

Minutes of the
MERCER-MUSCATINE COUNTY
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Thursday, February 10, 2011, 10:00 a.m.
University of Illinois Extension Office
2106 Southeast Third Street
Aledo, Illinois

MEMBERS PRESENT: Ron Monahan-Chair, Denise Bulat, Rick Lee, Bret Robinson

MEMBERS ABSENT: Kay Chapman, Jim Godke, Gladys Reif

STAFF PRESENT: Mark Hunt and Donna Moritz, Bi-State Regional Commission

OTHERS PRESENT: Bill Phelan, Greater Muscatine Chamber of Commerce

The meeting was called to order at 10:18 a.m.

1. Introductions. All present introduced themselves and explained which community or organization they represented.
2. Election of Officers. Mr. Lee nominated Mr. Monahan as president. Ms. Bulat seconded, and the motion passed unanimously. Mr. Robinson nominated Mr. Lee as vice-president. Mr. Monahan seconded the motion, and it passed unanimously. The secretary position will remain unfilled as Bi-State staff records minutes.
3. Approval of By-Laws. Mr. Hunt reviewed the proposed by-laws explaining they are modeled from the loan plan language. There was discussion regarding meeting frequency. It was agreed to change Article V, Meetings, Section 1 from meeting at least quarterly to as needed. Mr. Hunt explained there is no delegate language in the by-laws, and only the board member can vote. The board discussed teleconferencing and decided it would be difficult due to the open meeting law requirements. Mr. Phelan offered space to conduct meetings at the Greater Muscatine Chamber of Commerce offices. A Mercer County location will also be available. Meetings will be held in the county where a loan application originates when possible, otherwise they will alternate between counties. Bi-State staff will be responsible for the public meeting notices. Mr. Robinson moved approval of the by-laws with the change to meeting frequency. Mr. Lee seconded the motion, and it passed unanimously.
4. Discussion of Loan Rate and Term. Ms. Bulat explained the interest rate can be as low as 75% of Wall Street Journal Prime Rate. Rates currently could be as low as 2.44% since the WSJ published prime rate is 3.75%. Ms. Moritz stated loan terms typically are 3 years for working capital loans, 5-7 years for equipment loans, and 7-10 years for real estate loans. The interest rate and loan term can be determined on a case-by-case basis taking into account risk, collateral, strength of company, etc. Mr. Hunt stated there is a loan application fee. Ms. Bulat explained the Economic Development Administration funds require local match, which will be provided by the local communities or other partners.

5. Update on Current marketing Efforts. Mr. Hunt distributed a brochure that has been mailed to banks and is in the Chamber of Commerce offices. There has been a press release, a mass mailing in the two-county area, an article in the Aledo Chamber newsletter, and presentations to Wilton Development Corporation and West Liberty Economic Development.
6. Other Business. There was no other business to discuss.
7. Example of Gap Letter. Ms. Moritz reviewed sample bank gap letters that would meet the requirements. These letters can be provided to bank partners when developing their gap letters.
8. Adjournment. The meeting adjourned at 11:05 a.m.