



ESSEX COUNTY IN THE PARK
INDUSTRIAL DEVELOPMENT AGENCY

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Essex County IDA Annual & Regular Board Meeting
March 26, 2013 at 9:00 AM
7566 Court Street, Elizabethtown, New York

Present: Darren Darrah
James Bowen
Charles Bryant
Gerald Morrow
Jamie Rogers
Jorja Sanders
Joseph Kusalonis
Jorja Sanders

Also Present: Jody Olcott
Carol Calabrese

Open of Annual Meeting

Chairman Darren Darrah opened the meeting at 9:02AM.

Election of Officers:

- a. Chairman – Darren Darrah
- b. Vice-Chairman – James Bowen
- c. Secretary – Charles Bryant
- d. Treasurer – Charles Bryant

Motion #2013-13: A motion to approve the officers to remain the same as 2012 with Chairman Darren Darrah, Vice-Chairman James Bowen and Charles Bryant as Secretary and Treasurer was made by Gerald Morrow and seconded by Joseph Kusalonis. All members were in favor.

2012 Reporting

- a. 2012 Financial Audit/Presentation by Barbara Dwyer – Government financial statements have undergone overhaul and new schedules were included in the packet. There is no addition to allowance for bad debt (only Earthmuffins, Stephano's and Vista de Montana outstanding loan amounts). The IDA still continues to list the Chesterfield Commerce Park infrastructure work as an asset. The IDA needs to work on legal transfer to the Town of Chesterfield although the property is owned by the Town of Chesterfield now. Barbara did not accrue requisition to Empire State Development for closing of Lake Champlain Bridge and Hurricane Irene grants as the requisition to the State was not reviewed until 2013. Barbara also noted new to the financial statement is the inclusion of the post retirement benefit.

Motion #2013-14: A motion to approve the 2012 financial audit and statements provided by Barbara Dwyer was made by Jorja Sanders and seconded by James Bowen. All members were in favor.

- b. 2012 NYS Comptroller's Annual Report

Motion #2013-15: A motion to approve the Essex County IDA 2012 NYS Comptroller's Annual Report due by March 31, 2013 was made by Jorja Sanders and seconded by James Bowen. All members were in favor.

c. 2012 Essex County IDA/CRC Annual Report

Motion #2013-16: A motion to approve the 2012 Essex County IDA/CRC/Empire Zone Annual Report was made by Jamie Rogers and seconded by Jorja Sanders. All members were in favor.

Public Accountability Reform Act (PAAA) Compliance:

1. Policy Review

a. Re-adopt Mission Statement

Motion #2013-17: A motion to re-adopt Mission Statement was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

b. Re-adopt Personnel Manual

Motion #2013-18: A motion to re-adopt Personnel Manual was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

c. Re-adopt Property Disposal Policy

Motion #2013-19: A motion to re-adopt the Property Disposal Policy was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

d. IDA By-Laws

Motion #2013-20: A motion to Article Four in the By-Laws to state Director or Directors was made by Jorja Sanders and seconded by James Bowen. All members were in favor.

e. Re-adopt Audit & Payment Procedures

Motion #2013-21: A motion to re-adopt the Audit & Payment Procedures was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

f. Re-adopt Travel & Expense Policy

Motion #2013-22: A motion to re-adopt the Travel & Expense Policy was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

g. Re-adopt Purchasing Policy

Motion #2013-23: A motion to re-adopt the Purchasing Policy was made by James Rogers and seconded by James Bowen. All members were in favor.

h. Re-adopt Code of Conduct Policy

Motion #2013-24: A motion to re-adopt Code of Conduct Policy was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

i. Revolving Loan Program Guidelines

Motion #2013-25: A motion change typo on page 7 changing with to will was made by Jorja Sanders and seconded by Darren Darrah. All members were in favor.

2. Designate Records Access Officer (FOIL)

3. Designate Champlain National Bank as official Bank

4. Designate Press Republican & Denton Publications as official Newspaper

Motion #2013-26: A motion to designate Records Access Officer (FOIL) as Briggs & Norfolk LLC, designate Champlain National Bank as official bank and designate Press Republican and Denton Publications as official newspapers was made by Jamie Rogers and seconded by Jorja Sanders. All members were in favor.

5. Independent Board Member Checklist – All members completed form and filed

6. Acknowledgement of Fiduciary Duty Form – All members completed form and filed

7. Mission Statement & Performance Measurement Report

Motion #2013-27: A motion to approve the Essex County IDA 2012 Mission Statement & Measurement Report was made by Gerald Morrow and seconded by James Bowen. All members were in favor.

8. Elect Committees

- a. Governance Committee – Jorja Sanders, Darren Darrah, Jamie Rogers
- b. Audit Committee – Joseph Kusalonis, Charles Bryant, James Bowen

Motion #2013-28: A motion to approve election of committee officers for the IDA was made by James Bowen and seconded by Jamie Rogers. All members were in favor.

Adjourn Annual Meeting

Motion #2013-29: A motion to adjourn the Annual Meeting at 10:02AM was made by James Bowen and seconded by Joseph Kusalonis. All members were in favor.

Open of Regular Meeting

Chairman Darren Darrah opened the meeting at 10:02AM.

Public Comment

No comment

Approval of Minutes

- 1. February 26, 2013 Regular Meeting Minutes

Motion #2013-30: A motion to approve the February 26, 2013 regular meeting minutes was made by Gerald Morrow and seconded by Darren Darrah. All members were in favor.

Financial Services/Programs

- 1. IDA Loan Updates

- a. Adirondack Meat Company (Peter & Denise Ward) – The business has requested a loan in the amount of \$300,000. The loan is to be used for \$170,000 equipment, \$7,171 inventory and supplies, \$80,000 FFE, and \$42,829 working capital. Total Project is \$1,730,000. Owner equity \$290,000, Glens Falls National Bank \$900,000, NCA Loan \$240,000 and IDA Loan \$300,000. The IDA has previously approved Straight Lease Back Transaction for project including sales tax exemption, mortgage recording tax abatement and PILOT Agreement. Peter and Denise Ward see the need for this operation in the region. Construction of 7,500 sq. ft. meat processing plant on 22 acre parcel adjoining the Ticonderoga Commerce Park. Employment projection is 12 FT and 2 PT in the first year, 5 FT and 2 PT in the second year and 3 FT and 2 PT in the third year totaling 20 FT and 6 PT. Initial operations include custom kills which do not require USDA inspection 24/7. Estimating approximately 1 year to excel at harvesting, butchering and packaging. Processing 10 animals per day in the first year, 20 animals per day in the second year and 30 animals per day in the third year. The facility can accommodate 50 animals per day. Designed outpost building which can accommodate 48 animals in the holding pen.

Motion #2013-31: A motion to approve \$315,000 to the Adirondack Meat Company with no principal and interest for the first 3 months, next 6 months at 2% interest only with a term of 84 months at 4% interest with balloon payment, conditions also include key man life insurance for Pete Ward, personal guarantees by Pete & Denise Ward, permanent financing by Glens Falls National Bank for \$900,000, NCA Loan up to \$340,000, IDA first position lien on all machinery, furniture, fixtures and equipment purchased with IDA Loan proceeds co –equal second position with NCA on all existing machinery and equipment and all new equipment purchased with funds other than IDA loan and a co-equal second position mortgage for \$300,000 subordinate to Glens Falls National Bank, UCC filing on all corporate

assets, proof of Empire State Development grant of \$300,000, and proof \$150,000 grant from Ags & Markets was made by Gerald Morrow and seconded by Jorja Sanders.

Motion #2013-32: A motion to amend Motion #2013-31 and approve \$315,000 to the Adirondack Meat Company with no principal and interest for the first 3 months, next 6 months at interest only (2%) with a term of 84 months at 4% interest, conditions also include key man life insurance for Pete Ward, personal guarantees by Pete & Denise Ward, permanent financing by Glens Falls National Bank for \$900,000, NCA Loan up to \$340,000, IDA first position lien on all machinery, furniture, fixtures and equipment purchased with IDA Loan proceeds co –equal second position with NCA on all existing machinery and equipment and all new equipment purchased with funds other than IDA loan and a co-equal second position mortgage for \$300,000 subordinate to Glens Falls National Bank, UCC filing on all corporate assets, proof of Empire State Development grant of \$300,000, and proof \$150,000 grant from Ags & Markets was made by James Bowen and seconded by Darren Darrah. All members were in favor.

2. Champlain Valley Senior Center - The March 25, 2013 email request from business asking the IDA to approve loan closing prior to receipt of key man life insurance policy and requesting two loan closings to accommodate furniture and fixture purchases was reviewed by the Board.

Motion #2013-33: A motion to deny loan closing prior to receipt of key man life insurance policy was made by Charles Bryant and seconded by Jamie Rogers. All members were in favor.

Motion #2013-34: A motion to deny two loan closing requests and amend loan approval by adding no principal and interest payments for the first 3 months after closing, 3 months interest only payments at 5% interest, and the remaining monthly principal and interest payments was made by James Bowen and seconded by Darren Darrah. All members were in favor.

3. Monthly Loan Report - March 25, 2013 report was distributed to the Board.

- a. Crown Point Bread – Three letters have been sent to business and loan guarantor noting the business is 2.5 payments behind and 2011 tax returns are due.

Motion #2013-35: A motion to foreclose on the Crown Point Bread loan and request Jen Briggs to send correspondence requesting outstanding balance, late fees and closing fees was made by Darren Darrah and seconded by Gerald Morrow. All members were in favor.

- b. Adirondack Specialty Foods – The business is currently 2 interest only payments behind as well as 2011 tax returns and insurance certificate due. To date three letters have been sent. Gerald Morrow will follow up.
- c. Tom Gallo – The IDA has been notified that business will be paying off loan on or about April 8, 2013. IDA will release mortgage on property to upon receipt to payment in full.
- d. Witherbee Carriage House – At the current time the 2011 tax returns due. Three letters have been sent to the business. James Bowen to follow up.

Business Development

1. Marketing – Distributed report for emails that have been sent to qualified out of state and Canadian businesses. A Facebook page was created on March 5, 2013 – Essex County Industrial Development Agency. Report should also include number of hits from website. IDA Board also discussed the need to promote the Essex County IDA services to existing business owners and the Board will create one page letter to be sent to businesses.
2. Grand Administration
 - a. Micro-Enterprise Grant (Wilmington) – Still awaiting close out approval for grant

- b. Local Waterfront Revitalization Grant (Westport) – IDA submitted list of 3 priority projects to State for review. Still awaiting payment of first requisition to the Dept. of State.
- c. Adirondack Meat Company (Ticonderoga) – IDA waiting for Agreement from NYS Ags & Markets for the \$150,000 grant.

Financials

1. February Financial Reports – No comment

New Business

1. 2011 Empire Zone Business Annual Report (BAR) Summary – The program had 58 businesses, of which 51 responded, the remaining 7 businesses will be decertified for failure to submit report. Summary: 347 FT employees and 577 PT employees. \$84.8 Million payroll, \$10.8 investment and \$1.3 Million EZ.
2. March Abstract for Payment

Motion 2013-36: A motion to approve March Abstract for Payment was made by Gerald Morrow and seconded by Darren Darrah.

3. Next Meeting – April 16, 2013 at 9:00AM

Adjourn Meeting

Motion #2013-37: A motion to adjourn the meeting at 12:00PM was made by Gerald Morrow and seconded by James Bowen. All members were in favor.