

PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



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PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES August 22, 2018

Call to Order

Due to the absence of Chairman Ed Rarick, Vice Chairman Dorothy Stone called the August 22, 2018, Prairie Development Corporation Board meeting to order at 6:30PM held at Limon's TA Truck Stop – Country Pride Restaurant. Members attending, in addition to Dorothy Stone, were: Jerry Allen, Steve Burgess, Rol Hudler, Robert Safranek and Marilyn Ward. Candace Payne, PDC Administrator, also attended. Ed Rarick, Niccie Tanner and Grant Thayer were not able to attend.

Introductions

Introductions were made at the beginning of Loan Committee and no changes were made to the attendee's list.

Approval of Minutes of June 20, 2018

The Minutes of the June 20, 2018, meeting were reviewed. Rol Hudler made the motion to approve the Minutes as presented. Marilyn Ward seconded the motion, which passed unanimously.

Financial Report

The May, June and July of 2018 Advanced Classified Balance Sheets Reports were provided to the board and subsequently reviewed. The May checks for \$12,894.19; June checks for \$155,893.76; and July checks \$135,978.48 were reviewed. Check purposes included loans made, building repairs, attorney fees, board mileage, matching funds to ECCOG, investment CDs, SBDC sponsorship and typical monthly expenses. After reviewing the checks and the account balances, Jerry Allen made a motion to ratify the bills and approve the financial reports for filing. Rol Hudler seconded the motion, which passed unanimously. Steve Burgess recommended Candace get bids to update the lighting in the PDC property and see what it would entail to use K.C. Electric's rebate program. A decision based on the rebate program and costs would be discussed at a future meeting.

Business Loan Recommendations

Loan Committee recommended approval of the Lincoln County business loan #20180711 for ratification. The \$16,500 loan to a home improvement business carries the terms of 60 monthly payments of \$312.27 at 5% fixed interest with no collateral. Steve Burgess made a motion to ratify this loan as recommended by Loan Committee. Robert Safranek seconded the motion. A unanimous ballot was cast in favor of the motion.

Housing Recommendations

There were no housing loan applications to approve or ratify at this meeting. Three Down Payment Assistance applications are in the hands of prospective borrowers now.

Harvest Heights Housing

Candace reported Stratton Area Foundation plans to pay back the final \$1,000 as soon as the final reports and actions are satisfied. Of the twelve units, only six were empty at the end of July. Questions were raised about a lack of demand by agricultural workers for housing and how that was handled. It is the understanding of Candace that the Foundation may lease units to non-agricultural families after a time has lapsed demonstrating there is no demand, however if demand arises, the non-agricultural family would have to re-locate within a specific time.

Statewide Collaborative BLF

PDC has an allotment of the statewide Micro Enterprise business loan fund available until September 30th for approximately \$45,000. Candace reminded the board that these funds may be used for “character” loans which could include construction and higher risk clients for various loan purposes with terms of eight years or less carrying little to no collateral. The fixed interest rate is tied to Wall Street Journal Prime plus up to 2%. Candace has one application out to a potential borrower which could use PDC’s allotment.

Potential Loan Activity

Candace reported there are two active loan applications out which included Revolved or CDBG monies totaling up to \$420,000. The applicants are working on their business plans with SBDC staff and have a primary lender for the larger portion of the requests. If an interim Loan Committee meeting is needed for approval, Candace will alert the chairman to call a teleconference. There have been four inquiries about the loan programs in July and August each. Candace reported many people are unhappy to learn we don’t finance 100% of their needs and require a primary lender.

SBDC Update

Jennifer Negley of the Greeley SBDC will host a Cyber Security for small business webinar on September 24 at Burlington’s Morgan Community College. Interest was expressed to host this Cyber Security session in the whole region. Dorothy Stone expressed her thoughts that almost any business in Elbert County would benefit from it. The webinar is free. Candace will ask if more session can be offered or see if September’s session could accommodate more people and if it allows remote access from any location? (Note: webinar is not available in Sept for any other location other than Burlington MCC.) Discussion on the received SBDC services for 2018 was noted as improved but not near enough for the money we support them with. Jenn and Candace have a plan to increase the counseling services in Cheyenne County in 2019. At this time, Cheyenne County has had no services in 2018. Discussion was held regarding increasing the service in Kit Carson and Cheyenne counties and increasing referrals from Lincoln and Elbert or reduce sponsorship. The increased workshops have been good, but loan referrals as intended or hoped for have not been received. Rol Hudler mentioned the Chamber and City of Burlington were supporting SBDC also.

Apprenticeship/Scholarship Program

Dorothy Stone directed the board’s attention to the new handout provided at the meeting that superseded the one provided in the emailed packet on apprenticeship or scholarships. Even though Ed Rarick who originally brought up the idea was absent, the group continued to discuss and establish parameters for the scholarship including eligibility based on place of residency, online or on-site courses, the amount to give, skill or trade focus and choosing a recipient and alternate. It was decided a claw back or pay back would be hard to enforce and the scholarship should be paid directly to the school on the student’s behalf during the second term. The board determined the whole group may review the blind applications and decide who to offer the scholarship to starting in spring of 2019. Trades or skills mentioned were: plumber, electrician, welder, mechanic, mason, carpentry, and cosmetology and possibly other jobs that had a short-term training need. Candace will update the criteria and provide it to the board for more consideration prior to the next meeting. (This update was emailed on August 23)

The board also considered the mentorship program which briefly included finding or asking people to mentor and in what field. Typically, colleges offer the mentorship during the summer months, so the mentee can work directly and consistently with the mentor. It was decided to table this discussion until the next meeting, so more ideas could be gathered on who might mentor and where there was a need.

Other

The final document shared during the meeting was a Jobs Equivalent chart provided by the State Demography office and vetted by the Office of Economic Development and International Trade. The sample four pages show how a job created in one of our counties compared to Denver jobs. If Cheyenne County were the example, one job created in that county is the equivalent of 458 in Denver. And if one job was lost in Cheyenne County that equates to 458 jobs lost in Denver. This chart can demonstrate the impact of job creation or loss of one county compared to any other county in Colorado.

Next meeting

The next meeting will be for October 17, 2018 in Limon at TA Truck Stop’s Country Pride Restaurant starting at 5PM. If a loan application is received and needs approval prior to that date, the Chairman may call a teleconference meeting. The November meeting date was not chosen. For the year end meal and meeting typically held at the Claremont Inn, Steve Burgess suggested having a catered meal or possibly eating with the East Central Council of Governments board. The Limon caterer could be an option. It was noted COG does not meeting in January due to elections and PDC does not meet in November.

Adjournment

Vice Chairman Dorothy Stone adjourned the meeting at 7:32PM when no further discussion was brought forth.