

LAKE CHAMPLAIN – LAKE GEORGE REGIONAL DEVELOPMENT CORPORATION

BOARD MEETING

March 30, 2021 Immediately following RDC Audit Committee Meeting

VIDEOCONFERENCE (per Executive Order 202.1 and 202.96)

AGENDA

1. Welcome
2. Approval of January 12, 2021 Annual Meeting minutes
3. Governance Committee Report
 - a. Appointment of new Clinton County representative
4. Finance Committee Report
 - a. Treasurer's Report
5. Audit Committee Report
 - a. Acceptance of 2020 Independent Audit
 - b. Approval of Assessment of Effectiveness of Internal Controls
6. Approval of Measurement Report
7. Approval of Annual Report
8. Approval of PARIS Annual Report
9. Approval of PARIS Procurement Report
10. Approval of PARIS Investment Report
11. Approval of PARIS Audit Report
12. Other

TRANSCRIPT

Dave O'Brien: Alright. I'm unmuted. I will call the meeting to order. Please take roll call.

Beth Gilles takes roll call.

Dave O'Brien: Here.

Al Nolette: Present.

Beth Hunt: Present.

John Strough: Present.

Joe Giordano: Here.

Beth Gilles: Here.

Also present Carrie Yakush and Glen Cutter. Take it away Mr. Chairman.

Dave O'Brien: Alright, what's next on our agenda?

Beth Gilles: Approval of the January 12th, 2021 annual meeting minutes.

Dave O'Brien: I'll take a motion for approval the annual meeting minutes.

Beth Hunt: I'll move that motion.

Al Nolette: I'll second.

Dave O'Brien: Move by Beth second by Mr. Nolette. Or John Strough? Who was that? Al, okay. All in favor?

Multiple people: Aye.

Dave O'Brien: Opposed? Carried. Next.

Beth Gilles: Next is the Governance Committee report. They approved the minutes and discussed the director's paperwork. And moved the recommendation Glen Cutter to be appointed as the Clinton County representative on the RDC. We need a motion to approve Glen as a new board member.

Dave O'Brien: Can I have a motion to approve Glen.

John Strough: I'll make that motion.

Dave O'Brien: John Strough seconded by Al Nolette.
Any further discussion? All in favor?

Multiple People: Aye.

Dave O'Brien: Approved. Welcome, Glen.

Glen Cutter: Thank you.

Dave O'Brien: Next item of business is...

Beth Gilles: The Finance Committee report, the Finance Committee discussed to the Treasurer's Report and the updated cash flow. So if I can have a motion to approve the Treasurer's Report.

Dave O'Brien: I'll make a motion to approve the Treasurer's Report.

Beth Hunt: I'll second.

Dave O'Brien: Any further discussion? All in favor?

Multiple People: Aye.

Beth Gilles: Who was the first on that Dave?

Dave O'Brien: I guess it would be me.

Beth Gilles: Did we call do we call that? I don't remember now.

Dave O'Brien: Opposed? All in favor?

Multiple People: Aye.

Dave O'Brien: Oppose. Carried. Next item is the audit committee.

Beth Gilles: Yup the Audit Committee report. The audit committee approved the minutes and also completed the assessment of internal controls to move that to the full board and the 2020 independent audit. So I guess on the agenda, I have first is the 2020 audit, so a motion to accept the 2020 independent audit as presented to the Board.

Dave O'Brien: Can I have said motion please?

Beth Hunt: So moved, Beth.

Dave O'Brien: Moved by Beth. Do I have a second? Going once, going twice.

John Strough: Joe, Joe seconds.

Beth Gilles: I saw Joe's hand.

Dave O'Brien: Joe seconded, okay. Any further discussion? All in favor.

Multiple people: Aye.

Dave O'Brien: Carried. Next?

Beth Gilles: So, a motion to approve the assessment of effectiveness of internal controls as completed by the audit committee, all risk factors are low and should be evaluated annually.

Dave O'Brien: Do I have said motion?

Beth Hunt: I'll move again, Beth.

Dave O'Brien: Moved by Beth. Do I have a second?

Joe Giordano: I'll second.

Dave O'Brien: All in favor? Joe seconded, yup. Any further discussion? All in favor?

Multiple people: Aye.

Dave O'Brien: Carried.

Beth Gilles: Okay, so now we're moving into all of the things that needed to be completed for the ABO report. So the first thing is the 2020 measurement report. This is where you display the tangible measurements of what the corporation has done for the year. So the first bullet is discussing the six loans, we placed three of them on interest only for three months because of the COVID pandemic. Two

of them, we put on total payment deferrals for March April, May of 2020 due to the pandemic. And one of the loans remained in regular payments throughout. As of June 2020, all six went back into the regular payment amounts. And as of December 31, 2020, all the loans are current. We have six loans as a total of \$510,000 in principal. In July 2020, we retired one of our loans to the USDA. The board completed and submitted the board evaluations to the ABO on time. Committed the self-evaluations as required by the ABO and did an assessment of internal controls which we just did and found, I'm sorry in 2020 found no issues for 2019. So I just need the need the measurement report approved by the board.

Dave O'Brien: Motion to approve the measurement report.

Beth Hunt: I'll second.

Dave O'Brien: Who was the first?

John Strough: Joe.

Beth Gilles: Joe.

Dave O'Brien: Joe was first, Beth was second. Any further discussion? All in favor?

Multiple people: Aye.

Dave O'Brien: Opposed? Carried?

Beth Gilles: Okay and the next is that Development Corps 2020 annual report. As a requirement, there are certain things that have to go into it, the board of directors, the committees, we talked about the operations. So the committees met twice a year, which is a requirement of the ABO. We adopted the committee charters in 2020, which was something new. We completed our PARIS report on time in March of 2020. Again, discussed the COVID-19 pandemic relief with the loans and the current loan portfolio. And it's also a requirement to have the financial position 2020 and 2019 so that would be the second page on there. And that was taken right from the EFPR audit is where those numbers came from. So I need a motion to approve the 2020 annual report.

John Strough: I'll make that motion.

Dave O'Brien: John Strough makes the motion, AI seconds. Any questions, further discussion? All in favor?

Multiple people: Aye.

Dave O'Brien: Carried.

Beth Gilles: Okay, so next is the PARIS annual report. So this is the ABO's online reporting mechanism that we have to do, it's due by tomorrow, the 31st of March every year. It asks you various questions. So we'll just go down through those. The first page is the authority related information. It's, have we done the annual report and the measurement report and put things up on the website like we're supposed to? And so the answer is yes. It talks about our independent auditors and whether they do anything for

us that's not audit services, ours do not. It talks about staff a little bit which the RDC does not have any staff. The second page is governance information board related. So it's, have we put together committees, which we have. Have we put up information on the website that we're required to, which we have. I answered no to does the board execute direct oversight of the CEO? Because there is no CEO. The rest of the answers are yes, we put together all of our policies that we're required to. They're on the website. The other question that was answered no to is was compensation paid in accordance with contracts, we don't compensate, the RDC doesn't compensate anybody.

The third page, and the next few pages is just talking about each one of the directors. So, we have to list the 2020 directors, when they were appointed, have they done their paperwork. So, we follow down through those. On page 7, asks about staff listing, there is no staff. So it ends up being blank. Page 8 talks about benefits, which again, there are no benefits, we don't provide any compensation. So you'll see none of these benefits are listed for everybody. Page 9 is subsidiary information, RDC does not have any subsidiaries. So there's nothing to report there. Page 10 are the net assets. So I work with AI on this information and putting this in for the RDC. So they come up with a financial report that AI puts together if anyone has any questions or wants me to stop on that or is everyone good with the financials? So page 13 of this one is current debt. So, do we have any outstanding debt? The answer is yes, we have debt to the USDA. Did we issue any debt? The answer is no, we don't issue. We're not doing loans. So page 14 is just how much is outstanding. So those are our outstanding USDA loans. And that we retired debt from out payments to USDA.

Page 15 is about real property. We don't have any. So this one remains blank. Page 16, personal property disposal, we don't have any property. So again, it's blank. More property questions, we don't have any property.

Page 18 asked about grants that the RDC has provided. We don't give any grants, so we indicated that none were given. And then the next is the loan information. So they asked us to update how much principal has been paid throughout the year on all six of the loans. So you'll find those on page 19, 20 and 21. Page 22 bond information. Do you have any outstanding bonds? The answer is no. And that's it for the annual report. Anybody have any questions on that or changes before I submit it to the ABO? I need a motion to approve it as well.

Dave O'Brien: Motion to approve, please?

John Strough: John Strough, I'll make the motion to approve.

Dave O'Brien: John makes a motion. Do I have a second?

Beth Hunt: I'll second.

Dave O'Brien: Joe Giordano and Beth. Any comments, questions? All in favor?

Aye.

Dave O'Brien: Carried.

Beth Gilles: Okay, so moving on to the ABO procurement report. It asked if we have procurement guidelines? The answer is yes. The RDC has procurement guidelines. And are they reviewed annually and amended as necessary? The answer is yes. We do review them annually. Do we allow for exceptions in our procurement? Yes, we do. Do we have credit cards? No. Do we have any perspective bidders sign a

non-collusion agreement? Yes, I mean, we have it but we obviously aren't doing any of that kind of work now. If we did, were we going to incorporate a summary of our procurement policies, the answer is no. Do we have a person that's designated as authorized contractors? Or contact, I'm sorry. So that would be me. And do we have an issues with vendors? And the answer is no. So, the second page, you only have to report a procurement transaction if it's more than \$5,000. So the only procurement that we have are the auditors, and the audit cost \$3900. So as far as the ABO report is concerned, we did not have any procurement transactions. And obviously, our payments to USDA don't count under this. They're not procurement. So that's the procurement report. So I need an approval of that.

Dave O'Brien: Motion to approve.

Beth Gilles: I saw Joe.

Dave O'Brien: Joe, do I have a second?

Beth Hunt: I'll second?

Dave O'Brien: All in favor?

Multiple people: Aye.

Beth Gilles: Okay. So the Paris investment report. It asks us about our investments, which we don't have any. So we have investment guidelines, which actually says we don't have any investments, we do look at those annually. So it's just really the page that we didn't do an investment report, because we don't have any investments. We have guidelines for them. And have we done any auditing on the investments? And the answer is no, because we don't have any. So I need a motion to approve that.

Dave O'Brien: Motion? By AI. Do I have a second?

John Strough: I'll second.

Dave O'Brien: Second by John. Any questions, further discussion? All in favor?

Multiple people: Aye.

Dave O'Brien: Opposed? Carried.

Beth Gilles: So the last one is the 2020 PARIS audit report. And that is where we upload a copy of the 2020 audit, the report to the board and the representation letter. And so we have all of those, they're on our website like they're supposed to be, and they're uploaded into the system and submitted in when we submit that report. So I need a motion to approve the PARIS audit report.

Dave O'Brien: Motion, please.

Beth Hunt: So moved, Beth.

Dave O'Brien: Beth. Do I have a second? AI. Any further discussion? All in favor?

Multiple people: Aye.

Dave O'Brien: Opposed? Carried.

Beth Gilles: That's it.

Dave O'Brien: Motion to adjourn.

John Strough: I'll make the motion.

Dave O'Brien: Motion by John. Seconded by Al. All in favor?

Multiple people: Aye.

Dave O'Brien: Opposed?

Beth Gilles: Alright, thank you, everybody.

Respectfully submitted by Carrie Yakush, Senior Account Clerk, LCLGRPB.