



ECONOMIC DEVELOPMENT CORPORATION

FINANCE COMMITTEE

Meeting Minutes

Friday, June 7, 2018 – 8:00 a.m.
20 Ontario St., Canandaigua, NY 14424
Office of Economic Development’s Conference Room

Board Members Present	Staff/Others Present
Karen Parkhurst, Chair	Michael Wojcik, CFO
Rob Sollenne, Vice Chair	Sue Vary, Economic Development Specialist
Walt Matyjas	Brigitte Larson, Staff
Board Members Excused	

Call to Order: Chairperson Parkhurst called the meeting to order at 8:04 am. A quorum was present.

GENERAL BUSINESS:

Approval of December 7, 2018 Minutes: Karen Parkhurst presented the December 7, 2018 minutes for approval.

Rob Sollenne made a motion to approve the minutes of the December 7, 2018 meeting as presented, seconded by Walt Matyjas. Unanimously approved.

Assured Edge Solutions:

Michael Wojcik explained that Dan Rao had two companies, Assured Edge Solutions and Healthier Way. The two companies were merged effective January 1st of this year with Assured Edge Solutions, LLC as the surviving company. Dan Rao is 100% owner. The Company is looking for assistance to purchase equipment totaling \$246,387. \$100,000 would be funded by the OCEDC and \$100,000 would be funded by the City of Geneva. Michael presented the Company projections in detail, which also displayed the concern of sufficient collateral. The Company currently has two full time employees and is expected to create ten (10) jobs over the next three years. It was debated on whether or not the Company will be able to hire the expected amount of employees, depending on growing season as well as equipment, but that there will be positions to be filled with the bagging process and metal detection. It was discussed that Dan is extremely motivated, committed and passionate about his business. It was also mentioned that Dan has secured an agreement with a local grocer that will result in a large purchase order. The Committee discussed that this would be a high risk loan due to the lack of collateral, and suggested that the Company would need to secure additional capital. The majority of the Company’s assets would be the equipment.

Walt Matyjas made a motion to recommend approval of the Assured Edge Solutions loan in the amount of \$100,000 contingent on:

- A loan term of seven (7) years (84 months) with interest at 75% of the Prime Rate as published in the Wall Street Journal or 3%, whichever is higher at the time of closing.
- Second security interest in all assets of the Company.
- Personal guarantees of Daniel Rao, 100% shareholders of Assured Edge Solutions, LLC and his spouse.
- Life insurance in the aggregate for the loan amount of \$100,000 on Daniel Rao. Borrower is responsible for all premiums and ensuring that the policy remains in force for the life of the loan. Insurance may be reduced to the outstanding debt balance during the term of the loan.

With the following amendments, if the Board elects to do so:

- Additional capital, between \$50,000 and \$100,000, amount to be determined by the Board.

Adjournment: Rob Sollenne moved to adjourn at 9:21 am, seconded by Walt Matyjas. Unanimously approved.

Respectfully submitted,

Brigitte Larson