



ECONOMIC DEVELOPMENT CORPORATION

FINANCE COMMITTEE
Meeting Minutes

April 3, 2015 - 8:30 a.m.

Board Members Present	Staff/Others Present
Karen Parkhurst, Chair	Michael Wojcik, CFO
John Sheppard	Sue Vary, Economic Development Specialist
Board Members Excused	Mike Manikowski, Executive Director
Rob Solenne	

Chairperson Karen Parkhurst called the meeting to order at 8:34 a.m. A quorum was present.

Approval of January 9, 2015 minutes: *A motion was offered by John Sheppard, seconded by Karen Parkhurst to approve the minutes of the January 9, 2015. Unanimously approved.*

SDC Construction Services, Inc. (SDC): Sue Vary began the discussion by reviewing the Project Memorandum with the committee. She indicated the project was for working capital and debt consolidation. The project will retain 27 jobs and create six full time jobs over three years. Michael Wojcik proceeded to review the projections completed by both the management of SDC and OCEDC staff. Both projections, supported by historical audited financial statements, indicated that SDC would not have the capability to pay the loan as it does not cash flow. A lengthy discussion ensued and a consensus was reached. *A motion was offered by John Sheppard and seconded by Karen Parkhurst to not recommend approval of the loan to the OCEDC Board. As an alternative, the Committee would recommend the following actions take place: (1) inquire if SDC has employee theft insurance, (2) talk with SDC’s banker to see if they will help SDC put a plan in place to emerge from their dire situation, and (3) Michael Wojcik will review figures with Jim Spelman. Unanimously approved.*

Pacemaker Steel Loan Covenant Waiver: The Committee reviewed a request from Pacemaker Steel for the OCEDC to waive a debt service coverage ratio for 2014. This ratio requirement was waived in 2012 and 2013, also. *Karen Parkhurst moved to recommend waiving the covenant and John Sheppard seconded the motion. Unanimously approved.*

Adjournment: *A motion was offered by John Sheppard and seconded by Karen Parkhurst to adjourn at 9:21 a.m. Unanimously approved.*

Respectfully submitted,

Michael Wojcik