

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

**\*\*\*\*\*Wednesday, June 28, 2023\*\*\*\*\***

**\*\*\*\* 3:00 P.M. \*\*\*\***

Hood River Library Meeting Room, 502 State Street, Hood River  
Or via Zoom: <https://us06web.zoom.us/j/81294547268>  
Call in: 669-900-6833, Meeting ID: 812 9454 7268

**AGENDA**

| <b><u>Topic</u></b>  | <b><u>Time</u></b> | <b><u>Item</u></b> |
|--|--------------------|--------------------|
| Call to Order, Introductions   | 5 minutes          | Information        |
| April 2023 Minutes   | 5 minutes          | Approval           |
| Financials   | 5 minutes          | Approval           |
| Loan Modification Requests<br><i>Gorges Brewing</i><br><i>Lucy's Informal Flowers</i>                              | 30 minutes         | Information        |
| <b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b><br><b><i>Regular Session Reconvened</i></b> |                    |                    |
| Loan Action  | 5 minutes          | Approval           |
| Funded Loan Updates<br><i>Big Buddha Yoga</i>  | 10 minutes         | Information        |
| <b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b><br><b><i>Regular Session Reconvened</i></b> |                    |                    |
| Loan Action  | 5 minutes          | Approval           |
| Marketing Budget Brainstorm  | 15 minutes         | Discussion         |
| Other New Business, Good of the Order  |                    |                    |
| Adjourn  |                    |                    |

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*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.*

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## **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. Representatives of the news media are allowed to attend but are specifically directed not to report on any of the deliberations during the executive session other than to state the general reason for the session as previously announced. All others besides staff and OIB members are asked to leave the meeting. If clients for loans being discussed are present, they also may be asked to join part of the executive session. No decision may be made, nor final action taken in executive session. We will return to regular session in approximately \_\_\_ minutes, at which time we may take action.

OIB Chair asks those not allowed in the executive session 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, APRIL 6, 2023  
REMOTE ONLY MEETING VIA ZOOM**

**ATTENDANCE**

*OIB Members:* Gil Kelley, Rod Cole, Sam Bauer, Craig Bowder, Kirk Wright

*Staff:* Jessica Metta (Executive Director MCEDD), Ami Beaver (Loan Fund Manager), Jill Brandt (Administrative Assistant), Dana Woods (Finance Manager)

*Guests:* Kyle Lee (Ankhiale Outdoors), Rodger Nichols (Gorge Commission)

**CALL TO ORDER/ INTRODUCTIONS**

Gil Kelley called the meeting to order at 2:00 pm. A quorum was present.

**MINUTES APPROVAL**

Gil asked for any comments or questions on the March 2, 2023, minutes.

**Craig Bowder to accept** the March 2, 2023, minutes as presented. Sam Bauer seconded the motion. All voted in favor, and the motion passed.

**FINANCIALS**

Dana Woods presented the financials ending February 28, 2023. Financial reporting for March has not been completed yet. YTD Principal Payments were \$192, 293. YTD Interest income was \$67, 891. Total money loaned out was \$2,529,501.38. The small variance between the loans receivable balance and trial balance loan report was accounted for by the date the payoff check was received versus the date this report was run. All contractual payments were satisfied. The Available to Loan amount was \$1,285,798. The USDA fund has had little change with only one loan amount for \$137,000.

*Discussion: Gil congratulated Ami on the amount loaned out this year, which is much higher than the past 2-3 years.*

**Kirk Wright moved to approve** the financials as presented. Craig Bowder seconded the motion. All voted in favor and the motion carried.

**LOAN REQUEST: ANKIAHLE OUTDOORS, LLC**

**EXECUTIVE SESSION**

**Executive Session per ORS 192.660 (f)** (Exempt Documents) was called to order at 2:07 pm. Chair Gil Kelley read aloud the full requirements pertaining to Executive Session.

*Rod Cole joined the meeting.*

*Regular Session reconvened at 2:38 pm.*

**LOAN ACTIONS: ANKIAHLE OUTDOORS, LLC**

**Kirk Wright motioned to approve** the request at the higher amount of up to \$120,000 in total, with the initial disbursement of \$75,000, and additional tranches allowed as there is adequate inventory to collateralize the requests. Craig Bowder seconded the motion. All voted in favor, and the motion passed.

**Terms:**

- Loan amount: Up to \$120,000.00
- Interest Rate: 11%
- Loan Term: 84 months
- Loan Payment: \$1,767.11 (6 monthly payments of interest only followed by 77 monthly payments of \$1,767.11 with the remaining balance due the 84<sup>th</sup> month.)
- Loan Fee: 1.5%

**FY 2024 BUDGET REQUEST**

Dana explained the two attachments in the packet. One was the projected budgets and the other was the actuals spent in those years. She noted that Revenues were broken out into two lines, to show the current loans and projected new loans separately. Dana explained that she was looking for Board input whether to use a three-year or a four-year average for new lending. The packet shows projected payments based on a four-year average because the large number of loans this year would bump up the average by \$56,000. The more conservative number was used. The other item up for discussion and approval is the use of 7.75% as the projected interest rate for the next year.

*Discussion: Gil asked if the number \$238,000 in new loans was the product of the average? Dana affirmed that this number was calculated using the four-year average. Kirk stated his support for using a three-year average. He was curious about interest rates and asked what the average rate of current portfolio was. Ami explained that it was hard to average over the whole portfolio because the newer loans have a much higher range than the older ones.*

*Jessica explained that MCEDD has used 7.75% for its budget because it is conservative, even though interest rates are higher.*

*Rod agreed that using four years will give wider breadth. As far as the interest rate is concerned, either way the OIB will fund what comes through the door. Because the rate will not restrict how much the Board can lend, it doesn't seem to make much difference.*

*Dana explained that the revenue projection is conservative, and that the OIB budget is worked into the MCEDD budget, which is public.*

Dana went on to explain the Expenses part of the budget. She noted the decreased amount proposed for legal fees. These were decreased for the FY23 budget and have been proposed to be decreased again based on the actuals spent this year. As of March this year, only \$400 have been spent on legal fees, so decreasing to \$2,000 will be adequate. Dana pointed out that the budget as presented includes a proposed 2% increase in the contractual amount for MCEDD. Dana added that there is a cap written in not to exceed the interest received. This budget has reserved \$5,000 for marketing and advertising, seen in the communications line item. There is also \$10,000 set aside for possible grants. The last grant that was awarded to CGCC was not used within the timeline specified. Dana asked for input on the dollar amount for grant funding in this budget.

*Discussion: Gil asked if \$1,000 for marketing was sufficient given the increase in loans this past year, plus the additional outreach that the current Board members are doing outreach now. Kirk said that he would like to spend twice that much money, but there is no plan for that. Jessica suggested that this topic could be brought to a future meeting, to come up with a marketing plan to spend a larger amount. This year, window decals were purchased. There weren't any boosted social media posts, which is easy and relatively inexpensive. Rod agreed that a planning session to figure out what more advertising would look like was the next step, which could then be incorporated into next year's budget. There was consensus agreement with this idea.*

Dana pointed out the Interest income on the Revenue side of the budget. She explained that the LGIP fund has most of OIB's money and has seen a great rate of return each month, on the average of \$2,400 a month for the first 6 months. In March, the LGIP fund earned \$3,900, a considerable jump. She explained that this budget used \$2,400 as an average for monthly interest earned, and asked if there were any opinions to use a higher number and not be so conservative.

*Discussion: Sam stated that he approved of the conservative approach, and Rod agreed. Dana agreed to leave it.*

*Jessica noted that the OIB has traditionally budgeted something in for grant allowance in case there is a request. Rod agreed that this should be left in the budget for any possible applicant. Dana explained that the review was not intended to eliminate this line item, but to seek approval for the amount that is being budgeted. There was general agreement that \$10,000 was good.*

**Craig Bowder motioned to approve** the FY 24 budget as presented. Sam Bauer seconded the motion. All voted in favor, and the motion passed.

### **OTHER NEW BUSINESS/ GOOD OF THE ORDER**

Jessica noted that she is not sure if there will be business for regular April meeting towards the end of the month and will be in touch either way.

### **ADJOURN**

Gil Kelley adjourned the meeting at 3:01 pm.

*Respectfully submitted by Jill Brandt, Administrative Assistant*

## OIB FINANCIAL SUMMARY

REPORT PERIOD: May 2023

|   | TOTAL<br>YEAR TO DATE | PREVIOUS<br>REPORT | CURRENT<br>ACTIVITY |
|---|-----------------------|--------------------|---------------------|
| <b>CASH BALANCE AS OF 06/30/22</b>                    | 1,846,496             |                    | -                   |
| Less Payables   | -                     |                    | -                   |
| Plus Accounts Receivable                              | -                     |                    | -                   |
| Plus Interest Receivable (Less Unrecorded Accr'd Int) | -                     |                    | -                   |
| <b>ADJUSTED CASH BALANCE 06/30/22</b>                 | <b>1,846,496</b>      | -                  | -                   |
| <b>INCOME</b>   |                       |                    |                     |
| Interest  | 98,062                | 88,031             | 10,031              |
| Loan Processing Fees                                  | 11,625                | 11,625             | -                   |
| Loan Filing Fees                                      | 2,054                 | 1,823              | 231                 |
| Loan Late Fees  | 709                   | 585                | 124                 |
| Other Revenue   | -                     |                    | -                   |
| Invested Interest                                     | 32,841                | 28,782             | 4,059               |
| <b>TOTAL INCOME</b>                                   | <b>145,291</b>        | <b>130,846</b>     | <b>14,445</b>       |
| <b>PRINCIPAL REPAYMENTS</b>                           | <b>263,954</b>        | <b>250,669</b>     | <b>13,286</b>       |
| <b>REVENUE BEFORE DISBURSEMENTS</b>                   | <b>409,245</b>        | <b>381,515</b>     | <b>27,731</b>       |
| <b>EXPENSES AND PAYMENTS</b>                          |                       |                    |                     |
| Grants Distributed FY23                               | -                     | -                  | -                   |
| New Loans Disbursed                                   | 775,000               | 775,000            | -                   |
| Converted to Principal                                | -                     | -                  | -                   |
| Bank Service Charges                                  | 106                   | 90                 | 16                  |
| Professional Services: Legal                          | 400                   | 400                | -                   |
| Professional Services: Filing Fees                    | 1,941                 | 556                | 1,385               |
| Professional Services: Contractual                    | 89,696                | 81,542             | 8,154               |
| Communications / Telephone (Advertising)              | 105                   | 105                | 0                   |
| Other Materials & Supplies                            | -                     |                    | -                   |
| <b>TOTAL EXPENSES AND PAYMENTS</b>                    | <b>867,248</b>        | <b>857,693</b>     | <b>9,555</b>        |
| <b>ADJUSTED CASH BALANCE</b>                          | <b>1,388,492</b>      | <b>(476,178)</b>   | <b>18,176</b>       |
| <b>LESS:</b>  |                       |                    |                     |
| Approved Grants not Disbursed                         | (10,000)              |                    |                     |
| Approved Loans not yet Disbursed                      | -                     |                    |                     |
| Interest Receivable at Period End                     | (6,230) *             |                    |                     |
| <b>AVAILABLE TO GRANT/LOAN</b>                        | <b>1,372,263</b>      |                    |                     |
| <b>LOANS RECEIVABLE BALANCE</b>                       | <b>1,558,063</b> ^    |                    |                     |
| <b>PROOF:</b>   |                       |                    |                     |
| Cash Balance After Reconciliations - March 31, 2023   | 1,390,854 ^           |                    |                     |
| Less Payables   | (8,590)               |                    |                     |
| Plus Interest Receivable                              | 6,230                 |                    |                     |
| <b>ADJUSTED CASH BALANCE</b>                          | <b>1,388,492</b>      |                    |                     |

## Mid-Columbia Economic Development District Balance Sheet - OIB

May 31, 2023

**ASSETS**

**Current Assets**

**Checking/Savings**

1000 · Bank Demand Deposits

1070 · National Scenic Fund

154,051.24

1171 · LGIP National Scenic Fund

1,236,802.27

**Total 1000 · Bank Demand Deposits**

1,390,853.51

**Total Checking/Savings**

1,390,853.51

**Other Current Assets**

1200 · Receivables & Accruals

1202 · Accounts Receivable

1222 · Year or Grnt End Receivables

1260 · Accrued Loan Interest

6,229.60

1300 · Loans Receivable

1370 · OIB Loans Receivable

1,558,063.42

**Total 1300 · Loans Receivable**

1,558,063.42

1400 · Loan Payments Holding

1475 · OIB

0.00

1475 · OIB Holding

1500 · Allowance for Doubtful Loans

1575 · OIB Allowance

-67,535.30

**Total 1500 · Allowance for Doubtful Loans**

-67,535.30

**Total Other Current Assets**

1,496,757.72

**Total Current Assets**

2,887,611.23

**TOTAL ASSETS**

2,887,611.23

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

2010 · A/P General

8,589.92

**Total Accounts Payable**

8,589.92

**Total Current Liabilities**

8,589.92

**Total Liabilities**

8,589.92

**Equity**

3100 · Fund Balances

2,836,289.19

Net Income

42,732.12

**Total Equity**

2,879,021.31

**TOTAL LIABILITIES & EQUITY**

2,887,611.23

**Mid-Columbia Economic Development District  
Profit Loss  
Oregon Investment Board**

| <u>Account</u> | <u>Account Title</u>  | <u>5/31/2023</u>     |
|----------------|-----------------------|----------------------|
| 975-4600       | Loan Interest         | \$ 10,031.00         |
| 975-4650       | Principal Payments    | \$ -                 |
| 975-4700       | Loan Processing Fees  | \$ -                 |
| 975-4705       | Loan Filing Fees      | \$ 231.74            |
| 975-4707       | Loan Title Fees       | \$ -                 |
| 975-4710       | Loan Late Fee         | \$ 123.42            |
| 975-4750       | Investment Interest   | \$ 4,059.88          |
|                | <b>TOTAL Income</b>   | <b>\$ 14,446.04</b>  |
| 975-6400       | Professional Services | \$ -                 |
| 975-6410       | Legal Services        | \$ -                 |
| 975-6420       | Audit Services        | \$ -                 |
| 975-6430       | Accounting            | \$ -                 |
| 975-6440       | Title/Lien Search     | \$ -                 |
| 975-6450       | Contractual           | \$ (8,154.17)        |
| 975-6470       | Filing Fees           | \$ (1,385.33)        |
| 975-6610       | Advertising           | \$ -                 |
| 975-6930       | Bank Service Charges  | \$ -                 |
| 975-6931       | ACH Collection Fees   | \$ (15.18)           |
|                | <b>TOTAL Expense</b>  | <b>\$ (9,554.68)</b> |
|                | <b>Net Income</b>     | <b>\$ 4,891.36</b>   |



**Mid-Columbia Economic Development District**

**Profit Loss**

**USDA / NSA**

| <u>Account</u> | <u>Account Title</u>           | <u>5/31/2023</u> |
|----------------|--------------------------------|------------------|
| 300-4600       | Loan Interest                  | 989.21           |
| 300-4700       | Loan Processing Fees           | 0                |
| 300-4705       | Loan Filing Fees               | 0                |
| 300-4707       | Loan Title Fees                | 0                |
| 300-4710       | Loan Late Fee                  | 0                |
| 300-4750       | Investment Interest            | 0                |
|                | <b>TOTAL Income</b>            | <b>989.21</b>    |
| 300-5010       | Accrd PTO - Wages              | 0                |
| 300-5050       | Wages - Paid Leave             | 0                |
| 300-5080       | Wages Prior Period             | 0                |
| 300-5100       | Wages                          | -490             |
| 300-5500       | Fringe Benefits                | -67.38           |
| 300-5550       | Fringe Benefits - Paid Leave   | 0                |
| 300-5580       | Fringe Benefits Prior Period   | 0                |
| 300-5700       | Payroll Taxes                  | -46.16           |
| 300-6700       | Building Costs                 | 0                |
| 300-6710       | Building Rent                  | -17.92           |
| 300-6714       | Building Remodel               | 0                |
| 300-6715       | Remodel Alloc (Admin)          | -2.33            |
| 300-6716       | Remodel Alloc (Transit Center) | 0                |
| 300-6931       | ACH Collection Fees            | -7.84            |
| 300-6935       | Online Processing Fees         | 0                |
| 300-9000       | Indirect Spread                | -51.28           |
| 300-9040       | Transportation Facility Spread | -8.96            |
| 300-9050       | Loan Fund Costs Allocated      | -754.34          |
| 300-9060       | Transportation Admin Spread    | 0                |
|                | <b>TOTAL Expense</b>           | <b>-1446.21</b>  |
|                | <b>Net Income</b>              | <b>-457</b>      |