



DRAFT Minutes – April 13, 2017 – Approved May 11, 2017
Iron County Economic Partnership Board of Directors (ICEP)
ICEP Office, 132 N. Main, Ironton, MO 63650

A regular meeting of the Iron County Economic Partnership Board of Directors was called to order at 5:31 pm by Tim S. A reading of the purpose of ICEP was provided by Tim and the invocation was provided by Gary Lotz.

Directors present in person were: Nathan McKie, Tim Sappington and Gary Lotz in person, Brian M. and Chris D. were present by phone. Also present were: Sandy Francis, Brian Parker, Michael Wiseman (Edward Jones) and Erich Jett. A quorum was established.

- During the **Public Comments / Questions** Mike W. with Edward Jones provided a report on the investment accounts. It has been a little choppy in the last 30 days, but year to date, both accounts continue to produce good returns. The total today of the combined funds is \$3,270,00 (actual \$3,274,102.40). One account increased 3.7% (\$75,000) and the other 2.43% (\$28,000).

We can expect the smaller account to react as the Fed changes rates. There will also probably be some volatility with the war issues. 2017 is looking very strong right now.

No further public comments or questions.

- **Approval of Minutes** of the March 9, 2017 minutes. Minutes were emailed to the board prior to tonight's meeting. Brian M. made a motion to approve the minutes. Nathan seconded. Roll call vote: Tim - yes, Nathan - yes, Gary - yes, Brian - yes. Motion passed.
- **Erich J.** reviewed his report previously emailed to the board. A hard copy was also provided for those directors present. Each project was reviewed and discussed individually. Important discussion information and decisions made are as follows:
 - After a recent meeting with USDA staff, the **Economic Development Project** is being rewritten to meet the interpretation of the USDA. The surplus funding is not available as originally discussed, earliest possible is October.
 - **Delta Regional Authority - SEDAP Grant** for \$200,000. If funded the RFC fee would be 10% to a maximum of \$200,000 (\$20,000) and count toward the RFC minimum \$240,000 production. Initial application due in May. Funding includes the Trolley Project (\$100k), Courthouse Renovation (\$50k) and local water issues/country club (\$50k).

Nathan made motion to approve Erich to file the application for this project. Gary seconded the motion. By roll call vote: Tim - yes, Nathan - yes, Gary - yes, Brian M - yes. Motion passed. (Any approved funding would be included in this year's budget.)

 - **Courthouse Project** was updated to include recent approval of \$17,000 to begin the Maintenance Plan through the **Historic Preservation Grant**. The funding should begin to flow in May.

Chris called in at 6:17 pm during discussion of Small Business Finance Project #1

- **Small Business Finance Project**, the first RFC/ICEP grant submission, was revised and resubmitted to the board.
 - **#1 Rural Microentrepreneur Assistance Program** - Initial funding approval was requested for \$205,000 in USDA RMAP grants. Years 2-5 grant is \$100,000 max/year. \$500,000 is the maximum first year line of credit, but \$300,000 is more typical. After discussion regarding the details of this proposal, Erich agreed to waive the percentage due under the Rural Financial Corporation/ICEP agreement, with the understanding that RFC would manage the financial and educational aspects of the operation. The board voted to approve the concept without an intermediary (another organization).

Nathan made a motion that we allow the submission of application. Gary seconded the motion. Nathan, Gary, Tim, Brian – yes; Chris – abstained as she wasn't present for the call for the full discussion.

- **#2 Microenterprise Development Organization** - Two intermediaries were presented to the board for consideration in the report and board approval was requested for one of the options. This was no longer required when ICEP chose to become the lender without an intermediary.
- **#3 Microenterprise Development Organization** - RFC requested initial funding to develop the lending concept as the development is not part of the current RFC/ICEP agreement for obtaining grants. Grants to fund the new financial operations could take 6-9 months to fund. The \$18,000 is to cover development of the lending operation and RMAP required educational components specifically not covered under the existing RFC/ICEP agreement. The board responded with a request for a contract over a loan.

There are currently \$4,940,261 in projects with grant requests totaling \$2,906,144. \$17,000 is approved under the Courthouse Renovation Project with up to \$800,000 in grants remaining. Potential future cost to ICEP is \$169,000 based on grants approved.

- **#4 Microenterprise Development Organization** - Intermediary use of the additional office space within ICEP was proposed, but no longer need as the board decided not to use an intermediary. **(Discussion of Erich using ICEP office space to be discussed in closed session.)**
- **Investment Committee Recommendation:** Mr. Jett recommended diversification in the ICEP investments. 100% through a single source (Edward Jones) is risky in any environment. There would only be limited protection in the event of a significant market correction. He recommended at least 25% in a more secure form of investment; i.e. the development of local funding projects investing in Iron County opportunities.
- **SEED\$ Lending Project** as presented on the report was reviewed and discussed.

Sandy advised that the remaining balance on the \$320,000 funding agreement is \$275,000. They have only used \$45,000 to date. Further discussion was tabled for additional consideration in closed session.

- **Treasurer’s Report** – documents distributed to the board were discussed. Copies of Buckley Accounting Financial Statement, Accounts Payable and Mileage & Expense spreadsheets were reviewed. There were no invoices to be approved outside of regular budgeted bills.

Gary made a motion to accept the Treasurer’s Report. Nathan seconded the motion. Gary, Nathan, Tim and Chris voted yes. Brian M. had dropped off the call and didn’t vote. Motion passed.

- **Revisit of Committee Elections** from last month’s discussion. Regarding members of the Investment Committee: Brian M. - chairman, Tim S., Chris D. were nominated to be on this committee. Erich Jett was previously on the committee and we didn’t vote on retaining Erich.

Discussion followed. Brian P. advised that Erich can be on the committee as an advisor, but should not have a vote. There is no need to have a vote for this matter. As chairman of the committee, Brian M. can invite Erich to participate as an advisor or by majority vote of the committee, he can be invited.

- **Elephant Rocks Visitor Center update.** Sandy advised that both she and Brian M. have been in touch with Tim Archer (Charter Spectrum) and Sandy has been in touch with Brian Stith (District Supervisor Missouri State Parks, Southern Missouri Historic District). Charter is still waiting for a second survey on the cost to get service to the park. Stith is checking with their IT Department regarding possible options of partnering with ICEP on this project. Stith agreed that a home page promoting Arcadia Valley / Iron County would be a good way for our information to be shared. Also discussed was some type of signage at the park.
- **Invest in Iron County Report** discussion included previous board meeting assignments. Sandy was asked to contact Jim Scaggs regarding the status of the broadband project he’s been working on for Iron County. Once information is obtained from Scaggs, Sandy will speak with Margaret Yates at SEMO RPC about possible grant funding for broadband service.

Nathan has a meeting scheduled on 4/21 with MERS Goodwill about their work in Iron County. He will provide an update at the next meeting.

Sandy reported that Jim Scaggs continues to work with the representatives of the prospective business that is vying for location in either St. Francois or Iron County. She will follow up with him after a recent meeting and report any updates.

Sandy discussed contacts made at the Mid-South Basic Economic Development Training she attended April 3-6 in Little Rock. She will continue to follow up with them for information, sample surveys, etc.

Information on assistance in determining target markets to include on the ICEP website was emailed to the board on March 16th. Sandy requested that the board offer feedback on this information as soon as possible.

Tim advised that we need to step up our game in the area of “premier destination marketing” as recommended in the Invest in Iron County Report.

Related to the Pilot Knob Mt. project, Tim reported that Donna Hickman with Congressman Smith’s office is going to obtain a copy of the Fish & Wildlife compatibility study for review. No one working on the project received a copy of the report.

Sandy was asked to follow up with the Missouri Division of Tourism regarding how to become a DMO (designated marketing organization).

During discussion of infrastructure needs in the area, Nathan agreed to look into what issues are considered when businesses and individuals/families choose not to move to Iron County. He will report back at a future meeting.

A motion was made at 8:00 pm by Nathan and seconded by Brian M to move into closed session as authorized by RSMo 610.021, Paragraph 14 regarding records which are protected from disclosure by law. All directors approved, motion passed.

There were no Closed Session decisions to report.

Based on discussion of funding agreement payment requests expected prior to next meeting, Brian M. made a motion to transfer \$25,000 from the investment funds to the ICEP checking account. Nathan seconded the motion. By roll call vote, all directors voted yes, motion passed. Brian M. will contact Mike Wiseman with Edward Jones to complete the transfer.

Motion made by Chris at 8:10 pm to adjourn. Seconded by Tim. All directors approved.

Respectfully submitted, Gary Lotz, ICEP Board Secretary