

Winnebago County Industrial Development Board

Minutes for Meeting of September 6, 2016

County Administrative Building, 1st floor Conference Room, 112 Otter Ave., Oshkosh, WI

Board Member Present: David Albrecht, Rob Keller, George Scherck, Ken Robl, John Bodnar, Mary Krueger, Linda Kutchenriter, Joel Rasmussen, Mark Harris

Board Members Excused: Elizabeth Hartman, George Dearborn

Others Present: Jerry Bougie, Mitch Foster, Greg Shallbetter, Bob Merriman, Rob Kleman

Meeting Called to Order at 10:00 am by David Albrecht.

1. Election of officers for 2-year terms.

David Albrecht opened nominations for election of IDB Officers for the next 2 year term.

Board Chair: David Albrecht nominated Rob Keller for Board Chair. Other nominations were requested. No other nominations were offered. David Albrecht moved to elect Rob Keller as Board Chairman. Seconded by George Scherck. Motion passed 8-0.

Board Vice-Chair: Rob Keller nominated George Dearborn for Board Vice-Chair. Other nominations were requested. No other nominations were offered. Rob Keller moved to elect George Dearborn as Board Vice-Chair. Seconded by George Scherck. Motion passed 8-0.

Board Secretary-Treasurer: John Bodnar nominated Mary Krueger for Secretary-Treasurer. Other nominations were requested. No other nominations were offered. John Bodnar moved to elect Mary Krueger as Board Secretary-Treasurer. Seconded by Rob Keller. Motion passed 8-0.

2. Approval of IDB minutes from July 27, 2016 meeting.

Ken Robl made a motion to approve the minutes as presented. Motion seconded by Joel Rasmussen. Motion approved 8-0.

Mark Harris arrived to the meeting.

3. Status Report on IDB Loan Programs.

Jerry Bougie summarized the status of the Revolving Loan Programs. The IDB Revolving Loan Fund currently has a loan capacity of \$2,737,040, with \$1,394,974 currently loaned out, leaving \$1,342,066 available for future loans. The CDBG-ED Revolving Loan Fund has a loan capacity of \$804,629, with \$611,425 currently loaned out, leaving \$193,204 available for future loans. Rob Kleman reported that Outlook Group will be paying off their outstanding loan early, within the next few weeks or so. He also indicated that G&J Litho has not made any payments on their outstanding loan since May.

4. Review and decision on \$471,371.42 five year loan extension for Village of Winneconne.

Jerry Bougie summarized the loan extension request by the Village. He indicated the original loan was a 5 year loan for \$600,000 taken out in 2011 and was now due at the end of August, 2016, with a current outstanding principal balance of \$471,371.42. Mitch Foster, Village

Administrator, indicated the reason for the extension is to better assist the loan recipient, Switchgear Power Systems, with an opportunity to refinance their terms with the Village. He indicated that the Switchgear loan with the Village is due on October 9, 2016 and Switchgear's payments on the loan are based on a 20 year amortization. John Bodnar asked the Village if they had the money to pay back the loan with the County. Mitch Foster said they did, but the extension request is to better assist the business. Mark Harris suggested the Village pay down some of the principal on this loan, then refinance the remainder with the County IDB. Joel Rasmussen indicated that the IDB would be getting a better rate of return if the IDB's funds are loaned out compared to the County's own rate of return, as long as there are sufficient loan funds available for future loans. Mitch Foster indicated that the Village would be willing to pay down some of the outstanding principal, then extend the rest. It was suggested that the Village pay down \$150,000 on the outstanding principal, then extend the remaining for 5 years. Jerry Bougie indicated that per the IDB Loan Policies, the extended principal portion would be at an interest rate equal to the 5 year US Treasury rate plus 2% plus a .25% annual servicing fee, which would put the interest rate at 3.4% in total. This might change slightly as the interest rate is based on the date of loan closing.

David Albrecht made a motion to approve the loan extension to the Village of Winneconne contingent upon the Village making a \$150,000 principal payment on the outstanding loan no later than October 9, 2016, and extending the remaining balance of \$321,372 for 5 years at the interest rate terms indicated pursuant to IDB policies. Motion seconded by Mark Harris. Motion passed 9-0. Jerry Bougie will prepare a resolution for the October County Board Meeting regarding the loan extension contingent upon the Village making the \$150,000 principal payment as indicated.

5. Review and Board action on IDB 2017 proposed budget.

Jerry Bougie distributed a copy of the proposed 2017 budget. The budget had already been reviewed by the County Executive in August. He indicated that the most notable change to the budget is a 10% increase in the request for annual operating grants for local economic development projects and programs otherwise known as the per capita funding program. He also noted that the IDB budget is funded by the County Board via an annual miscellaneous interfund transfer in the annual county budget. Some discussion pursued. George Scherck made a motion to approve the proposed 2017 IDB budget as presented. Seconded by David Albrecht. Motion passed 9-0.

6. Adjournment

Motion by John Bodnar, seconded by Joel Rasmussen to adjourn the meeting. Motion passed 9-0. Meeting adjourned at 11:10 am.

Submitted by,

Jerry L. Bougie, Recording Secretary