

**Jefferson County Local Development Corporation
Special Board Meeting Minutes
March 20, 2025**

The Jefferson County Local Development Corporation held a special board meeting on Thursday, March 20, 2025 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., David Converse, Paul Warneck, John Condino, William Johnson, Charles Capone, Dr. Gregory A. Gardner, Lisa L'Huillier
Zoom: Dawn Robinson

Excused: Rob Aiken

Absent: W. Edward Walldroff

Also Present: Lyndi Hill and Laurie Podvin (Bowers CPAs)
Zoom: Justin Miller, Esq. (Harris Beach)

Staff Present: Marshall Weir, Jay Matteson, Lyle Eaton, Peggy Sampson, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the special meeting to order at 8:00 a.m.
- II. Pledge of Allegiance**
- III. Privilege of the Floor:** No one spoke.
- IV. Special Business:**
 - 1. Audit Report for 2024 (Bowers CPAs)** – Laurie Podvin introduced herself and Lyndi Hill as the audit team for the JCLDC and JCIDA. She said they already met with management to review everything and the management letter comments.

Ms. Hill presented a clean unmodified opinion. She reviewed the audit report that was issued on March 3rd. She said 2023 was restated due to the reporting of an operating lease as discussed in Note 5 which shows the corrected term on the lease payment schedule.

Ms. Hill said that total assets are down 19% in the current year to \$4.4M, and cash decreased about 20%. Total liabilities decreased from \$2.4M to \$974K. Total net assets are at \$3.4M which is up 12% from the previous year.

Mr. Converse asked why 2023 was restated. Ms. Hill said it is an accounting standard related to a lease (right of use asset) that corrected the lease term.

Mr. Warneck noted the large change in administrative fees. Ms. Hill said the board waived a portion of the admin fee between the IDA and LDC last year so accounting-wise that portion was written off for the period that was forgiven.

Ms. Hill reported that there were no new accounting standards or policies. She said loans were current at the end of the year. Ms. Hill reviewed the disclosure notes.

She said a single audit was required, which was also a clean report with no significant deficiencies. She pointed out that the findings from last year relating to identifying and monitoring a subrecipient were corrected.

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Ms. Hill reviewed the communication board letter. She said the material misstatements were provided for review and noted that they have been provided to management and corrected within the general ledger.

Management letter –

1. Management of Credit Losses – Ms. Hill said this was talked about a lot last year when we were required to adopt CECL (Current Expected Credit Loss). She said it changes how we look at and change the allowance on the loan portfolio. Under the new model, credit losses have to be measured based on historical experience, current conditions, and other supportable forecasts. She said it was noted that the lending policy was not updated in the current year in documentation or the allowance for the new standard.

Recommendation –

Update the lending policy to include the methodology for calculating the expected credit loss on loans receivable and then document with supporting factors for board approval and auditing.

2. Journal Entries – Ms. Hill said that with staff changes only the CFO is preparing and recording all general journal entries.

Recommendation –

Dual control over all journal entries and recommendation for the CEO or Board or Treasurer to review and approve all general journal entries on a monthly basis. Mr. Weir said that he would start reviewing and approving all journal entries at the end of each month.

3. Capitalization Policy – Ms. Hill said the current policy requires items to be capitalized if purchases exceed \$1,000.

Recommendation –

Amend the policy to increase the value to a higher level such as \$2,500 or \$5,000.

4. General Ledger Maintenance and Financial Reporting Requirements – Ms. Hill said the general checking account had unreconciled differences for the month of December 2024 related to automatic payroll transactions, but the issue was not documented on the bank reconciliation even though it was identified by management. There was also a material outstanding transfer between two organization accounts from July 2024 on the bank reconciliations, which caused material variances for both accounts on internal financial statements.

Ms. Hill said material adjusting entries were required to report grant activity on the accrual basis of accounting (grants receivable, federal grant revenues, accounts payable and grant expenses). Ms. Hill said other journal entries were also required to recognize other revenue sources on the accrual basis from the County to fund the consulting services.

Ms. Hill said the time and effort allocations for statement of functional expense purposes for staffing were not updated after experiencing significant changes in employee base, so they updated it during the audit process and reviewed with management.

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Recommendations –

Complete bank reconciliations monthly, and any unreconciled differences should be identified at the time of the reconciliation, and either corrected in the general ledger, or supporting documentation maintained with the bank reconciliation prior to being reviewed and approved. Any outstanding items greater than one year should be reviewed and any outstanding transfers between organization accounts should be reviewed and corrected at that time in the general ledger.

Management track all grant activity on the accrual basis of accounting and ensure accounts are adjusted for applicable receivables and payables prior to year-end.

Management monitor and update the wage allocations and overhead for all programs and operations based on current employees and duties.

Chairman Aliasso made a suggestion that the Audit/Finance Committee meet quarterly to review the monthly journal entries and other monitoring that Mr. Weir will review and approve, that way it gives quasi-board oversight rather than adding another item to the board packet. Mr. Weir agreed.

Ms. Hill said the last report is required for the state Public Authority Law for the Investment Policy. She said there are no investments so they are stating that in accordance with the Investment Policy, there are no compliance issues.

- 2. Annual Meeting Resolution No. 03.20.2025.01** (including acceptance of Audit and PARIS Reports, Ratification of Mission Statement and Performance Measurements, Property Disposition, Investment and Procurement Policies, Election of Officer/Board Positions and Appointment of Staff) – A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Warneck. Roll call vote. Mr. Converse – Yea, Mr. Condino – Yea, Mr. Aliasso – Yea, Mr. Walldroff – Absent, Mr. Warneck – Yea, Mr. Johnson – Yea, Ms. L’Huillier – Yea, Mr. Capone – Yea, Mr. Aiken – Absent, Dr. Gardner – Yea, Ms. Robinson – Yea. Carried.

- V. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Mr. Johnson. All in favor. The meeting was adjourned at 8:26 a.m.

Respectfully submitted,
Peggy Sampson

ANNUAL MEETING RESOLUTION

A special meeting of the Jefferson County Local Development Corporation was convened on March 20, 2025 at 8:00 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 03.20.2025.01

ANNUAL MEETING RESOLUTIONS OF THE JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION (THE "CORPORATION"), INCLUDING (i) ACCEPTANCE OF ANNUAL AUDIT; (ii) RATIFICATION OF CERTAIN POLICIES, STANDARDS AND PROCEDURES RELATING TO THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED BY CHAPTER 506 OF THE LAWS OF 2009 OF THE STATE OF NEW YORK, (iii) ELECTION OF BOARD OFFICERS; (iii) APPOINTING BOARD COMMITTEE POSITIONS; (iv) APPOINTMENT OF CORPORATION STAFF; AND (v) RELATED MATTERS

WHEREAS, pursuant to the Public Authorities Accountability Act of 2005 ("PAAA"), which was signed into law on January 13, 2006 as Chapter 766 of the Laws of 2005, and Chapter 506 of the Laws of 2009 enacting the Public Authority Reform Act of 2009 ("PARA"), the Corporation desires to undertake certain required annual policy reviews and readoption; and

WHEREAS, the Corporation further desires to review and approve the annual audit of the Corporation, along with certain other annual meeting matters.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. Pursuant to PAAA and PARA, the Corporation has reviewed the Mission Statement and Performance Measures and the Corporation hereby determines that no changes are required to the Mission Statement and Performance Measures and that the same is hereby approved.

Section 2. Pursuant to PAAA and PARA, the Corporation has reviewed the Disposition of Real Property Guidelines, the Investment Policy with Internal Controls, and the Procurement Policy, and the Corporation hereby determines that no changes are required and that the same is hereby approved.

Section 3. The Corporation has reviewed the Independent Auditor's Report for the fiscal year ended December 31, 2024, as prepared by Bowers CPAs PLLC in the form presented at the meeting, and such audit is hereby approved.

Section 4. The Corporation hereby authorizes and approves the 2024 Annual Report to be filed with (i) the New York State Authority Budget Office via the Public Authorities Reporting Information System, and (ii) the appropriate local officials.

Section 5. **Annual Officer Election.** Upon motion, second and board roll call vote, the following individuals are duly appointed to serve in the respective Officer Positions in accordance with the By-laws of the Corporation for the period January 1, 2025 through December 31, 2025:

Robert E. Aliasso, Jr., Chair
W. Edward Walldroff, Vice Chair
Paul Warneck, Treasurer
Dr. Gregory A. Gardner, Secretary

All Members of the Corporation shall participate in such required annual and continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance. Further, each Member shall execute (i) a Certification of No Conflict of Interest (ii) an Acknowledgement of Fiduciary Duties and Responsibilities.

Section 6. **Audit and Finance Committee.** Pursuant to subdivision 4 of Section 2824 of the PAL, and in accordance with the By-laws of the Corporation, the following Members are nominated and confirmed to serve on the Audit and Finance Committee of the Corporation for the period January 1, 2025 through December 31, 2025: Paul Warneck, Charles Capone, David Converse, Robert Aiken and Robert E. Aliasso, Jr.

The Audit and Finance Committee shall perform the functions as described in the By-Laws.

Section 7. **Governance Committee.** Pursuant to subdivision 7 of Section 2824 of the PAL, and in accordance with the By-laws of the Corporation, the following Members are nominated and confirmed to serve on the Governance Committee of the Corporation for the period January 1, 2025 through December 31, 2025: W. Edward Walldroff, Paul Warneck, Dr. Gregory A. Gardner, and William Johnson.

The Governance Committee shall perform the functions as described in the By-Laws.

Section 8. **Appointment of Staff.** Pursuant to and in accordance with the By-laws of the Corporation, the Members of the Corporation hereby ratify the appointment of the following individuals to serve as at will employees in the following appointed positions:

Frank M. Weir, Chief Executive Officer
Lyle V. Eaton, Chief Financial Officer
Jay M. Matteson, Agricultural Coordinator & Deputy CEO
Robin Stephenson, Director of Business Development
Peggy S. Sampson, Executive Assistant

Section 9. That the proper officers of the Corporation are hereby authorized, empowered and directed to do all things, and acts and to execute all documents as may be necessary, or advisable and proper, to carry on the business of the Corporation, for and on behalf of the Corporation.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolutions was duly put to vote on roll call, which resulted as follows:

	Yea	Nay	Absent	Abstain
David J. Converse	[✓]	[]	[]	[]
John Condino	[✓]	[]	[]	[]
Robert E. Aliasso, Jr.	[✓]	[]	[]	[]
W. Edward Walldroff	[]	[]	[✓]	[]
Paul Warneck	[✓]	[]	[]	[]
William Johnson	[✓]	[]	[]	[]
Lisa L'Huillier	[✓]	[]	[]	[]
Charles Capone	[✓]	[]	[]	[]
Robert Aiken	[]	[]	[✓]	[]
Gregory Gardner	[✓]	[]	[]	[]
Dawn Robinson	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) SS:

I, Dr. Gregory A. Gardner, the undersigned Secretary of the Jefferson County Local Development Corporation, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Jefferson County Local Development Corporation (the "Corporation"), including the resolution contained therein, held on March 20, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Corporation and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

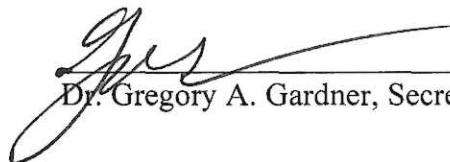
I FURTHER CERTIFY, that all members of said Corporation had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Corporation present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation this 20 day of MARCH, 2025.





Dr. Gregory A. Gardner, Secretary