

Manitowoc County Loan Review Board
Committee Meeting Minutes
Thursday February 1, 2018

The meeting was called to order by Chair David Diedrich at 4:30 PM. Members present were David Diedrich, Tim Salutz, and Jim Hamann; Paul (Biff) Hansen arrived at 4:40 PM. Excused was Cindy Huhn. Also present were Todd Reckelberg, Shawn Alfred, Bradley and Theresa Collins and Alicia Harris.

A motion was made by Jim Hamann, seconded by Tim Salutz, to approve the minutes of the Tuesday December 5, 2017 meeting as presented. Motion passed unanimously.

Chair David Diedrich asked if there were any member(s) of the public wishing to comment, and no members were present for public comment.

Bradley and Theresa Collins and Alicia Harris Babcock of BT Collins Investments, LLC / Beacon Organizational Consulting, LLC. spoke in regards to the request for a \$87,500 loan from Manitowoc County's Revolving Loan Fund to assist in the purchase of a property, and office equipment and furniture to expand operations. The business' history, business' future, and anticipating growth of the business due to the receiving of the funds were explained by Ms. Collins. In addition, financial information and projections of the business were made available and reviewed. The Board reviewed the materials and asked questions.

Chair David Diedrich explained to the Board that he and his bank (Investors Community Bank) are involved in this transaction as well; therefore, he will not be participating in the discussion or decision regarding this loan other than to answer members questions if they have any related to his banks involvement.

The Loan Review Board then convened into closed session pursuant to Wis. State Statute §19.85(1)(e) on a motion by Paul (Biff) Hansen second by Jim Hamann. Vote taken, Hansen aye, Hamann aye, Diedrich aye, and Salutz aye. Motion passed. The Board was in closed session.

In closed session, the Loan Review Board Members discussed the request and decided to approve the loan subject to certain terms and conditions, described below. Voting to approve the loan was Paul Hansen, Tim Salutz, and Jim Hamann. Chair David Diedrich abstained from voting and from discussing the request, other than to answer questions related to his banks involvement in the loan.

There was a motion by Paul (Biff) Hansen second by Jim Hamann to return to open session. Vote taken, Hansen aye, Hamann aye, Diedrich aye, and Salutz aye. Motion passed unanimously.

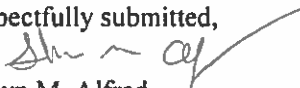
The Board then discussed their position with Mr. and Mrs. Collin's, and Ms. Harris's request and explained that the request for \$87,500 from Manitowoc County's Revolving Loan Fund was approved subject to the following terms and conditions:

- The loan would be for \$87,500, term is 10 years and the interest rate will be 3% fixed except for in the case of default or as otherwise described in the Revolving Loan Fund Agreement.
- Manitowoc County will take a second mortgage on the property being purchased with Investors Community Bank holding the first mortgage.
- Manitowoc County will take first lien on the equipment being purchased with funds.
- It will require the Personal Unlimited Guarantees from both Bradley and Theresa Collins.
- Creation of one full time equivalent position by December 31, 2018 and one and a half full time equivalent position by December 31, 2019 as described in the Revolving Loan Fund Agreement.

RLF Administrator Todd Reckelberg updated the Board on the financial status of the County's RLF Fund including the individual status of our loans.

Motion by Paul (Biff) Hansen, second by Jim Hamann to adjourn the meeting at 5:30 PM. Motion carried unanimously.

Respectfully submitted,



Shawn M. Alfred

Assistant Comptroller/Auditor – Recording Secretary