

MINUTES OF MEETING HELD NOVEMBER 20, 2017

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 November 20, 2017 at 10:05 a.m. in the Committee Room at the Warren County Municipal Center, pursuant to the Notice of Meeting emailed November 15, 2017.

The meeting was called to order by Peter McDevitt, Chairman of the Warren County Local Development Corporation at 10:05 a.m.

The following Directors were present:

Peter McDevitt	Eugene Merlino
Matthew Simpson	Craig Leggett
Frank Thomas	

The following Directors were absent:

Others Present:

Ed Bartholomew, CEO, Warren County Local Development Corporation
Jennifer Switzer, CFO, Warren County Local Development Corporation
Ronald F. Conover, Chairman, Warren County Board of Supervisors
Edna Frasier, Warren County Supervisor
Claudia Braymer, Warren County Supervisor
Matt MacDonald, Warren County Supervisor
Ronald Montesi, Warren County Supervisor
Matthew Sokol, Warren County Supervisor
Kevin B. Geraghty, Warren County Acting Administrator
Mary Elizabeth Kissane, Warren County Attorney
Kristy Miller, Confidential Secretary to the County Administrator
William Loeb, Glens Falls Resident
Michael Wild, Queensbury Resident
Don Lehman, *The Post Star*

Chairman McDevitt called the meeting to order. He asked for a motion to approve the minutes of the October 24, 2017 Regular Board meeting. Motion made by Director Simpson and seconded by Director Leggett. Motion carried unanimously.

Chairman McDevitt continued with the agenda regarding the review and approval of the October Financial Statements. Ms. Switzer begins with the October Balance Sheet and advises that there is currently approximately \$900,773 available to lend with about \$16,000 in accounts

receivable, which is related to the contract with Warren County along with the accounts payable having approximately \$4,100 being tied to the contract with EDC (Economic Development Corporation) and the remaining small portion for legal services. She continues with the Profit & Loss Budget vs. Actual for the month of October and advises that the income listed is for the contracts with Warren County LDC and EDC (Economic Development Corporation) and Warren County and Warren County LDC. She explains that the \$1,006.50 miscellaneous income showing on the January through October 2017 Profit & Loss Budget vs. Actual is revenue generated from the spring MAP class (Microenterprises Assistance Program), which is currently in the fall session and anticipated to receive about the same amount of funds from SUNY Adirondack. She continues to explain the legal expense of \$4,052 being related to the Reliable Racing bankruptcy along with the \$13,949 marketing expense being recognized in association with Unreal Realty (TV8) for airtime provided in-lieu of an outstanding loan balance.

Director Leggett asks what type of program is used for the financial reports that are generated. Ms. Switzer advises that the program is QuickBooks and with the newer versions you have the ability to go in and make comments on any of the line items in the financial statements. Director Leggett then defers to Ms. Switzer about the \$900,000 available to lend and asks if that is an increase from prior months. Ms. Switzer confirms and explains that each month the principal is paid back, interest is added into that amount until such time funds are needed for any operating issues that may arise.

Chairman McDevitt asked for a motion to approve the October 2017 Financial Statements. Motion was made by Director Simpson and seconded by Director Leggett. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation (“LDC”) hereby approves the Financial Report for October 2017.

Chairman McDevitt continued with the agenda regarding the review of the Loan Portfolio and Mr. Bartholomew requests an executive session to discuss the credit history of particular unnamed loan applicants. Motion made by Director Thomas and seconded by Director Merlino. The motion carries unanimously.

Executive session was declared from 10:08 a.m. to 10:40 a.m.

Supervisor Frasier entered the meeting at 10:10 a.m.

Supervisor MacDonald entered the meeting at 10:11 a.m.

Committee reconvened and Chairman McDevitt asks for a motion to approve the potential loan discussed in Executive Session. Mr. Bartholomew advises that the loan would be for New Way Lunch of Warrensburg LLC in the amount of \$80,650 with a 7 year loan term at 5% interest along with a shared \$80,650 loan to be funded through the Lake Champlain Lake George Regional Planning Board with the collateral being a 2nd position on property owned by New Way Lunch Warrensburg LLC, New Way Lunch LLC and a UCC (Uniform Commercial Code) on all equipment/furnishings and an Assignment of Rents from PSGAC, LLC along with

personal guarantees. He indicates that this loan is contingent upon approval of the equal sharing of the \$80,650 loan with Lake Champlain Lake George Regional Planning Board.

Director Simpson defers to Mrs. Kissane about any potential conflict with him being part of the vote on the loan being that he is a member of the Lake Champlain Lake George Regional Planning Board. Mrs. Kissane confirms that Director Simpson would be receiving no benefit from the loan; therefore, no conflict will exist.

Chairman McDevitt asked for a motion to approve the loan application for New Way Lunch of Warrensburg LLC. Motion made by Director Simpson and seconded by Director Thomas. 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 New Way Lunch of Warrensburg LLC (Susan Gazetos & peter Gazetos), contingent upon the additional \$80,650 loan approval from the Lake Champlain Lake George Regional Planning Board, with the following terms:

Loan Amount:	\$80,650
Term & Rate:	7 year loan with 5% interest
Secured Collateral:	2 nd position on property owned by New Way Lunch Warrensburg LLC, New Way Lunch LLC (3748 Main St., Warrensburg, NY), UCC on all equipment/furnishings, Assignment of Rents from PSGAC, LLC, and personal guarantees from Susan Gazetos and Peter Gazetos.

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

Chairman McDevitt adjourned the meeting at 10:43 a.m.

Dated: December ____, 2017

Frank Thomas, Secretary