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**Motion: D. McAtee**  
**Second: A. Dunham**  
**NCA LRC Approved: 01/10/2019**

**North Country Alliance Local Development Corporation**  
**Loan Review Committee Meeting**  
**January 3<sup>rd</sup>, 2019 at 2PM**  
**Minutes**

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Thursday, January 3<sup>rd</sup>, 2018 at 2 PM via conference call. Dial information 1-800-977-8002 Participant Code 368009#.

**Present:** Franz Philippe, Steve Hunt, Tom Plastino, Deb McAtee, Ross Pancoe, and Al Dunham

**Excused:** Marijean Remington, Ron Bacon, and Brian Gladwin.\*

\*Note: Ron Charette resigned from the NCA Board and all committees

**Others:** Matt Siver (DANC), Dave Zembiec, Lyle Eaton (JCIDA), and Michelle Capone (DANC)

**Call to Order:** The meeting was called to order at 2:04 PM by Tom Plastino (Chair)

**I. New Business:**

- a. T. Plastino welcomed Franz Philippe as the new member to the loan review committee to replace Ron Charette. All of the members briefly introduced themselves to Franz.
- b. Meeting Minutes (Approval of Minutes December 13, 2018)
  - i. Motion: D. McAtee
  - ii. Second: S. Hunt
  - iii. All Approved 01/03/2019
- c. Portfolio Overview:
  - i. Mace Chasm Farm made their interest only payments through December 2018 and according to Essex County Soil and Water the grant funds should be received around the end of January 2019 for final payoff to the North Country Alliance.
- d. NCA LRC Request from Chamberlain, LLC for \$157,500 for 15 years at 5% (prime minus one percent with a floor of 5% fixed at closing)\*.
  - i. \*Previously tabled at 12/13/2019 meeting for more detailed cash flow projections and global cash flow analysis. M. Siver presented the revised

information provided by the Chamberlain's and included in the write-up. The Chamberlain's provided cash flow savings based on a revised projected schedule of payoffs over the next 5 years. M. Siver attached the schedule as Appendix A to the write-up and provided a summary table of the information showing reduction in cash flow payments from 2018 through 2023. The committee had questions in regard to any additional purchases that were not outlined. M. Siver indicated that according Mike Pierce at Community Bank the bank does not anticipate any large capital expenditures over the next three years in regard to equipment purchases or building improvements to the acquired property. R. Pancoe indicated that there must be some form of capital purchases and he wanted to see a more detailed breakdown of cash vs. financed equipment with income projections for the request. M. Siver indicated that he requested projections from the Chamberlains and this was the information provided. M. Siver indicated it wasn't an excuse but the quick turnaround between meetings did not help their cause. The committee indicated that they would like to see more detail in the form of a Pro Forma, although it was not required by Community Bank. M. Siver also indicated that he provided additional analysis on their personal financial statements that included monthly payments. M. Siver gave a breakdown of their surplus/deficit income. Paul's Salary is \$60,015 with current liabilities of \$27,120 providing a buffer of \$32,895 annually. John's Salary is \$60,700 with current liabilities of \$97,472 providing a cash flow shortfall of - \$36,772. Overall the committee still had questions in regard to Cap Ex financing and wanted to see a more detailed Pro Forma. M. Capone asked committee that if the Chamberlain's were able to work on a Pro Forma over the weekend and if we were able to get the information by Monday, January 7<sup>th</sup> if they would entertain a meeting on Thursday, January 10<sup>th</sup>, at 2PM to review and the majority of the committee agreed they could attend. M. Siver sent out a meeting invitation for January 10<sup>th</sup>, 2019 at 2PM.

1. Motion to Table: A. Dunham
2. Second: D. McAtee
3. Motion to Table Approved 01/03/2019

**II. Adjournment:** The meeting was adjourned at 2:46 PM.

The next North Country Alliance Loan Review Committee meeting is scheduled to be held on January 10th, 2018 at 2 PM. The meeting is in addition to the regularly scheduled NCA Loan Review Committee monthly meeting.