

Minutes  
of the  
Regular Meeting of the Board of Directors of  
The Industrial Development Authority of the County of Maricopa  
(the "Authority")

Date: December 8, 2020, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Ronald J. Castro, Jr.

Present: Ronald L. Westad, Andrew M. Cohn, Steve Bales, Lisa A. James, Ronald J. Castro, Jr., Jeremy Stawiecki and Rebecca Burnham

Absent: Maria Spelleri and Jim Rounds

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Kathleen Jakubowicz

Business Development Officer: Gregg Ghelfi

Attorney: William F. Wilder and John J. Fries of Ryley Carlock & Applewhite

Guests: Jean Dietrich, Chris Camacho, Kathleen Lee, Glenn Hamer, Courtney LeVinus, Jake Hinman and Charles Lotzar

Ron Castro called the Regular Meeting of the Board of Directors of the Authority to order at 9:30 a.m., noting the presence of a quorum.

**1. APPROVAL OF MINUTES OF THE ANNUAL AND REGULAR MEETING OF THE BOARD HELD ON NOVEMBER 10, 2020.**

On motion made by Ms. Burnham and seconded by Mr. Westad, the minutes of the November 10, 2020, Regular Meeting was approved as written.

**The motion passed unanimously by a vote of (6-0).**

**2. REPORT FROM CLIFTONLARSONALLEN OF THE AUTHORITY'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020.**

Jean Dietrich of CliftonLarsonAllen was in attendance to present the Authority's June 30, 2020 audited Financial Statements.

Ms. Dietrich reported that CliftonLarsonAllen is issuing a clean, unmodified opinion on the Authority's financial statements. Also, they are issuing a report on the internal control over financial reporting, and did not identify any irregular nor fraudulent transactions or any deficiencies in the internal control or material weaknesses that could have a misrepresentation on the financial statements.

Ms. Dietrich said the Authority has a very healthy net position, although the net position decreased by approximately \$2.3 million in 2020 and \$1.3 million during 2019.

There were no changes to the Authority's accounting policies during the year and there were no transactions entered into for which there was a lack of authoritative guidance or consensus.

Due to the ongoing COVID-19 pandemic (in that the effects of the pandemic can't be known at this time), there is a contingent risk associated and management believes they are taking appropriate actions to mitigate that risk. There were no other disclosures impacting the financials other than the contingency associated with the pandemic.

Ms. Dietrich said they did not identify any issues, deficiencies or fraudulent transactions during the audit.

**3. REPORT FROM REPRESENTATIVES OF THE GREATER PHOENIX ECONOMIC COUNCIL AND/OR THE ARIZONA CHAMBER OF COMMERCE AND INDUSTRY REGARDING AN UPDATE ON THEIR COVID-19 GRANT.**

In attendance to update the Board were the following persons: Glenn Hamer, President and CEO of the Arizona Chamber of Commerce and Industry, Chris Camacho, President and CEO of the Greater Phoenix Economic Council (GPEC), and Kathleen Lee, Senior Vice President of GPEC.

Mr. Camacho went through his slide show, and reported that going into the recession, the Greater Phoenix area was one of the fastest growing markets in the United States, and it is expected the area's recovery will be strong in 2021. The area is doing very well economically, and some of that confidence is really predicated on the fact that our public coffers, both state and local coffers, are doing much better than anticipated.

Messrs. Camacho and Hamer discussed some of the ways that various organizations have tried to help small businesses manage the pandemic, and ensure these businesses are able to participate in federal and local assistance such as PPE loans.

Mr. Hamer reported that an area that is still struggling is that the state lost about 300,000 or so jobs at the peak of the pandemic compared to about 125,000 during the worst part of the financial recession. The state is still down over 100,000 jobs, but those are concentrated in the small business side of the equation, and, in particular, in customer service.

Congress is currently working on another pandemic package, and the key will be on Arizona's execution in order to take maximum advantage of the programs and assist area businesses.

Mr. Camacho explained that as we emerge from the pandemic, this area could be one of the top domestic markets with a lot of growth in manufacturing in 2021 and 2022, and it will be important to have well-trained and skilled individuals to keep up with the expected growth.

Mr. Camacho thanked the Board for their financial support in allowing them to do a deeper analysis of the effects the pandemic has had on the state, and to help determine where the key challenges are, but also where the opportunities are to accelerate recovery.

Messrs. Camacho and Hamer responded to questions from the Board.

#### **4. LEGISLATIVE REPORT, DISCUSSION AND ACTION AS DETERMINED.**

Courtney LeVinus and Jake Hinman were in attendance to report on legislative matters.

Ms. LeVinus reported the Arizona State Capitol is currently closed out of an abundance of caution after Rudy Giuliani potentially exposed a number of Republican lawmakers to COVID. There is also a lot of infighting going on in the Legislature relating to matters such as the election and COVID vaccinations.

Mr. Hinman discussed a number of matters which are expected to be discussed in the next Legislative session, including premise liability, affordable housing, low income housing tax credits, and the restoration of the Arizona Housing Trust Fund.

Ms. LeVinus suggested the Authority may want to take the lead on modernizing the state IDA statutes.

Mr. Stawiecki left the meeting at 10:23 a.m.

**5. FINANCIAL REPORT.**

Ms. Scharbach referred to the unaudited financial statements for the period ended November 30, 2020, a copy of which is attached hereto. Ms. Scharbach reviewed the financial statements.

Ms. Burnham left the meeting at 10:29 a.m.

**6. PAYMENT OF INVOICES.**

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended November 30, 2020. Ms. Scharbach pointed out that the Authority's accountant, Lynette Wachterhauser, moved to a new firm – G&A CPAs and Advisors.

Mr. Westad moved to approve the payment of invoices as submitted for the period ended November 30, 2020. Mr. Bales seconded the motion.

**The motion passed unanimously by a vote of (5-0).**

**7. BUSINESS DEVELOPMENT OFFICER.**

Mr. Ghelfi reported on the following items:

- Home in Five program continues to be successful.
- Commercial Metals Company will not be moving forward with their bond issue at this time; however, they are hoping to return to the Board for approval by the end of 2021.
- HonorHealth may be looking for a new bond financing with the Authority at the beginning of 2021.
- 35 grant applicants recently submitted letters of intent through the Arizona Community Foundation. Applications were subsequently reduced to 21. Ms. Scharbach and Mr. Ghelfi will continue to review the applications and bring their suggestions to the Board at the next Board meeting.

**8. PRESIDENT'S REPORT.**

There was no report.

9. **EXECUTIVE DIRECTOR'S REPORT.**

Ms. Scharbach reminded Board Members of the upcoming Human Services Campus I Am Home breakfast in honor of Mike McQuaid, and encouraged those interested to attend.

Ms. Scharbach reported that Mr. Cohn was fortunate to tour the Creighton University facility which is currently under construction, and added if any Board Members are interested in a tour of the facility, Creighton University will be giving virtual tours prior to their grand opening in September 2021.

10. **LEGAL COUNSEL REPORT.**

There was no report.

11. **COMMENTS FROM BOARD MEMBERS.**

There were no comments from the Board Members.

12. **CALL TO THE PUBLIC.**

No members of the public commented.

**ADJOURNMENT**

With no further business to come before the Authority, upon motion made and duly seconded, the Regular Meeting was adjourned at 10:40 a.m., without objection.

  
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