

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

*******Wednesday, July 20, 2016*******

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

**Port of Hood River Meeting Room
1000 E Port Marina Drive, Hood River, OR 97031**

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Introductions, Conflict of Interest Disclosures		
May 19, 2016 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Board Appointments Status	5 minutes	Information
Officer Elections	5 minutes	Decision
Committee Appointments	5 minutes	Decision
Loan Modification Request: Seufert Enterprises, LLC	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Decision	10 minutes	Decision
Funded Loans Report and Updates	10 minutes	Discussion
<i>Executive Session per ORS 192.660(2)(f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
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 Sherry Bohn at (541) 296-2266 at least 48 hours before the meeting so arrangements for appropriate accommodations can be made.

COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD
Wednesday, May 18, 2016
Hood River County Library, 502 State Street, Hood River, OR 97031
10:00 a.m.

ATTENDANCE:

OIB Members: Ken Bailey, Jack Miller, Rick Leibowitz, and John Kasberger.
Business Oregon: Carolyn Meece.

Staff: Amanda Hoey, Sherry Wickert and Eric Nerdin.

Guest: Randy Seufert.

CALL TO ORDER:

Chair Ken Bailey called the meeting to order at 10:03 a.m. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:

Ken Bailey requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. None were noted.

MARCH 16, 2016 MINUTES:

Rick Leibowitz moved to approve the minutes from April 20, 2016. John Kasberger seconded the motion. Motion passed unanimously.

FINANCIAL REPORT:

Sherry Wickert presented the financial report for the period ending April 2016. She reported Interest Income of \$8,911.53 with a total income of \$12,989.14. Sherry reported Miscellaneous Expenses of \$1,458.04 and contractual of \$7,533.08. She also reported that the Available to Grant/Loan balance was \$989,050.74 and the Loans Receivable Balance was \$1,802,571.23.

Jack Miller moved to accept the financials as presented. John Kasberger seconded the motion. Motion passed unanimously.

LOAN REQUEST: SEUFERT ENTERPRISES, LLC:

Eric Nerdin presented a request from Seufert Enterprises, LLC to restructure OIB loan #136-01-01.

EXECUTIVE SESSION:

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:07 a.m.

Regular session was reconvened at 10:27 a.m.

LOAN REQUEST DECISION:

John Kasberger moved to approve the loan restructure request of OIB loan #136-01-01 as per the staff recommendation. Rick Leibowitz seconded the motion. Motion passed unanimously.

Terms:

- Loan amount: \$63,000.00
- Interest Rate: 6.75% (Fixed interest rate)
- Loan Term: 96 months
- Loan Payment: \$ 851.11 per month. (This is a fully amortized loan)
- Loan Fee: \$500.00
- Collateral and Conditions as presented in the staff report.

FUNDED LOANS REPORT and UPDATE

Amanda presented an update on TGE, LLC, Hood River Learning Center and Downey Sleep Center, LLC.

EXECUTIVE SESSION:

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:30 a.m.

Regular session was reconvened at 10:53 a.m.

LOAN MODIFICATION DECISION: DOWNEY SLEEP CENTER, LLC:

John Kasberger moved to approve the substitution in collateral as per the staff recommendation. Jack Miller seconded the motion. Motion passed unanimously.

OIB staff will substitute the collateral vehicle from a 1995 Ford E350 box truck with a 2006 Ford E450 14" truck. It was noted that the change improves the total combined collateral value by an estimated \$3,375.

APPOINTMENTS UPDATE:

Amanda Hoey reported that there is one active prospect for Multnomah County representation. She stated the deadline to apply for the Wasco County position currently held by Ken Bailey is June 7, 2016. Amanda encouraged board members to conduct outreach to candidates as Ken is unable to seek another term. She also noted the need to seek diversity in board members.

Ken Bailey inquired about election of officers, which are scheduled for July 2016. Currently the Vice-Chair position is vacant.

OTHER NEW BUSINESS, GOOD OF THE ORDER:

Amanda Hoey followed up with OIB members regarding the outreach discussion that was held at the April 20, 2016 meeting. Rick Leibowitz discussed the importance of provisions for small business counseling and discussed mechanisms to make those more effective in relation to OIB clients. Amanda noted the preference expressed by the OIB members to include a copy of a loan applicants' balance sheet in the staff report, which will be provided with future reports.

ADJOURNMENT: The meeting was adjourned at 11:10 a.m.

OIB FINANCIAL SUMMARY

REPORT PERIOD: JUNE 16

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
CASH BALANCE AS OF 06/30/15	1,292,303.36	1,292,303.36	-
Less Payables	(8,160.71)	(8,160.71)	-
Plus Accounts Receivable	1,100.00	1,100.00	-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	10,594.69	10,594.69	-
ADJUSTED CASH BALANCE 06/30/15	1,295,837.34	1,295,837.34	-
INCOME			
Interest	116,308.12	105,752.95	10,555.17
Loan Processing & Fees	10,174.78	10,174.78	-
Loan Late Fees	2,354.78	2,095.19	259.59
Misc Income	208.19	208.19	-
Invested Interest	609.41	565.82	43.59
TOTAL INCOME	129,655.28	118,796.93	10,858.35
PRINCIPAL REPAYMENTS	185,846.50	171,344.44	14,502.06
REVENUE BEFORE DISBURSEMENTS	315,501.78	290,141.37	25,360.41
EXPENSES AND PAYMENTS			
Grants Disbursed 15-16	6,900.77	6,900.77	-
Loans Disbursed	431,000.00	431,000.00	-
Miscellaneous Expenses	5,922.22	4,849.63	1,072.59
Professional Services	90,397.00	82,863.88	7,533.12
TOTAL EXPENSES AND PAYMENTS	534,219.99	525,614.28	8,605.71
ADJUSTED CASH BALANCE	1,077,119.13	1,060,364.43	16,754.70
LESS:			
Approved Grants not Disbursed	(10,000.00)		
Approved Loans not yet Disbursed	-		
Interest Receivable at Period End	(10,632.22)		
AVAILABLE TO GRANT/LOAN	1,056,486.91		
STRUCTURED ACCRUED LOAN INTEREST			
Current Period	738.56		
Prior Year Balance	5,513.46		
TOTAL STRUCTURED ACCRUED LOAN INTEREST	6,252.02		
LOANS RECEIVABLE BALANCE	1,788,272.86		
PROOF:			
Cash Balance After Reconciliations	1,075,074.41		
Accounts Receivable (Deposit Error)	18.13		
Less Payables	(8,605.63)		
Plus Interest Receivable (Includes Structured Accr'd Int)	10,632.22		
ADJUSTED CASH BALANCE	1,077,119.13		

REPORT GENERATED BY: Sherry Wickert

**OREGON INVESTMENT BOARD
DISTRIBUTIONS OF GRANTS & LOANS APPROVED**

Report Period: JUNE 2016

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Fresh Start Culinary Arts Program	11/18/2015	12/31/16	10,000.00				10,000.00
Total			10,000.00	-	-	-	10,000.00

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

Officer Elections; Committee Appointments

Overview

Annually the Oregon Investment Board elects officers for the following positions

- Chair
- Vice-Chair
- Secretary/Treasurer

The Vice-Chair and Secretary/Treasurer positions were held by board members who are no longer members of the board. The Chair position is held by Ken Bailey, who will be concluding his term and is ineligible for reappointment.

In addition, the Board appoints members to the Loan Committee. The committee currently includes Ken Bailey and John Kasberger. The third member of the committee is no longer on the board.

Request

- 1) Officers: The Board is asked to nominate and elect a slate of officers.
- 2) Loan Committee: The Board may appoint new members to the committee or may delay action until additional members are appointed to the board.

OIB Annual Report FY2016

The attached report is submitted annually to the state of Oregon. Overall, the report shows the Oregon Investment Board has provided funding for grants and loans totaling nearly \$8.5 million from the original award amounts totaling just over \$4 million. In addition to submission of the report, we highlight the key activities of the board in FY 2016, including:

- Approval for a \$258,000 loan to Beachwood Eatery.
- Approval of a \$48,000 loan to Downey's Sleep Center.
- Approval of a \$10,000 grant to Fresh Starts Culinary Arts program.
- Pursuing opportunities for additional funding for the OIB.
- Addressing loan restructures for clients to ensure adequate repayment of funds.
- Providing management of the Bi-State Advisory Council.
- Updating the Bi-State Economic Vitality Plan.

No action is needed. This is informational only.