

IDA

**COUNTY CONFERENCE ROOM
LAKE PLEASANT, NY**

SEPTEMBER 3, 2010

The meeting was called to order by Chairman Towers at 1:30 P.M. with the following members present:

Brian Towers, Chairman
William Farber, Vice Chairman
William Faro
Fred Fink
Robin Morrison
Robert Peck

Absent: Tim Pine

Also Present:

William Osborne, Executive Director
Laura Abrams, Secretary
Pete Klein, Press

Motion to adopt the minutes of July 3, 2010 by Mr. Morrison, seconded by Mr. Farber. Carried.

Treasurer's Report:

Mr. Osborne handed out updated financials. Mr. Osborne reported that all loans are up to date and current. Mr. Osborne pointed out we received a payment recently from Indian Lake Market, which makes them current, it is not reflected in the financials because shortly after receiving that payment we received from the US Bankruptcy Court of the Northern District of NY a notice of bankruptcy filing by Mr. & Mrs. Dwyer. It has been forwarded on to Tim Schofield, our Attorney who has been handling this matter.

Mr. Osborne further reported that the IDA's actual bank balance is \$274,646.00. A number of checks came in this morning and are not reflected in the report handed out today.

Motion to accept the Treasurer's Report by Mr. Peck, seconded by Mr. Fink. Carried.

Payment of Bills:

Rose & Kiernan, Inc. \$251.00

Motion to pay the bill as audited by Mr. Farber, seconded by Mr. Morrison. Mr. Faro asked what this is for. Mr. Morrison answered the Fidelity Bond. Mr. Peck questioned if it is a sufficient amount. Mr. Osborne stated that it was when we were running a lower bank account. Mr. Morrison will check with Lee Pollack of Rose & Kiernan, Inc. to see if it is enough coverage. Motion Carried.

Executive Director Report:

Mr. Osborne stated that the Village of Speculator would like to enter into a lease with the IDA for Oak Mt. Ski Center for a 3 year period. Mr. Osborne handed out last years lease with a

number of changes made to it to reflect that it would be for a 3 year period. The Village has received commitments from three surrounding towns, Lake Pleasant, Arietta, and Morehouse. A group of citizens has been formed called the Friends of Oak Mountain, they have applied for 501c3 status. They are in the process of raising funds to help support the operation, both capital needs and operational funds. The Village believes they are going to be made whole as far as the financial aspects of the operation. They have agreed to be the lead agent to operate the ski center for 3 years.

The Board reviewed and made changes to the draft lease handed out by Mr. Osborne.

Mr. Osborne will review the changes with the Village of Speculator then send it on to the attorney for review.

Mr. Osborne reported that the Village of Speculator has requested that we provide them with a short term loan. Mr. Farber stated that there was some interest in having this meeting promptly because the Village was looking for feedback on the IDA's willingness to lease, will the fact that we went through the lease and made minor modifications be of sufficient solace to them? Mr. Osborne feels they will be fine with it.

Mr. Osborne continued, the Village would like the lease to start the 1st of October, they are going to have a lot of expenses between the 1st of October and when revenues start coming in. They would like the IDA to provide them with a short term loan to get through that period. \$60,000 has been pledged by surrounding towns to the Village but that money will not be available to the Village until sometime after the 1st of the year. They would pay us back the full \$80,000 on the 1st of February. Chairman Towers asked if the State pays a significant portion of the real property taxes in the Village would they have to get the State Comptroller's approval in order to borrow money. Chairman Towers then asked do they not have the type of reserves that could get them through without seeking funding from this source. Mr. Osborne stated he does not have a clue as far as the first question. Mr. Osborne stated the answer to the second question is that if the Village is going to be asked to tap into reserves in any manner to support this, he guarantees the deal would be off. They have lost \$55,000, the only way they would agree to do this is if they will be made completely whole and do not have to touch any Village funds in order to support Oak Mt. Ski Center. However, if they had sufficient reserves or willing to use them, they would not be asking for this loan. They are confident they will be made whole by the Friends of Oak Mt. and the contributions of the surrounding communities. The Chairman stated if the State of New York has significant Forest Preserve, and the State is picking up a considerable share, they will be required to get the State Comptroller's approval. If that has to take place that is not a short term issue, it will take some time. Mr. Osborne asked if that applies to Villages as well as Towns. Mr. Osborne suggested tabling this resolution, the Chairman pointed out that it can not be tabled as it has not been moved. Mr. Osborne suggested doing this on the 14th when the Board meets again and he will have the Mayor of the Village at the meeting. Mr. Faro asked, in fairness to the rest of Hamilton County, are there any businesses or potential businesses that have applied for a loan that might not get it because there is no money because we are putting it all into Oak Mt. Mr. Osborne responded no, we have a \$275,000 bank account, he has one loan proposal to review here today for about \$75,000, other than that he has nothing that would even come close to tapping the bank account between now and February.

Mr. Peck asked of the bank balance, what contingencies are upon that. Mr. Osborne stated that about \$40,000 would be cell tower income, \$160,000 in original program income; he would have to go through it in considerable detail.

Mr. Farber stated that as one member of the IDA he would support loaning money to the Village of Speculator that was going to be paid back by the 1st of February, conditioned upon that it does not take money away from any loan applicants. Mr. Farber stated that the one missing piece, in his mind, is that he is not sure that we have \$80,000 of unrestricted money to loan out, and that is his hesitancy. If it was a lesser amount he would not have a problem. To get to \$80,000 you will have to do that grunt work to figure out of our checking account balance, what money fits into what categories?

Mr. Faro stated that we would be potentially loaning out a huge chunk of money to be reimbursed from budgets that have not been passed. Mr. Farber stated that the reality is that the loan document makes the Village responsible for paying us back on Feb. 1st. The uncertainty of budgets and the uncertainty of incomes are the Village's uncertainties.

Mr. Osborne stated that he will come up with a number that is free and unencumbered.

Mr. Osborne stated that he would like to skip the NBT Bank discussion that is on the agenda.

Mr. Osborne requested that the Board go into Executive Session to discuss the personal finances of a loan applicant.

Mr. Farber made a motion to enter Executive Session to discuss the personal finances of a loan applicant. Seconded by Mr. Faro. Carried.

Mr. Faro made a motion to return to Open Session. Seconded by Mr. Farber. Carried.

The Chairman stated that while in Executive Session the Board reviewed the personal financials of a perspective loan applicant. No action was taken.

Mr. Osborne discussed the Pisten Bully. He stated that it is at Mohawk Limited, they are working on it. The total summarization and other repair bill is going to be about \$8,400, the Village being on the hook for the first \$6,000 of those repairs under our agreement with them. Quite a bit of repair work was needed to be done on the Pisten Bully. The Chairman asked if the agreement we had with them last year was that they were good for the first \$6,000 and after that we would take care of it and in the agreement going forward they would be responsible for it in its entirety. Is that accurate? Mr. Osborne stated yes. Mr. Faro asked if this is potentially the last \$2,400 we are going to spend on the Pisten Bully. Mr. Osborne stated, potentially. Mr. Farber stated that his recollection is that the limitation on their responsibility was confined to the maintenance piece. They were responsible for repairs, but of the annual maintenance that's where we limited the exposure to \$6,000. Mr. Osborne stated that is accurate. Mr. Farber stated that therefore, would we need to see a copy of the invoice to know that the \$8,400 was entirely seasonal maintenance. Mr. Osborne stated that he can guarantee that the entire \$8,400 is no where near all seasonal maintenance. Seasonal maintenance traditionally runs somewhere between \$2,500 and \$3,000. The Chairman asked, so there is \$5,000 worth of repairs on the bill that is other than maintenance. Mr. Osborne stated probably. Mr. Farber stated that it would be helpful to see the original agreement and a copy of the invoice for the next meeting. Mr. Morrison asked if this is the same agreement we have going forward. Mr. Osborne stated no the new lease agreement says they pay any and all repairs.

As there was no further business, motion to adjourn by Mr. Farber, seconded by Mr. Faro. Carried.