

Maplewood Manor Local Development Corporation
February 14, 2013 – 4:00 p.m.

Present: Spencer Hellwig, Administrator; Supervisors Peck, Kinowski, Richardson, Wood, Wright, Veitch, Grattidge, Hargrave, and Yepsen; Brian O’Conor, Auditor; Steve Dorsey, County Attorney; Justin Miller, Harris Beach; Ryan Moore, Mgmt. Analyst; George Martin, Treasurer; Nick Berardi, Maplewood Manor; Press.

Mr. Hellwig called the meeting to order and welcomed all in attendance.

Mr. Hellwig said a significant piece of the organizational phase of the committee is the nomination and election of individual directors and others to serve as officers and various other rolls in accordance with the law. Upon completion or approval from the Board these assignments will be included as a part of the organizational resolution that will ultimately be adopted here today.

Mr. Hellwig introduced Mr. Miller, from Harris Beach who gave the following overview of the organizational resolution.

Mr. Miller said the corporation was formed on November 30, 2012 at the direction of the Saratoga County Board of Supervisors. Within that initial resolution adopted by the county was a formal Certificate of Incorporation which included and named the initial directors of the corporation. Today the initial directors and appointed directors in that capacity will be meeting for the first time to undertake organizational activities. As a not for profit corporation formed by a local government, you also have responsibilities under the Public Authorities Accountability Act (PAAA). In addition to PAAA, there is the Public Authorities Reform Act of 2009 (PARA). Much of the organizational policies and procedures that will be covered today are a function of those statutes which provide the guidelines and regulations by which Local Development Corporations need to act in a transparent and open way.

Mr. Miller gave a brief overview of the Organizational Resolutions that were distributed to all committee members.

Mr. Hellwig requested a nomination from the committee for the positions of Chair, Vice Chair, Treasurer and Secretary.

A motion was made by Mr. Meager, seconded by Ms. Endres designating Arthur Wright as Chairman, Willard Peck, Vice Chairman, Edward Kinowski, Treasurer and Thomas Wood, Secretary. The motion passed unanimously.

Mr. Hellwig requested a nomination from the committee for the position of a Chief Executive Officer, and Chief Financial Officer.

A motion was made by Mr. Wood, seconded by Mr. Richardson designating Spencer Hellwig to service as the Chief Executive Officer, and George Martin to serve as the Chief Financial Officer. The motion passed unanimously.

Mr. Hellwig said he requested the County Treasurer to contact the auditors that prepare the county's financial statements as well as a single audit, and ask them for a proposal to provide audit services to the LDC. They have provided a proposal to do this work.

Mr. Pitcherelle said Toski & Schaeffer has proposed \$3,300 per year for the two years.

Mr. Hellwig said that Toski & Schaeffer will be the Certified Public Accountant, General/Transaction/Bond Counsel will be Harris Beach, PLLC, and the banking institution will be Ballston Spa National Bank.

Mr. Miller said the Public Authorities Law requires that Local Authorities have a certain committee established to serve the Board. He said the Audit and Finance Committee established under the by-laws is responsible to interface directly with the selected CPA or accounting firm and will be responsible to interact with the accounting firm when preparing its annual audit and management letter. They generally visit with the accountants before the management letter and audit is presented to the full Board, he said. In addition, to the extent that this Board is going to undertake any financing and issuance of any bonds, the Audit and Finance Committee would review the basic terms and make recommendations to the full Board.

Mr. Miller said the Governance Committee is tasked with overseeing and making recommendations with respect to policies that the Board has. In the future, any prospective by laws or policies desired, the Governance Committee would review them and make a recommendation to the full Board for adoption of those policies.

Mr. Wright requested a motion to nominate an Audit and Finance Committee.

A motion was made by Mr. Wood, seconded by Mr. Kinowski to nominate Helen Endres, David Meager and Thomas Richardson to service on the Audit and Finance Committee. The motion passed unanimously.

Mr. Wright requested a motion to establish a Governance Committee.

A motion was made by Mr. Wright, seconded by Mr. Peck to nominate Edward Kinowski, Willard Peck and Thomas Wood as members of the Governance Committee. Motion passed unanimously.

Mr. Wright requested a motion to approve the Organizational Resolution.

A motion was made by Mr. Wood, seconded by Mr. Kinowski to adopt in its entirety, Resolution No. 1 as described. Roll Call was taken. Motion passed with a unanimous vote.

Mr. Hellwig said Harris Beach was hired by the County as the low proposer to do the initial consulting work with the help of Arthur Webb who was a recognized expert. The two initial phases have been completed, and at this point the LDC will need to authorize a contact with Harris Beach to continue to perform work through the point of sale. The engagement letter was distributed and shared with the Board. Mr. Hellwig requested authorization for Harris Beach to continue with their roll.

A motion was made by Mr. Kinowski, seconded by Mr. Peck to accept a contract with Harris Beach, PLLC for the engagement of Legal Services. The motion passed unanimously.

Mr. Wright asked Mr. Miller for an explanation of a timeline. Mr. Miller said in approximately four weeks the Board will have its next meeting expecting to have an RFP issued on behalf of the Board to solicit offers and have them received before the meeting for consideration by the Board. For the March meeting, activities that will be included are, consideration and engagement of a broker to help in the marketing of the facility, and the lease and lease back structure. If at that Board meeting there is a selection of a Broker, and they are prepared and able to attend the meeting, there may be an opportunity to hear from them in terms of what they recommend to be included in the RFP. He said if those activities are accomplished, it is expected that moving into April an RFP and offering memorandum will be developed and the Board will have the option to approve that at the April meeting or have an authorization in place to have it go out prior to the meeting. He said there may be a proposal to look at for surveying and engineering. Generally, the Chairman and the CEO will put together a monthly agenda. It is generally a good practice for the Board to have a few days or a week to for an agenda to be finalized and submitted to the committee.

The committee agreed on scheduling the next meeting for March 26th at 4:00 p.m.

Mr. Hellwig stated that at one time there was a relationship, through a marriage, with one of the principals of Harris Beach, Carl Sleight, and that relationship is no longer in place as a result of that marriage being dissolved. Mr. Hellwig said he wanted the members of the Board to know that at one point he did have a relationship with Carl Sleight, who was a principal of the firm, but that is no longer the case.

Mr. Berardi, a Maplewood Manor, CNA said there are a lot of people at Maplewood Manor who have a lot of questions. He asked the Board if they could keep them in the loop so they are not trying to guess what is going on.

Mr. Hellwig said the Board has already given some thought to that and the Board will be placing all of the minutes to the meetings on line.

Mr. Berardi said when it is all said and done; the residents and employees of Maplewood Manor are the ones who are being affected. He said he wants to make sure that the employee's families are taken care of and the residents are taken care of.

Mr. Hellwig said the sole purpose of this Board is to handle the transition of ownership into private hands. The decision has already been made that the sale of Maplewood is going to move forward. The timing of that is sometime at the end of 2013 with the ultimate operational piece estimated to be mid- 2014.

Mr. Kinowski said as chairman of the Public Health Committee he has been working with Mrs. Brown to establish a time to have an open meeting with the people at Maplewood Manor in an effort to answer any concerns and questions they may have.

Mr. Peck said he wanted to assure those that work at Maplewood, and the families of residents, that when we go through the broker process, which is to seek out bidders for Maplewood Manor, it is our job and due diligence to research these things. There has been some fear that we are just going to look at a number and that is just not the case. We are looking at quality of care as well, he said.

On a motion made by Mr. Richardson, seconded by Mr. Peck the meeting was adjourned.

Respectfully submitted,
Chris Sansom