

OPERATION OSWEGO COUNTY, INC.
BOARD OF DIRECTORS MEETING
Zoom Conference Call
September 14, 2020

PRESENT:

ANDERSON
BEHLING
BROADWELL
CULLINAN
EGAN

GRECO
JOYCE
LOBDELL
MERVINE

MURPHY
PETER-CLARK
SHARKEY IV
SHATRAU
TUCKER

Ex-Officio: T. Stahl and G. Toth

Counsel: Kevin Caraccioli, Esq.

Staff: L. Michael Treadwell, Kevin LaMontagne, Austin Wheelock, Evelyn LiVoti, Teresa Woolson and Karen Perwitz

Vice President Behling called the meeting to order at 3:10 p.m. Vice President Behling reported that the Notice of the Meeting was posted in the Palladium Times on September 10, 2020.

Vice President Behling listed the items in the Consent Agenda and asked if there were any reports in the Consent Agenda that anyone would like pulled out for further discussion. There were none.

CONSENT AGENDA

On a motion by Mr. Cullinan, seconded by Ms. Tucker, the Consent Agenda Items were approved, as follows: Board of Directors Minutes of June 5, 2020; Board of Directors Annual Minutes of June 5, 2020; Executive Committee Minutes of August 20, 2020; Business Outreach Committee of June 22, 2020; and Nominating Committee Minutes of May 28, 2020.

Financial Reports

Treasurer Joyce reviewed the OOC Financial Statements as of June 30, 2020. **On a motion by Mr. Egan, seconded by Mr. Mervine, the Financial Statements for March – June 2020 were approved.**

Treasurer Joyce reviewed the OOC Foundation Financial Statements as of June 30, 2020. **On a motion by Mr. Mervine, seconded by Mr. Behling the Financial Statements for March – June 2020 were approved.**

Policies for Annual Review

Mr. Caraccioli provided a review of the annual policy – Investment Policy Guidelines and Procedures recommending approval with no changes as recommended by the Executive Committee. **On a motion by Mr. Joyce, seconded by Ms. Tucker, the Investment Policy Guidelines and Procedures was ratified, copy attached and made an official part of the minutes.**

CDC Annual Board Statement

Mr. Treadwell reported that the Annual Statement has not changed and is a requirement of the U.S. Small Business Administration. Copies of the signed statements are part of the SBA Annual Report. Mr. Treadwell requested the signed statements be sent to us via e-mail, fax or postal mail.

SBA 504 Financing

Mr. LaMontagne provided an update on OOC's SBA Portfolio containing 26 loans which received subsidy payments from the Treasury for principal, interest and fees through September. Mr. LaMontagne noted that OOC has several seasonal businesses in the portfolio. Thunder Island has not been able to open all year and following the Executive Committee's approval, a six-month deferral has been processed by SBA. The interest and fees are amortized over 10 years. Next payment would be April of 2021, which would not be good. SBA suggests waiting until early 2021 and requesting an additional six-month deferral. **On a motion by Ms. Peter-Clark, seconded by Mr. Anderson, the six-month deferment for Thunder Island was ratified.**

Fulton DRI

Mr. Treadwell provided an update on the process, which was held up by COVID-19, and is moving forward with 25 projects on the wish list with a good assortment of projects.

Executive Succession Plan

Mr. Treadwell noted that the President appointed the Personnel Committee, comprised of the 4 officers, to address this matter. The plan would include addressing circumstances related to emergency and unplanned circumstances as well as the process moving forward with strategic planning upon retirement of the Executive Director. Mr. Treadwell strongly acknowledged the staff and officers for doing a tremendous job stepping in and keeping the office running smoothly in his absence. He noted that the Plan is also a requirement of the U.S. Small Business Administration. Mr. Caraccioli is assisting with the plan, which will be reviewed by the Personnel Committee, then the Executive Committee, and then to the full board to be adopted.

Economic Development Projects/Initiatives

Mr. Treadwell provided an update on the DePaul Properties' Lock 7 Apartments in Oswego.

Mr. Lobdell provided an update on Healthway Home Products' expansion for the manufacture of filtration systems. Mr. Lobdell praised OOC and the IDA assistance. Mr. Treadwell congratulated Mr. Lobdell on a job well done.

Mr. Treadwell reported on a flood of renewable energy projects for IDA assistance. Recently noting OYA Pulaski Solar for the Town of Richland, owned by a Canadian Company.

Mr. LaMontagne reported on the assistance provided to Mackenzie Childs in Volney involving County officials to address labor, water and septic system. The company could reach 100 employees by the end of the year.

Mr. Treadwell reviewed the CDM project, a development company from Cicero, who purchased a Nestle site and built a 9,000 sf building for Spectrum. A ribbon cutting ceremony was coordinated by OOC. CDM also purchased Nestle building 30 to convert to 60-unit apartments plus commercial space.

Mr. LaMontagne reported on AllSource Fire Supply expanding from a garage to a newly constructed building in Hastings. AllSource took a \$10,000 OOC COVID loan and the IDA approved a \$25,000 Micro Loan.

Mr. Wheelock reported on the Next Great Idea Business Plan Competition planned for 2021. Shineman Foundation approved \$40,000 and this would be a three-phase competition with \$50,000 for 1st Place, and \$10,000 for 2nd and \$5,000 for 3rd place winners. Last competition had 33 participants with a good variety of types of businesses. Further fundraising will be needed. Competition will begin in late Fall and run through to September 2021.

Mr. LaMontagne updated the Board on the COVID Emergency Relief Program by OOC/IDA with 40 loans funded and about \$150,000 remaining. Program remains open to help businesses that are struggling. Loans went to 19 municipalities with 6 months no interest. Follow-up reminder letters are going out now. The IDA/OOC Loan Deferral program provided 27 deferrals, all due to be back on track with the October payment. The SBA Loan Relief provided \$330,000 to local businesses, providing principal, interest and fees through September 2020.

Mr. Caraccioli reported on the COIDA's help with facilitating and structuring a PILOT Agreement. Mr. Caraccioli outlined the significance of this initiative with Exelon for the Oswego City School District, Town of Scriba and County of Oswego. The PILOT Agreement covers Nine Mile One and Two and helps improve the school's state aide formula. State and federal agencies were involved as well. The Agreement includes a 15% increase and provides stability to all three of the involved taxing jurisdictions and the Company.

ADJOURNMENT

On a motion by Mr. Joyce, seconded by Mr. Mervine, the meeting was adjourned at 4:15 p.m.

Respectfully submitted,

Tricia Peter-Clark
Secretary

OPERATION OSWEGO COUNTY, INC.

INVESTMENT POLICY GUIDELINES AND PROCEDURES

Revised and adopted the 17th day of September, 2018

POLICY:

Except as otherwise prohibited or regulated by federal or state law, or regulation, or by court order, the Executive Director or his/her designee, shall temporarily invest funds of Operation Oswego County, Inc., not required for immediate expenditure, in certain acceptable investment instruments as outlined in the guidelines and procedures as set forth below. In investing such funds, the Executive Director shall concurrently pursue the following objectives:

1. To provide a level of liquidity to insure the availability of funds for payment to meet obligations of the Operation Oswego County, Inc. or for disbursement otherwise required.
2. To minimize the amount of funds un-invested.
3. To minimize the risk of any potential loss or devaluation of funds invested.
4. To earn a maximum rate of return on funds invested, within the limitations as to types of investments permitted under these policies and the provisions of General Municipal Law.

GUIDELINES AND PROCEDURES:

1. Funds to Be Invested

1) To the extent that Operation Oswego County, Inc. has funds beyond that which are necessary to meet current obligations or for disbursement otherwise required, such funds shall from time to time be invested by the Executive Director in acceptable investment instruments.

2. Acceptable Investment Instruments

1) Acceptable investment instruments for the investment of funds by the Executive Director are as follows:

a) Certificates of Deposit issued by a bank or trust company authorized to do business in New York State, provided however, that such Certificates of Deposit shall be payable within such time as the proceeds shall be needed to meet expenditures for which such

monies were obtained, and provided further that such certificates of deposit be secured in the same manner as provided for securing deposits of public funds by Subdivision 3 of Section 10 of the New York General Municipal Law.

b) Time Deposit Accounts in a bank or trust company authorized to do business in New York State, provided however, that such Time Deposit Accounts shall be payable within such time as the proceeds shall be needed to meet expenditures for which such monies were obtained and provided further that such time deposit accounts be secured in the same manner as is provided for securing deposits of public funds by Subdivision 3 of Section 10 of the New York General Municipal Law.

c) Obligations of agencies of the federal government if principal and interest is guaranteed by the United States.

d) Obligations of the State of New York, and its political subdivisions.

3. Timing of Investments

1) The Executive Director shall maintain a portfolio of all investments. Investments made by the Executive Director shall generally mature or otherwise be available for sale or redemption without penalty at such times as funds invested are required for payment to meet obligations of Operation Oswego County, Inc., or are otherwise required for disbursement.

4. Collateral Requirements

1) Certificate of Deposits and Time Deposit Accounts shall be fully secured to the maximum amount set by the Federal Deposit Insurance Corporation.

2) Certificate of Deposits and Time Deposit Accounts with principal value in excess of the amount insured by the Federal Deposit Insurance Corporation, shall be fully secured by eligible securities as that term is defined in Section 10 of the General Municipal Law having in the aggregate a market value at least equal to the aggregate amount of the deposits and Third Party Custodial Agreements shall be entered into with the deposit institution.

3) Collateral shall be delivered to and held by the Executive Director as part of the investment portfolio or be delivered to a custodial bank or trust company with which Operation Oswego County, Inc. has a Custodial Agreement. Said Custodial Institution shall provide written confirmation to the Executive Director of the obligations held in such institutions as collateral for investments of Operation Oswego County, Inc..

4) Collateral is required for Certificate of Deposits and Time Deposit Accounts at 105% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of New York and its political subdivisions.

5) When, in the opinion of the Audit Committee, the funds held in Certificates of Deposits and time deposits exceed 105% of all deposits not covered by Federal Deposit Insurance, the Executive Director shall be authorized to pursue utilization of the Certificate of Deposit Account Registry Service (CDARS) and/or an Insured Cash Sweep (ICS) through participating financial institutions.

5. Custodial Institutions

1) The Executive Director shall from time to time enter into contracts with banks or trust companies licensed to do business in New York State to act as custodian of funds owned by Operation Oswego County, Inc. or of funds pledged as collateral for certificates of deposit or time deposit accounts. Custodians must be member banks of the Federal Reserve Bank or maintain accounts with member banks. A custodial contract shall not be entered into for holding of an investment with the same party from which such investment instrument was acquired, without approval of the Board of Directors of the Operation Oswego County, Inc. A custodial contract may be entered into with the Trust Department of the seller of the investment instrument provided that the Trust Department is a separate corporate entity. At the request of the Executive Director, custodial institutions shall verify collateral held on behalf of Operation Oswego County, Inc. as property or as collateral for an investment instrument.

6. Financial Strength of Institutions

1) The financial statements of banks and trust companies with which Operation Oswego County, Inc. transacts investment business shall be reviewed from time to time or at least by the Executive Director to determine the financial strength and or credit worthiness of the institution.

7. Competition for Acquisition and Sale of Investment Instruments

1) The Executive Director shall endeavor to insure competition amongst interested and eligible institutions for the acquisition or sale of investment instruments and shall make every reasonable effort to solicit by telephone or other electronic device at least three quotations for every investment transaction except for interim investment instruments which may from time to time be necessary to conduct normal day to day business operations of Operation Oswego County, Inc.

2) The Executive Director shall maintain a file of any confirmations, correspondence, or statement which support investment activity.

8. Report to be Provided

1) The Executive Director shall prepare quarterly and annual reports to the Board of Directors of Operation Oswego County, Inc. reflecting, as of the last day of such quarter, an inventory of investment instruments, a listing of investment instruments acquired or

redeemed during the quarter, and a statement of investment income earned for the quarter and cumulative total interest earned since the beginning of the current fiscal year.

9. Internal Controls to be Maintained

1) The Executive Director shall establish, document and maintain a system of internal controls which provides for segregation of duties with respect to investment activities, cash receipts, and accounting.

10. Miscellaneous Provisions

1) The Executive Director from time to time shall designate qualified staff personnel to assist in carrying out the provisions of the Policies Guidelines and Procedures as outlined above.

11. Intent

It is the intent that this Investment Policy Guidelines and Procedures conform to the requirements of the provisions of Sections 10 and 11 of the New York General Municipal Law, as the same may be amended from time to time, and in the event of any inconsistency between these policies and the provisions of those statutes, the statutory provision shall control and be followed to their fullest extent by the Agency and its officers and directors.

APPROVAL:

This policy was reviewed by the Executive Committee on August 20, 2020, and approved/re-affirmed by the Board of Directors at its meeting held on September 14, 2020.

Tricia Peter-Clark
Secretary

[END OF POLICY]