

MINUTES OF MEETING HELD SEPTEMBER 2, 2015

**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 September 2, 2015 immediately following Economic Growth & Development in the Committee Room at the Warren County Municipal Center, pursuant to the Notice of Meeting emailed August 27, 2015.

The meeting was called to order by Harold G. Taylor, Chairman of the Warren County Local Development Corporation, at 10:52 a.m.

The following Directors were present:

Harold Taylor	Peter McDevitt
Eugene Merlino	Evelyn Wood
Matthew Simpson	

The following Directors were absent:

Frederick Monroe
Dennis Dickinson

Others Present:

Ed Bartholomew, CEO, Warren County Local Development Corporation
Jennifer Switzer, CFO, Warren County Local Development Corporation
Frank Thomas, Warren County Budget Officer
Martin D. Auffredou, Warren County Attorney
Kristy Miller, Confidential Secretary to the County Administrator

Chairman Taylor called the meeting to order. He asked for a motion to approve the minutes of the July 28, 2015 meeting. Motion made by Director McDevitt and seconded by Director Wood. Motion carried unanimously.

Chairman Taylor continued with the agenda regarding the review and approval of the July Financial Statements. Ms. Switzer advises that the balance sheet shows a good cash position with about \$550,000 in total funds to loan while taking into consideration funds needed for housing and business operations. She explains the July 2015 profit and loss worksheet and implies little activity other than the loan collections for the contracts with Warren County and the EDC (Economic Development Corporation) with nothing out of the ordinary pertaining to those expenses. She continues to explain that interest collected year to date is much higher than projected due to the timing of the loans that closed this year and in 2014 and when the budget was actually created. Ms. Switzer then directs attention to the year to date profit and loss

worksheet and reiterates that most activity is a result of the loans with Warren County and the EDC (Economic Development Corporation), the application fees for the loans that closed in 2015, as well as the loan interest being much higher than what was originally budgeted. She states that the majority of expenses and revenue comes from the contracts with Warren County and the EDC (Economic Development Corporation).

Chairman Taylor asked for a motion to approve the July 2015 Financial Statements. Motion was made by Director Wood, and seconded by Director Simpson. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation (“LDC”) hereby approves the July 2015 Financial Statements.

Chairman Taylor continued with the agenda regarding the approval of the Business Review Committee loan recommendations and defers to Mr. Auffredou for reasoning on declaring an Executive Session. Mr. Auffredou explains that a motion to convene an Executive Session would be necessary for the purpose of discussing the credit history or credit performance of a particular unnamed loan applicant.

Chairman Taylor asked for a motion to declare an Executive Session. Motion made by Director Simpson, and seconded by Director Wood. The motion carries unanimously.

Executive session was declared from 11:00 a.m. to 11:20 a.m.

Supervisor Merlino entered the meeting at 11:09 a.m.

Committee reconvened and Chairman Taylor stated no action was taken in Executive Session and asks Mr. Auffredou to discuss the approval for the loan recommendation. Mr. Auffredou states that entertaining a motion to approve the loan application for GFK9 LLC (Mike Tartaglione) would be necessary and apprises that the nature of the business for GFK9 LLC is a dog boarding, daycare, training, grooming, and pet sitting facility. He advises that the loan amount would be \$25,000 based upon a five year loan term at a rate of 6% and amortized over five years. He explains that Mr. Tartaglione has other sources of funding and that the LDC would be taking a mortgage against 21 Pheasant Walk, Queensbury, New York to secure the \$25,000 loan with personal guarantees from Michael Tartaglione and Susan Tartaglione. He continues to explain that monthly financial statements are to be prepared and submitted to the LDC staff for review and monitoring with the specifics of the monthly reports as determined by the EDC (Economic Development Corporation). He states that it is his understanding that the loan has been recommended for approval by the Business Review Committee.

Chairman Taylor asked for a motion to approve the application of GFK9 LLC. Motion was made by Director McDevitt and seconded by Director Simpson. The following motion carried unanimously:

RESOLVED, that upon consideration of loan application and supporting documents, and upon recommendation of the Business Review Committee, the

Warren County Local Development Corporation (“LDC”) hereby approves the loan application for GFK9 LLC (Michael Tartaglione AND Susan Tartaglione), with the following terms:

Loan Amount: \$25,000.00

Term & Rate: 5 year loan with 6% interest – 5 year amortization

Secured Collateral: 2nd position on personal residence located at 21 Pheasant Walk, Queensbury, NY, personal guarantees from Michael Tartaglione and Susan Tartaglione, and monthly financial statements prepared and submitted to the LDC for review and monitoring with the specifics of the monthly reports as determined by the EDC (Economic Development Corporation).

Ms. Switzer states that before next month’s meeting and in order to meet the filing deadlines for PAAA (Public Authorities Accountability Act) she will be scheduling an Audit and Finance Committee Meeting for the members to review the budget and recommend final approval from the LDC Board. She explains that there are no significant changes to the budget in comparison to this year and will provide the information in advance of the meeting.

Mr. Bartholomew advises that there are an aggressive number of loan applicants within the County and City, consisting of new businesses or expanding businesses as well as a new retail facility in downtown. He states that this is encouraging for the LDC, as this shows a higher level of interest from applicants with good credit scores and equity, with this year being the strongest he has seen in the last four years. He indicates that a majority of the applicants are working with The SCORE Association (Counselors to America’s Small Business) and SBA (Small Business Association), which is extremely helpful with the loan process as the applicants go into the process with a greater understanding.

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

Chairman Taylor adjourned the meeting at 11:26 a.m.

Dated: _____, 2015

Peter McDevitt, Secretary