

COMMUNITY IMPROVEMENT CORPORATION

Lake County Board of Trustees Quarterly Meeting

Hellriegel's Restaurant, Painesville, Ohio

Thursday, July 24, 2003

President Gilmer called meeting to order at 12:00 p.m.

ATTENDEES: Michael Evangelisa, William Flynn, David Gilmer, Dale Landbehn, Caroline Luhta, Mort O'Ryan, Frank Ragely, Neil Sawicki, Gretchen Skok DiSanto, Greg Waina

PROXY: David Anderson, Robert Aufuldish, Morris Beverage, Phillip Blair, Mark Cook, James Gills, Robert Mahler, William Margalis, Darrell Webster, Jerry Youngberg

ABSENT: Timothy Brainard, John Crocker, Lorraine Fende, Thomas Gilles, James Hayer, Verne Horton, Patrick Kelly, Gary Kostura, Lee Lydic, Greg O'Dell, Michael Patriarca, Bryon Pike, Edward Podojil, William Reid, Patrick Rositani, Robert Shiner,

OTHERS: Jessie Duncan, John Hawkins, Catherine Haworth

Minutes

Minutes for the Quarterly Meeting of the Board of Trustees, April 24, 2003, were mailed, reviewed and approved. M: Langbehn; 2nd: Horton. Approved.

Treasurer's Report

Mr. Waina, treasurer, presented the treasurer's report referring to the four accompanying financial statements. Those statements include financial reports period ending March 31, 2003, financial reports period ending June 30, 2003, Balance Sheet as of June 30, 2003 and the 2002 Audit provided by Heiser & Jesko. Mr. Waina noted the annual audit was a good clean opinion and that we are now in compliance with the accrual system of accounting. Within the last two years The center has not had to transfer any monies from the savings or reserve accounts. Cathy Haworth has done a great job staying within the budget. Motion to approve Treasurer's report. M: Sawicki; 2nd: Skok DiSanto. Approved.

Lake County Economic Development Center Executive Director's Report

SBDC-

The LCEDC will remain lead center for 2004. There is a new consultant, Greg Pike, working at the Cleveland Office at EDI. He is there two days a week.

Procurement Technical Assistance Center-

This year PTAC has 321 active clients, and has seen \$2.1 million in awards for 2003, which is 63% of their goal. They have held 410 counseling sessions and have done extensive training and outreach presentations including NEOMicroelectronics Optics and Photonics. Recently, they held a very successful Government Service Agency workshop at Lakeland Community College. PTAC is currently trying to form key partnerships with Akron, Cuyahoga County and other communities to generate some in-kind assistance. Upcoming events include: Government Contract Procurement Proposal Writing Seminar and ISO Workshop as well as a Better Known Business Summit and Cleveland Matchmaking Event.

International Trade Assistance Center-

David Simerly, program director, is working very closely with JETRO (Japanese External Trade Organization). He has helped a client create WebPages in Japanese for their Japanese clients. Mr. Simerly has over 250 counseling hours this year and has been working on the June 2004 World Trade Center Conference where he will be an active participant as well as a co-sponsor.

Enterprise Zone/Site Selection-

Cathy Walsh, program director, has been working on getting two projects approved: Pet Processors and MetChem. Pet Processors in Painesville Township is waiting for final documents to take agreement to commissioners. MetChem in Wickliffe also has a project for review. In Mentor, they are working with a confidential company for a \$15 million investment in personal property. The Barry Deming project has been extended, yet again, for another month. The Center should know something by August 23rd.

Revolving Loan Fund-

We have received our community development block grant for this year; however, they will not be funding us next year. Hence, we are in process of looking for other sources of revenue. We have submitted a \$94,000 application to the SBA for the micro-enterprise funds. These funds are loan funds not grant money. There is a 10-year repayment. Ms. Haworth has reviewed the repayment schedules and concludes the terms are favorable. There will be a request to the Small Business Assistance Corporation for \$5000 that will be used as The Center's portion of the matching cash needed. Ms. Walsh has also been networking with banks to see if they are interested in assisting with the micro-enterprise loan fund.

SBA 504 Loan Program-

This program has seen a lot of payoffs because conventional financing has been so attractive. In contrast, we have seen a lot of new loans because SBA financing is also attractive. To date six loans have been approved. The SBA recently authorized two of those loans 1.) Backtrack, debenture amount of \$338,000 and 2.) Semper Quality Industries, debenture amount of \$229,000. Our total debentures on the six loans total over one million dollars. With two additional loans in the works, there should not be a problem achieving the goal of 8 loans this year.

Membership-

The Membership Drive is doing well. We have received \$65,450 to date and we have another \$5400 to be billed. Compared to last year, we are \$5000 ahead. Jim Setele is following up with our clients to help us achieve our income goal.

Lease at Lake Erie College-

Dr. Layden and Ms. Haworth have discussed the renewal provision of their current lease. The renewal would stand under the current guidelines and arrangements with two additional requirements: The LCEDC program directors will be making presentations to business classes and The Center will be utilizing interns. The staff at The Center is excited about bringing interns in to help complete special projects that will enhance each program.

Team NEO-

A committee has been formed in Lake County to analyze what role Lake County should be playing in regards to Team NEO. A meeting has been scheduled for August 13th. Lakeland Community College will be hosting the event.

Website-

Janie Stewart has been working hard on the new revamped website. It should be ready to launch soon.

Health Insurance-

At the LCEDC Board of Advisors meeting on July 8, a committee was formed to research and present The Center with better healthcare options. Currently The Center's policy pays 100% for full-time employees, which is becoming expensive. The Center is ineligible for group coverage. Members of the committee are P. Rositani, D. Gilmer and D. Langbehn.

Other Business

There is a council invoice for the period of May through July for \$2325. M: Langbehn; 2nd: Evangelista. Approved.

Michael Evangelista has contacted the county auditor's office regarding the CIC having it's own website. According to the Ohio Revised Code, the county can support the website, meaning the county will do the web preparation as a free service. While the website idea is still in brainstorming stage, a committee will be meeting with the county's data processing department to start developing the website (posting the by-laws, membership lists, mission statement, links etc.). In order to take advantage of this service, we need a letter of request to the county auditor. Ms. Haworth has agreed to draw up such document.

Mr. Gilmer nominated Mr. Langbehn as Assistant Treasurer to the executive committee. M:O'Ryan; 2nd: Luhta. Approved.

Past attendance of the organization has been examined and letters of interest have been sent to some members. As a result, three letters of resignation were received: A. James Totin, Tom Gilles and Howard Rabb.

The next regular meeting is scheduled for October 23, 2003. Motion to adjourn at 1:00 p.m. M: Langbehn; 2nd: Evangelista. Approved.

Meeting went into executive session after adjournment.

Respectfully submitted,

Jessie Duncan