

MINUTES

DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION

Board of Directors Meeting

Friday, May 7, 2010

Large Conference Room

Dutchess County Economic Development Corporation

3 Neptune Road, Poughkeepsie, NY 12601

PRESENT: Angela Flesland
Phyllis DiStasi Keenan
Henry Killian
George Stoffers
David Tetor
Michael J. Tomkovitch

ABSENT: Charles Daniels III
Rita A. Brannen, DCLDC CFO

ALSO PRESENT: Don Cappillino, DCLDC Counsel
Ian MacDonald, DCLDC Counsel
John MacEnroe, DCEDC President
Catherine Maloney, DCEDC Director of Business Development
Jasmin Haylett, DCEDC Office Administrator

GUESTS: Craig Wolf, Poughkeepsie Journal

On Friday, May 7, 2010 the Organizational Meeting of the Dutchess County Local Development Corporation [DCLDC] was called to order by Chairman Michael Tomkovitch at 8:10 a.m. Chairman Tomkovitch asked Ms. Haylett to call the role.

ELECTION OF OFFICERS

Chairman Tomkovitch informed the Board that the first order of business is to adopt a significant number of documents for the DCLDC organization to commence and to elect officers. He suggested that out of convenience, the officers can be the same as the officers of the DCIDA.

A motion was made by Mr. Killian, duly seconded by Mr. Tetor to nominate Michael Tomkovitch as Chairman of the DCLDC Board of Directors. All voted in favor. Motion carried.

A motion was made by Mr. Tetor, duly seconded by Ms. DiStasi Keenan to nominate Charles Daniels as Vice Chairman of the DCLDC Board. All voted in favor. Motion carried.

A motion was made by Ms. Flesland, duly seconded by Mr. Killian to nominate Phyllis DiStasi Keenan Secretary/Treasurer of the DCLDC Board. All voted in favor. Motion carried.

A motion was made by Ms. Flesland, duly seconded by Mr. Killian to nominate John MacEnroe as President of the DCLDC Board. All voted in favor. Motion carried.

A motion was made by Mr. Tetor, duly seconded by Mr. Killian to nominate Rita Brannen as Chief Financial Officer of the DCLDC Board. All voted in favor. Motion carried.

A motion was made by Chairman Tomkovitch, duly seconded by Mr. Stoffers to nominate Rita Brannen as Compliance Officer of the DCLDC Board. All voted in favor. Motion carried.

BOXES OF OLD RECORDS

Chairman Tomkovitch informed the Board that there are twenty boxes of DCIDA old records that are kept in storage but are not fireproof. He also stated that if there is a fire or flood that these records will be lost and/or damaged. In addition, there are approximately four metal file cabinets, not fireproof, of current records in the actual office of the IDA and EDC. In addition, every time a bond is issued, copies are placed in the IDA on bookcases that are not fireproof.

Chairman Tomkovitch said that he will be asking the Board to adopt resolutions:

1. To spend some time and money to reviewing these twenty boxes, and
2. For authorization to purchase four or five fireproof file cabinets, which is approximately \$1,000 each. He said if LDC qualifies for state bids, they can purchase the best quality, least expensive cabinets.

RESOLUTION FOR BANK ACCOUNTS

▪ **CDs**

Chairman Tomkovitch informed the Board that a resolution regarding bank accounts needs to be adopted. He mentioned that the only investments IDA has are with CDs of varying lengths with local commercial banks and any CDs that have more than \$250,000 in them are backed-up by securities guaranteeing that the funds are 100% protected at all times in all instances. This would do the same thing.

A motion was made by Mr. Stoffers, duly seconded by Ms. DiStasi Keenan to adopt the resolution for bank accounts. All voted in favor. Motion carried.

▪ **Brokerage Accounts**

Chairman Tomkovitch asked if anyone sees the need to authorize a brokerage account even though it is part of the original resolution. The Board felt that there is no need for a brokerage account.

Chairman Tomkovitch made a motion to amend the resolution to exclude the brokerage account paragraphs one and two resolved, duly seconded by Ms. DiStasi Keenan. All voted in favor. Motion carried.

COMMENCEMENT OF BUSINESS

Chairman Tomkovitch announced that the LDC meeting will commence as incorporated.

ADOPT OF POLICIES

▪ **Code of Ethics** – Item #6

The Board was informed by Chairman Tomkovitch that this is the same Code of Ethics that has been adopted by the IDA and that it was reviewed in detail to assure that it pertains solely to the DCLDC.

A motion was made by Mr. Stoffers, duly seconded by Mr. Tetor to adopt the Code of Ethics. All voted in favor. Motion carried.

▪ **Mission Statement and Performance Measurement** – Item #7

Chairman Tomkovitch informed the Board that this policy is also similar to the policy just adopted by the IDA and allowed the Board to review it. He asked them to pay special attention to the middle section which lists the performance goals which is to issue bonds in accordance with the applicable law to make sure construction occurs in Dutchess County, to support Economic Development and DCEDC, and to notify everyone about the LDC and DCEDC.

A motion was made by Mr. Tetor, duly seconded by Mr. Stoffers to adopt the Mission Statement and Performance Measurements. All voted in favor. Motion carried.

▪ **Investment Policy** – Item #8

Chairman Tomkovitch informed the Board that an investment policy has to be in place for both the LDC and IDA. He also told them that even though there is no actual written investment policy for the IDA the Board's duties/responsibilities have been clear since its inception which is to only invest in certificates of deposits that are fully guaranteed by the FDIC and/or if they are over \$250,000 and is backed up by Securities held by the bank that issues the CD.

He also mentioned that this is a standard form of Investment Policy which allows the Chief Financial Officer and Secretary/Treasurer to essential invest agency funds in everything and that personally he doesn't think this is what the LDC wants. He believes that what LDC wants do is to keep the funds 100% safe even though it might not give the greatest rate of return, but gives the greatest safety.

Chairman Tomkovitch suggested that the Board review the document more thoroughly so that at the next meeting they can adopt an Investment Policy that is more in keeping with the standard format they have been using for years.

▪ **Property Disposition Policy** – Item #9

Chairman Tomkovitch informed the Board that even though the LDC/IDA doesn't fall into this category, the policy is required by the statute. He drew their attention to the middle of the page under "Definitions" and then under "Property," which states "in excess of \$5,000 of value." He said that although the IDA never purchased any items over \$5,000, this policy is necessary because if something is purchased and values over \$5,000, it can be tracked. He also mentioned that if real property is purchased on behalf of the IDA, the IDA has certain obligations to file certain documents if the property exceeds \$100,000. This policy gives specific guidelines for the future and can be amended at any time. At the present time this policy has no effect on the agency since it has no investments other than CDs investments and no personal property except computers.

He also informed the Board that the computers IDA have are old and only have an actual tax depreciated value of approximately \$900. He asked that anyone with a computer email or write him with the name brand, model and serial numbers.

A motion was made by Ms. DiStasi Keenan, duly seconded by Mr. Stoffers to adopt the Property Disposition Policy. All voted in favor. Motion carried.

▪ **The Whistle Blower Policy** – Item #10

Chairman Tomkovitch informed the Board that this policy typically has to do with employees of a corporation. He said that although there are no employees of the corporation, this policy can also apply to Board members, consultants, and agents. This policy allows anyone who feels something is wrong to make a formal complaint to the appropriate individual(s) and follow up on that complaint.

A motion was made by Mr. Tetor, duly seconded by Ms. Flesland to adopt the Whistle Blower Policy. All voted in favor. Motion carried.

- **Annual Statement of Financial Disclosure** – Item #11
Chairman Tomkovitch stated that based on the fact that the organization was not formed, we have no operations or funds of any kind and that it's the opinion of the counsel that this does not have to be completed until the next fiscal year, by May 15, 2011.
- **Oaths of Office** – Item #12
Chairman Tomkovitch stated that there is an opinion from counsel that Oaths of Office are not needed and that this has caused an issue in the past. He informed the Board that everyone is going to file it with the Clerk and if they are accepted, they will be filed.
- **Application for Financial Assistance** – Item #13
Chairman Tomkovitch informed the Board that this application essentially tracks words for word; paragraph for paragraph the IDA's application for financial assistance. He asked the Board to examine page one of the documents under "General Information." He stated that the fee listed is the same amount that the IDA charges; 1% of the first \$2.5 million and a quarter percent thereafter.

A motion was made by Mr. Stoffers, duly seconded by Ms. DiStasi Keenan to adopt the Application for Financial Assistance. All voted in favor. Motion carried.

- **Miscellaneous Documents** – Item #14
According to Chairman Tomkovitch, this is an information bulletin that he doesn't believe the Board needs to adopt. This document informs the public of what the LDC does, what it doesn't do and acts as an advertising piece. The IDA has a similar document.

THANK YOU

Chairman Tomkovitch publicly expressed personal thanks to Mr. Cappillino and Mr. MacDonald for their hard work and assistance with setting up the Bylaws, resolutions, etc. and for all the other services they provide for the DCIDA and now for the DCLDC.

OTHER BUSINESS

There was no other business to discuss.

There being no further business, Chairman Tomkovitch called for a motion to adjourn. The motion was made by Mr. Stoffers, duly seconded by Mr. Killian. All voted in favor. Motion Carried. Meeting adjourned at 8:35 a.m.

Respectfully submitted,

Phyllis DiStasi Keenan, Secretary