

WASHINGTON COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS ANNUAL ORGANIZATIONAL MEETING MINUTES

Friday, January 17, 2020

9:00 a.m. Meeting

Classroom 2nd Floor Building B

Board Members Present: Sam Hall, Dana Haff, Mark Mahoney, Don Ward, Dave O'Brien, Jared Humiston, Dan Shaw, John Rozell, Sue Clary, Lester Losaw, Brian Campbell (entered 9:09 AM) and Marion Watkins (entered 9:12 AM)

Staff Present: Deanna Derway – WCLDC President

I. Call to Order

Executive Director of the LDC, Deanna Derway called the meeting to order at 9:01 p.m.

II. New Business

A. The first order of business was the election of the 2018/2019 Executive Officers. At this time Deanna and the Board accepted nominations and the following were elected:

Resolution 20-1 - Appointment of 2020-2021 Officers/Executive Committee:

Chairman – Jared Humiston

Vice-Chairman – Dave O'Brien

Secretary – Dana Hogan

Treasurer – Jay Niles

Motion to approve made by: Dan Shaw

Seconded by: Sue Clary

Ayes: 10 Nays: 0

Adopted: 1/17/2020

B. Chairman Humiston continued with the following resolutions electing the 2020-2021 Committees and Check Signatories:

Resolution 20-2 – Execution of Contract Extension with Washington County

Authorizes Chairman Humiston to execute and sign the 2020 contract on the WCLDC's behalf.

Motion to approve made by: Dave O'Brien

Seconded by: Don Ward

Ayes: 10 Nays: 0

Adopted: 1/17/2020

Resolution 20-3 - Appointment of Check Signatories:

Resolved, that the following be and hereby are appointed as Signatories of the Washington County Local Development Corporation for the years 2020-2021:

1) Jared Humiston

2) Dave O'Brien

3) Dana Hogan

4) Samuel Hall

5) Brian Campbell

Motion was made by: Don Ward

Seconded by: Dave O'Brien

Ayes: 10 Nays: 0

Adopted: 1/17/2020

Resolution 20-4 - Appointment of Loan Review Committee:

Resolved, that the following be and hereby are appointed as members of the Loan Review Committee of the Washington County Local Development Corporation for the years 2020-2021:

1) Jared Humiston (Committee Chair)

2) Mark Mahoney

3) Dave O'Brien

4) Dave Higby

5) Brian Campbell

6) John Rozell

7) Dana Hogan

Motion to approve made by: Samuel Hall

Seconded by: Dan Shaw

Ayes: 10 Nays: 0

Adopted: 1/17/2020

Resolution 20-5 - Appointment of Audit & Finance Committee:

Resolved, that the following be and hereby are appointed as members Of the Audit & Finance Committee of the Washington County Local Development Corporation for the years 2020-2021:

- 1) Marion Watkins (Committee Chair)
- 2) Jared Humiston
- 3) Dave O'Brien
- 4) John Rozell
- 5) Lester Losaw

Motion to approve made by: Dan Shaw

Seconded by: Sam Hall

Ayes: 10 Nays: 0

Adopted: 1/17/2020

Resolution 20-6 - Appointment of Governance Committee:

Resolved, that the following be and hereby are appointed as members Of the Governance Committee of the Washington County Local Development Corporation for the year 2020-2021:

- 1) Dave O'Brien (Committee Chair)
- 2) Marion Watkins
- 3) Brian Campbell
- 4) Jared Humiston
- 5) Sam Hall

Motion to approve made by: Sue Clary

Seconded by: Don Ward

Ayes: 10 Nays: 0

Adopted: 1/17/2020

B. Next, we reviewed the October (revised), November and December monthly financial reports and balance sheets. Deanna explained that there will be an updated December report presented at the March meeting along with the Auditors report which will reflect any journal entries that were made by the auditor. There was discussion about why the expenses for 2019 were so low compared to the proposed budget which Deanna explained that every year is different but, that we work hard to keep the expenses down in order to be fiscally responsible and reminded them that the LDC is not a County department but, a not-for-profit. It was asked why the LDC needs the County contribution in order to operate to which Deanna explained that it is integral in order to sustain the Corporation as we do not operate off from loan funds and interest and this money provides us with the funds to pay employees as well as consultant services, advertising, insurances etc. There was no further discussion and Dan Shaw made a motion to approve. Sam Hall seconded and the reports were approved unanimously.

III. Approval of Minutes

After reviewing the minutes from the November 2019 meeting, Dave O'Brien made a motion to approve with a second from Sam Hall and approved unanimously.

IV. Executive Director Report

Next, The Board reviewed the current loan list update. Deanna informed the Board that Harrington's Care A Lot is still delinquent at this time but, may have a potential buyer that Deanna will be meeting with next week and will update the Board again next month. Locust Grove is also still delinquent but, Deanna is working with them and the LDC attorney to consolidate the principal, interest and the fees so that their account would be current again. Deanna will work to put together the proposal and will present it to Loan Review Committee and will report the decision to the full Board. Also behind on their payment is Starky's Grill who Deanna will set up a time to meet with him to discuss what is going on as the Board is concerned that this is a newer loan. There was discussion between some of the Board and Deanna in regards to the monthly loan list report and Deanna explained that the balances shown are the principle balances of the loans and that the interest income is reflected on the BOD monthly financial report. Each loan has a set interest rate which is a percentage of the balance that they owe. This means that with new loans a higher portion of the payment will go to interest at the beginning and as they pay down the balance the interest amount will also decrease. Deanna reminded the Board that they are always free to stop down and chat with her about any questions they have or explanation of processes. The Board also discussed the fact that we have some businesses that have multiple loans at one time (each secured with its own separate collateral) and that if the combined total of all multiple loans comes to over \$150,000, they would like the application to come to the full Board for approval after Loan Review Committee approval. This is not how it is currently outlined in the By-Laws therefore; Deanna will take this change to the Governance Committee for approval and then bring it to the full Board for approval. Some members mentioned that they would like to know more about the loans that are approved by loan review committee and Deanna directed them to the WCLDC webpage which has all of the Committee meeting minutes and also reminded them that at the full Board meetings she provides the terms sheet for each newly approved loan which will give them all of the information of the loan.

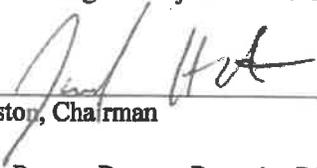
V. Committee Reports

- A. Loan Review Committee – Deanna provided the new terms sheet for the newly closed loan to J Donnelly Transport.
- B. Governance Committee – None
- C. Audit & Finance Committee – The LDC annual audit will take place February 14th. The 2019 year end reports will be presented to the A&F Committee at the February meeting and the auditor's report at the March meeting for approval which will then be sent on to the full BOD for approval.

VI. Old Business - None

VII. Adjournment

The meeting was adjourned at 9:34 am. Motion made by Sam Hall, seconded by Brian Campbell and approved by all.



Jared Humiston, Chairman

Date

2/21/2020

Submitted by Deanna Derway, Executive Director/President