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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, November 13, 2018
4303 Route 9
Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Loan Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on November 13, 2018. Robert Sherwood, Acting-Chairman, called the meeting to order at 8:32 am.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Excused	
John Lee	Committee Member	Present	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
Tony Jones	Committee Member	Present	
Brian Stickle	Committee Member/Alternate	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	8:45am
Lisa Drahushuk	Administrative Supervisor	Present	

Minutes:

Mr. Stair made a motion, seconded by Mr. Lee to approve the minutes of the October 23, 2018 meeting. Carried.

Portfolio Review:

Mr. Tucker stated Mr. Calcagno was one payment behind. He noted he and Ms. Lane had completed a review of the Loan Loss Reserves.

Mr. Tucker asked Mr. Howard to review loan documents to determine if they currently require CEDC permission to obtain additional funding. He asked Mr. Howard to provide a list of options. Mr. Sherwood suggested language that would require CEDC maintain first payment position over any investors.

Mr. Tucker stated CEDC's oldest SBA loan had been paid off. He stated the reserve funds for that account had been deposited in the newest reserve account and the process had begun to drawdown the remaining \$150,000 in SBA funds. He noted the reserves in the SBA accounts would begin to be monitored on a



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quarterly basis in order to maintain a level consistent with SBA regulations. The Portfolio report was recommended to the full board.

Loan Requests:

Vanessa Elizabeth Enterprises, LLC.

Ms. Lanes stated the request had been placed on hold by the business owner.

Karyn Dornemann:

Ms. Lane stated the request was for \$12,000 to purchase a long arm quilter. She stated the loan would come from SBA funds. The interest rate would be 7%, with a 48 month term. The collateral consists of all business assets and a personal guaranty. *Mr. Stickles made a motion, seconded by Mr. Stair to approve the loan as presented. Carried.*

Loan Program Business Plan:

Mr. Tucker stated he had engaged Brian Zweig to draft a business plan for the loan program. He stated as part of that process several staff members would be participating in sales training from Sandler Sales Training which has worked with CEG.

Mr. Tucker asked Ms. Lane to review the two loan management software programs they had been investigating. He stated he was concerned if the amount of loans doubled or tripled, the management of the program would become impossible for staff to keep updated. Ms. Lane gave a brief overview of the two programs, Down Home Solutions Loan Management Software and TEA Loan Management Plan. She stated Down Home offered only a subscription service but had been enabled by the SBA to allow uploading of information to the SBA website. Ms. Lane stated the risk rating and tracking of technical assistance would also be done by the software.

Ms. Lane stated the cost was \$280 per month, without any additional modules. Mr. Stickles asked if he could do participate in a demo of the product. Ms. Lane stated she would share the information allowing him to do that. She noted the software didn't interface with Outlook or act as Consumer Relationship Management. Mr. Sherwood noted as there was a monthly charge and no upfront cost, there was no need for board approval. Mr. Jones stated the committee would recommend the product be installed based upon Mr. Stickles review of the product.

Mr. Tucker stated Mr. Vanderbeck would be drafting the financial procedure manual. As part of the process, a certified Quickbooks trainer would be reviewing and making suggestions regarding the processes. He stated the software would eliminate many of the steps currently required for the loans.

With no further business to come before the committee and no public comments, Mr. Stickles made a motion, seconded by Mr. Stair, to adjourn the meeting. Carried.

The meeting adjourned at 9:05 a.m.

Respectfully submitted by Lisa Draushuk