

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF
GILA, ARIZONA (THE "IDA")**

DATE: February 13th, 2024

PLACE: Gila County Complex, Board of Supervisors Room, 1400 E. Ash Street, Globe, AZ 85501

Medium Conference Room, Tommie Martin Bldg., 707 S. Colcord Rd., Payson, AZ 85541

PRESIDING: Joseph Heatherly, President

1. CALL TO ORDER at 3:00pm, with a Board quorum.
2. ROLL CALL; Present: Joseph Heatherly, President; Shelby Barrowdale, Vice-President; Cliff Potts, Treasurer; Janette Herrera, Secretary; Mickie Nye, Member; Marvin Mull, Member; James "Mac" Feezor, Member. Lexie Nosie, Executive Director.

Guest: Supervisor Tim Humphrey District 2

3. Information/Discussion/Action to approve IDA Board of Directors' January 9, 2024, meeting minutes (Lexie Nosie); Motioned by Janette Herrera, seconded by Shelby Barrowdale. Unanimously approved.
4. Information/Discussion/Action to approve January 2024 Treasurer's Report (Joseph Heatherly/Cliff Potts); Cliff Potts states the finances should be audited and that the IDA is not following Generally Accepted Accounting Policies. Joe Heatherly presented a revised format Treasurer's Report due to the transition from the past Treasurer to new Treasurer, who was not yet accepted by the bank for IDA accounts. Motion to approve the Treasurer's Report as submitted by Mickie Nye, seconded by Shelby Barrowdale. Motion Passed 5-2. Cliff Potts and Mac Feezor voted Nay.
5. ADMINISTRATIVE REPORTS
 - A. EXECUTIVE DIRECTOR- New board members Marvin Mull and Mickie Nye were introduced along with current board member introductions and welcomes. Lexie Nosie met with previous Secretary/Treasurer Robert Pastor to discuss prior projects including insurance and banking. Index for new handbook was reviewed. IDA laptop used by Robert Pastor is currently being assessed by an IT tech for potential future use. Cliff Potts requests that said laptop be placed on agenda for future discussion.
 - B. PRESIDENT-Joseph Heatherly suggests that any documents that the Executive Director sends out to board members seeking individual comments be returned directly to her. In order to remain in compliance with Open Meeting Laws we cannot have communication of a quorum of members going on in person, on the phone or via email. Recorder purchased for clarification of all meetings. Brief summary of IDA history given to update all members, relating to IRS and Arizona Corporation Commission past issues, First Interstate Bank issues, and roles and responsibilities of board members.
6. OLD BUSINESS
 - A. Information/Discussion/Action to approve a storage location for old IDA documents (Lexie Nosie). An invoice of \$1000 was received in January 2024 from Tori Martinez for \$500 per month storage fee for December and January. Cliff Potts is the owner of the office and has the authority to waive said fee. Lexie has made a proposal for the filing cabinets to be emptied and boxed up and that she would haul documents from Payson to Globe, with an estimated U-Haul fee of \$250. She will store the documents at her residence for the foreseeable short term. Motion to approve relocation of the IDA documents to include the U-Haul fee by Mickie Nye. Cliff seconded motion. Motion unanimously passed.

- B. Information/Discussion/Action to approve a change in the IDA's insurance broker/carrier or remain with the existing broker/carrier (Joe Heatherly). Discussion of removal of unnecessary liability insurance since 2022. Payment due and research on future policies to be done. Cliff Potts recommends keeping liability until clarification regarding storage can be made. Motion to pay insurance and shop for rates made by Shelby Barrowdale and seconded by Janette Herrera. Motion unanimously passed.
- C. Information/discussion to establish a small task force to develop a plan for the rebranding of the IDA (Lexie Nosie). Recommendation for a future task force to be assigned to work with and move forward with rebranding project. Initiative is to prepare for IDA promotion, professionalism, and positive future of the IDA.

7. NEW BUSINESS

- A. Information/Discussion/Action to appoint a new member to the Gila County Economic Growth Corporation (GCEGC) Board of Directors and update with the Arizona Corporation Commission (Joseph Heatherly). Request to fill Jill Wilson's position. Cliff Potts states that the GCEGC has not been active since conception. Consideration to determine if GCEGC is needed and should be dissolved. Mac Feezor motioned to appoint Mickie Nye as new member and Cliff Potts seconded. Motioned passed unanimously.
- B. Information/Discussion/Action to change the Statutory Agent of the GCEGC and update with the Arizona Corporation Commission (Joseph Heatherly). Recommendation to remove Jared Owens as current Statutory Agent and replace with Lexie Nosie. Cliff Potts states need of physical address in order to remain in compliance. No action taken, GCEGC Board to take action.
- C. Information/Discussion/Action to adopt new IDA policies (Joseph Heatherly).
 - a) Policy No. 100 – Ethics- Cliff Potts motions to adopt policy with Mickie Nye seconding. Mac Feezor states concern about Arizona Revised Statutes Title 38 Sections 481 and 504 suggests legal counsel. Item tabled pending legal opinion.
 - b) Policy No. 101 – Conflict of Interest- Mickie Nye motions to approve, Shelby Barrowdale seconds. Motion passed unanimously.
 - c) Policy No. 200 – Investments and Lending- Mickie Nye motions to approve, Cliff Potts seconds. Motion passed unanimously.
 - d) Policy No. 201 – Financial- Cliff Potts recommends that Executive Director should be responsible for reconciliation of bank accounts. He is also concerned with who has authority to open and close bank accounts and check signing ability. Mickie Nye volunteers to assist Executive Director if necessary. No action taken. Item tabled.
Cliff Potts (Treasurer) and Mac Feezor (Member) are leaving Payson Conference Room due to building time of closure (5:03pm). Meeting to continue per Joseph Heatherly (President), as a quorum exists.
 - e) Policy No. 300 - Expense Reimbursement- Mickie Nye moves to approve, Marvin Mull seconds. Motion passed unanimously (5 member vote).
- D. Information/Discussion/Action to hire legal counsel for the IDA (Lexie Nosie). Review of Daisy Flores Law and Associates legal counsel proposal sent out to the Board of Directors with recommendation to approve and accept the proposal. No retainer required with fees based on a \$100 per hour rate. Recommendation by Shelby Barrowdale to allow Joseph Heatherly (President) to be the only board member as point of contact. Mickie Nye motioned to hire Flores Law with direct contact being President Joe Heatherly with a second by Janette Herrera. Motion passed unanimously (5 member vote).
- E. Information/Discussion/Action to hire an accounting firm for the IDA (Lexie Nosie). Action proposed to address the status of the Gila County Economic Growth Corporation and its standing with the IRS. Issues have been outstanding since 2016 and in 2017 the board discussed these issues and decided not to take action. The proposed action will be short term and only to determine the best alternatives with respect to the GCEGC. Shelby Barrowdale motions to consult with Mitzi's Accounting with a short-term agreement in order to evaluate alternatives to come into compliance. Janette Herrera seconds the motion. Motion passed unanimously (5 member vote).

- F. Information/Discussion/Action to select a new bank to be used for all IDA business, to include opening a new checking and savings account and obtaining a credit card for use by the IDA Executive Director (Lexie Nosie). Current bank (First Interstate) does not allow for online banking access. Consideration to move accounts to Washington Federal Bank, which have branches in Payson and Globe. Mickie Nye motions to open accounts at Washington Federal with credit card for Executive Director with the following authorized signers on accounts:
President- Joseph Heatherly
Vice President- Shelby Barrowdale
Treasurer- Cliff Potts
Secretary- Janette Herrera
Marvin Mull seconds the motion. Motion passed unanimously (5 member vote).
- G. Information/Discussion/Action to authorize closing all existing bank accounts and credit cards (Lexie Nosie). Shelby Barrowdale motioned to close all existing bank accounts after new bank accounts are established. Janette Herrera seconds. Motion passed unanimously (5 member vote).

8. CALL TO THE PUBLIC; Discussion. No Action.

9. SUMMARY OF CURRENT EVENTS; None.

Adjournment at 5:31 p.m.