

Washington County Local Development Corporation  
Loan Review Committee - Meeting Minutes  
**Wednesday, February 12, 2020 – 10:00 a.m.**  
LDC Conference Room

**Board Members Present:** Jared Humiston, Sue Clary, John Rozell, Dana Hogan and Mark Mahoney  
**Staff Present:** Deanna Derway – WCLDC President

**I. Call to Order**

The meeting was called to order at 10:08 AM.

**II. Approval of Meeting Minutes**

After reviewing the minutes from the December meeting, John Rozell made the motion to approve. Dana Hogan seconded and it was approved unanimously.

**III. Old Business – None**

**IV. New Business**

**A. Loan List Update**

Next, The Board reviewed the current loan list update. Harrington's Care A Lot continues to be in default but, potential buyers have reached out to the LDC but, it will take time if it does move forward. Deanna will keep the committee updated on this account. Locust Grove Farm is still delinquent but, this will be discussed later in this meeting.

**B. 2019 Year end reports review**

Next, the Committee reviewed the year end reports and corresponding graphs that Deanna created including: Loans by Town, Loan portfolio breakdown (1985-current), Loans by sector (including success/write off rates) and Funding lent by year. Deanna highlighted that the LDC crossed over the \$18 million dollar mark in funding lent out and that the overall success rate across that portfolio is 91.7%. There was a lengthy discussion about this impressive success rate. The Committee would like to see in which sectors and when the 8.3% had been written off so Deanna will put that information together as well for the BOD meeting. The Committee was pleased with the information presented and Sue Clary made a motion to send the reports presented (including the newly requested reports) to the Full BOD at the February meeting. Dana Hogan seconded and it was approved unanimously.

**C. Review Modification – Locust Grove Farm, Inc.**

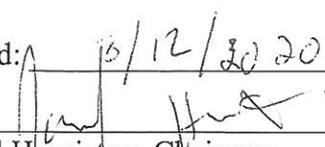
Locust Grove Farm, Inc. has fallen delinquent on their loan account over the past year and although they have been on a payment plan, a large portion of the payments are going to late fees and back interest. After discussing the options with the loan recipient and our attorney, the best option for getting them back on track would be to modify the loan. This would be accomplished by consolidating the principal, interest and late fees that are owed into a new Note that would include payment that they can afford to stay on track with. The Committee reviewed the presented information and feels that this is a good option as well but would like to see more information before making a final decision. The Committee requested a current P&L as well as through year end 2019. They also requested 2019 tax returns but, Deanna explained that the 2018 she had provided was the most recent available as there year goes from 9/1 through 8/31 so the 2019 (9/1/18 through 8/31/19) returns are in the works with now. Deanna will however get the P&Ls from them and sent to the Committee for review immediately. This modification will be revisited at the March meeting.

**D. Miscellaneous - None**

**V. Adjournment**

The meeting was adjourned at 11:01 AM. Motion made by Dana Hogan, seconded by John Rozell and approved by all.

Dated: 2/12/2020, 2020

  
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Jared Humiston, Chairman

*Respectfully submitted by, Deanna Derway, Executive Director*