

## MINUTES OF MEETING HELD SEPTEMBER 30, 2013

### 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 above-captioned Corporation was held on September 30, 2013 at 1:45 p.m., in the Committee Room, pursuant to the notice of the meeting emailed on September 19, 2013.

The meeting was called to order by Harold G. Taylor, Chairman of the Warren County Local Development Corporation, at 1:46 p.m.

The following Directors were present:

Harold Taylor	William Mason
Peter McDevitt	Evelyn Wood
Eugene Merlino	

The following Director was absent:

Frederick H. Monroe  
Dennis L. Dickinson

Others Present:

Edward Bartholomew, CEO, Warren County Local Development Corporation  
Jennifer Switzer, CFO, Warren County Local Development Corporation  
Martin D. Auffredou, Warren County Attorney  
Paul B. Dusek, Warren County Administrator  
Wanda Smith, Confidential Secretary to the County Administrator  
Branimir Otasevic

Chairman Taylor called the meeting to order. Chairman Taylor asked for a motion to approve the minutes of the May 29, 2013 meeting. Motion made by Director Merlino and seconded by Director Mason. Motion carried unanimously.

Chairman Taylor continued with the agenda regarding the appointment of Edward Bartholomew as the Chief Executive Officer of the LDC. Martin Auffredou mentioned that pursuant to Article 5, Section 7 of the By-Laws, the appointment is at the pleasure of the Board. Motion made by Director Wood and seconded by Director Merlino. The following motion carried unanimously:

RESOLVED, that the Warren County Local Development Corporation (LDC) hereby appoints Edward Bartholomew as the Chief Executive Officer of the LDC, to serve at the pleasure of the Board.

Mr. Auffredou stated that the arrangement with Keena for compensation will stay the same for the balance of calendar year 2013. Ms. Switzer further stated that to simplify bookkeeping, her salary would be the only salary compensated under the Keena agreement for the remainder of 2013.

Although Mr. Bartholomew will not be compensated for 2013, the Keena agreement will be modified for 2014 to include his compensation.

Mr. Auffredou further stated that during the discussion at the March, 2013 LDC meeting regarding Vicki Pratt Gerbino's resignation as Chief Executive Officer of the LDC, the Board never officially recognized her resignation in the minutes. He recommended adopting a resolution recognizing her resignation effective February 22, 2013. Motion made by Director Mason and seconded by Director Merlino. The following motion carried unanimously:

RESOLVED, that the Warren County Local Development Corporation (LDC) hereby accepts Vicki Pratt Gerbino's resignation as the Chief Executive Officer of the LDC effective February 22, 2013.

Chairman Taylor continued with the agenda regarding the financials. Ms. Switzer briefly reviewed the financials with the Board. She stated that there was over \$800,000 available to loan. She further stated that part of the Miscellaneous Income was from one of the home programs that the County had whereby a loan was made to a homeowner for various improvements. As part of the loan terms, if the home had sold within a specific period of time, the loan would need to be paid back in its entirety. She also stated that the majority of the costs were fixed costs. Motion made by Director Mason to approve the Financial Reports for May 1 - August 31, 2013, and seconded by Director Merlino. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation ("LDC") hereby approves the Financial Reports from May 1 - August 31, 2013.

Chairman Taylor continued with the agenda regarding the 2014 budget. Ms. Switzer stated that as part of the LDC's PAAA compliance, the Board would need to approve a budget and financial plan for a three-year period. She reviewed both the 2014 Draft Budget and the Financial Plan for 2014-2017, noting the discrepancy in the Loan Portfolio Activity Fees was the percentage of the repaid loans which was included as revenue in past years. This was not a proper accounting method and has not been included in the 2014 draft budget. She further mentioned that she again included the general liability insurance for Stonecast, but this could be adjusted if needed. Motion made by Director McDevitt to approve the 2014 budget, and seconded by Director Merlino. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation ("LDC") hereby approves the 2014 budget.

Chairman Taylor continued with the agenda regarding the Loan Status Report. Ms. Switzer advised that three loans had been paid during the summer months. She stated that she was going to begin working on the maturity of the loans and notifying the borrowers regarding the expectations for repayment.

Chairman Taylor asked for a resolution to go into Executive Session to discuss some individual loans. Mr. Auffredou further stated that Executive Session was needed to discuss a litigated matter between HSBC Bank, USA; M&C Ventures, LLC; Adirondack Sports Complex, LLC; and Warren County Local Development Corporation, as well as the credit or performance

history of some unnamed loans through the LDC. Motion made by Director Merlino and seconded by Director Wood. The motion carried unanimously.

Executive session was declared at 2:03 p.m. to 2:23 p.m.

Committee reconvened and Chairman Taylor stated no action was taken in Executive Session.

Mr. Auffredou requested a motion authorizing the Chairman of the LDC to execute new loan documents extending the Weavertown loan. Ms. Switzer mentioned that the request was to extend the Weavertown loan with the remaining current term to a five (5) year term with an increase in the interest rate to five percent (5%), contingent upon receipt and satisfactory review of comparative year-to-date financial statements, current personal financial statements, SCORE or SBDC meeting with a summary of the outcome, and subject to other terms and conditions upon receipt of the above, as well as all legal costs incurred relating to this extension being the responsibility of the borrower.

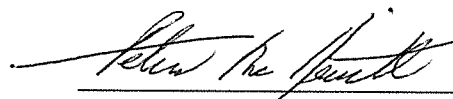
Motion made by Director Mason, and seconded by Director Merlino. The following motion carried unanimously:

RESOLVED, that the Warren County Local Development Corporation (LDC) hereby authorizes the Chairman of the LDC to execute new loan documents extending the Weavertown loan with the current term to a five (5) year term with an increase in the interest rate to five percent (5%), contingent upon receipt and satisfactory review of comparative year-to-date financial statements, current personal financial statements, SCORE or SBDC meeting with a summary of the outcome, and subject to other terms and conditions upon receipt of the above, as well as all legal costs incurred relating to this extension being the responsibility of the borrower.

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 Mason, and carried unanimously.

Chairman Taylor adjourned the meeting at 2:06 p.m.

Dated: Oct 3, 2013

  
Peter McDevitt, Secretary