

To: **WCLDC Board Members**

Re: **Minutes of August 18, 2022, Meeting of the Board of Directors**

**Present:** Peter McDevitt – Chair  
Mike Wild - Vice Chair – Attendance via Zoom  
Craig Leggett – Treasurer  
Robert Landry – Secretary – Attendance via Zoom  
Brad Magowan – Director  
Travis Whitehead – Director

**Absent:** Gene Merlino – Assistant Treasurer

**Guests:** Robert Terwilliger – Assistant County Attorney

**Staff:** Jim Siplon – WCLDC President  
Linda Oldenburg - Economic Development Coordinator  
Diane Dumouchel – EDC Finance/Compliance Director

On August 18, 2022, the Board of Directors for Warren County Local Development Corporation met in person at Warren County Board Room (the meeting was also available via zoom and live on Warren County's YouTube Channel). The following items of business were discussed:

- I.** **Welcome & Call to Order:** WCLDC Chair, Peter McDevitt welcomed everyone and called the meeting to order at 11:05 a.m. with a roll call.
- II.** **Approval:** Approval of Board meeting minutes held July 21, 2022. All minutes were forwarded to the board for review prior to the meeting. A motion was made with one correction, specifically under Approved Resolutions rectifying an error in the voting summary of one of the resolutions with a change, a motion was made by Treasurer Leggett seconded by Director Magowan and approved with a roll call vote.
- III.** **Financial Update:** EDC Finance/Compliance Director Dumouchel reviewed the WCLDC July 2022 financial with all active in the loan portfolio continuing to make their payments. A motion was made by Treasurer Leggett, seconded by Secretary Landry and approved with a roll call vote of five to one with Director Whitehead (No)
- IV.** **Child Care:** President Siplon stated that to address a specific action that was taken from the last meeting, we had a meeting with Lynn Sickles and Liza Ochsendorf to clarify potential areas of need in their childcare plans. Their greatest near-term need is an organization to act as the fiduciary for a public/private fund that businesses could contribute to, that would be provide emergency source of capital to the potential recipients of the grants that they've already received. Discussions on this topic involving many on the board with consensus to continue to explore this as an area WCLDC could assist with.
- V.** **President & CEO Report:** President Siplon stated there were no changes in the FOIL/complaints status as there was none within the last thirty days. He also provided an update on the loan portfolio, including the status of settlement discussions. President Siplon stated that he had asked Attorney Terwilliger to put together a short summary of the two-settlement pending, Stonecast and Reliable Racing, so everyone is aware of the chain of events that led to the situation that we have today. Attorney Terwilliger then gave a summary of the current status of those two settlements. President Siplon stated there have been some inquires beyond traditional loans, same players who have initiated inquires about potential WCLDC loans we continue to be in contact with, although no

formal applications have been submitted as of yet, likely due to the perceived availability of grant-based funds such as ARPA. There have been businesses, individuals and even public entities within our county who have make inquiry as to whether or not the WCLDC would grant funds for a given application. Treasurer Leggett stated he believes it is in the best interest of the WCLDC to stick with the programs that they've always had before, this is a revolving loan fund, interest from loans come back into the fund to be loaned out again.

**VI. Executive Session:**

**VII. Approved Resolutions** A motion was made Director Magowan, seconded by Director Whitehead to accept WCLDC vetted roster of RFQ's of solicited Legal counsel, unanimously approved by roll call vote. A motion was made by Director Magowan, seconded by Director Whitehead to approve COVID loan modification for New Way Lunch, Warrenburgh, unanimously approved by roll call vote. A motion was made by Director Whitehead, seconded by Director Magowan to approve COVID loan modification for 59 Lake, LLC, unanimously approved by roll call vote.

**VIII. Governance Committee – Board Self-Evaluation:** President Siplon discussed that out of the governance committee meeting it was recommended that the board review the board self-evaluation taking a couple items at each meeting. The least number of fully agreed votes would be the ones we would take on first. "The board sets clear and measurable performance goals for the authority that contributes to accomplishing its mission." And then the second, "Individual board members communicate effectively with the executive staff, so as to be well informed on the status of important issues". Director Whitehead starts the discussion with his view that there are not clear goals established and a number of others provided additional perspectives. Treasurer Leggett suggested that the board come up with goals as we look into our 2023 budget and what we want to do for our 2023 performance goals. President Siplon stated the next meeting we will propose a starting point for some you can consider. Director Whitehead stated that he also was unsatisfied with the communication between the board and the executive staff and provided a couple of instances that he brought to the full board.

**IX. Adjournment:** Upon no further business to come before the board, a motion is made by Director Magowan, seconded by Director Whitehead and carried unanimously to adjourn the meeting at 12:24 pm.

**LDC, Warren County  
Board of Directors  
Monthly Financial Report  
Aug 2022**

**Fiscal Overview – August 2022 Highlights**

**Statement of Financial Position – Aug 2022**

Fund Balance: \$1,720,099

**Accounts/Loans Receivable**

- \$29,166.67 due from Warren County
- Rec'd \$8,879.73 in loan payments (\$7,770.51 principle /\$1,121.71 interest).
- Received all but one loan payment – Delinquent borrower has been in contact, has incurred a late fee and should be back on track for Sept.

**Accounts Payable**

- None. Contract with EDC is paid thru Aug 2022.

**Statement of Activities – Aug 2022**

- Nothing of note

11:06 PM

09/08/22

Accrual Basis

**Warren County LDC**  
**Statement of Financial Position PRv mth**  
**As of August 31, 2022**

**DRAFT**

	Aug 31, 22	Jul 31, 22	\$ Change
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
GFNB Loan -7264	368,967.89	360,975.82	7,992.07
GFNB Operating - 7390	13,241.04	17,074.69	-3,833.65
TD Bank Loan Account			
TD Bank Housing	31,613.82	31,613.82	0.00
TD Bank Loan	245,727.25	245,727.25	0.00
TD Bank Loan Account - Other	523,176.19	522,904.33	271.86
<b>Total TD Bank Loan Account</b>	<b>800,517.26</b>	<b>800,245.40</b>	<b>271.86</b>
<b>Total Checking/Savings</b>	<b>1,182,726.19</b>	<b>1,178,295.91</b>	<b>4,430.28</b>
Accounts Receivable			
Accounts Receivable	33,333.34	29,499.67	3,833.67
Allowance for Doubtful Accounts	-182,557.50	-182,557.50	0.00
Loan Receivable	686,597.11	693,467.47	-6,870.36
<b>Total Accounts Receivable</b>	<b>537,372.95</b>	<b>540,409.64</b>	<b>-3,036.69</b>
<b>Total Current Assets</b>	<b>1,720,099.14</b>	<b>1,718,705.55</b>	<b>1,393.59</b>
<b>TOTAL ASSETS</b>	<b>1,720,099.14</b>	<b>1,718,705.55</b>	<b>1,393.59</b>
<b>LIABILITIES &amp; EQUITY</b>			
Equity			
Opening Balance Equity	483,514.08	483,514.08	0.00
Unrestricted Net Assets	1,231,931.64	1,231,931.64	0.00
Net Income	4,653.42	3,259.83	1,393.59
<b>Total Equity</b>	<b>1,720,099.14</b>	<b>1,718,705.55</b>	<b>1,393.59</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,720,099.14</b>	<b>1,718,705.55</b>	<b>1,393.59</b>

**Warren County LDC**  
**Statement of Activities MTD**  
**August 2022**

# DRAFT

	Aug 22	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Other Types of Income</b>			
Miscellaneous Revenue	0.00	0.00	0.00
<b>Total Other Types of Income</b>	0.00	0.00	0.00
<b>Program Income</b>			
Bank Interest	271.86	83.33	188.53
Contract - Warren County	4,166.67	4,166.66	0.01
Loan Fees	0.00	25.00	-25.00
Loan Interest	1,121.71	2,083.33	-961.62
Miscellaneous	0.00	0.00	0.00
<b>Total Program Income</b>	5,560.24	6,358.32	-798.08
<b>Total Income</b>	5,560.24	6,358.32	-798.08
<b>Gross Profit</b>	5,560.24	6,358.32	-798.08
<b>Expense</b>			
<b>Contract Services</b>			
Accounting Fees	0.00	0.00	0.00
<b>Total Contract Services</b>	0.00	0.00	0.00
<b>Program Expense</b>			
Housing	0.00	625.00	-625.00
Legal	0.00	833.33	-833.33
Marketing	0.00	400.00	-400.00
Office Expense	0.00	208.33	-208.33
Professional Development	0.00	83.33	-83.33
Professional Services Contract	4,166.65	4,166.66	-0.01
<b>Total Program Expense</b>	4,166.65	6,316.65	-2,150.00
<b>Total Expense</b>	4,166.65	6,316.65	-2,150.00
<b>Net Ordinary Income</b>	1,393.59	41.67	1,351.92
<b>Net Income</b>	<b>1,393.59</b>	<b>41.67</b>	<b>1,351.92</b>

**Warren County LDC**  
**Statement of Activities FYTD**  
**January through August 2022**

# DRAFT

	Jan - Aug 22	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Other Types of Income</b>			
Miscellaneous Revenue	0.00	0.00	0.00
<b>Total Other Types of Income</b>	0.00	0.00	0.00
<b>Program Income</b>			
Bank Interest	1,204.10	666.68	537.42
Contract - Warren County	33,333.34	33,333.36	-0.02
Loan Fees	0.00	200.00	-200.00
Loan Interest	9,716.28	16,666.68	-6,950.40
Miscellaneous	333.00	375.00	-42.00
<b>Total Program Income</b>	44,586.72	51,241.72	-6,655.00
<b>Total Income</b>	44,586.72	51,241.72	-6,655.00
<b>Gross Profit</b>	44,586.72	51,241.72	-6,655.00
<b>Expense</b>			
<b>Contract Services</b>			
Accounting Fees	6,600.00	8,000.00	-1,400.00
<b>Total Contract Services</b>	6,600.00	8,000.00	-1,400.00
<b>Program Expense</b>			
Housing	0.00	5,000.00	-5,000.00
Legal	0.00	6,666.68	-6,666.68
Marketing	0.00	3,200.00	-3,200.00
Office Expense	0.00	1,666.68	-1,666.68
Professional Development	0.00	666.68	-666.68
Professional Services Contract	33,333.30	33,333.36	-0.06
<b>Total Program Expense</b>	33,333.30	50,533.40	-17,200.10
<b>Total Expense</b>	39,933.30	58,533.40	-18,600.10
<b>Net Ordinary Income</b>	4,653.42	-7,291.68	11,945.10
<b>Net Income</b>	<b>4,653.42</b>	<b>-7,291.68</b>	<b>11,945.10</b>

9:44 AM

09/09/22

Accrual Basis

## Warren County LDC

## Check Register

As of August 31, 2022

DRAFT

Type	Date	Num	Name	Memo	Split	Amount
<b>GFNB Operating - 7390</b>						
Bill Pmt -Check	05/16/2022	1148	EFPR Group, CPAs PL...		Accounts Payable	-6,600.00
Bill Pmt -Check	07/14/2022	1149	EDC	VOID:	Accounts Payable	0.00
Bill Pmt -Check	07/14/2022	1150	EDC	July 2022	Accounts Payable	-4,166.65
Bill Pmt -Check	07/14/2022	1151	EDC		Accounts Payable	-25,000.00
Bill Pmt -Check	08/01/2022	1152	EDC	Aug 2022	Accounts Payable	-4,166.65
Total GFNB Operating - 7390						-39,933.30
<b>TOTAL</b>						<b>-39,933.30</b>

**LDC, Warren County**  
**Board of Directors**  
**Annual Budget Overview**

**2023-2026 Budget Notes**

2022 Projected Actual (in blue) is an estimate and subject to change

**2023 PROPOSED**

Income

- Assumes a modest increase of 10K in the LDC's allocation from the county. This increase accounts for the Board's' resolution to outsource the LDC's legal counsel (previously provided at no charge by the county attorney).
- Bank interest is an estimate. Loan interest is based on actual interest due on the LDC's current loan portfolio.
- Miscellaneous income: the LDC's Start-Up ADK allocations are recorded here.

Expenses

- Departing from prior years, this (and subsequent) budget reflects the ongoing discussions and interest to invest in housing and childcare initiatives - allocating \$10,000 for housing and \$5,000 for childcare.
- Allocating \$10,000 to cover the new expense of outsourced legal counsel
- A modest allocation of \$2,500 to market our loan funds.
- Contract with EDC remains flat at \$50,000.

**2024-2026 PROPOSED**

- Subsequent budgets account for modest increases/decreases in income and expenses.
- Budgeted deficits are in-line with previously approved budgets

Warren County Local Development Corporation  
Draft of 2023-2025 Budget

	2022 Approved Budget	2022 projected actual	prev proposed 2023	prev proposed 2024	prev proposed 2025	NEW proposed 2023	NEW proposed 2024	NEW proposed 2025	NEW proposed 2026
Ordinary Income/Expense	-		In PARIS	In PARIS	In PARIS				
Income	-								
Program Income									
Bank Interest	1,000.00	2,359.00	5,000.00	5,000.00	5,000.00	3,500.00	3,750.00	4,000.00	4,250.00
Contract - Warren County	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Loan Fees	300.00	-	450.00	500.00	550.00	300.00	300.00	300.00	300.00
Loan Interest	25,000.00	14,300.00	20,000.00	20,000.00	20,000.00	10,500.00	10,000.00	9,500.00	9,500.00
Miscellaneous	750.00	666.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00
Total Program Income	77,050.00	67,325.00	76,150.00	76,200.00	76,250.00	75,000.00	74,750.00	74,500.00	74,750.00
Total Income	77,050.00	67,325.00	76,150.00	76,200.00	76,250.00	75,000.00	74,750.00	74,500.00	74,750.00
Gross Profit	77,050.00	67,325.00	76,150.00	76,200.00	76,250.00	75,000.00	74,750.00	74,500.00	74,750.00
Expense									
Contract Services									
Accounting Fees	8,000.00	6,600.00	9,500.00	10,300.00	10,800.00	7,000.00	7,200.00	7,500.00	7,700.00
Total Contract Services	8,000.00	6,600.00	9,500.00	10,300.00	10,800.00	7,000.00	7,200.00	7,500.00	7,700.00
Program Expense									
Housing	7,500.00	-	8,000.00	8,000.00	8,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Childcare						5,000.00	5,000.00	5,000.00	5,000.00
Legal	10,000.00	-	10,000.00	11,000.00	12,500.00	10,000.00	10,000.00	10,000.00	10,000.00
Marketing	4,800.00	-	4,800.00	5,000.00	5,000.00	2,500.00	2,500.00	2,500.00	2,500.00
Office Expense	2,500.00	-	2,500.00	2,500.00	2,500.00				
Professional Development	1,000.00	-	1,000.00	1,000.00	1,000.00	-			
Professional Services Contr	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Total Program Expense	75,800.00	50,000.00	76,300.00	77,500.00	79,000.00	77,500.00	77,500.00	77,500.00	77,500.00
Total Expense	83,800.00	56,600.00	85,800.00	87,800.00	89,800.00	84,500.00	84,700.00	85,000.00	85,200.00
Net Ordinary Income	(6,750.00)	10,725.00	(9,650.00)	(11,600.00)	(13,550.00)	(9,500.00)	(9,950.00)	(10,500.00)	(10,450.00)
Net Income	(6,750.00)	10,725.00	(9,650.00)	(11,600.00)	(13,550.00)	(9,500.00)	(9,950.00)	(10,500.00)	(10,450.00)

2022 WCLDC FOILS/COMPLAINTS

<u>Submitted by</u>	<u>Date Received</u>	<u>Item (s) for foiling</u>	<u>Date Responded</u>	<u>Appeals</u>
Ms. Maxam	12.20.2021	Copies of all emails from Travis Whitehead during 06.01.2021 to 12.2021 and responses	01.18.2022	
Ms. Maxam	12.22.2021	1.) Copies of all emails relating to FOIL request/appeals submitted by T. Whitehead 12.1.2021 to 12.22.2021 2) Copy of 12.22.20214 response provided to T. Whitehead as referenced in the email 11.29.21 from Siplon to Whitehead 3) Copies of all emails submitted by T. Whitehead during December 2021 threatening litigation against the WCLDC.	01.18.2022	
Ms. Maxam	12.26.2021	Copies of monthly reviews of FOILS and Ethic Complaints presented in each monthly LDC Board Meeting from June to December 2021	01.06.2022	
Ms. Maxam	02.02.2022	Copy of certificate of completion of state mandated sexual harassment training for 2021 for T. Whitehead	02.09.2022	
Director Whitehead	02.17.2022	3 reponses to June Maxam dated 12/10/21; 1/18/22 and 2/9/22	03.08.2022	
Director Whitehead	03.17.2022	Copy of email sent to Maxam or anybody else regarding Whitehead financial disclosure	03.23.2022	
Ms. Maxam	05.21.2022	Copy of 02.17.2022 FOIL request of/to T Whitehead and response of 3/8/2022 sent to him of 3 responses to Ms. Maxam dated 12/10/21, 1/18/22 and 2/9/22 and a copy of his original request.	06.23.2022	
		2) Copy of 03/17/2022 FOIL request sent by T Whitehead for copy of email sent to J. Maxam or anyone else regarding Whitehead financial disclosure and copy of 03/23/2022 response to Whitehead	06.23.2022	
Ms. Strough	06.03.2022	1) Financial Disclosure Statement for 2021 and 2022 for T. Whitehead 2) Sexual Harassment/Workplace Violence Training Certificate 2021, 2022 for T. Whitehead	07.07.2022	
Ms. Maxam	08.23.202	1. Copy of 2022 financial disclosure statement filed by G. Travis Whitehead as required under the county's Ethics and Disclosure Law.	08.29.2022	

Warren County LDC Portfolio Summary as of  
August 31, 2022

Name of Entity	Original Loan Date	Loan Maturity Date	Job Creation Y/N	No. of Expected New Jobs	No. of Employees Hired	Original Loan Amount	Term of Loan	Loan Purpose	Monthly Payment	Balance 8/31/2022	Status	Notes
Adk Fishing Adventures	3/4/2015	4/1/2020	NO		25-30 seasonal	46,250.00	5yrs 5% amortized over 15 years	Refinance - New Bldg Construction	365.74	29,377.45	Current	Preparing Loan Mod
Burlap & Beams	4/30/2015	6/1/2020	NO			60,000.00	5yrs 5% amortized over 10 years	Equipment	636.39	29,697.54	Current	Preparing Loan Mod
All in Glass Studios	4/20/2016	12/20/2020	NO		1	30,000.00	3yrs 6% - 2019 6 mos int. only	Refinance	912.66	2,315.97	1 mos behind	Missed Aug 2022 payment - in communication
LuMaZu LLC dba Nettle Meadow Cheese Farm	12/21/2017	9/10/2025	YES		35	115,000.00	7yrs 4% - 2019 6 mos int. only	Refinance - Working Capital	1,571.91	70,751.77	Current	Preparing Loan Mod
The Dog cabin	6/10/2020	6/26/2024	NO			12,500.00	4 yrs - 4%	Micro-Loan - Covid	282.24	8,806.00	Current	Making Regular Payments - Site Visit 6/10/2022
New Way Lunch Warrensburgh LL	3/27/2018	4/10/2025	YES	3	10	80,650.00	7 yrs - 5%	Refinance / Furniture	1,139.90	39,984.21	Current	Completed Loan Modification - needs to be signed
59 Lake LLC	4/13/2018	5/10/2025	YES	3	12	40,000.00	7 yrs - 5%	Purchase & Renovate Property	565.36	20,311.70	Current	Completed Loan Modification - needs to be signed
Kirsch Helmets Inc.	6/26/2020	6/26/2024	YES	7	8	167,513.00	4 yrs - 4.5%	Equipment	4,318.19	91,023.43	Current	Making Regular Payments - Site Visit April 2022
Martha's Dandee	2/10/2012	2022 balloon	YES	6	7	52,650.00	10 yrs - 3%	Refinance - Working Capital	PAID IN FULL 01/31/2022			
Queen of Hearts	2/24/2016	2/24/2021	YES	8	6	20,000.00	5 yrs - 5.5%	Working Capital	PAID IN FULL 06/18/2021			
The Barking Spider	11/21/2008	11/01/2013 Revised per Board to 2019	YES	6	4	65,000.00	5 yrs - 4%	Renovation/ Equipment/ Working Capital	PAID IN FULL 12/7/2021			
AXIS Technologies of NENY	7/7/2010	8/1/2017	YES	2	0	51,750.00	7 yrs - 4%	Equipment	25.00	11,580.10	In Settlement	As per recommendation of BRC, contacted 7/17/2022 with options to accelerate payment - borrower declined. 25\$ /monthly payment stands
Superior Cantina	7/1/2014	8/1/2021	YES	6	0	75,000.00	7yrs - 3%	Equipment		47,773.37	Seeking Settlement	Settlement Pending
Reliable Racing	12/21/2015	7/21/2016	NO			100,000.00	6 mos - 5%	Materials/ Inventory Purchase		116,376.28	DELINQUENT	Business filed a chapter 11 bankruptcy petition on April 7, 2016. LDC has engaged Harris Beach to represent our interests. Bankruptcy sale was completed November 2016. WCLDC received \$5,000 from the sale- applied to the principal balance. John Jacobs personally served with law suit on January 3, 2017. Mr. Jacobs filed for Chapt 7 bankruptcy. Individual bankruptcy designated as "asset case" . Harris Beach has filed a proof of claim to secure a distribution by December 26, 2017.
Stonecast	1/16/2003	2/6/2013	NO			400,000.00	5yrs - 5%	NO info		218,634.82	DELINQUENT	The board has agreed by resolution the use of outside counsel for updates on the status of any settlements, recommend additional legla action and the collection of settlements

### Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	5	2		
The policies, practices and decisions of the Board are always consistent with this mission.	6	1		
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	5	1	1	
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	6	1		
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	4	2		1
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	5	1	1	
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	4	2		1
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	4	2	1	
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	4	2		1
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	5	1	1	
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	6		1	
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	6		1	
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	6			1
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	5	1		1
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	5	1		1
Board members demonstrate leadership and vision and work respectfully with each other.	5	1	1	

Name of Authority: WCLDC

Date Completed: 07/20/2022