



Board of Directors Meeting

May 20, 2020 - 2:00 pm

Zoom Meeting

MINUTES

Present via Zoom: George Kosinski, Jeffrey Graham, Alfred Mae Drakeford, David Sanders, Jay Davis
Present via Phone: Janson Cox, Robert Boykins; Earl Wilson
Excused:
Not Present: Jared Smith
Staff Present: Christopher McKinney (Executive Director), Dennis Cyphers (Government Services Chief), Areatha Clark (Deputy/Workforce Development Chief), Rachel Katorkas (Finance Chief), Sylvia Frierson (Project Manager), Ashley Walker (Administrative Assistant I)

Welcome – Mr. Jeffrey Graham called meeting to order at 2:02 p.m.

Adoption of Agenda – Mr. Janson Cox made a motion to adopt the agenda as presented with an amendment to change the Ink2Work Update to information (no action needed). Mr. Earl Wilson seconded, and motion passed unanimously.

Approval of Minutes –Mr. Cox noted an error on the June 4th meeting minutes; section 4 paragraph b, line 6. He stated that “is currently” was listed twice. A motion was made by Mr. Cox to adopt the 2 previous meeting minutes on the agenda with the change noted. The motion was seconded by Mrs. Alfred Mae Drakeford and passed unanimously

Presentation of FY 2018-2019 Audit Report

Mrs. Rachel Katorkas presented the Audit Report for the 2018-2019 FY. She stated that the “Report to the Board of Directors” enclosure is a summary of the audit process and responsibilities. There are no audit adjustments recorded by the corporation, no uncorrected misstatements and no significant issues arising from the audit. The “Financial Statement” enclosure listed the bulk of the Audit Report. The current assets decreased from 2018-2019 due primarily to the Neighborhood Initiative Program (NIP) ending and funds that were advanced from our partners being returned. The decrease in liability reflects the mortgage of NIP properties being forgivable over the 3-year lean period. The report was received as information by the Chair.

Financial Report

The current financial report was presented by Mrs. Katorkas and was received as information by the Chair.



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Discussion and Recommendation of FY 2020-2021 Budget Proposal

Mrs. Katorkas briefed the board on the details of the proposed 2020-2021 budget. She noted that the RDC is currently still in the maintenance phase of the NIP Properties. The only revenue showed, including in the proposed budget, is the amortized revenue; the amount recognized when the portion of the loans are forgiven on the properties.

Interest has been earned on the Pinewood Development bank account. With the economic situation, for budget purposes, interest earnings were not included. In expenses, the loss gains on sale property was a big change. In the justification, it shows the property book values and an estimated amount for those properties that are planned to be transferred to the city of Camden for ownership. Overall, the budgeted excess revenues over expenses would be about \$52,000.

Mr. Cox made a motion to adopt the FY 2020-2021 RDC Budget as presented. Mr. Boykins seconded the motion and it passed unanimously

Old Business

None

New Business

Ink2Work Update

Mr. McKinney gave a brief presentation on the Ink2Work update. The program is designed to reduce recidivism in the community to make it better. It teaches inmates how to remanufacture ink cartridges; currently primarily done in South East Asia. The profit is high due to the labor being inside an incarceration facility and the low labor cost. Last year, the COG spent about \$7,600 on ink cartridges for staff printers. So far this year, with this program, all ink cartridges have been purchased for about \$1,500.

Ink2Work has been around since 2004 operating in several states in the US and overseas. The markup on ink is extremely high. With Ink2Work, there is 0 waste due to taking old ink cartridges and recycling them. It creates jobs for people who have been previously incarcerated; increasing society, the living wage, and reduce recidivism.

To house this program, we are currently working with the Sumter Sheriff department. The Sheriff department will get unrestricted revenues to use and deemed appropriate. The COG, housed in the RDC, will in return receive unrestricted revenue to do good in the community and give a stipend to anyone that participates in the program whenever they get released from incarceration to jumpstart their life. The program is self-funding due to the profit margins available which is sustainable overtime.

Work done through Ink2Work is in a manufacturing center within a prison. Inmates wear different



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attire and are expected to behave in a certain manner along with having qualifications and education requirements to participate in the program. They have the opportunity to be certified as a printer repairman once they are released creating a pathway of success. Ink2Work provides social, environmental, and economic benefits.

Mr. Cyphers spoke on the contracts involved with Ink2Work. One contract would involve RDC and the sheriff's department. That allows the RDC to be an advocate; sell the product. The second contract would be between the COG and Ink2Work. That would be a 3-year agreement to conduct business being supplied with raw materials to give to the sheriff department. The sheriff department will produce the products, and in turn, we will sell those products to other government entities or the public.

The board was asked to review the enclosed documents for inputs or changes to execute the deal with the contracts. Contracts have been worked up with an attorney to make sure everything is legal and ready to be sent over to the sheriff department for their review. Once the program is completed, the inmate will be paid per hour of their participation in the program. Upon being released, they will receive a check for those hours. Mrs. Katorkas confirmed that there would be a different fund in the RDC bank account to show the incomes of the program and for expenses and future payments needing to be paid out.

The presentation was received as information by the Chair.

Neighborhood Initiative Program (NIP) Properties

Mr. Cyphers briefed the board on the lasted update of the NIP Properties. The NIP Properties are slowly coming off of their lean periods. There are 69 remaining properties, with 17 that have come off lean from September 19 to April 2020. It has been considered to auction off those properties or properties of value as far as something can be done with those properties. Some of the side lot NIP Properties have come off of lean periods and the ideas is to dispose of those properties and help Sumter put those back into tax roll. These properties are too small to build on by themselves. A suggestion is to offer to an adjacent owner for purchase. There are some properties that are earmarked for Sumter City, however side lots are not included. Mr. Graham recommended going to the neighbors offering the lots to see what revenue can be generated for RDC as a best option. A plan has been outlined and will be given to the board at a later date for an additional meeting to approve and execute once proposals are prepared.

No action was taken and was received as information by the Chair

UVC Cleaning Contract for Public Transportation

Mr. McKinney brief the board on contracting UVC Cleaning service for public transportation. We are looking to utilize RTA in more ways that has been used before. With rebooting our



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economy, being clean and having a safe environment is critical. A company in North Carolina has a mobile way of using UV lighting to kill germs and bacteria. Based off the technology, they can guarantee that the environment is sanitary; bring safety back to the public. Contracting them to use their services would give RDC a portion of revenue, giving unrestricted funds to do good for our community.

A contract is being worked up with the UV company to see if there is possibility of a consulting agreement where we would be sourced to doing sales for them, get them implements in different government entities and other private sectors. Giving another way to generate revenue for RDC.

Adjournment- There being no other business, Mr. Graham called the meeting adjourned at 2:49pm

