

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

**\*\*\*\*\*Wednesday, April 18, 2018\*\*\*\*\***

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

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

<b><u>Topic</u></b>	<b><u>Time</u></b>	<b><u>Item</u></b>
Call to Order, Conflict of Interest Disclosures Introductions	5 minutes	Information
March 2018 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Loan Requests <i>Farmers Conservation Alliance</i> <i>Gorge Dog</i>	5 minutes	Information
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Funded Loans Report and Updates	5 minutes	Information
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Other New Business, Good of the Order		
Adjournment		

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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"

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, March 21, 2018  
Hood River Library Meeting Room  
501 State Street, Hood River, Oregon

**ATTENDANCE**

*OIB Members:* Jack Miller, Jill Amery, John Kasberger, Kristine Mier, Tammy Miller

*Teleconference:* John Southgate

*Staff:* Siri Olson, Lauren Hernandez, Eric Nerdin, Amanda Hoey

*Absent:* Rick Leibowitz

*Guests:* None

**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. A roundtable of introductions took place.

**MINUTES**

**Jill Amery motioned to approve** the minutes from January 2018, as presented. Kristine Mier seconded the motion. Motion passed unanimously.

**FINANCIAL REPORT**

John Southgate joined the meeting.

Siri Olson presented the financial report for February 2018. Siri noted Accrued Loan Interest increased in February due to funding new loans. The balance went from \$7,417.80 in January to \$9,150.78 in February. The Balance Sheet reflects Structured Accounts Loan Interest. This line will be adjusted in the future once the new loan structure and balances are finalized. The Accounts Payable balance of \$15,591.82 is higher than it has been in the past. This balance includes the January and February MCEDD contract payment and other fees. The January payment was done in March and the February payment will also be done in March to bring Accounts Payable back to being current. Principal repayments received through February total \$146,407.63, including Interest totaling \$68,629.58. February includes a loan payoff of \$30,590.71, with attributed interest totaling \$162.00. Currently, Available to Loan has a balance of \$1,144,503.32. Siri reported finances are on track and look to be in good shape for the rest of the fiscal year.

*Discussion: John Kasberger asked which loan was paid off. Eric Nerdin replied Camp 1805/Abide Distillers paid off their loan due to a merger with Ferment LLC, which took place at the beginning of the year.*

*John Kasberger asked for clarification about why there is a balance of \$8787.14 in OIB Holding at the end of January 2018. Siri Olson explained all deposits are put into holding. At the end of each month, the holding account is balanced to Portfol, and the \$8787.14 January balance is roll over due to a timing issue with balancing. Jack Miller asked if the Professional Services total is increasing. Amanda Hoey explained the OIB contract with is based on fiscal years, so the month-to-month total stays the same through June. The Professional Services line includes*

*MCEDD as well as legal services and other associated professional services. This is where the variation occurs.*

**John Kasberger motioned to accept** the February 2018 financials. Kristine Mier seconded the motion. Motion passed unanimously.

### **FUNDED LOAN REPORT AND UPDATES:**

Eric Nerdin provided an update on OIB 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 10:07 a.m.

Tammy Miller joined the meeting.

Regular Session reconvened at 10:52 a.m.

### **LOAN ACTION**

**John Kasberger motioned to** give staff the leeway to pursue all available remedies on the Sage Creek loan based on long term assessments of the business with the caveat the OIB board is not interested in extending or restructuring the loan. Tammy Miller seconded the motion. Motion passed unanimously.

### **LOAN IMPACT REPORT:**

Amanda Hoey reported MCEDD partnered with Oregon Consulting Group through the University of Oregon to study the long-term impact of MCEDD and OIB business loan programs. The study results showed MCEDD and OIB are hitting the targets of the loan program, and overall, was a good reflection of the work both programs have been doing. A press release has been released to highlight the study. Amanda asked the OIB board how to best leverage the information to get it out to the appropriate resources. The Oregon Consulting Group has been working with The Renewal Workshop in Cascade Locks and is interested in combining the results of this work with the MCEDD loan program study to show a more personal picture of the businesses benefitting from the funds.

*Discussion: John Kasberger noted MCEDD has had huge success with some businesses in the loan program, including pFriem Family Brewers. Amanda noted Full Sail is a successful past loan client as well. John noted both of these businesses have been or still are housed in port buildings. Marketing of the loan programs could be targeted to ports and the new commercial spaces being created. Development happening in Port of The Dalles may be a good marketing opportunity as well. Jack Miller stated the results of the loan study are why board members give their time to participate on the boards and agreed with Amanda Hoey's statement in the press release that the study results are "a sign of a healthy community."*

### **UPDATE ON FUNDING STATUS**

Amanda Hoey reported she met with USDA Rural Development State Directors to discuss the status of the authorized but unappropriated Columbia River Gorge Investment Board funds. One challenge is finding a pathway for the funds to flow, as the original accounts no longer exist at the federal level. Significant progress has been made in finding a potential pathway for the funds. USDA State Directors John Huffman (Oregon) and Kirk Pearson (Washington) have familiarity with our region and identified a potential pathway through USDA Rural Development to use non-competitive rural development grants as a pathway for the funds.

*Discussion: John Kasberger noted one incentive for national headquarters to support the pathway for funds is if more fund dollars are loaned out or are spoken for. Eric Nerdin mentioned he anticipates one small future OIB loan, but at the moment, the OIB pipeline for future loans is light.*

### **OTHER NEW BUSINESS**

Amanda Hoey notified the board that Rick Leibowitz's position expires in November, and an open position has been posted. She asked board members to send her information about potential candidates. John Kasberger's term will expire this year, but he has indicated he is willing to serve on the board again. His application will go to the Hood River County Board of Commissioners and then on to fulfill the rest of the process.

Amanda also reported MCEDD's Annual Economic Symposium is scheduled for November 2<sup>nd</sup>, 2018, location to be announced.

*Discussion: John Kasberger noted 2018 may bring another surge of sales, and when this occurs, businesses like Insitu outsource manufacturing to local shops. These local shops get inundated quickly and need funding assistance. The OIB Board should be prepared, and Insitu should be notified OIB has funds to assist these businesses. Amanda stated Insitu has two community local government liaisons MCEDD staff has been meeting with regularly, and information about the loan programs has been shared. MCEDD is working on keeping Insitu aware of the resources available and how Insitu can support suppliers in being able to access those resources.*

**ADJOURNMENT:** The meeting was adjourned at 11:07 a.m.

*Respectfully submitted by Lauren Hernandez, Office Administrator*

# OIB FINANCIAL SUMMARY

REPORT PERIOD: MAR 2018

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
<b>CASH BALANCE AS OF 06/30/17</b>	<b>1,412,446.21</b>		-
Less Payables	(8,417.25)		-
Plus Accounts Receivable	144.82		-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	7,106.31		-
<b>ADJUSTED CASH BALANCE 06/30/17</b>	<b>1,411,280.09</b>	-	-
<b>INCOME</b>			
Interest	77,181.55	68,629.58	8,551.97
Loan Processing & Fees	7,025.88	6,789.54	236.34
Loan Late Fees	1,042.41	915.66	126.75
Invested Interest	514.85	456.78	58.07
<b>TOTAL INCOME</b>	<b>85,764.69</b>	<b>76,791.56</b>	<b>8,973.13</b>
<b>PRINCIPAL REPAYMENTS</b>	<b>159,759.32</b>	<b>146,407.63</b>	<b>13,351.69</b>
<b>REVENUE BEFORE DISBURSEMENTS</b>	<b>245,524.01</b>	<b>223,199.19</b>	<b>22,324.82</b>
<b>EXPENSES AND PAYMENTS</b>			
Grants Disbursed FY18			-
Loans Disbursed	204,500.00	204,500.00	-
Converted to Principal	499.80	499.80	-
Miscellaneous Expenses			-
Professional Services	71,486.32	63,637.57	7,848.75
<b>TOTAL EXPENSES AND PAYMENTS</b>	<b>276,486.12</b>	<b>268,637.37</b>	<b>7,848.75</b>
<b>ADJUSTED CASH BALANCE</b>	<b>1,380,317.98</b>	<b>(45,438.18)</b>	<b>14,476.07</b>
<b>LESS:</b>			
Approved Grants not Disbursed	(5,000.00)		
Encumbered Pilot Program Funds	(140,000.00)		
Approved Loans not yet Disbursed	(63,000.00)		
Interest Receivable at Period End	(13,689.39)		
<b>AVAILABLE TO GRANT/LOAN</b>	<b>1,158,628.59</b>		
<b>STRUCTURED ACCRUED LOAN INTEREST</b>			
Current Period	4,043.51		
Prior Year Balance	4,191.45		
<b>TOTAL STRUCTURED ACCRUED LOAN INTEREST</b>	<b>8,234.96</b>		
<b>LOANS RECEIVABLE BALANCE</b>	<b>1,516,301.61</b>		-
<b>PROOF:</b>			
Cash Balance After Reconciliations	1,373,734.66		
Plus Recievables (NSF Reimbursement)	742.68		
Less Payables	(7,848.75)		
Plus Interest Receivable (Includes Structured Accr'd Int)	13,689.39		
<b>ADJUSTED CASH BALANCE</b>	<b>1,380,317.98</b>		

REPORT GENERATED BY: Siri Olson

**Mid-Columbia Economic Development District**  
**Balance Sheet**  
As of February 28, 2018

	February 28, 2018	March 31, 2018
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
1000 · Bank Demand Deposits		
1070 · National Scenic Fund	1,368,095.14	1,373,734.66
<b>Total 1000 · Bank Demand Deposits</b>	1,368,095.14	1,373,734.66
<b>Total Checking/Savings</b>	1,368,095.14	1,373,734.66
<b>Other Current Assets</b>		
1200 · Receivables & Accruals		
1202 · Accounts Receivable	0.00	742.68
1222 · Year or Grnt End Receivables		
1227 · Accrued Loan Interest	9,150.78	9,388.74
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-4,038.80	-4,210.23
1229 · Structured Accts Accr'd Int - Other	8,226.61	8,510.88
<b>Total 1229 · Structured Accts Accr'd Int</b>	4,187.81	4,300.65
<b>Total 1200 · Receivables &amp; Accruals</b>	13,338.59	14,432.07
1300 · Loans Receivable		
1370 · OIB Loans Receivable	1,529,646.14	1,516,301.61
<b>Total 1300 · Loans Receivable</b>	1,529,646.14	1,516,301.61
1475 · OIB Holding	0.00	0.00
1500 · Allowance for Doubtful Loans		
1575 · OIB Allowance	-45,000.00	-45,000.00
<b>Total 1500 · Allowance for Doubtful Loans</b>	-45,000.00	-45,000.00
<b>Total Other Current Assets</b>	1,497,984.73	1,485,733.68
<b>Total Current Assets</b>	2,866,079.87	2,859,468.34
<b>TOTAL ASSETS</b>	<b>2,866,079.87</b>	<b>2,859,468.34</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2010 · A/P General	15,591.82	7,848.75
<b>Total Accounts Payable</b>	15,591.82	7,848.75
<b>Total Current Liabilities</b>	15,591.82	7,848.75
<b>Total Liabilities</b>	15,591.82	7,848.75
<b>Equity</b>		
3100 · Fund Balances	2,697,334.06	2,697,334.06
Pilot Program Fund Balance	140,000.00	140,000.00
<b>Net Income</b>	13,153.99	14,285.53
<b>Total Equity</b>	2,850,488.05	2,851,619.59
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,866,079.87</b>	<b>2,859,468.34</b>

Mid-Columbia Economic Development District  
**Profit & Loss**

**March 2018**  
Mar 18

<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4600 - Loan Interest	8,551.97
4700 - Loan Processing Fees	236.34
4710 - Loan Late Fee	126.75
4750 - Investment Interest	58.07
<b>Total Income</b>	<u>8,973.13</u>
<b>Gross Profit</b>	<u>8,973.13</u>
<b>Expense</b>	
6400 - Professional Services	
6450 - Contractual	7,683.75
6470 - Filing Fees	165.00
<b>Total 6400 - Professional Services</b>	<u>7,848.75</u>
<b>Total Expense</b>	<u>7,848.75</u>
<b>Net Ordinary Income</b>	<u>1,124.38</u>
<b>Net Income</b>	<u><u>1,124.38</u></u>



OREGON INVESTMENT BOARD  
DISTRIBUTIONS OF GRANTS & LOANS APPROVED

Report Period: MAR 2018

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Columbia Gorge Community College	8/14/2017	7/31/2018	5,000.00				5,000.00
							-
<b>Total</b>			<b>5,000.00</b>	-	-	-	<b>5,000.00</b>

Loans Approved/Funded	Date Approved	Expiration Date	Original Loan	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Mt. Hood Podiatry	1/18/2018	<i>Staff Extended</i>	63,000.00				63,000.00
							-
<b>Total</b>			<b>63,000.00</b>	-	-	-	<b>63,000.00</b>