

Watertown Local Development Corporation
March 18, 2021
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday, March 18, 2021 via ZOOM

Present – President Jeff Smith, Michael Lumbis, Steve Hunt, Michael Pierce, Charles Capone, Melinda Gault, Dave Zembiec

Others Present– Liz Bush, CPA, Bowers & Company; Andrew Smith, CPA, Bowers & Company

Staff – Donald Rutherford, CEO; Kylee McGrath, Executive Assistant

Call to Order – Mayor Smith called the meeting to order at 9:16 a.m.

Minutes – Minutes of the February 18, 2021 meeting were presented. Motion made by Mr. Pierce to accept the minutes, seconded by Ms. Gault. All in favor. Carried.

2020 Audit – Ms. Bush, CPA of Bowers & Company presented the 2020 audited financial statements which included the independent auditors report, report on internal control and communication letter. Ms. Bush reviewed the notes to the financials required by the FASB's Not-for-Profit Financial Accounting Standard which were implemented during the 2018 fiscal year. After reviewing the financial statements Ms. Bush made two recommendations to the Board. The first recommendation was to base the loan risk rating from December 31 amounts. Doing so will create the most accurate picture. The second recommendation is to increase the capitalization threshold to \$1,000 or more. Ms. Bush and Mr. Smith stated the WLDC was always quick to respond and emailed documents over in a timely manner. This was the first virtual audit for the WLDC and it went well.

Mr. Pierce made a motion to approve the 2020 Financial Audit, seconded by Mr. Capone. All in favor. Carried.

Financial Report – Mr. Capone presented the February financial statement.

Mr. Rutherford reviewed the customer loan report. Mr. Rutherford stated that the past due accounts seem to be the same month to month. However overall, the customer loan report looks good. John Palmer, Owner of Computer Doc is 60 days past due on all four loans. Mr. Rutherford suggested writing off the four loans. Mr. Pierce made a motion to write off all four of the loans to Computer Doc, Seconded by Mr. Lumbis. All in favor. Carried.

Fun Xcape is currently 150 days past due, Mr. Rutherford has made many attempts to contact Ms. Bonner. A buyer has expressed interest in purchasing the building from Ms. Bonner.

LKR: The WLDC Board via email accepted the settlement offer for the loan to LKR. This left a balance of \$7,262.81. Mr. Pierce made a motion to write off the remaining balance, seconded by Mr. Capone.

Mr. Pierce made a motion to approve the February financial statements, seconded by Mr. Hunt. All in favor. Carried.

Governance Committee

Annual Board Evaluation – Mr. Lumbis presented the 2020 Annual Board Evaluation stating that some of the criteria does not make sense for the WLDC. Members of the Governance Committee will be reviewing the evaluation form before the 2021 confidential evaluations are sent out. Overall, most Board members agreed in all categories. He stated the monthly reports prepared by Mr. Rutherford have assisted in measuring the LDC goals. Clear goals seem to be a yearly concern for Board Members.

Mr. Zembiec made a motion to approve the 2020 Confidential Board Evaluations, seconded by Mr. Lumbis. All in favor. Carried.

Old Business:

Mindful Tutoring has found a new location at 32 public square. Her rent assistance application was tabled last DRI meeting because the space she was looking to rent was in a building where the owner is past due with her loan with the WLDC. Mr. Pierce made a motion to approve the DRI rent assistance for 32 public square to Mindful Tutoring, seconded by Ms. Gault.

New Business

CEO Review: The Personnel Committee met to discuss Mr. Rutherford's annual review. The committee stated Mr. Rutherford met or exceeded all expectations. The Committee recommended a 2.5% raise, retroactive to January 1, 2021. Mr. Lumbis made a motion to approve the 2.5% raise for Mr. Rutherford, 2nd by Mr. Pierce.

Mayor Smith stated WLDC is being considered to help disperse the CBG money granted to the City of Watertown. The Board discussed the possibility of creating a committee to assess applicants, but the funds would be dispersed by the City of Watertown. The funds will be for those businesses that had to close their doors during the pandemic.

Next Meeting – The next meeting will be held on April 22, 2021

Adjournment – Motion was made by Mr. Capone to adjourn the meeting at 9:36 a.m., seconded by Mr. Alexander. All in favor. Carried.