**MEMORANDUM**

TO: MCOG General Assembly

FROM: Brian Dancause

SUBJ: Proposed Amendment to MCOG Bylaws

DATE: November 18, 2024

At its October 24, 2024 meeting, the MCOG Board of Directors voted in favor of the following amendment to the MCOG Bylaws for approval by the MCOG General Assembly.

**Proposed Amendment:**

**Section 3. Loan Committee (page 9)**

**d.** The Loan Committee ~~shall act by providing recommendations to the Board of Directors for action unless specifically authorized to act by Board of Directors resolution~~ is authorized to approve or deny loan applications, following review of eligible loan requests, as presented to it by a qualified loan underwriter. A Chair and Vice-Chair and other members of the committee shall be nominated by the committee.

Note: If the proposed amendment to MCOG Bylaws is approved by the General Assembly, MCOG shall obtain liability insurance coverage for Loan Committee members.

**Background:**

In the process of updating its Policies and Procedures Manual, a conflict between MCOG Bylaws and our Loan Committee policies and procedures was discovered. Excerpts from current bylaws below:

**MCOG Bylaws: Section 3.d. Loan Committee (page 9)**

“The Loan Committee shall act by providing recommendations to the Board of Directors for action unless specifically authorized by Board of Directors resolution.” **Section 3.d. Loan Committee**

**MCOG Loan Committee Policy and Procedures Manual: Purpose (page 3)**

“The purpose of the MCOG Loan Committee is to review and evaluate loan requests from applicants seeking financing utilizing various loan programs administered through the Midcoast Council of Governments. The Loan Committee is responsible for approving or declining such loan requests.”

Under Loan Committee Responsibility (page 3), the manual further states that “the Loan Committee has been granted the authority to approve or deny loan applications by the Executive Committee of MCOG…”