

REVOLVING LOAN REVIEW COMMITTEE

February 26, 2018

4:30 p.m.

The Mayor called the meeting to order at 4:34 pm.

Members Present Denny Long, Jim Smith, Koleen Roseman and Brian Schurter. Connie Nelson joined the meeting at 4:40 pm.

Others Present: Mayor Smith, Rebecca Motley, Pat Chamberlin, Duane and Jennifer Smith, Ron Minch, Dave Hinton and Debra Sweat

Public Participation

There was no public participation.

Approval of minutes

After review Brian Schurter moved/Denny Long seconded to approve the minutes from the February 6, 2018 meeting. Motion approved, all voting "aye".

Duane and Jennifer Smith

Mr. and Mrs. Smith requested a \$55,000.00 loan to purchase the Family Table Restaurant located at 1725 E. Grove Avenue. The purchase price of the restaurant and its equipment, furniture, and fixtures is \$40,000. The Smiths would like an additional \$15,000 to purchase additional equipment and for working capital. They will be signing a five year lease with the owner of the building for \$2,000 a month. The Smiths would like to add a salad bar and provide freshly prepared meals. They would also like to have a liquor license to be able to serve beer and wine.

After discussion Denny Long moved/Koleen Roseman seconded to recommend approval of the loan to the Village Board with the following conditions:

- Security Agreement and first lien on the equipment
- Lien on the Eater Drive contract with funds being used to repay the loan
- \$6,000 Escrowed before the Village expends any funds
- Personal Guarantees from the Smiths

The term loan will be for seven (7) years at a 4% interest rate. On a roll call vote:

Ayes: Long, Roseman, Smith, Schurter – 4

Nays: Nelson – 1

Motion carried 4-1.

The committee discussed the process for handling past due loans and the steps that should be taken to bring the accounts current. Rebecca will bring a draft back to the committee for review. The Policy would then go to the Village Board for formal approval.

A proposed meeting schedule was presented to the committee with meetings being held on the fourth Monday of each month at 4:30 pm. The Committee did not approve a formal schedule but agreed that the fourth Monday would work if a meeting was needed.

There being no further business before the committee, Connie Nelson moved/Jim Smith seconded to adjourn. Motion carried, all voting "aye",

Submitted by
Janet E. Gray, MMC, Deputy Clerk