



CAPITALIZE ALBANY
CORPORATION

Monday, August 19, 2024
21 Lodge St., Albany, NY
2:00 p.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 June 24, 2024
2. Financial Update
 - a) Quarterly Financial Report
 - b) Quarterly Investment Update
3. Property Agreements - 21 Lodge Street - Downtown Albany Business Improvement District
4. Other Business
 - a) Liberty Park Update
 - b) Clinton Market Collective Update
5. Executive Session (if necessary)

MINUTES



CAPITALIZE ALBANY
CORPORATION

Date of Meeting: June 24, 2024

Meeting: Capitalize Albany Corporation Finance & Investment Committee Meeting

The meeting of the Capitalize Albany Corporation Finance & Investment Committee was held at 11:00 a.m., June 24, 2024, at 21 Lodge Street.

The following were in attendance:

Committee Members: Anders Tomson, John Harris and John Vero

Excused: N/A

Other: Tom Libertucci, BST; Thomas M. Owens, Esq.; and Mike Yevoli, ESD

Staff: Andrew Biggane, Andy Corcione, Maria Lynch, Ashley Mohl, Emma Fullem and Cassidy Roberts

Chair Anders Tomson called the meeting of the Finance Committee to order at 11:05 a.m.

Review of the minutes from the Finance & Investment Committee meeting of May 13, 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 May 13, 2024.

Other Business

Liberty Park Update – 34 Hamilton Purchase & Sale Agreement

Chair Tomson called for a motion to enter Executive Session for the purposes of discussion concerning ongoing litigation, the financial history of a specific corporation, the proposed acquisition of real property—where the value could be significantly affected by public disclosure—and matters pertaining to the appointment of a particular corporation. A motion was made by John Harris to move into Executive Session and was seconded by John Vero. Tom Libertucci exited the meeting at 11:06 a.m. The Committee then entered Executive Session at 11:06 a.m. At the request of the Committee, Mike Yevoli, Regional Director of the Capital Region Office of Empire State Development was present during Executive Session. Committee member John Harris exited the meeting at 12:01 p.m. Mike Yevoli exited the meeting at 12:04 p.m.

John Vero made a motion to exit the Executive Session and was seconded by Chair Tomson. Following a unanimous vote, the meeting exited Executive Session at 12:22 p.m. Chair Tomson noted that no action was taken during Executive Session and that in the interim we lost one member of our Committee, John Harris, but maintained our quorum.

Clinton Market Collective

Staff provided an update to the committee regarding Clinton Market Collective construction, as well as ongoing discussions with partners pertaining to operations and maintenance. Capitalize Albany has been reimbursed for approximately 61% of grant eligible expenses for Clinton Market. Staff reported that the project is substantially complete, with approximately 97% of total sitework completed/stored as of May 31, 2024. The final completion of all site work is expected by the end of July 2024. Staff plans to solicit and review proposals for a Market Operator through an upcoming Request for Proposals (RFP). John Vero exited the meeting at 12:36 p.m. and returned at 12:36 p.m.

Adjournment

There being no further business, the Capitalize Albany Corporation Finance & Investment Committee meeting was adjourned at 12:37 p.m.

	January 1, 2024 - June 30, 2024				2024 Projection	Original Budget	Projected Variance from Budget
	YTD Actual	YTD Budget	Variance - \$	Variance - %			
REVENUE							
General Economic & Community Development Support Income	\$ 266,999	\$ 190,843	\$ 76,156	40%	\$ 491,999	\$ 490,118	\$ 1,881
Real Estate Income	183,296	39,922	143,374	359%	372,497	229,123	143,374
Professional Service Agreement Income	350,169	316,112	34,057	11%	686,092	662,228	23,864
Loan Interest Income	13,875	15,315	(1,440)	-9%	28,925	30,365	(1,440)
Fee Income	500	7,415	(6,915)	100%	500	7,415	(6,915)
Direct Finance Lease Income	-	-	-	0%	-	-	-
Investment & Interest Income	187,882	149,460	38,422	26%	268,318	298,920	(30,602)
FMV Adj on Fidelity Inv	22,212	-	22,212	100%	22,212	-	22,212
G/L on Sale/Redemption	-	-	-	0%	-	-	-
Membership & Event Support	18,750	26,250	(7,500)	100%	30,000	33,500	(3,500)
TOTAL REVENUE	\$ 1,043,683	\$ 745,317	\$ 298,366	40%	\$ 1,900,543	\$ 1,751,669	\$ 148,874
EXPENSE							
Salaries & Fringe Expense	\$ 439,602	\$ 689,143	\$ (249,541)	-36%	\$ 1,128,750	\$ 1,378,291	\$ (249,541)
Professional Fees	205,755	159,872	45,883	29%	340,278	304,748	35,530
Administrative Expenses	87,720	56,993	30,727	54%	155,695	112,843	42,852
Interest Expense	-	-	-	0%	1,600	1,600	-
Real Estate Expenses	-	-	-	0%	3,500	3,500	-
Occupancy Expense	23,115	26,880	(3,765)	-14%	58,983	60,860	(1,877)
Bad Debt Expense (recovery)	-	-	-	0%	-	-	-
Membership, Event & Marketing Expenses	328	5,600	(5,272)	-94%	29,178	30,900	(1,722)
TOTAL EXPENSES BEFORE DEPRECIATION	\$ 756,520	\$ 938,488	\$ (181,968)	-19%	\$ 1,717,984	\$ 1,892,742	\$ (174,758)
NET INCOME BEFORE DEPRECIATION & PROGRAM ACTIVITY	\$ 287,163	\$ (193,171)	\$ 480,334	249%	\$ 182,559	\$ (141,073)	\$ 323,632
DEPRECIATION	\$ -	\$ -	\$ -	0%	\$ 264,216	\$ 264,216	\$ -
NET INCOME (LOSS) AFTER DEPRECIATION	\$ 287,163	\$ (193,171)	\$ 480,334	249%	\$ (81,657)	\$ (405,289)	\$ 323,632
PROJECT & PROGRAM REVENUE							
Liberty Park	\$ 89,079	\$ 177,265	\$ (88,186)	-50%	754,535	\$ 754,535	\$ -
Capitalize Albany Grant Programs including BIG	72,358	-	72,358	100%	299,999	70,000	229,999
Clinton Market Collective	105,803	16,928	88,875	0%	1,139,667	1,050,792	88,875
Total Program Income	\$ 267,240	\$ 194,193	\$ 73,047	38%	\$ 2,194,201	\$ 1,875,327	\$ 318,874
PROJECT & PROGRAM EXPENSE							
Liberty Park Expenses	\$ 64,595	\$ 147,302	\$ (82,707)	-56%	278,517	\$ 278,517	\$ -
Capitalize Albany Grant Programs	72,358	-	72,358	100%	299,999	70,000	229,999
Clinton Market Collective	-	43,575	(43,575)	0%	87,150	130,725	(43,575)
Total Program Expense	\$ 136,953	\$ 190,877	\$ (53,924)	-28%	\$ 665,666	\$ 479,242	\$ 186,424
NET INCOME (LOSS) FROM PROGRAM ACTIVITY	\$ 130,287	\$ 3,316	\$ 126,971	-3829%	\$ 1,528,535	\$ 1,396,085	\$ 132,450
NET INCOME (LOSS) AFTER DEPRECIATION & PROGRAM ACTIVITY	\$ 417,450	\$ (189,855)	\$ 607,305	320%	\$ 1,446,878	\$ 990,796	\$ 456,082

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

	6/30/24	12/31/2023
Assets		
Current Assets:		
Cash and cash equivalents	\$ 667,576	\$ 1,719,486
Investments	6,530,289	6,384,679
Restricted cash	4,500,659	3,184,933
Mortgage notes receivable, net	478,779	490,977
Net investment in direct financing leases	348,677	348,677
Accrued interest receivable	43,795	39,996
Grants receivable	-	850,930
Lease receivables	-	-
Other receivables, net	326,828	158,588
Property held for investment and lease, net	11,679,306	11,200,090
Property and equipment, net	308,934	308,932
Other assets	61,139	63,800
	<u>24,945,982</u>	<u>24,751,088</u>
Total assets	\$ 24,945,982	\$ 24,751,088
Deferred Outflows of Resources	\$ -	\$ -
Liabilities		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 164,235	\$ 437,796
Due to the City of Albany	59,521	59,521
Unearned grant and other income	2,967,589	2,931,925
Bonds payable	255,000	255,000
Revolving loan fund liability	750,784	735,451
Unearned program support	-	-
	<u>4,197,129</u>	<u>4,419,693</u>
Total liabilities	\$ 4,197,129	\$ 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	8,528,896	7,625,466
	<u>19,412,261</u>	<u>18,994,808</u>
Total net position	\$ 19,412,261	\$ 18,994,808

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Capitalize Albany Corporation

STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

Pre Audited Draft

	Year to Date 6/30/2024	Year Ended December 31, 2023
Revenues		
Grant income and Contribution Income, including capital grant income	\$ 534,239	\$ 2,385,753
Rental income	39,917	412,440
Other interest and investment income	210,094	438,634
Interest income on mortgage notes	13,875	34,913
Gain on sale of properties	143,379	-
Fees and other income	369,419	747,068
	-	-
Total revenues	1,310,923	4,018,808
Expenses		
Salaries and fringe benefits	439,602	1,123,632
Program and project costs	137,221	562,370
Interest expense	-	11,881
Bad debt expenses (recovery)	-	45,321
Administrative Expenses	316,650	469,006
Total expenses	893,473	2,212,210
Excess of (expenses over revenues) revenues over expenses	417,450	1,806,598
Net Position, Beginning of Year	18,994,808	17,188,210
Net Position, End of Month	\$ 19,412,258	\$ 18,994,808

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CAPITALIZE ALBANY CORPORATION
STATEMENTS OF CASH FLOWS
Pre-Audited Draft

	June 30, 2024	December 31, 2023
Cash Flows From Operating Activities		
Cash received from customers	\$ 920,564	\$ 595,624
Cash received from grantors	585,236	1,200,056
Other operating cash receipts	369,419	664,731
Cash payments to suppliers and grantees	(724,770)	(482,469)
Cash payments to employees	(439,602)	(1,123,632)
Net cash provided by operating activities	<u>710,847</u>	<u>854,310</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from sale of property held for sale	-	-
Cash received from capital grant funding	-	1,069,532
Purchase of property held for investment and lease	(335,837)	(2,708,770)
Purchase of property and equipment	-	(6,336)
Purchase of other assets including purchase options	-	(539,056)
Proceeds from Paychex Protection Program	-	-
Principal payments on bonds payable	-	(240,000)
Interest paid on bonds payable	-	(11,881)
Net cash used in capital and related financing activities	<u>(335,837)</u>	<u>(2,436,511)</u>
Cash Flows From Investing Activities		
Interest on cash and cash equivalents and investments	127,197	226,986
Proceeds from sales and maturities of investments	-	5,384,034
Purchase of investments	(250,589)	(5,529,221)
Issuance of mortgage notes receivable	-	-
Repayments received on mortgage notes receivable	12,198	597,946
Principal payments received under direct financing leases	-	-
Net cash used in investing activities	<u>(111,194)</u>	<u>679,745</u>
Change in cash and cash equivalents	<u>263,816</u>	<u>(902,456)</u>
Cash and cash equivalents and restricted cash:		
Beginning of year	<u>4,904,419</u>	<u>5,806,875</u>
End of year	<u>\$ 5,168,235</u>	<u>\$ 4,904,419</u>
	June 30, 2024	December 31, 2023
Reconciliation of Excess of (Expenses Over Revenues)		
Revenues Over Expenses to Net Cash Provided by Operating Activities		
Excess of (expenses over revenues) revenues over expenses	\$ 417,450	\$ 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 other receivables	-	45,322
Gain on sale of property	(143,379)	-
Net realized and unrealized losses (gains) on investments	(22,212)	(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	678,891	(52,608)
Accounts payable and accrued expenses	(270,900)	374,344
Due to the City of Albany	-	-
Unearned grant, program support and other income	35,664	414,285
Revolving loan fund liability	15,333	17,264
Deferred inflow of resources	-	(211,817)
Net cash provided by operating activities	<u>\$ 710,847</u>	<u>\$ 854,310</u>

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