
WARREN COUNTY LOCAL DEVELOPMENT CORPORATION
Regular Meeting of the Board of Directors – March 25, 2019
Immediately following Annual BOD Meeting

Committee Members:

Peter McDevitt
Eugene Merlino
Matt Simpson
Frank Thomas
Craig Leggett

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|-----------|--|-------------------------|
| 1. | Approval of February 21, 2019 Board Minutes | Chairman |
| 2. | Review & Approval of February 2019 Financial Statements | Jennifer Switzer |
| 3. | Review of Loan Portfolio – Executive Session | Ed Bartholomew |
| 4. | Old/New Business | Chairman |

MINUTES OF MEETING HELD FEBRUARY 21, 2019

**THE MEMBERS OF THE BOARD OF DIRECTORS OF THE
WARREN COUNTY LOCAL DEVELOPMENT CORPORATION**

A meeting of the Members of the Board of Directors of the Warren County Local Development Corporation (LDC) was held on February 21, 2018 at 9:00 a.m. in the Committee Room at the Warren County Municipal Center.

The meeting was called to order by Peter McDevitt, Chairman of the Warren County Local Development Corporation at 9:00 a.m.

The following Directors were present:

Peter McDevitt Frank Thomas
Craig Leggett
Matthew Simpson

The following Directors were absent:

Eugene Merlino

Others Present:

Ed Bartholomew, CEO, Warren County Local Development Corporation
Jennifer Switzer, CFO, Warren County Local Development Corporation
Kevin B. Geraghty, Warren County Supervisor
John Strough, Warren County Supervisor
Douglas Beaty, Warren County Supervisor
Michael Wild, Warren County Supervisor
Matthew Sokol, Warren County Supervisor
Brad Magowan, Warren County Supervisor
Amy Lavine, Warren County Assistant Attorney
Robert Henke, Chairman, Washington County Board of Supervisors
Kristy Miller, Confidential Secretary to the County Administrator
Wayne LaMothe, Warren County Planner
Sara Frankenfeld, Planning GIS Coordinator
Thom Randall, *The Sun Community News & Printing*
Don Lehman, *The Post Star*
Travis Whitehead, Warren County Resident

Chairman McDevitt called the meeting to order. He asked for a motion to approve the minutes of the January 25, 2019 Regular Board Meeting. Motion made by Director Leggett and seconded by Director Simpson. Motion carried unanimously.

Chairman McDevitt continued with the agenda regarding the review and approval of the January 2019 Financial Statements. Ms. Switzer starts with the balance sheet and advises that there is approximately \$790,000 in cash to lend and the amount seen in Accounts Receivable is associated with the 2018 contract between Warren County LDC and Warren County. She advises that the CD has been opened and funded, which the Board will start to see interest from that as well. She moves on to the Profit and Loss Budget vs. Actual for the month of January and explains that they are still waiting on the contracts for the various entities and the only thing to be noticed in the month of January is interest from the loan portfolio.

Director Simpson asks how much was in the CD and Ms. Switzer advises that there is \$500,000, which they will see that transition from cash in a couple of the accounts into the CD.

Supervisor Wild states that he can't really understand what happens from month to month or quarter to quarter and asks Ms. Switzer if she could provide information on what is going on with the fund balance and some of the investments. Ms. Switzer advises that she can provide either a month to month or a year to year comparison so he can see the month to month changes and Supervisor Wild indicates that quarterly would be fine, but if she could go back a year or two so he can see the trends and where they are going.

Supervisor Beaty asks what the interest rate is on the \$500,000 CD and Ms. Switzer advises that the interest rate is 2.3% for a year. Supervisor Beaty then asks if she has looked into the NY Class and she explains that she has not only because the one thing they have to take into consideration is how much they have available and how quickly they can get the money back out as well as trying to project out into the future. He indicates that he was informed that you can get your money out within days and Ms. Switzer explains that the LDC Board decided to go with the \$500,000 and at this point they would have to break the CD and they may have a couple large loans coming up within the next two months and she doesn't have enough cash to invest more. He asks when the CD ends and she advised in February 2020 leaving approximately \$300,000 available in cash to lend.

Director Simpson advises that the funds are available within 24 hours, but the one thing that would have to be decided is whether the LDC is even eligible to be included in the NY Class as well as what the LDC Investment Policy states.

Chairman McDevitt asked for a motion to approve the January 2019 Financial Statements. Motion was made by Director Thomas and seconded by Director Simpson. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation ("LDC") hereby approves the Financial Report for January 2019.

Chairman McDevitt continued with the agenda regarding the review and approval of the 2019 Contracts with Warren County and Warren County LDC and Warren County LDC and EDC (Economic Development Corporation) and Ms. Switzer advises that the contracts are not ready at this point and they will have to be looked at in March.

Chairman McDevitt continued with the agenda regarding the review of the Loan Portfolio and Mr. Bartholomew advises that an executive session would not be necessary, but to expect a presentation at the March meeting relative to a loan consideration.

As there was no further business to come before the LDC Board, motion was made by Director Thomas to adjourn the meeting, seconded by Director Simpson, and carried unanimously.

Chairman McDevitt adjourned the meeting at 9:07 a.m.

Dated: March ____, 2019

Frank Thomas, Secretary

Warren County LDC
Balance Sheet
As of February 28, 2019

	Feb 28, 19
ASSETS	
Current Assets	
Checking/Savings	
GFNB Loan	108,885.43
GFNB Operating	35,062.72
TD Bank Loan Account	
TD Bank Housing	28,926.35
TD Bank Loan	245,727.25
TD Bank Loan Account - Other	5,829.58
Total TD Bank Loan Account	280,483.18
Total Checking/Savings	424,231.33
Accounts Receivable	
A/R	8,333.40
Allowance for Doubtful Accounts	-182,557.50
Loan Receivable	976,443.43
Total Accounts Receivable	802,219.33
Other Current Assets	
1 Yr CD - TD Bank	500,000.00
Total Other Current Assets	500,000.00
Total Current Assets	1,726,450.66
TOTAL ASSETS	1,726,450.66
LIABILITIES & EQUITY	
Equity	
Opening Balance Equity	483,514.08
Unrestricted Net Assets	1,237,680.40
Net Income	5,256.18
Total Equity	1,726,450.66
TOTAL LIABILITIES & EQUITY	1,726,450.66

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Accrual Basis

Warren County LDC

Balance Sheet

As of February 28, 2019

1. Cash available to lend \$800,278

2. 2018 contract receivable - payment received in March 2019

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Accrual Basis

Warren County LDC
Profit & Loss Budget vs. Actual
February 2019

	<u>Feb 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
Program Income			
Bank Interest	193.52	0.00	193.52
Contract - Warren County	0.00	0.00	0.00
Loan Fees	0.00	150.00	-150.00
Loan Interest	2,408.86	2,045.00	364.86
Miscellaneous	0.00	0.00	0.00
Total Program Income	<u>2,603.38</u>	<u>2,195.00</u>	<u>408.38</u>
Total Income	<u>2,603.38</u>	<u>2,195.00</u>	<u>408.38</u>
Gross Profit	<u>2,603.38</u>	<u>2,195.00</u>	<u>408.38</u>
Expense			
Program Expense			
Accounting	0.00	4,500.00	-4,500.00
Legal	0.00	0.00	0.00
Loan Proceeds	0.00	0.00	0.00
Marketing	0.00	1,150.00	-1,150.00
Office Expense	0.00	150.00	-150.00
Professional Services Contract	0.00	0.00	0.00
Total Program Expense	<u>0.00</u>	<u>5,800.00</u>	<u>-5,800.00</u>
Total Expense	<u>0.00</u>	<u>5,800.00</u>	<u>-5,800.00</u>
Net Ordinary Income	<u>2,603.38</u>	<u>-3,605.00</u>	<u>6,208.38</u>
Net Income	<u><u>2,603.38</u></u>	<u><u>-3,605.00</u></u>	<u><u>6,208.38</u></u>

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Accrual Basis

Warren County LDC
Profit & Loss Budget vs. Actual
January through February 2019

	<u>Jan - Feb 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
Program Income			
Bank Interest	407.61	0.00	407.61
Contract - Warren County	0.00	0.00	0.00
Loan Fees	0.00	150.00	-150.00
Loan Interest	4,848.57	4,090.00	758.57
Miscellaneous	0.00	0.00	0.00
Total Program Income	<u>5,256.18</u>	<u>4,240.00</u>	<u>1,016.18</u>
Total Income	<u>5,256.18</u>	<u>4,240.00</u>	<u>1,016.18</u>
Gross Profit	<u>5,256.18</u>	<u>4,240.00</u>	<u>1,016.18</u>
Expense			
Program Expense			
Accounting	0.00	4,500.00	-4,500.00
Legal	0.00	0.00	0.00
Loan Proceeds	0.00	0.00	0.00
Marketing	0.00	1,150.00	-1,150.00
Office Expense	0.00	150.00	-150.00
Professional Services Contract	0.00	0.00	0.00
Total Program Expense	<u>0.00</u>	<u>5,800.00</u>	<u>-5,800.00</u>
Total Expense	<u>0.00</u>	<u>5,800.00</u>	<u>-5,800.00</u>
Net Ordinary Income	<u>5,256.18</u>	<u>-1,560.00</u>	<u>6,816.18</u>
Net Income	<u><u>5,256.18</u></u>	<u><u>-1,560.00</u></u>	<u><u>6,816.18</u></u>

Warren County LDC Loan Portfolio Summary as of February 28, 2019

	Original Loan Date	Loan Maturity	Jobs	Original Loan Amount	Term of Loan	Monthly Payment	Balance as of 2/28/2019
59 Lake LLC	4/13/2018	5/10/2025	3 FTE's	40,000.00	7 yrs - 5%	565.36	36,351.00
Adk Fishing Adventures	3/4/2015	4/1/2020 Def 1 year -	30 seasonal	46,250.00	5 yrs 5% amortized over 15 yrs	365.74	37,497.00
Adk Sports Complex	12/7/2006	4/2014	21	300,000.00	8 yrs 3 %	3963.99	42,176.00
Adk Sports Complex	10/9/2007	12/1/2014	0	9,000.00	7 yrs 3%	118.92	812.00
All in Glass Studios	4/20/2016	7/20/2019	1 PT to FT	30,000.00	3 yrs 6%	912.66	13,420.00
Axis technologies Of NENY	7/7/2010	8/1/2017	2	51,750.00	7 yrs 4%	100	12,060.00
Burlap & Beams	4/30/2015	6/1/2020	waived	60,000.00	5 yrs 5% amoritized over 10 yrs	636.39	40,919.00
Celtic Attitudes Clothing	8/6/2015	9/1/2020	1	9,400.00	5 yr 5%	359.1	2,760.00
County Floors	10/15/2008	12/1/2018	3	50,000.00	10 yrs 4%	506.23	0.00
GFK9	9/16/2015	10/16/2020	3-4 FT/PT	25,000.00	5 yr 6%	483.32	0.00
Great Camps ADK, Inc. dba Friends Lake Inn	6/3/2014	7/1/2029	25 - retained	200,000.00	15 yrs 5% yrs 1-5, FHL + 300 basis pts yrs 6- 15	1581.59	153,856.00
LuMaZu LLC dba Nettle Meadow Cheese Farm	12/21/2017	9/10/2025	18-20 retained	115,000.00	7 yrs 4% - 6 mos interest only	1571.91	109,017.00
Martha's Dandee	2/10/2012	2022 balloon	6	52,650.00	10 yrs 3%	363.59	30,998.00
New Way Lunch Warrensburgh	3/27/2018	4/10/2025	3 PT	80,650.00	7 yrs - 5%	1139.9	72,459.00
Queen of Harts	2/24/2016	2/24/2021	8	20,000.00	5 yrs 5.5%	382.02	9,004.00
Queensbury Seamless Gutters	6/21/2016	6/21/2019	3 Retained	50,000.00	3 yrs 6%	1421.1	19,415.00
Reliable Racing	12/21/2015	6 mos 7/2016	25 FT& PT retained	100,000.00	6 mos - 5%	interest only	116,376.00
Stonecast	1/16/2003	2/6/2013		400,000.00	5 yrs 5%	6597.07	218,635.00
Superior Cantina	7/1/2014	8/1/2021	16 (6FT)	75,000.00	7 yrs 5%	1060.04	46,201.00
The Barking Spider	11/21/2008	11/1/2013 Revised per Board to 2019	6	65,000.00	5 yrs 4%	1088.26	9,741.00