



**MISSISSIPPI RIVER  
REGIONAL PLANNING COMMISSION**  
1707 Main Street, Suite 435  
La Crosse, WI 54601  
Phone: (608) 785-9396  
Fax: (608) 785-9394  
Email: [plan@mrrpc.com](mailto:plan@mrrpc.com)  
Website: [mrrpc.com](http://mrrpc.com)

*James Kuhn, Cashton, WI  
Chairman*  
*Margaret Baecker, Independence, WI  
Vice Chairman*  
*Vicki Burke, Onalaska, WI  
Secretary & Treasurer*  
*Greg Flogstad, Onalaska, WI  
Director*

## MINUTES

### MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION (MRRPC)

#### BIMONTHLY MEETING

10:00 a.m., April 11, 2018

AmericInn (formerly Best Western Riverfront Hotel), 1835 Rose Street, La Crosse, Wisconsin

#### **Call to Order**

Chairman Kuhn called the meeting to order at 10:00 a.m. and asked for the roll call. A quorum was present. The attendance roster is attached. There were special guests in attendance: Mike Temp, CPA, Tostrud and Temp and Ryan Cornett representing Senator Tammy Baldwin.

#### **Minutes of February 14, 2018 Bimonthly Meeting**

Chairman Kuhn asked for a motion on the February 14, 2018 bimonthly meeting minutes. Commissioner Twidt made a motion to approve the February 14, 2018 meeting minutes and the motion was seconded by Commissioner Nickelatti. Chairman Kuhn asked if there were any questions or comments and hearing none, the minutes were unanimously approved.

#### **Treasurer's Report**

Secretary-Treasurer Burke gave the treasurers report. Ms. Burke said the January 31, 2018 balance in all MRRPC accounts was \$328,794.52 and the February 28, 2018 ending balance was \$368,588.39. She reported the beginning balance in March 2018 was \$368,588.39 and March 31, 2018 ending balance was \$333,401.53.

Ms. Burke said the Business Capital Fund (BCF) began with a January 31, 2018 balance of \$326,259.19. Activity from February 1, 2018 through March 31, 2018 included loan repayments of \$7,493.28 and interest earned of \$106.78, leaving a March 31, 2018 balance on hand of \$333,859.25. The BCF Sequester Account began with a January 31, 2018 balance of \$454,289.03. Activity from February 1, 2018 through March 31, 2018 included interest earned of \$258.96, leaving a balance on hand of \$454,547.99.

Ms. Burke said the Business Capital Fund 2 began with a January 31, 2018 balance of \$45,536.02. Activity from February 1, 2018 through March 31, 2018 included loan repayments of \$1,172.00, interest earned of \$14.96, leaving a March 31, 2018 balance of \$46,722.86. Ms. Burke said the Business Capital Fund 2 Sequester Account began with a January 31, 2018 balance of \$160,627.14. Activity from February 1, 2018 through March 31, 2018 included interest earned of \$91.56, leaving a balance on hand of \$160,718.70.

Ms. Burke said the CMV Growth Development Fund began with a January 31, 2018 balance of \$58,683.68. Activity from February 1, 2018 through March 31, 2018 included loan repayments of \$934.16, and interest earned of \$10.22, leaving a March 31, 2018 balance of \$59,628.06. Ms. Burke said the CMV Growth Development Fund Sequester Account began with a January 31, 2018 balance of \$104,086.41. Activity from February 1, 2018 through March 31, 2018 included interest earned of \$17.97 leaving a balance of \$104,104.38.

---

***Providing Planning and Economic Development Services to Improve the Environment, Economy and Quality of life***  
• Land Use Planning and Zoning Assistance • Transportation Planning • Economic Development Planning • Recreation Planning •  
Business Lending • Grant Writing • Economic Data Dissemination • Assisting Local Interests in Responding to State, Federal and  
Private Programs • Advisory Services on Planning and Development Issues • Coordinator for Programs and Activities  
• Advocate on Issues Affecting the Region

MRRPC Bimonthly Meeting Minutes – April 11, 2018

The La Crosse County Economic Development Fund began with a January 31, 2018 balance of \$27,934.96. Activity from February 1, 2018 through March 31, 2018 included loan repayments of \$4834.00 and interest earned of \$7.19, leaving a March 31, 2018 balance of \$32,776.15.

Mr. Flogstad added that Evolution Coatings has paid off their loan to the CMV Growth Development Fund and a new \$100,000 loan was made from the CMV Growth Development Fund to Driftless Brewing Company in Soldiers Grove. He said that the loan closing happened on April 6<sup>th</sup>.

Chairman Kuhn asked for a motion to approve the treasurer's report as presented. Commissioner Nickelatti made a motion to approve the treasurer's report. The motion was seconded by Commissioner Twidt. Chairman Kuhn asked if there were any questions or comments and hearing none, the treasurer's report was unanimously approved.

#### **Presentation of 2017 MRRPC Audit by Mike Temp, CPA, Tostrud and Temp, S.C.**

Chairman Kuhn introduced Mike Temp of Tostrud and Temp S.C. Mr. Temp said his firm prepared the 2017 Financial Statements and Independent Auditor's Report for the Mississippi River Regional Planning Commission. Mr. Temp referred to Page 5 and said the MRRPC was given an unqualified opinion on the financial statements, which is what you want. He referred to Pages 7.1 through 7.7 of the Audit, the MRRPC Management's Discussion and Analysis. Mr. Temp said pages 9 and 10 of the audit provide an overall picture of the MRRPC including the Revolving Loan Funds (RLFs) the MRRPC administers. He said the statements on these pages were prepared using a business type accounting. The statements show the MRRPC and the RLFs recorded more revenues than expenses in 2017. He said the statement on Page 11, the MRRPC balance sheet, was prepared using governmental accounting. Page 13 shows \$395,376 in revenues and \$380,286 in expenses for the MRRPC in 2017. Mr. Temp said Page 15 shows the net position of the revolving loans funds as of 2017.

Mr. Temp said since the Commission is in the Wisconsin Retirement System (WRS), the WRS must determine if it has enough assets to meet its obligations to retirees. An actuarial study is done to determine if they have enough assets, too many assets, not enough assets etc. He explained that right now the current study determined the WRS is underfunded so the Commission has a pension liability on its books. He said if this changes, instead of showing a liability the Commission could show an asset. He said the WRS will conduct this study every few years so the numbers on the MRRPC's financial statements will be affected every few years.

Mr. Temp referred to pages 21-22 under capital investments between the RLF's and the planning commission there is \$1.4 million in cash. Some of the cash in these accounts exceed federal depository standards for coverage in the event that depository institution would fail. Mr. Temp wanted to bring this to the commission's attention and there are ways to collateralize those accounts to obtain added coverage. Mr. Temp referred to page 34 to report that EDA requested that \$394,415 of the Business Capital Revolving Loan Fund be returned to them due to not enough borrowing activity in that fund. Mr. Temp referred to pages 54 and 55, the report on compliance and on internal control and said no deficiencies were found. He said there were no difficulties in performing the audit. Mr. Temp asked if there were any more questions. Chairman Kuhn asked Mr. Temp if the audit reports were sent to the federal government. Mr. Temp replied that the audit report is uploaded to the Federal Clearinghouse in Washington, D.C. electronically and they get a copy. Chairman Kuhn asked for a motion approving the 2017 MRRPC financial statements. Commissioner Borreson thanked the commission staff for their professionalism and keeping their budget intact. Commissioner Burke made a motion to approve the 2017 Financial Statements and Independent Auditor's Report for the Mississippi River Regional Planning Commission and was seconded by Commissioner Purdy. Chairman Kuhn asked if there were any other questions or comments. Commissioner Stittleburg asked Mr. Temp his advice regarding the excess \$650,000 of revolving loan funds that would not be covered under the bank's insurance in the event that the bank would fail. Mr. Temp replied that he would contact the bank to get added protection for those funds if it was his decision. The motion was unanimously approved.

#### **Decision on Executive and Administration Committee recommendation on 2018 staff wage adjustments.**

Commissioner Twidt reported that the Executive and Administration Committee met at the Buffalo County Courthouse on March 28, 2018. He said the committee went into closed session to discuss wage adjustments for the MRRPC staff. He said a motion was made and seconded recommending a 2.0% increase for all MRRPC staff plus an additional \$0.50 cent an hour raise for Dave Bonifas, Peter Fletcher and Sarah Ofte effective July 1, 2018. Commissioner Twidt made a motion to approve the Executive and Administration Committee's recommendation of a 2.0% wage increase for all commission staff

plus an additional \$0.50 cent an hour increase for Dave Bonifas, Peter Fletcher, and Sarah Ofte effective July 1, 2018. The motion was seconded by Commissioner Schroeder and was approved unanimously.

#### **Decision on Executive and Administration Committee Recommendation on 2019 County Contributions.**

Commissioner Twidt reported that the Executive and Administration Committee was recommending the same amount (\$138,860) of funding from counties for 2019 as in 2018 resulting in a county contribution rate of .00057451% that would be applied to the 2017 real property equalized values. He said that some counties will see an increase while other counties will see a decrease since property equalized values change. Commissioner Twidt made a motion to approve the 2019 county contributions totaling \$138,860. Commissioner Jaekel seconded the motion and it was approved unanimously.

#### **Decision on return of excess revolving loan funds to the U.S. Department of Commerce – Economic Development Administration.**

Mr. Flogstad referred to the letter received from EDA with the response to their letter. He referred to the financial report of the revolving loan funds in the commissioner packets. He said that the Business Capital Fund amounts were listed under columns B and C in the report. He said that this revolving loan fund has had 50% of excess cash for 24 months and the EDA is now requesting \$394,414.63 be returned to them and attached to this account is the amount of \$131,541.65 of its pro rata matching share of the local match to be transferred to a new account. He said that there will be no federal strings attached to the \$131,541.65. According to the federal regulations they can reclaim their portion of the funds. He said that this particular account has had an excess of 50% or more for years. Commissioner Schroeder commented that with the return of the money to EDA will it help alleviate some of the uninsured dollar amount. Mr. Temp replied that it would alleviate some of the problem. Commissioner McMillan Urell made a motion to return the excess funds to EDA of \$394,414.63. The motion was seconded by Commissioner Baecker and was unanimously approved.

#### **Decision on contract to administer the Pierce County Community Development Block Grant business revolving loan fund.**

Mr. Flogstad said that Pierce County has asked to contract with the commission to administer the Pierce County CDBG Revolving Loan Fund. He said that we will be administering the revolving loan fund as well as completing all of the financial reporting for the fund. He said that it is very similar to the Monroe and La Crosse County CDBG revolving loan funds that we have administered in the past. Mr. Flogstad said that the Pierce County CDBG Revolving Loan Fund is a \$1.1 million fund with \$10,000 of income a month and 7 to 8 active loans. Commissioner Borreson asked if the commission has the available manpower. Mr. Flogstad said that we have done it in the past. A motion was made by Commissioner Schroeder to engage and administer the Pierce County Community Development Block Grant Revolving Loan Fund and seconded by Commissioner Purdy. The motion was unanimously approved.

#### **Decision on contract to prepare a Comprehensive Plan for the City of Mondovi.**

Mr. Flogstad said that 10 years ago the commission had completed a Comprehensive Plan for the City of Mondovi and now the City of Mondovi is asking us to update their plan and we have a contract to do this for \$12,000. A motion was made by Commissioner Twidt to approve the contract to prepare a Comprehensive Plan for the City of Mondovi and seconded by Commissioner Ehram. Chairman Kuhn asked if there was any questions or comments. Commissioner Schlesselman asked if the contract amount of \$12,000 was adequate for the project. Mr. Flogstad said that it was for an update, we have the existing plan in our software for both mapping and publishing, it is just a matter of updating it with new findings, ideas and strategies the City wants to pursue. The motion was unanimously approved.

#### **Decision on future lending policies and procedures for US Department of Commerce EDA revolving loan funds.**

Mr. Flogstad said that EDA is asking all organizations to update their administrative plans for their revolving loan funds. He referred to the handout for Agenda item 11 in the commissioner packets which outlines eight policies and procedures that the RLF current practice and changes that can be made to these policies. He said that he would like to get input on those eight policy items. At the June meeting, he said that there will be an administrative manual for the commission to act on subject to EDA's approval which will include the required items from EDA as well as the eight policy items listed in the handout. He said the first policy item is leveraging and the current leveraging is set at 2:1, \$2 dollars of private financing for every \$1 of RLF financing which EDA has set. He said that we can make it more restrictive but cannot make it led restrictive. Mr. Flogstad's recommendation was to keep it at the 2:1 ratio in the EDA policy manual. The second policy item is in regards to job creation and currently it is set at 1 job retained or created per \$20,000 of RLF lending. Mr. Flogstad recommended

that the job creation requirement should read not to exceed \$40,000 of RLF lending for every job retained or created that can be adjusted annually based on changes in Consumer Price Index calculated by the US Department of Labor, Bureau of Labor Statistics. He said that jobs and wages will be monitored for economic impact of the RLF. Commissioner Jaekel commented that \$20,000 per job is too low and would deter potential lenders. Mr. Flogstad responded that \$20,000 is the old policy and he would like to see it changed to \$40,000 per job created or retained or have it be part of the application with no job requirement. Mr. Flogstad said that he chose \$40,000 since it was an amount that was a little higher than \$35,000 which is required for Community Development Block Grants. Commissioner Borreson asked if this is an area for negotiation with EDA. Mr. Flogstad said that it is. The third policy item is Economic Sectors Targeted. Mr. Flogstad said that currently we have targeted manufacturing, tourism, and business services but he would like it to be more flexible and have it read any for profit business except for the businesses identified by federal regulations as not being eligible will be listed. Commissioner Schesselman asked why loaning was restricted to manufacturing, tourism, and business services. Mr. Flogstad responded that those were the industries decided upon when the RLF was formed. Commissioner Schesselman said that it was good to expand to all businesses. Commissioner Ehrsam asked about businesses with bad debts. Mr. Flogstad replied that the RLF takes measures to collect those bad debts. Commissioner Stittleburg asked if we are always a secured creditor. Mr. Flogstad replied that we are always a secured creditor, but we have a subordinated position to the lead lending institutions. The fourth policy item is the Interest Rate. Mr. Flogstad recommended that the interest rate be 75% of the prime rate or the lowest rate federal requirements will allow. He also said that it is possible to defer principal payments for one year to help businesses with their cash flow. The fifth item involves loan terms. Mr. Flogstad said that the existing loan terms are real estate: 10 to 15 years preferred with maximum of 20 years if absolutely necessary; equipment and machinery expected life; and working capital up to 5 years. He said that he would like to propose changing the terms to real estate up to 15 years and amortized on a 20-year basis with option of refinancing for an additional 5 years; equipment and machinery useful life but not to exceed 10 years; and working capital up to 7 years. He said that these terms were in a city plan in Illinois that was recently approved by EDA.

The sixth policy area is the equity requirement for new loans. Mr. Flogstad said that the existing equity requirement is 10% but in order to make it more flexible for borrowers he would recommend that 10% is preferred but may be less if 2:1 ratio of non RLF funding to RLF funding ratio is exceeded and/or significant collateral is pledged to the RLF. The seventh policy area is Targeted Economic Activity. Mr. Flogstad said that the existing targeted economic activity is 30% maximum of lending portfolio for retail activity, 40% minimum of lending portfolio shall be for business expansions, 50% of lending portfolio shall be for locally owned businesses, and 75% of lending portfolio shall be for small businesses. Mr. Flogstad recommended to give the RLFs more flexibility to have no percentage designated for economic sector targeting or designated for type of activity funded and keep the 50% of lending portfolio shall be for locally owned businesses and 75% of lending portfolio shall be for small businesses. The eighth policy area is Targeted Use of Funds. Mr. Flogstad said that the existing targeted use of funds is 70% for fixed assets and 30% working capital. Mr. Flogstad suggested that there be no targeted use of funds and let it be decided by the applications that we receive and the business needs. Chairman Kuhn asked if there were any comments or questions and asked for a motion. A motion was made by Commissioner Schesselman to make the changes from the existing policies to the proposed policies in the RLF Administrative Manual and was seconded by Commissioner McMillan Urell. Chairman Kuhn asked if there was any questions or comments. Commissioner Purdy made a motion to amend the existing motion to change the proposed job requirement to read not to exceed \$80,000 of RLF lending for every job retained or created that can be adjusted annually based on changes in Consumer Price Index calculated by the US Department of Labor, Bureau of Labor Statistics and it was seconded by Commissioner Schroeder. The motion to amend the motion was unanimously approved. Chairman Kuhn then called for a vote on the amended motion. The motion as amended passed unanimously.

### **Report on Buffalo County zoning ordinance public hearing and county board meeting.**

Mr. Fletcher reported that the update of the 1965 Buffalo County Zoning Ordinance is progressing. He said that in January, February, and March seven public open house meetings were held throughout Buffalo County where a draft of the ordinance and the map was presented. He said that based on the input at these meetings the ordinance and maps have been modified. By state statute a public hearing was held last Thursday evening and 12-15 attended and 6 testified regarding the ordinance and some asked for additional time for ordinance and maps. He said the maps are on their fourth version based on the input received. He said that the ordinance was presented to the Buffalo County Board and 15 people other than the board attended. It was informational, and no action was taken. The recommendation from the public was to allow for a little more time. He said that next step is for the zoning committee at their next meeting next week to make more revisions or to make a resolution to approve the ordinance and then send it on to the county board for approval. He said that if the zoning

committee makes a resolution to approve it to send it to the county board the earliest the ordinance could be adopted was at the May meeting. After it is acted on by the county, a copy of the ordinance and map is sent to each town and each town is given a year to adopt the ordinance by resolution. They are under the old ordinance for the remainder of the year. Once the town adopts the new ordinance the new document will go into effect. He said that after a year if the town does not adopt the new ordinance they will essentially be unzoned. He said that once a town opts into the ordinance, the town will not be able to opt out until there is another comprehensive revision. Mr. Fletcher said that the document isn't final and can be amended. He said that after the ordinance is passed, the Zoning Administrator will be taking notes and documenting what works and what possible changes will need to be made. Commissioner Schlesselman Commissioner McMillan Urell thanked the commission for all of their work.

**Report on the Association of Wisconsin Regional Planning Commissions First Annual Summit on Thursday, June 14, 2018, in Wisconsin Rapids at the Mead Inn.**

Mr. Flogstad referred to the handout in their packets regarding the Association of Wisconsin Regional Planning Commission's First Annual Summit. He said that the Association of Wisconsin Regional Planning Commissions is having their first annual Summit on Thursday, June 14, 2018, in Wisconsin Rapids at the Mead Inn Conference Center. He said it is a new way for the planning commissions in the state to share ideas and work together. He said that the commission is allotted up to 10 commissioners to attend with the full day conference happening on June 14 and the annual meeting taking place June 15. He asked the commissioners to review the information in their packets and let the office know by May 17 or earlier if they plan to attend.

**Old, Business, New Business and Adjourn**

Chairman Kuhn asked if there was any old business. Chairman Kuhn asked if there was any new business. Mr. Flogstad directed the commissioners to a handout in their packets. He said that EDA has made available \$537 million in disaster recovery relief to communities impacted by natural disasters in 2017. He said that Mr. Bonifas was in a meeting in Arcadia for a project regarding the flood damage. Mr. Flogstad said that all the counties in our area are eligible except Pierce and Pepin. A motion was made to adjourn by Commissioner Schroeder and seconded by Commissioner Twidt. The motion was unanimously approved.

---

Vicki Burke, Secretary-Treasurer

MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION

MEETING ATTENDANCE ROSTER

DATE: 4-11-18

PLACE : AmericInn

	NAME	REPRESENTING
1.	Greg Fogstad	MRRPC Staff
2.	Mary Anne McMillan Urell	Buffalo City
3.	John Schlesselman	Buffalo Co.
4.	Del Twidit	Buffalo Co
5.	James Ehrson	LATA Co
6.	Bard Chown	Jackson County
7.	Phillip Borreson	Trempealeau County
8.	ERNEST Vold	TREMPEALEAU CO.
9.	Mike Temp	Trempealeau Co., S.C
10.	Sarah Opte	MRRPC Staff
11.	Peter Plotter	"
12.	Ryan Carnett	US Senator Baldwin
13.	Trish Stittley	Jackson County
14.	Ron Carney	" "
15.	Rich Purdy	Pierce Co.
16.	Beil Schroeder	Pierce Co.
17.	Ron LEYS	CRAWFORD
18.	James Jacob	Vernon
19.	John Michelatti	Vernon Co.
20.	Wicki Burt	Lincoln City
21.	Lana B Kuhn	MONROE Co
22.	Margaret Baerker	Trempealeau City
23.		
24.		
25.		