

**Northern Maine Development Commission
ZOOM/In-Person Meeting Minutes
of the Executive Board
December 14, 2023**

PLACE: ZOOM/In-Person Meeting
DATE: December 14, 2023 3:00 p.m.

Attendance: Chair Sandra Fournier, David Cyr, Luke Dyer, Norm Fournier, Kelly Garrison, Max Lynds, Suzie Paradis, Steve Pelletier, William Dobbins, John Sutherland, Patricia Sutherland, Penny Thompson, Donna Turner, Galen Weibley, and Tim Goff.

Others Present: Robert Clark, Judy Dinsmore, Brandon McDonald, Neal Haines, Shawn Manter, and Craig Lincoln.

1. Call to Order and Introductions:

Chair S. Fournier brought the meeting to order at 3:00 p.m. She welcomed everyone and asked those who were attending in person to pass in their travel vouchers to Ms. Dinsmore.

2. Approval of Executive Board of Directors Meeting Minutes of September 14, 2023:

MOTION:

Motion made by Ms. Sutherland, seconded by Mr. Pelletier, to approve the Executive Board of Directors meeting minutes of September 14, 2023 as presented.

VOTE:

Motion voted on and passed.

3. Financial Accounting Operations:

A. Revenue and Expenditure Statement for the Period ending November 30, 2023

Mr. McDonald discussed the R&E.

Revenues are \$1.795 million, Expenses are \$119 million
Federal Grants-State Grants – Awards are delayed until January. We have received most of the dues already.

Origination Fees are up

Loan Admin is down due to the previous Finance Director did not charge the programs for these Admin fees.

ERTC- is distributed in 3 quarters

Cash Contribution – is lower due to match rates

Interest Income – will be at the \$1.3 million mark by the end of this fiscal year

Salaries – are lower

Interest Expense – has an error and will be corrected
Administration is higher due to ancillary support to help the Finance Director
Program Expenditures – these monies will go back into administration
Agency Balance - \$675,452
Line of Credit - \$0.00
We are in a good cash flow position

B. Balance Sheet for the Period ending November 30, 2023

Mr. McDonald discussed the Balance Sheet.

CDFI ERP – we received funding
SBA - \$1.5 million is ready to draw down
Notes Receivables – is \$24 million
Accounts Receivable – we will be receiving this in the next month or two
Loan Clearing Accounts – closing out on a monthly basis
Projects – these are receivables and credit balances
MDOT – should be cleared by the end of this month
APEX – is 6 months behind schedule
SBDC – we are waiting on these funds

MOTION:

Motion made by Mr. Fournier, seconded by Ms. Sutherland to accept the Revenue and Expenditure Statement and Balance Sheet for the period ending November 30, 2023 as presented.

VOTE:

Motion voted on and passed.

C. Accounting Software Changes

Mr. Clark announced our current accounting and loan software is no longer efficient for the office to get the correct reports that are needed.

Our GMS RLSS software has significant limitations for growth and is not automated and the RLSS module does not integrate with GMS Accounting. There are significant manual entries that lead to more input errors and there are no dashboards or management reports. It has no error checking. Errors can be made and the system has no detection capabilities. Errors are very difficult to resolve and requires going back to data backup and starting over.

When submitting a service request to GMS, they will tell you when they will call to help with your issue. Their training conferences have been very poor quality and issues rarely get resolved.

Our clients cannot access their accounts therefore staff spends considerable time answering the inquiries that the client could obtain from a portal.

GMS does not create billing statements, either paper or digital. Staff has to create loan payment coupon books annually and the ACH function is very limited. This software is server based only and we have to subscribe to DUO to access the in-house server. This has to be installed on our server and on each laptop.

Only 2 people can work in GMS at one time.

Mr. Clark stated that we have gone to DownHome Loan Manager for our loans. This will manage our entire loan portfolio, customize management and board reports, integrate with Sage Intacct (Non-profit Accounting Software), and will perform all loan processing and management in one system. The reporting will upload annually the required TLR to the CDFI fund and will automatically report to SBA microloan system and the USDA Linc system.

It will allow loan clients to make payments, client transaction data and client relations on a secured cloud-based client portal. The software will also provide accurate and timely ACH pulls from client bank accounts and will help build client credit history. DownHome will create loan documents which at present we have Celant that costs us \$5,700/year.

DownHome will email bills to borrowers and creates a receivable link to Sage Intacct. It will have pop ups for system alerts and data entry.

Setup fee is \$3,985 with an annual subscription of \$7,053 for DownHome.

Mr. Clark reviewed the Sage Intacct (non-profit accounting software).

This software is endorsed by the AICPA and is cloud based. It will automatically email monthly financial reports and dashboards to the Board and Finance/Audit Committee. It allows for automated invoicing, automated Accounts Payable, enhanced report and dashboards, and accepts DownHome data integration.

The annual subscription is \$25,668 which is locked in for 3 years. NPact setup and implementation is \$18,690 as a one-time payment for former GMS users.

At this time, Mr. Clark stated we have hired Mark Boucher a retired CPA to do our bank reconciliation. We have submitted our pre-audit information to RHR Smith.

4. Ratification of Service Contracts and Agreements:

There were no Contracts or Agreements to ratify.

5. Report of the Loan Committee:

Mr. Lincoln discussed the loans approved/closed under staff authority as of April 2023 to September 30, 2023.

He indicated staff approved/closed 40 loans either new, retention or expansions in the April to September, 2023 period. Some of these were grocers, vehicle repair, property rentals, landscaping, retail, daycare, haying, restaurants, sandblasting, and guide services to name a few. Out of these loans 116 jobs were either created or retained.

Mr. Lincoln discussed loans approved/closed by the Loan Committee and Executive Board during the April 2023 to September 30, 2023 period.

The Loan Committee/Executive Board approved/closed 9 loans in the April to September, 2023 period. Some of these were daycare, motel, manufacturing, dentistry, entertainment, and logging to name a few. Out of these loans 66 jobs were either created or retained.

The total jobs created or retained from approvals from staff and Loan Committee/Executive Board were 182. With a grand total loaned out of \$7,421,088 and \$4,961,397 leveraged. The location for these loans were from Presque Isle, Portage, Lincoln, Blaine, Fort Fairfield, Van Buren, Fort Kent, Houlton, Hodgdon, Oakfield, Madawaska, Calais, Eastport, Allagash, St. Agatha and Sherman to name a few.

MOTION:

Motion made by Ms. Sutherland, seconded by Ms. Turner to accept the Report of the Loan Committee as presented.

VOTE:

Motion voted on and passed.

6. Appointments to Aroostook County Tourism Board:

MOTION:

Motion made by Ms. Sutherland, seconded by Mr. Pelletier to accept the appointment of Amber Rankine of the Fort Kent Chamber to the Aroostook County Tourism Board as presented.

VOTE:

Motion voted on and passed.

7. Authorization to Borrow \$2 Million from Coastal Enterprises, Inc:

Mr. Clark stated we are getting low on our funding monies. We can use pass thru to loan to businesses in the interim. We are asking for authorization to borrow \$2 million from Coastal Enterprises, Inc. CEI loan staff will be here on January 4, 2024.

MOTION:

Motion made by Ms. Paradis, seconded by Ms. Sutherland to approve the borrowing of \$2 million dollars from Coastal Enterprises, Inc. and to authorize the Executive Director to sign all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

8. Authorization to Borrow \$500,000 from USDA Rural Development:

Mr. Clark announced this is an RMAP request and will be loaned out with a 20-year payback. We will receive an additional \$125,000 for TA and Business Finance Funds.

MOTION:

Motion made by Mr. Fournier, seconded by Mr. Pelletier to approve the borrowing of \$500,000 from USDA Rural Development, and to authorize the Executive Director to sign all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

9. Authorization to Apply for \$2 Million Dollars from the Community Development Financial Institution Financial Assistance Program:

Mr. Clark stated this will be through the CDFI program. Applications are due on the 15th of February. We applied for \$2,000,000 and there is a match requirement of \$1 for \$1. We can use SSBCI funds for match.

MOTION:

Motion made by Ms. Paradis, seconded by Mr. Pelletier to authorize the Executive Director to apply for \$2 million in Community Development Financial Institution Financial Assistance Program and to authorize the Executive Director to sign all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

10. Update on the Regional Economic Recovery Hub Program:

Mr. McDonald indicated we have 35 Hub applicants. We will be following up on 62. There were 8 that were denied as they did not fit into the program. We did ask these 8 to provide us with the documents needed and reapply. We received \$180,000 of the Micro Enterprise Program funds (CDBG). Businesses are asked for business plans. There is no match for these funds.

11. Other Business:**A. Appointment to the Executive Board Secretary Position**

Chair S. Fournier indicated NMDC Executive Board Secretary Galen Weibley will be leaving his employment in Presque Isle and will be moving out of the area. Therefore, we will need to appoint a secretary to fill this position.

It was Chair S. Fournier's recommendation to appoint Michelle Bernier of St. Agatha to the Secretary's position.

MOTION:

Motion made by Mr. Pelletier, seconded by Ms. Paradis to appoint Michelle Bernier of St. Agatha to the Secretary's position as presented.

VOTE:

Motion voted on and passed.

12. Executive Director's Report:

Mr. Clark directed the Boards attention to the Chapped Hide (Cary Plantation) business article and invited them to read it at their leisure.

Mr. Clark announced NMDC was awarded SBA Micro Lender of the year recipient.

Mr. Clark wished Mr. Weibley success in his new employment and wished everyone happy holidays.

13. Adjournment:

There being no further business to conduct Chair S. Fournier declared the meeting adjourned at 3:52 p.m.

Respectfully submitted,

Michelle Bernier
Secretary

MB/jd