

REVOLVING LOAN COMMITTEE

AGENDA

May 17, 2021

1. OPEN MEETING – The Canaan Revolving Loan Committee met on May 17, 2021 at 8:00 AM. Those present: Tammy Crawford, Odette Crawford, Jean Ladd, Noreen Labrecque, Frank Sawicki, Jr (via zoom) and Sarah Kirk.
2. APPROVE MINUTES October 2, 2019 MEETING MINUTES – On a motion by Odette and seconded by Jean the October 2, 2019 RL Committee meeting minutes were approved as written.
3. APPLICATION FROM Sarah Kirk - The Committee reviewed that application.

Sarah gave an overview of their business plan and future operations of the business. They plan on employing at least 3 employees – thinking high school students. Some of the ideas for the business include Pool league, birthday parties which would include pizza from Quechees, party favors and games, ice cream, arcade games. They plan on being open 55 hours per week year-round.

Sarah has a meeting this week with the ATV Club to see about re-routing the ATV trail to dump off behind their building in the parking lot instead of on RT 253 where it did last year. This will slow them down and encourage business.

Some of the points of concern by the Committee were:

- a) The 25% down payment was not clearly indicated. Sarah stated that they figured the amount they have invested with their own funds for the renovations and upgrades to the building would count towards the 25% down payment.
- b) The business does not have any collateral showing. Sarah indicated that the only collateral they have are construction equipment and the Soft Serve machine.
- c) No License and permits were included. Sarah will provide these to the board.
- d) Odette had questions about insurance on property. Sarah said that Frank Ounan (owner of the building) is carrying the insurance and that is included in their monthly rental of the building. Odette asked if the lease agreement she has with John Shatney (arcade game owner) included insurance? Sarah will check into this.
- e) The Committee would like a copy of an agreement between Frank Ounan and them for use of the building and what the rental includes.
- f) Tammy asked that Sarah provide a three- year projection of the business showing how they expect the income will cover the debt.

- g) The Committee members suggested that Sarah consider seeking out a co-signer to secure a personal guarantee.
- 4. REVIEW BUDGET STATUS – Noreen gave the Committee members a spreadsheet of the loans and their balances along with the bank balances to date.
- 5. OTHER BUSINESS – No other business was conducted.
- 6. ADJOURN MEETING – The May 17, 2021 Revolving Loan Committee meeting was adjourned at 9:20 AM.