	792,619	\$	1,719,486	
Investments		6,467,893		6,384,679	
Restricted cash		4,469,455		3,184,933	
Mortgage notes receivable, net		481,844		490,977	
Net investment in direct financing leases		348,677		-	
Accrued interest receivable		32,962		39,996	
Grants receivable		-		850,930	
Lease receivables		•		348,677	
Other receivables, net		575,398		158,588	
Property held for investment and lease, net		11,154,707		11,200,090	
Property and equipment, net		308,934		308,932	
Other assets		60,618		63,800	
Total assets	\$	24,693,107	\$	24,751,088	
Deferred Outflows of Resources	\$	<u> </u>	\$	-	
Liabilities					
Current Liabilities:					
Accounts payable and accrued expenses	\$	102,514	\$	437,796	
Due to the City of Albany		59,521		59,521	
Unearned grant and other income		2,997,588		2,931,925	
Bonds payable		255,000		255,000	
Revolving loan fund liability		745,831		735,451	
Unearned program support		-		-	
Total liabilities	\$	4,160,454	\$	4,419,693	
Deferred Inflows of Resources	\$	1,336,587	\$	1,336,587	
Net Position					
Net invested in capital assets	\$	10,768,045	\$	11,254,022	
Restricted for:					
Debt service		-		-	
CDBG eligible activities		115,320		115,320	
Other program specific activities		-		-	
Impact Downtown Albany		-		-	
Unrestricted		8,312,696		7,625,466	
Total net position	\$	19,196,061	\$	18,994,808	

***These financial statements omit substantially all disclosures required by US GAAP. They have not been subjected to an audit, review or compilation agreement, and therefore no assurance is provided on them.**

CAPITALIZE ALBANY CORPORATION STATEMENTS OF CASH FLOWS Pre-Audited Draft			
	March 31, 2024	December 31, 2023	
Cash Flows From Operating Activities			
Cash received from customers	\$ 559,856	\$ 595,624	
Cash received from grantors Other operating cash receipts	237,902 174,308	1,200,056 664,731	
Cash payments to suppliers and grantees	(541,733)	(482,469)	
Cash payments to employees	(208,997)	(1,123,632)	
Net cash provided by operating activities	221,336	854,310	
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of property held for sale	-	-	
Cash received from capital grant funding	100 700	1,069,532	
Purchase of property held for investment and lease Purchase of property and equipment	188,762 (2)	(2,708,770) (6,336)	
Purchase of other assets including purchase options	(2)	(5,356)	
Proceeds from Paychex Protection Program	-	-	
Principal payments on bonds payable	(1)	(240,000)	
Interest paid on bonds payable	-	(11,881)	
Net cash used in capital and related financing activities	188,759	(2,436,511)	
Net cash used in capital and related intancing activities	100,733	(2,430,311)	
Cash Flows From Investing Activities			
Interest on cash and cash equivalents and investments	54,547	226,986	
Proceeds from sales and maturities of investments Purchase of investments	- (116,120)	5,384,034 (5,529,221)	
Issuance of mortgage notes receivable	(110,120)	(3,323,221)	
Repayments received on mortgage notes receivable	9,133	597,946	
Principal payments received under direct financing leases			
Net cash used in investing activities	(52,440)	679,745	
	(02))		
Change in cash and cash equivalents	357,655	(902,456)	
Cash and cash equivalents and restricted cash: Beginning of year	4,904,419	5,806,875	
Beginning of year	4,504,415	5,000,075	
End of year	\$ 5,262,074	\$ 4,904,419	\$
Reconciliation of Excess of (Expenses Over Revenues)	March 31, 2024	December 31, 2023	
Revenues Over Expenses to Net Cash Provided by			
Operating Activities			
Excess of (expenses over revenues) revenues over expenses	\$ 201,253	\$ 175,037	
Adjustments to reconcile excess of (expenses over revenues)			
revenues over expenses to net cash provided by operating activities:		_	
Depreciation and amortization		191,558	
Adjustment for losses on mortgage notes and		101,000	
other receivables	-	45,322	
Gain on sale of property	(143,379)		
Net realized and unrealized losses (gains) on investments	(21,635)	(191,499)	
Interest income on cash and cash equivalents and investments		(233,204)	
Interest expense on bonds payable	-	11,881	
Changes in:			
Grants receivable and other receivables	-	14,315	
Lease receivables		299,432	
Other receivables, accrued interest receivable and other assets	444,336	(52,608)	
Accounts payable and accrued expenses	(335,282)	(52,608) 374,344	
Due to the City of Albany	-	-	
Unearned grant, program support and other income	65,663	414,285	
Revolving loan fund liability	10,380	17,264	
Deferred inflow of resources		(211,817)	
Net cash provided by operating activities	\$ 221,336	\$ 854,310	
	•		

- \$ -

***These financial statements omit substantially all disclosures required by US GAAP. They have not been subjected to an audit, review or compilation agreement, and therefore no assurance is provided on them.**