

1 **OGDENSBURG GROWTH FUND DEVELOPMENT CORP.**

2
3 **APPROVED MINUTES FOR**
4 **DECEMBER 20, 2017**

6	Members Present:	Scott Wright (Chairman), Wayne Ashley, Sarah Purdy, Gary Hammond,
7		Kim Demers, Dallas Sutton, Michael Brashaw
8	Members Absent:	Sean McNamara (excused), Sam LaMacchia (excused), Lori Smithers
9	Staff Present:	Andrea Smith, Administrative Director; Tim Johnson, Chief Financial
10		Officer
11	Others Present:	None
12	Press Present:	None

13
14 THIS MEETING WAS DIGITALLY RECORDED. ALL RECORDS ARE KEPT
15 ACCORDING TO NYS STATUES BY THE ADMINISTRATIVE DIRECTOR.
16

17
18 7:36 AM Chairman Wright called the regular meeting of the Ogdensburg Growth Fund
19 Board of Directors to order.
20

21 **1) Roll Call** – Ms. Smith noted that Mr. McNamara has asked to be excused due to illness
22 and Mr. LaMacchia is out of town. There was consensus to excuse both members.

23 **2) Approval of Previous minutes**

24 (a) August 23, 2017 – Motion by Director Sutton, second by Director Ashley.

25 Director Hammond noted a correction on page 1, line 22: *my* should be *by*.

26 All members voted in support of the motion to approve the minutes as corrected
27 7/0, the motion is henceforth approved.
28

29 **3) Items for Discussion** –

30 (a) **Loan/Cash Report** – CFO, Tim Johnson provided an overview of the current
31 loan accounts and cash reports. Discussion ensued regarding the Farrand’s
32 Flowers loan and if it would be beneficial to write it off. Ms. Smith replied that
33 we had elected not to write off this particular loan because of the collateral on the
34 primary residence. She noted, the OGF has a second position on 639 East Road,
35 Heuvelton, NY. She stated that she could look into this to see if anything has
36 transpired. Director Sutton inquired in “bad debt” should be categorized
37 separately from the current loans – Mr. Johnson replied that the software is not set
38 up to do that, but that the Accountants do not have an issue with how it is tracked.
39 Mr. Johnson noted that the JCP Groceries loan was paid off in 2017 and the
40 Growth Fund also received \$700,000 from the City of Ogdensburg toward their
41 BRLF loan for the Shade Roller property. Ms. Smith noted that the repayment of
42 those funds is restricted for other brownfield related loans in accordance with the
43 EPA RLF guidelines.

44 Mr. Johnson proceeded to review the cash account balances which Ms. Smith
45 noted align with the “as of” column presented in the 2018 budget.

1 Chairman Wright requested that the lease agreement for the Post Office be
2 provided at the next meeting.

3 **(b) 2018 Projects/Priorities**

4 **i. Land Banks** – Ms. Smith provided an overview of Land Banks,
5 referencing the overview that was provided to the members in the meeting
6 material. She stated that legislation allowing for land banks is relatively
7 new in New York State, being initiated in 2011. In 2011 NYS authorized
8 10 land banks and has since increased that number to 25, and is currently
9 accepting applications from Municipalities. She added that only local
10 governments with the ability to collect property taxes are enabled by the
11 legislation to set up a land bank and that land banks are government-
12 created nonprofit corporations that are focused on the conversion of
13 vacant, abandoned, and tax delinquent properties into productive use.
14 Land Banks are designed to acquire and maintain problem properties and
15 then transfer them back to responsible ownership in accordance with local
16 land use goals and priorities – essentially, this is the process the OGF took
17 with 611 Rensselaer Ave. The disadvantage that the OGF faces is that it
18 does not have the benefit of being designated as the City’s Land Bank and
19 therefore is not eligible to receive any funding that would be designated
20 for land banks in the future. However, she stated, the idea of a land bank
21 does seem to hold promise for communities like Ogdensburg, and is
22 something that the City will have to look into more. She added, this may
23 be an area that the Growth Fund could play a role in in the future, but what
24 that role is, at this point I am uncertain. Chairman Wright inquired how
25 land banks dovetail or if they dovetail with the work the City is doing with
26 the Zombie Property Grant. Ms. Smith replied that they do dovetail and
27 the inventory that is being generated through the zombie grant has the
28 potential to be the basis of a land bank together with properties the City
29 forecloses on. Further discussion ensued regarding the zombie property
30 program, and the Board requested a presentation from the City’s ZPI,
31 Nikki Woods. The Board desires to know what if any properties have
32 been identified that might be ideal for acquisition and rehabilitation. Ms.
33 Smith agreed to work with Nikki to set up a presentation for the January
34 meeting.

35 **(c) Membership**

36 **i. Resignation of Mr. Nelson** – Chairman Wright acknowledged receipt of
37 Mr. Nelson’s resignation and agreed the Board would need to formally
38 accept this resignation. Director Ashley moved to accept Mr. Nelson’s
39 resignation with regret, Chairman Wright seconded the motion with regret.
40 All members present consented to accept the resignation with regret.
41 Chairman Wright requested that Ms. Smith send a letter thanking Mr.
42 Nelson for his service to the Board and the community.
43 Motion to accept the resignation was approved 7/0.
44 Discussion followed regarding membership and attendance. Chairman
45 Wright moved to dismiss Director Smithers on the grounds that she has

missed too many consecutive meetings unexcused. Director Hammond seconded the motion.

All members voted in support of the motion to dismiss Ms. Smithers, 7/0. Chairman Wright asked that Ms. Smith inform Ms. Smithers in writing of the Board’s action and thank her for her service.

Chairman Wright initiated discussion regarding solicitation of new members, noting that the Board has 2 vacancies. Several members noted individuals they thought may be interested and agreed to reach out. Chairman Wright requested that this be included for follow-up at the January meeting.

4) New Business –

(a) Duties and Officers Insurance, renewal – Director Hammond inquired what the “engineering fee” is in the D&O proposal? He added that it was included in the previous year and there is no increase in cost, but wanted to know what it referred to. Ms. Smith replied that she would have to reach out to Nicole Anstett at Gallagher and would report back.

On motion duly made by Director Sutton, and seconded by Director Demers, the following resolution was placed before the Board of Directors of the Corporation:

AUTHORIZING THE ADMINISTRATIVE DIRECTOR TO EXECUTE 2018 DUTIES AND OFFICIES INSURANCE POLICY WITH GREENWICH INSURANCE COMPANY

Resolution No. 2017-004

BE IT RESOLVED, the Ogdensburg Growth Fund Board of Directors hereby authorizes Andrea L. Smith, Administrative Director, to execute the 2018 Duties and Officers Insurance policy to be provided by Greenwich Insurance Policy (XL Group plc.).

Director	Aye	Nay	Abstain	Absent
Chairman Wright	X			
Director Sutton	X			
Director Hammond	X			
Director Brashaw	X			
Director Smithers				X
Director Demers	X			
Hon. Director Purdy	X			
Hon. Director Ashley	X			
Hon. Director LaMacchia				X
Hon. Director McNamara				X

The motion received sufficient affirmative votes and is henceforth approved:

7 Ayes, 0 Nays, 3 Absent, 0 Abstain.

(b) **2018 Budget** – Ms. Smith presented the 2018 proposed budget (attached here). Ms. Smith reviewed the two lines shown in red that indicate expenses incurred after 12/12, the date the budget page was printed. Those lines are for reimbursement back to the City of Ogdensburg in the amount of \$16,500 and materials and supplies for postage paid for mailing the insurance check for the Post Office insurance. Chairman Wright noted that the reimbursement back to the City is something that could or should be explained to Council during a work session so they know the OGF is paying the City for time staff spends assisting the OGF. Chairman Wright requested that we budget in 2018 for a rack card to promote the Growth Fund as a resource for local businesses. Director Hammond inquired if that would be in “other contractual, OGF6460.498”? Discussion ensued regarding marketing, there was consensus to design a rack card to post at banks, the SBA, Chamber etc. Ms. Smith stated that she would work to design something basic for review at the January meeting with pricing options. Ms. Smith noted that the 2018 budget also includes membership to the NCA in the amount of \$175 which will allow the OGF to be part of a larger lending organization. Members agreed that participating in this would be beneficial.

On motion duly made by Director Sutton, and seconded by Director Ashley, the following resolution was placed before the Board of Directors of the Corporation:

RESOLUTION TO APPROVE THE 2018 BUDGET AS PRESENTED

Resolution No. 2017-005

BE IT RESOLVED, the Ogdensburg Growth Fund Board of Directors hereby approves the 2018 budget as presented with expenses projected at \$84,450 and described as attached hereto.

Director	Aye	Nay	Abstain	Absent
Chairman Wright	X			
Director Sutton	X			
Director Hammond	X			
Director Brashaw	X			
Director Smithers				X
Director Demers	X			
Hon. Director Purdy	X			
Hon. Director Ashley	X			
Hon. Director LaMacchia				X
Hon. Director McNamara				X

The motion received sufficient affirmative votes and is henceforth approved:

7 Ayes, 0 Nays, 3 Absent, 0 Abstain.

1 (c) **2018 Meeting Dates** – Chairman Wright noted that his schedule has changed and
 2 if the Board still wants to meet on Wednesday’s he will need to meet at 7:30 AM
 3 and will only have until 8:30 AM. The Board agreed that moving to the 3rd
 4 Thursday for regular meetings would be more desirable and would keep the 8 AM
 5 time.

6 Motion by Director Purdy to approve the calendar as amended, second by Director Ashley.
 7 There was consensus to approve the calendar for quarterly meetings except in March when a
 8 special meeting is required for the Audit. All those present voted in favor of the meeting
 9 calendar as amended, 7/0.

10
 11 (d) **Designation of Bank Depositories** – Ms. Smith stated that she and the CFO are
 12 recommending designating Community Bank, N.A. as the primary depository for
 13 the Growth Fund for 2018. She noted that this is the same as the second half of
 14 2017 when the OGF switched from Key Bank to Community Bank as a result of
 15 account fees. Director Sutton inquired if the funds are collateralized, or if there
 16 had been any issues in the past. Mr. Johnson replied no, there have not been
 17 issues.

18
 19 On motion duly made by Director Brashaw, and seconded by Director Demers, the following
 20 resolution was placed before the Board of Directors of the Corporation:

21
 22
 23 DESIGNATING THE
 24 2018 OFFICIAL BANK DEPOSITORY
 25 Resolution No. 2017-005
 26

27 BE IT RESOLVED, that Community Bank, NA, located at 320 Ford Street, Ogdensburg, NY
 28 13669 be designated as the official depository of the Ogdensburg Growth Fund for 2018.
 29
 30

Director	Aye	Nay	Abstain	Absent
Chairman Wright	X			
Director Sutton	X			
Director Hammond	X			
Director Brashaw	X			
Director Smithers				X
Director Demers	X			
Hon. Director Purdy	X			
Hon. Director Ashley	X			
Hon. Director LaMacchia				X
Hon. Director McNamara				X

31
 32 The motion received sufficient affirmative votes and is henceforth approved:
 33 7 Ayes, 0 Nays, 3 Absent, 0 Abstain.
 34

(e) **Designation of Bank Signatories** – Chairman Wright stated that the last item for Board action is the designation of bank signatories. Ms. Smith noted that the resolution calls for both Tim Johnson as CFO and herself as Administrative Director to be signatories on the account, but the Board could add additional Directors if so desired.

On motion duly made by Director Hammond, and seconded by Director Purdy, the following resolution was placed before the Board of Directors of the Corporation:

DESIGNATING AUTHORIZED
BANKING SIGNATORIES
RESOLUTION No. 2017-006

BE IT RESOLVED, that Timothy J. Johnson, as Chief Financial Officer and Andrea L. Smith, Administrative Director be designated as the Primary and Secondary authorized signatories respectively, of the Ogdensburg Growth Fund for 2018.

Director	Aye	Nay	Abstain	Absent
Chairman Wright	X			
Director Sutton	X			
Director Hammond	X			
Director Brashaw	X			
Director Smithers				X
Director Demers	X			
Hon. Director Purdy	X			
Hon. Director Ashley	X			
Hon. Director LaMacchia				X
Hon. Director McNamara				X

The motion received sufficient affirmative votes and is henceforth approved:

7 Ayes, 0 Nays, 3 Absent, 0 Abstain.

5) Old Business – None

6) Adjournment - The motion was made to adjourn the meeting by Director Sutton, 2nd by Director Hammond.

Vote: All Ayes (7/0), motion carried and meeting was adjourned at 8:22 AM.

CHART OF ACCOUNTS						
Ogdensburg Growth Fund						
				2017	2017	2018
				Approved Budget	as of 12/12/2017	PROPOSED
EXPENSE						description
	Operating					
		OGF6460.320	Capital Acquisition & Improvements	\$41,103	\$752.51	\$49,308
		OGF6460.410	Travel & Training	\$500		\$500
		OGF6460.490	Materials & Supplies	\$200	\$23.75	\$250
		OGF6460.498	Other Contractual	\$500		\$1,000
		OGF6460.515	Legal/Professional Services	\$15,000	\$3,575.00	\$15,000
		OGF6460.518	Contracted Service - Underwriting	\$1,800	\$193.50	\$2,500
		OGF6460.519	Contracted Service - City of Ogdensburg	\$16,500	\$16,500.00	\$17,000
		OGF6460.520	Insurance - Directors & Officers	\$2,347	\$2,347.00	\$2,500
	Post Office					
		OGF7521.518	Contracted Service	\$0		
		OGF7521.520	Insurance - Post Office	\$6,500	\$5,774.95	\$6,800
		OGF8688.518	Contracted Service	\$0		
			Total Expenses	\$84,450	\$29,166.71	\$94,858
	Public Loans					
		OGF8676.310	OGF Loans	\$0	\$228,050.00	\$300,000
			Total Expenses	\$0		\$300,000
TOTAL EX.						\$394,858
REVENUE						
	Operating					
		OGF1289	Charges for Services	\$5,500		\$5,500
		OGF2170.01	Program Income - Unrestricted	\$55,625		\$80,216
		OGF2170.02	Program Income - State	\$23,025		\$8,742
		OGF2401	Interest & Earnings	\$300	\$518.62	\$400
			Total Revenues	\$84,450		\$94,858
	Non-Operating	OGF4789	NBRC Grant (Federal)			\$200,000
			OGF Loan Funds			\$100,000
						\$300,000

paper and printing
\$.03 BW
\$.07 RGB

\$175 NCA membership
\$350 advertising/promotion
\$475

General legal (Silver & Harris Beach)
to DANC

~2.5% increase from FY2017

Post Office Insurance

5 current loans paying back total of
\$7,413 x 12 months = \$88,958

NBRC RLF
Local Loan Funds