

**WASHINGTON COUNTY LOCAL DEVELOPMENT CORPORATION**  
**BOARD OF DIRECTORS**  
**ANNUAL ORGANIZATIONAL MEETING**  
Friday, January 28, 2022  
9:00 a.m. Meeting  
*Meeting held via zoom – recording available*

**Board Members Present Via Zoom:** Dave O'Brien, Darrell Wilson, Sam Hall, Jared Humiston, Mark Mahoney, Marion Watkins, Dan Shaw, John Rozell, Dana Hogan, Paul Ferguson, Sue Clary (entered 9:02 AM), Brian Campbell (entered 9:10 AM) and James Griffith (entered 9:16 AM)

**Staff Present:** Deanna Derway – WCLDC President

**Others Present:** Dave Higby

**I. Call to Order**

Chairman O'Brien called the meeting to order at 9:01 a.m.

**II. Approval of Minutes**

After reviewing the minutes from the December meeting, John Rozell made a motion to approve. Darrell Wilson seconded and approved unanimously.

**III. Executive Director Report**

Next, Deanna gave the following loan list updates:

- **YE UPDATES:** Deanna is working on all year end reports (charts & graphs) outlining our loan portfolio and these will be finished and ready for Committee & BOD review in February. Deanna also completed the 1099's and is working on the 1098's for the loan accounts to be mailed out next week. The Auditor's report, annual report, and PARIS reports will be all ready for review at the March meetings.
- Greenwich Preservation Group is caught up now that the owner is back in the Country. The restaurant is doing well even with offering the pub menu only currently (full menu to come).
- Deanna spoke with Dan Courtney, and he made his December payment this week and will make a double payment in February in order to bring his account current.
- Bonnie & Clyde's is now officially closed and for sale. They are marketing it on a large number of platforms (including Tik-Tok). They are also working with marketing companies such as CBIT (Center for Businesses in Transition) who will help them market it as a turnkey restaurant to the appropriate audiences. We have the first mortgage position on the property and the equipment so would recoup our investment in the case of any sale.
- Harrington's Care A Lot will be discussed later in this meeting.

**IV. Committee Reports**

- A. Loan Review Committee – Met on 1/24/22 and reviewed and approved an application for Scarlotta's Carhop in Granville in the amount of \$150,000. It is contingent upon getting approval from a partner organization for the other half of the loan funding needed for the project. Deanna will keep the Board updated on this. The Committee also reviewed Harrington's Care A Lot which will be looked at later in this meeting.
- B. Governance Committee – None
- C. Audit & Finance Committee – None

**V. Old Business – None**

## **VI. New Business**

A. Review December monthly financial reports: Deanna reminded the Board that today we are reviewing the unadjusted December & Year end numbers. We will look at the actuals in March with the Auditors Report due to year end overlap (an example of this is the income from our Fall 2021 Start-up ADK course which was not received until January 2022 so that does not show up on this December report but, will with the Auditor's Adjusting journal entries). Deanna went through the December financials highlighting that the Board will see the 2021 accountant fee, 4<sup>th</sup> quarter legal retainer fee, annual loan analysis fee (credit report company), and the cost for the small business Saturday radio ad all came out this month. We ended the year tentatively just over \$124,000 in the black which is attributed to the consistent reduction of expenses to the bare minimum. Again, we will look at the audited actuals at the March meeting. Dana Hogan made a motion to approve. Seconded by Paul Ferguson, Darrell Wilson, Sam Hall and Sue Clary and approved unanimously.

### **B. 2022 Re-affirmations:**

- a. Re-affirmation of By-Laws and Policies – Deanna let the Board no that there are no proposed changes at this time. Paul Ferguson made a motion to approve, Jared Humiston seconded, and it the re-affirmation was approved unanimously.
- b. Re-designation of depositories and newspapers – Deanna reminded the Board that we use Glens Falls National Bank for all loan funds and TD Bank for our operational funds. For newspapers, we use Glens Falls and Saratoga Business Journals for the monthly ad (required by our USDA loan fund), Post-Star for meeting information (daily publication), Manchester News, Journal & Press and Post-Star for legal notices. Jared Humiston made a motion to approve these re-designations. It was seconded by Darrell Wilson, Paul Ferguson, Dana Hogan and Sue Clary and was approved unanimously.

C. Harrington's Care A Lot Bankruptcy – We reviewed an update from our attorney recommending that we wait until February to make any decisions about how to proceed as they are planning to move forward with the sale that was proposed prior to the bankruptcy filing. This gives them time to complete the sale, if possible. One interesting piece about the sale will be what expenses are taken out of the monies collected before the two secured lenders are paid. As Deanna pointed out, prior to the filing, there was several thousand dollars in excessive legal and real estate fees and commissions. Mr. Tharp does not think either one of these will be permitted in a sale approved by the Bankruptcy Court. Therefore, there is the unlikely possibility that if the sale goes through, the LDC may end up recouping more money than it would have if the foreclosure sale had gone through as planned by the Debtors. So, he suggests no action against the husband as a personal guarantor until we see if the sale does take place. The Board was good with taking no action until we see what happened with the proposed sale over the next month.

### **D. Miscellaneous:**

- Discuss Required State documentation and Board member training – Deanna sent emails to everyone with the required annual documentation that she needs. She also sent separate emails to those who need the complete the required ABO online training. Everyone needs to be sure to complete both of these requirements, so we

remain complaint with the ABO requirements. Deanna reminded folks that if not completed in a timely fashion, they and the LDC will be censured for non-compliance.

- 2021 BOD assessment – Deanna sent out the 2021 Board assessment and as stated, this is confidential so please return it addressed to "Washington County LDC - Governance Committee" with no return on it. Governance Committee will review these, and Deanna will submit the results. Please return this to Deanna ASAP.
- Deanna let the Board know that Tim Hardy was kind enough to assign the zoom license to the LDC for this week since there were so many zoom meetings but, we are working with him to figure out a permanent solution. Since we were absorbed by the County our time and participants are limited. We looked at doing a combined LDC/Planning zoom license but, we would not be able to have meetings at the same time which, will not work for Laura, Pamela and Deanna. We are now looking at what the cost would be to purchase two additional licenses under the County umbrella so that LDC and Planning each have their own and do not have limitations. Once Deanna has that information, she will update the Committee and Board.

E. Executive Session: The Board wished to enter into executive session in order to discuss confidential personnel matters relating to employee contracts. With a motion by Sam Hall, seconded by Darrell Wilson and approved unanimously, the Board entered into Executive Session at 9:26 AM (all meeting attendees except for Deanna remained).

The Board came out of Executive Session at 9:59 AM with a motion from Jared Humiston, seconded by Darrell Wilson and approved unanimously.

In the Open Session, Darrell Wilson made a motion to authorize the Executive Committee to go into negotiations to re-negotiate the current contract with the Executive Director. Sue Clary seconded, and the motion was approved unanimously.

## VII. Adjournment

The meeting was adjourned at 10:01 a.m.

  
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Dave O'Brien, Chairman

  
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Date

*Submitted by Deanna Derway, Executive Director/President*