

**WASHINGTON COUNTY LOCAL DEVELOPMENT CORPORATION**

**BOARD OF DIRECTORS - MEETING MINUTES**

Wednesday, December 23, 2020 – 11:00 AM

Meeting held via zoom – recording available

**Board Members Present Via Zoom:** Dave O'Brien, Jared Humiston, Mark Mahoney, Matt Hicks, Darrell Wilson, Dana Hogan, Sam Hall, Sue Clary, Don Ward and Lester Losaw

**Staff Present:** Deanna Derway – WCLDC President

**I. Call to Order**

Chairman Humiston called the meeting to order at 11:06 a.m.

**II. Approval of Minutes**

After reviewing the minutes from the October meeting, Dave O'Brien made a motion to approve. Darrell Wilson seconded and approved unanimously.

**III. Executive Director Report**

Next, Deanna gave the following loan list updates:

- Roundhouse is still working with Hubbard Hall to come to an agreement on the sale price of the equipment which will be used to pay down their loan balances. Loan Review would review the remaining balance and most likely re-amortize the accounts.
- A couple of the restaurants are struggling due to COVID.
  - Bonnie and Clydes has fallen behind but, they did make payments this month and as of today are 1 month behind on both accounts, Deanna will continue to stay in touch with them in order to get the accounts caught up.
  - I am currently working with the owner of Starky's who has completed his chemo treatments and is now back to the restaurant. He is working on reviewing the financials in order to put together a proposed payment plan which would then be reviewed by Loan Review and if approved, implemented with the bank. I expect this to happen in January and will keep you updated.
- There has still been no movement on the Harrington's Foreclosure. I will update you when there is some news.

**IV. Committee Reports**

- A. Loan Review Committee – Loan Review met on 10/26/20 and reviewed 3 new loan applications. All 3 loans were approved, and Deanna is currently working with all of the applicants towards closing (Daniel Courtney DBA/Faded Clipz loan closed on 12/2). The terms sheets for all 3 loans are included as part of this meetings materials package.
- B. Governance Committee – None
- C. Audit & Finance Committee – Audit & Finance met on 11/23/20 and approved the updated 2021 budget to reflect the approved 2021 BLDC funds. The updated budget will be voted on later in this meeting.

**V. Old Business – None**

**VI. New Business**

- A. Financials: Next, we reviewed the October and November monthly financial reports and balance sheet. Looking at the November report, we are at 50% of our projected expenses and 98% of our projected income. We are still off about 20% from last year on our overall income but, am pleased to say that I believe we will meet our income budget projections for the year. There was no further discussion and Lester Losaw made a motion to approve the financials. Darrell Wilson seconded, and the financial reports were approved unanimously.
- B. Review 2019/2020 comparison report: The gap continues to close slowly where in October we were at -38% for net income, this has reduced to -34% this month compared to 2019.

C. Next, we reviewed Resolution 20-21: Execution of the 2021 Contract with Washington County.

*Motion to approve made by: Dave O'Brien*

*Seconded by: Darrell Wilson*

*Ayes: 9*

*Nays: 0*

*Abstain: 1 – Sam Hall (he will be signing the contract)*

*Approved: 12/23/20*

D. Next, we reviewed the Revised 2021 budget. Deanna highlighted the new and revised line items which are to reflect the income and expense associated with the approved BLDC contract. This was reviewed and approved by the Audit & Finance Committee on 11/23/2020. Lester Losaw made a motion to approve. Sam Hall seconded, and it was approved unanimously.

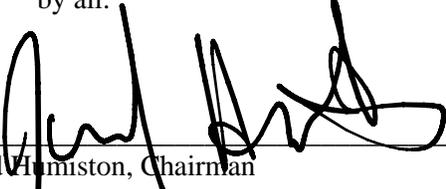
E. Updates on the Office of the State Comptrollers Audit: The process continues, and Deanna believes they are now wrapping up the last section which is reviewing the loan files themselves. They met with Jared and Deanna last month to go over initial findings which were very minimal (ex. had us purchase a receipt book). She expects that they will meet with us again at some point at the beginning of the New Year but, obviously the timeline has been drawn out by the current situation we are dealing with so much of it is having to be dealt with via email and phone. Deanna will continue to update the Board monthly on this. Jared discussed that he has spoken with the Auditors a couple of times and they focused on the COVID loan portfolio freeze and how we approve loans. Jared attributed our positive success rate with the experience and due diligence of our loan review committee. He feels that they are using us as the future benchmark for other LDC audits (in a positive way). Jared highlighted the importance of the \$80,000 contribution from Washington County for operational purposes. Jared and Dave discussed the burden that this year has put on Deanna as the sole person handling everything plus COVID and an Audit but, commended her work and handling of everything. Dave spoke of Deanna's attentiveness and responsiveness to the businesses throughout this crisis and thanked her for the hard work. Deanna agreed that this has been a difficult year and thanked them for the kind words and for their support and flexibility as well.

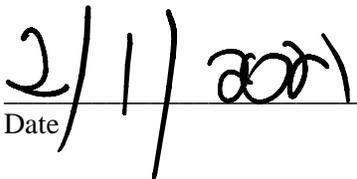
F. Miscellaneous:

- Deanna reminded the Board that next month is the Annual Board meeting however, our Committees are on a 2-year cycle with County elections, so our Committees are all set to remain the same through 2021.
- Deanna is going to work with, Tara Nolan, the LDC auditor to complete as much of the annual audit as we can electronically and then will work with Chairman Hall to figure out what we need to do if there is anything that needs to be completed in person.

## VII. Adjournment

The meeting was adjourned at 11:03 p.m. Motion made by Sam Hall, seconded by Dave O'Brien and approved by all.

  
\_\_\_\_\_  
Jared Hamiston, Chairman

  
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Date

*Submitted by Deanna Derway, Executive Director/President*