

UCCRC

Ulster County Capital Resource Corporation

Ulster County Capital Resource Corporation Minutes May 12, 2010

The organization meeting of the Ulster County Capital Resource Corporation was held at 8:45 a.m., Wednesday, May 12, 2010, Conference Room 108, Business Resource Center, Development Court, Kingston, NY.

The following corporation members were present:

Stephen Finkle	Assistant Chair/Assistant Secretary
Daniel Hauspurg	Assistant Chair/Assistant Secretary
James Malcolm	Assistant Chair/Assistant Secretary
John Morrow	Secretary
David O'Halloran	Chair
Steve Perfit	Treasurer
John Pezzo	Assistant Chair and Assistant Secretary

The following corporation members were absent:

None

UCDC Staff:

Linda Clark
Lisa Fadelici
Lance Matteson

UCCRC Attorney and Bond Counsel:

A. Joseph Scott Hodgson Russ LLP

Additional Attendees:

None

Chair O'Halloran called the meeting to order at 9:20 a.m. Chair O'Halloran announced that this was the organization meeting of the Ulster County Capital Resource Corporation.

New Business

Organization Resolution – 2010.

UCCRC Attorney and Bond Counsel, A. Joseph Scott reported as follows:

- Page 2, Section 1. Authorizes and approves certain appointments and the adoption of certain policies – those items are specified in Schedule A
- Schedule A
 - Confirmation of Regular Corporation Meeting Schedule

- 2nd Wednesday of each month at 8:45 a.m.
- Election of Officers of the Corporation
 - David O'Halloran, Chairman
 - Steve Perfit, Treasurer
 - John Morrow, Secretary
 - Stephen Finkle, Assistant Chairman/Assistant Secretary
 - Daniel Hauspurg, Assistant Chairman/Assistant Secretary
 - James Malcolm, Assistance Chairman/ assistant Secretary
 - John Pezzo, Assistant Chairman/ Assistant Secretary
- Approval of the Corporation By-Laws (a copy of which is on file)
- Appointment of Chief Executive Officer and Staff to the Corporation
 - Lance Matteson, CEO
- Appointment of Chief Financial Officer to the Corporation
 - Lisa Fadelici, CFO
- Appointment of Accounting Firm of the Corporation
 - Teal, Becker & Chiaramonte, CPAs
- Appointment of Corporation Counsel and Bond Counsel
 - Hodgson Russ LLP
- Appointment of Bank of the Corporation and Accounts
 - Key Bank
 - M&T Bank
- Approval and Confirmation of Corporation Policies
 - Code of Ethics
 - Defense and Indemnification Policy
 - Enforcement of Corporation Projects Policy
 - Grant Funding Criteria and Application
 - Investment and Deposit Policy
 - Procurement Policy
 - Property Disposition Policy
 - Travel Policy and Reconciliation of Expense
 - Uniform Tax Exemption Policy
 - Uniform Tax Policy Matrix
 - Whistleblower Policy
- Appointment of Contract Officer
 - Lance Matteson
- Appointment of Investment Officer

- Lance Matteson
- Appointment of Governance Committee Members
 - John Morrow, Chair
 - Stephen Finkle
 - James Malcolm
- Appointment of Audit Committee Members
 - Steve Perfit, Chair
 - Daniel Hauspurg
 - John Pezzo

Motion: Steve Perfit, seconded by John Morrow, motioned to approve the Resolution Approving Certain Appointments and Administrative Matters of the Corporation.

Discussion: The members of the Corporation discussed the resolution. Said discussion included, but was not limited to, the following:

- Steve Perfit wished to have his name corrected in the resolution – it should be Steve Perfit, not Steven Perfit
- Appointment of Accounting Firm – Teal, Becker & Chiaramonte, CPAs
 - Technically there is no RFP from the UCCRC – Teal, Becker & Chiaramonte are not aware of this designation
 - A qualification will be added to the resolution noting the appointment subject to satisfactory terms
- Addition of the Compensation Policy to the list of the Corporation Policies

Vote: The motion was adopted as amended.

It was noted that the Secretary of the Corporation would sign the Organization Resolution-2010. When an embossing seal was received, said resolution would be sealed at a later date.

Discussion of Operations and Purposes of Corporation

Lance Matteson disclosed that he had a conflict of interest as being the President of the Ulster County Development Corporation.

Discussion included, but was not limited to:

- A request that the administration of the UCCRC would mirror the terms that UCDC had with the Ulster County Industrial Development Agency
- There are some things that have to be decided upon on how funds are handle
 - One possibility would be to have a mirror contract between UCDC and the UCCRC almost exactly like the one with the UCIDA – eliminate the \$85,000/year allocation and assume that the credit towards that \$85,000 would apply for both the UCIDA projects and the UCCRC projects.
 - Counsel stated that this was legal
 - In the interest of the UCIDA, fees that are accrued under the UCCRC apply to the \$85,000 for the UCIDA

- The \$85,000 fee remains solely with the UCIDA and does not need to be included/discussed within the UCCRC – When fees are generated by the UCCRC a percent goes to the UCCRC and a percent goes to UCDC
 - Lisa Fadelici explained that the agreement on the UCIDA side says UCDC receives a minimum of \$85,000, in addition to that, if the Agency earns anymore than \$170,000, because we get 50% of the administrative fees, you would get the additional funds over and above the \$85,000. If you keep that contract in place, you would still have \$85,000 plus 50% of anything over that and then 50% on top of that from the UCCRC. A document is needed that shows the administrative fees of both operations combined.
 - Possibility of a new modified contract with UCDC
 - Another possibility is to simply transfer fees to the UCIDA as a grant – legal, but not a good accounting practice
 - Allocate pro-rata basis
 - Need to produce a financial statement for the UCCRC – we are not a subsidiary of the UCIDA
 - Chair O’Halloran requested that the Audit Committee meet and review the handling of the compensation fees before next month’s meeting.
- Chair O’Halloran requested that a Press Release be prepared announcing the formation of the UCCRC.

Adjournment

Motion: John Morrow, seconded by Steve Perfit, motioned to adjourn the meeting

Vote: The motion was adopted

The meeting was adjourned at 9:37 a.m.

The next meeting of the Ulster County Capital Resource Corporation is scheduled for 8:45 a.m., Wednesday, June 9, 2010, Conference Room 108, Business Resource Center, Development Court, Kingston, NY.

Respectfully submitted,

John Morrow, Secretary