

SARATOGA COUNTY CAPITAL RESOURCE CORP.
Meeting Minutes
July 25,2017
Stewart's Office Plaza, Route 9, Malta, NY 12020

Members Present: Chairman Anita Daly, Arthur Johnson, Valerie Muratori, Matthew Veitch, Ann Frantti, John Wyatt.

Staff Present: Raymond O'Connor, CEO; Jeffrey Reale, CFO, Chris Martell, Bond Counsel, Jim Carminucci, Counsel, Lori Eddy, administrative secretary.

Absent: Eugene Zeltmann.

Chairman Daly called the meeting to order at 4:00 p.m.

Approval of the April 25, 2017 meeting minutes:

Chairman Daly asked for a motion to approve the April 25, 2017 meeting minutes. The motion to approve the minutes was made by Mr. Johnson and seconded by Ms. Frantti. There was no further discussion. All board members voted in favor.

Review of Financial and Budget Reports as of June 30, 2017:

Chairman Daly asked Mr. Reale to discuss the financial report as of June 30, 2017. Mr. Reale reported year-to-date revenue of \$199,782.48 and expenses of \$22,603.84, realizing a \$177,178.64 gain. Mr. Reale further stated that the balance sheet shows a cash balance of \$427,231.21. The last page of the report has the itemized transactions.

Chairman Daly asked if there were any questions regarding the financial and budget reports.

The following resolution was offered by Mr. Veitch and seconded by Mr. Johnson.

Resolution No. 16-2017

Resolved to approve the financial and budget reports as presented.

Ayes – 6 – 0

Noes – 0

Adopted 6 – 0

Chairman Daly stated we have invoices for approval today which are for staff services, Ms. Eddy and Mr. Reale. Ms. Eddy's is in the amount of \$175 and Mr. Reale's is in the amount of \$300.

Chairman Daly asked for a motion to approve the two invoices submitted for approval.

The following resolution was offered by Ms. Muratori and Mr. Veitch.

Resolution No. 17-2017

Resolved to approve the invoices as presented.

Ayes – 6 – 0

Noes – 0

Adopted 6 – 0

Marketing – Website proposal:

Chairman Daly stated the next agenda item is the Marketing website proposal. Mr. O’Conor stated at the April meeting, we had gotten a proposal through the Prosperity Partnership from a firm in Albany to do the website. He thought it came in high in the amount of \$10,000. It included training and maintenance. Mr. O’Conor did a little shopping around and ran this by Shelby Schneider who has been coordinating this through Saratoga Prosperity Partnership. Web Instinct, a Saratoga County firm, put together a proposal for us that came in at \$3,500. This included everything that the firm in Albany was going to do. The ongoing maintenance fee for hosting is \$25 per month. They both know the gentleman who runs this firm and feel comfortable and confident in his ability to put together the website and maintain it. Mr. O’Conor passed around a copy of the proposal. Mr. O’Conor stated also at the last meeting we had approved, he thinks, \$2,500 for the development of a brochure and logo. He passed around the proposal for these services for everyone to look over. He is seeing this today for the first time himself. He will take some time to look this over and make sure it covers everything we want to say about our agency and what it does. Mr. O’Conor asked for input on these items as well. Ms. Muratori asked which firm was doing this. Mr. O’Conor stated he didn’t know. Ms. Schneider provided the name of the firm but he could not remember it. Chairman Daly stated she would be honest with the Board, she was really disappointed with the Prosperity Partnership because she had not, since our last meeting, gotten a proof or any sort of feedback at all on any of our marketing materials. She sent out an email today to the Prosperity Partnership staff and expressed her concern and displeasure at the fact that it has been three months since our last meeting and we hadn’t received anything. It is the same thing with the website. She has a person that has been talking to her with interest to do this work and she did not get back to them because she wanted to see where we were. She would like to take the information we have and talk to the person that expressed an interest and she would like the board members to have an opportunity to look this over. We could probably get an electronic copy and share it with the Board. Mr. O’Conor stated he could provide that.

Project Updates:

Chairman Daly asked Mr. Martell to discuss project updates. Mr. Martell stated all of the documents are ready, but does not have a closing date. Apparently, the developer needs to identify a 1031 exchange which essentially allows the developer to take in a profit on this sale and invest it in a similar property without any tax consequences. So, we are in a holding pattern. He thinks we are looking at a September closing. Ms. Muratori questioned if this was just a refinance? Mr. Martel stated that no, any time you have a low-income housing project, the projects needs to be updated to comply with HUD regulations. A significant amount of work being done to upgrade this facility.

Mr. O’Conor stated he has not heard anything on Trinity Health Partners. Mr. Carminucci stated he has not heard anything either. Mr. Martel stated we don’t have the documents though yet. Mr. Carminucci stated he thinks that the last communication we had we notified them of what the fee would be.

Chairman Daly stated she has an update on the Aquatic Center. We are going to hear presentations on this topic, possibly in October. Mr. Johnson stated they have made some significant progress in raising money, but they are still going to look to us for financing part of that.

Mr. O'Connor stated there are a couple of other prospects. Glens Falls Hospital plans to build a facility in the Town of Moreau. The timeframe on that is probably 2017. Mr. O'Connor sent them an email yesterday saying we would be happy to come up to have a talk with them about participating and acting as a conduit for financing if they plan to borrow for that project.

Mr. O'Connor stated he got two mysterious phone calls. You probably read in the papers or saw on the news that there are three affordable workforce housing projects proposed in an around Saratoga Springs. He received a call from an attorney in New York City who said that he represents one of these entities. He did not disclose who he was or on whose behalf he was inquiring. We talked about what we do and the fee structure. One of those entities that is building workforce housing may approach us.

Chairman Daly stated under other matters. We do have money in the budget for attending conferences. The New York State Association of Counties is holding its fall conference in September in Syracuse. If anyone is interested in going, there is a discussion about a roundtable event talking about municipal boards, such as this, and the IDA, discussing best practices. There is also a Women's Leadership roundtable. If anyone is interested in attending, let her know and she can forward the conference materials.

Chairman Daly asked if there were any further discussions. Mr. O'Connor stated he will forward information to everyone regarding the agenda for the Governance and Finance Committee meetings. Chairman Daly stated we will be doing our budget at the October meeting as well. Mr. O'Connor stated that if there is anything unusual or anything that is not customarily in our prior budgets that anyone thinks he should be aware of, please email him.

Ms. Muratori asked if there was ever a question on how much cash balance should be carried for the Capital Resource Corporation. Mr. O'Connor stated some entities get criticized for having too large of a surplus. He has never seen that with an agency like ours. Mr. Johnson stated there are so many limitations on what you can use your money for. Mr. O'Connor stated he thought if we found ourselves consistently sitting on substantially greater sums than what we would anticipate needing, we might want to give some thought to repatriating funds back to the organizations who gave it to us since they are not-for-profit organizations. Ms. Muratori stated she thinks that one of the organizations that can benefit from the funds are a limited group of smaller not-for-profits. It would be nice to establish a small funding stream for capital improvements for those not-for-profits that are working with small budgets. Mr. Veitch questioned if it could be used as a revolving loan fund. Mr. O'Connor stated yes, but that should be done with caution as delinquencies and collection efforts may be significant. Mr. Martel stated any project that you can finance, you can certainly assist on your own as well. If a group came in from out of Town and they wanted to locate somewhere in Saratoga County and they had to do any kind of infrastructure improvements, you can chip in. He thinks what most organizations do is find projects that are creating employment. He put together a memo and send it to the entire board on proper uses. Mr. Carminucci stated you were primarily set up to assist not-for-profits, your mission goes beyond that so you are not limited to not-for-profits extending your funds. Chairman Daly stated we really need grant money as opposed to lending it is what you are saying. Mr. O'Connor and the board agreed. Chairman Daly stated that last year the educational seminar that the County Mental Health Department put on served as an educational forum for licensed social workers who work with just about every not-for-profit. We helped sponsor that. She is sure they are probably doing it again this year. We need some sort of criteria from which to establish. Mr. Reale stated maybe it needs to be a budget line item for next year. Chairman Daly stated she thinks it could be. Ms. Muratori stated it seems like if you are historically

generating \$170,000-\$200,000 a year in a ten-year period, you are going to end up with a fairly sizeable amount because expenses are so limited. It would be nice to figure out some kind of a grant policy. Chairman Daly stated there seems to be a sentiment to try to help not-for-profits with a grant program. She asked if there were some volunteers who would like to serve as a subcommittee to help write criteria Ms. Frantti volunteered her experience in this area and Ms. Muratori volunteered to be on this subcommittee as well.

Mr. Johnson asked if we can finance workforce housing projects. Mr. Martel stated it has to fit certain criteria. It is a 60/40 test. 60% of the people have to be below the median income and 40% can be over. It is his understanding that is not what is being proposed on South Broadway. Chairman Daly asked Mr. Carminucci or Mr. Martel to provide Ms. Frantti and Ms. Muratori with guidelines they will need to follow for the subcommittee. They agreed.

Chairman Daly asked if there was any further business to discuss. The next meeting date is October 24, 2017 at 4:00 p.m.

A motion to adjourn was made by Mr. Johnson, seconded by Mr. Veitch. All were in favor and the meeting was adjourned at 4:40 p.m.

Respectfully submitted,

Lori A. Eddy, Administrative Secretary

Approved _____ Date _____