



LETTER FROM THE PRESIDENT

Dear Friends,

PERC experienced continued progression in fulfilling and broadening its mission during the fiscal year ending June 30, 2015. PERC continued to pursue its mission to promote and assist the growth of small businesses, working with other lenders and organizations that share similar goals.

The progression is continuing into fiscal year 2016 through expanded collaboration with other organizations that are allowing PERC to reach more small businesses and expand the impact of its programs. At the same time, PERC is reflecting on its role in economic development in Berkshire County and initiating a strategic planning process.

The City of Pittsfield's CDBG Small Business Loan and Technical Assistance Grant Programs are core components of PERC's small business assistance activities. A microloan program was added and the first loan was provided to business start-up.

Technical assistance grants were awarded to seven small businesses to assist them with starting, stabilizing and growing their businesses. Funding from the Massachusetts Growth Capital Corporation supplemented the City of Pittsfield's CDBG Technical Assistance Grant Program, which allowed PERC to expand activity in this area.

PERC continued to assist the City of Pittsfield with implementation of the Pittsfield Small Business Fund. PERC monitored the loans that were made in the prior year. PERC conducted a financial evaluation of a new applicant and recommended to the Mayor the loan structure for loans to a small business expanding in Pittsfield.

PERC looks forward to exploring new opportunities and continuing to build relationships with other Pittsfield and Berkshire County economic development organizations, including I Berkshire, the Berkshire Chamber of Commerce, the regional office of the Massachusetts Small Business Development Center, SCORE, and Berkshire Enterprises.

Our volunteer directors contribute their valuable time and business acumen, without which PERC would not be able to achieve its goal of fostering small business growth and change. I thank them for their commitment and support.

PERC's relationship with the City of Pittsfield has been most beneficial in advancing the City's and PERC's economic development efforts. PERC greatly values the support supplied by the Department of Community Development.

J. Jay Anderson
President

BOARD OF DIRECTORS
(As of June 30, 2015)

DIRECTOR

COMMUNITY

J. Jay Anderson, President	Lanesborough
Mark McKenna, Vice President	Lenox
Barry J. Clairmont, Treasurer	Pittsfield
Robert S. Cohen	Pittsfield
Warren Dews, Jr.	Hinsdale
Laurie Green	Pittsfield
Brian Johnson	Pittsfield
William D. Mulholland	Becket
Marshall Raser	Pittsfield
Matthew J. Scarafoni	Pittsfield
Richard H. Vnette, Jr. (Retired from the board after 6/30/15)	Lanesborough
Janis K. Akerstrom (Joined the board after 6/30/15)	Pittsfield

STAFF

The City of Pittsfield's Department of Community Development provides staff to the Corporation. Ann Dobrowolski serves as the day-t o-day administrator and is Clerk of the Corporation. She has overall responsibility for marketing, packaging and servicing loans and technical assistance grants, and also is responsible for the management of Westwood Center.

Christina Botz, Community Development Accountant provides bookkeeping, accounting, and portfolio management services for PERC. Deborah Courtney serves as Executive Secretary to the corporation.

MEMBERSHIP **(As of June 30, 2015)**

Jay Anderson
Richard Bordeau
Christina Botz
Christine Burke
Barry Clairmont
Robert Cohen
Dalton Couig
Gwen Davis
Warren Dews, Jr.
George Diehl
Linda Diehl
Ann Dobrowolski
Michael Ferry
Steven Fogel
Bonnie Galant

Joseph Gelinas
John Gigliotti
Laurie Green
Ronald Griffin
Jack Hickey
William Hines, Sr.
Brian Johnson
Nathaniel Karns
Matthew Kerwood
William Lander
Phillip Massery
Mark McKenna
David Milligan
Michelle Moore
William Mulholland

Thomas Patton
Melissa Provencher
Janet Pumphrey
Marshall Raser
David Renner
Renee Robbins
Rick Robbins
Jeffrey Rose
Matthew Scarafoni
Kevin Schmitz
Will Singleton
Richard Stanley
Corydon Thurston
Richard Vinette

New Member Since
June 30, 2015:
Janis K. Akerstrom

TECHNICAL ASSISTANCE FOR SMALL BUSINESSES

PERC provides technical assistance to new and growing businesses for financial planning, accounting and other professional guidance. PERC coordinates with the Small Business Development Center, SCORE and other professional technical assistance providers to direct businesses to appropriate consulting services and financing sources.

In fiscal year 2015, PERC awarded two technical assistance grants using Pittsfield's Community Development Block Grant funds and five technical assistance grants using funds provided by the Massachusetts Growth Capital Corporation:

<u>Grantee</u>	<u>Amount</u>	<u>Purpose</u>
East Coast Refinishing & Surface Stripping	\$4,113	Marketing plan to assist business with promotion of specialized services and reaching new markets
Love's Beauty Studio	\$5,000	Assist start-up business with training and financial management
OMAI / Window Expert	\$10,000	Trade software, & systems and accounting services to improve financial management
Berkshire Net Results	\$535	Computer & software and training materials to support start-up
KMS Signs, North Adams	\$2,600	Website development and marketing to reenergize business
WTPI Service	\$1,500	Upgrade computer equipment and software for financial management
Bruce's Hardware, East Otis	\$15,865	Support young business with financial services, business systems & software, development of web presence and training

CDBG SMALL BUSINESS LOAN PROGRAM

PERC manages a revolving loan fund that is funded by the City of Pittsfield's Community Development Block Grant. Loans are awarded to businesses that are starting up or expanding, and creating jobs. Since the inception of the program, PERC has provided more than \$2,930,000 in business loans to forty-nine businesses through the revolving loan fund.

PERC established a microenterprise program in FYI 5 that allowed income-qualifies owners of businesses with 5 or fewer employees to apply for up to \$15,000 and up to 95% financing. One new microenterprise loan was approved during the year:

<u>Borrower</u>	<u>Amount</u>	<u>Purpose</u>
Love's Beauty Studio	\$15,000	Equipment, inventory & operating capital for start-up business



Love' s Beauty Studio, Pittsfield

PITTSFIELD SMALL BUSINESS FUND

The City of Pittsfield established a Small Business Fund in 2013 for technical assistance, working capital and capital investment loans to growing businesses. PERC was selected by Mayor Daniel Bianchi to perform financial reviews of applicants and make loan structure recommendations to the Mayor. Three business loans were made in prior years. In fiscal year 2015 PERC made a favorable loan recommendation and the Mayor approved a capital investment loan of \$100,000 and technical assistance of \$20,000 to Advance Machine & Tool. PERC continued to monitor the loans and conduct annual reviews to evaluate performance and make recommendations for loan forgiveness, if the businesses meet job creation benchmarks, or loan modifications as needed to support growth of the businesses.

REGIONAL AND STATE FINANCING PROGRAMS

PERC is able to guide Berkshire County small businesses to alternative financing sources. PERC coordinates with Common Capital, Massachusetts Growth Capital Corporation, MassDevelopment and other Massachusetts quasi-public agencies that offer business assistance programs.

WESTWOOD CENTER

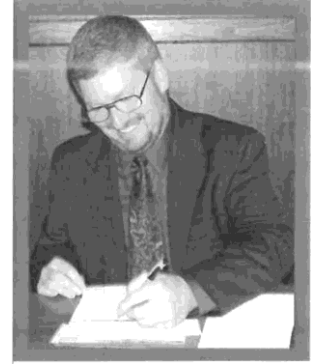
Westwood Center, a municipal industrial park, is managed by PERC on behalf of the City of Pittsfield. The park is located on Pittsfield Municipal Airport property, off Barker Road. Seven businesses have long-term ground leases and they own their own buildings. During FYI 5, the ground lease of Westview Properties, Inc. was assigned to Shaw Real Estate, LLC to facilitate the sale of the building and continued operation of the business located there.



William MuJholland, Rod Jane, Donald Rochelo and Stephan Boyd present at PERC's 2015 Annual Meeting a program on Advanced Manufacturing - Opportunities for Berkshire County.



FINANCIAL REPORT SUMMARY



Barry Clairmont, PERC Treasurer

STATEMENT OF REVENUES, EXPENSES For the Year Ended June 30, 2015

	<u>Total All Funds</u>
Total Revenues	\$123,340
Total Expenses	<u>(101,208)</u>
Excess of Revenue Over (Under) Expenses	<u>22,132</u>

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES As of June 30, 2015

Assets

Cash-Operating Fund	\$175,242
Cash-Revolving Loan, Technical Assistance, 108 & MA Broadband Funds	241,122
Cash-Jobs for Pittsfield	9,777
Fees, Interest & Grants Receivables	37,024
Mortgages & Notes Receivables	947,484
Less Allowance for Uncollectible Loans	<u>(441,145)</u>
Total Assets	<u>\$969,504</u>

Liabilities and Fund Balances

Liabilities	\$429,082
Fund Balances	<u>540,422</u>
Total Liabilities and Fund Balances	<u>\$969,504</u>