

ECONOMIC DEVELOPMENT COMMITTEE

Tuesday, August 13, 2013

Third Floor County Board Room

Call Meeting To Order: Chairman, Jim Metz at 10:00 a.m.

Members Present: Jim Metz, Lester Lewis, Steve Deml, Wayne Tlusty, Bill Breneman, Vern Pernsteiner, John Lorenz, Christine Nowak, Arlen Albrecht and Bruce Strama.

Members Absent: Sue Emmerich, Michael Wellner and Greg Brunner

Other Attendees: Jeff Dietrich, Sarah Holtz and Larry Brandl.

Approve Minutes of the October 9, 2012 meeting: Strama noted that he had mistakenly listed Thums as seconding the motion to adjourn when it should have been Tlusty. Lewis/Zenner to approve the previous meeting minutes with the amendment as noted by Strama. The motion carried.

Approve the Agenda: Zenner/Breneman to approve the agenda. The motion carried.

Treasurer's Report: Northwest Regional Planning staff member Jeff Dietrich distributed copies of CDGB – Revolving Loan Fund Information which he reviewed with committee members. He began with the 2013 Fund Activities Report and also reviewing each individual semi-annual loan certification for the period beginning on January 1, 2013 and ending on June 30, 2013. He did note that both Janick LLC, and Schmeiser Wood Products LLC were in default and suggested that the Committee consider action to address those situations. He informed committee members that if no payments were made on a loan within a six year period that the statutes of limitation would take effect and that the county would not be able to collect any additional payment on that loan. He also noted that if a payment were made, even after long delay within the six year period that the statute of limitation timeframe would reset and begin again from that payment date. When asked what action should be considered Dietrich stated that the county should contact their corporation counsel for advice. Strama was instructed to contact Ken Schmiege in reference to appropriate action. Zenner/Deml to approve the Treasurer's Report as submitted. The motion carried.

Old Business: Dietrich reviewed the status of several loans including the Schumacher, D&H Repair, Schmeiser Wood Products LLC, Janick LLC and Great Northern Cabinetry loans. Schumacher has received his last draw of \$44,000 which was beyond the timeframe within which was allowed and Dietrich was not certain whether that draw will be approved. Schumacher had also submitted required paperwork late in some instances in 2012 which could also affect his loan status. D&H Auto Repair loan recipient Dan Jenness has filed personal bankruptcy but has continued making payments on the RLF and is in the process of selling the business, so it is expected that there will not be a default on that loan. As had been discussed during the Treasurer's Report, both the Schmeiser Wood Products LLC and Janick LLC loans in default should be addressed sooner than later. He also noted that Great Northern Cabinetry Inc. is in the process of restructuring their debt which seems to be going fine and may result in the company paying off their RLF loan sooner than had been planned.

New Business: Dietrich reported on the problems associated with the transfer of CDGB and RLF responsibilities from the Department of Administration to the WEDC, stating that there is some confusion with that transfer but that NWRP is trying to stay abreast of the many changes especially in reporting requirements resulting from the change. He had reviewed the Semi-Annual Report which was listed to be addressed at this time on the agenda when presenting the Treasurer's Report. He also reported on the pros of merging

county RLF funds with the Northwest Wisconsin Regional Economic Development Fund. According to Dietrich the benefits would include savings in administrative expense, a larger pool of money for larger loans and easier access to CDGB funds in the future. Committee members questioned local approval and access to the funds if it were regionalized and what representation the county would have on the regional committee. Dietrich did note that making good transactions that banks are unable to do should be the goal for RLF funding.

The next meeting date was tentatively scheduled for early February in 2014 unless the need would arise for meeting sooner which would be by call of the chair.

Zenner/Lewis to adjourn the meeting at 10:42 a.m. The motion carried.

Bruce P. Strama