

**MINUTES OF THE MEETING HELD AUGUST 23, 2010**  
**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 August 23, 2010, at 9:30 a.m., in the Board Room.

The meeting was called to order by Chairman Stec at 9:35 a.m..

The following Directors were present:

Harold G. Taylor	Daniel G. Stec
Ronald F. Conover	Peter V. McDevitt
Frederick H. Monroe	

The following Director was absent:

Eugene J. Merlino	Franklyn J. McCoy, Jr.
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Others present:

Leonard Fosbrook, Treasurer  
Patricia C. Nenninger, Assistant Warren County Attorney  
Shelly Van Nostrand, Recording Secretary  
Patricia Tatich, Director of Warren County Planning & Community Development  
Jamie Y. White, Small Business Development Coordinator  
Michael Borgos, President  
Supervisor William Loeb

Chairman Stec called the meeting to Order. Chairman Stec opened with approval of the June 7, 2010 Board minutes. Director Conover made a motion to accept the June 7, 2010 Board minutes, seconded by Director McDevitt. Motion carried unanimously.

Chairman Stec continued with the agenda, approval of the Treasurer's report and May and June, 2010 financials. Mr. Fosbrook advised May and June, 2010 financials seem to be in order. Mr. Fosbrook requested that Ms. White provide any comments she may have. Ms. White advised that they are receiving income from the application and that this is the first time money was coming in. Director Taylor made a motion to accept the Treasurer's report and May and June, 2010 financials, seconded by Director McDevitt. Motion carried unanimously.

Chairman Stec continued with the agenda, Stonecast update. President Borgos requested that an executive session be called to discuss the Stonecast matter. Motion was made by Director Taylor, seconded by Director Conover and carried unanimously that executive session be declared.

Executive session was declared at 9:42 a.m. to 9:48 a.m.

The Board reconvened and Chairman Stec announced no action was necessary pursuant to the executive session.

Chairman Stec continued with the agenda, Audit presentation. Mr. Klimek from Toski, Schaeffer reviewed the draft 2009 Audit for the Warren County Local Development Corporation. Mr. Klimek advised that the audit went well, there were no significant disclosures, and a clean report was issued. Director McDevitt asked why the grant amount was much lower than last year. Ms. White advised that currently there are not many grants coming into the Warren County Planning Department and that this will probably be the same for the 2010 audit. Mr. Klimek continued that sample testing of approximately ten (10) loan indicated that some loan clients were out of compliance with current procedures. His firm recommended that a manual be developed which established procedures for the documentation of visits and calls, collection of loan recipient annual financial statements and other required submissions. Mr. Klimek also suggested that all loan documents reflect the current owner of the business. The audit showed that one business had changed its name but the loan documents were not changed to reflect this. Mr. Fosbrook requested that in the future he be invited to the meetings with the auditors prior to the audit being issued. It was the consensus of Ms. White and Mr. Klimek that Mr. Fosbrook will be included in future audit meetings. Motion was made by Director Conover to accept the 2009 audit, seconded by Director Taylor. Director Conover thanked Mr. Klimek for his presentation. Mr. Klimek will finalize the audit and forward the final version to Ms. White for distribution. Motion carried unanimously.

Chairman Stec continued with the agenda, Hudson Headwaters Health Network loan. Ms. White advised that the project which Hudson Headwaters Health Network is developing currently includes an LDC loan which amount has been increased to a total amount of One Hundred Sixty-Nine Thousand Dollars (\$169,000). The LDC loan amount is part of a economic development grant application submitted by the Planning and Community Development Dept. To the State. If the grant is awarded, the LDC loan will be brought to the Board for review and approval.

Chairman Stec continued with the agenda, Main Street Program updated. Since Ms. Tatich was not present at the meeting, this matter will be discussed at the next meeting of the Warren County Local Development Corporation.

Chairman Stec continued with the agenda, replacement of Vice President. Chairman Stec moved to nominate Director Conover as Vice President of the Warren County Local Development Corporation, seconded by Director McDevitt. Motion carried unanimously. President Borgos advised that a new Director must also be appointed. Discussion ensued. It was agreed that this matter will be put on the agenda for the next meeting of the Warren County Local Development Corporation to allow time to speak to potential candidates.

Chairman Stec continued with the agenda, training at ACC, collaboration with Washington County. Ms. White advised that the training would take place at ACC again in collaboration with Washington County. It has been agreed that Warren and Washington County will share in the expense of the training and that ACC has also agreed to split the income from said training.

Chairman Stec continued with the agenda, loan servicing by Glens Falls National Bank. Ms. White requested that this matter be put on the agenda for the next meeting of the Warren County Local Development Corporation.

Chairman Stec inquired if there was any further business. Chairman Monroe inquired why the Corporation had Five Hundred Sixteen Thousand Dollars. Ms. White explained this was a restricted fund to be used solely for loans or housing projects.

Chairman Stec inquired if there was any further business. There being no further business, Director Conover moved to adjourn the meeting, seconded by Director McCoy. Motion carried unanimously.

Meeting ended at 10:10 a.m.

Dated: September 13, 2010

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Harold G. Taylor, Secretary