

Watertown Local Development Corporation
Thursday, March 28, 2024
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday March 28, 2024, at 8:30 AM at 259 JB Wise Place, Watertown, NY.

Present –Dawn Cole, Michael Lumbis, Steve Hunt

Excused: Charles Capone, Sarah Pierce, Dave Zembiec, Michael Pierce

Others Present – Jeff Smith, Designee; Marshall Weir, Designee; Craig Fox, Watertown Daily Times; John Nuber, Associate Vice President, RBC; Liz Bush, Partner, Bowers & Company CPAs, PLLC; Lyndi Hill, Audit Supervisor, Bowers & Company CPAs, PLLC

Staff - Kylee McGrath, Deputy CEO

Call to order: J. Smith called the meeting to order at 8:29 am.

Minutes –Minutes of the January 25, 2024 and February 29, 2024, meeting were presented. Motion made by D. Cole to accept the minutes, seconded by M. Lumbis. All in favor. Carried.

2023 Audit

L. Bush presented the 2023 audit. Bowers & Company presented a clean unmodified opinion. Total assets decreased from 9.6 million to 9.4 million. The WLDC is now in a long-term lease for the new office space, it will now be recorded as a right of use asset. Grant revenue from the DRI program in 2023 was \$370,000. There is a new standard in place for credit loss provision. With the implementation of CECL the WLDC increased their loan risk rating from 5%, 10% and 15% to 7%, 12% and 17%. It is recommended for the WLDC to review how the loan risk rating is calculated and see if the percentages need to be adjusted. M. Weir made a motion to approve the 2023 Audit, seconded by S. Hunt.

2023 Financial Reports

J. Nuber presented the 2023 Investment Portfolio. Most of the portfolio is bonds with the exception of about 20% being made up of stocks to help offset some risk. RBC will begin to meet with K. McGrath monthly to assess the cash flow needs of the WLDC. S. Hunt made a motion to approve the 2022 Investment report, seconded by M. Weir.

Financial Reports

K. McGrath reviewed the February 2024 Financials and the customer loan report. One of the delinquent accounts has been brought current. There are a few customers that stay around 30 days past due. S. Hunt inquired if the WLDC does late fees. K. McGrath stated that she implemented late fees back in 2019 but it was suspended in 2020 when the pandemic hit. The WLDC does calculate the late fees when a demand letter is sent and when the loan goes to the attorneys to begin collection activity. The reason loan late fees has not been brought back is because the WLDC likes to work with our customers when they are facing hardship. S. Hunt made a motion to accept the customer loan report and the February financial statements, seconded by D. Cole.

S. Hunt stated he had multiple board meetings the 4th Thursday of the month and asked if it would be possible to change the board meetings to the 3rd Thursday of the month. If this was to happen loan review committee would need to be changed from the third Wednesday of the month to the second Wednesday of the month.

M. Lumbis made a motion to adjourn the meeting at 9:21, seconded by M. Weir.

Next Board meeting: Thursday April 25, 2024.