

# PRAIRIE DEVELOPMENT CORPORATION

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## COLORADO'S CENTRAL PLAINS



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### PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES June 28, 2017

#### **Call to Order**

Chairman Ed Rarick called the June 28, 2017, Prairie Development Corporation Board teleconference meeting to order at 7:00PM. In addition to Chairman Ed Rarick, members participating included: Steve Burgess, Rol Hudler, Robert Safranek, Niccie Tanner, Grant Thayer, and Marilyn Ward. Candace Payne, PDC Administrator, also participated. Jerry Allen and Dorothy Stone were unable to participate. Lori Hendrick of May Jackson Hendrick joined the call later to present the audit report.

#### **Introductions**

Roll was called by PDC Administrator Candace Payne with seven board members and Lori Hendrick, our auditor on the call along with Candace. Mrs. Hendrick was introduced when she connected on the line.

#### **Approval of Minutes of March 15, 2017**

The Minutes of the meeting of March 15, 2017 were provided via email prior to the meeting. Niccie Tanner made a motion to accept the Minutes as emailed. Rol Hudler seconded the motion, which passed unanimously.

#### **Financial Report**

The 2017 March, April and May Advanced Classified Balance Sheets were provided via email and subsequently reviewed. The March checks for \$5,627.27; April checks for \$21,223.71; and May checks for \$87,766.58 were then reviewed. Candace explained the paid checks purposes which included loans made, typical monthly expenses, and other operational expenses. After reviewing the checks and the account balances, Marilyn Ward made a motion to ratify the bills and approve the financial reports for filing. Steve Burgess seconded the motion, which passed unanimously.

#### **Business Loan Recommendations**

The Loan Committee ratified the two loans #20170424 (Revolved) for \$17,000 and #20170629 (BIL) for \$4,500 both in Kit Carson County as presented. The Statewide Collaborative BLF policy was discussed during Loan Committee and a vote was cast to maintain the current lending authority for this fund to be consistent in operations. That motion passed in Loan Committee and the policy is approved to allow loans up to \$25,000 be approved by staff and any exceeding \$25,000 will go before Loan Committee.

#### **Housing Recommendations**

PDC's Loan Committee ratified the down payment assistance housing loan #17DPA86 for \$8,760 in Elbert County for a household of three be approved. A second lien position will be secured with the property. Loan terms are: \$75 per month payments for 176 months accruing interest at a rate of 6% per annum. Only loans exceeding \$25,000 must come before the Board as all lesser loan amounts are approved by staff and ratified by the Board in the Loan Committee meeting.

#### **Harvest Heights Housing Status**

Candace reported that Amy Martel, administrator of Stratton Harvest Heights Housing project, has notified us (PDC) that the project's closing date is anticipated in July. The CDBG Project Income account balance of approximately \$75,514 and the portion of the HOME Project Income balance necessary to bring the total of the two funds to \$240,000, are still earmarked for the Stratton Harvest Heights housing project. Contracts have been drawn up to provide PDC's funds to the project. As each source of funds (CDBG and HOME) have specific expenditure requirements, the Stratton Foundation must provide PDC with a written outline as to what each fund will be used for. This must be in place before the final contracts can be presented to the Foundation.

### **Potential Loan Activity**

Candace reported she has a couple applications circulating for the Statewide Collaborative BLF that may have some construction included in the application. The CDBG Open Contract funds have \$81,700 available to lend. These funds and other PDC funds may be used with the Statewide funds to close a loan. Candace encouraged the Board to keep our loan programs in mind in their area.

### **Live Plan Update**

Live Plan, the online business plan writing program, has been used or accessed by three loan clients so far stated Candace. The clients report it's easy to use and helps them draw conclusions on their business. Two loans have been funded from these clients using Live Plan.

### **SBDC Update**

Candace received information from the Greeley office on our services in Elbert and Lincoln counties. She reported Craig Curl (Elbert County) has fifteen active clients with capital investments of \$6,000 and sales increase of \$135,000 attributed to SBDC assistance. Candace reported Troy McCue (Lincoln County) has seven active clients with no capital investment or sales increase reported this year. Candace reported Kit Carson County activity is increasing even though there is no visible person working in the county. At this time, Candace refers the callers to the Greeley SBDC staff for remote counseling. In September, a Greeley SBDC staff member will visit both Kit Carson and Cheyenne Counties to be introduced to former and current clients with Candace present if feasible. Candace and Lisa Hudson of Greeley SBDC office are working together to find a person capable of handling the two counties.

Lincoln County Economic Development Corporation and Troy McCue have requested a PDC letter of support for LCEDC's application to obtain fund a satellite SBDC office in Limon. The \$5,000 match PDC currently provides to Greeley's SBDC office could be shown as support for the application. Steve Burgess suggested the PDC Board consider supporting LCEDC's application to improve and increase business counseling services in Lincoln County due to recent growth in the area. The application specifically requests funds to hire a part-time staff to assist with SBDC services based in Limon serving Lincoln County. After discussion, the Board authorized Candace to write a letter of support demonstrating PDC's commitment to SBDC services in Lincoln County via either a contribution to the Greeley SBDC or directly to LCEDC for the next three years.

### **Audit Presentation**

Lori Hendrick of May Jackson Hendrick joined the call to present the 2016 PDC Audit Report. Mrs. Hendrick thanked the Board for the opportunity to perform the audit and for the staff's cooperation and efficiency during the audit. PDC's audit earned the "unmodified" opinion from the auditor which is a new term. PDC's audit was previously given an "unqualified" opinion which is the highest determination awarded. Mrs. Hendrick reviewed the Audited Financial Statements Version #2 provided to the Board in their emailed packet. The internal controls remain effective and appropriate given the organization's size, the risk is minimal and acceptable as set by the Board, and staff is diligent in maintaining accuracy and organization of the business stated Mrs. Hendrick. Following a brief discussion, Chairman Rarick thanked Mrs. Hendrick for her time and expertise to which she gave her thanks to the Board. Mrs. Hendrick disconnected from the call.

Rol Hudler made a motion to accept the 2016 PDC Audit Report as presented. Robert Safranek seconded this motion. Motion passed unanimously. Candace will notify Lori Hendrick of the Board's acceptance vote so the 990 Report may be filed and the adjusting journal entries may be recorded.

### **Other**

In the Board packet was a letter from Cooper Clark Foundation showing a \$2,000 check for support of Old Town's new greenbelt project. Former PDC Administrator Jo Downey recently worked with Old Town Director Nikki Wall to help fund the newest tourism project using life-size historical characters to be displayed in the greenbelt park west of Old Town's museum. These funds will be used to purchase the first character to display in various locations in Burlington to increase financial support of more characters intended to attract travelers off Interstate 70. Candace will email a photo of the character and project idea after the meeting. Other grant funders have been solicited to partner on this project.

### **Next Meeting Date/Location**

There will not be a July meeting due to county fairs. For the August 23<sup>rd</sup> meeting, Grant Thayer offered to host again in Kiowa which was agreeable to the Board. The meeting will be held at the old courthouse building located at 215 Comanche Street off Highway 86. We will start with Loan Committee at 5:00PM followed by a meal and then reconvene for the regular meeting at 7:00PM. The September meeting is planned for the 20<sup>th</sup> anticipated to be in Limon.

**Adjournment**

Chairman Ed Rarick declared the meeting adjourned at 7:57PM.