

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

*******Wednesday, November 15, 2017*******

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

Bridgeside Restaurant
699 NW Wanapa Street
Cascade Locks, OR 97014

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Conflict of Interest Disclosures		
Introductions	5 minutes	Information
October 18, 2017 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Loan Modification Request <i>Full Circle, LLC dba Rivertap</i> <i>Abide Craft Distillers, LLC dba Camp 1805</i>	5 minutes	Information
Loan Request <i>Good Medicine Enterprises, LLC</i> <i>Romul's West, LLC</i> <i>15 Mile Ventures, LLC</i>	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Staff Reports of Loan Actions on Disaster Program	5 minutes	Information
Funded Loans Report and Updates	5 minutes	Information
Other New Business, Good of the Order		
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, October 18, 2017

Hood River Library, 501 State Street, Hood River, OR

ATTENDANCE:

OIB Members: John Kasberger, Jill Amery, Jack Miller, Kristine Mier, Rick Leibowitz, Tammy Miller (teleconference), John Southgate (teleconference)

Staff: Amanda Hoey, Eric Nerdin, Sherry Wickert, Carmen Frost

Guests: Jeri McMaster, Diesel Athletics, LLC

CALL TO ORDER:

Jack Miller called the meeting to order at 10:02 am. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:

Jack Miller requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. None were noted. A round table of introductions took place.

MINUTES

John Kasberger moved to approve the minutes from September 17, 2017, as presented. Jill Amery seconded the motion. Motion passed with one abstention (Southgate).

Kristine Mier joins the meeting at 10:04 a.m.

Rick Leibowitz joins the meeting at 10:05 a.m.

FINANCIAL REPORT:

Sherry Wickert presented the financial report for the period ending September 2017 highlighting the encumbered pilot program funds now listed on the balance sheet to designate the restriction on the \$250,000 available to that program. Sherry stated that the audit went well and we anticipate it to include no findings and an unqualified opinion, so the best possible. She noted a new Finance Manager, Siri Olson, has been hired to train with her before her retirement in November. Amanda noted that copies of the audit are anticipated to be made available to the OIB at the December meeting.

Motion to accept the September financials was made by John Kasberger. Kristine Mier seconded the motion. Motion carried unanimously.

LOAN REQUEST: DIESEL ATHLETICS, LLC

Eric Nerdin presented a loan request for Diesel Athletics, LLC.

EXECUTIVE SESSION:

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

Regular session reconvened at 11:04 a.m.

LOAN ACTION: DIESEL ATHLETICS, LLC

The Board tabled the loan request and requested an updated balance sheet and clarification of business owner's contributions over the past year.

LOAN REQUEST: A HOME SWEET HOME ELDER CARE, INC

Eric Nerdin presented a loan modification request from A Home Sweet Home Elder Care, Inc to extend the loan repayment period and modify the loan terms.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 11:08 am

Regular session reconvened at 11:19 a.m.

LOAN ACTION: A HOME SWEET HOME ELDER CARE, INC

John Kasberger moved to approve the loan modification for a Home Sweet Home Elder Care, Inc as recommended by staff. Kristine Mier seconded the motion. Motion carried unanimously.

- Loan Amount: \$162,705 (estimated)
- Interest Rate: 6.25%
- Loan Term: 180 months
- Loan Fee: \$1,625
- Conditions and Collateral: as listed in the staff report.

LOAN STATUS

Amanda Hoey provided an update on the status of the Hood River Learning Center and the Chapter 11 bankruptcy filing.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 11:20 a.m.

Regular session reconvened at 11:33 a.m.

LOAN ACTION: HOOD RIVER LEARNING CENTER

Rick Leibowitz moved to accept the attorney's recommendation to vote for the plan and elect for the pro-rata share option. Jill Amery seconded the motion. Motion passed unanimously.

PILOT PROGRAM STATUS

Amanda Hoey reported on the status of the pilot loan program and provided the one page English and Spanish description of the program. She stated her appreciation to board member Kristine Mier for supporting translation. Eric Nerdin reported on the response to the program, indicating there had been a few inquiries. Jack Miller asked about SBA loan fund options. Staff noted that this was being pursued by the county emergency managers and OIB financing could act as a bridge in the event those resources were to become available.

FUNDED LOAN UPDATES

Eric Nerdin reported on the status of Root and Cane which experienced an equipment loss when their harvester caught on fire. They are working with insurance and the dealership to stay operational. Eric also presented the loan delinquency report.

NEW BUSINESS

Amanda Hoey provided an update on the status of federal funding. The board discussed the ongoing economic impact from the Eagle Creek Fire including impacts to vineyards and wineries.

Amanda Hoey noted that the next meeting will include discussion on what should be included for the board in the loan reviews.

ADJOURNMENT: Having no other new business, the meeting was adjourned at 11:48 a.m.

Respectfully submitted by Amanda Hoey, Executive Director.

OIB FINANCIAL SUMMARY

REPORT PERIOD: OCT 17

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
CASH BALANCE AS OF 06/30/17	1,412,446.21		-
Less Payables	(8,417.25)		-
Plus Accounts Receivable	144.82		-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	7,106.31		-
ADJUSTED CASH BALANCE 06/30/17	1,411,280.09	-	-
INCOME			
Interest	37,116.56	29,896.53	7,220.03
Loan Processing & Fees	1,238.16	1,238.16	-
Loan Late Fees	211.25	126.75	84.50
Holding Account	-	-	-
Invested Interest	235.97	176.77	59.20
TOTAL INCOME	38,801.94	31,438.21	7,363.73
PRINCIPAL REPAYMENTS	47,974.12	35,187.18	12,786.94
REVENUE BEFORE DISBURSEMENTS	86,776.06	66,625.39	20,150.67
EXPENSES AND PAYMENTS			
Grants Disbursed FY18			-
Loans Disbursed	63,499.80	63,000.00	499.80
Miscellaneous Expenses			-
Professional Services	31,207.50	23,363.75	7,843.75
TOTAL EXPENSES AND PAYMENTS	94,707.30	86,363.75	8,343.55
ADJUSTED CASH BALANCE	1,403,348.85	(19,738.36)	11,807.12
LESS:			
Approved Grants not Disbursed	(5,000.00)		
Encumbered Pilot Program Funds	(250,000.00)		
Approved Loans not yet Disbursed			
Interest Receivable at Period End	(11,055.05)		
AVAILABLE TO GRANT/LOAN	1,137,293.80		
STRUCTURED ACCRUED LOAN INTEREST			
Current Period	3,375.20		
Prior Year Balance	3,751.01		
TOTAL STRUCTURED ACCRUED LOAN INTEREST	7,126.21		
LOANS RECEIVABLE BALANCE	1,486,579.65		
PROOF:			
Cash Balance After Reconciliations	1,400,047.55		
Less Payables	(7,753.75)		
Plus Interest Receivable (Includes Structured Accr'd Int)	11,055.05		
ADJUSTED CASH BALANCE	1,403,348.85		

REPORT GENERATED BY: Siri Olson

Mid-Columbia Economic Development District
Balance Sheet
As of October 31st, 2017

	September 30, 2017	October 31, 2017
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1070 · National Scenic Fund	1,388,076.98	1,400,047.55
Total 1000 · Bank Demand Deposits	1,388,076.98	1,400,047.55
Total Checking/Savings	1,388,076.98	1,400,047.55
Other Current Assets		
1200 · Receivables & Accruals		
1202 · Accounts Receivable	0.00	0.00
1222 · Year or Grnt End Receivables		
1227 · Accrued Loan Interest	7,793.83	7,304.04
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-3,224.77	-3,375.20
1229 · Structured Accts Accr'd Int - Other	6,891.94	7,126.21
Total 1229 · Structured Accts Accr'd Int	3,667.17	3,751.01
Total 1200 · Receivables & Accruals	11,461.00	11,055.05
1300 · Loans Receivable		
1370 · OIB Loans Receivable	1,498,866.79	1,486,579.65
Total 1300 · Loans Receivable	1,498,866.79	1,486,579.65
1475 · OIB Holding	0.00	0.00
1500 · Allowance for Doubtful Loans		
1575 · OIB Allowance	-45,000.00	-45,000.00
Total 1500 · Allowance for Doubtful Loans	-45,000.00	-45,000.00
Total Other Current Assets	1,465,327.79	1,452,634.70
Total Current Assets	2,853,404.77	2,852,682.25
TOTAL ASSETS	2,853,404.77	2,852,682.25
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	7,996.25	7,753.75
Total Accounts Payable	7,996.25	7,753.75
Total Current Liabilities	7,996.25	7,753.75
Total Liabilities	7,996.25	7,753.75
Equity		
3100 · Fund Balances	2,587,334.06	2,587,334.06
Pilot Program Fund Balance	250,000.00	250,000.00
Net Income	8,074.46	7,594.44
Total Equity	2,845,408.52	2,844,928.50
TOTAL LIABILITIES & EQUITY	2,853,404.77	2,852,682.25

Mid-Columbia Economic Development District
Profit & Loss by Class
July through October 2017

4:42 PM
11/07/17
Accrual Basis

	Jul - Oct 17
Ordinary Income/Expense	
Income	
4600 · Loan Interest	37,116.56
4700 · Loan Processing Fees	1,216.00
4705 · Loan Filing Fees	22.16
4710 · Loan Late Fee	211.25
4750 · Investment Interest	235.97
Total Income	<u>38,801.94</u>
Gross Profit	<u>38,801.94</u>
Expense	
6400 · Professional Services	31,207.50
Total Expense	<u>31,207.50</u>
Net Ordinary Income	<u>7,594.44</u>
Net Income	<u><u>7,594.44</u></u>

OREGON INVESTMENT BOARD
DISTRIBUTIONS OF GRANTS & LOANS APPROVED

Report Period: OCT 2017

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
CGCC	8/14/2017	7/31/2018	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			-	-	-	-	-