

**CenterFuse**  
**Board of Directors Meeting**  
REGULAR MEETING Agenda  
Wednesday, February 12, 2020 - 4:00-5:30 pm

- 1. Call to order**
- 2. Approval of the agenda\***
- 3. Approval of minutes\* January 8, 2019 regular meeting and January 24, 2020 Special Meeting**
- 4. Board Business**
  - a) Approve updated Budget Resolution 2019-3**
  - b) Board Vacancies** – what skills or professional background are needed
  - c) January Planning Retreat -**
    - I.** Review and adopt Mission / Vision / Values
    - II.** Committee Reports on strategic plan action steps
- 4. Executive Director report**
- 5. Public Comment**
- 6. Adjournment**

NEXT MEETING: March 12, 2020 at 4:00 PM – Council Conference Room

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**Board Members:**

Jared Vallejo, Chair  
Linda Schactler, Vice Chair  
Grant Clark, Treasurer  
John Perrie, Secretary

Bill Provaznik  
Vacant (exp 12/2020)  
James Jankowski  
Vacant (exp 12/2020)  
Garrett Poshusta

**Council Liaison:** Stacey Bankston Engel

**Staff:** Carolyn Honeycutt

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**ELLENSBURG BUSINESS DEVELOPMENT AUTHORITY**  
**dba CenterFuse**  
**BOARD OF DIRECTORS MEETING MINUTES**

REGULAR MEETING

Wednesday, January 24, 2020 – 11:00 am  
Community Health of Central Washington Conference Room  
521 E Mountain View Ave, Ellensburg

In attendance: Bill Provaznik, Jared Vallejo, Linda Schactler, Garrett Poshusta, Grant Clark, James Jankowski, City Council member Bruce Tabb and staff Carolyn Honeycutt.

Excused absence: Steve Townsend, John Perrie, Jamie Rosen

1. Chair Vallejo called the meeting to order at 11:00 am
2. Members reviewed and discussed rewrite of Mission / Vision / Values
3. Members discussed visioning of CenterFuse in 3 years and identified potential pathways and goals for consideration in a 3 year road map.
  - a) Attract new businesses of median wage or better
    - I. Goal – 3 per year
    - II. Goal – Attend 3 conferences per year
    - III. Goal – Understand and expand broadband
    - IV. Goal – Expand marketing and outreach
    - V. Goal – Support Creative Community
    - VI. Goal – Ignite local investing
    - VII. Goal – Provide better navigation of City to businesses and developers
  - b) Enhance Business Space Capacity
    - I. Goal – Assess current situation (vacancies)
    - II. Goal – Assess opportunities
    - III. Goal – Align capacity and demand (comp plan)
    - IV. Goal – Square footage measurable
    - V. Goal – Assess what the tools are and what is missing
    - VI. Goal – Develop partnerships with realtors and developers
    - VII. Goal – Move forward with sale of Incubator and Airport facilities
  - c) Enhance Brand Awareness Regionally (both City and CenterFuse)
    - I. Goal – City – recognition, marketing (what are we known for), conferences
    - II. Goal – CF - Responsiveness – quality and speed
    - III. Goal – CF - Recognition
    - IV. Goal – CF - Marketing (what are we known for)
    - V. Goal – CF – more UnWind events
    - VI. Goal – CF – attend more conferences
  - d) Support Existing Local Business Climate
    - I. Goal – Support Creative Economy

- II. Goal – Host more UnWind events
- III. Goal – Understand and expand Broadband
- IV. Goal – Expand knowledge of consulting and business resources
- V. Goal – Understand business climate through focus groups
- VI. Goal - Provide better navigation of City to businesses and developers
- VII. Goal – Enhance entrepreneurship culture

e) Plan for resource and budget needs

f) Document outcomes and measurements of success

**Adjournment:** Meeting adjourned 1:00 pm

**Drafted:** 2/3/2020

**Approved:**



## CENTERFUSE

Economic Business Development  
Ellensburg, WA

### STAFF REPORT

**DATE:** February 10, 2020

**TO:** CenterFuse Board

**FROM:** Carolyn Honeycutt, Executive Director

**SUBJECT:** Monthly Update

**Budget Resolution** – As I was prepping financials for my meeting with the Treasurer, I had to update the budget for 2020 and found an error in the original budget resolution. I also adjusted the budget to allow for CenterFuse to pay the City additional funds to cover taking my salary from 24 to 30 hours. Included in the packet is an updated budget and budget resolution for board approval.

**Board Vacancies** – Due to professional changes, Jamie Rosen resigned from the CenterFuse Board and due to time conflicts, Steve Townsend also resigned. Both of these terms expire at the end of 2020, so any appointment the board makes would finish out those terms and they would need to reapply. Steve plans to reapply at the end of the year. Please consider what skills or professional background would be valuable to look for in new candidates and who might fit those roles.

**January Planning Retreat** – Thank you to everyone who participated in the planning retreat. The notes are included in the minutes of that meeting. Each committee should be ready to report on how their group plans to implement projects to fit with the goals and objectives.

**Chamber Annual Meeting** – The Chamber Annual Meeting is scheduled for Thursday March 12 at 5:00 pm at Hotel Windrow. CenterFuse is joining the Chamber as a member and sponsoring a table of 8. If you would like to sit at the table, please let me know. I will also ask for you to let me know your food choice (checking, fish or vegetarian).

**WEDA Conference and Awards** – Linda and I traveled to Olympia Feb 4-5 to attend the Washington Economic Development Association conference. There were approximately 120 attendees and speakers. At the conference, CenterFuse was recognized for submitting a nomination for Best Economic Development Project (Reboot: Redesigning Ellensburg Economic Development) and I was recognized with an award for Emerging Economic Development Professional. These are strategic steps in advancing the rebranded focus and proactivity of economic development for our community. We engaged with several economic development professionals and were able to share what we are doing. The next WEDA conference is July 13-15 in Vancouver, WA and CenterFuse plans to be a conference sponsor. Please let me know if you would like to attend.

**Airport Lease** – Grant and I met with Commissioner Wright on January 27 regarding the airport lease. Commissioner Wright now has a better understanding of our concerns with the lease. They just recently hired a new airport manager and he has asked for CenterFuse to wait until the new manager starts so he can work on a new lease.

**Interlocal** – Both the City Attorney and City Manager approved our changes to the Interlocal and it will go to Council with the lease on Monday for approval.

**.09 Funding Sunset** – A WEDA panel is currently in Olympia to support the Point 09 lobbying efforts. I participate in legislative conference calls and will continue to update you.

**Incubator** – Scott Faulkner signed a 6 month lease for Unit 3. Unit 1 and 5 are still vacant but since the status of the incubator may change, I am not posting the vacancies.

**Report to Council** – My plan is to do a report to council in March. This will include a request to move forward on plans for the incubator.

**Prospect Meetings** – January was a busy month with 3 strong prospects for light industrial and tech visiting Ellensburg and meeting with staff and CWU administration and department heads. One is in talks to set up an incubator for the next few months at CWU and then eventually move into a facility in the community. Another is looking for land to lease. We are rolling out the red carpet for each and every inquiry!

**ELLENSBURG BUSINESS DEVELOPMENT AUTHORITY**  
**dba CenterFuse**  
**BOARD OF DIRECTORS MEETING MINUTES**

REGULAR MEETING  
Wednesday, January 8, 2020 - 4:00 pm  
City Hall – Council Conference Room  
501 N. Anderson Street, Ellensburg

In attendance: John Perrie, Bill Provaznik, Jared Vallejo, Linda Schactler, Garrett Poshusta, Grant Clark, James Jankowski, and staff Carolyn Honeycutt.

Excused absence: Steve Townsend, Jamie Rosen

1. Chair Schactler called the meeting to order at 4:00 PM.
2. **Motion to approve January 8, 2020 Agenda.** Clark; second Perrie.  
**Approved.**
3. **Motion to approve December 11, 2019 Regular Meeting Minutes.** Vallejo; second Jankowski.  
**Approved.**
4. **Board Business**
  - A. 2020 Slate of Officers Nominated at the December 11, 2019 Meeting.  
Schactler called for a vote on **Jared Vallejo for Chair.** All approved. Vallejo assumed the Chair position.  
Vallejo called for a vote on **Linda Schactler for Vice Chair.** All approved.  
Vallejo called for a vote on **John Perrie for Secretary.** All approved.  
Vallejo called for a vote on **Grant Clark for Treasurer.** All approved.  
Vallejo called for a vote of hands on slate of officers. All Approved.
  - B. **Motion to approve and sign the Airport Land Lease as presented after edits from CenterFuse Attorney Chuck Zimmerman and send on to Kittitas County Public Works.** Clark; second Schactler.  
**Approved.**
5. **January Planning Retreat** – Board reviewed and discussed existing Mission/Vision/Values. Vallejo assigned Provaznik, Jankowski, and Schactler to revise before the retreat. Retreat was set for Friday, January 24, 2020 from 11:00 am to 1:00 pm. Staff will find a location.
6. **Executive Director Report** – Staff provided updates on the Broadband Feasibility Study, upcoming meetings with a prospect, move of the website to Word Press, status of the airport and extension of CWU as FBO, handed out the MSRC report on Public Development Authorities, and the WEDA Conference. Board discuss support of the 1/10 of 1% Sales and Use Tax for Behavioral and Mental Health Support that is going before the County Commissioners. Discussed importance of this initiative and the need to tie our letter to

economic development.

**Motion to submit a letter to Commissioners to support 1/10 of 1% Sales and Use Tax for Behavioral and Mental Health Support.** Poshusta; second Jankowski.  
**Approved.**

**Adjournment:** Meeting adjourned 5:15

**Drafted:** 1/20/2020

**Approved:**



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Ellensburg Business Development

2020 Detailed Profit and Loss (updated Feb 2020)				
				2020
				Updated
				Budget
<b>Income</b>				
			Due from Government	
	100-337-00-00-000-000		City Support	60,000.00
	100-337-00-00-000-001		Distressed Sales Tax	60,000.00
			PWB Broadband Study Grant	50,000.00
			Interest Income	
	100-361-40-00-000-000		Savings/MM	1,995.00
	100-361-40-00-003-000		Microloan (Interest only)	15.00
			Rent Receivable	
	100-362-00-00-001-000		EBDA Airport Building Rents (incl % for vac/bad debt)	57,600.00
	100-362-00-00-002-000		Business Incubator Rents (incl % for vac/bad debt)	37,100.00
	100-359-00-00-000-000		Late Fees	
	100-389-10-00-000-000		Refundable Deposits	
<b>Total Income</b>				266,710.00
<b>Expenses</b>				
			Supplies	
	100-558-70-31-000-000		Operations	350.00
	100-558-70-31-001-000		Airport	100.00
	100-558-70-31-002-000		Incubator	100.00
	100-558-70-41-000-000		Professional Services - Operations	50.00
			Accounting Fees	1,500.00
			Audits	1,500.00
			Insurance - Board	2,400.00
			Legal Fees	2,000.00
			Memberships	2,000.00
			Personnel - paid to City	75,000.00
			Promotional/Communication Materials/Prof Services	50,000.00
	100-558-70-41-001-000		Prof Services - Airport (KVFR, insurance, legal)	10,000.00
	100-558-70-41-002-000		Prof Services - Incubator (insurance)	1,800.00
			Broadband Study	50,000.00
			Travel	
	100-558-70-43-000-000		Operations	10,000.00
			Rental/Leases	
	100-558-70-45-000-000		Operations (CenterFuse Office Rent)	5,000.00
	100-558-70-45-001-000		Airport (land lease)	13,900.00
	100-558-70-45-001-000		Incubator lease	
			Utilities	
	100-558-70-47-001-000		Airport	2,300.00
	100-558-70-47-002-000		Incubator	1,800.00
			Repairs/Maintenance	
	100-558-70-48-001-000		Airport	7,000.00
	100-558-70-48-002-000		Incubator	10,000.00
<b>Total Expenses</b>				246,800.00
<b>Net Profit (Loss)</b>				19,910.00

**Ellensburg Business Development Authority dba CenterFuse**

**Board Resolution 2019-3 (revised 02/07/2020)**

WHEREAS, the CenterFuse Board of Directors desires to provide the highest level of economic development services to the City of Ellensburg businesses, and

WHEREAS, the CenterFuse Board of Directors has reviewed and adopted the following revenue and expenditures for the 2020 budget as follows:

<b>Account Number</b>	<b>Revenue</b>	<b>2020 Budget</b>
100-134-00-00-000-000	Due from Government	170,000.00
100-361.40-00-000-000	Savings/MM Interest	1,995.00
100-361-40-00-003-000	Interest Income - Microloan	15.00
100-362-00-00-000-000	Rents and Leases	94,700.00
	<b>Total Revenue</b>	<b>266,710.00</b>

<b>Account Number</b>	<b>Expenditure</b>	<b>2020 Budget</b>
100-558-70-31-000-000	Supplies	550.00
100-558-70-41-000-000	Professional Services	196,250.00
100-558-70-43-000-000	Travel and Training	10,000.00
100-558-70-45-000-000	Rental/Leases	18,900.00
100-558-70-47-000-000	Utilities	4,100.00
100-558-70-48-000-000	Repairs/Maintenance	17,000.00
	<b>Total Expenditures</b>	<b>246,800.00</b>

	<b>Total Addition to Reserves</b>	<b>19,910.00</b>
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Adopted by the CenterFuse Board of Directors on the 12th day of February 2020

\_\_\_\_\_  
Jared Vallejo, CenterFuse Board Chair

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John Perrie, CenterFuse Board Secretary

**EBDA ACCOUNTS RECEIVABLE AGING SUMMARY**

As of February 7, 2020

	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>&gt;90</u>	<u>TOTAL</u>
<b>Airport</b>					
Unit 1 - CW Property Restorations	\$ 1,250.69				\$ 1,250.69
Unit 2 - MedaNova dba gigglydoo	\$ 1,184.15				\$ 1,184.15
Unit 3 - 1201 Bagels					\$ -
Unit 4 - CWU Brewing Program					\$ -
Total Airport	\$ 2,434.84				\$ 2,434.84
<b>Ellensburg Incubator</b>					
Bay 1 - Modern Millwork	\$ 323.32				\$ 323.32
Bay 2 - Scott Faulkner Design	\$ 845.11				\$ 845.11
Bays 3, 4, 5 - Whipsaw Brewing LLC	\$ 2,172.69	\$ 1,847.69	\$ 4,846.36	\$ 36.26	\$ 8,903.00
Total Incubator	\$ 3,341.12	\$ 1,847.69	\$ 4,846.36		\$ 10,071.43
<b>Bad Debt*</b>					
Bay 4 - Ellensburg Distillery (Incubator)	\$ -	\$ -	\$ -	\$ 1,999.46	\$ 1,999.46
<b>MicroLoan*</b>					
Audra-Jien Fuller	\$ 472.82	\$ -	\$ -	\$ -	\$ 472.82
<b>Kittitas County - 4th Qtr COG</b>	\$ 10,000.00				\$ 10,000.00
<b>TOTAL</b>					\$ 24,978.55

**NOTES:** Ellensburg Distillery signed agreement with EBDA in Aug 2016 to pay \$200 per month.

Last payment received 12/31/2019 - balance adjusted after research - Finance and client agreed on current balance

Whipsaw Brewing began paying off balance owed on 1/29/2020

**Fuller Microloan:**

Original note \$25,000 (5 yr, 8%)

Balance as of Jan 1, 2020 \$1,236.71 be paid off by March 2020

Security Agreement signed for trailer valued at \$3,500 June 2018

**Ellensburg Business Development Authority**  
**Balance Sheet**  
**As of January 31, 2020**

**ASSETS**

Cash	Operating Cash - Cashmere Valley Bank	129,691	
	Solarity CD and Savings	76,873	
	Notes Receivable (Microloan)	1,234	
	Rent and COG Receivable	<u>30,238</u>	
	Total Current Assets		238,036
	Building, Furniture, Fixtures	807,961	
	Less: Accumulated Depreciation	<u>461,220</u> *	
	Net Building, Furniture, Fixtures		<u>346,741</u>
<b>TOTAL ASSETS</b>			<u><u>584,777</u></u>

**LIABILITIES**

	Accounts Payable	-	
	Accrued Leasehold Taxes	4,725	
	Security Deposits and Prepaid Rent	<u>11,500</u>	
<b>TOTAL LIABILITIES</b>			16,225

**EQUITY**

	Unreserved Fund Balance		221,812
	Reserved		<u>346,741</u>
<b>TOTAL LIABILITIES AND EQUITY</b>			<u><u>584,777</u></u>

\*figure per 2018 Form 990 from Bivens & Wilson updated depreciation schedule

**ELLENSBURG BUSINESS DEVELOPMENT AUTHORITY  
PROFIT AND LOSS  
January 2020**

	<b>For the One Month Ending January 31, 2020</b>				<b>Annual Budget Status</b>		
	Jan Budget to Date	Jan 2020	Jan YTD Actual	Jan Difference	2020 Total Budget	Remaining Total Budget	% of Budget Remaining
<b>Revenues</b>							
Operations	-	780.65	780.65	780.65	171,995.00	171,214.35	99.55%
Airport (inc allow for bad debt/vacancy)	4,800.00	5,467.26	5,467.26	667.26	57,600.00	52,132.74	90.51%
Incubator (inc allow for bad debt/vacancy)	3,091.67	1,580.92	1,580.92	(1,510.75)	37,100.00	35,519.08	95.74%
Microloan	8.00	8.22	8.22	0.22	15.00	6.78	45.20%
<b>Total EBDA Revenues</b>	<b>7,899.67</b>	<b>7,837.05</b>	<b>7,837.05</b>	<b>(62.62)</b>	<b>266,710.00</b>	<b>258,872.95</b>	<b>97.06%</b>
<b>Expenditures</b>							
Operations	2,615.00	1,274.98	1,274.98	(1,340.02)	199,800.00	198,525.02	99.36%
Airport	1,060.00	1,327.53	1,327.53	267.53	33,300.00	31,972.47	96.01%
Incubator	1,040.00	1,373.39 *	1,373.39	333.39	13,700.00	12,326.61	89.98%
Microloan	-	-	-	-	-	-	0.00%
<b>Total EBDA Expenditures</b>	<b>4,715.00</b>	<b>3,975.90</b>	<b>3,975.90</b>	<b>(739.10)</b>	<b>246,800.00</b>	<b>242,824.10</b>	<b>98.39%</b>
<b>Net Profit</b>	<b>3,184.67</b>	<b>3,861.15</b>	<b>3,861.15</b>	<b>676.48</b>	<b>19,910.00</b>	<b>16,048.85</b>	<b>80.61%</b>
<hr/>							
<b>Operations</b>							
Revenue	-	780.65	780.65	780.65	80,000.00	79,219.35	99.02%
Expenditures	2,615.00	1,274.98	1,274.98	(1,340.02)	100,850.00	99,575.02	98.74%
<b>Contribution To/From Fund Balance</b>	<b>(2,615.00)</b>	<b>(494.33)</b>	<b>(494.33)</b>	<b>2,120.67</b>	<b>(20,850.00)</b>	<b>(20,355.67)</b>	<b>97.63%</b>
<b>Airport</b>							
Revenue (inc allow for bad debt/vacancy)	4,800.00	5,467.26	5,467.26	667.26	59,850.00	54,382.74	90.87%
Expenditures	1,060.00	1,327.53	1,327.53	267.53	29,400.00	28,072.47	95.48%
<b>Contribution To/From Fund Balance</b>	<b>3,740.00</b>	<b>4,139.73</b>	<b>4,139.73</b>	<b>399.73</b>	<b>30,450.00</b>	<b>26,310.27</b>	<b>86.40%</b>
<b>Incubator</b>							
Revenue (inc allow for bad debt/vacancy)	3,091.67	1,580.92	1,580.92	(1,510.75)	46,550.00	44,969.08	96.60%
Expenditures	1,040.00	1,373.39	1,373.39	333.39	8,400.00	7,026.61	83.65%
<b>Contribution To/From Fund Balance</b>	<b>2,051.67</b>	<b>207.53</b>	<b>207.53</b>	<b>(1,844.14)</b>	<b>38,150.00</b>	<b>37,942.47</b>	<b>99.46%</b>
<b>Microloan</b>							
Revenue	8.00	8.22	8.22	0.22	392.00	383.78	97.90%
Expenditures	-	-	-	-	-	-	-
<b>Contribution To/From Fund Balance</b>	<b>8.00</b>	<b>8.22</b>	<b>8.22</b>	<b>0.22</b>	<b>392.00</b>	<b>383.78</b>	<b>97.90%</b>
<b>Net Profit</b>	<b>3,184.67</b>	<b>3,861.15</b>	<b>3,861.15</b>	<b>676.48</b>	<b>48,142.00</b>	<b>44,280.85</b>	<b>91.98%</b>

\*includes correcting entry to move KVFR (\$988) expense from Incubator to Airport

**Ellensburg Business Development Authority dba CenterFuse**

**Board Resolution 2019-3 (original)**

WHEREAS, the CenterFuse Board of Directors desires to provide the highest level of economic development services to the City of Ellensburg businesses, and

WHEREAS, the CenterFuse Board of Directors has reviewed and adopted the following revenue and expenditures for the 2020 budget as follows:

<b>Account Number</b>	<b>Revenue</b>	<b>2020 Budget</b>
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100-362-00-00-000-000	Rents and Leases	94,700.00
	<b>Total Revenue</b>	<b>266,710.00</b>

<b>Account Number</b>	<b>Expenditure</b>	<b>2020 Budget</b>
100-558-70-31-000-000	Supplies	550.00
100-558-70-41-000-000	Professional Services	165,550.00
100-558-70-43-000-000	Travel and Training	10,000.00
100-558-70-45-000-000	Rental/Leases	13,900.00
100-558-70-47-000-000	Utilities	4,100.00
100-558-70-48-000-000	Repairs/Maintenance	17,000.00
	<b>Total Expenditures</b>	<b>241,100.00</b>

	<b>Total Addition to Reserves</b>	<b>25,610.00</b>
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Adopted by the CenterFuse Board of Directors on the 11<sup>th</sup> day of December, 2019.

\_\_\_\_\_  
Linda Schactler, CenterFuse Board Chair

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John Perrie, CenterFuse Board Secretary