

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
DECEMBER 14, 2016 @ 3:00 PM
IDA OFFICES, 10 ELM STREET, SUITE 2, MALONE, NEW YORK 12953

A G E N D A

REGULAR MEETING

ROLL CALL

PUBLIC COMMENT

APPROVAL OF PREVIOUS MEETING MINUTES (NOVEMBER 9, 2016)

BILLS AND COMMUNICATIONS

COMMITTEE REPORTS

- APPOINTMENT OF NOMINATING COMMITTEE
- ANNUAL BOARD SELF EVALUATIONS

TREASURER'S REPORT

OLD AND UNFINISHED BUSINESS

- BOMBAY RAIL FEASIBILITY STUDY
- NYS RETIREMENT STANDARD WORK DAY RESOLUTION
- CEO SEARCH
- 2017 LOCATION OF MEETINGS

NEW BUSINESS

- EMPLOYEE HANDBOOK
- REGIONAL COUNCIL GRANT AWARDS
- UNIFORM TAX EXEMPTION POLICY (UTEP)
- ANNUAL REVIEW OF POLICIES
- SECURITY CONTACT/RESPONDER – BOMBAY
- RESOLUTION ACKNOWLEDGING JOHN TUBBS' YEARS OF SERVICE
- AGENCY COUNSEL – ANTICIPATED EXECUTIVE SESSION
- CONTRACT WITH JP TUBBS – ANTICIPATED EXECUTIVE SESSION
- 2017 SALARY EXECUTIVE ASSISTANT – ANTICIPATED EXECUTIVE SESSION

DATE OF NEXT MEETING: JANUARY 11, 2017 (TO BE DETERMINED)

ADJOURNMENT

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 9, 2016
Paul Smiths, New York

REGULAR MEETING

Chair Child called the Regular Meeting of the IDA to order at 3:07 pm. The following were present at Roll Call:

John Child, Chair
Andrea Dumas, Secretary
James Ellis, Assistant Treasurer
Russ Kinyon, Member
John Tubbs, CEO
Maria Bourgeois, Executive Assistant
Paul Cantwell, Agency Counsel
Frank DiFiore, Malone Telegram (Left at 4:29 pm)
Betsy Lowe, Tupper Lake Crossroads, LLC (Left at 3:40 pm)
Absent: Justus Martin, Vice-Chair
Andrew Schrader, Assistant Secretary
Phil Wagschal, Member

Mr. Child welcomed new board member, Russ Kinyon and everyone else to the meeting. He then welcomed Betsy Lowe and asked her to begin her presentation on behalf of Tupper Lake Crossroads, LLC.

Ms. Lowe explained that she and Nancy Howard (former owner of The Wawbeek) are the partners of Tupper Lake Crossroads, LLC and that they purchased property that was being auctioned off several years ago in the hopes of one day building a hotel on the property. In 2014, they received a CFA planning grant and purchased the additional properties they needed on which to house the Tupper Lake Crossroads Hotel. She then reviewed story boards with the Board and explained it would be a Boutique Hotel and that they have put another CFA in this year with the hopes of receiving funding. After some discussion and a question and answer period, the Board thanked Ms. Lowe for presenting her project and asked her to stay in touch with the progress. She thanked the Board for listening and left at 3:40 pm.

Public Comment: None

Approval of Previous Meeting Minutes:

- The IDA board approved the Regular meeting minutes of October 12, 2016 and the Special meeting minutes of October 25, 2016 on a motion by Ms. Dumas, seconded by Mr. Ellis. All in favor.

Bills and Communications: None

Committee Reports: None

Treasurer's Report: John reviewed October 2016 financials with the board, noting closing of the Jericho Rise Wind Farm PILOT on 10/20/2016. The IDA received the second half of 2016 agency fees in the amount of \$156,000.00, making a total of \$312,000.00 received for the year. Regarding the Lease Report, he noted that JCEO's monthly payment was received on 11/7/2016.

- Motion to accept the October 2016 financials by Mr. Ellis, seconded by Mr. Kinyon. All in favor.

Old & Unfinished Business:

Jericho Rise Wind Farm: John informed the board that the Jericho Rise Wind Farm PILOT closed on October 20, 2016 and that we are currently developing a schedule that we will follow for the next 30 years specifying invoice date and what payments are due to the IDA and to the County Treasurer. Jericho Rise Wind Farm expects the towers to be operational this month.

Town of Bombay Lease/Sublease: A new draft lease to the Town of Bombay for the storage building on the warehouse parcel was distributed to the Board. This lease is set up so that the Town of Bombay may sublease to the CanAm Border Riders snowmobile club as long as they don't charge them rent. There is no rent from the Town of Bombay required to the IDA and in return they take care of plowing at our Bombay properties. The term is month-to-month with no fixed date of expiration.

- Motion to enter into the lease with the Town of Bombay for the storage building on the warehouse parcel by Mr. Ellis, seconded by Ms. Dumas. All in favor.

Bombay Rail Feasibility Study: John informed the Board that Dennis Elias from Erdman Anthony, members from the Department of Transportation and John Child attended the kick off meeting on November 1st at the IDA Office and then everyone went to all three parcels for a site visit. The factory parcel is the first choice at this time and the warehouse parcel is the second in the event that the IDA wished to pursue putting in a spur or siding. The draft report should be arriving in a couple of weeks and will be given to the Board for review.

Agency Counsel: After sending out a request to the Franklin County Bar Association for new legal counsel, we received responses from two law firms; Walsh & Edwards and Fischer, Bessette, Muldowney & McArdle, LLP. After some discussion, it was decided that Mr. Child will contact Mr. Schrader and that Mr. Cantwell would also be glad to be part of the interviews. Both Ms. Dumas and Mr. Ellis recused themselves from any of the process of interviewing new legal counsel due to potential conflicts. Mr. Kinyon indicated he would be glad to be involved if need be.

New Business:

Accept Grant from CDC: John explained that historically when the CDC closes a bond issue, they have granted funds to the IDA. With the recent closing of the Adirondack Medical Center Bond Issue, the CDC received fees of \$197,150. If the CDC were to make a grant to the IDA, the IDA would have to accept said grant. John will propose that the CDC Board grant \$190,000.00 to the IDA, leaving enough in the CDC account for insurance and the audit.

Payoff LDC Cleyn & Tinker Loan to IDA: John explained that if the IDA receives a grant from the CDC, the timing would also be good to pay off the residual loan to the LDC from sale of Cleyn & Tinker; this total amount, including interest, is \$288,012.66 as of today, 11/9/2016.

- Motion to accept grant from CDC in the amount of \$190,000.00, if granted by the CDC, and then pay off the LDC loan for Cleyn & Tinker in the amount of \$288,012.66 made by Mr. Ellis, seconded by Ms. Dumas. All in favor.

US Department of Labor New Salary Requirement (12/1/2016): John explained that the USDOL has set a new exempt minimum salary requirement of \$47,476.00 as of December 1, 2016. This affects Maria Bourgeois' salary as she is appropriately classified as an exempt employee and currently receives a salary of \$41,500.00. John added that Franklin County has just approved putting this into effect for their exempt employees. Mr. Child said that several groups are protesting and trying to get an injunction to stop this new law. Mr. Kinyon inquired as to whether Maria currently works overtime and she responded that she does not, and John stated that administrative salary positions are properly classified as exempt.

- Motion to adjust the salary of Maria Bourgeois effective 12/1/2016 to be \$47,476.00 to be in compliance with the USDOL law, unless an injunction prohibits the law from taking effect, made by Mr. Ellis, seconded by Ms. Dumas. All in favor.

NYS Retirement Standard Work Day: John explained that our office has been in contact with NYS Retirement and if desired our standard work day, which is currently classified as 7 hours, could be changed to a classification of 6 hours a day without any change to current NYS Retirement benefits for employees. Employees will still work 7 hours per day. If the Board were to change this classification for NYS Retirement purposes, one hour per day could be spent working on LDC/CDC matters.

Employee Handbook: John explained that the board last reviewed the current employee handbook in 2012 and it needs updating to be in compliance with laws and regulations. The board then took the following actions:

- Motion to look into the cost of updating the current employee handbook and what options may exist to be reported back at the December meeting made by Mr. Kinyon, seconded by Ms. Dumas. All in favor.
- Motion to grant John Tubbs five (5) days of bereavement time without charging existing time made by Ms. Dumas, seconded by Mr. Ellis. All in favor.

Mr. Child then proposed a new idea for consideration by the Board in connection with restructuring the Agency. He proposes separating the LDC from the IDA and CDC. The LDC would have its own Board and CEO, office and location, and could then be used in closer coordination with the County. He has discussed this idea with several board members as well as Mr. Kinyon. Mr. Kinyon says the general consensus is favorable. Mr. Ellis feels that a couple of legislators should be on an LDC Board. John said that Bond Schoeneck & King did the Bylaws for the IDA and LDC and are very familiar with them, so it wouldn't hurt to go back to them with regard to this idea. It was also decided that it might be better to meet with the Economic Development Committee of the Legislature about this concept before considering a joint general meeting – therefore, it seemed best to table the originally scheduled meeting for 11/17, and consider a full joint board meeting with the Legislature in January after the new Board members are in office.

Meeting Location: Mr. Child asked Maria to check with Paul Smiths College about continuing to meet at the Spork Center during the winter months.

Adjournment: After stating that the next regular meeting of the IDA will be December 14, 2016 and with no other business to conduct, Mr. Child adjourned the meeting at 4:32 pm on a motion by Mr. Ellis, seconded by Mr. Kinyon. All in favor.

County of Franklin Industrial Development Agency

Balance Sheet Prev Year Comparison

As of November 30, 2016

12/02/16

Accrual Basis

	Nov 30, 16	Oct 31, 16	Nov 30, 15
ASSETS			
Current Assets			
Checking/Savings			
Community Bank Checking	428,164.13	564,035.87	187,068.97
St. Lawrence Gas Account	100.00	100.00	100.00
Total Checking/Savings	428,264.13	564,135.87	187,168.97
Other Current Assets			
Prepaid Insurance	17,104.06	17,104.06	27,179.41
Total Other Current Assets	17,104.06	17,104.06	27,179.41
Total Current Assets	445,368.19	581,239.93	214,348.38
Fixed Assets			
Accumulated Depreciation	-502,902.69	-502,902.69	-469,338.35
Buildings	1,285,948.16	1,285,948.16	1,285,948.16
Equipment	34,807.62	34,807.62	34,807.62
Land	154,794.26	154,794.26	154,794.26
Total Fixed Assets	972,647.35	972,647.35	1,006,211.69
Other Assets			
Deferred Outflows - ERS	26,902.00	26,902.00	0.00
Total Other Assets	26,902.00	26,902.00	0.00
TOTAL ASSETS	1,444,917.54	1,580,789.28	1,220,560.07
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	686.32	105.95	1,036.82
Total Accounts Payable	686.32	105.95	1,036.82
Other Current Liabilities			
Compensated Absences	6,052.20	6,052.20	8,899.58
Pension Liability	12,230.00	12,230.00	0.00
Retirement (414H)	12,524.00	12,524.00	0.00
Total Other Current Liabilities	30,806.20	30,806.20	8,899.58
Total Current Liabilities	31,492.52	30,912.15	9,936.40
Long Term Liabilities			
Note to LDC	-12,446.22	275,566.44	261,820.85
Total Long Term Liabilities	-12,446.22	275,566.44	261,820.85
Total Liabilities	19,046.30	306,478.59	271,757.25
Equity			
Retained Earnings	866,848.12	866,848.12	1,163,518.12
Net Income	559,023.12	407,462.57	-214,715.30
Total Equity	1,425,871.24	1,274,310.69	948,802.82
TOTAL LIABILITIES & EQUITY	1,444,917.54	1,580,789.28	1,220,560.07

County of Franklin Industrial Development Agency

Profit & Loss Prev Year Comparison

November 2016

	Nov 16	Oct 16	Nov 15	Jan - No...
Ordinary Income/Expense				
Income				
Agency Fees (Bond & PILOT)	0.00	156,000.00	0.00	312,000.00
Grant Income	190,000.00	0.00	0.00	490,000.00
Interest Income	4.22	4.25	1.81	41.98
Miscellaneous Income	0.00	0.00	0.00	75.00
Rental Income	<u>1,458.33</u>	<u>0.00</u>	<u>1,458.33</u>	<u>18,307.63</u>
Total Income	<u>191,462.55</u>	<u>156,004.25</u>	<u>1,460.14</u>	<u>820,424.61</u>
Expense				
Advertising	0.00	0.00	0.00	452.60
Dues/Subscriptions/Conferences	0.00	0.00	1,000.00	1,514.00
Employee Benefits				
Health Insurance	4,419.22	4,045.42	3,975.36	44,677.66
Retirement	19,616.00	0.00	23,474.00	19,616.00
Unemployment Insurance	0.00	0.00	0.00	-74.62
Total Employee Benefits	<u>24,035.22</u>	<u>4,045.42</u>	<u>27,449.36</u>	<u>64,219.04</u>
Insurance	-200.63	-265.80	1,110.42	9,828.67
Marketing				
Website Expense	2,500.00	0.00	0.00	2,844.45
Marketing - Other	0.00	0.00	0.00	500.00
Total Marketing	<u>2,500.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,344.45</u>
Miscellaneous Expenses	0.00	180.95	57.85	1,444.18
Office Expenses				
Cleaning Service	0.00	100.00	100.00	1,100.00
Copier	0.00	0.00	242.47	1,195.90
Internet & Phone	276.41	277.48	277.72	3,053.66
Office Rent	1,161.30	1,161.30	1,161.30	12,774.30
Postage	0.00	0.00	15.99	745.76
Supplies	0.00	79.99	367.52	1,050.77
Office Expenses - Other	686.32	0.00	0.00	686.32
Total Office Expenses	<u>2,124.03</u>	<u>1,618.77</u>	<u>2,165.00</u>	<u>20,606.71</u>
Operations				
Bombay Factory	361.46	1,196.91	991.27	8,344.28
Bombay Warehouse	106.86	1,111.95	2,705.53	5,526.40
Chateaugay Business Park	0.00	0.00	0.00	500.00
Total Operations	<u>468.32</u>	<u>2,308.86</u>	<u>3,696.80</u>	<u>14,370.68</u>
Payroll Expenses	741.46	741.46	723.82	9,332.43
Payroll Processing	174.62	184.62	167.98	2,193.94
Professional Services	0.00	0.00	0.00	15,313.80
Salaries	9,692.32	9,692.32	9,461.56	116,261.76
Travel	366.66	299.70	0.00	2,519.23
Total Expense	<u>39,902.00</u>	<u>18,806.30</u>	<u>45,832.79</u>	<u>261,401.49</u>
Net Ordinary Income	<u>151,560.55</u>	<u>137,197.95</u>	<u>-44,372.65</u>	<u>559,023.12</u>
Net Income	<u>151,560.55</u>	<u>137,197.95</u>	<u>-44,372.65</u>	<u>559,023.12</u>

COUNTY OF FRANKLIN 
INDUSTRIAL DEVELOPMENT AGENCY

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

IDA LEASE REPORT
NOVEMBER 30, 2016

Lease Date	Company	Amount Owing 11/30/16	Term	Lease Payment	Last Paid Date	Status
1/1/15	JCEO	\$0.00	Month-to-Month	\$1,458.33	11/7/16	In Effect
Total:		\$0.00				

FRANKLIN COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
DECEMBER 14, 2016 @ 3:00 PM
IDA OFFICES, 10 ELM STREET, SUITE 2, MALONE, NEW YORK 12953

A G E N D A

REGULAR MEETING

ROLL CALL

PUBLIC COMMENT

APPROVAL OF PREVIOUS MEETING MINUTES (NOVEMBER 9, 2016)

BILLS AND COMMUNICATIONS

COMMITTEE REPORTS

- APPOINTMENT OF NOMINATING COMMITTEE
- ANNUAL BOARD SELF EVALUATIONS

TREASURER'S REPORT

OLD AND UNFINISHED BUSINESS

- 2017 LOCATION OF MEETINGS

NEW BUSINESS

- ANNUAL REVIEW OF POLICIES
- CONTRACT WITH JP TUBBS – ANTICIPATED EXECUTIVE SESSION

DATE OF NEXT MEETING: JANUARY 11, 2017 (TO BE DETERMINED)

ADJOURNMENT

FRANKLIN COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 9, 2016
Paul Smiths, New York

REGULAR MEETING

Chair Child called the Regular Meeting of the LDC to order at 4:33 pm. The following were present at Roll Call:

John Child, Chair
Andrea Dumas, Secretary
James Ellis, Assistant Treasurer
Russ Kinyon, Director
John Tubbs, CEO
Maria Bourgeois, Executive Assistant
Paul Cantwell, Corporate Counsel
Absent: Justus Martin, Vice-Chair
Andrew Schrader, Assistant Secretary
Phil Wagschal, Director

Mr. Child welcomed all to the meeting.

Public Comment: No members of the public were present.

Approval of Previous Meeting Minutes:

- The LDC board approved the Regular meeting minutes of October 12, 2016 and the Special meeting minutes of October 25, 2016 on a motion by Mr. Ellis, seconded by Ms. Dumas. All in favor.

Bills and Communications: None

Committee Reports: None

Treasurer's Report: John reviewed October 2016 financials with the board, noting that there were no unusual income or expense items. With regard to the Revolving Loan Fund, John indicated that payments for all loans were received except for one from the guarantor of WiseBuys, who did send a payment of \$1,000 received on 11/4/2016. He added that the checking account currently has a balance of \$2.3 million and following the repayment of the IDA's loan for Cleyn & Tinker, that account will hold approximately \$2.7 million and that it is time for the LDC to get some loans out.

- Motion to accept the October 2016 financials by Mr. Ellis, seconded by Ms. Dumas. All in favor.

Old & Unfinished Business:

501(c)(3) Status: John wanted to confirm that the LDC is a 501(c)(3) entity and explained that following some questions in the past, he checked with our CPA and we do have IRS tax exempt status and are listed on the IRS website as an exempt public charity.

New Business: None

Adjournment: After stating that the next regular meeting of the LDC will be December 14, 2016 and with no other business to conduct, Mr. Child adjourned the meeting at 4:37 pm on a motion by Ms. Dumas, seconded by Mr. Ellis. All in favor.

Franklin County Local Development Corporation

Balance Sheet Prev Year Comparison

As of November 30, 2016

	Nov 30, 16	Oct 31, 16	Nov 30, 15
ASSETS			
Current Assets			
Checking/Savings			
Community Bank	2,661,476.23	2,349,380.95	2,401,261.09
Total Checking/Savings	2,661,476.23	2,349,380.95	2,401,261.09
Accounts Receivable			
Accounts Receivable	1,055,019.89	1,349,374.25	1,544,496.81
Total Accounts Receivable	1,055,019.89	1,349,374.25	1,544,496.81
Other Current Assets			
Loans Receivable			
Allowance for Loans Receivable	-278,108.44	-278,108.44	-298,034.00
Total Loans Receivable	-278,108.44	-278,108.44	-298,034.00
Total Other Current Assets	-278,108.44	-278,108.44	-298,034.00
Total Current Assets	3,438,387.68	3,420,646.76	3,647,723.90
Fixed Assets			
Accumulated Depreciation	-7,552.40	-7,552.40	-5,973.60
Computer Equipment	7,552.40	7,552.40	7,552.40
Total Fixed Assets	0.00	0.00	1,578.80
TOTAL ASSETS	3,438,387.68	3,420,646.76	3,649,302.70
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Deferred Revenue	521,651.22	521,651.22	600,440.37
Total Other Current Liabilities	521,651.22	521,651.22	600,440.37
Total Current Liabilities	521,651.22	521,651.22	600,440.37
Total Liabilities	521,651.22	521,651.22	600,440.37
Equity			
Opening Bal Equity	1,027,691.20	1,027,691.20	1,027,691.20
Retained Earnings	2,132,271.09	2,132,271.09	1,931,740.22
Net Income	-243,225.83	-260,966.75	89,430.91
Total Equity	2,916,736.46	2,898,995.54	3,048,862.33
TOTAL LIABILITIES & EQUITY	3,438,387.68	3,420,646.76	3,649,302.70

Franklin County Local Development Corporation
Profit & Loss Prev Year Comparison
 November 2016

	<u>Nov 16</u>	<u>Oct 16</u>	<u>Nov 15</u>	<u>Jan - Nov 16</u>
Ordinary Income/Expense				
Income				
Interest - Bank	20.39	19.75	19.63	206.97
Interest - Loan	17,995.53	3,871.18	4,828.02	67,555.59
Loan Application Fees	0.00	0.00	0.00	500.00
Total Income	<u>18,015.92</u>	<u>3,890.93</u>	<u>4,847.65</u>	<u>68,262.56</u>
Expense				
Depreciation Expense	0.00	-8.03	98.68	1,480.12
Insurance	0.00	0.00	0.00	925.00
Loan Processing Expense	0.00	0.00	0.00	388.50
Marketing	0.00	0.00	0.00	1,166.00
Miscellaneous Expense	275.00	0.00	0.00	300,276.00
Professional Fees	0.00	0.00	0.00	6,452.77
Total Expense	<u>275.00</u>	<u>-8.03</u>	<u>98.68</u>	<u>310,688.39</u>
Net Ordinary Income	<u>17,740.92</u>	<u>3,898.96</u>	<u>4,748.97</u>	<u>-242,425.83</u>
Other Income/Expense				
Other Expense				
Computer Equipment and Software	0.00	0.00	0.00	800.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>800.00</u>
Net Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-800.00</u>
Net Income	<u><u>17,740.92</u></u>	<u><u>3,898.96</u></u>	<u><u>4,748.97</u></u>	<u><u>-243,225.83</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
 NOVEMBER 30, 2016**

Closing Date	Company	Original Loan Amount	Principal Balance 11/30/16	Rate	Term	Last Payment	Last Paid Date	Status*
2/16/07	Asept Pak, Inc.	\$400,000.00	\$343,170.91	5.25%	Modified	\$4,525.66	11/28/16	S
12/31/08	Asept Pak, Inc.	\$735,000.73	\$412,548.17	4.80%	Modified	\$12,000.00	11/28/16	S
9/21/09	Asept Pak, Inc.	\$250,000.00	\$175,811.94	5.25%	Modified	\$2,349.28	11/28/16	S
5/27/10	Branch Commercial Development	\$250,000.00	\$102,812.58	5.25%	10 years	\$2,682.29	11/28/16	S
9/12/06	County of Franklin IDA	\$475,000.00	\$0.00	5.25%	Modified	\$288,012.66	11/17/16	PIF
1/5/12	Franklin Snowmobilers	\$93,750.00	\$3,583.63	5.25%	5 years	\$1,780.00	11/21/16	S
7/30/04	WiseBuys Stores, Inc.	\$250,000.00	\$17,092.66	N/A	Modified	\$1,000.00	11/4/16	U
Total		\$2,453,750.73	\$1,055,019.89					

***Status Key:**

S = Satisfactory

U = Unsatisfactory

FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
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TREASURER'S REPORT

OLD AND UNFINISHED BUSINESS

- FINAL RESOLUTION – NCCC FOUNDATION BOND ISSUE
- 2017 LOCATION OF MEETINGS

NEW BUSINESS

- ANNUAL REVIEW OF POLICIES
- CONTRACT WITH JP TUBBS – ANTICIPATED EXECUTIVE SESSION

DATE OF NEXT MEETING: JANUARY 11, 2017 (TO BE DETERMINED)

ADJOURNMENT

FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 9, 2016
Paul Smiths, New York

REGULAR MEETING

Chair Child called the Regular Meeting of the CDC to order at 4:38 pm. The following were present at Roll Call:

John Child, Chair
Andrea Dumas, Secretary
James Ellis, Director
Russ Kinyon, Director
John Tubbs, CEO
Maria Bourgeois, Executive Assistant
Paul Cantwell, Corporate Counsel
Absent: Justus Martin, Vice-Chair
Andrew Schrader, Assistant Secretary
Phil Wagschal, Director

Mr. Child welcomed all to the meeting.

Public Comment: No members of the public were in attendance.

Approval of Previous Meeting Minutes:

- The CDC board approved the Regular meeting minutes of October 12, 2016 and the Special meeting minutes of October 25, 2016 on a motion by Mr. Ellis, seconded by Ms. Dumas. All in favor.

Bills and Communications: None

Committee Reports: None

Treasurer's Report: John reviewed the October 2016 financials with the board, noting that the Adirondack Medical Center Bond Issue closed on October 18, 2016 from which the CDC received fees of \$197,150.00. In addition, a bond application fee in the amount of \$500.00 was received from North Country Community College for a new bond issue to refinance existing IDA bonds from 2005.

- Motion to accept the October 2016 financials by Mr. Ellis, seconded by Ms. Dumas. All in favor.

Old & Unfinished Business:

Adirondack Medical Center dba Adirondack Health Bond Issue: John explained that this bond issue closed on October 18th and we received a total amount of \$197,150.00.

New Business:

CDC Grant to IDA: John explained that the CDC has historically granted funds to the IDA following receipt of fees from a bond issue, which helps the IDA with operating expenses. The CDC needs to retain only enough funds to pay for expenses such as insurance and audit expenses.

- Motion by Mr. Ellis that the CDC make a grant of \$190,000.00 to the IDA, leaving a sufficient amount of funds remaining in the account to allow for insurance and audit expense, seconded by Ms. Dumas. All in favor.

NCCC Foundation Bond Issue: John explained that we received a bond application from NCCC Foundation on October 21, 2016 – they are refinancing bonds in both Franklin and Essex Counties. Paul Cantwell has recused himself from acting as Corporate Counsel for this bond issue because his wife is on the NCCC Foundation Board; Richard Edwards of Walsh & Edwards will be legal counsel for this transaction.

- Motion to adopt CDC Resolution #2016-3 Inducement Resolution (per attached) specifying that the application submittal date is October 21, 2016 made by Mr. Ellis, seconded by Mr. Kinyon. All in favor.

Roll Call Vote Followed:

MEMBER	AYE	NAY	ABSENT	ABSTAINED
John Child	X			
Andrea Dumas	X			
James T. Ellis	X			
Russ Kinyon	X			
Justus Martin			X	
Andrew Schrader			X	
Phil Wagschal			X	

CDC Resolution #2016-3 was thereupon declared duly adopted.

Adjournment: After stating that the next regular meeting of the CDC will be December 14, 2016 and with no other business to conduct, Mr. Child adjourned the meeting at 4:49 pm on a motion by Ms. Dumas, seconded by Mr. Kinyon. All in favor.

INDUCEMENT RESOLUTION

A regular meeting of the Franklin County Civic Development Corporation, Franklin County, New York, was convened in public session on November 9, 2016, at 3:00 p.m. in the Sporck Center conference room at Paul Smith's College, 7777 New York 30, Brighton, New York, 12970.

The meeting was called to order by the Chairman, with the following members being:

MEMBER	PRESENT	ABSENT
Child, John	X	
Dumas, Andrea	X	
Ellis, James T.	X	
Kinyon, Russ	X	
Martin, Justus		X
Schrader, Andrew		X
Wagschal, Phil		X

ALSO PRESENT:

John C. Tubbs, CEO
Maria C. Bourgeois, Executive Assistant
Paul Cantwell, Corporate Counsel

The following resolution #2016-3 was offered by James T. Ellis and seconded by Russ Kinyon, with the notation that "submitted on October 19, 2016" on page two be changed to "submitted on October 21, 2016":

RESOLUTION # 2016-3 TAKING OFFICIAL ACTION TOWARD THE ISSUANCE BY THE CORPORATION OF UP TO TWO MILLION (\$2,000,000) REFUNDING REVENUE BONDS TO REFINANCE THE \$1,910,000 OUTSTANDING FRANKLIN COUNTY INDUSTRIAL DEVELOPMENT AGENCY CIVIC FACILITY REVENUE REFUNDING BONDS (NORTH COUNTRY COMMUNITY COLLEGE FOUNDATION, INC. PROJECT), SERIES FOR NORTH COUNTRY COMMUNITY COLLEGE FOUNDATION, INC. AND NORTH COUNTRY COMMUNITY COLLEGE, A NEW YORK NOT-FOR-PROFIT 501(C)3 CORPORATION SUCCESSORS AND ASSIGNS

WHEREAS, North Country Community College Foundation, Inc., a New York not-for-profit 501(c)(3) corporation, its successors and assigns (the "Foundation"), located in Saranac Lake, New York, located in Saranac Lake, New York, has each applied to the Franklin County Civic Development Corporation (the "Corporation") to issue tax-exempt refunding revenue bonds in an aggregate principal amount not to exceed \$2,000,000 (the "Bonds") for the purpose of refinancing \$1,910,000 outstanding Franklin County Industrial Development Agency Revenue Refunding Bonds (North Country Community College Foundation, Inc. Project), Series 2005 (the "Series 2005 Foundation Bonds"), together the costs of (i) redeeming the Series 2005 Foundation Bonds, (ii) defeasing the lien of the Trust Indenture, by and between the Franklin County Industrial Development Agency (the "Agency") and The Bank of New York, as trustee (and successor trustee), pursuant to which the Series 2005 Foundation Bonds were issued and are now secured, and (iii) the costs of issuance of the Series 2005 Foundation Bonds (the "Project").

WHEREAS, the Foundation is in good standing to qualify for financial assistance, if any, by the Corporation, a not-for-profit 501(c)(3) corporation, duly organized in the State of New York or other state, and authorized to do business in the State of New York, and

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law (“N-PCL”) of the State of New York (the “State”), as amended (hereinafter collectively called the “Act”), and pursuant to its certificate of incorporation, as amended (the “Certificate”), the Corporation (the “Issuer”) was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS pursuant to the Act and the Certificate, the Corporation is authorized and empowered to finance and refinance the acquisition, construction, equipping and installation of such facility within Franklin County, New York through the issuance of its tax-exempt refunding revenue bonds, and

WHEREAS, the members of the Corporation have approved the application of the Foundation, submitted on October 21, 2016, and have agreed to issue Bonds for the purpose of refinancing the Series 2005 Foundation Bonds for the Foundation; and.

WHEREAS, members of the Corporation have determined that refinancing the Series 2005 Foundation Bonds bearing an annual rate of interest of 5.00% or more, would reduce debt service payments required of the Foundation, reduce operating expenses of the Foundation, and enable the Foundation to maintain and increase employment in Franklin County, and that such refinancing is a public purpose and the Corporation

NOW, THEREFORE, BE IT RESOLVED by the Franklin County Civic Development Corporation as follows:

Section 1. The Corporation has found and determined that refinancing the Foundation’s outstanding Series 2005 Foundation Bonds issued by the Franklin County Industrial Development Corporation in 2005 shall accomplish the public purpose of the Corporation as presented in the Act; and will promote the job opportunities, health, general prosperity and the economic welfare of the inhabitants of Franklin County and the State of New York and improve their standard of living and will thereby serve the public purposes of the Act; and that it is desirable and in the public interest to issue up to TWO MILLION DOLLARS (\$2,000,000) principal amount of Bonds for the purpose of refinancing the Series 2005 Foundation Bonds and funding the costs of the Project.

Section 2. The Corporation will (i) issue the Bonds in the principal amount of not more than TWO MILLION DOLLARS (\$2,000,000) the particular maturity, interest rate, redemption term and other terms and provisions to be determined by a further resolution of the Corporation, (ii) loan the proceeds of the Bonds to the Foundation to redeem in full the Series 2005 Foundation Bonds, (iii) defease the lien of the Indenture, (iii) enter into an loan agreement with the Foundation whereby the Foundation will be obligated, among other things, to make payments to the

FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION
RESOLUTION #2016-3

Corporation in amounts and at times so that such payments will be adequate to pay the principal of, premium, if any, and interest on the Bonds, and (iv) secure the Bonds in such manner as the Corporation, the Foundation, and the purchaser(s) of the Bonds mutually deem appropriate, and (v) pay the costs of issuance of the Bonds.

Section 3. The Foundation is hereby authorized to advance such funds as may be necessary to accomplish such purposes and, to the extent permitted by law, the Corporation agrees to reimburse the Foundation therefor out of the proceeds of the Bonds.

Section 4. Squire Patton Boggs (US) LLP is hereby appointed Bond Counsel in relation to the issuance of the Bonds.

Section 5. Richard H. Edwards, Esq. is hereby appointed as general counsel to the Corporation in relation to the issuance of the Bonds.

Section 6. Bond Counsel is hereby authorized to work with the Foundation and others to prepare, for submission to the Corporation, all documents necessary to effect the authorization, issuance and sale of the Bonds.

Section 7. The Chairman of the Corporation is hereby authorized and directed to distribute copies of this resolution to the Foundation and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. This resolution is hereby adopted subject to the requirements of the State Environmental Quality Review Act (SEQRA), as amended, Article 8 of the Environmental Conservation Law of the State of New York, and all regulations thereunder, and applicable regulations, if any, of the Adirondack Park Corporation (“APA”).

Section 9. The Corporation shall prepare and publish a notice of public hearing in compliance with Section 147(f) of the Code and shall hold such public hearing prior to the issuance of the Bonds, the Corporation must have approved the issuance of the Bonds after such public hearing on the issuance of the Bonds and the nature and location of the Project has been held by the Corporation at a regularly scheduled meeting of the Corporation.

Section 10. The Corporation intends this Resolution to be a Declaration of Official Intent of the Corporation with respect to the Bonds under U.S. Treasury Regulations Section 1.150-2 (successor to Section 1.103-18) for purposes of Sections 103 and 141 to 150 of the Code. The Corporation is the “actual issuer” of the Bonds within the meaning of Section 1.150-2 of the U.S. Treasury Regulations. A general functional description of the property, project or program for which the Hospital reasonably expects to reimburse all or a portion of the capital expenditures paid within 60 days prior to the date hereof or to be paid on or after the date hereof (the “Expenditures”) is: refinancing tax-exempt bonds originally issued for the acquisition, construction, equipping and installation of facilities used in the 501(c)(3) purposes of New York not-for-profit corporation. The maximum principal amount of debt expected to be issued for the purposes of reimbursement

**FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION
RESOLUTION #2016-3**

of the Expenditures is \$2,000,000. The Corporation reasonably expects the Foundation to reimburse the Expenditures with proceeds of debt consisting of the Bonds to be issued by the Corporation. This Declaration of Official Intent shall be reasonably available for inspection by the general public, commencing no later than 30 days after the date hereof, until the date of issue of the last Bonds issued to finance the Expenditures, during normal business hours on business days at the office of the Corporation, Franklin County Civic Development Corporation, 10 Elm Street, Suite 2, Malone, New York 12953.

Section 11. The resolution incorporates by reference the information, statements, exhibits, terms and covenants contained in the Foundation’s Application for Financial Assistance, dated and filed with the Corporation on October 21, 2016, which is deemed to be a part of this resolution.

The question of the adoption of the foregoing resolution was duly put to vote on roll call which resulted as follows:

MEMBER	AYE	NAY	ABSTAIN	ABSENT
Child, John	X			
Dumas, Andrea	X			
Ellis, James T.	X			
Kinyon, Russ	X			
Martin, Justus				X
Schrader, Andrew				X
Wagschal, Phil				X

Resolution #2016-3 was thereupon declared duly adopted.

STATE OF NEW YORK)
)ss.:
COUNTY OF FRANKLIN)

I, **Andrea M. Dumas**, Secretary of the Franklin County Civic Development Corporation (the "Corporation"), DO HEREBY CERTIFY as follows:

1. A regular meeting of the Corporation was duly held on November 9, 2016 and minutes of such meeting have been duly recorded in the book kept by me in accordance with law for the purpose of recording the minutes of meetings of the Corporation.

2. At such meeting more than a quorum of the members of the Corporation were present after all had been duly notified of the meeting and the purposes of the meeting in the manner and within the time prescribed by the By-Laws of the Corporation.

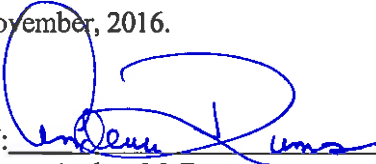
3. I have compared the attached extract with such minutes so recorded and such extract is a true and correct copy of such minutes and of the whole thereof insofar as such minutes relate to matters referred to in such extract.

4. Notice of such meeting was given as prescribed by law and such meeting was open to all persons who were entitled by law to attend such meeting.

5. The resolution referred to in such extract was introduced in typewritten form.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Franklin County Civic Development Corporation this 17th day of November, 2016.

(SEAL)

BY: 
Name: Andrea M. Dumas
Title: Secretary of the Franklin County
Civic Development Corporation, New York

Franklin County Civic Development Corporation

Balance Sheet Prev Year Comparison

As of November 30, 2016

	<u>Nov 30, 16</u>	<u>Oct 31, 16</u>	<u>Nov 30, 15</u>
ASSETS			
Current Assets			
Checking/Savings Community Bank	13,309.19	203,334.14	8,123.25
Total Checking/Savings	<u>13,309.19</u>	<u>203,334.14</u>	<u>8,123.25</u>
Total Current Assets	<u>13,309.19</u>	<u>203,334.14</u>	<u>8,123.25</u>
TOTAL ASSETS	<u><u>13,309.19</u></u>	<u><u>203,334.14</u></u>	<u><u>8,123.25</u></u>
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	8,123.32	8,123.32	10,567.49
Net Income	5,185.87	195,210.82	-2,444.24
Total Equity	<u>13,309.19</u>	<u>203,334.14</u>	<u>8,123.25</u>
TOTAL LIABILITIES & EQUITY	<u><u>13,309.19</u></u>	<u><u>203,334.14</u></u>	<u><u>8,123.25</u></u>

Franklin County Civic Development Corporation

Profit & Loss Prev Year Comparison

November 2016

12/02/16

Accrual Basis

	<u>Nov 16</u>	<u>Oct 16</u>	<u>Nov 15</u>	<u>Jan - Nov ...</u>
Ordinary Income/Expense				
Income				
Bond Application Fees	0.00	500.00	0.00	1,000.00
Bond Transaction Fees	0.00	197,150.00	0.00	197,150.00
Investments				
Interest-Savings, Short-term CD	<u>0.94</u>	<u>0.75</u>	<u>0.07</u>	<u>2.24</u>
Total Investments	<u>0.94</u>	<u>0.75</u>	<u>0.07</u>	<u>2.24</u>
Total Income	0.94	197,650.75	0.07	198,152.24
Expense				
Bank Service Fees	<u>0.00</u>	<u>15.00</u>	<u>0.00</u>	<u>15.00</u>
Total Expense	<u>0.00</u>	<u>15.00</u>	<u>0.00</u>	<u>15.00</u>
Net Ordinary Income	0.94	197,635.75	0.07	198,137.24
Other Income/Expense				
Other Expense				
Miscellaneous Expense	190,025.89	83.48	20.10	191,451.37
Professional Services	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,500.00</u>
Total Other Expense	<u>190,025.89</u>	<u>83.48</u>	<u>20.10</u>	<u>192,951.37</u>
Net Other Income	<u>-190,025.89</u>	<u>-83.48</u>	<u>-20.10</u>	<u>-192,951.37</u>
Net Income	<u><u>-190,024.95</u></u>	<u><u>197,552.27</u></u>	<u><u>-20.03</u></u>	<u><u>5,185.87</u></u>

**NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF BONDS AND FINANCIAL ASSISTANCE**

NOTICE IS HEREBY GIVEN to all interested parties that a public hearing, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and Section 859-a of the General Municipal Law of the State of New York (the "State"), as amended, will be held by the Franklin County Civic Development Corporation (the "Corporation") on behalf of Franklin County, New York on November 29, 2016 at 9:00 a.m., local time, at the offices of the Corporation located at 10 Elm Street, Suite 2, Malone, New York 12953, in connection with the following matters:

This is a notice for a public hearing to authorize up to \$2,000,000 of revenue refunding bonds of the Corporation, to be issued in one or more issues under a plan of finance, the interest on which will be excluded from gross income for federal income tax purposes, for the project described below.

North Country Community College Foundation Inc., a New York not-for-profit 501(c)(3) corporation (the "Applicant") has requested that the Corporation assist the Applicant in (A) the financing of a project, to wit: the refinancing of civic facility revenue refunding bonds of the Franklin County Industrial Development Agency (the "Agency") consisting of the Agency's \$1,910,000 outstanding Franklin County Industrial Development Agency Revenue Refunding Bonds (North Country Community College Foundation, Inc. Project), Series 2005 (the "Series 2005 Foundation Bonds"), issued to (i) refinance civic facility revenue refunding bonds of the Agency, the proceeds of which bonds were applied to acquire and construct a facility owned by the Applicant and leased to North Country Community College (a 501(c)(3) not-for-profit corporation), including, approximately 1.2 acre parcel of land located at South Williams Street, in the Village of Malone, Franklin County, New York, the existing building thereon as renovated, and equipment and machinery acquired and installed therein; (ii) fund a debt service reserve fund for the Series 2005 Foundation Bonds; (iii) pay costs of issuance of the Series 2005 Foundation Bonds, and (iv) pay capitalized interest on the Series 2005 Foundation Bonds; and (B) financing the costs of (i) redeeming the Series 2005 Foundation Bonds; (ii) defeasing the lien of the Trust Indenture, by and between the Agency and The Bank of New York, as trustee (and successor trustee), pursuant to which the Series 2005 Foundation Bonds were issued and are now secured, and (iii) authorization and issuance of the Corporation's revenue refunding bonds (the "Project") by the Corporation's issuing in one or more issues or series in aggregate principal amount not to exceed \$2,000,000 the Corporation's revenue refunding bonds (the Bonds"). It is intended that interest on the Bonds in the aggregate principal amount of not more than \$2,000,000 will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 145 of the Code.

The Project will be subject to a financing agreement (the "Agreement"), requiring that the Applicant make payments equal to the debt service on the Bonds and make certain other payments. Pursuant to Article 8 of the Environmental Conservation Law of the State, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State, being 6 NYCRR Part 617, as amended (the "Regulations"), the Corporation, as an involved agency, will determine whether the Project may have a "significant effect on the environment" (as set forth in the SEQR

Act and the Regulations) and therefore require the preparation of an environmental impact statement.

The Bonds will be a special obligation of the Corporation payable solely from revenue derived from the Applicant under the Agreement. THE BONDS SHALL NOT BE A DEBT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, FRANKLIN COUNTY, NEW YORK, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, FRANKLIN COUNTY, NEW YORK, SHALL BE LIABLE THEREON.

The Corporation will at the above-stated time and place hear all persons with views in favor of or opposed to the proposed issuance of the Bonds in the aggregate principal amount not to exceed \$2,000,000.

A report of the hearing will be made available to the Board of Legislators of the County of Franklin, New York. Approval of the issuance of the Bonds by the County of Franklin, through the Corporation, is necessary in order for the interest on a portion of the Bonds to be excludable from gross income for federal income tax purposes. This notice will be published in a newspaper in general circulation in the County of Franklin at least fifteen (15) days prior to the date set for the hearing.

Dated: November 10, 2016

FRANKLIN COUNTY CIVIC
DEVELOPMENT CORPORATION

John Child
Chairman of the Board

FRANKLIN COUNTY CIVIC DEVELOPMENT CORPORATION (FCCDC)

**NORTH COUNTRY COMMUNITY COLLEGE FOUNDATION, INC. BOND ISSUE
PUBLIC HEARING REPORT**

**PUBLIC HEARING HELD AT FCCDC OFFICES
10 ELM STREET, SUITE 2, MALONE NEW YORK 12953**

NOVEMBER 29, 2016

“The time is 9:00 a.m. and it is November 29, 2016. My name is John Tubbs, and as Chief Executive Officer of the Franklin County Civic Development Corporation I am convening this Public Hearing in the Corporation’s offices in Malone, New York.

This Public Hearing concerns North Country Community College Foundation, Inc. and an application they have made to the Franklin County Civic Development Corporation to issue bonds in an aggregate principal amount not to exceed \$2,000,000. The bonds are intended to refinance Series 2005 bonds issued by the County of Franklin Industrial Development Agency. The purpose of this hearing is to listen to and consider public opinion concerning the project.

We have a sign-in sheet for attendees, and we have a copy of public hearing procedures to be observed by anyone wishing to be heard. We also have a copy of the North Country Community College Foundation, Inc. application submitted to the Franklin County Civic Development Corporation.

We do have, now that we opened the hearing, a couple of things to enter into record. We will enter into record first a copy of the Corporation’s resolution authorizing this Public Hearing. This resolution is dated November 9, 2016. We also would like to enter into record the notice – the actual text of the Notice of Public Hearing - which was printed in The Malone Telegram on November 11, 2016, and also printed in The Adirondack Daily Enterprise on November 14, 2016.

I will recap the public hearing procedures, briefly; that members of the public are welcome to speak and provide comment to the Corporation concerning the proposed project, but this Public Hearing is not intended for the public to address questions to members of the Corporation or to the Project Applicant. All of the details concerning the public hearing procedures are available in writing to interested parties.

Others present at this time are:

- Maria Bourgeois, Executive Assistant, County of Franklin Industrial Development Agency

At this time there are no members of the public in attendance. This hearing will remain open for one (1) hour to give members of the public an opportunity to comment.

The time is now 10:00 a.m. We have kept this Public Hearing open for one (1) hour so that members of the public may comment, none of whom have come forward. We will now proceed with closing this hearing, which is a Franklin County Civic Development Corporation Public Hearing on the issuance of bonds for North Country Community College Foundation, Inc. The hearing is now closed.”