

6/12/18 Boc Board meeting handout

EDC Mission Statement (from our EDC website)

To enhance the economy and quality of life in Oscoda County. This will be accomplished by creating long term employment opportunities while maintaining the rural and natural atmosphere of the county.

I don't want to be here to say what needs to be said. But it seems I have no other choice. I am formally addressing the Board of Commissioners today regarding the current makeup of the EDC board membership. Specifically, I have issue with a member who has for the better part of this year and last year, that has worked against the EDC mission statement. Instead she working against creating greater economic opportunities for our county and has worked to leverage her position for personal gains. **I am therefore requesting the Board of Commissioners for a motion to remove Jennifer Cronkright for cause from the EDC board.**

The justification for removal based on "cause" can be found in the following items:

- 1) Since assigned to the board since last year she has sent an extremely large amounts of emails (over 200) to EDC executive director, Cy Wakeley and his daughter Jessica. They had to drop what they were doing and read each email to see if it addressed any EDC business (most times the emails were about challenging their authority to make loans, receive check pay outs or authority to administer those loans).
- 2) Jennifer has tried to rewrite and even challenge the legitimacy of the N.I.C.E. 2018 contract with the Board of Commissioners. This action caused a minor rift in the working relationship with the EDC Executive Director and BOCs that the executive director considered walking out.

3) The number of times that checks for legal payments for loans and EDC business were held up. Example: We have check #101949, dated Oct 26 2017 for a local business. This check was held up by Jennifer. A special meeting of EDC board members was required to "re-approve" a previously agreed upon legal loan. Calling in the board members to re-approve this loan cost the county \$140 additional dollars. Note: it is on record that Jennifer has twice refused to issue preapproved checks owed to N.I.C.E. management.

4) She has many times challenged the EDC Executive Director's legal authority to operate almost to the point of harassment and preventing him from independently managing the various revolving loans and the EDC office overall.

5) Loan Confidentially. During two of our EDC meetings Jennifer has complete disregard for the privacy of lenders by publicly publishing their names. The chair had to admonish Jennifer each time to remove the names from the public. Note: EDC meetings are open to the public and thus so are the names of all lendees. Privacy for loans is part of the By-Laws and I believe need to be upheld in strictest confidence. On a side note that I am a member of Habitat for Humanity. At each monthly meeting we go over housing loans of those who are making faithful payments and those don't make payments. In each and every case we hold the names of these lendees in strictest confidence.

6) Even in our meetings Jennifer has to micro manage the overall efficiency of EDC monthly meetings with slew of paperwork gotchas and parliamentary maneuvers that has nothing to do with "**promoting county economic activity**".

7) There have recent efforts by Jennifer to covertly work with other EDC board members to remove the current chair via re-organization. So, while she wishes to

maintain the appearance of supporting our documents (i.e. by-laws, PA 338, Mission Statement, etc.) instead she does the opposite by ignoring them. Per our by-laws this can be done at our once a year EDC re-org on January 9th, 2018. Please see the attached un-official meeting minutes from the May EDC meeting.

In summary these are some of the issues on why this person should be removed "for cause" (as stipulated in our By-Laws). She has shown total lack of disregard for EDC mission statement and lack of respect for EDC county authority at large.

Again, I am requesting the Board of Commissioners to make a motion to remove Jennifer Cronkright from the EDC board for cause.

Thank you for your time.

EDC Mission Statement (from our EDC website)

To enhance the economy and quality of life in Oscoda County. This will be accomplished by creating long term employment opportunities while maintaining the rural and natural atmosphere of the county.

Date: 6/13/2018
To: Economic Development Corporation of Oscoda County
From: Jennifer M Cronkright
Subject: Removal from the EDC Board

I have been actively involved in community functions and in business operations within Oscoda County for over 40 years. I have done so with the success of our county always utmost in my mind. I decided to join the EDC Board because I felt it would be the best way to further my involvement in the county's successful future.

Andrew J Welser's letter to the Oscoda County Board of Commissions, not dated or signed, states that I have worked against the EDC mission statement and I am working against creating greater economic opportunities for our county and have worked to leverage my position for personal gains. These comments are so very wrong and I can prove that by my lifelong actions.

I have nothing to personally gain by being EDC Board member other than personal satisfaction. I have devoted many hours of my personal time working on EDC matters and in attending meetings.

The EDC Mission Statement: To enhance the economy and quality of life in Oscoda County. I have experienced great success working for decades for the good of this county as a volunteer board member of many organizations— Kirtland Community College Foundation, Oscoda County Sportsman's Club, Steiner Museum Historical Commission, Friends of Steiner Museum, and AuSable Valley Nor-east'r Association of Folk. In my 30+ years in professional life, I was an integral part of the decision making that favorably impacted our communities, providing our residents fairly priced financial services from two very successful locations. As an EDC board member, I have strived to help with organizational requirements, recruiting of board members, approval of loans to local businesses, and more.

Further Andrew points out that I sent a large amount of emails. I would like to point out that the emails that I have sent to other Board members and to EDC contract employees have been mostly questions or suggestions for improvement. As a new board member of a "messed up" organization I had many questions and suggestions. The EDC had not been operating in compliance to Act 338 for decades and the by-laws had not been reviewed or updated in years. It was also found that loans within the Revolving Loan Fund were rewritten recently by the EDC contract employees with blatant errors and with disregard to outstanding liens and foreclosure proceedings. ^{See Attached audit} Some of the loans have been rewritten without discharging the first security instrument or without listing the correct property description. In some cases, the rewrites by the EDC contract employees lessened the collectability of the loan. By the way, I have over 10 years of business lending experience and 30 years of mortgage lending experience.

As for the contract with NICE, see the attached email that Andrew wrote instructing the EDC Board members to "markup" the County contract with NICE. It was not me that tried to rewrite the contract – it was the board under Andrew's direction. I never challenged the legitimacy of the NICE contract. What I challenged is that the EDC contract employees took their version (with a raise included), not the EDC Boards version, of the contract to the Board of Commissioners. It was approved and signed by NICE and

the County without the EDC. If I had been given the chance as an EDC board member to vote on the contract I would have voted not to renew as written. I base this on the lack of accomplishments in the previous contract period and their lack of adherence to prudent business practices and their inability to take and use constructive and much needed recommendations for improvement. The current contract has no expectation of performance or anything specific that can be used for a benchmark for productivity.

Yes, I did question a check on a loan disbursement and Andrew backed me up on this to hold delivery. The EDC contract employee had written the loan for terms that were not what the EDC Board had approved. Total disregard for the board's decision in which the contract employee was not in favor of. Yes, we had to have a Special Board meeting to approve the erroneous terms on the note so that it would be a legally board approved loan. The reason for it being "held up" is totally the fault of the actions of EDC contract employee. Not me.

Yes, I did hold up a NICE contract payment, I never refused it, because the Clerk's office needed further documentation on file in their office. A copy of the last NICE contract. Once that was received, the payment was given. Most recently, NICE has been submitting requests for loan proceeds without documentation of the approval of the loan by the board. It seems that they have no regard for set procedures.

It is the one of the fiduciary responsibilities of each EDC board member to make sure that we maintain compliance with regulation, laws, and set board policy and procedures. Questions as it relates to this is not harassment. It is prudent business practice. Each time that I asked the EDC contract employee a question he would reply in an insulting and indignant tone. He gave me the feeling that he had something to hide. Always on guard. Not a good feeling to give a board member. There must be a check and balance to deter future problems that the EDC is no stranger to.

Andrew, you state that privacy for loans is part of the EDC Bylaws. No, it is not. Here is what the bylaws state: The corporation shall maintain a policy of confidentiality which shall be established through resolution approved by the Board of Directors. The Board of Directors has not adopted a confidentiality policy. The Revolving Loan Fund "key" that I passed out to our board members did not have any non-public information contained in them. All of the information could be obtained by anyone from public information.

You state that I would manage the overall efficiency of the EDC monthly meetings with a slew of paperwork "gotchas" and parliamentary maneuvers that has nothing to do with "promoting county economic activity". I do not know what "gotchas" are. As for parliamentary maneuvers, yes, I constantly had to say "Point of Order" so you would move the meeting along and stop the side-bars and ramblings – a primary responsibility of chair is to facilitate the meetings. You need education or major assistance in the areas of facilitating meetings and parliamentary procedure. Just trying to help out a fellow board member. THIS IS ALL A PART OF BEING AN EDC BOARD MEMBER WHICH IN TURN "PROMOTES COUNTY ECONOMIC ACTIVITY"!

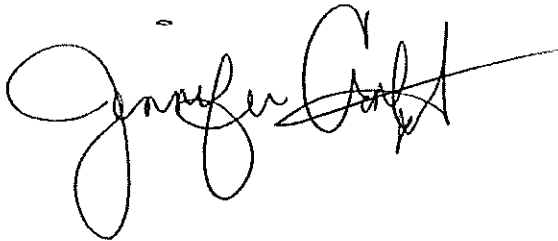
There is nothing covert in my recommendation to the board to hold an organizational meeting. You are way off base. I have not "ignored our supporting documents". Per Section 7, of EDC Bylaws, annual Meeting. "An annual meeting of the board of directors shall be held on the second Wednesday in the month of January in each year beginning with the year 2018 for the purpose of electing officers and for

the transaction of such other business as may come before the meeting. If the election of officers shall not be held on the day designated herein for any annual meeting or any adjournment thereof, the board of directors shall cause the election to be held at a regular or special meeting of the board of directors as soon thereafter as conveniently may be. Further, it was decided in December 2017 by an opinion from our Prosecuting Attorney that the EDC would be a Corporation. We decided that we would delay our January 2018 annual meeting which is allowed by our bylaws until such time that we had a regulated 9-member board. February 28, 2018 the Board of Commissioners approved an 11-member board. On March 19, 2018 the Board of Commissioners accepted the 11 recommendations to the Board. As you showed by attachment, I made a recommendation to the board at our May EDC meeting to hold our Organizational (Annual) Meeting on June 13, 2018. Nothing covert action, no effort to remove the current chair (a majority vote of the board would be needed – I can't do it alone!). If you were apposed to the motion why did you vote yes???

If this doesn't shoot holes in your "for cause" then I just don't know what does! The bad thing about all of this is that you have wasted your time and the time of the Board of Commissioners and mine by handling this matter so badly. Your first option should have been to meet with me and we could have solved all of your concerns rather quickly. What really surprises me that you did not give me a chance to respond to such allegations before taking it to an OPEN PUBLIC BOARD OF COMMISSIONERS MEETING!!!

Also, why didn't you get a consensus of the EDC board or do you make the decisions without the other board members and with only the advice of the EDC contract employee (his title changed remember). Were you afraid that the board would not vote in accordance with your plans. This is not an ethical move by a Chairman.

Since you have accused me in a public forum, I will be answering your accusations in a public forum.

A handwritten signature in black ink, appearing to read "Jennifer Galt". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.