

Watertown Local Development Corporation
Wednesday, March 19, 2025
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Wednesday, March 19, 2025, at 9:30 a.m. at 259 JB Wise Place, Watertown, NY.

Present – Dawn Cole, Michael Pierce, Michael Lumbis, Marshall Weir, Stephen Hunt, Christina Grimshaw

Excused – Sarah Pierce

Others Present – Craig Fox, Watertown Daily Times, Liz Bush and Lyndi Hill, Bowers and Company, Cyril Mouaikel and John Nuber, RBC Wealth Management

Staff –Kylee McGrath, CEO, Joy Nuffer, CFO

Call to order: Mr. Weir called the meeting to order at 9:30 a.m.

Minutes – Minutes of the February 19, 2025, meeting were presented. Mr. Pierce made a motion to accept the minutes, seconded by Mr. Lumbis. All in favor. Carried.

Financial Reports

Mr. Pierce reviewed the February 2025 Financials. The interest earned on investments was \$18,586.45 for February, and income on interest, loan fees and bad debt recovery was \$17,371.83. There were \$18,144.41 in expenses, leaving an income of \$17,814.39. The balance sheet shows accounts receivable to be \$5,997,227.57 with investment accounts \$4,158,976.44 and with the long-term liability of the lease total assets and liabilities and equity total \$10,305,648.79.

Ms. Grimshaw made a motion to approve the financial statements as presented seconded by Mr. Lumbis. All in favor. Carried.

Ms. McGrath reviewed the March customer loan reports. She noted the loans who were delinquent. She also handed out a list of the outstanding loans as of yesterday in a smaller condensed version. She stated that she has been in contact with all past due accounts.

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

New Business

Bowers and Company presenting the 2024 Audit and Financial Statements – Ms. Bush reported that Bowers and Company had completed the audit for 2024. Bowers & Company presented a clean unmodified opinion. The total net assets increased from \$9,429,165 to \$9,973,476. The WLDC is in a long-term lease for the office space, and it is recorded as a right of use asset. The DRI program was completed in 2023 and there was no revenue or expenses

associated with that. Ms. Bush stated that management had updated the loan risk rating assessment to have four categories. The requirements of CECL created the need for the WLDC to update and give detailed explanations of how the risk rating is implemented. Ms. Bush stated that there were no significant deficiencies found in their review of the accounting for WLDC. She reviewed the letters to the board and the brief management letter, which recommended a log of the journal entries, that would be signed off and approved by the CEO or the treasurer. Ms. Bush stated that this was a very smooth audit and with the transition of new management she was pleased with the responsiveness of the staff.

Mr. Pierce made a motion to approve the 2024 Audit, seconded by Ms. Grimshaw. All in favor. Carried.

Mr. Weir thanked Ms. Bush and Ms. Hill for their work on this audit. They left the meeting.

RBC Wealth Management Annual Investment Update – Mr. Mouaikel gave a detailed update on the WLDC investments. He gave the history of the past use of the funds in different investment areas. He stated that in 2020 the Board spent much time to re-evaluate and revise the Investment and Deposit Policy and Procedures, and that it has been working well with the WLDC ending 2024 with a portfolio value of \$4,091,977, increasing the value by \$315,730. Mr. Mouaikel reported that he corresponds with Ms. McGrath monthly to see what the needs are for loan proceeds and that has been working well. There was discussion on the potential issues coming with the tariff implementation and the board was in agreement that maybe have RBC give a report in six months might be advantageous. Mr. Mouaikel stated that they would be watching all of this closely and if they found a need they would check in prior to that.

Mr. Pierce made a motion to approve the 2024 Investment Report, seconded by Mr. Hunt. All in favor. Carried.

Mr. Weir thanked them for their work on the investments. They left the meeting.

Committee Reports

Loan Review Committee – Expert Properties LLC – 1543 State Street

Mr. Weir stated that Aaron Look from Expert Properties was referred to us by Watertown Savings Bank. The loan proceeds for 1543 State Street in the amount of \$128,000 would be used to purchase the property located at 1543 State St., Watertown, NY. The proposed mortgage loan will be a participation loan with Watertown Savings Bank and is subject to their review and approval. The property has two commercial spaces. Mr. Look plans to renovate the vacant space using personal funds and relocate Watertown Glass LLC from its current location at US Route 11 and Gillette Rd. to the new site. The relocation will consolidate operations and enhance business efficiency. Another space will be renovated for another commercial tenant. The mortgage would be a 20-year loan with a 6% fixed interest rate. There was discussion that the project would create 2 jobs to begin with. Mr. Lumbis stated that this might require a special use permit and Ms. McGrath stated that she would let Mr. Look know to contact the Planning Department.

After discussion, a motion was made by Ms. Grimshaw to approve the above project as presented, seconded by Mr. Lumbis. All in favor. Carried.

Monthly CEO Report – Ms. McGrath reviewed her monthly report with the board, and gave a brief overview of the contacts made, the social media has been growing quite fast, and the overview of the past due loan statuses and financial picture.

Mr. Weir thanked Ms. McGrath and Ms. Nuffer for their hard work on the audit and expressed the board's appreciation for their efforts in ensuring a thorough and accurate review.

Old Business – None

With no further business before the board, a motion was made by Mr. Pierce, seconded by Mr. Lumbis to adjourn the meeting at 10:44 a.m.