

WASHINGTON COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD OF DIRECTORS - MEETING MINUTES
Tuesday, March 18, 2020
Immediately following Board of Supervisors Meeting
Recorded via phone due to beginning of COVID – recording available

Board Members Present: Dave O'Brien, Jared Humiston, Brian Campbell, Darrell Wilson, Sam Hall, Don Ward, Sue Clary, Jay Skellie, Lester Losaw and Dan Shaw

Staff Present: Deanna Derway – WCLDC President

I. Call to Order

Chairman Humiston called the meeting to order at 11:08 a.m.

II. Approval of Minutes

After reviewing the minutes from the February meeting, Dan Shaw made a motion to approve with a second from Sam Hall and approved unanimously.

III. Executive Director Report

Next, The Board reviewed the current loan list update. Harrington's Care A Lot continues to be in default but, working with potential buyers although we obviously do not know what effect COVID which we are just starting to experience will have on this potential sale and our loan portfolio overall.

IV. Committee Reports

- A. Loan Review Committee – The Committee denied a loan to Jean Ndjongo at the 3/17/20 meeting. Also, reviewed the reports and resolutions at the 3/17/20 meeting that will be voted on later in this meeting.
- B. Governance Committee – Reviewed the reports and resolutions at the 3/17/20 meeting that will be voted on later in this meeting.
- C. Audit & Finance Committee –Reviewed the reports and resolutions at the 3/17/20 meeting that will be voted on later in this meeting.

V. Old Business – None

VI. New Business

- A. The Committee met this week and discussed the start of the COVID crisis and how to handle the loan accounts based on the looming shutdown. Deanna consulted the LDC attorney for suggestions as well as a few local banks to see how they are planning to handle this, and it is still up in the air as of now until we have a better grasp of what is ahead for the businesses. Our attorney suggested giving all loan accounts no payment and no interest accrual for 90 days (this time period was decided by loan review committee on 3/17/20) to help everyone and then reach out and work with each loan individually to assess their needs. Deanna let the Board know her concerns and that she has already heard from about a third of the LDC loan accounts asking if we will be doing anything to help. Deanna discussed the fact that our goal is to keep these businesses in business and that although the LDC will take a hit on the loan interest income, that is the least of the concerns for these folks. The Board discussed the situation and agreed that a freeze for all loan accounts is in the best interest of all at this point as this situation is developing. Giving a 90-day "freeze" period for everyone will provide time to better understand this situation and then address the individual needs of each loan account and work with them from there. The Board brought up the fact that we need to make sure that we are staying in touch with these businesses and being as flexible as possible during these unprecedented times. After a very lengthy discussion, the Board decided to give all loan accounts up to 90 days of no interest, payments or late fees from the time the Governor declares a cessation to the state of emergency.

Motion to approve made by: Darrell Wilson

Seconded by: Sam Hall

Ayes: 8 - Dave O'Brien, Jared Humiston, Brian Campbell, Darrell Wilson, Sam Hall, Don Ward, Sue Clary and Jay Skellie

Nays: 2 - Lester Losaw and Dan Shaw

Abstain: 0

Approved: 3/18/20

There was a lengthy discussion regarding Loan Review Committee and if we should continue to lend (up to the \$150,000) during this uncertain time. There were arguments for both sides but, ultimately the Board decided to continue lending as our committee vets the loans thoroughly and has a very positive success rate based on their decisions. Due to the back forth on this discussion, a vote was taken to make sure that we are in agreement. Dave O'Brien made a motion for the Board to re-affirm that the Loan Review will continue to have the power to lend (up to \$150,000) during this time. Brian Campbell seconded and it was approved unanimously (no change to the lending rules).

B. 2020 Organizational Resolutions

Next, the Board reviewed the following Resolutions:

- Resolution 20-7 – Approval of Washington County LDC 2019 Annual Report
- Resolution 20-8 – Acceptance of 2019 Independent Auditor's Report and Financial Statement
- Resolution 20-9 – Approval of Public Authorities Reporting Information System (PARIS) Investment Report
- Resolution 20-10 – Approval of Public Authorities Reporting Information System (PARIS) Procurement Report
- Resolution 20-11 – Approval of Public Authorities Reporting Information System (PARIS) Certified Financial Audit Report
- Resolution 20-12 – Approval of Public Authorities Reporting Information System (PARIS) Annual Report
- Resolution 20-13 – Approval of Public Authorities Accountability Act (PAAA) 2018 Authority Mission Statement and Performance Measures
- Resolution 20-14 – Loan Limits
- Resolution 20-15 Authorization of Contract with Bolton LDC

Motion to approve all resolutions listed made by: Brian Campbell

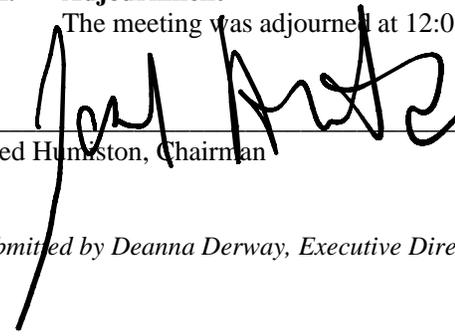
Seconded by: Darrell Wilson

Ayes: 11 Nays: 0 Abstain: 0

Approved: 3/18/20

VII. Adjournment

The meeting was adjourned at 12:03 p.m. Motion made by Dan Shaw, seconded by Jay Skellie and approved by all.



Jared Humiston, Chairman

9/24/2020
Date

Submitted by Deanna Derway, Executive Director/President