

Washington County Local Development Corporation
Loan Review Committee
Monday, November 9, 2015
9:00 a.m.
LDC Conference Room

Present: Seth Pitts, Dana Haff, Jim Lindsay and Dave O'Brien
Others Present: Deanna Derway, WCLDC President, John Naylor, Joe Naylor and Jeremiah Euber

Jim Lindsay called the meeting to order at 9:00 a.m.

The Committee reviewed the minutes from the September meeting. Seth Pitts made the motion to approve and Dave O'Brien seconded. There was no further discussion and it was approved unanimously.

Next, The Committee reviewed the current loan list update and discussed the current status of each account. Deanna informed the Committee that Renaissance Grants & Planning is behind a month on payments. A letter has been sent to Darlene Devoe in regards to making her payment and staying current with the payments. South Hartford (which is no longer in business) has been making partial loan payments but, continue to make payments each month.

Next, the Committee reviewed a loan application for Quaker Bay a roofing company in Fort Edward for \$150,000. John Naylor the current owner and Joe Naylor, who is looking to purchase the company, were both present to represent the application. The Committee discussed the application at length with the applicants. When asked why the company was not profitable in the last 2 years John explained that he had numerous knee replacements surgeries over the past few years creating an inability to work on roofs. The proposed funding would be used as working capital to pay for Commercial insurance for the company as well as keep employees through the winter months (Jan-Mar are slower work load months). Both gentlemen have a lot of experience and training in the business and have won multiple awards for their work. The Committee was concerned about the assets to be used as collateral as they lease the building the business operates out of. The Committee recommended that the Naylor's figure out and finalize the involvement and role that each will have in the business and submit a contract to that effect. The Committee would also like to see a complete listing of all assets owned by the business as well as the valuation for each to make sure that the collateral would cover the LDC's investment. The Naylor's are going to address each of these and come back to the Committee in December for a final decision.

Next, the Committee reviewed a loan application for J Euber Energy for \$50,000 in working capital. Jeremiah Euber was present representing the application. The Committee discussed the fact that Mr. Euber just completed a commercial building on the property that has allowed his business the opportunity to grow. He runs a successful business that delivers #2 Heating Oil, On-Off Road Diesel and Kerosene to both commercial and residential customers. The Committee discussed the collateral which the LDC would be taking a second position on the business real estate as well as the business assets. Seth Pitts made a motion to approve the application and Jim Lindsay seconded. There was no further discussion and it was approved unanimously.

The meeting was adjourned at 9:46 a.m. Motion made by Seth Pitts, seconded by Dave O'Brien and approved by all.

DD

Seth Pitts, Chairman

Date