

MINUTES
BROWN COUNTY REVOLVING LOAN FUND COMMITTEE
Monday, May 5, 2014
Northern Building
305 E. Walnut Street, Conference Room 200
Green Bay, WI 54301
1:30 p.m.

ROLL CALL:

Brent Miller	<u>X</u>	Chuck Riley	<u>X</u>
Robert Patrickus	<u>X</u>	Ron Van Straten, Chair	<u>X</u>

OTHERS PRESENT: Chuck Lamine, Chad Weininger, Laura and John Peszko, and Lisa Harmann.

R. Van Straten called the meeting to order at 1:35 p.m.

ORDER OF BUSINESS:

1. Approval of the minutes of the January 14, 2014, meeting of the Brown County Revolving Loan Fund Committee.

A motion was made by B. Miller, seconded by R. Patrickus, to approve the minutes as presented. Motion carried unanimously.

A motion was made by B. Miller, seconded by C. Riley, to amend the agenda to address both agenda items #2, #3 and #4 as a combined executive session. Motion carried unanimously.

2. Pursuant to Wisconsin Statute 19.85(1)(e), the Brown County Revolving Loan Fund Committee will convene in Executive Session for the purpose of reviewing a loan request from Shining Stars Pre-School & Childcare Center, LLC.

At the completion of the closed session, the committee may reconvene in open session to report the results of the closed session.

A motion was made by B. Miller, seconded by C. Riley, to convene in closed session pursuant to Wisconsin Statute 19.85(1)(e) for the purpose of reviewing a loan request from Shining Stars Pre-School & Childcare Center, LLC. Motion carried unanimously.

Pursuant to Wisconsin Statute 19.85(1)(e), the Brown County Revolving Loan Fund Committee remained in Executive Session for the purpose of reviewing the status of an existing loan for Synchronetek, Inc.

Pursuant to Wisconsin Statute 19.85(1)(e), the Brown County Revolving Loan Fund Committee remained in Executive Session for the purpose of conferring with legal counsel regarding loan litigation with Raven Manufacturing, LLC.

A motion was made by B. Miller, seconded by R. Patrickus, to return to open session. Motion carried unanimously.

A motion was made by C. Riley, seconded by B. Miller, to amend and approve the Shining Stars Pre-School & Childcare Center, LLC loan request to be for \$110,000 at 4% interest with a blended repayment term. Collateral will be a purchase money security interest in the specific equipment that the borrower is purchasing with the loan funds. We will also take a general security interest in all assets junior to Community First Credit Union and SBA's loans. Brown County Revolving Loan Fund will take a third place lien on the existing Suamico facility, new Hobart facility, and the Peszko's homestead. A letter report for a junior lien on the cottage/cabin will also be sought. Loan is contingent upon receiving a list of items intended for purchase with the \$80,000 of equipment proceeds as well as obtaining \$45,000 in working capital from other sources to be secured prior to Brown County RLF disbursement. Loan is subject to meeting all requirements called forth by the SBA 504 loan. Motion carried unanimously.

A motion was made by B. Miller, seconded by R. Patrickus, after account review and current loan payments, to forebear legal action due to the lack of job creation by Synchronetek, Inc. Motion carried unanimously.

A motion was made by B. Miller, seconded by R. Patrickus, to obtain from legal counsel clarification on the proposal presented regarding when the release of Raven Manufacturing will take place. Motion carried unanimously.

3. New committee member appointment.

Discussed the definition of a quorum. Committee asked if B. Miller would stay on, as well as bringing in Chad Weinger as a new committee member. C. Lamine and C. Weinger will meet with Troy Streckenbach regarding adding additional members.

4. Other business.

Open records request was received from the Press-Gazette. Report that was provided to the Press-Gazette was shared with committee members.

5. Adjourn.

A motion was made by B. Miller, seconded by R. Patrickus, to adjourn. Motion carried unanimously. The meeting adjourned at 3:29 p.m.