

Watertown Local Development Corporation
Wednesday, January 15, 2025
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Wednesday, January 15, 2025, at 9:30 a.m. at 259 JB Wise Place, Watertown, NY.

Present – Sarah Pierce, Dawn Cole, Michael Pierce, Michael Lumbis, Steve Hunt, Marshall Weir

Excused – None

Others Present – Geoffrey Urda, Designee, Craig Fox, Watertown Daily Times

Staff – Kylee McGrath, CEO, Joy Nuffer, CFO

Call to order: Ms. Pierce called the meeting to order at 9:33 a.m.

Minutes – Minutes of the December 18, 2024, meeting were presented. Mr. Pierce made a motion to accept the minutes, seconded by Mr. Weir. All in favor. Carried.

Financial Reports

Mr. Pierce reviewed the December 2024 Financials. The balance sheet shows 10 million in assets, interest earned on investments was \$325,384.52 for 2024, and there was a \$37,140.24 loss for December on investments. Income on interest, loan fees and bad debt recovery in December was \$37,139.70 bringing the total for the year \$294,699.00. Expenses for December were \$28,339.88, and the net income for the year was \$294,899.75.

Ms. McGrath reviewed the December customer loan reports. She noted the loans who were delinquent. She will be in contact with the clients.

Mr. Weir made a motion to approve the financial statements, and the customer loan report as presented seconded by Mr. Hunt. All in favor. Carried.

Committee Reports

Loan Review Committee

- **Loan Risk Rating** – Ms. McGrath stated that the Loan Risk Rating needed to be approved for 2025. The methodology was discussed, and it was stated that last year it was increased because Mr. Capone, as a banker stated that it needed to be increased. There was some discussion regarding the future risk ratings and that maybe it could be tied to the economic conditions in the area. A motion was made by Mr. Pierce to approve the Loan Risk Rating amount of \$515,144.20 for 2025, seconded by Mr. Lumbis. All in favor. Carried.

- **Shaboom’s Ice Cream LLC** – Mr. Weir stated that Amy Vododre of Shaboom’s Ice Cream, LLC is requesting a \$40,000.00 loan. He stated that this project will be a nostalgic 1950s-style ice cream parlor located in the Piggly Wiggly Plaza, offering a mix of hard and soft-serve ice cream for patrons to enjoy on-site or take home. In addition to classic ice cream offerings, the parlor will sell pints and gallons of ice cream, ice cream cakes, sandwiches, and bars. A special candy counter will feature old-fashioned sweets alongside bubble teas. Shaboom’s also hopes to host birthday parties, making it a go-to destination for celebrations. They were hoping to open by February 14, 2025, there will be indoor seating, and the ice cream will be Hershey’s. After discussion a motion was made by Mr. Pierce, seconded by Ms. Grimshaw to approve a \$40,000.00 loan at 6%, with three months interest only payments, then a 60-month amortization. All in favor. Carried.

Audit/Finance Committee

- **Engagement of Bowers & Company for annual audit** – Ms. McGrath stated that the Audit Committee met this morning prior to the board meeting. Liz Bush and Lyndi Hill had given the following update to the committee; Ms. Hill stated that there were no additional grant funds, no major purchases in 2024, also the QuickBooks system went to the online version, so they are able to access any information they might need. The audit should be mostly remote, and Ms. Nuffer has already uploaded much of the information needed for review. The one major change she had noted from the minutes was the change in the 401k, where it had gone from a 25% employer contribution to a 5% matching contribution, with a discretionary 3% with board approval at the end of the fiscal year. Also, she noted the change in management. Ms. Hill said there are no major changes in the regulatory standards this year. She stated that the Loan Confirmation letters had been supplied by Ms. Nuffer and already sent to the clients. A motion was made by Mr. Lumbis to approve the engagement of Bowers and Company to conduct the annual audit for a fee not to exceed \$11,950.00, seconded by Mr. Weir. All in favor. Carried.

New Business – Ms. McGrath reviewed her annual report to the board, the highlights of which were the 17 new loans that were approved in the amount of \$1,840,622.00, of which 14 have successfully closed the remaining 3 loans which have yet to close amount to \$690,000.00. She reviewed her social media recent accomplishments and upcoming events, the new logo was also presented. Ms. Pierce stated that the report should be released to the public and media. Ms. McGrath stated that she would send it out and staff would put it on the website. Ms. McGrath also reviewed the 2025 meeting schedule. The confidential board evaluations will be going out soon to be reviewed at the Governance Committee to be held on February 12th.

A motion was made at 10:00 a.m. by Mr. Pierce to convene an executive session to discuss potential collection activities, seconded by Mr. Weir. Staff and Board members were allowed to remain.

A motion was made at 10:33 to leave executive session by Mr. Pierce, seconded by Mr. Hunt. All in favor. No action was taken.

Old Business – None

With no further business before the board, a motion was made by Mr. Pierce, seconded by Mr. Hunt to adjourn the meeting at 10:35 a.m.