

PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



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PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES November 14, 2017

Call to Order

Chairman Ed Rarick called the November 14, 2017, Prairie Development Corporation Board meeting to order at 7:00PM held in Limon Colorado at the TA Truck Stop – Country Pride Restaurant. In addition to Chairman Ed Rarick, members participating included: Jerry Allen, Robert Safranek, Dorothy Stone and Grant Thayer. Candace Payne, PDC Administrator, also attended. Steve Burgess, Rol Hudler, Niccie Tanner and Marilyn Ward were unable to attend.

Introductions

PDC Administrator Candace Payne noted attendance of five board members as Steve Burgess departed for another meeting at 6:30PM. A quorum was declared as five members of nine were in attendance.

Approval of Minutes of June 28, 2017

The Minutes of the meeting of June 28, 2017 were declared approved as presented by Chairman Rarick as there were no corrections or additions.

Financial Report

The 2017 June, July, August, and September Advanced Classified Balance Sheets were provided and subsequently reviewed. PDC Administrator Candace Payne drew attention to the cash balance which had decreased in August and September as investment Certificates of Deposit (CD) were purchased during those months as approved by the Board to be within the bank's public funds limits and to avoid bank fees. The June checks for \$30,459.99; July checks for \$34,044.73; August checks for \$418,681.99 and September checks for \$266,143.95 were reviewed. Candace further explained the paid checks' purposes which included loans made, typical monthly expenses, and CD purchases. After reviewing the checks and the account balances, Dorothy Stone made a motion to ratify the bills and approve the financial reports for filing. Jerry Allen seconded the motion, which passed unanimously.

Business Loan Recommendations

Loan Committee recommended the approval of: 1) the \$50,000 loan application for the Kit Carson County autobody shop business using either the state collaborative (MEP) loan fund or CDBG Open Contract to be secured by a first lien UCC filing and a second lien position on real estate, contingent upon with the local lender providing \$40,000 and the appraised value of the building meeting or exceeding the purchase price of the building. Terms offered are: \$540 monthly payments for 96 months at 5.25% fixed interest with a balloon payment of any unpaid balance with a 1% origination fee due at closing; and 2) the two Business Improvement Loans (BIL) were presented for ratification. Loan #20170915 for \$17,000 for a business in Kit Carson County to buy business property and for working capital. The borrower has made payments, so the report reflects those payments. Another BIL loan #20170916 made in Cheyenne County for \$5,000 for advertising and working capital, which has received payments reducing the principal balance. Robert Safranek made a motion to ratify the BIL loans and approve the business loan presented. Dorothy Stone seconded the motion, which passed unanimously.

Housing Loan Requests

Loan Committee recommended ratification of loan #17DPA87 in Cheyenne County. The household of four qualified to borrow PDC funds at 73% of median income. Terms include payments of \$75.00 per month for 113 months beginning December 1, 2017 at 8% fixed interest. Dorothy Stone made a motion to ratify the loan as presented. Robert Safranek seconded this motion, which passed unanimously.

Harvest Heights Housing Project

Candace reported the closing on the USDA loan has occurred and construction started the next day with fencing the perimeter and the leveling the ground. The PDC loan was closed also with Stratton Area Foundation and we await the state's contract due by December 31, 2107, before the grant funds may be drawn down. Construction is moving along well with the good weather.

Potential Loan Activity

Candace reported she has very few requests in the pipeline now. A mailing of our loan programs will be initiated by year end.

Audit Follow Up

The 990 Report has been filed with the IRS as of August 3, 2017.

Live Plan Update

Currently, we have no new users of the online software. The annual renewal license will be up in January 2018. Candace requested continue licensing as it is an easy program to use and is user friendly, permission was granted to continue at a cost of \$120 annually.

SBDC Update

Information from the Greeley SBDC office staff shows Craig Curl (Elbert County) has twenty-five clients who have created 15.5 jobs with capital investments of \$345,900 obtained \$210,000 of loans and supported sales increase of \$442,000. Troy McCue (Lincoln County) has seventeen clients with no jobs created, no capital investment or no sales increase reported this year. Candace reported Kit Carson County and Cheyenne County are being serviced by telephone or video conferencing by the Greeley office staff. Cheyenne Wells has one client on record and no other impact. Kit Carson County has three clients with no impact. The Greeley staff report includes an attempt was made to host a webinar or seminar in late 2017 for Burlington, but a local venue could not be secured so an event will be planned in early 2018.

After Board discussion, the Board determined the 2017 support is available for Cheyenne and Kit Carson Counties in 2018. Candace was directed to hold all matching funds until January 2018 and to develop a quarterly arrangement to support SBDC in proportion to the demand for service in our region. A contribution for Elbert and Lincoln counties in the amount of \$5,000 may be issued with an arrangement for quarterly reports on activity for Troy and Craig so the funds serve a economic development purpose as originally intended.

Apprenticeship/Scholarship Program

Ed Rarick presented a brief overview of an idea of offering an apprenticeship program to help build and strengthen the pool of young professionals who might consider returning to the rural area after some higher education which could be college, trade school or other educational training. Certain industries like government, education, military, and tradesmen offer a debt reduction agreement. A rural opportunity zone like Kansas offers might be an idea for Colorado suggested Chairman Rarick. Ideas were discussed, and Candace mentioned the eastern plains economic developers were meeting soon and she would ask if there was an existing program or interest in initiating a conversation around this topic. The Board thought PDC should be involved in this conversation and may plan a future event in 2018 to discuss it.

Other

Candace received a phone call earlier today about a scenario in Lincoln County possibly involving a case of bed bugs. The question was asked of the Board if we would grant funds to treat the bug infestation. After discussion, it was determined we had no funds to grant for this situation. Candace will follow up with the requester.

Next meeting

There is no meeting scheduled for December. The next meeting will be January 24, 2018, at the Claremont Inn in Stratton. A memo will be sent about the details. The February meeting will be determined later.

Adjournment

Chairman Ed Rarick adjourned the meeting at 8:15PM when nothing further was brought forth.