

FRANKLIN COUNTY  
LOCAL DEVELOPMENT CORPORATION

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FRANKLIN COUNTY LOCAL DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING

Wednesday April 13, 2011

Malone, New York

Chairman Joseph Perry called the meeting of the Local Development Corporation to order at 6:20 p.m. The following people were present:

Joseph Perry, Chairman	Donald Dabiew, Treasurer	Donald Merrick, Asst. Secretary
Susan Schrader, Secretary	Richard Walczak, Vice Chairman	Neil Seymour, Tourism Director
Paul Cantwell, Agency Counsel	Marc "Tim" Lashomb, Legislator	John Tubbs, Executive Director

Minutes of the March 9, 2011 meeting were reviewed by the board and approved on a motion by Director Merrick, seconded by Director Schrader.

Under Bills and Communications, John Tubbs related that discussions about a Malone YMCA project have progressed to a point that there are about six potential funding partners. He is continuing to work with the YMCA and will arrange a meeting so the YMCA can present the project to them.

The Balance Sheet and Profit and Loss Statement for March were presented with John pointing out monthly depreciation now showing for computer software, and financials were approved by the board on a motion by Director Dabiew, seconded by Director Schrader.

On the Loan Report, John related that he has had extensive contact with Empire State Development concerning Asept Pak, and was advised that Asept Pak has financing for their new machine.

Concerning past due accounts, John and Paul Cantwell recommended waiting to see how Empire State Development continues to work with UICC on The Flanagan Hotel before determining how to handle the \$6,500 loan. And, in the matter of Rob Barnes and Wood & Wicker, the board voted to proceed for \$5,000 in Small Claims Court for amounts due.

Concerning the 2010 LDC Audit, Mike Johnson as lead auditor from the firm of Douglas S. Wood, CPA, PC presented the audit to the board at the same time as the IDA audit. This is a qualified audit as a result of loans outstanding that are not performing, and for which a provision has not been made to the Allowance for Loan Losses account. The board asked Mr. Johnson if the audit could show that \$735,000 of the loans that are not performing be recognized as CDBG, and not part of the original revolving loan fund. It was not clear if the audit firm would change the way this is worded.

The board related to Mr. Johnson that a consolidated Empire Zone and LDC financial statement was difficult to read, even though proper and required for regulatory reporting. The board asked that future audits have a supplemental schedule breaking out the Empire Zone from the LDC. The board accepted the audit on a motion by Director Walczak, seconded by Director Schrader.

Chairman Perry adjourned the meeting at 6:35 p.m. on a motion by Director Walczak, seconded by Director Dabiew.