

**Minutes APPROVED  
Hudson Development Corporation  
Tuesday, May 23, 2023  
One North Front Street  
Hudson, NY 12534**

A regularly scheduled meeting of the Hudson Development Corporation (HDC) Board of Directors was held at the offices of the Columbia County Chamber of Commerce located at One North Front Street, Hudson, NY 12534 on May 23rd, 2023. Board meeting was called to order at 12:03 PM by Christine Jones, President.

<b>Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived/Departed</b>
Paul Barrett	Secretary	Present	
Paul Colarusso	Board Member	Present	
Tom DePietro	Board Member (Ex-Officio)	Excused	
Phil Forman	Treasurer	Present	
John Friedman	Board Member	Present	
Nicholas Haddad	Vice President	Present	
Mayor Kamal Johnson	Board Member (Ex-Officio)	Present	
Christine Jones	President	Present	
Kristan Keck	Board Member	Present	
Martha Lane	Board Member	Present	
Seth Rogovoy	Board Member	Present	
Peter Schram	Board Member	Present	
Misty McGee	Executive Director	Present	
Kristal Heinz	HDC Attorney	Present	
Jan Egan	Scribe	Excused	

**President's Comments**

President Chris Jones welcomed all and announced to HDC members that Executive Director Misty McGee had resigned, effective June 2<sup>nd</sup>. President Jones thanked McGee for her service, her “can-do” spirit, and her exceptional networking skills that has re-connected HDC with Hudson and Albany area businesses.

- ***President Jones spoke about creating a Strategic Plan moving forward for the HDC; a “roadmap” that will give the HDC a focused, forward-looking direction to set and meet strategic goals.***
- ***President Jones also spoke about finishing the last few pieces of the audit, and working with Nathan McLaughlin to input the rest of the Paris/ABO information and make sure HDC is in compliance with our organizational charter.***

**Executive Director's Comments**

Director McGee thanked President Jones and the HDC Board for the opportunity to serve the city she loves. She thanked the Executive Committee for the support and encouragement she has received. Stated that the HDC is poised to do great things for

Hudson and spoke about Nathan McLaughlin, a “non-profit guru” who will play a strategic role for HDC in the future.

### **Minutes of April 25<sup>th</sup>, 2023**

President Chris Jones asked for a motion to approve the Minutes submitted for April 25<sup>th</sup>, 2023. Paul Barrett made a motion, seconded by John Friedman to approve the Minutes as presented. Carried.

### **Treasurer’s Report**

Treasurer Phil Forman reported that basically there are no changes, just updating income and expense. Now have almost 6 months of experience in terms of investment and income.

- John Friedman asked if the minor changes amount to \$4,000. Forman stated that the \$4,000 should be on the balance sheet.
- President Jones asked for a motion to accept the Financial Report as presented. Director Barrett so motioned, Director Friedman seconded. Motion unanimously approved and carried.
- Treasurer Forman spoke about the Financial Committee meeting held last week to discuss HDC financial policy and process. Concern about debt ceiling and changes in interest rates (the market has moved from a 1% market to a 5% market).
- *What is HDC doing about that? What is the risk to our portfolio? Are we being aggressive enough? We’re worried about safety but also want to keep up with inflation.*
- A very good discussion and one that can include the entire Board.
- Treasurer Forman then dialed in Tom Babcock (Babcock Advisors) and Bob McQueen (account manager).
- Current close balance was \$2,706,413.01.
- Portfolio breakdown: 63% cash/cash equivalents, 37% bonds.
- All bond holdings are investment grade. Yields are paying, the interest is rolling back into our cash, and there is no reason at all to change that now; we are looking at double-digit returns on these holdings.
- None of these bonds should be sold at this point; we are in good standing with our bond investments.
- Cash Holdings: 2 specific holdings, an insured cash account that is currently yielding 5.16% (totally liquid).
- Tom’s question for the Board: *is it the amount of cash we have or one of safety for the cash we have?*
- Forman explained that we were going to retain \$600,000 in “true cash,” and so the question around that is: do we really need \$600,000 liquid cash. Or are there issues concerning safety ie, CDs purchased through banks (because of the FDIC insurance). Should we be looking for FDIC insurance for our cash?
- Tom said CD yields are currently 5%+ going out 3 months to 13 months.
- They would advocate going to a “laddered” portfolio of CDs. (A certain amount of CDs would come due every month, so to protect the “liquidity” of cash.
- You don’t want to “lock up” your money into CDs with no cash.

- Proposal is to take \$500,000 from insured cash account and \$500,000 from Goldman Sachs account and ladder that money into 3 to 18-month CDs.
- Will not exceed \$250,000 in any one given bank and gives us the ability to get best CD rates in the country.
- Prudent to ladder these within 3-month intervals that goes back into cash to give us the opportunity to re-evaluate what is going on marketwise.
- Will give us comparable yield from MMA and monitor FDIC against each of those holdings (not to exceed \$250,000 in any one bank).
- If cash needed, HDC can go into market “same day” and retrieve.
- Treasurer Forman confirmed that current returns on short term CDs and Goldman are comparable (5+%).
- Tom restated that there is a lot of volatility in this market, and we are in a recession. For him the question is when an opportune time is to take some of HDC \$\$ and put it into equity; this will be considered more closely once the Fed pauses.
- Forman thanked both and ended the call.
- President Jones asked Board to email questions to Treasurer Forman.
- Next week, Finance Committee will meet (including member Friedman) and evaluate what was said today and report back to Board.

### **New Business**

President Jones welcomed Nathan McLaughlin to discuss HDC Strategic Initiative. McLaughlin’s background includes non-profit administration, program development, organizational change, and growth. Executive Committee met with McLaughlin last week to talk about goals and strategic plans and will engage him to help us through compliance and administration of HDC. (Goal is to complete compliance documents by end of June.)

- McLaughlin will also lead Strategic Planning work: a “living” strategic plan that will include input from all board members.
- “Living” Strategic Plan has 1,3- and 5-year goals that are revisited each year to adjust; a more efficient approach that helps achieve results more quickly.
- Process includes a series of conversations that subsequently get more refined and more focused into a roadmap for the organization.
- Agree upon direction of HDC, funding, and execution; goal is to move from *re-active* to *pro-active*.
- President Jones asked Board about setting aside a morning or an afternoon to start; added that a schedule will be forthcoming, and location will be Chambers building.
- Member Kristin Keck mentioned the Pavilion at Farmer and Sons as a meeting venue.
- Member Barrett asked about timing; President Jones stated goal is to have Strategic Plan completed by end of summer.
- Hudson citizen Carol Osterink spoke about her rescue dog.
- Mayor Johnson spoke about the Kaz Warehouse project being awarded \$1.5 million.
- Admin position is still open; suggestion to reach out to community college.
- Outgoing ED McGee reminded all that non-profit space is quite different from for-profit space.

With no other business to be conducted, and no public comment, President Jones asked for motion to adjourn May meeting. Director Paul Barrett made a motion seconded by Director Paul Colarusso. Carried.

Regular May meeting adjourned at approximately 1:02 PM.

*Respectfully submitted by Jan Egan.*