

COUNTY FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
APRIL 9, 2014 @ 4:00 PM
IDA OFFICES, 10 ELM STREET, SUITE 2, MALONE, NEW YORK 12953

A G E N D A

REGULAR MEETING

ROLL CALL

APPROVAL OF PREVIOUS MEETING MINUTES (MARCH 27, 2014)

BILLS AND COMMUNICATIONS

COMMITTEE REPORTS

TREASURER'S REPORT

OLD AND UNFINISHED BUSINESS

- CLEYN & TINKER UPDATE
- CEDS UPDATE

NEW BUSINESS

- JCEO LEASE
- CHATEAUGAY CORRECTIONAL FACILITY

DATE OF NEXT MEETING: MAY 14, 2014

ADJOURNMENT

COUNTY OF FRANKLIN
INDUSTRIAL DEVELOPMENT AGENCY



10 ELM STREET – SUITE 2
MALONE, NEW YORK 12953
TEL: (518) 483-9472

April 1, 2014

Bruce Garcia, CEO
JCEO
54 Margaret Street
Plattsburgh NY 12901

RE: BUILDING LEASE AT 43 VALCO DRIVE, MALONE NEW YORK 12953

Dear Bruce:

The IDA was glad to help JCEO as it took on the gleaning program in 2012 to make sure it continued – we know this is a valuable program serving individuals and families in need and that it contributes to the public health. The lease without rent, though, was designed to be short-term.

As the IDA board addressed the subject of a lease at their meeting on March 27, 2014 it became apparent that a lease arrangement at the warehouse like the one currently in effect cannot continue past June 30, 2014.

The IDA is a Public Authority, and is subject to the oversight of the New York State Authorities Budget Office and the Comptroller's Office. We need to account for and report the status of all property owned, including certain dispositions by sale or lease, and using fair market value is the benchmark in these transactions.

The IDA has done well balancing community needs and fiduciary duties, but a market-based rent for the building needs to be established. For reference, I related to you that DOH had previously funded \$8.00 per square foot for this same building. The IDA will be glad to continue discussion about a lease effective July 1, 2014 under similar terms.

Please let me know how JCEO's plans for July 1 are developing.

Sincerely,



John C. Tubbs
Chief Executive Officer

UNAPPROVED

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING

THURSDAY, MARCH 27, 2014
Malone, New York

Prior to the start of the board meeting, Chair Child welcomed Douglas Wood, CPA and asked him to present the 2013 IDA, LDC and CDC audits. Mr. Wood left before the IDA meeting was convened.

Chair Child called the Regular Meeting of the IDA to order at 4:30 pm. The following were present at Roll Call.

John Child, Chair
Andrew Schrader, Vice-Chair
David Roach, Assistant Secretary
Timothy Burpoe, Assistant Treasurer
Earl LaVoie, Director
John Tubbs, CEO
Maria Bourgeois, Executive Assistant
Paul Cantwell, Agency Counsel
Gordon Crossman, Franklin County Legislator
Donald Dabiew, Franklin County Legislator
Carl Sherwin, Franklin County Legislator
Absent: Justus Martin, Secretary
Robert Gillis, Treasurer

Mr. Child welcomed all to the meeting and indicated that Mr. Gillis and Mr. Martin were not present.

Approval of Previous Meeting Minutes:

- The IDA board approved the Regular meeting minutes of February 12, 2014 on a motion by Mr. Burpoe, seconded by Mr. Roach. All in favor.
- The IDA board approved the Special meeting minutes of February 25, 2014 on a motion by Mr. Roach, seconded by Mr. LaVoie. All in favor.

Bills and Communications: John spoke with the board about the JCEO Gleaning Program, which is currently housed in a building owned by the IDA, situated in the Malone Industrial Park. The current lease is set to expire effective June 30, 2014. He then provided the board with the history of how the IDA came to acquire the building, noting that the current lease has no provisions for rental/lease fee of any kind, but that JCEO does reimburse the IDA for insurance on the building every month in the amount of \$195.83. Recent correspondence with JCEO's CEO, Bruce Garcia indicates that the Department of Health is not willing to provide any payments for lease/rent. Mr. Child explained that the building is 7,000 square feet and in excellent condition. The board then asked John to send a notice to JCEO looking for a more definitive answer adding that the Board feels they cannot legally continue providing space to JCEO with no rental fees being generated and that we have an obligation to the people of Franklin County. John agreed to send a letter to Mr. Garcia and will provide a copy of said letter to the board. This will be on the agenda for further discussion at the April board meeting.

Committee Reports: None

Treasurer's Report: John reviewed the February 2014 financials with the board.

- Motion to accept the February 2014 financial reports by Mr. Burpoe, seconded by Mr. LaVoie. All in favor.

Old & Unfinished Business:

- Cleyn & Tinker Building Update: John informed the board that Asept Pak, Inc. vacated their storage space prior to March 1st and left their area in a very clean manner. Franklin County Transportation is allowed to stay in the building until May 1st. Legislator Crossman thanks the IDA for allowing Franklin County to use the building for as long as it has. Rob Barnes is also moving his inventory out of the building and the hope is that all of his items will be gone prior to the end of April. John also indicated that Dow Electric, Inc. has been of great assistance with removal of snow and things are progressing well.

New Business:

- 2013 Audit: Douglas Wood, CPA, reviewed the audit with the board prior to the meeting, stating that the opinion letter is unqualified and that the IDA is in good shape this year, following the grant from the CDC along with the impending sale of the Cleyn & Tinker building. He added that the IDA is being well-managed and things look good.
 - Motion to approve and accept the 2013 IDA Audit as presented by Douglas Wood, CPA, by Mr. Schrader, seconded by Mr. Burpoe. All in favor.
- CEDS: Mr. Child asked if people have read the current CEDS (2005) and encouraged everyone who hasn't, to do so as it contains a wealth of information about Franklin County. John explained that CEDS are supposed to be updated every five years in order to be eligible for Economic Development Administration (EDA) funding. There should also be updates annually. The IDA received three proposals as a result of our RFP; one from Camoin Associates (Saratoga Springs, NY); one from Council of Development Finance Agencies (cdfa) (Columbus, OH); one from TIP Strategies (Austin, Texas). Franklin County also received three responses to their request for a "Destination Master Plan" (DMP) and have selected a preferred firm. The IDA was approached by Chris LaBarge and Fawn Tatro from the TAC to discuss a possible collaboration in the hopes of lowering the cost, however, Tom Leitz, County Manager, feels they are two separate projects and does not see the benefit of collaboration in this instance. John will let our three companies know that their proposals are still being reviewed and this item will be added to the agenda for further discussion at our April meeting, following further discussion with the County.
- Marketing Update: Maria handed out summary sheets of marketing progress thus far and she and John reviewed them with the board.
- PARIS Annual Reporting: John informed the board that Maria has been working in the PARIS system inputting our yearly report information and that it should be completed on Friday, 3/28/14.
- Agency Fees: John told the board that we will need to have a discussion about these in the near future.
- Paul Smiths Rental Fee: Maria informed the board that she has been advised by Bryan Mallette, at Paul Smiths College that we will need to pay a \$50/hour fee to hold our board meetings at the college this year. Mr. Cantwell stated that he would look into this and advise the board.

Adjournment: After stating that the next regular meeting of the IDA is scheduled to be held on Wednesday, April 9, 2014 at 4 p.m. and with no other business to conduct, Mr. Child adjourned the meeting at 5:27 p.m. on a motion by Mr. Schrader, seconded by Mr. LaVoie. All in favor.

County of Franklin Industrial Development Agency
Balance Sheet Prev Year Comparison
 As of March 31, 2014

	Mar 31, 14	Feb 28, 14	Mar 31, 13
ASSETS			
Current Assets			
Checking/Savings			
Community Bank Checking	632,349.00	649,632.17	678,484.50
St. Lawrence Gas Account	100.00	100.00	100.00
Total Checking/Savings	632,449.00	649,732.17	678,584.50
Accounts Receivable			
Accounts Receivable			
Allowance for bad debts	0.00	0.00	-5,200.00
Accounts Receivable - Other	5,578.81	5,318.00	1,012,648.00
Total Accounts Receivable	5,578.81	5,318.00	1,007,448.00
Total Accounts Receivable	5,578.81	5,318.00	1,007,448.00
Total Current Assets	638,027.81	655,050.17	1,686,032.50
Fixed Assets			
Accumulated Depreciation			
Buildings	-530,198.58	-530,198.58	-483,906.58
Equipment	1,789,545.16	1,789,545.16	1,789,545.16
Land	34,807.62	34,807.62	32,737.62
Total Fixed Assets	1,448,948.46	1,448,948.46	1,493,170.46
TOTAL ASSETS	<u>2,086,976.27</u>	<u>2,103,998.63</u>	<u>3,179,202.96</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	969.76	1,448.47	1,010,297.07
Total Accounts Payable	969.76	1,448.47	1,010,297.07
Total Current Liabilities	969.76	1,448.47	1,010,297.07
Long Term Liabilities			
Note LDC	657,282.87	657,282.87	645,691.71
Total Long Term Liabilities	657,282.87	657,282.87	645,691.71
Total Liabilities	658,252.63	658,731.34	1,655,988.78
Equity			
Retained Earnings	1,499,729.06	1,499,729.06	1,575,786.46
Net Income	-71,005.42	-54,461.77	-52,572.28
Total Equity	1,428,723.64	1,445,267.29	1,523,214.18
TOTAL LIABILITIES & EQUITY	<u>2,086,976.27</u>	<u>2,103,998.63</u>	<u>3,179,202.96</u>

County of Franklin Industrial Development Agency
Profit & Loss Prev Year Comparison
March 2014

	Mar 14	Feb 14	Mar 13	Jan - Mar...
Ordinary Income/Expense				
Income				
Interest Income	5.48	5.10	5.81	16.62
Miscellaneous Income	0.00	0.00	95.76	0.00
Rental Income	0.00	140.00	280.00	280.00
Total Income	5.48	145.10	381.57	296.62
Expense				
Advertising	0.00	338.97	0.00	338.97
Dues/Subscriptions/Conferences	0.00	0.00	0.00	324.00
Fringe Benefits	3,219.38	3,219.38	3,445.84	12,872.66
Insurance	-396.46	-200.63	-200.63	-601.89
Marketing	0.00	1,377.02	0.00	1,567.02
Office Expenses				
Cleaning Service	100.00	225.00	0.00	325.00
computer charges	0.00	75.00	0.00	75.00
Copier lease	194.00	194.00	203.70	582.00
Internet	130.02	127.34	0.00	510.39
Postage	0.00	90.00	0.00	90.00
Rent/Lease	1,161.30	1,161.30	2,322.60	3,483.90
Supplies	225.53	553.22	154.89	778.75
Telephone	0.00	53.72	394.85	107.87
Water	11.90	17.85	23.80	29.75
Total Office Expenses	1,822.75	2,497.43	3,099.84	5,982.66
Operations				
Bombay Brownfield - Tru-Stitch	0.00	0.00	106.40	6,904.13
Bombay Brownfield - Warehouse	67.65	102.71	106.40	212.91
Chateaugay Park	0.00	0.00	500.00	734.37
Cleyn and Tinker building	845.31	2,763.78	2,147.47	6,575.72
Gildan Activewear	971.75	2,623.25	2,159.85	4,922.94
Tupper Lake Industrial Park	0.00	0.00	0.00	3.06
Total Operations	1,884.71	5,489.74	5,020.12	19,353.13
Payroll Expenses	749.95	803.07	649.23	2,383.95
Payroll Processing	153.42	153.42	146.04	553.85
Professional Services	0.00	0.00	0.00	1,200.00
Travel	0.00	0.00	335.22	15.82
Wages	9,115.38	9,115.38	8,079.23	27,311.87
Total Expense	16,549.13	22,793.78	20,574.89	71,302.04
Net Ordinary Income	-16,543.65	-22,648.68	-20,193.32	-71,005.42
Net Income	-16,543.65	-22,648.68	-20,193.32	-71,005.42

COUNTY OF FRANKLIN

INDUSTRIAL DEVELOPMENT AGENCY

10 ELM STREET – SUITE 2
MALONE, NEW YORK 12953
TEL: (518) 483-9472

IDA LEASE REPORT MARCH 31, 2014

Lease Date	Company	Amount Owning 3/31/14	Term	Lease Payment	Last Paid Date	Status
N/A	Asept Pak, Inc.	\$140.00	Month-to-Month	\$140.00	2/4/14	LATE*
2/7/12	County of Franklin	\$0.00	Month-to-Month	\$0.00	N/A	In Effect
10/1/08	JCEO	\$0.00	Through June 2014	\$0.00	N/A	In Effect
N/A	Wood & Wicker	\$4,918.00	N/A	\$250.00	1/17/14	Slow Pay – Lease terminated on 2/23/12
Total:		\$5,058.00				

*Asept Pak, Inc. lease was complete effective 3/1/14, however, they currently owe \$140 rental payment for February 2014.

FRANKLIN COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
APRIL 9, 2014 @ 4:00 PM
IDA OFFICES, 10 ELM STREET, SUITE 2, MALONE, NEW YORK 12953

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REGULAR MEETING

ROLL CALL

APPROVAL OF PREVIOUS MEETING MINUTES (MARCH 27, 2014)

BILLS AND COMMUNICATIONS

COMMITTEE REPORTS

TREASURER'S REPORT

OLD AND UNFINISHED BUSINESS

NEW BUSINESS

DATE OF NEXT MEETING: MAY 14, 2014

ADJOURNMENT

UNAPPROVED

FRANKLIN COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

THURSDAY, MARCH 27, 2014
Malone, New York

Chair Child called the Regular Meeting of the LDC to order at 5:28 pm. The following were present at Roll Call.

John Child, Chair
Andrew Schrader, Vice-Chair
David Roach, Assistant Secretary
Timothy Burpoe, Assistant Treasurer
Earl LaVoie, Director
John Tubbs, CEO
Maria Bourgeois, Executive Assistant
Paul Cantwell, Corporate Counsel
Gordon Crossman, Franklin County Legislator
Carl Sherwin, Franklin County Legislator
Absent: Justus Martin, Secretary
Robert Gillis, Treasurer

Mr. Child noted that Mr. Gillis and Mr. Martin were not present.

Approval of Previous Meeting Minutes (February 12, 2014):

- The LDC board approved the Regular meeting minutes of February 12, 2014 on a motion by Mr. LaVoie, seconded by Mr. Roach. All in favor.

Bills and Communications: None

Committee Reports: None

Treasurer's Report: John reviewed the February 2014 financials with the board and explained to them the Asept Pak, Inc. did have payments that were lost in the mail and ended up in the Tourism Office at the Courthouse. They are now completely current. The guarantor for Wisebuys continues to be delinquent and Corporate Counsel has been in contact with them. They have indicated to Corporate Counsel that they are hoping to have the account brought current by the end of May 2014.

- Motion to accept the February 2014 financial reports by Mr. Roach, seconded by Mr. Schrader. All in favor.

Old & Unfinished Business: None

New Business:

- 2013 Audit: Douglas Wood, CPA, reviewed the audit with the board prior to the meeting, stating that the opinion letter is unqualified and that the LDC is in very good shape financially. He explained that the LDC is considered to be a non-profit entity, whereas the IDA and CDC are governmental entities. He also indicated that the Empire Zone is part of the LDC's Audit.

- o Motion to approve and accept the 2013 LDC Audit as presented by Douglas Wood, CPA, by Mr. Roach, seconded by Mr. Schrader. All in favor.

Adjournment: After stating that the next regular meeting of the LDC is scheduled to be held on Wednesday, April 9, 2014 at 4 pm and with no other business to conduct, Mr. Child adjourned the meeting at 5:33 pm on a motion by Mr. Schrader, seconded by Mr. LaVoie. All in favor.

Franklin County Local Development Corporation
Balance Sheet Prev Year Comparison
As of March 31, 2014

	Mar 31, 14	Feb 28, 14	Mar 31, 13
ASSETS			
Current Assets			
Checking/Savings			
Community Bank	1,602,583.63	1,580,999.39	1,284,624.47
Community Bank Money Market	3,705.92	3,705.89	3,705.55
Community hud	57,051.81	57,050.84	57,003.46
Total Checking/Savings	1,663,341.36	1,641,756.12	1,345,333.48
Accounts Receivable			
Accounts Receivable	2,168,979.18	2,187,126.64	2,367,355.69
Allowance for Loan Losses	0.00	0.00	-6,500.00
Total Accounts Receivable	2,168,979.18	2,187,126.64	2,360,855.69
Total Current Assets	3,832,320.54	3,828,882.76	3,706,189.17
Fixed Assets			
Accumulated depreciation	-4,000.00	-4,000.00	-3,110.00
Computer Software	4,000.00	4,000.00	4,000.00
Total Fixed Assets	0.00	0.00	890.00
TOTAL ASSETS	3,832,320.54	3,828,882.76	3,707,079.17
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Deferred Revenue	633,047.37	633,047.37	735,000.00
Total Other Current Liabilities	633,047.37	633,047.37	735,000.00
Total Current Liabilities	633,047.37	633,047.37	735,000.00
Total Liabilities	633,047.37	633,047.37	735,000.00
Equity			
Opening Bal Equity	1,027,691.20	1,027,691.20	1,027,691.20
Retained Earnings	2,149,485.06	2,149,485.06	1,858,842.08
Net Income	22,096.91	18,659.13	85,545.89
Total Equity	3,199,273.17	3,195,835.39	2,972,079.17
TOTAL LIABILITIES & EQUITY	3,832,320.54	3,828,882.76	3,707,079.17

11:44 AM
04/02/14
Accrual Basis

Franklin County Local Development Corporation Profit & Loss Prev Year Comparison March 2014

	<u>Mar 14</u>	<u>Feb 14</u>	<u>Mar 13</u>	<u>Jan - Mar 14</u>
Ordinary Income/Expense				
Income				
Interest Bank	28.01	205.16	169.39	312.32
Interest Loan	3,409.77	17,216.98	15,989.08	21,784.59
Total Income	<u>3,437.78</u>	<u>17,422.14</u>	<u>16,158.47</u>	<u>22,096.91</u>
Expense				
Depreciation Expense	0.00	0.00	111.00	0.00
Total Expense	<u>0.00</u>	<u>0.00</u>	<u>111.00</u>	<u>0.00</u>
Net Ordinary Income	<u>3,437.78</u>	<u>17,422.14</u>	<u>16,047.47</u>	<u>22,096.91</u>
Net Income	<u><u>3,437.78</u></u>	<u><u>17,422.14</u></u>	<u><u>16,047.47</u></u>	<u><u>22,096.91</u></u>

**FRANKLIN COUNTY
LOCAL DEVELOPMENT CORPORATION**

10 ELM STREET – SUITE 2
MALONE, NEW YORK 12953
TEL: (518) 483-9472

**FRANKLIN COUNTY LDC REVOLVING LOAN FUND
MARCH 31, 2014**

Closing Date	Company	Original Loan Amount	Principal Balance 3/31/14	Rate	Term	Payment	Last Paid Date	Status
2/16/07	Asept Pak, Inc.	\$400,000.00	\$394,997.85	5.25%	10 years	\$4,525.66	3/14/14	Current
12/31/08	Asept Pak, Inc.	\$735,000.73	\$619,504.34	4.80%	5 years	\$12,000.00	3/14/14	Current
9/21/09	Asept Pak, Inc.	\$250,000.00	\$205,198.90	5.25%	10 years	\$2,349.28	3/14/14	Current
5/27/10	Branch Commercial Development	\$250,000.00	\$169,280.00	5.25%	10 years	\$2,682.29	3/27/14	Current
1/5/12	Franklin Snowmobilers	\$93,750.00	\$56,055.45	5.25%	5 years	\$1,780.00	2/26/14	Current
1/12/06	Glazier Packing Company	\$133,333.00	\$32,567.11	5.25%	10 years	\$1,617.70	2/27/14	Current
7/30/04	WiseBuys Stores, Inc.	\$250,000.00	\$34,092.66	N/A	7 years	\$1,000.00	2/24/14	LATE
Total		\$2,112,083.73	\$1,511,696.31					

Closing Date	Company	Original Loan Amount	Principal Balance 2/28/14	Rate	Term	Payment	Last Paid Date	Status
9/12/06	County of Franklin IDA	\$475,000.00	\$475,000.00	5.25%	9 years	\$657,282.87	N/A	Due 9/15/15
Total		\$475,000.00	\$475,000.00					