

**COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD**

*******Wednesday, March 20, 2019*******

****** 10:00 A.M. ******

Hood River Library Meeting Room
502 State Street
Hood River, Oregon

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Introductions Conflict of Interest Disclosures	5 minutes	Information
February 2019 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Seufert Enterprises, LLC	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Loan Updates, Reports and Modification Requests	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Review of the Pilot Program	10 minutes	Discussion
OIB Budget and Contract	20 minutes	Recommendation
Other New Business, Good of the Order	10 minutes	Information
Adjournment		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance please contact MCEDD at (541) 296-2266 at least 48 hours before the meeting so arrangements for appropriate accommodations can be made.

Executive Session Protocol Oregon Investment Board

After discussion agenda items are presented in open session by OIB staff, the OIB Chair will state the following: "Pursuant to ORS 192.660(f), Exempt Documents, I call the Executive session of the Oregon Investment Board to order"

OIB Chair asks all non-staff and non OIB members to leave the meeting. Staff will explain to visitors where they can wait and that they will be invited into Executive Session when their agenda item will be discussed.

For each discussion item on the agenda for Executive Session, the OIB Chair will follow the following procedural steps:

1. Invite the loan applicant (or their representative) into the Executive Session for the presentation of their loan request. OIB Chair requests a brief presentation from OIB staff on a summary of the loan proposal or other discussion item.
2. After presentation of information by staff, the OIB Chair asks if there are any questions for the loan applicant or OIB staff.
3. Following questions and discussion by the OIB, the loan applicant (and/or their representative) is asked to leave Executive Session with instruction that they will be invited into the Open session when Executive Session is adjourned.
4. OIB Chair asks OIB members if there is any discussion related to loan request that needs to take place before inviting the next loan applicant or other persons in to Executive Session for the next discussion item.
5. Additional discussion between the OIB members takes place then Steps 1-5 are repeated for each following discussion item for Executive Session.

At the end of discussion, the OIB chair will close the Executive Session. The OIB moves back to open session. At this point, the OIB Chair can ask for a motion of the decision items in open session. Open session is when the OIB can make decisions on agenda items.

COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD

Wednesday, February 20, 2019
Farmer's Conservation Alliance Meeting Room
102 State Street, Hood River, Oregon

ATTENDANCE

OIB Members: Jack Miller, John Kasberger, Jorge Barragan, Craig Bowder, Jill Amery, Tammy Miller (*teleconference*), John Southgate (*teleconference*)
Staff: Amanda Hoey, Eric Nerdin, Lauren Hernandez, Siri Olson

CALL TO ORDER

Jack Miller called the meeting to order at 10:00 a.m. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS

Jack Miller requested any board member disclose any conflict of interest for any of the topics to be reviewed. None were noted.

Jorge Barragan introduced himself and gave a summary of his background. He has been a resident of the Gorge for the last 24 years and looks forward to representing the small-business community on the Oregon Investment Board.

DECEMBER 2018 MINUTES

Jill Amery moved to approve the minutes from December 19, 2018, as corrected. Craig Bowder seconded the motion. Motion passed unanimously with one abstention (Jorge Barragan).

Discussion: Jill Amery noted a minor typographical error in the minutes which staff has since updated.

FINANCIAL REPORT

Siri Olson reported that the Pilot Program funds have been completely disbursed, and a total of \$265,395 has been loaned. There are currently no pending loans, though the \$5,000 grant for Columbia Gorge Community College has not yet been disbursed. Accounts Payable is \$7,947.72 for the month of January, which includes Legal Services, Filing Fees, and contract payment with MCEDD. Principal, Loan Late Fees, and Interest amounts include adjustments for a \$5,000 check that was received in December 2018 but returned NSF in January 2019. The returned check resulted in reducing the revenue sources in the January financials. Interest earned is \$13,545.99, including the adjustment from the NSF check. As of January 31, 2019, Total Available to Loan is at \$958,131.16.

Discussion: John Kasberger asked why the grant to CGCC has not yet been disbursed. Amanda Hoey explained the college's project is complete but they have not yet submitted for reimbursement and have until June to do so.

John Southgate joined the meeting.

Craig Bowder moved to accept the financials as presented. John Kasberger seconded the motion. Motion passed unanimously.

LOAN REPORTS AND MODIFICATION REQUESTS

Amanda Hoey noted discussion would focus on the previously conditionally approved loan to Hage Electric.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:11 a.m.

Regular Session reconvened at 10:24 a.m.

LOAN ACTIONS

John Kasberger motioned to acknowledge the correspondence from the loan applicant but decline to reimburse for expenses. Jill Amery seconded. Motion passed unanimously.

FOOD/BEVERAGE GRANT UPDATE

Amanda Hoey explained the OIB provided a \$5,000 grant to Columbia Gorge Community College to analyze the kinds of programming that could address the needs of the food and beverage industry in the Gorge. Funds for the study came from the EDA, the OIB, and the college’s own matching funds. Thomas P. Miller & Associates and Northwest Food Solutions conducted the study with restaurant and industry partners as well as conducted an analysis of CGCC facilities. The study results outline a program matrix with a lowest-to-highest level of certainty recommendation. The primary focus is Workforce/Contract Training, as this weighs heavily towards workforce demand and ensuring students have an opportunity for employment after finishing the program. The next priority focus is offering an AA in Food Science and Fermentation, followed by a Certificate in Culinary Arts and offering Community Education. CGCC has a commercial kitchen on site, which OIB helped fund in the past. The study found that only 11% of the kitchen’s potential use is currently being utilized. Potential investments were identified to help the facility become more useful and to help market the space. Additional opportunities are listed in the study, including the recommendation to partner with other institutions to provide additional pathways for students.

Discussion: Jack Miller asked if the study will change the direction or implementation of funding by the CGCC Board. Amanda replied the board received the study results in January, but she is not certain of the discussion that was held. One main focus of the CGCC Board is the skills center, so discussion may center around how to align the food and beverage study and the skills center with other elements going on at the college.

FCA FACILITY UPDATE

Amanda Hoey explained the OIB funded the renovation of the old Sheppard’s Building by the Farmers Conservation Alliance. The renovations are nearing final completion, and the Board will have the opportunity to tour the space after the meeting.

Discussion: Jack Miller gave brief background on FCA, including that the loan to renovate the building is the OIB’s second loan to FCA.

FCA FACILITY UPDATE

Eric Nerdin provided an update on delinquent loans and directed the board to the loan delinquency report.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:33 a.m.

Regular Session reconvened at 10:43 a.m.

OTHER NEW BUSINESS

John Kasberger asked staff to compile information on the Pilot Program, including what the purpose of the funds were, how the funds were distributed, the repayment rate so far, and if the program proved

beneficial enough to continue in the future.

Discussion: Amanda Hoey explained the OIB will have the chance to discuss the Pilot Program during upcoming budget discussions. The Board can determine if it would like to make another allocation for the Pilot Program at that time. John asked what the repayment terms were. Amanda replied three years. Jill Amery noted snow and fire events every few years impact the community and may increase the necessity of the Pilot Program.

Jorge Barragan asked how the OIB determines when to grant funds versus when to loan them.

Discussion: Amanda explained grants up to \$10,000 are available for non-profit and government entities. Grants are not available for private enterprise. Funds are intended to be used for economic development purposes in a way that will advance the economy. John Kasberger added the applicant can choose to apply for a grant or a loan depending on which application they choose to turn in. Jack Miller stated the OIB acts judiciously when approving grants, as the funds are not paid back and are generated through the revolving loan fund. John asked about the remaining grant funds in this year's budget. Amanda replied there was \$20,000 available.

Jill asked for an update on the allocation of the \$2 million dollars remaining from the funds originally allocated in 1986.

Discussion: Amanda explained State senators and representatives and Federal representatives signed a letter of support. Since the last update, staff has been working on obtaining local letters of support. Amanda has not heard from primary federal contacts about the next steps in the process. Farmers Conservation Alliance offered to support the request for allocation while in Washington D.C. Both FCA and Ellson LLC were highlighted in the letter from the Federal representatives. Jill noted the local community is supportive of the allocation request.

ADJOURNMENT: The meeting was adjourned at 10:49 a.m.

Respectfully submitted by Lauren Hernandez, Office Administrator

OREGON INVESTMENT BOARD
DISTRIBUTIONS OF GRANTS & LOANS APPROVED

Report Period: September 2018

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Columbia Gorge Community College	8/14/2017	7/31/2019	5,000.00				5,000.00
							-
Total			5,000.00	-	-	-	5,000.00

Loans Approved/Funded	Date Approved	Expiration Date	Original Loan	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
							-
Total			-	-	-	-	-

**Mid-Columbia Economic Development District
Balance Sheet
As of February 28, 2019**

February 28, 2019

ASSETS	
Current Assets	
Checking/Savings	
1000 · Bank Demand Deposits	
1070 · National Scenic Fund	996,200.38
Total 1000 · Bank Demand Deposits	<u>996,200.38</u>
Total Checking/Savings	996,200.38
Other Current Assets	
1200 · Receivables & Accruals	
1202 · Accounts Receivable	
1222 · Year or Grnt End Receivables	
1227 · Accrued Loan Interest	8,433.11
Total 1200 · Receivables & Accruals	<u>8,433.11</u>
1300 · Loans Receivable	
1370 · OIB Loans Receivable	1,938,098.83
Total 1300 · Loans Receivable	<u>1,938,098.83</u>
1475 · OIB Holding	0.00
1500 · Allowance for Doubtful Loans	
1575 · OIB Allowance	-47,404.77
Total 1500 · Allowance for Doubtful Loans	<u>-47,404.77</u>
Total Other Current Assets	<u>1,899,127.17</u>
Total Current Assets	<u>2,895,327.55</u>
TOTAL ASSETS	<u>2,895,327.55</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · A/P General	8,124.42
Total Accounts Payable	<u>8,124.42</u>
Total Current Liabilities	<u>8,124.42</u>
Total Liabilities	8,124.42
Equity	
3100 · Fund Balances	2,859,190.95
Pilot Program Fund Balance	0.00
Net Income	28,012.18
Total Equity	<u>2,887,203.13</u>
TOTAL LIABILITIES & EQUITY	<u>2,895,327.55</u>

OIB FINANCIAL SUMMARY
REPORT PERIOD: February 2019

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
CASH BALANCE AS OF 06/30/18	1,138,023.35		-
Less Payables	(7,711.90)		-
Plus Accounts Receivable	(1,510.04)		-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	7,738.95		-
ADJUSTED CASH BALANCE 06/30/18	1,136,540.36	-	-
INCOME			
Interest	87,334.07	75,963.88	11,370.19
Loan Processing & Fees	5,953.44	5,953.44	-
Loan Late Fees	990.26	923.01	67.25
Invested Interest	365.18	327.31	37.87
TOTAL INCOME	94,642.95	83,167.64	11,475.31
PRINCIPAL REPAYMENTS	124,956.53	98,588.39	26,368.14
REVENUE BEFORE DISBURSEMENTS	219,599.48	181,756.03	37,843.45
EXPENSES AND PAYMENTS			
Grants Disbursed FY18			-
Loans Disbursed	293,000.00	293,000.00	-
Converted to Principal	-	-	-
Miscellaneous Expenses (Bad Debt Expense)	1.00	1.00	-
Professional Services	63,629.77	55,129.52	8,500.25
TOTAL EXPENSES AND PAYMENTS	356,630.77	348,130.52	8,500.25
ADJUSTED CASH BALANCE	999,509.07	(166,374.49)	29,343.20
LESS:			
Approved Grants not Disbursed	(5,000.00)		
Encumbered Pilot Program Funds	-		
Approved Loans not yet Disbursed	-		
Interest Receivable at Period End	(8,433.11)		
AVAILABLE TO GRANT/LOAN	986,075.96		
LOANS RECEIVABLE BALANCE	1,938,098.83		
PROOF:			
Cash Balance After Reconciliations, 02/28/2019	996,200.38		
Audit Expense Adjustment	3,000.00		
Less Payables	(8,124.42)		
Plus Interest Receivable	8,433.11		
ADJUSTED CASH BALANCE	999,509.07		

REPORT GENERATED BY: Siri Olson

Mid-Columbia Economic Development District
Profit & Loss
February 2019

	TOTAL
Ordinary Income/Expense	
Income	
4600 · Loan Interest	11,370.19
4700 · Loan Processing Fees	0.00
4710 · Loan Late Fee	67.25
4750 · Investment Interest	37.87
Total Income	11,475.31
Gross Profit	11,475.31
Expense	
6400 · Professional Services	
6410 · Legal Services	272.01
6450 · Contractual	7,837.41
6470 · Filing Fees	390.83
Total 6400 · Professional Services	8,500.25
Total Expense	8,500.25
Net Ordinary Income	2,975.06
Net Income	2,975.06

Memorandum

Date: March 14, 2019
To: Oregon Investment Board
From: Amanda Hoey, MCEDD Executive Director
Re: OIB Pilot Program Review

Request: Review the status of the pilot loan program. Determine allocation (if any) to reserve for the program in fiscal year 2020 (July 1, 2019 to June 30, 2020).

Background

Original intent in creating the program was proposed to the board as follows: “Recognizing the challenges of fully utilizing OIB funds and the desire to see our funds out and working in the community, OIB staff is developing a pilot project proposal to allow more prospective loan applicants to be eligible for OIB loans and generate some additional excitement about OIB’s program.” It thus had a dual purpose: 1) marketing and increasing interest in the funds overall and 2) supporting businesses that had a financing need that may not fit into the traditional OIB program.

The board allocated \$250,000 of funds to seed the pilot program and staff developed the attached one page brochure to promote the fund. Shortly after creating the program, the Eagle Creek Fire started. Combined with a challenging winter, the closures of interstate 84 and affects of the fire, a majority of those using the program were using it as an emergency loan funding support.

2019 Use

In order to accommodate an additional business loan, the board approved a small increase in the FY2019 allocation, expending a total of \$265,395. The program was accessed by the following businesses:

Beginning Balance	\$ 250,000
Addition to Program	\$ 15,395
	\$ 265,395
<i><u>Funded Loans</u></i>	
15 Mile Ventures	\$ 30,000
Romul's West LLC	\$ 40,000
Defiance Brewing	\$ 40,000
Terra Cotta	\$ 37,395
Ellson, LL	\$ 18,000
Dog River Pet Supply	\$ 40,000
Lauren Justice, PhD, LLC	\$ 20,000
Mt Hood Podiatry	\$ 40,000
Total Funded	\$ 265,395



Oregon Investment Board Pilot Program

Financing for Small Businesses in the National Scenic Area

We Invite You to Apply!

There is \$250,000 in Columbia River Gorge National Scenic Area Oregon Investment Board funds available for a pilot program that has a streamlined application process, minimal documentation and insurance requirements, ingrained small business counseling, and performance incentives.

Basic Terms

- **Maximum Loan Amount:** \$40,000
- **Eligible Applicant Types:** Entrepreneurs, new business start-ups, expanding businesses, existing businesses for debt refinancing, and most legal business ventures.
- **Term:** Three year loan term
- **Interest Rate:** Dependent on risk criteria, generally 8-12% with performance incentives to lower the interest rate during the loan term.
- **Collateral:** Personal guarantee required; limited collateral required for business showing growth in equity over the prior year.
- **Flexibility in Loan Requirements:** Minimum 5% applicant funds, with up to 95% OIB loan.
- **Minimal Documentation:** Simple application, credit report, references and minimal supporting documentation, such as tax returns and financial statements.
- **Minimal Insurance Requirements:** Basic insurance on collateral and business required;

Do I Qualify?

Contact us to discuss your proposal!

Email: eric@mcedd.org

Call: 541-296-2266

Location: Businesses must be located in the Oregon boundary of the Columbia River Gorge National Scenic Area – Wasco, Hood River, and Multnomah counties.

Small Business Counseling Support: All loan clients are required to obtain business counseling. We are happy to connect you with a business advisor.

How to Apply

Contact us then access the application at:

<http://www.mcedd.org/financing/oregon-investment-board/apply/>





Programa Piloto de Oregon Investment Board

Financiamiento para pequeñas empresas en el área escénica nacional

¡Te invitamos a que apliques!

Hay \$250,000 en fondos del Columbia River Gorge National Scenic Area Oregon Investment Board disponible para un programa piloto que tiene un proceso de solicitud simplificado, requerimientos mínimos de documentación y seguros, asesoría en pequeña empresa arraigada e incentivos de desempeño.

Requerimientos básicos:

- **Cantidad máxima del préstamo:** \$40,000
- **Tipos de Solicitantes Elegibles:** Emprendedores, nuevas empresas de nueva creación, negocios en expansión, negocios existentes para la refinanciación de deuda y la mayoría de los negocios legales.
- **Plazo del préstamo:** Término del préstamo de tres años
- **Tasa de interés:** Depende de criterios de riesgo, generalmente 8-12% con incentivos de rendimiento para bajar la tasa de interés durante el plazo del préstamo.
- **Colateral:** Garantía personal requerida; garantías limitadas requeridas para las empresas que muestran un crecimiento en el patrimonio neto con respecto al año anterior.
- **Flexibilidad en los requisitos de préstamos:** Mínimo 5% de fondos de solicitante, con hasta un 95% de préstamo OIB.
- **Documentación mínima:** Fácil aplicación, informe de crédito, referencias y documentación mínima de apoyo, como declaraciones de impuestos y estados financieros.
- **Requisitos mínimos de seguro:** seguro sobre garantías y negocios requeridos. No se requieren asignaciones de seguro de vida.

¿Califico?

¡Contáctenos para discutir su propuesta!

Correo electrónico:

eric@mcedd.org

Teléfono: 541-296-2266

Ubicación: Las empresas deben estar ubicadas en el límite de Oregon de los condados de Columbia River Gorge National Scenic Area - Wasco, Hood River y Multnomah.

Asesoramiento para pequeñas empresas: Como requisito, todos los clientes de préstamos deberán obtener orientación de negocios. Estamos encantados de conectarlo con un asesor de negocios.

¿Cómo aplicar?

Contáctenos o acceda a la solicitud en:

<http://www.mcedd.org/financing/oregon-investment-board/pilotapply/>

Memorandum

Date: March 14, 2019
To: Oregon Investment Board
From: Amanda Hoey, MCEDD Executive Director and Siri Olson, Finance and Operations Manager
Re: OIB FY 20 Budget

Overview

OIB's funds are included as part of MCEDD's overall budget each fiscal year (annually from July 1 through June 30). We are seeking the OIB's input to appropriately reflect anticipated revenues and expenditures in the agency and operational funds.

Forecasted Revenues

Amounts included in revenue categories are forecasted based upon analysis of prior years' budgets and actual revenues, combined with an informed estimation for future revenues. The following revenue areas are highlighted to provide clarifying information or because the board is requested to review in greater detail:

- You will note a division between current vs projected loans for revenue categories. We have made this division to provide the board with a better way to easily separate the two when analyzing projected revenue.
- Current loan revenue projections are reflective of the loans already in OIB's portfolio, excluding those currently in litigation.
- Projected loans are estimated based on a four year average of lending. An unallocated level of funds is therefore still shown in the carryover expenses. The projected loan amount does not represent a target level of lending (target is higher to allocate available resources)! **Board Discussion: Level of projected loans to include in the budget.**
- OIB beginning balance assumes lending in the last quarter of the current fiscal year meets projections from the FY19 budget (\$77,000 new loans in Q4).
- Loan interest on projected loans anticipates that loans are booked throughout the fiscal year. As it is an estimate, the budget currently divides the total amount of lending in the year evenly by quarter and reflects interest payments starting when the anticipated new loan would be originated.
- Loan fees are included with the standard 1.5% fee on the total amount of the estimated new loans.
- A new Pilot Program reserve is not included in the Budget. **Board direction is requested.**
- Loan payoffs: One of the loans with Farmer's Conservation Alliance is included in the projected principal repayments.
- The revenue included in fees is based on past experience of actual revenue.

Note: Staff will revise revenue estimations if conditions change prior to presentation of the MCEDD Budget committee.

Expenditures

- Grants: Generally we budget grants based upon a review of the projected revenue from interest/fees that may be available in excess of other expenses, and setting aside some of the revenue to grow the principle base of the fund. This process is

intended to ensure we maintain a healthy fund to support the region. ***The board's input is requested on this item.***

- Contractual includes: MCEDD staffing, provided under a contract with the State of Oregon utilizing interest and fees from the OIB programs to cover costs. There is an automatic reduction in the staffing contract if revenue is insufficient to cover expenses. The contract is developed on a biennium with the State, based on the recommendation of the OIB. We have projected a level contract with no increase this year and propose a 2% increase for the following year to keep pace with increasing costs *provisional upon lending levels increasing at a level to exceed that proposed increase*. Detail is provided in the OIB staffing column to detail how the contract is budgeted by MCEDD. ***The board's input and recommendation on the contract is requested.***
- Other: In a number of fiscal years past the Board has included a small amount of resource for marketing. Those costs are not currently included. ***Board discussion is requested.***
- An allocation of funds to legal costs is included as a placeholder for the board to work with legal counsel, as necessary, on troubled loans or other legal action. It is budgeted at the same budget level as FY19 due to anticipated challenged loans. Actual expenditures for legal are as follows: FY17 = \$5,372.00; FY 18 = \$717.50; FY19 through 02/28/19 = \$378.69.
- New Loans are projected at \$317,349 based on the four year actual lending average. ***Board input is requested on the level of new lending vs. carry-over funding projected.***

Request

Review and provide input to advise the budget process.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
HISTORICAL COMPARISON OF BUDGETS**

	A	B	C	D	E	F
1	DESCRIPTION	FY17	FY18	FY 19	FY 20 PROPOSED	1
2	BEGINNING BALANCES					2
3	Program Funds Restricted Available	1,029,399	1,416,111	1,109,363	1,161,139	3
4	TOTAL FUND AVAIL	1,029,399	1,416,111	1,109,363	1,161,139	4
5						5
6	REVENUE					6
7	Contract Reimbursements					7
8	Principal Repayments:					8
9	Current Loans	249,462	451,152	129,510	304,669	9
10	Projected New Loans	12,540	3,803	7,150	8,032	10
11	Loan Interest:					11
12	Current Loans	115,239	91,438	115,538	141,294	12
13	Projected New Loans	11,756	6,105	7,795	4,760	13
14	Loan Fees	5,100	3,300	7,000	8,000	14
15	Other Loan Filing Fees	1,000	350	850	800	15
16	Loan Late Fees	2,300	4,500	2,500	2,500	16
17	Other Revenue					17
18	Invested Funds Interest	700	613	555	581	18
19	TOTAL REVENUE	398,097	561,260	270,898	470,636	19
20						20
21	EVENT SERVICES	200				21
22	PROFESSIONAL SERVICES					22
23	Legal	2,000	6,000	6,000	6,000	23
24	Filing Fees	1,000	350	850	1,050	24
25	Contractual	92,205	92,205	94,049	94,049	25
26	COMMUNICATIONS/TELEPHONE	50				26
27	GRANTS DISTRIBUTED	25,000		25,000	25,000	27
28	REVOLVING LOAN FUND					28
29	New Loans Made	340,000	220,000	308,000	317,349	29
30	Carryover	967,041	1,658,816	946,361	1,188,327	30
31	TOTAL DIRECT EXPENSES	1,427,496	1,977,371	1,380,260	1,631,774	31