

**Capitalize Albany Corporation Board Meeting**  
**MINUTES**  
**Tuesday, February 28, 2012**

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, February 28, 2012 at 21 Lodge.

The following were in attendance:

**Board of Directors:**

|                      |                  |             |
|----------------------|------------------|-------------|
| Michael Castellana   | Robert M. Curley | Jeff Sperry |
| Michael Fancher      | John Harris      |             |
| Dorsey Whitehead     | Michele Vennard  |             |
| David Parente        | Lee McElroy      |             |
| Dr. R. Mark Sullivan | James Linnan     |             |

**Staff:**

Michael Yevoli, Erik Smith, Megan Daly, Martha Hyland, Brad Chevalier, Doug Melnick and Ashley D'Antonio.

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation Board to order at 8:10 a.m.

**Approval of Minutes for January 24, 2012 Board Meeting**

The Board reviewed the minutes of the January 24, 2012 CAC Board Meeting. Lee McElroy made a motion for approval. Dorsey Whitehead seconded. The Board agreed unanimously to approve the minutes.

**Audit Committee Update**

Michael Fancher presented an update to the Board regarding the audit engagement plan. The Corporation's requirement continues to be within the scope of services provided. If the Corporation required more research intensive services than that would trigger the need for a revised agreement.

**Finance & Investment Committee Update**

*Loan Allowances - Resolution 2-2012*

Erik Smith presented Resolution 2-1012 to the Board. Mr. Smith advised the Board that in preparation for the completion of the audit for fiscal year ended 12/31/2011, the staff and Finance and Investment Committee undertook a comprehensive review of all loans in the portfolio and recommends that the Corporation reserve \$2,354,885.20 for mortgage note principal receivable losses. Michael Castellana asked if this is a requirement that the Board approve this allowance. Staff will clarify with UHY for the 2012 audit.

Jeff Sperry made a motion for approval. Dorsey Whitehead seconded. The Board agreed unanimously to approve the resolution.

*HAF Loan- Resolution 3-2012*

Erik Smith presented Resolution 3-2012 to the Board. Mr. Smith advised the Board that the Historic Albany Foundation has requested that the Corporation waive the deferred interest which equals \$13,610.85. HAF indicated that the annual carrying costs of the building has impaired their ability to maintain the loan's performance and they are pursuing an alternative ownership/management structure to keep the building open and functioning as a public exhibit and event space.

Dorsey Whitehead made a motion to table the resolution. Lee McElroy seconded. The Board agreed unanimously to table the resolution.

*Cash Management Services Resolution- 4-2012*

Erik Smith presented Resolution 4-2012 to the Board. Mr. Smith advised the Board that the Finance & Investment Committee has reviewed and is recommending a Cash Management Services Master Agreement with Key Bank. This will include the utilization of various cash management services, including remote depositing, electronic banking, and electronic payment authorization.

Mark Sullivan made a motion for approval. Lee McElroy seconded. The Board agreed unanimously to approve the resolution.

*Bank Accounts Resolution 5-2012*

Erik Smith presented Resolution 5-2012 to the Board. Mr. Smith advised the Board that the Finance & Investment Committee recommends adding the CAC President and Chief Financial Officer as signatories to existing CAC depository accounts as necessary to facilitate adequate and uniform controls over each account.

Bob Curley made a motion for approval. Dorsey Whitehead seconded. The Board agreed unanimously to approve the resolution.

*Preliminary 2011 financials*

Erik Smith presented preliminary 2011 financials to the Board and advised them that they would be discussed further at the March Board of Directors meeting.

**Public Access Television Coordinator Grant Discussion**

Mike Yevoli updated the Board on the status of the Public Access Television Coordinator. Mr. Yevoli reminded the Board that two years ago the Board agreed to support the City with their efforts for Public Access Television in exchange for public promotion on the channel. The specific number of hours that the coordinator would work has been the item holding up the filling of this position. The Board requested a more extensive proposal that clearly articulates the value of this request to the Corporation.

**Other Business**

Doug Melnick presented the Board with an update on the Corning Preserve. Mr. Melnick described the proposed Phase II plans for the Corning Preserve and what the barriers for redevelopment include.

There being no further business the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 9:35 a.m.