

**DEVELOPMENT CHENANGO CORPORATION**  
**FINANCE COMMITTEE**  
**MEETING MINUTES**  
**March 25, 2019**

**Present:** C. Olin, D. Shea, J. Telesky, S. Marshman

**Via Phone:**

**Absent:**

**Contract Staff:** S. Craig, A. Larsen

**Finance:** S. Cwynar

**Guest:**

**I. Call to Order**

J. Telesky called the meeting to order at 8:06

**II. Minutes**

Upon review motion to approve the December 13, 2018 Finance Committee meeting minutes made by D. Shea, seconded by C. Olin. Ayes all. Approved.

**III. Financial Report**

S. Cwynar reviewed the February 28, 2019 financial statements. S. Cwynar said there has not been any activity on the Sunrise Family Farms account in a year.

J. Telesky asked if there was any new information on their status. S. Craig replied that they have new part-owners in a large international. They have paid off their STREDC loan and should be able to start paying off the DCC loan.

S. Cwynar said some adjustments will need to be made to the depreciation schedule for 2019. Aged receivables are \$14,000 (\$13,000 of which is reserved).

S. Cwynar said there was no transfer from investments this year. Gross profit for the year is \$200,000 and expenses for the year are \$200,000, creating a break even. Loan activity is at a positive \$5,000. Investment activity is up \$96,000. Total net income for first two months is \$79,000.

S. Cwynar said that there were revised budget amounts because investments had been inadvertently placed in the budget when it typically isn't.

D. Shea asked if there were any updates on the Artist's Palette. S. Craig said that the owner was forming a non-profit called Creative Works and wanted to assign the lease to that.

Upon review motion to approve the budget and February 28, 2019 financial statements by C. Olin, seconded by D. Shea. Ayes all. Approved.

**IV. Other Business**

J. Telesky introduced the Mikalunas agricultural loan application.

S. Marshman said that the requested reason for the loan seems to be for feed that has already been purchased and consumed. S. Craig said that the DCC loan would essentially be used to reduce the interest payments to the feed company.

D. Shea asked if this would fall under the mission of the loan fund as re-stated during its conversion from dairy to general agriculture. S. Craig said that the mission of the agricultural loan fund is fairly broad and essentially covers expansion or increased capacity of any agricultural operation.

D. Shea said that the loan request doesn't appear to fall under even this expanded mission.

S. Craig said that the lack of outside investment or owner equity also poses an issue, as DCC loans are not meant to be the sole source of funding on any given applicant project.

The committee decided that they would be unable to proceed with the loan because the application did not fall under mission of the organization.

Motion to decline the Mikalunas Farms application by D. Shea, seconded by C. Olin. Approved.

J. Telesky introduced the Lilley Farms loan application.

S. Craig said that Lilley Farms had a previous loan through the dairy revolving loan fund. They began as a feed store and are now looking to construct a barn and purchase cows.

D. Shea said that they were light on equity and that there was some uncertainty regarding the collateral.

S. Craig said that there is a new administrative services agreement that needs to be reviewed by the committee. There are no changes from the previous agreement.

Motion to accept the 2019 administrative services agreement by C. Olin, seconded by S. Marshman. Ayes all. Approved.

J. Telesky introduced Resolution 2019-10, Amend Business Assistance Loan – Apple Creek Golf Course.

S. Craig said that the owners requested that they make interest only payments for a period of three months during their off-season, and extend the loan period by three months.

Motion to recommend Resolution 2019-10 to the full board by C. Olin, seconded by D. Shea. Ayes all. Approved.

S. Craig discussed the Norwich meadows project. DCC involvement may no longer be necessary, as they've found another partner on the project.

## **V. Adjournment**

Motion to adjourn by C. Olin, seconded by D. Shea. Ayes all. Meeting adjourned at 8:39 a.m.