

**WASHINGTON COUNTY**  
**LOCAL DEVELOPMENT CORPORATION**  
**2010 ANNUAL REPORT**



[www.wcldc.org](http://www.wcldc.org)

383 Broadway  
Fort Edward, NY 12828  
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LOCAL DEVELOPMENT CORPORATION					2010			2	1
TOWN	SUPERVISOR	DESIGNEE	OFFICER (5)	SIGNATORY (5)	LRC (7)	Proxy	Audit & Finance	Governance	Nominate
Argyle	Robert Henke	Rick McClenning				Robert Henke			
Cambridge	William Watkins	Ray McKinney	Ray McKinney (C)	Ray McKinney	Ray McKinney	William Watkins	Ray McKinney(C)		Ray McKinney
Dresden	Robert Banks				Bob Banks			Bob Banks	
Easton	John Rymph	Chic Wilson			Chic Wilson	John Rymph			
Fort Ann	Gayle Hall			Gayle Hall	Gayle Hall		Gayle Hall		
Fort Edward	Mitchell Supernant	Terry Middleton							
Granville	Beverly Tatko							Beverly Tatko	
Greenwich	Sara Idleman								
Hampton	Don Sady							Don Sady	
Hartford	Dana Haff	Mike Deyoe							
Hebron	Brian Campbell	Barry Miller	Barry G. Miller (VC)	Barry Miller	Barry Miller	Brian Campbell			
Jackson	Alan Brown								
Kingsbury	James Lindsay		James Lindsay (S)	James Lindsay	James Lindsay			James Lindsay (C)	Jim Lindsay
Putnam	John LaPointe								
Salem	Seth Pitts								
White Creek	Robert Shay	Ron Crepeau			Ron Crepeau (C)	Robert Shay	Ron Crepeau		
Whitehall	Richard Gordon, Jr.								
Staff	Position		Officer	Signatory					
Tori Riley	Executive Director		President					Tori Riley	
Kevin Hayes	County Administrator		Treasurer	Kevin Hayes					

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## **Introduction**

We started 2010 with the national economy still reeling from the financial turbulence in 2009 as well as the economic recovery lasting longer than experts had initially reported. Combined uncertainty and exhausted resources were the main concerns voiced from the businesses heading into 2010. However, employers in our county reported closing with increased productivity and revenues.

We took advantage of every opportunity to become even better versed in programs that would collaborate to weave a network of resources for the businesses in our county. We continued to research and network with proven, accomplished organizations and individuals that offered knowledge to programs we haven't explored previously.

Raymond McKinney of Glens Falls National Bank and Trust Co. has been our Chairman, leading this organization with professionalism, fairness, and direction. Ray has decided to retire this year and it was his last on the LDC Board of Directors. He's represented Argyle, Cambridge and White Creek as a Designee. The LDC owes Ray a large debt of gratitude for the time, dedication, wisdom and guidance he has so generously given to our organization. We wish him all the best in his future endeavors and we hope he's really "digging" his retirement. Ray has quite an impressive Fossil collection. Best to you, Mr. and Mrs. McKinney...thank you for all you have done for us!

Also, this Election year, the 20<sup>th</sup> Congressional District voted Chris Gibson in at the November polls. We look forward to partnering with Congressman Gibson and have had opportunities to discuss our area's challenges.

We wish Congressman Murphy all the best in his future endeavors and hope he continues to invest in businesses and projects in the region.



*Washington County BOS's Chairman John Rymph and WCLDC's President, Tori Riley, present Raymond McKinney, (center) with a Proclamation and Plaque recognizing his dedication and commitment to Community & Economic Development initiatives.*



*Scott Murphy and Congressman Gibson at the ARCC YPO event.*

## **Economic Development Loan Program**

There were no loan closings for this loan program in 2010.

As of 12/31, the portfolio included 14 loans representing \$2.7 million, with an outstanding balance principal balance of approximately 1.5 million. All but one loan was current; however, we've been able to work with one of the businesses to get them back on track.

### **Intermediary Re-lending Program**

There were no loan closings in 2010 in this loan program.

The 2010 portfolio included four businesses representing \$300,000 in loans, with an outstanding principal balance of approximately \$149,114.00. All loans were current.

### **Microenterprise Assistance Program**

During 2010, three loans were closed: Camden Valley Flowers for \$8,149.00, Puckers' Gourmet for \$25,000.00 and Burch Waste Services for \$24,923.00. A total of: \$58,072.00

The portfolio, at year end, included nine businesses representing \$163,611.00 in loans with an outstanding principal balance of approximately \$124,472.00. We were able to rectify the delinquent loan mentioned in our Annual Report of '08.

One 10-week cycle class was completed in the spring, with a total of 28 individuals enrolled, including 18 existing businesses. We received close to 50 inquiries overall. Our Presenters were generous in sharing both their time and professional insight to our participants.

### **MAP Spring 2010 - Course Outline**

- 3/09/2010 Seminar Introductions and Overview**
  - Washington County LDC
  - The Reality of Operating a Business**
  - Donald R. Schneider, Cambridge Valley Machining, Inc.
- 3/16/2010 The Business Plan: A Workshop**
  - Bill Edwards, SCORE
- 3/23/2010 Legal Issues for the Small Business Owner**
  - Matt F. Fuller, Esq., Fitzgerald, Morris, Baker, Firth PC
- 3/30/2010 Sell, Sell, Sell...Nothing starts before you sell something**
  - Mike Collins, Pepe Productions
  - Michael Cruz, Lighthouse Advisors
- 4/13/2010 Insurance for the Small Business Owner**
  - Dick Look, Northern Insuring
  - Denise Ringer, New York Life
- 4/20/2010 Human Resources 101: You're the Boss – now what?**
  - Gail Hamel, Hamel Resources, LLC
- 4/27/2010 Cash Flow and Budgeting – Do the numbers work?**
  - Colin Combs, CPA, Whittemore, Downen, & Ricciardelli LLP
  - Stephen Tessino, CPA, Whittemore, Downen, & Ricciardelli, LLP
- 5/4/2010 Bookkeeping and Tax Issues – The Numbers & Uncle Sam**
  - Joan Durett, Durett Business Management
  - Mike Laney, Gore & Laney CPAs
- 5/11/2010 Financing your Small Business – Financing Options in the Public Sector**
  - Mark Galough, Glens Falls National Bank
- 5/18/2010 Small Business Roundtable Discussion**
  - Rick Vanlint – Computer Express Restore
  - Pete Zayachek – Zayachek Companies
  - Marge Randles – Argyle Cheese Farmer

In the past, Warren and Washington County LDC's both offered MicroEnterprise Assistance Program classes, with some slight modifications. The 10-week course qualifies individuals interested in going into business, or expanding operations for a MAP Loan. We work with

professionals in a variety of fields that volunteer their time to share their expertise, experiences and advice with the 20+ individuals interested in learning about what it truly means to go into business, or in some cases, if they're really ready to go into business or take on more than they already have.



*Gail Hamel of Hamel Resources presenting at the MAP*



*Jamie White (seated left), Tori Riley (seated right) Leza, Wood, Patricia Carte, Deanna Derway (standing left to right)*

In 2010, we explored a collaborative effort. Both Warren and Washington County LDC's partnered with SUNY Adirondack's Continuing Education to offer the MAP course. The first collaborative class graduated December 2010. We had 26 candidates enrolled, of which 14 came from Washington County, 2 from Saratoga and 10 from Warren County. We already have fourteen on a waiting list for the spring 2011 Class and will evaluate the progress moving forward.

<u>Session</u>	<u>Date</u>	<u>Fall 2010 - Topics</u>	
1	9/21/10	~ Seminar Introductions and Overview of Course ~ The Business Plan: A Workshop	SCORE
2	9/28/10	~ Cash Flow and Budgeting – Do the Numbers Work?	Steve Tessino Colin Combs
3	10/5/10	~ Library Business Resources – SUNY Adirondack Library	Joyce Miller
4	10/12/10	~ Legal Issues for the Small Business Owner	Matt Fuller
5	10/19/10	~ Insurance for the Small Business Owner	Carl Cedrone John O'Brien
6	10/26/10	~ Human Resources 101: You're the Boss – now what? ~ Payroll	Gail Hamel
7	11/2/10	~ Media & Advertising Buying ~ Marketing Planning	George Normandin
8	11/9/10	~ Internet & Website Informational Class	Brian McGrath
9	11/16/10	~ Bookkeeping & Tax Issues ~ Financing your Small Business	Marc Monahan Mike Laney
No Class	11/23/10	Thanksgiving Week – No Class	
10	11/30/10	~ Small Business Round Table Discussion (Customer Service Representation, Personnel & Reality Check)	Patty Bethel Tim Havens Kelley Goldman
11	12/7/10	~ Product Critique and Graduation	
12	12/14/10	Extra Date Reserved for Make-up Date (if necessary)	

### **Community Development Loan Fund**

During 2010, four loans were closed: Battenkill Valley Fibers for \$180,000.00, Park Place Associates for \$120,000.00, Dupuis Landscape for \$85,000.00 and CV Land Holdings for \$20,000.00.

The portfolio, at year end, included nine businesses representing \$905,000.00 in loans and an outstanding balance of \$837,347.00

In March of 2009, the Board of Directors adopted the fourth loan program, COMMUNITY DEVELOPMENT LOAN FUND; which enabled the LDC to look at loan proposals that hadn't been a fit in one of the three existing programs. Primarily, this allowed us to better serve a broader base of constituent requests as well as their prospective projects being presented. We modified the original terms to better accommodate potential needs that businesses may have due to the current economic climate.

### **Loan Program Overview**

The WCLDC ended the year closing just under five hundred thousand dollars (\$500,000.00) in loans to nine businesses in a variety of industries. The loans processed throughout the year were for a myriad of projects ranging from relocation to community development downtown revitalization projects to expansions of existing businesses. As of December 31, 2010, the total portfolio included 38 loans representing over \$3.8 million, with a principal balance of over 2.5 million. During 2010, five loans were paid in full.

Overall, we were presented with 18 loan applications for consideration. Reiterating our mission statements of past, the strategic importance of having locally controlled revolving loan funds cannot be overstated. Our predictions became a reality as the requests for funds to support a myriad of businesses in complex industries presented themselves; as did the request for support to retaining jobs; which became as essential as providing funding for creating jobs in 2010.



*Stacy Ray of Skenesborough Gardens*

The loans processed in 2010 created jobs in manufacturing, community development, agri-manufacturing, recycling/waste management, landscaping and retail, and food processing plants.

### **Business Activity**

The WCLDC provided assistance to numerous businesses with information on issues such as tax incentives, financing programs, labor force training, site selection, utility incentives, the Empire Zone modifications and updates to the program, permit requirements and socio-economic data. The WCLDC President and Executive Director visited with over 367 businesses throughout the county in 2010. She listened, took notes, implemented action and provided results. We assisted with a multitude of support mechanisms to help sustain business operations.

In the fourth quarter of 2010, the Washington County Board of Supervisors, faced with making some tough choices, decided to reduce the Planning Budget. The LDC office devised a plan of

action to absorb some of the responsibilities. Knowing we don't know what we don't know, we have partnered with a local Engineering firm as well as re-organized our staff positions to assist the Towns, Villages and County Planning Boards with planning issues.

A few of the priority goals for the Planning scope of services are streamlining and better communicating the Planning process, utilizing our website to provide updated information, distributing educational opportunities to our local boards as well as providing a "clearinghouse" of grant opportunities for communities to pursue if interested.

In Washington County, some want growth; box stores, amenities, etc. while some prefer not a thing change. So, respectfully, we'll provide resources and information for them to utilize accordingly.

### **Congratulations**

The sixth annual Washington County Small Business of the Year Award luncheon was jointly sponsored by the ARCC and WCLDC at Rainer's Gourmet Inspirations in Hudson Falls on December 3<sup>rd</sup>. **This year's winners were: Argyle Cheese Farmer in Argyle, NY (Dave and Marge Randles, Saunders Transmission in Argyle, NY (Rodney Saunders and Lori Craig) Eagle Bridge Custom Meats and Smokehouse (Deb Ball and Steve Farrarr).** In addition, there was a special **Lifetime Commitment to Entrepreneurial Spirit Award** given to **Bob Liebig, Sr. (UTOPIA ENTREPRISES, in Hartford seen with his wife, Barbara.) Bob Miles, of Glens Falls National Bank and Trust Company** was also honored with an Award of Commitment to the Business Community during the event.

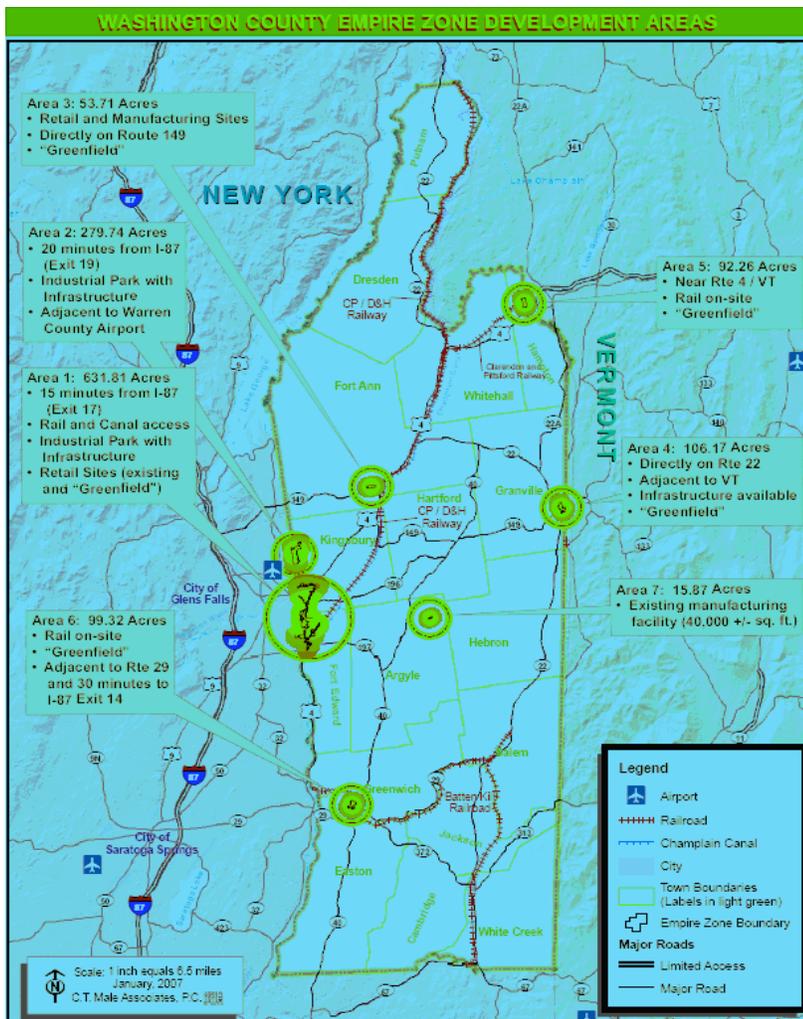
Each winner received a plaque engraved by Adirondack Engraving and Mohawk Red International supplied red slate to accent the plaque. This event is truly a great time to reflect the diverse industries operating within our county. It affords the opportunity for community leaders to better educate themselves about the business owners and their teams; their operations and what they have been able to accomplish.

Richard Norman of Glens Falls National Bank and Trust Co. chaired the Washington County Business Council Task Force this year. Tori Riley, President and Executive Director of the Washington County LDC co-hosted along with Rich to recognize and celebrate the winners and nominees this year. Other Washington County businesses recognized as nominees were: The Cambridge Hotel, Cambridge IGA, Cambridge Valley Self Storage, ESMI, El Mexicano Restaurant, Green Mountain Food Service, Helping Hands Physical Therapy, Praxis Technologies, Quaker Bay Roofing Co., Sheldon Farm and Market, Sugar Loaf Farm, Tri-Cross Construction and Holbrook's Adult Home.



*Pictured are: Bob Miles, recipient of a lifetime Commitment to Business award; Rich Norman, Washington County Business Council Task Force Chair; Barb and Bob Liebig of UTOPIA Pre-Cast, Bob was awarded a Lifetime Entrepreneurial Spirit Award; Rodney Saunders and Lori Craig of Saunders Transmission, Deb Ball and Steve Farrara, Eagle Bridge Custom Meats and Smokehouse; and Marge and Dave Randles, Argyle Cheese Farmer; with Tori Riley, President, Washington County LDC*

## Empire Zone Program



<b>Empire Zone Administrative Board</b>	
John LaPointe	Chairman
Robert Miles	Vice-Chairman
Mark Doody	Secretary
Joan Tarantino	Treasurer
Josh Levy	Member
Peter Leahy	Member
Laurie Drake	Member
John Hollister	Member
Scott Martel	Member

Zone certified businesses continued to invest, despite of the global economy and the climate experienced locally.

<u>Year</u> (\$millions)	<u>#Businesses Certified</u> (as of 12/31)	<u># Full-Time Employees</u> (quarterly average)	<u>\$ Capital Investment</u>
2003	32	2,256	\$29.0
2004	49	2,313	\$24.2
2005	78	2,454	\$18.5
2006	81	2,644	\$22.6
2007	84	2,474	\$21.0
2008	71	2,417	\$54.4
2009	Awaiting results from the state – BAR submission deadline pushed back		

In 2010, New York State, on a whole, experienced a turbulent start, beginning with many programs in jeopardy of seeing a significant reduction or complete elimination for multiple programs. The Empire Zone was one of these programs. After much deliberation and uncertainty, the WCLDC was notified in May of 2009 that New York State was eliminating all funding for the Empire Zone program. However, in order to retain certification for the businesses already certified

in our zone, we needed to retain the EZAB and continue to provide administrative services and required documentation to the program.

We proactively worked with the businesses currently certified and those of which were being decertified based on job creation commitments, investments, etc. Throughout most of 2010, the program experienced challenges in the reconstruction of organizational charts. The staff at ESD, specifically, Judi Tholl, was a tremendous support system for us and provided us with the information their office was receiving.

All in all, the decision to sunset the program a year prior to the original timeline for the program was decided and June 30, 2010 was the date announced. We received the 2008-2009 program funding check of \$18,729.00 in August of 2010. It was decided at that point, by the Washington County Board of Supervisors, Resolution number 214 to reduce the responsibilities of the Empire Zone Administrative Board to local advocacy only. The accounting and operational responsibilities went to the Washington County Local Development Corporation committee's to oversee and audit as there is no funding moving forward. The remaining balance in the accounts will be used to continue the administrative and operational responsibilities of continuing the administration of the program for the existing businesses able to continue to take their tax credits.

### **Special Projects**

The staff was involved in many regional and county wide initiatives as well as successful, on-going projects:

The WCLDC and the ARCC provided services to the Washington County Business Council as well as to business, educational and community leaders to outline resources that help drive economic development initiatives. In addition, we co-hosted the Washington County Small Business Awards Luncheon.

In March, The Washington County Business Showcase was presented by the ARCC and WCLDC and was once again, a great success. The WCLDC extends many, many thanks to the ARCC for their lead role in organizing this event.



*Karlie Bolen Deanna Derway, Tori Riley, Senator Betty Little at the WCLDC 1<sup>st</sup> Annual Event.*

We were appointed to the Adirondack/Glens Falls Transportation Council by John Rymph. We have learned a lot about regional projects and issues and have been invited to sit on a variety of committees in conjunction with this Council. We were included on the panel for deciding this year's recipients of the MAKE THE CONNECTION grants. Both Argyle and Granville were awarded projects in Washington County and West Mountain and the Bike Trail by Exit 20 Outlets were awarded their projects as well.

We were also invited to be a judge for this year's LARAC grant issuance committee. Over twenty four Washington County artisan groups and individuals applied for this year's funding. We spent an entire Saturday morning contemplating the awards. It was both educational and inspirational to see just how many folks we have in all parts of the county contributing such an amazing accent to our cultural offerings.

We hosted the 1<sup>st</sup> Annual Washington County Local Development Corporation event. The fundraiser was a huge success! FOURTEEN sponsors stepped up to support us and there were approximately 200 attendees total. We hosted it at Rainer's Gourmet Inspirations and they took very good care of us, as usual. One of the nicest outcomes of this event was the outpouring of support. We are fortunate to have as many partners as we do. Thank you! To all of you that helped this years success!



*Neal Orsini of the Anvil Inn*

Premier Sponsor: SUNY Adirondack

Event sponsors include: Behan Comm., ESMI, Fitzgerald Morris Baker Firth, Glens Falls National Bank and Trust Co., Glens Falls Hospital, Gore & Laney, CPA's, Jointa Galusha, Mohawk Red International, NBT Bank, National Grid, Real Bark, St Gobain Performance Plastics Corp., WCC and the WWIDA.

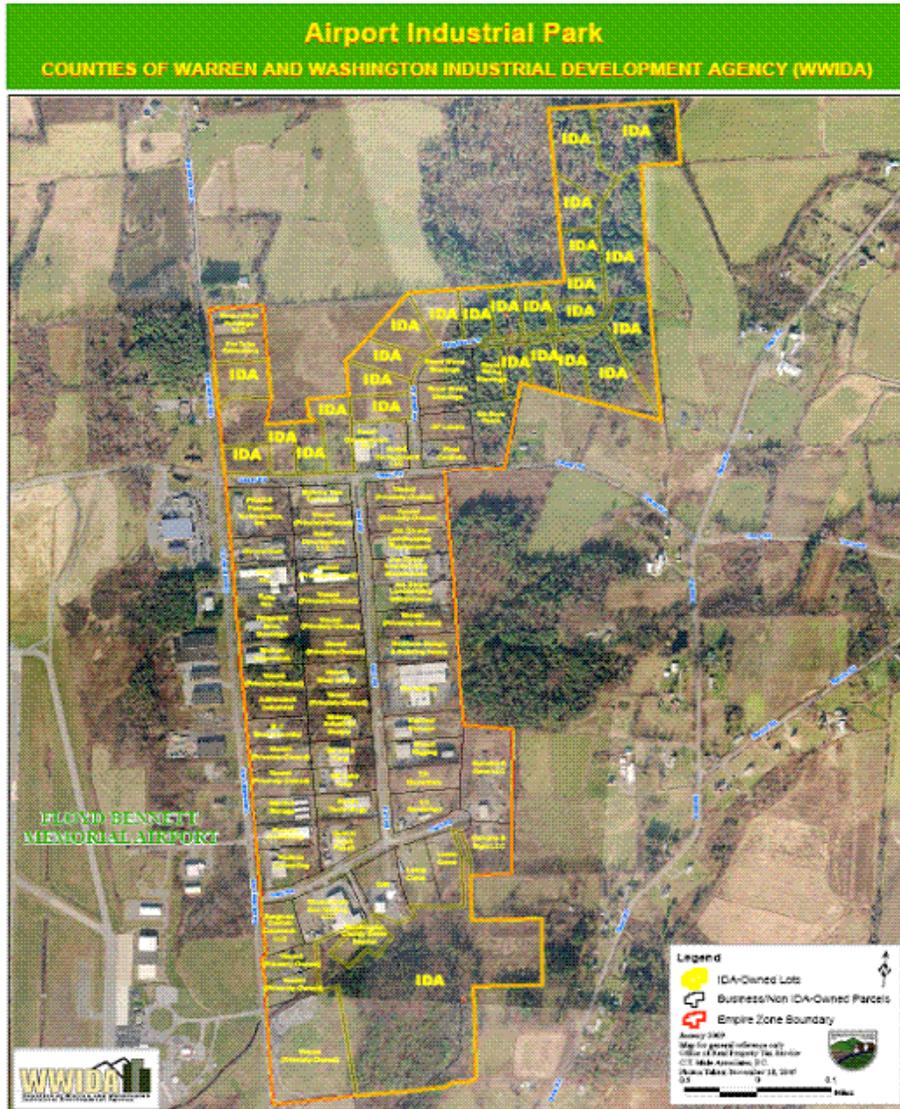
And...the Washington County LDC has a brand new face...Facebook that is. Also, an overhaul was done on our website [www.wcldc.org](http://www.wcldc.org). We're both proud and pleased with the finished product and our site is already experiencing activity that is off the charts.

Job Discovery was another success this year. Although the WCLDC staff didn't directly work on the committee this year, our Executive Director had in the past and continued to assist with the marketing outreach of the event. KUDOS to Tim Lahey and the staff at SUNY ACC: as well as, the devoted volunteers that make the event such a success.

The WCLDC was asked to do numerous presentations involving economic development. In addition, Tori was invited and involved in many ESD and CEG meetings in Albany, was invited to join forces with Warren and Saratoga counties EDC offices as well as the City of Glens Falls, the GF IDA and the WWIDA. We spent a lot of time working with towns and villages to see where our resources and assistance might lend some help in their missions.

We collaborated on multiple projects with the Washington County Tourism Association, Warren and Saratoga Economic Development, the City of Glens Falls (Mayor Diamond and Ed Bartholomew) The ARCC's Leadership Class and Broadband analysis studies to name a few.

## Warren-Washington Airport Industrial Park



In 2010, the link [www.airportindustrialpark.org](http://www.airportindustrialpark.org) was not updated but is a priority in 2011. There were three sales in the park this year, and resulted in a few jobs being created; most were simply retained. In addition, the WCLDC promoted the shovel ready sites throughout the Industrial Park by incorporating it into many of the articles written about LDC and missions, various interviews and presentations the WCLDC was involved with. We also implemented the site on our monthly Business Journal advertisements.

Utilizing the maps provided to us by Heather Baker in the Real Property Department, the WWIDA and the WCLDC were able to easily access and distribute pertinent lot dimensions and availability to a broader audience.

### Grants Administration

The WCLDC staff prepared a few grant applications in 2010 to support an economic development projects throughout the county. We were able to partner and pull together applications for consideration for NE Railroad, a Waste-Water Treatment Plant for Ft Ann, continued working on

the IAP grant for a manufacturer in Fort Edward; in addition to securing an EIP Grant for St Gobain Performance Plastics in Granville, NY. Their grant was awarded for equipment upgrades resulting in less waste and better energy efficiencies.

We're proud of our "Made in Washington County, NY USA" manufacturers and producers. So, for instance; finding and being awarded grant opportunities for equipment upgrades or even major expansions for their businesses is a priority. We'll be proactively going after funding for Infrastructure and Broadband projects; identifying any and all resources that help us retain existing companies while identifying and securing programs that help us recruit new business.

### **Marketing**

During 2010, the WCLDC President decided to re-brand and put forth a marketing campaign that doesn't sell the WCLDC services more than it celebrates and identifies the many businesses that make Washington County such a special place to consider doing business. It is with this marketing angle, we'll best promote our region and attract like minded business endeavors.

We feel this region offers quite a BUZZ with many unique offerings. We will continue marketing the businesses we have, showcasing their success and why they choose to operate here. Our website will also continue to promote all we have to offer tourists regionally. We will include the three surrounding destinations, (Lake George, Vermont and Saratoga) to encourage including Washington County as part of their experience while they're in the area.



*Matt & Wendy Rathbun of Rathbun's Maple Sugar House*

We have all dedicated time, money and resources identifying what we hope to have from the Global Foundries effect; so to us, marketing the plethora of businesses here, allowing them to tell their success stories and what and why they do what they do from here, is really the best way to attract like minded business owners or corporations seeking our way of life for themselves and/or their employees.

We consistently update our website [www.wcldc.org](http://www.wcldc.org) Blog and Facebook information and have partnered to produce a Washington County Winter Recreational video (we have a Spring/Summer one already.) and that should be complete and on the site by April 1<sup>st</sup>. In addition to consistently adding to the videos on our site, we'll be posting daily visits with many businesses, in different industries, to show what's happening in the hills.

We partner with many Organizations and Community groups to give our visitors an idea of what our region is all about. On our site, you'll find links, resources, informational data, etc. Any information a business might need, can easily be found on our site as well. It was created with a business reference manual in mind. In addition, we're fortunate to have regional partners who are seen in our Community Development Partnership video. We felt this gives a business contemplating coming to the area a better regional perspective off all that's available.

The WCLDC's website was consistently updated with pertinent information. The videos incorporated, the testimonials provided and the overall information available is truly a recruiting mechanism.

The WCLDC was fortunate that Adirondack Broadcasting continued to offer our Executive Director/President an opportunity to continue a radio campaign that spotlights three different businesses every month, on five stations, at least 10 times a day. Each month on each of their radio stations, The Adirondack Broadcasting Family helps us do a little “bragging” about three Washington County businesses. This is our third year. Again, it’s about telling their story. We cover a different business in a different town each month. Sometimes it’s about their unique product or service or maybe a hobby, special interest or community contribution they are overly generous with supporting. This campaign has been effective for educating listeners about the local businesses.

The Glens Falls and Saratoga Business Journals spotlighted the WCLDC in several articles in 2010, even a 2011 Forecast piece that put us in both GF and Saratoga. The Post Star also incorporated the WCLDC in many of the articles outlining the various projects we are involved in.

- <http://poststar.com/>
- <http://www.poststar.com/app/blogs/?cat=268> (The Wash – Blog chronicling local Washington County News)

We did two Lakes Region Radio interviews to promote the MAP class and to announce some of the economic development initiatives we were implementing.

### **Affiliations/Associations**

The WCLDC was active with the following organizations in 2010:

- Member, Saratoga-Warren-Washington Workforce Investment Board
- Member, Community Advisory Group and Economic Development Committee
- Member, Adirondack Regional Chamber of Commerce
- Affiliations and collaborations with Warren and Saratoga County EDC’s
- Washington County Tourism Association
- A/GFTC
- Lake George/Lake Champlain Regional Planning Board
- Numerous Washington County Departments including: Planning, Cooperative Extension, Data Processing, One-Stop Center, Public Works, County Clerk, IT, Personnel, Real Property Tax Service, Veteran’s Affairs, County Attorney, Clerk of the Board, County Administrator, Treasurer’s Office, Code Enforcement

In addition, the WCLDC engaged in cooperative efforts with or received services from the following:

- New York State: Transportation, Labor, Empire State Development, Health, Canal Corporation
- TD Bank, Glens Falls National, Adirondack Trust, NBT Bank
- National Grid
- Counties of Washington Warren Industrial Development Agency
- Adirondack Regional Chamber of Commerce
- Various Washington County Chambers of Commerce

### **Administration**

The uncertainty of NYS funding for the Empire Zone, in addition to the WCLDC taking on two employees this year reflects in the budget.

Deanna Derway and Kelly Johnston contributed significant administrative and professional skills accented with polished, professional demeanors throughout the year. Without the addition of either one of these candidates, 2010 would have been much more challenging and less productive without as many successes. The WCLDC Board of Directors and Tori Riley, President and Executive Director would like to acknowledge these ladies and thank them again, for their contributions of the many accomplishments we're proud of this year.

Deanna was hired permanently on July 1<sup>st</sup>, 2010 and is our Office Coordinator. In addition, Deanna handles the bookkeeping responsibilities and administers the Empire Zone paperwork for the BAR and ZAR reporting. With a background in Education, she will also be taking over the administration of the MAP class and work closely with Tori on many of the operational decisions and initiatives we'll be undertaking. We're hoping in 2011, we'll be able to utilize Deanna's background to implement more "Business to Education" events and outreach.



*Deanna Derway, Tori Riley and Kelly Johnston*

Ray McKinney, Chairman of the WCLDC, also took initiative to dedicate endless hours of mentoring, guiding, and providing administrative operational materials to get the WCLDC office in compliance with the PAAA policies. It should be mentioned how grateful and thankful the staff is for his on-going support of their services. Not only has Ray been dedicated to the organization, but to the overall success of the operation moving forward. We will miss you, Ray.

The WCLDC Loan Review and Audit and Finance Committees really stepped in this year to assist in the process of newly implemented procedures and policies. In particular, Ron Crepeau, as the Chair of our Loan Review Committee was extremely generous in making himself accessible to Tori for all of the loans processed. Without his attention to detail, mentoring and sharing of his wealth of knowledge, we would not have been in a position to handle the influx of inquiries to process such a successful year in lending. The entire Loan Review Committee: Gayle, Barry, Chic, Jim, Bob, Ray and Ron....Thank you! We thank you and the businesses in this county thank you.

The WCLDC staff and President would like to acknowledge their appreciation and guidance from the Washington County Board of Supervisors, as well as, the dedicated business leaders who volunteer their expertise, wisdom, guidance and time to us. Barry Miller, Rick McClenning, Chic Wilson, Mike Deyoe and Terry Middleton are valued beyond articulation. Thank you, each and every one of you for this opportunity to be part of the Washington County team.

After our 2009 Auditor's visit, we installed QuickBooks which proved to be one of the best moves, administratively. In 2010, the WCLDC began utilizing an operational budget, providing detailed financial reports to the Audit and Finance members and using this software really helped streamline some of the redundancy. We are truly running like an organized Corporation within government regulations; it's very detailed and we're very proud of the progress and streamline of operations.

Training dates for PAAA training are arranged based on availability. The WCLDC will encourage BOD members to take advantage of the classes as they are not offered regularly or locally

## Financial Situation

WASHINGTON COUNTY LOCAL  
DEVELOPMENT CORPORATION

Notes to Financial Statements

December 31, 2010

### Allowance for Doubtful Accounts

The allowance for doubtful accounts established in the Intermediary Relending Program (IRP) in the amount of \$22,000 is in accordance with a requirement by the U.S. Department of Agriculture. There are no delinquent IRP loans as of December 31, 2010.

The allowance for doubtful accounts of \$104,871 in the Income After Closeout Programs and CDBG represents the balance due on two loans.

### Restricted and Unrestricted Assets

Receipts, disbursements, and cash balances related to Federal funds which are subject to certain restrictions and unrestricted funds not subject to Federal restrictions are comprised of the following:

	Restricted			Unrestricted	Total
	Income After Closeout	Intermediary Relending Program	Empire Zone		
Cash balances at 12/31/09	\$ 788,022	\$ 134,684	\$ 42,484	\$ 672,546	\$ 1,637,736
Receipts:					
Interest in time deposit	-	351	57	3,525	3,933
Principal, interest and late charge payments received	131,117	50,969	-	331,890	513,976
Contributions	-	-	18,729	85,794	104,523
Origination fees	-	-	-	4,350	4,350
Miscellaneous	-	-	-	603	603
Total receipts	131,117	51,320	18,786	426,162	627,385
Disbursements:					
New loans	531,854	-	-	-	531,854
Payroll expense	84,184	-	24,707	14,808	123,699
Professional fees	11,753	-	2,438	5,534	19,725
Insurance(s)	816	-	-	1,948	2,764
Interest expense	-	12,339	-	-	12,339
Marketing/Advertising	-	-	25	5,913	5,938
Office expense	869	-	266	3,020	4,155
Miscellaneous expense	468	-	123	8,802	9,393
Total disbursements	629,944	12,339	27,559	40,025	709,867
Cash balances at 12/31/10	\$ 289,195	\$ 173,665	\$ 33,711	\$ 1,058,683	\$ 1,555,254
Cash, checking	\$ -	\$ 151,665	\$ 33,711	\$ 274,269	\$ 459,645
Cash, savings	\$ 289,195	\$ 22,000	\$ -	\$ 784,414	\$ 1,095,609

### What to expect in 2011?

It is anticipated that the following goals for 2011 will be realized:

The WCLDC will identify and work towards submitting Grants applicable to infrastructure build outs, corporate expansions, utility and broadband expansions, monies available to expand loan power.

The Empire Zone program sunsets in June of 2010 but, the WCLDC will continue to partner with other EDC's to encourage programs that not only entices new businesses but better serves and encourages current businesses to continue operating in our region and possibly even expand.

We will continue the Marketing strategy using the new website with video's, the radio campaign, keeping the information current, putting daily posts of news articles, area business information, LDC news, etc.

We will finance at least \$800,000 in loans to prospective business start up's and expansion projects.

We will continually review and utilize the Plan of Economic Development strategies, while also identifying and updating courses of application along the way.

We will continue to work with the committees at the WWIDA to encourage applicable businesses for the existing lots available in the Industrial Park.

Administration will continue to comply with the "Public Authority Accountability Act".

We will hold MicroEnterprise Assistance programs based on interest received.

We will host a second Washington County LDC Annual event in order to raise funds and awareness of how we compliment economic development initiatives.

We look forward to working with our partners. We are excited to meet new colleagues and professionals. We will continue dedicating our energies to assisting the Business community in Washington County.