

SARATOGA COUNTY CAPITAL RESOURCE CORP.
October 20, 2021
Saratoga County Chamber Office, Saratoga Springs, NY
Meeting Minutes

Members Present: Chairwoman Anita Daly, Jean Raymond, Arthur Johnson, Mark Hillman, Matthew Veitch, Valerie Muratori.

Staff & Guests Present: Raymond O’Conor, CEO; Jeff Reale, CFO, Jim Carminucci, Counsel; Chris Canada; Counsel; Todd Shimkus, Saratoga County Chamber of Commerce; Lori Eddy, administrative secretary.

Absent: Ann Frantti.

Chairwoman Daly called the meeting to order.

Chairwoman Daly stated the first agenda item is to approve the meeting minutes of July 22, 2021. Mr. Veitch made a motion to approve the minutes for July 22, 2021 and it was seconded by Mr. Hillman. There was no further discussion. All board members voted in favor.

Chairwoman Daly asked for a motion to approve the Financial Reports of September 30, 2021. Ms. Muratori made a motion to approve the Financial Reports of September 30, 2021 as presented and it was seconded by Mr. Johnson. There was no further discussion. There was no further discussion. All board members voted in favor.

Chairwoman Daly stated the next agenda item is to approve the Budget Report. Chairwoman Daly asked for a motion to approve the meeting minutes as presented. Ms. Raymond made a motion to approve the Budget Report and it was seconded by Mr. Veitch. There was no further discussion. All board members voted in favor.

Chairwoman Daly stated as required our 2022 Budget has been proposed to this Board and reviewed by the Finance Committee. Chairwoman Daly then asked for a motion to accept the 2022 Budget with the Executive Officer salary at \$39,000, administrative secretary \$1,800, Chief Financial Officer \$3,200, Community Development grants in the amount of \$15,000.

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

Resolution No. 8-2021

Resolved to approve the 2022 Proposed Budget as presented.

Ayes – 6

Noes – 0

Adopted 6 – 0

Authorities Budget Office Budget Submission:

Chairwoman Daly stated the next agenda item is the Authorities Budget Office five-year budget submission. Mr. O’Conor stated after he makes the appropriate adjustments to both budgets, he will send both documents to all of the board members. Chairwoman Daly then asked for a motion to accept the Authorities Budget Office Budget five-year budget submission as presented.

Ms. Raymond made a motion to approve the Authorities Budget Office budget submission as submitted and to be revised and it was seconded by Mr. Veitch. There was no further discussion. All board members voted in favor.

Invoices for approval:

Secretarial services for \$162.50 and Counsel Services of \$206.25. Ms. Raymond made a motion to approve the invoices for payment and it was seconded by Mr. Hillman. There was no further discussion. All board members voted in favor.

Renewal of Administrative Secretary Contract

Chairwoman Daly asked for a motion to approve the renewal of the Administrative Secretary contract as recommended by the Governance Committee. Ms. Muratori stated we are renewing the Administrative Secretarial Contract for the next year at a rate of \$67.00 per hour effective January 1st. The motion to approve the Administrative Secretary contract with a change to the hourly rate to \$67.00 was made by Mr. Veitch and seconded by Mr. Hillman. There was no further discussion.

Resolution 9-2021

Resolved, to renew the Secretary service contract with Lori Eddy as presented.

Ayes – 6

Noes – 0

Adopted 6-0

Renewal of CFO Contract

Chairwoman Daly asked for a motion to approve the CFO contract for 2022 as recommended by the Governance Committee at a fixed amount of \$3,200.00 per year. The motion was made by Mr. Johnson and seconded by Mr. Veitch. There was no further discussion.

Resolution 10-2021

Resolved, to approve the renewal of the CFO contract for 2022 with Jeffrey Reale as presented.

Ayes – 6

Noes – 0

Adopted 6-0

Renewal of CEO Contract

Chairwoman Daly asked for a motion to approve the CEO contract as recommended by the Governance Committee increasing annual compensation to \$39,000.00. The motion to approve the CEO contract was made by Ms. Daly and seconded by Ms. Raymond. There was no further discussion.

Resolution 11-2021

Resolved, to approve the renewal of the CEO contract with Raymond O’Conor as presented.

Ayes – 6
Noes – 0
Adopted 6-0

Prospects & Applications:

Chairwoman Daly asked if there was any discussion on prospects or applications. Mr. O’Conor stated depending upon how the Morgan Street project progresses for Saratoga Hospital, we may receive an application. Wesley restarted its capital campaign for its capital project. We will see how that project progresses in 2022. Ms. Muratori sent him a referral, but the size of the transaction doesn’t justify financing through us.

2022 Meeting Schedule:

Mr. O’Conor distributed the 2022 meeting schedule.

Other Matters:

Chairwoman Daly stated the terms of she and Mr. Johnson expire at year end. Both would like to continue to serve on the board.

Mr. O’Conor wanted to discuss the Raymond Watkin Apartments project. Mr. Carminucci stated that Mr. Canada and he communicated, we did a bond issue for the Raymond Watkin Apartments in 2017 which he thinks was subsequently paid off. However, when we did the bond issue the owner had to sign a regulatory agreement relating to the use of the property. Even though the bond issue has been paid off, that agreement remains in place and it will for as long as 15 years from when the bonds were issued. So, they are in the process of doing a HUD financing and HUD has requested changes to the regulatory agreement. Mr. Canada and he would like authorization for Chairwoman Daly to sign off on any changes subject to Counsel review due to time constraints. Ms. Raymond asked what does it regulate? Mr. Carminucci stated it talks about the property being continuously available for rental use and it talks about the income requirements that allow them to be able to borrow on a tax-exempt basis. Ms. Raymond stated there is no danger if we release it of something bad taking place then. Mr. Carminucci stated no, but one of the things he and Mr. Canada were talking about was getting some kind of indemnification in terms of being asked to sign this so that it doesn’t come back on us.

Chairwoman Daly then asked for a motion to authorize the signing of a revised agreement as discussed. The motion was made by Ms. Raymond and seconded by Mr. Veitch. There was no further discussion. All board members voted in favor.

Chairwoman Daly invited Todd Shimkus, President of the Saratoga County Chamber of Commerce to address the Board. Mr. Shimkus addressed the board regarding a labor shortage. He saw an article today where people are calling this the great resignation because so many people have left the jobs that they had for whatever reason. We are not sure where they all went. He happened to be talking to five or six of the largest companies in Saratoga about a completely separate issue and in talking with them, they all brought up the issue of the labor shortage and how they had teams of people that are recruiting and trying to bring people here from all over the world and the country to fill positions at the hospital, at Global Foundries, Skidmore, Finger Paint, etc. It dawned on him in these conversations that what do all of these small non-profits do, what do all of these small businesses do? They don’t have an HR Department. So, what we hear they are doing is they are taking out ads and they are talking to their kids, and they are signing people up to come for interviews and they are not showing up. We have a whole host of firms around here, the private firms that do executive searches, that do job placement, all the temporary to permanent,

but those folks all do what he would call cherry picking. They are working with the folks that can afford to pay them 20% of the annual salary of the people that they recruit. What do these small businesses and non-profits do? The general concept was that he was going to look and talk to some of those search firms, some of those executives that do that for a living about whether, kind of what the Chamber used to do for health insurance, where we pooled for all the small businesses and all of the non-profits and we either contracted with someone to do this or we hired somebody that would be able to do recruitment for small businesses and non-profits. We have a lot more work to do on this including budgeting, immigration issues, etc. Ms. Muratori asked to speak about the daycare issue. She really likes the J1 idea because that has been a big push for her because hospitality has access to J1 and if there was a way for our field to access those J1 employees, it would be huge. They are going back. But they are coming back the next year. Ms. Raymond stated but they aren't even letting them in, are they? Chairwoman Daly stated what happens is there are caps in every single one of the categories and the caps are met. The applications far outsee the number of slots available. Then you go through this lottery in order to see whether or not you are one of the chosen. Then you play the game with Congress and they amend the budget and then there are all these other things in there whereby the cap gets reached. So, the budget gets passed and then buried in the budget we are going to raise the cap on J1 or H2B or H2A. Ms. Raymond stated she knows you have had trouble this past year or the year before. Chairwoman Daly stated yes, the last two years. Ms. Raymond stated she has also heard third hand that a lot of the resorts up north in the Adirondacks, that is how they get their help. They were not able to get help this year. Chairwoman Daly stated absolutely. Ms. Muratori stated part of it was COVID too. Ms. Raymond stated to Mr. Shimkus if there was some way to access some of the reasons. Particularly women who are not in the highly professional fields have just said to heck with it. It's not worth it. I go to work for two weeks and then my kid is out of school for ten days on quarantine because they were near somebody. If there were some ways that we could look at this childcare issue because a lot of these families were living pretty high on the hog with unemployment and extra unemployment stimulus, and it is all drying up. Ms. Muratori stated childcare is a huge problem because 80% of her employees are female. Many are single parents. Traditional childcare here in Saratoga County closes at 5:00 on Friday. Most people now are not looking for that. A lot are shift work. There is not a daycare opportunity for weekends or evenings and in order for this community to draw people to stay employed, they have to do something about the childcare issues. Those 9-5 people are working from home now. They are home and don't need to pay for childcare. The 3-11, that overnight, that Saturday, that is when we see our callouts. My childcare worker who was getting paid under the table called off. I can't come to work. Or, I have to quit my job because I have nobody to take care of my kid at 3:00 in the afternoon. It's a huge problem. Ms. Raymond stated she knows there were places where people were forming informal co-ops of parents building little towers. There are six of us. I'll take your kid on Tuesday night if you'll take mine on Thursday overnight. We have to be innovative. Mr. Carminucci stated if the demand is there why aren't the daycare operators responding in trying to resolve this? Ms. Muratori was talking to one of her board members that has kids in a for profit childcare and he's paying huge bucks and he'll get a call on Monday saying we are not going to be open on Thursday and Friday because we don't have any staff and they don't readjust their tuition. The other piece of it is you have a demographic issue because her theory is she came from a family of five kids. We all went to work. Her kids and her siblings have one kid, two kids. They are all going to work. This next group, one kid maybe. The demographics are shrinking. And, what Saratoga County has to offer, which is great, is a great place to live but that group can't afford to live here and then they can't pay for daycare. So how do you get them here. What are you offering them to stay? Because you've got to offer them something to stay. Could you partner with some of these larger companies to put something together where it was shared and then put together a scholarship program? Mr. Shimkus did talk to the Chair of their Human Resources counsel about that because he got that email and he got some great info from Jen McCluskey and the Capital Region Childcare Council. Chairwoman Daly stated J1 would be beneficial for not-for-profits or small businesses if you can pool them. When you do the application, you put down how many people you want to bring in. The rate from the broker shouldn't change based on that. What will change as you go through is that you go through that process. There are

separate processing fees. So, you would have to work out a fee arrangement somehow. Because some of those things are going to be per person and one will be an agent or attorney fee for whether it's one or six. Ms. Muratori questioned could you set up a separate corporation that acts as a temporary service where you have these J1 applicants, and the not-for-profits could access. Mr. Shimkus stated he will say that two search firms that he talked to said they want nothing to do with that process. Mr. Hillman questioned Ms. Muratori if she knew what other states are doing to address these issues? Ms. Muratori replied no. But she was listening to a news report about one family who was running a licensed 24/7 daycare. They were giving an example of their day and how exhausting it could be. They were literally having kids sleep overnight, getting them on the bus, getting their lunch breakfast. It is definitely not for everybody, but she thinks we need to figure out what to do. That is why she thought Global would be a great resource because she would think maybe in their Frankfort pod that they might be offering daycare there. The Germans tend to be much more progressive.

Chairwoman Daly thanked Mr. Shimkus and stated she thinks we have an interest so keep developing the concept and keep us apprised of where we are at. Mr. Shimkus thanked the Board.

Chairwoman Daly asked if there was any further business to discuss. There being no other matters for discussion, on a motion by Mr. Veitch, seconded by Ms. Raymond, the meeting was adjourned.

Secretary

Date