

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

**\*\*\*\*\*Wednesday, October 26, 2022\*\*\*\*\***

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

Via Zoom: <https://us06web.zoom.us/j/84193534449>

Call in: 669-900-6833, Meeting ID: 841 9353 4449

**AGENDA**

<b><u>Topic</u></b>	<b><u>Time</u></b>	<b><u>Item</u></b>
Call to Order, Introductions	5 minutes	Information
September Minutes	5 minutes	Approval
Financials	5 minutes	Approval
Loan Modification Request <i>Thirsty Café, LLC</i>	20 minutes	Information
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <b><i>Regular Session Reconvened</i></b>		
Loan Action	5 minutes	Approval
Other New Business, Good of the Order <i>November Strategic Planning Session In-Person</i>		
Adjourn		

---

*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. 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 SEPTEMBER 28, 2022  
REMOTE ONLY MEETING VIA ZOOM**

**ATTENDANCE**

*OIB Members:* Craig Bowder, Jorge Barragan, Gil Kelley, Jill Amery, Kirk Wright, Doug Roof

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

*Guests:* Travis Preece (Gorges Beer), Casey Gatz (USFS)

**CALL TO ORDER/ INTRODUCTIONS**

Craig called the meeting to order at 3:00 pm. A round of introductions took place. A quorum was present.

**Officers Election**

Jessica shared that at July meeting there was not a clear person willing to step into the Chair position. After the meeting, Gil has stated his willingness to serve as Chair and Kirk as Vice-Chair. Jorge is still willing to be Secretary/Treasurer.

**Jill Amery motioned to approve** this slate of officers for the OIB. Jorge seconded. All voted in favor. The motion passed unanimously.

Gil took over presiding at the meeting.

**MINUTES APPROVAL**

Gil asked for any comments or questions on the July minutes. There were none.

**Craig Bowder motioned to accept** the July minutes. Kirk Wright seconded the motion. All voted in favor. The motion passed unanimously.

**FINANCIALS**

Dana presented the financials ending August 31, 2022. She noted that some of the numbers were a combination of July and August. Principal payments received were \$122,599 for July and August. This included one loan payoff in July. YTD Interest received was \$8685.79. On the Balance sheet, OIB Loans Receivable balance was \$1,249,419, an increase since the last meeting due to two new loans that were funded in July.

The allowance for doubtful loans was changed to follow the auditor's recommendation. The OIB's historic method has been for the Board to assign the arbitrary number, last set at 10%. While good for forecasting and budgeting, the 10% was not based on actual numbers. The auditor recommended to look back five years at actuals that were written off to bad debt and take the average as the doubtful loans allowance. Calculated out using this method determined that 4% was the correct doubtful loans allowance. The financial statement reflects this change. The auditor also recommended that the allowance adjust as new loans were funded, rather than once per year. Adjustments should occur both

when new loans go out and when active loans are paid off.

The accounts payable balance of \$16358.50 reflected two months of MCEDD's fees and reimbursement expenses. The available to grant and loan balance was \$1,634,414. The USDA Scenic area fund receivable balance had no change because its sole client was in the interest-only repayment period.

*Discussion: Kirk asked if the Votum loan that was funded from the new (USDA) fund had been approved. Jessica explained that SHPO had finally agreed that there would be no impact. The USDA has now moved forward into the 30-day comment period. There are one to two weeks remaining until the end of the last comment period, and hopefully the final approval will occur directly afterwards.*

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

### **NEW LOAN REQUEST: GORGES BREWING, LLC**

Ami asked to enter Executive Session to present information for a new loan request from Gorges Brewing, LLC. Gil called ***Executive Session per ORS 192.660 (f) (Exempt Documents)*** to order at 3:12 pm.

Travis Preece of Gorges Brewing answered questions from the Board and then was placed in the Waiting Room while the Board asked additional questions of staff and reviewed the confidential staff report.

*Regular Session Reconvened at 4:09 pm.*

### **LOAN ACTION**

#### **Terms:**

- Loan amount: \$427,492.00
- Interest Rate: 8.25%
- Loan Term: 120 months (119 monthly payments and the balance due 120<sup>th</sup> month)
- Loan Payment: *6 monthly payments of interest only followed by 113 monthly payments of \$3,500 with a balloon payment of approximately \$332k due the 120<sup>th</sup> month.*
- Loan Fee: \$6,412.38

**Craig Bowder motioned to approve** the loan request as recommended by staff, with the added condition that the portion of funds for The Dalles be received only after the client provides a lease for the location. Jill Amery seconded the motion. All voted in favor, and the motion passed.

Travis left the meeting at 4:11 pm.

### **FUNDED LOANS UPDATE: THIRSTY CAFÉ, LLC**

Ami asked to enter Executive Session to share an update on existing client Thirsty Café LLC. Gill called an ***Executive Session per ORS 192.660 (f) (Exempt Documents)*** to order at 4:12 pm.

*Regular session reconvened at 4:17 pm.*

No action was taken.

## **OIB ANNUAL REPORT**

Jessica explained that the Report was in the meeting packet for the last meeting, which was cancelled. She requested that the Board vote to approve the OIB's Annual report, which summarizes the Board's activity over the last Fiscal Year. The Annual Report will be shared with Business Oregon and includes updates for the dollars leveraged and number of jobs created through the loans that were approved in FY2022. It also documents the additional new funding awarded from the USDA.

**Kirk Wright motioned to approve** the Annual Report as presented. Jorge Barragan seconded the motion. All voted in favor, and the motion passed unanimously.

## **STRATEGY DISCUSSION**

Gil introduced this topic from a conversation he and Kirk had with Jessica. Gil asked if the Board is willing and interested in spending time discussing functions that OIB members perform at a future meeting. For example, how Board members can help to get more funds out the door, the kinds of businesses the OIB serves, the limitations of the OIB's capacity to lend. Kirk added the discussion could include what the board can contribute to business development, whether the OIB is fulfilling its responsibility to get money out into the communities.

*Discussion: Craig Bowder agreed, proposing to add a one-hour strategy session. He noted that other boards do an annual strategy session, and that the OIB members would benefit from an hour or two spent on strategy. Jill Amery agreed that this was a great use of time. She felt this would help to find the balance for the OIB to be proactive and engaged without competing with the private market. Doug Roof also approved the idea. He added better defining conflict of interest to the discussion topics - how closely associated can a Board member be with an applicant to where they need to be recused from certain applicant discussions. Jorge Barragan was all for more discussion. He would like more direction for outreach. Word of mouth is much better, more personal.*

*Gil noted consensus approval for further discussion. He will schedule an extra hour onto a meeting in the next few months to have this discussion. Jill Amery, while no longer on the OIB, will still be active with client referrals and spreading the word to community partners.*

*Doug suggested that a good first step would be to reach out to past board members.*

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

Jessica Metta updated the Board on incoming Board members. Wasco County has recommended Rod Cole to fill Jill Amery's seat. Rod is the Branch Manager of Columbia Bank in The Dalles. Sam Bauer, Manager of First Interstate Bank in Hood River has been recommended by Hood River County. They are still in the process of being approved by the governor's office. Jill Amery will continue to attend meetings until Rod has been approved. Jessica has not yet gotten a selection from Multnomah County.

## **ADJOURN**

Gil Kelley adjourned the meeting at 4:30 pm.

*Respectfully submitted by Jill Brandt, Administrative Assistant*

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

September 30, 2022

**ASSETS**

**Current Assets**

**Checking/Savings**

1000 · Bank Demand Deposits	
1070 · National Scenic Fund	171,385.28
1171 · LGIP National Scenic Fund	1,509,892.42
<b>Total 1000 · Bank Demand Deposits</b>	<u>1,681,277.70</u>

**Total Checking/Savings** 1,681,277.70

**Other Current Assets**

1200 · Receivables & Accruals	
1202 · Accounts Receivable	
1222 · Year or Grnt End Receivables	
1260 · Accrued Loan Interest	4,371.63
1300 · Loans Receivable	
1370 · OIB Loans Receivable	1,238,382.50
<b>Total 1300 · Loans Receivable</b>	<u>1,238,382.50</u>
1400 · Loan Payments Holding	
1475 · OIB	0.00
1475 · OIB Holding	
1500 · Allowance for Doubtful Loans	
1575 · OIB Allowance	-49,535.30
<b>Total 1500 · Allowance for Doubtful Loans</b>	<u>-49,535.30</u>

**Total Other Current Assets** 1,193,218.83

**Total Current Assets** 2,874,496.53

**TOTAL ASSETS** 2,874,496.53

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

Accounts Payable	
2010 · A/P General	24,537.12
<b>Total Accounts Payable</b>	<u>24,537.12</u>
<b>Total Current Liabilities</b>	<u>24,537.12</u>

**Total Liabilities** 24,537.12

**Equity**

3100 · Fund Balances	2,851,630.00
Net Income	-1,670.59
<b>Total Equity</b>	<u>2,849,959.41</u>

**TOTAL LIABILITIES & EQUITY** 2,874,496.53

## OIB FINANCIAL SUMMARY

REPORT PERIOD: September 2022

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT 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	19,581	12,189	7,392
Loan Processing Fees	4,875	4,875	-
Loan Filing Fees	151	151	-
Loan Late Fees	-	-	-
Other Revenue	-	-	-
Invested Interest	5,912	3,625	2,286
<b>TOTAL INCOME</b>	<b>30,519</b>	<b>20,841</b>	<b>9,677</b>
<b>PRINCIPAL REPAYMENTS</b>	<b>133,635</b>	<b>122,599</b>	<b>11,036</b>
<b>REVENUE BEFORE DISBURSEMENTS</b>	<b>164,153</b>	<b>143,440</b>	<b>20,712</b>
<b>EXPENSES AND PAYMENTS</b>			
Grants Distributed FY23	-	-	-
New Loans Disbursed	325,000	325,000	-
Converted to Principal	-	-	-
Bank Service Charges	27	18	9
Professional Services: Legal	-	-	-
Professional Services: Filing Fees	48	33	15
Professional Services: Contractual	24,463	16,308	8,154
Communications / Telephone	-	-	-
Other Materials & Supplies	-	-	-
<b>TOTAL EXPENSES AND PAYMENTS</b>	<b>349,537</b>	<b>341,359</b>	<b>8,178</b>
<b>ADJUSTED CASH BALANCE</b>	<b>1,661,112</b>	<b>(197,919)</b>	<b>12,534</b>
<b>LESS:</b>			
Approved Grants not Disbursed	(10,000)		
Approved Loans not yet Disbursed	-		
Interest Receivable at Period End	(4,372) *		
<b>AVAILABLE TO GRANT/LOAN</b>	<b>1,646,741</b>		
<b>LOANS RECEIVABLE BALANCE</b>	<b>1,238,383</b> ^		
<b>PROOF:</b>			
Cash Balance After Reconciliations - September 30, 2022	1,681,278 ^		
Less Payables	(24,537)		
Plus Interest Receivable	4,372		
<b>ADJUSTED CASH BALANCE</b>	<b>1,661,112</b>		

9:56 AM

10/19/22

Accrual Basis

Mid-Columbia Economic Development District

Profit & Loss - E975 OIB

September 2022

---

	<u>Sep 22</u>
Ordinary Income/Expense	
Income	
4600 · Loan Interest	7,391.58
4750 · Investment Interest	2,286.21
	<hr/>
Total Income	9,677.79
	<hr/>
Gross Profit	9,677.79
Expense	
6400 · Professional Services	
6450 · Contractual	8,154.17
6470 · Filing Fees	15.00
	<hr/>
Total 6400 · Professional Services	8,169.17
6900 · Other Materials & Supplies	
6931 · ACH Collection Fees	9.05
	<hr/>
Total 6900 · Other Materials & Supplies	9.05
	<hr/>
Total Expense	8,178.22
	<hr/>
Net Ordinary Income	1,499.57
Other Income/Expense	
Other Expense	
7010 · Bad Debt Expense	7,652.20
	<hr/>
Total Other Expense	7,652.20
	<hr/>
Net Other Income	-7,652.20
	<hr/>
Net Income	<u><u>-6,152.63</u></u>

**Mid-Columbia Economic Development District**  
**Profit & Loss - 373 USDA NSA**  
September 2022

	Sep 22
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4600 · Loan Interest	957.30
<b>Total Income</b>	957.30
<b>Gross Profit</b>	957.30
<b>Expense</b>	
5000 · Personnel Expense	
5100 · Wages	
5050 · Wages - Paid Leave	184.11
5100 · Wages - Other	217.69
<b>Total 5100 · Wages</b>	401.80
5500 · Fringe Benefits	
5550 · Fringe Benefits - Paid Leave	22.53
5500 · Fringe Benefits - Other	53.85
<b>Total 5500 · Fringe Benefits</b>	76.38
5700 · Payroll Taxes	
5750 · Payroll Expenses - Paid Leave	31.25
5700 · Payroll Taxes - Other	17.64
<b>Total 5700 · Payroll Taxes</b>	48.89
<b>Total 5000 · Personnel Expense</b>	527.07
6700 · Building Costs	
6710 · Building Rent	10.47
6715 · Remodel Alloc (515 E 2nd)	1.37
<b>Total 6700 · Building Costs</b>	11.84
6900 · Other Materials & Supplies	
6931 · ACH Collection Fees	7.64
<b>Total 6900 · Other Materials &amp; Supplies</b>	7.64
9000 · Indirect Spread	
9040 · Transportation Facility Spread	5.23
9050 · Loan Fund Costs Allocated	500.27
9000 · Indirect Spread - Other	-23.54
<b>Total 9000 · Indirect Spread</b>	481.96
<b>Total Expense</b>	1,028.51
<b>Net Ordinary Income</b>	-71.21
<b>Net Income</b>	-71.21