Washington County Local Development Corporation
Audit and Finance Committee Meeting
Tuesday, August 18, 2020
9:00 a.m.
Meeting Minutes
Meeting held via zoom – recording available

Members Present via Zoom: Lester Losaw, Dave O'Brien and Jared Humiston
Others present via Zoom: Deanna Derway, President WCLDC

I. Call to Order
The meeting was called to order at 10:05 AM.

II. Approval of Meeting Minutes
After reviewing the minutes from March, Dave O'Brien made a motion to approve and Lester Losaw seconded. There was no further discussion and it was approved unanimously.

III. Old Business
None

IV. New Business

A. We reviewed the financial reports and balance sheets for March, April, May, June and July. Deanna talked about the fact that April and May we were in the red due to the loss of the loan interest income during the COVID crisis but, since the businesses have started resuming monthly payments, this gap has been closing and we are back in the black. Dave O'Brien made a motion to approve and Lester Losaw seconded. There was no further discussion and it was approved unanimously. Each committee member will sign off on the approved monthly reports in the binder once we are able to return to regular in person meetings.

B. Next, the Committee reviewed the 2021 budget. Deanna let the Board know that any line items proposed to change from last year are highlighted. The income line items are proposed to decrease by $6,000 total because we have had numerous loans payoff over the last year and there are a few more loans expected to pay off before year end (discussed early in the minutes under Executive Report). The remaining income line items are being left flat due to the expectation that this lull in new applications may carry over into 2021. The Expense line items proposed to change are all based on increases outlined in our professional services contracts. The only exception to this is the Legal Line item which we have been increasing by 25% over the past 2 years in preparation for an expected increase at some point in the future. Our attorney has not raised his retainer fee in over 10 years and therefore, we are trying to pre-plan for a future increase that will not be a shock to the budget. Once there was no more conversation or questions, Dave O'Brien made a motion to approve the proposed 2021 budget. Lester Losaw seconded, and it was approved unanimously. Deanna will get the budget submitted into the PARIS system as required by PAAA.

C. Miscellaneous: Review 2019/2020 comparison report – This report was provided as an update to the Board to show where the finances are at compared to this time last year due to COVID. As expected we are off almost 60% compared to last year mainly due to the decrease in loan/bank interest and lack of loan applications/closings this year but, Deanna expects that this gap will continue to close over the remainder of the year as the businesses continue to resume regular monthly payments. The expenses are paid based on contracts so, they remain mostly flat (-.33% compared to 2019).

V. Adjournment
The meeting was adjourned at 10:30 a.m. with a motion from Dave O'Brien, seconded by Lester Losaw and approved by all.

Dated: 9/17, 2020

Marion Watkins, Chairwoman

Submitted by Deanna Derway, Executive Director/President