



**Headwaters Fund Board Meeting Agenda**  
**July 14, 2020 – 1:30-4:00**  
**Remote Zoom Meeting**

*In accordance with Gov. Newsom's Executive Order N-29-20 (March 17<sup>th</sup>, 2020), all board members and staff will be attending remotely.*

*The Headwaters Fund invests in projects through grants and loans with the goal of helping the citizens of Humboldt County achieve increased economic opportunity, prosperity, and quality of life.*

Join Zoom Meeting

<https://us02web.zoom.us/j/89067230036?pwd=RURNZ3R2MEFyb3dhSzg4R2FxdIEOUT09>

Meeting ID: 890 6723 0036

Password: 986284

One tap mobile

+12532158782,,89067230036#,,,,0#,,986284# US (Tacoma)

+13462487799,,89067230036#,,,,0#,,986284# US (Houston)

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Germantown)

Meeting ID: 890 6723 0036

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1. Opening (1:30)
  - a. Approval of minutes from June 9<sup>th</sup>, 2020 Meeting - (1:30) - (Attachment 1)
  - b. Public comment on non-agenda items
  - c. Report out on meetings attended
  
2. Board to review and approve FY 19-20 Q2 Report - (1:40) - (Attachment 2)
  - a. Discussion
  - b. Public Comment
  - c. Action
  
3. Board to review and approve changes to the Quarterly report (1:55) – (Attachment 3)
  - a. Discussion
  - b. Public Comment
  - c. Action

4. Staff to provide update on Covid-19 Lending through AEDC and RREDC - (2:15)
  - a. Discussion
  - b. Public Comment
  
5. Board to decide upon timing and items for discussion at upcoming HWF working retreat - (2:30)
  - a. Discussion
  - b. Public Comment
  - c. Action
  
6. Staff and Board updates - (3:15)
  - a. Discussion
  - b. Public Comment
  
7. Adjourn

Next Meeting: August 11, 2020

**AGENDA DETAIL**

**AGENDA ITEM 2**

**DISCUSSION**

The Headwaters Fund Board to review and approve the Fiscal Year 2019-2020 Second Quarter Report.

Action: Staff recommendation is to approve the Q2 FY 19-20 Report

**AGENDA ITEM 3**

**DISCUSSION**

Staff will present the Fiscal Year 2019-2020 Third Quarter Report (a work in progress) which reflects requested changes from the June 9<sup>th</sup> HWF meeting. Board to review and approve changes to the format.

Action: Staff recommendation is to approve the report format for future quarterly reports.

**AGENDA ITEM 4**

**DISCUSSION**

Headwaters staff will provide an update on the cash advances made to RREDC and AEDC which have enabled the lenders to provide additional funds to the business community impacted by the Covid-19 pandemic.

Action: No action

**AGENDA ITEM 5**

**DISCUSSION**

Headwaters Fund Board and Staff to discuss possible timing and items of discussion for a one-day working retreat. Point of discussion may include but are not limited to refinements of grant making process and edits to HWF Board manuals.

Action: Staff recommendation select and approve tentative date for the retreat and provide staff direction on work to be completed at the retreat.

Headwaters Fund 2019-20 2nd Quarter Report

Page 1

Quarter ending: 9/30/2019

Budget-CIF & RLF Not

	Included	Actual to Date	Balance Remaining
<b>Based on FY 18-19 Interest Earned</b>	\$ 496,288		
<b>FY 17-18 &amp; 18-19 Carryforward</b>	\$ 221,701		
<b>Current Year plus Carryforward</b>	<b>717,989</b>		
FY 19-20 Operating Budget	\$ 139,383	\$ (28,492)	110,891
FY 18-19 Loan Loss Repayment	\$ -	\$ -	-
Prior Period Mini-Grant (CF)	\$ 11,000	\$ (8,000)	3,000
FY 19-20 Mini-Grant Budget	\$ 20,000	\$ -	20,000
Prior Period Comp Grant (CF)	\$ 210,701	\$ (25,879)	184,822
FY 19-20 Comp Grant Budget	\$ 130,000	\$ -	130,000
FY 19-20 Initiative (DoD)	\$ 150,000	\$ (33,275)	116,725
FY 19-20 Contingency	\$ 56,905	\$ -	56,905
Prior Period Contingency (CF)	\$ -	\$ -	-
<b>FY 19-20 Expenses</b>	<b>\$ 717,989</b>	<b>\$ (95,646)</b>	<b>622,343</b>
<b>Budget minus Expenditures</b>	\$ -		

Grant Fund  
Grant Fund  
Grant Fund  
Grant Fund  
Grant Fund

CF=Carryforward

2019-2020 Projected

	\$ 496,288	Orig Projection/Spending Plan
Loan Loss	\$ -	
Operating Budget	\$ (139,383)	Included \$15K for CEDS
Mini-Grants	\$ (20,000)	Mini-grants
Competitive Grants	\$ (130,000)	19-20 grant round
Decade of Difference	\$ (150,000)	Year 10 of 10 year commitment
Loan Loss Contingency	\$ (56,905)	
<b>Unallocated</b>	<b>\$ -</b>	

Interest Earnings for FY 2019-20 thru current Quarter (See Page 2):

\$ 249,806

% Fiscal Year Completed - Enter Percentage Here
50%
This carries forward to Income Plan

528,424.00

(496,288.00)

32,136.00

	Grants	DoD	Mini-Grants
2017-18 Carryforward	65,057	0	11,000
2018-19 Carryforward			
2019-20 Budgeted			
	66,766	-38,984	27,782
	67,666	56,905	67,666
	57,546	-67,234	
	10,120		432

FY 2019-20 OPERATING BUDGET					
Fund Number	Description	Budget	Actual	% Fiscal Year Completed	% Funds Expended
1120-286	Operating Budget	\$ 139,383	\$28,492	50%	20%
FY 2018-19 LOAN LOSS RESERVE REPAYMENT OBLIGATION**					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3844	Loan Loss Reserve Repayment *	\$ -	\$ -	50%	0%
FY 2019-20 AWARD BUDGET					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3846	Community Investment Fund			50%	0%
3848	Mini Grant Fund	\$ 20,000	\$ 6,500	50%	33%
3848	Grant Fund **	\$ 130,000	\$ -	50%	0%
3849	Initiative Fund	\$ 150,000	\$ 150,000	50%	100%
<b>TOTAL Award Budget</b>		<b>\$ 300,000</b>	<b>\$ 156,500</b>		<b>52%</b>

\* From Previous Fiscal Year Loan Loss Experience

\*\* Traditional Farmers Foundation/ICFA is included in "Prior Period Comp Grant (CF)" above

When the budget is developed, Interest Earned includes three types of interest earnings: 1.) \* Interest earned on accounts at the County Treasurer's Office (apportionment) on all eight Funds; 2.) \*\* Interest earned on Endowment Fund 3852 (CD's & other investments); and, 3.) \*\*\* Interest earned on loan repayments from AEDC, RREDC & CIF.

\* The amount in Type 1 includes the last quarter of the previous fiscal year and the first three quarters of the current fiscal year. This allows building a spending plan after April 1st and prior to July 1st each year. The earnings are posted by the T/TC on the first day following the end of each quarter once closed by A/C.

\*\* Type 2 includes the interest earned in the current fiscal year from July 1 to June 30.

\*\*\* Type 3 includes the interest earned in the current fiscal year from July 1 to June 30.

24,433.68	2017-18 Competitive Grants
11,155.00	2018-19 Mini-Grants
196,234.00	2018-19 Competitive Grants
231,823	

Prior Yr Grant to Date	Prior Yr Mini to Date
74,557	11,655
-27,468	
47,089	

**Headwaters Fund 2019-20 3rd Quarter Report**

**Page 1**

Quarter ending: 9/30/2019

	CF=Carryforward	Budget (CIF & RLF are not Budgeted)	Grants Awarded FY19- 20 YTD	Actuals Paid to Date	Budget minus Amounts Pd
	<b>Based on FY 18-19 Interest Earned</b>	\$ 496,288			
	<b>FY 17-18 &amp; 18-19 Carryforward</b>	\$ 221,701			
	<b>Current Year plus Carryforward</b>	\$ 717,989			
	FY 19-20 Operating Budget	\$ 139,383		\$ (28,492)	110,891
	FY 18-19 Loan Loss Repayment	\$ -		\$ -	-
Grant Fund	Prior Period Mini-Grant (CF)	\$ 11,000		\$ (8,000)	3,000
Grant Fund	FY 19-20 Mini-Grant Budget	\$ 20,000	\$ 16,500	\$ (1,500)	18,500
Grant Fund	Prior Period Comp Grant (CF)	\$ 210,701		\$ (25,879)	184,822
Grant Fund	FY 19-20 Comp Grant Budget	\$ 130,000	\$ 130,000	\$ -	130,000
Grant Fund	FY 19-20 Initiative (DoD)	\$ 150,000		\$ (33,275)	116,725
	FY 19-20 Contingency	\$ 56,905		\$ -	56,905
	Prior Period Contingency (CF)	\$ -		\$ -	-
	<b>FY 19-20 Total Budget &amp; Expenses</b>	<b>\$ 717,989</b>	<b>\$ 146,500</b>	<b>\$ (97,146)</b>	<b>620,843</b>
	<b>Budget minus Expenditures</b>	<b>\$ -</b>			

2019-2020 Projected		
Projected	\$ 496,288	Orig Projection/Spending Plan
Loan Loss	\$ -	
Operating Budget	\$ (139,383)	Included \$15K for CEDS
Mini-Grants	\$ (20,000)	Mini-grants
Competitive Grants	\$ (130,000)	19-20 grant round
Decade of Difference	\$ (150,000)	Year 10 of 10 year commitment
Loan Loss Contingency	\$ (56,905)	In addition to Fund 3844
<b>Unallocated</b>	<b>\$ -</b>	

Interest Earnings for FY 2019-20 thru current Quarter (See Page 2):		
Projected YTD	Y-T-D	Percentage
\$ 372,216	\$ 345,018	92.7%

FY 2019-20 OPERATING BUDGET					
Fund Number	Description	Budget	Actual	% Fiscal Year Completed	% Funds Expended
1120-286	Operating Budget	\$ 139,383	\$28,492	75%	20%
FY 2018-19 LOAN LOSS RESERVE REPAYMENT OBLIGATION**					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3844	Loan Loss Reserve Repayment *	\$ -	\$ -	75%	0%
FY 2019-20 AWARD BUDGET					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3846	Community Investment Fund			75%	0%
3848	Mini Grant Fund	\$ 20,000	\$ 16,500	75%	83%
3848	Grant Fund **	\$ 130,000	\$ -	75%	0%
3849	Initiative Fund	\$ 150,000	\$ 150,000	75%	100%
	<b>TOTAL Award Budget</b>	<b>\$ 300,000</b>	<b>\$ 166,500</b>		<b>56%</b>

\* From Previous Fiscal Year Loan Loss Experience

\*\* Traditional Farmers Foundation/ICFA is included in "Prior Period Comp Grant (CF)" above

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