

WASHINGTON COUNTY LOCAL DEVELOPMENT CORPORATION

Board of Directors Meeting

Friday, April 20, 2018

9:00 a.m. Meeting - Classroom across the hall from BOS

Board Members Present: Jared Humiston, Jay Niles, Brian Harrington, Rich Moore, Marion Watkins, Dan Shaw, John Rozell, Terry Middleton, Dave O'Brien, Dana Haff and Sue Clary (entered 9:08)

Staff Present: Deanna Derway – WCLDC President and Russell Tharp – WCLDC attorney

I. Call to Order

Chairman Humiston called the meeting to order at 9:00 a.m.

II. Approval of Minutes

After reviewing the minutes from the March meeting, Brian Harrington made a motion to approve with a second from Terry Middleton and approved unanimously.

III. Executive Director Report

Next, The Board reviewed the current loan list update. Deanna updated the Board about the loan to Renaissance Grants & Planning who is still delinquent and has not made attempts to stay on a payment plan. Deanna will work with the LDC attorney and Loan Review Committee to decide the best plan of action to be voted on at next month's Board meeting.

The Board discussed the monthly loan list update and would like to see the following info added to the list: year loan closed, term of loan and highlighting any newly closed loans. Deanna informed them that this is already part of the spreadsheet which she will be sure to include for them going forward.

IV. Committee Reports

- A. Loan Review Committee - None
- B. Governance Committee – None
- C. Audit & Finance Committee - None

V. Old Business - None

VI. New Business

A. Next, we reviewed the March 2018 monthly financial report and balance sheet. Dave O'Brien made a motion to approve the financials, Marion Watkins seconded. There was no further discussion and they were approved unanimously.

B. Whitehall Foreclosure: Deanna and Russell Tharp updated the Committee in regards to the Whitehall property and let them know that the foreclosure will be taking place on 5/1/18. Deanna has been asked to present about the LDC to the Whitehall Chamber of Commerce the week before the foreclosure at which she will speak with community members about opportunities for the property and will show the property to any interested parties. Mr. Tharp explained the foreclosure process in detail and answered questions about the taxes which, will be paid from the proceeds of the sale. We also discussed that there will be a loss associated with this loan and that we will have to write off the remaining balance after the sale. Mr. Tharp discussed the opening bid that the LDC will enter with the Board and after a lengthy discussion Dana Haff made a motion to start the bidding at \$50,000. Rich Moore seconded the motion and it was approved unanimously. Deanna will provide a full report at the June Board meeting in regards to the sale and subsequent write off.

C. CDBG Policy update: The Board discussed the changes to the CDBG program income guidelines and Deanna informed them that the LDC has received the initial announcement from the State and that The LDC attorney and the County attorneys are both looking into the implications of this announcement. The details of this change are still becoming clear and the WCLDC attorney currently has concerns about releasing the CDBG funds to the County and the future implications of this. There is also concern about what then happens in regards to the outstanding balance that is owed and how to approach that. The WCLDC will continue to work through this until we have a better understanding and are comfortable with the changes that are required to happen.

D. Miscellaneous: The Board discussed that they would like to see more info on the loans that are approved by LRC and after a lengthy discussion, it was decided that the Lenders Memorandum for any new loans will be included in the BOD packets.

VII. Adjournment

The meeting was adjourned at 9:46 AM. Motion made by Terry Middleton, seconded by Brian Harrington and approved by all

Jared Humiston, Chairman

Submitted by: Deanna Derway, Executive Director/President

Date

7/19/18