

GREENE COUNTY BANCORP INC
Form DEF 14A
September 28, 2017

SCHEDULE 14-A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

Greene County Bancorp, Inc.
(Name of Registrant as
Specified In Its Charter)

(Name of
Person(s)
Filing
Proxy
Statement,
if other
than the
Registrant)

Payment of Filing Fee (Check the appropriate box):
No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:
- 4) Proposed maximum aggregate value of transaction:

Fee paid previously with preliminary materials.

Edgar Filing: GREENE COUNTY BANCORP INC - Form DEF 14A

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Greene County Bancorp, Inc.
302 Main Street
Catskill, New York 12414
(518) 943-2600

NOTICE OF
ANNUAL MEETING OF STOCKHOLDERS
To Be Held On November 4, 2017

Notice is hereby given that the Annual Meeting of Stockholders of Greene County Bancorp, Inc. (the "Company") will be held at Columbia – Greene Community College, 4400 Route 23, Hudson, New York, on Saturday, November 4, 2017 at 10:00 a.m., New York Time. A Proxy Card and a Proxy Statement for the Annual Meeting are enclosed.

The Annual Meeting is for the purpose of considering and acting upon:

1. The election of two Directors to the Board of Directors;
2. The ratification of the appointment of Bonadio & Co, LLP as independent registered public accounting firm for the Company for the fiscal year ending June 30, 2018;
3. To consider and approve a non-binding advisory resolution regarding the compensation of the Company's named executive officers; and

Such other matters as may properly come before the Annual Meeting, or any adjournments thereof. The Board of Directors is not aware of any other business to come before the Annual Meeting.

Any action may be taken on the foregoing proposals at the Annual Meeting on the date specified above, or on any date or dates to which the Annual Meeting may be adjourned. Stockholders of record at the close of business on September 8, 2017, are the stockholders entitled to vote at the Annual Meeting, and any adjournments thereof. A list of stockholders entitled to vote at the Annual Meeting will be available at 302 Main Street, Catskill, New York, for a period of ten days prior to the Annual Meeting and will also be available for inspection at the meeting itself.

EACH STOCKHOLDER, WHETHER HE OR SHE PLANS TO ATTEND THE ANNUAL MEETING, IS REQUESTED TO SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD WITHOUT DELAY IN THE ENCLOSED POSTAGE-PAID ENVELOPE. ANY PROXY GIVEN BY THE STOCKHOLDER MAY BE REVOKED AT ANY TIME BEFORE IT IS EXERCISED. A PROXY MAY BE REVOKED BY FILING WITH THE SECRETARY OF THE COMPANY A WRITTEN REVOCATION OR A DULY EXECUTED PROXY BEARING A LATER DATE. ANY STOCKHOLDER PRESENT AT THE ANNUAL MEETING MAY REVOKE HIS OR HER PROXY AND VOTE PERSONALLY ON EACH MATTER BROUGHT BEFORE THE ANNUAL MEETING. HOWEVER, IF YOU ARE A STOCKHOLDER WHOSE SHARES ARE NOT REGISTERED IN YOUR OWN NAME, YOU WILL NEED ADDITIONAL DOCUMENTATION FROM YOUR RECORD HOLDER IN ORDER TO VOTE PERSONALLY AT THE ANNUAL MEETING.

The Company's proxy statement and Annual Report to Shareholders are available on www.tbogc.com.

By Order of the Board of Directors

Susan Timan
Corporate Secretary

September 28, 2017

A SELF-ADDRESSED ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE.
NO POSTAGE IS REQUIRED IF MAILED WITHIN THE UNITED STATES.

PROXY STATEMENT

Greene County Bancorp, Inc.
302 Main Street
Catskill, New York 12414
(518) 943-2600

ANNUAL MEETING OF STOCKHOLDERS

November 4, 2017

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Greene County Bancorp, Inc. (the “Company”) to be used at the Annual Meeting of Stockholders of the Company (the “Annual Meeting”), which will be held at Columbia – Greene Community College, 4400 Route 23, Hudson, New York, on Saturday, November 4, 2017, at 10:00 a.m., New York Time, and all adjournments of the Annual Meeting. The accompanying Notice of Annual Meeting of Stockholders and this Proxy Statement are first being mailed to stockholders on or about September 29, 2017.

REVOCATION OF PROXIES

Stockholders who execute proxies in the form solicited hereby retain the right to revoke them in the manner described below. Unless so revoked, the shares represented by such proxies will be voted at the Annual Meeting and all adjournments thereof. Proxies solicited on behalf of the Board of Directors of the Company will be voted in accordance with the directions given thereon. Where no instructions are indicated, validly executed proxies will be voted “FOR” proposals 1, 2, and 3 set forth in this Proxy Statement. If any other matters are properly brought before the Annual Meeting, the persons named in the accompanying proxy will vote the shares represented by such proxies on such matters in such manner as shall be determined by a majority of the Board of Directors.

A proxy may be revoked at any time prior to its exercise by sending written notice of revocation to the Secretary of the Company at the address shown above, by delivering to the Company a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person. However, if you are a stockholder whose shares are not registered in your own name, you will need appropriate documentation from your record holder to vote personally at the Annual Meeting. The presence at the Annual Meeting of any stockholder who had returned a proxy shall not revoke such proxy unless the stockholder delivers his or her ballot in person at the Annual Meeting or delivers a written revocation to the Secretary of the Company prior to the voting of such proxy.

VOTING PROCEDURES AND METHODS OF COUNTING VOTES

Holders of record of the Company’s common stock, par value \$0.10 per share, as of the close of business on September 8, 2017 (the “Record Date”) are entitled to one vote for each share then held. As of the Record Date, the Company had 8,502,614 shares of common stock issued and outstanding, 4,609,264 of which were held by Greene County Bancorp, MHC (the “Mutual Holding Company”), and 3,893,350 of which were held by stockholders other than the Mutual Holding Company (“Minority Stockholders”). The presence in person or by proxy of a majority of the total number of shares of common stock outstanding and entitled to vote is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of determining that a quorum is present. In the event there are not sufficient votes for a quorum, or to approve or ratify any matter being presented at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit the further solicitation of proxies. However, the

presence at the Annual Meeting in person or by proxy of the Mutual Holding Company's shares will assure a quorum is present at the Annual Meeting.

1

If you participate in The Bank of Greene County Employee Stock Ownership Plan (the “ESOP”) or if you hold Company common stock through The Bank of Greene County Employees’ Savings & Profit Sharing Plan (the “401(k) Plan”), you will receive a proxy form for each plan that reflects the number of shares you may direct each trustee to vote on your behalf under each plan. Under the terms of the ESOP, the ESOP trustee votes all shares held by the ESOP, but each ESOP participant may direct the trustee how to vote the shares of common stock allocated to his or her account. The ESOP trustee, subject to the exercise of its fiduciary responsibilities, will vote all allocated shares for which no voting instructions are received in the same proportion as shares for which it has received timely voting instructions. Under the terms of the 401(k) Plan, a participant is entitled to provide voting instructions for all shares credited to his or her 401(k) Plan account and held in the Employer Stock Fund. Shares for which no voting instructions are given or for which instructions were not timely received will be voted by the trustee in the manner directed by the plan administrative committee. The plan administrative committee intends to direct the trustee to vote the unvoted shares in the same proportion as shares for which it has received timely voting instructions. The deadline for returning your ESOP and 401(k) Plan voting instructions is Friday, October 27, 2017.

As to the election of Directors, the Proxy Card being provided by the Board of Directors enables a stockholder to vote FOR the election of the two nominees proposed by the Board, to WITHHOLD AUTHORITY to vote for the nominees being proposed, or to vote FOR ALL EXCEPT one or more of the nominees being proposed. Directors are elected by a plurality of votes cast, without regard to either broker non-votes or proxies as to which authority to vote for the nominees being proposed is withheld. Plurality means that individuals who receive the largest number of votes cast are elected, up to the maximum number of directors to be elected at the Meeting.

As to the ratification of Bonadio & Co, LLP as the Company’s independent registered public accounting firm, by checking the appropriate box, a stockholder may: (i) vote FOR the ratification; (ii) vote AGAINST the ratification; or (iii) ABSTAIN from voting on the ratification. The ratification of this matter shall be determined by a majority of the votes cast, without regard to broker non-votes or proxies marked ABSTAIN.

As to the advisory, non-binding resolution with respect to our executive compensation as described in this Proxy Statement, a stockholder may: (i) vote “FOR” the resolution; (ii) vote “AGAINST” the resolution; or (iii) “ABSTAIN” from voting on the resolution. The affirmative vote of a majority of the votes cast at the Annual Meeting, without regard to broker non-votes and proxies marked “ABSTAIN,” is required for the approval of the non-binding resolution. While this vote is required by law, it will neither be binding on the Company or the Board of Directors, nor will it create or imply any change in the fiduciary duties of, or impose any additional fiduciary duty on, the Company or the Board of Directors.

Management of the Company anticipates that the Mutual Holding Company, the majority stockholder of the Company, will vote all of its shares in favor of all the matters set forth above. If the Mutual Holding Company votes all of its shares in favor of each proposal the approval of each proposal would be assured.

Proxies solicited hereby will be returned to the Company and will be tabulated by an Inspector of Election designated by the Board of Directors of the Company.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

Persons and groups who beneficially own in excess of 5% of the common stock are required to file certain reports with the Securities and Exchange Commission (the “SEC”) regarding such ownership. The following table sets forth, as of the Record Date, the shares of common stock beneficially owned by each person who was the beneficial owner of more than 5% of the Company’s outstanding shares of common stock, and all Directors and executive officers of the Company as a group.

Name and Address of Beneficial Owners	Amount of Shares Owned and Nature of Beneficial Ownership ⁽¹⁾	Percent of Shares of Common Stock Outstanding	
--	--	---	--

Principal Stockholders:

Greene County Bancorp, MHC 302 Main Street Catskill, New York 12414	4,609,264	54.2	%
Greene County Bancorp, MHC ⁽²⁾ and all Directors and Executive Officers as a group (9 persons)	5,249,672	61.8	%

For purposes of this table, a person is deemed to be the beneficial owner of shares of common stock if he or she has shared voting or investment power with respect to such security, or has a right to acquire beneficial ownership at any time within 60 days from the Record Date. As used herein, “voting power” is the power to vote or direct the voting of shares, and “investment power” is the power to dispose of or direct the disposition of shares. The table includes all shares held directly as well as by spouses and minor children, in trust and other indirect ownership, over which shares the named individuals effectively exercise sole or shared voting and investment power.

(1) The Company’s executive officers and Directors are also executive officers and Directors of Greene County Bancorp, MHC. Excluding shares held by Greene County Bancorp, MHC, the Company’s executive officers and Directors beneficially owned an aggregate of 640,408 shares, or 7.6% of the outstanding shares.

PROPOSAL 1—ELECTION OF DIRECTORS

The Company’s Board of Directors is comprised of eight members. The Company’s Bylaws provide that approximately one-third of the Company’s Directors are to be elected annually. Directors of the Company are generally elected to serve for three-year periods and until their respective successors have been elected and qualified. Two Directors will be elected at the Annual Meeting. The Nominating Committee of the Board of Directors has nominated as Directors Martin C. Smith and Peter W. Hogan each to serve for a three-year period and until his successor has been elected and qualified. Each of the nominees is currently a member of the Board of Directors and has agreed to serve if elected.

The table below sets forth certain information as of September 8, 2017 regarding the nominees, the other current members of the Board of Directors, and the executive officers of the Company who are not Directors. It is intended

that the proxies solicited on behalf of the Board of Directors (other than proxies in which the vote is withheld as to one or more nominees) will be voted at the Annual Meeting for the election of the nominees identified below. If a nominee is unable to serve, the shares represented by all such proxies will be voted for the election of such substitute as the Board of Directors may determine. At this time, the Board of Directors knows of no reason why any of the nominees would be unable to serve if elected. Except as indicated herein, there are no arrangements or understandings between any nominee and any other person pursuant to which such nominee was selected.

3

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” EACH OF THE NOMINEES LISTED IN THIS PROXY STATEMENT.

Name ⁽¹⁾	Age	Positions Held	Director Since ⁽²⁾	Current Term to Expire	Shares of Common Stock Beneficially Owned on Record Date ⁽³⁾⁽⁴⁾	Percent of Class
NOMINEES						
Martin C. Smith	72	Chairman of the Board	1993	2020	134,354	1.6 %
Peter W. Hogan, CPA	60	Director	2013	2020	25,000	0.3 %
DIRECTORS CONTINUING IN OFFICE						
Charles H. Schaefer	65	Director	2003	2018	83,452	1.0 %
Jay P. Cahalan	58	Director	2015	2018	5,735	0.1 %
	51	Executive Vice President, Chief Operating Officer, Chief Financial Officer	2015	2018	89,718	1.0 %
Michelle M. Plummer, CPA		and Director				
	52	President, Chief Executive Officer and Director	2007	2019	85,056	1.0 %
Donald E. Gibson						
David H. Jenkins, DVM	66	Director	1996	2019	102,740	1.2 %
Paul Slutzky	69	Director	1992	2019	91,666	1.1 %
EXECUTIVE OFFICERS						
Stephen E. Nelson	50	Executive Vice President and Chief Lending Officer	N/A	N/A	22,687	0.3 %
All Directors and executive officers as a group (9 persons)					640,408	⁽⁵⁾ 7.6 %

The mailing address for each person listed is P.O. Box 470, 302 Main Street, Catskill, New York 12414. Each of (1) the Directors listed is also a Director of Greene County Bancorp, MHC, which owns the majority of the Company's issued and outstanding shares of common stock.

(2) Where applicable, includes initial appointment to the Board of Trustees of the mutual predecessor to The Bank of Greene County.

(3) See definition of “beneficial ownership” in the table “Security Ownership of Certain Beneficial Owners.”

(4) Includes shares subject to options which are currently exercisable, as follows: Plummer 24,570.

(5) Includes 59,450 shares of common stock allocated to the accounts of executive officers under the ESOP and excludes the remaining 246,578 shares of common stock, or 2.9% of the shares of common stock outstanding, owned by the ESOP for the benefit of employees of The Bank of Greene County. Under the terms of the ESOP,

shares of common stock allocated to the accounts of employees are voted in accordance with the instructions of the respective employees. Unallocated shares are voted by the ESOP trustee in the manner calculated to most accurately reflect the instructions it has received from the participants regarding the allocated shares, unless its fiduciary duties require otherwise.

The biographies of each of the nominees, continuing Board members and executive officers are set forth below. With respect to Directors and nominees, the biographies also contain information regarding the person's business experience and the experiences, qualifications, attributes or skills that caused the Nominating Committee and the Board of Directors to determine that the person should serve as a Director. Each Director is also a Director of Greene County Bancorp, MHC (the mutual holding company that owns 54.2% of the Company's shares of common stock) and of The Bank of Greene County (the "Bank").

Donald E. Gibson has served as President and Chief Executive Officer of the Company and the Bank since June 2007. Prior to this appointment, Mr. Gibson served as Senior Vice President of the Company and the Bank since 2003 and has been employed by the Bank since 1987. Mr. Gibson obtained a Master of Business Administration from the College of Saint Rose. Mr. Gibson has over 30 years of experience in the banking industry. As Chief Executive Officer, Mr. Gibson's experience in leading the Company and the Bank and his responsibilities for the strategic direction and management of the Company's day-to-day operations, bring broad industry and specific institutional knowledge and experience to the Board of Directors.

David H. Jenkins, DVM is a veterinarian and the former owner of Catskill Animal Hospital, Catskill, New York. Dr. Jenkins' over 30 years of experience as owner and manager of a locally operated business bring valuable business and leadership skills and financial acumen to the Board in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Paul Slutzky is a former co-owner of Hunter Mountain Ski Area and its affiliated companies. Mr. Slutzky is currently Vice President of I. & O. A. Slutzky, Inc., a general construction company. Mr. Slutzky's over 30 years of experience as co-owner and 40 years as a manager of various family owned businesses brings valuable business and leadership skills and financial acumen to the Board in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Martin C. Smith is a retired consultant to Main Bros. Oil Co., Inc., and is the former owner of R.E. Smith Fuel Company, which was purchased by Main Bros. Oil Co., Inc., located in Albany, New York. He has served as Chairman of the Board since November 2005. Mr. Smith's 23 years of experience as owner of his own energy services company and more than 15 additional years as a consultant in the energy services industry brings valuable business and leadership skills and financial acumen to the Board in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Peter W. Hogan, CPA is a shareholder in the Hudson, New York-based accounting firm of Karp, Ackerman, Skabowski & Hogan, CPAs, P.C. He has been with the firm for 25 years. Mr. Hogan is a certified public accountant. He became Chairman of the Board's Audit Committee in December 2014. He was formerly a member of The Bank of Greene County's Advisory Board. He has a Bachelor of Business Administration in Accounting from Siena College. Mr. Hogan brings to the Board of Directors his valuable experience as a business consultant and his expertise in dealing with accounting principles and financial reporting rules and regulations in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Charles H. Schaefer is a partner of the law firm, Deily & Schaefer, Catskill, New York. Mr. Schaefer is a member of the American Bar Association's Committee on Banking Law as well as a member of the New York State Bankers Association's Section on Business Law and its banking subcommittee. Since 1977 he has advised the Bank on various legal matters, becoming General Counsel in 1988 to the Bank's predecessor, Greene County Savings Bank. As an experienced attorney, Mr. Schaefer brings to the Board a unique and valuable perspective on legal and legal-related issues that may arise in the operations and management of the Company and the Bank.

Jay P. Cahalan is President and Chief Executive Officer of Columbia Memorial Health and worked with the hospital for the past 20 years in several executive positions. Prior to working with Columbia Memorial Health, he worked for Windham Community Memorial Hospital in Willimantic, and was also President and part-owner of Hudson Health & Fitness in Hudson. Prior to his appointment to the Board of Directors in 2015, Mr. Cahalan served as a member of The Bank of Greene County's Advisory Board of Directors since 2012. Mr. Cahalan has a Master of Science in Law from Champlain College in Vermont, and a Master of Arts from University of Connecticut, and a Bachelor of Science from Southern Connecticut State University. In 2016, Mr. Cahalan retired from the Greene County Rural Health Network after serving 17 years, most recently as President. He continues to serve on the boards of the Iroquois Healthcare Alliance, United Iroquois Shared Services, and United Iroquois Select. Mr. Cahalan's health care services experience provides valuable business and leadership skills and financial acumen to the Board in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Michelle M. Plummer, CPA is a certified public accountant and a chartered global management accountant and was appointed Executive Vice President, Chief Operating Officer and Chief Financial Officer of the Company and the Bank since 2007. Prior to this appointment, Ms. Plummer served as Chief Financial Officer of the Company and the Bank since May 1999 and Chief Financial Officer and Treasurer since January 2002. Prior to that time, Ms. Plummer held positions with KPMG LLP and with the Federal Reserve Bank of New York. Ms. Plummer obtained a Master of Science from Pace University and a Bachelor of Science from Marist College. Ms. Plummer is a member of the AICPA, NYSSCPA and Financial Managers Society. Ms. Plummer's bank and accounting industry experience and responsibilities for the day-to-day operations and financial accounting and regulatory reporting functions for the Company and the Bank brings valuable business and leadership skills and financial acumen to the Board in furtherance of the Board's objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Executive Officer of the Company who is not a Director

Stephen E. Nelson has served as Executive Vice President and Chief Lending Officer of the Company and the Bank since 2008. Prior to this appointment, Mr. Nelson served as Senior Vice President of the Company and Bank since 2001 and has served in various capacities with the Bank since 1988. Mr. Nelson obtained a Master of Business Administration from the College of Saint Rose.

Section 16(a) Beneficial Ownership Reporting Compliance

The common stock of the Company is registered with the SEC pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The officers and Directors of the Company and beneficial owners of greater than 10% of the Company's common stock ("10% beneficial owners") are required to file reports on Forms 3, 4 and 5 with the SEC disclosing beneficial ownership and changes in beneficial ownership of the common stock. SEC rules require disclosure in the Company's Proxy Statement or Annual Report on Form 10-K of the failure of an officer, Director or 10% beneficial owner of the Company's common stock to file a Form 3, 4, or 5 on a timely basis. Based on the Company's review of such ownership reports, no officer or Director of the Company failed to timely file such ownership reports for the fiscal year ended June 30, 2017.

Board Independence

The Board of Directors has determined that, except for Mr. Gibson, Mr. Schaefer, Mr. Cahalan and Ms. Plummer each member of the Board is an "independent director" within the meaning of Rule 4200(a)(15) of the NASDAQ corporate governance listing standards. Mr. Gibson is not considered independent because he is President and Chief Executive Officer of the Company and the Bank. Mr. Schaefer is not considered independent because he is a partner in the law firm Deily & Schaefer, from which the Company uses various services in the normal course of business. Mr. Cahalan is not considered independent since Mr. Gibson, in his role as Trustee to Columbia Memorial Health, was a member of that institution's Compensation Committee until May of 2015. As a result, Mr. Cahalan will not be considered independent until no earlier than May of 2018. Ms. Plummer is not considered independent because she is Executive Vice President and Chief Operating Officer and Chief Financial Officer of the Company and the Bank. Because four out of the eight of its directors are not independent, the Company relies on the controlled company exemption set forth in Rule 5615(c) of the NASDAQ corporate governance listing standards. In determining the independence of the other Directors listed above there were no transactions reviewed by the Board of Directors which were required to be reported under "Transactions With Certain Related Persons," below.

Board Leadership Structure and Risk Oversight

Our Board of Directors is chaired by Martin C. Smith, who is an independent Director. We believe that this structure promotes a greater role for the independent Directors in the oversight of the Company and the Bank and active participation of the independent Directors in setting agendas and establishing priorities and procedures for the work of the Board. The Chief Executive Officer is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company. The Chairman of the Board provides guidance to the Chief Execu