

**DEVELOPMENT CHENANGO CORPORATION**  
**FINANCE COMMITTEE**  
**MEETING MINUTES**  
**June 14, 2018**

**Present:** C. Olin, M. Weaver, D. Shea, J. Telesky

**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 8:05 a.m.

**II. Minutes**

Upon review motion to approve the March 22, 2018 Finance Committee meeting minutes made by M. Weaver, seconded by D. Shea. Ayes all. Approved.

Upon review motion to approve the May 21, 2018 Finance Committee special meeting minutes by M. Weaver, seconded by D. Shea. Ayes all. Approved.

**III. Financial Report**

S. Craig provided an update on Sunrise Family Farms. While they have missed several payments, they are looking for solutions. They may enter into an agreement with a General Mills owned LLC. wherein their Greene property would be purchased, the proceeds used to retire their debts, and production continued with the company's guidance.

M. Weaver asked if there has been any change to their route 23 facility or if any changes were planned. D. Shea said he had seen signs of work being done there. S. Craig said that would also be the location of the Distributed Sun solar array.

Upon review motion to approve the May 31, 2018 financial statements by D. Shea, seconded by M. Weaver. Ayes all. Approved.

**IV. Other Business**

S. Craig provided an update on Hidden Springs Brew House. After the May 21, 2018 special finance committee meeting at which their loan application was discussed and tentatively approved, M&T Bank restructured the deal. M&T is using a different SBA program, removing a lender, and increasing the amount of their loan. This would place DCC behind \$300,000 instead of the original \$200,000.

D. Shea said that DCC was secured against the owners' house.

J. Telesky said that with SBA programs, a collateral shortfall within the business can cause them to resort to personal assets. This is part of their policy and may supersede DCC's claim on the house.

S. Craig said that DCC's next action will be to wait for SBA's approval, and see how the collateral landscape shifts. The finance committee will then have to reconsider.

S. Craig said that Phil and Lisa Proskine have applied for a \$50,000 agricultural revolving loan to purchase 35 cows. They previously received a \$45,000 loan which was paid off in early 2018. Their previous interest rate was 2.5%, which was below our floor but closer to comparable regional dairy loan programs.

S. Craig said that regarding the Value Holdings loan, DCC is waiting for more information on their Baltimore property, which figures into the collateral arrangement.

S. Craig said an upstart trucking company is in the process of applying for a loan.

## **V. Adjournment**

With no further business motion to adjourn made by D. Shea, seconded by M. Weaver Ayes all. Meeting adjourned at 8:32 a.m.