

Washington County Local Development Corporation  
Loan Review Committee  
**Tuesday, July 26, 2016**  
**8:30 a.m.**  
Meeting Minutes

Present: Seth Pitts, Dave O'Brien, Jared Humiston and Brian Campbell  
Others Present: Deanna Derway, WCLDC President

Chairman Pitts called the meeting to order at 9:18 a.m.

The Committee reviewed the minutes from the May meeting. Seth Pitts made the motion to approve and Dave O'Brien seconded. It was approved unanimously.

Next, the Committee reviewed a loan application proposal for Frosty Mugs Bar & Grill in the amount of \$55,000. Thad Jankowski and Denise Giarusso had the opportunity to answer questions prior to the meeting. The proposed funding would be used to purchase equipment, lease payment on the property and working capital. The Committee commends the applicants for the thorough business plan and financials that they submitted but, the Committee has concerns about lack of collateral and capital reserve. They discussed that there is only about \$30,000 worth of tangible collateral to be pledged. Denise offered a mortgage on her home but, there is already a first position on the home. The Committee does not feel that there is enough collateral to approve the application at this time but, suggested that they go back and look at their numbers to see if they could complete the project with less funding or if they can come up with additional collateral to back the \$55,000 request. The Committee encouraged them to address these issues and come back to the Committee.

Next, the Committee discussed a loan modification request from J. Euber Energy who has asked that the LDC extend the loan term from 5 years to 10 years in order to free up some cash flow in order to purchase another business through Glens Falls National Bank. The Committee reviewed the proposal and Dave O'Brien made a motion to approve. Seth Pitts seconded and it was approved unanimously.

Next, the Committee discussed a loan modification request from Schoony's Country Market who has asked that the LDC grant a 3 month period of no payments from November 2016-January 2017 in order to free up cash flow for much needed equipment repairs. The Committee reviewed the proposal and Seth Pitts made a motion to approve. Jared Humiston seconded and it was approved unanimously.

The meeting was adjourned at 9:51 a.m. Motion made by Seth Pitts, seconded by Jared Humiston and approved by all.

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Seth Pitts, Chairman