



Whitewater CDA - AGENDA
Monday, November 15, 2010
4:15 PM
CDA Board of Directors & Technology Park Board
1231 Innovation Drive
Whitewater, WI 53190

1. Call to order and roll call
2. Approval of the Agenda
3. Innovation Center Tour
4. Discussion and Possible Action on Whitewater Technology Park
 - a. Facilities Management/Operations
 - b. Innovation Center Lease Agreement Review Process
 - c. Innovation Manager Search
 - d. Economic Development Administration Update
 - e. Infrastructure Updates
 - i. Starin Road Extension
 - ii. Tech Park Infrastructure
5. Adjourn to closed session at approximately 5:00PM to reconvene approximately 5:30PM per Wisconsin State Statutes 19.85 (1)(e). Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session
 - a. Economic Development Loan Application for DR Plastics
 - b. Economic Development Loan Extension Request, 226 Whitewater Street, Whitewater, WI
6. Reconvene and Roll Call
7. **HEARING OF CITIZEN COMMENTS.** *No formal CDA Action will be taken during this meeting although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.*
8. Approval of the October 25, 2010 Minutes
9. August, September and October 2010 Financials
10. Discussion and Possible Action on Economic Development Loan Manual Updates
11. Update/Report from Housing Subcommittee
12. Discussion and Possible Action on Economic Development Loan for DR Plastics
13. Discussion and Possible Action on Economic Development Loan Extension Request, 226 Whitewater Street, Whitewater, WI
14. Future Agenda Items
15. Adjourn

It is possible that a quorum of Common Council and Technology Park Board members may attend this meeting. Even if a quorum is present, no Common Council and/or Technology Park Board business will be conducted at this meeting. Anyone requiring special arrangements is asked to call the office of the City Manager/ City Clerk at least 24 hours prior to the meeting.



Whitewater CDA - MINUTES

Monday, October 25, 2010
4:30 PM CDA Board of Directors October Meeting
312 W Whitewater Street
1st Floor Community Room
Whitewater, WI 53190

1. Call to order and roll call

Tom Miller called the meeting to order at 4:30PM.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart

Absent: Patrick Singer

Others Present: Bud Gayhart, Jim Caldwell, Doug Saubert, Kevin Brunner, Mary Nimm

2. Approval of the Agenda

Jeff Knight motioned to approve the agenda. Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart

Nays: None

Absent: Singer

The motion to approve the agenda passed on a voice vote.

3. Public Hearing on Community Development Block Grant for Economic Development (CDBG-ED) Program as it relates to the \$606,000 in CDBG-ED funds to be loaned to HUSCO International.

Nimm opened the public hearing and provided these comments (in paper form and read aloud parts of the text) to those in attendance:

Identification of total potential funds.

HUSCO is applying for \$606,000 in Community Development Block Grant-Economic Development funds, \$600,000 for working capital and \$6,000 for grant administration.

Eligible CDBG-ED activities

The program was designed to assist businesses that will invest private funds and create jobs as they expand or relocate to Wisconsin. Commerce awards the funds to a community, which then loans the funds to a business. When the business repays the loan, the community may retain the funds to capitalize a local revolving loan fund. This fund can then be utilized to finance additional economic development projects within the community.

A listing of the facts sheets for CDBG programs are on the Department of Commerce website:

www.commerce.state.wi.us select the Fact Sheets tab for a full list.

CDBG-ED Application process

The Community Development Block Grant for Economic Development (CDBG-ED) program application process involves four steps:

- Interested businesses must first talk with the local Area Development Manager (ADM). The ADM will discuss the project with the business to gather preliminary project information. In addition, the ADM may identify other programs that could potentially assist the business.*
- The ADM will then submit the preliminary project information to the Department for review by a Finance Specialist.*
- The Finance Specialist will underwrite the project and make a funding recommendation to the Secretary's Office. The Secretary's Office will:*
- Deny the proposal, in which case the business will receive a letter outlining the reasons for denial. - or -*

- *Make a positive funding recommendation, in which case the business will receive a preliminary commitment letter fully detailing the terms and conditions of the Department's proposed participation. If a positive recommendation is made, the final step is for the community to submit a CDBG-ED application for final approval.*

Presentation of identified housing and community development needs.

The city will be applying for the CDBG-PF (for public facilities) for the North Street Bridges. The CDBG-PF is a tool for funds for needed infrastructure and public building projects, contributing to overall community and economic development.

Other programs include:

Blight Elimination and Brownfield Redevelopment

Emergency Assistance

Housing

Homebuyer and Rehab

Planning

Public Facilities for Economic Development

Presentation of activities proposed for CDBG application.

- *Forgivable loan amount up to \$600,000.*
- *The loan will be provided through a grant to the City of Whitewater, which, in turn would loan the funds to the borrower. The municipality will receive \$6,000 to administer the loan.*
- *The loan will be deferred until the forgiveness measurement date of 12/31/2014. For the portion not forgiven, the remaining loan balance of principal and accrued interest shall be amortized over 5 years.*
- *The borrower will be required to create and maintain 90 full-time positions in Whitewater by December 31, 2010 with an average wage of \$12.00 per hour, and maintain them until 12/31/2014.*
- *The borrower will be required to ensure that at least 51% of all new full-time positions are made available to persons with low to moderate income.*
- *The borrower will be required to post position openings with the WI Department of Workforce Development to ensure that qualified persons with low to moderate income receive consideration for the vacant positions.*
- *For each new full-time position, less than 90, not created and maintained, the borrower would be required to pay a penalty of \$500 per full-time position.*
- *For any full-time position created but not made available to low to moderate income, the borrower would be required to pay a penalty of \$1,000 per job.*
- *Subject to the creation of 90 full-time positions in Whitewater, by 12/31/2014, the full amount of the loan, plus accrued interest, would be eligible for forgiveness.*

Nimm then opened up the Public Hearing for Citizen input regarding proposed CDBG activities. There were no citizen comments made during the meeting.

- 4. HEARING OF CITIZEN COMMENTS.** *No formal CDA Action will be taken during this meeting although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.*

Jeff Knight stated that he was present at EDA meeting on Oct. 6, 2010. Mr. Knight read out loud this prepared statement for the record.

"On September 28, 2010, a letter from the Chicago Regional Office of the Economic Development Administration (EDA) was received by representatives of the Whitewater Community Development Authority, the City of Whitewater, and the University of Wisconsin-Whitewater. This letter advised the co-grant recipients to cease and desist all construction activities associated with the grant.

Upon receipt of the letter, City Manager Kevin Brunner advised the contractors of the letter and put them on notice that construction may need to be stopped. On Wednesday, September 29th, he sent an e-mail to

members of the Common Council, the Community Development Authority, and the University Technology Park Board, explaining the situation and including a copy of the September 28th EDA letter.

A meeting with the EDA in Chicago was scheduled for the morning of October 6th. Kevin Brunner, Mary Nimm, Denise Ehlen, Jeff Knight, Richard Telfer, and Cliff Goodhart attended this meeting. During the meeting the EDA's concerns were discussed and elements of a possible resolution were considered.

On October 7th, a letter was sent to C. Robert Sawyer, Regional Director of the EDA explaining what had happened and why and proposing a resolution going forward. Also on October 7th, in response to this letter, a letter from the EDA was received accepting the proposed solution and lifting the stop advisory. These letters were shared with members of the Common Council, the Community Development Authority, and the University Technology Park Board.

The area of non-compliance indicated by the EDA concerned the use of J.P. Cullen as the construction manager and as the general contractor. While a number of safeguards were in place to ensure a bid process in compliance with federal regulations regarding competition, the EDA determined that awarding this contract did not satisfy the requirements of the code. The agreed-upon resolution to the situation involves EDA providing support for labor and materials associated with construction management and the general contract. The Whitewater partners must fund all overhead costs incurred by J.P. Cullen to ensure compliance.

It is clear that the EDA understands the importance of this project for Whitewater and for southern Wisconsin. They continue to be strongly in support of this project and recognize its importance for job growth and economic development in the region. The partners in the project are committed to moving this project forward. We are taking additional steps to ensure compliance, including conducting regular telephone conferences with our EDA Construction Project Manager. We appreciate the EDA's cooperation and support for this project."

5. Approval of the September 27, 2010 Minutes

Jim Stewart motioned to approve the September 27, 2010 minutes. Allen seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart

Nays: None

Absent: Singer

The motion to approve the minutes passed on a roll-call vote.

6. Discussion and Possible Action on 2011 Goals and Objectives

Nimm noted that at the September CDA meeting the board approved the 2011 Budget and as a follow-up she and Brunner prepared the 2011 Goals and Objectives for the Boards consideration.

Knight – requested that the CDA submit annual report to Common Council similar to the prepared Downtown Whitewater report.

Marshall – asked what the Downtown furniture program was?

Stewart – asked to have a review of the City Code for ED and CDA and perhaps in small blocks during the monthly meetings.

Caldwell – requested that these performance measures be added: increment created in business park; jobs created and retained; new grants written through year; new grants awarded

Brunner – then notified the CDA that the CDA budget will be presented to the Common Council for review on Nov 4.

7. Appointment of Members to Housing Subcommittee

Knight – stated that at the last CDA meeting he was asked to serve as chair of the Housing Subcommittee. He noted that in the agenda packet memo is list of citizens who've expressed an interest in participating on the committee.

Knight motioned appointment of members Jeff Knight, Jim Winship, Patrick Singer, Jim Olsen, Tom Miller, Jim Nies, Russell Walton and Dennis Stanton to the committee. Marshall seconded.

Stewart – noted a concerned about 3 members of Common Council on committee and requested that Attorney McDonell shall review this as a policy.

Stanek – expressed interest in participating. He noted he has a background as ad-hoc committee. That while all listed are excellent people, the list appears to be 'heavy' in landlords in student rental business. Knight – thought it is the goal is to work with builders and community reps that might be able to work on the projects.

Marshall – motioned to add Stanek to the list of committee members. Stewart seconded.

Stewart – questioned whether there should be someone familiar with foreclosure actions involved in committee.

Brunner – noted that if need be and there is a need to add financial expertise that can be done in the future. He also noted that Attorney McDonell will be at the meetings.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart

Nays: None

Absent: Singer

The motion to approve the members of the Housing Subcommittee with the addition of Al Stanek to the list passed on a roll-call vote.

8. Update/Report from Housing Subcommittee

Knight- noted there is a meeting scheduled for this Wednesday at 5:15pm.

9. Whitewater Technology Park

a. Innovation Manager Search Update

Stewart – informed the CDA that the search and screen committee interviewed 3 people and felt they felt they did not find the right 'fit' and the Office of Research and Sponsored Programs at the University is searching for an interim person and the full search and screen may commence in few months.

Nimm – noted no other updates are available for the Innovation Manager search.

b. Economic Development Administration Update

Nimm noted that all housekeeping items as requested by the EDA have been submitted. We are waiting on review of said documents and continue to ask questions relevant to Grant Administration.

c. Infrastructure Updates

i. Starin Road Extension

Detention pond grading is complete. Storm sewer installation will be completed by the end of next week. Placement of base course for the new road has begun east of Jefferson Street. Curb and gutter will follow. Construction of the pedestrian bridge abutments is scheduled for next week, and the bridge will be set in mid-to late-November.

ii. Tech Park Infrastructure

Detention pond grading for the 2010 phase is complete. Water main and storm sewer installation on Howard Road is continuing. Reconstruction of Howard Road will begin soon so curb and gutter and asphalt can be placed before winter.

Stanek – is there a possibility to have marketing money to be used for the project out of the grant award under contingency?

Nimm – initially EDA declined using grant money for marketing. Contingency is defined as: “unforeseen construction”

Brunner – noted the need for the interim position to help with marketing and building items such as leases, keys, etc.

Stanek – perhaps we could use grant funds for aggressive signage, routing, aggressive wayfinding signage as marketing?

Gayhart – noted that urgency in hiring an Innovation Manager is critical. Next month on November 10 & 11 is the early stage symposium at Monona terrace. SBDC will have display. If there was a marketing

piece to promote Technology Park and Innovation Center his office would display and promote it. Normally there are 400-500 in attendance at the Annual conference. Perhaps a 1-page information piece could be made prior to the conference.

Brunner – will work with UWW to create an information piece.

10. Update, Discussion and Possible Action on TID 4 Designation of TID 4 As a Distressed TID

Brunner – stated that the initial JRB meeting was in late September. He noted that members of the JRB have tight schedules and there is a request for more info from County so the next meeting has been pushed off a few months. Looking at the Public Hearing in January so there is more time to prepare.

11. TID Presentation Discussion

Brunner – copies of the TID presentation were made available to the CDA for comment. He noted that he added info on TID impact on the School District, info on recently financed projects, info on distressed TID legislation and a statement on why the City asked for distressed designation. He is working on 1-2 more slides indicating the gap in financing because of what is happening in TID 4.

Knight – suggested combining the School District into the impact on every property. He noted he didn't see "but for jobs" that wouldn't be here if it weren't for the TID's to illustrate multiplier effect. He also questioned if the Teronomy property was once included in TID 4?

Saubert – in the 2005 boundary amendment, parts of Teronomy were removed along with some residential along Locust and Maple Streets.

Knight – questioned if we would be seeking distress if those properties were still in TID 4?

Stewart – chart on p3 talks about increment by TID's... TID 4 amendments in 98 & 05 – statement: partially closed, closed part of for \$\$\$?

Saubert – have that info in part of the amendment

Brunner – property returned to tax roll, reason gave flexibility to add more/other property

Saubert – value brought back on by 1&2 when closed

Brunner – this presentation was done for the Chamber last year. Knight wanted it updated with more info. Can be used to provide info about why distressed TID is being sought.

Stanek – using words like "impact", use reduce or actual term. What is definition of increment?

Brunner – in terms of increment, he tried to spend the first few slides defining how TID works and describing terms.

Knight – this is an exciting and good story. Suggesting a new public version. Less wording. More of a PR piece.

Gayhart – idea of including payroll total for the companies in the district for the Economic Development impact to region in spending \$\$\$'s...

Knight – crucial public knows TID is not a bad thing.

Brunner – will work on, improve and use as we move forward.

12. CDA Coordinator Updates

Train Depot – Grant for Restoration

Project is in the design stages at approximately 75% complete, waiting on paperwork approvals at the state level. Expecting 2011 construction.

Site Search Request(s)

Working with Kevin and Rudy Kessler to recruit companies from Germany.

Retention Visits

Team visited with Trostel on 10/22.

25x2025 Planning Grant

Attended the Clean Energy Works Summit in Stevens Point as an Energy Independent Community. Came away with ideas for sustainability initiatives and energy reduction promotions at the residential level.

Small Business Consulting Services provided by the Small Business Development Center

Presented the Lunch and Learn Series to the Chamber President at the last quarterly group meeting and requested the Chamber Board consider participating and/or taking the lead.

Show Me the Green

Scheduled for October 27th at the Cravath Lakefront Building. As of noon on Friday, there are two registered.

Buy Local

At the October meeting the group discussed a holiday retail theme, caroling in the park after the holiday parade, "do you know your neighborhood elf" campaign, participating in the holiday parade, bumper stickers.

2011 Marketing Plan

A meeting of the CDA Business Park Marketing Committee, Tourism, Chamber, Downtown Whitewater, Walworth County Tourism, WCEDA and a representative of the Innovation Center has been scheduled for 17th to collectively discuss marketing initiatives for 2011 with the purpose of maximizing everyone's marketing dollars to make the greatest impact.

13. Adjourn to closed session at approximately 5:45PM to reconvene approximately 6:00PM per Wisconsin State Statutes 19.85 (1)(e). Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session

a. Economic Development Loan 1421 W Main Street, Whitewater, WI

Tom Miller motioned to adjourn to closed session at 5:15PM. Allen seconded.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart

Absent: Patrick Singer

Others Present: Kevin Brunner, Mary Nimm

14. Reconvene

Al Stanek motioned to reconvene at 5:30PM. Allen seconded.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart

Absent: Patrick Singer

Others Present: Kevin Brunner, Mary Nimm

15. Discussion and Possible Action on Economic Development Loan 1421 W Main Street, Whitewater, WI

Jim Allen motioned that we shall require one separate document for each loan extension as it relates to the extension of the Economic Development Loan at 1421 W Main Street, Whitewater for the 12 month extension (June, 2009 to June, 2010) and the second 12 month extension (June, 2010 to June, 2011).

Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart

Nays: None

Absent: Singer

The motion to require that there be two separate loan extension agreements passed on a roll-call vote.

16. Future Agenda Items

Brunner - next meeting at IC?

Stanek - discussion about marketing in December

Brunner - joint meeting of the CDA and TPB

17. November Meeting Update - November 15 (3rd Monday)

18. Adjourn

Jim Allen motioned to adjourn at 5:35PM. Stewart seconded.

Respectfully Submitted,

Mary S Nimm, CDA Coordinator

**CITY OF WHITEWATER
BALANCE SHEET
AUGUST 31, 2010**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	41,850.90	783.72	10,018.64	51,869.54
910-11102	357,635.78	(42,665.37)	(85,600.20)	272,035.58
910-11103	403,213.96	2,132.99	434,958.36	838,172.32
910-11104	14,736.29	2.85	20.52	14,756.81
910-11105	60,949.50	110.82	(5,580.57)	55,368.93
910-11106	2,683.78	.52	3.74	2,687.52
910-11107	1,047.74	.21	20.73	1,068.47
910-11303	276,910.05	50,000.00	200,000.00	476,910.05
910-11304	57,930.64	.00	.00	57,930.64
910-11305	40,000.00	.00	(15,000.00)	25,000.00
910-11310	950,000.00	.00	(400,000.00)	550,000.00
910-11315	75,849.27	.00	.00	75,849.27
910-13301	988.00	.00	.00	988.00
910-14303	132,143.66	(809.83)	(6,403.79)	125,739.87
910-14308	61,431.89	(445.17)	(3,520.22)	57,911.67
910-14310	90,937.76	(238.62)	(1,361.28)	89,576.48
910-14311	62,706.02	(.03)	(62,706.02)	.00
910-14320	.00	(41.72)	14,710.82	14,710.82
910-14337	15,000.00	.00	.00	15,000.00
910-14338	6,355.01	.00	(3,115.21)	3,239.80
910-14339	58,969.44	(1,418.66)	(11,219.52)	47,749.92
910-14340	17,720.56	(415.18)	(3,283.42)	14,437.14
910-14341	9,071.64	.00	.00	9,071.64
910-14342	21,255.33	(347.20)	(2,745.53)	18,509.80
910-14343	9,506.80	27.37	(1,269.58)	8,237.22
910-14344	41,806.87	(136.48)	(1,079.19)	40,727.68
910-14345	182,341.83	(1,950.50)	(7,729.45)	174,612.38
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14354	9,000.00	.00	.00	9,000.00
910-14355	1,779.11	.00	(1,779.11)	.00
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14364	2,412.00	.00	.00	2,412.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	5,500.00	(100.00)	(800.00)	4,700.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-15208	15,711.04	.00	.00	15,711.04
910-15401	3,345.27	.00	(3,345.27)	.00
910-15402	107,426.52	.00	.00	107,426.52
910-15500	127,921.00	.00	.00	127,921.00
910-15521	275,171.53	.00	.00	275,171.53
TOTAL ASSETS	3,699,925.58	4,489.72	43,194.45	3,743,120.03

LIABILITIES AND EQUITY

**CITY OF WHITEWATER
BALANCE SHEET
AUGUST 31, 2010**

CDA PROGRAMS FUND

		BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>					
910-21200	DEPOSITS	900.00	.00	.00	900.00
910-24400	HOUSING-217 COTTAGE-B0803-0901	6,861.66	.00	(6,861.66)	.00
TOTAL LIABILITIES		7,761.66	.00	(6,861.66)	900.00
<u>FUND EQUITY</u>					
910-30110	CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300	PROPRIETARY CAPITAL	2,598,383.62	.00	.00	2,598,383.62
910-35000	HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100	ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160	FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE:					
REVENUE OVER EXPENDITURES - YTD		.00	4,489.72	50,056.11	50,056.11
BALANCE - CURRENT DATE		.00	4,489.72	50,056.11	50,056.11
TOTAL FUND EQUITY		3,692,163.92	4,489.72	50,056.11	3,742,220.03
TOTAL LIABILITIES AND EQUITY		3,699,925.58	4,489.72	43,194.45	3,743,120.03

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 8 MONTHS ENDING AUGUST 31, 2010

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
900-48100-56 INTEREST INCOME	9.56	535.40	1,200.00	664.60	44.6
900-48620-56 EVENT/SPONSORSHIP REVENUE	.00	314.04	.00	(314.04)	.0
TOTAL MISCELLANEOUS REVENUE	9.56	849.44	1,200.00	350.56	70.8
<u>OTHER FINANCING SOURCES</u>					
900-49290-56 CITY TRANSFER INCOME	.00	.00	70,118.00	70,118.00	.0
900-49300-56 FUND BALANCE APPLIED	.00	.00	68,918.00	68,918.00	.0
TOTAL OTHER FINANCING SOURCES	.00	.00	139,036.00	139,036.00	.0
TOTAL FUND REVENUE	9.56	849.44	140,236.00	139,386.56	.6

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 8 MONTHS ENDING AUGUST 31, 2010

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>CDA</u>					
900-56500-111 SALARIES	6,223.86	50,977.18	74,052.00	23,074.82	68.8
900-56500-115 INTERNSHIP PROGRAM--UWW	.00	.00	5,000.00	5,000.00	.0
900-56500-151 FRINGE BENEFITS	1,101.88	9,665.20	23,488.00	13,822.80	41.2
900-56500-154 PROFESSIONAL DEVELOPMENT	.00	506.74	920.00	413.26	55.1
900-56500-212 LEGAL SERVICES	.00	90.00	1,500.00	1,410.00	6.0
900-56500-219 AUDIT FEES	.00	.00	700.00	700.00	.0
900-56500-223 MARKETING	.00	4,185.17	16,500.00	12,314.83	25.4
900-56500-224 COUNTY/REGIONAL ECON DEV	.00	11,210.00	11,210.00	.00	100.0
900-56500-225 MOBILE COMMUNICATIONS	37.03	263.90	850.00	586.10	31.1
900-56500-310 OFFICE SUPPLIES	406.69	632.76	1,200.00	567.24	52.7
900-56500-311 POSTAGE	11.42	246.69	800.00	553.31	30.8
900-56500-320 DUES	.00	.00	600.00	600.00	.0
900-56500-321 SUBSCRIPTIONS & BOOKS	.00	16.95	300.00	283.05	5.7
900-56500-323 MARKETING	1,010.00	1,210.00	.00	(1,210.00)	.0
900-56500-330 TRAVEL EXPENSE	226.00	554.10	2,000.00	1,445.90	27.7
900-56500-340 OFFICE RENTAL EXPENSE	.00	35.00	.00	(35.00)	.0
900-56500-341 MISC EXPENSE	.00	353.99	1,116.00	762.01	31.7
TOTAL CDA	9,016.88	79,947.68	140,236.00	60,288.32	57.0
TOTAL FUND EXPENDITURES	9,016.88	79,947.68	140,236.00	60,288.32	57.0
NET REVENUE OVER EXPENDITURES	(9,007.32)	(79,098.24)	.00	79,098.24	.0

**CITY OF WHITEWATER
BALANCE SHEET
AUGUST 31, 2010**

CDA FUND

		BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>					
900-11100	CASH	21,694.11	(9,066.50)	(82,782.61)	(61,088.50)
900-11200	GENERAL CHECKING ACCOUNT	48,810.42	9.56	745.15	49,555.57
900-11300	TID DEVELOPMENT CD	25,000.00	.00	.00	25,000.00
900-18400	OFFICE EQUIPMENT	14,101.41	.00	.00	14,101.41
TOTAL ASSETS		109,605.94	(9,056.94)	(82,037.46)	27,568.48
<u>LIABILITIES AND EQUITY</u>					
<u>LIABILITIES</u>					
900-21100	VOUCHERS PAYABLE	126.25	.00	(126.25)	.00
900-21106	WAGES CLEARING	2,801.24	.00	(2,801.24)	.00
900-22000	ACCUM DEPR - EQUIPMENT	11,633.92	.00	.00	11,633.92
900-25100	DUE TO GENERAL FUND	23.15	(49.62)	(11.73)	11.42
900-25101	DUE TO 910	15,711.04	.00	.00	15,711.04
TOTAL LIABILITIES		30,295.60	(49.62)	(2,939.22)	27,356.38
<u>FUND EQUITY</u>					
900-34300	PROPRIETARY CAPITAL	79,310.34	.00	.00	79,310.34
UNAPPROPRIATED FUND BALANCE:					
REVENUE OVER EXPENDITURES - YTD		.00	(9,007.32)	(79,098.24)	(79,098.24)
BALANCE - CURRENT DATE		.00	(9,007.32)	(79,098.24)	(79,098.24)
TOTAL FUND EQUITY		79,310.34	(9,007.32)	(79,098.24)	212.10
TOTAL LIABILITIES AND EQUITY		109,605.94	(9,056.94)	(82,037.46)	27,568.48

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 8 MONTHS ENDING AUGUST 31, 2010

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET	
<u>MISCELLANEOUS REVENUE</u>						
910-48101-00	INTEREST INCOME-BUSINESS DEV	1,407.99	15,158.09	20,000.00	4,841.91	75.8
910-48102-00	INTEREST INCOME-ECONOMIC DEV	54.91	2,289.71	9,000.00	6,710.29	25.4
910-48103-00	INTEREST INCOME-FACADE	10.07	551.68	800.00	248.32	69.0
910-48104-00	INTEREST INCOME-HOUSING	10.82	481.59	2,000.00	1,518.41	24.1
910-48105-00	INTEREST INCOME-ED DEV	2.85	20.52	500.00	479.48	4.1
910-48106-00	INTEREST INCOME-MORAINES VIEW	.52	3.74	.00	(3.74)	.0
910-48107-00	INTEREST INC-WETLAND ESCROW	.21	520.73	2,200.00	1,679.27	23.7
910-48601-00	MISC INCOME	25.00	5,035.00	.00	(5,035.00)	.0
910-48604-00	RENTAL INCOME-HOWARD ROAD	700.00	5,600.00	8,400.00	2,800.00	66.7
910-48605-00	RENTAL INCOME-CROP LEASES	.00	10,220.00	5,000.00	(5,220.00)	204.4
910-48608-00	LOAN INTEREST-LAVELLE	421.83	3,449.49	5,285.76	1,836.27	65.3
910-48613-00	LOAN INTEREST-ZINGG MOTORS	193.76	1,591.22	2,466.18	874.96	64.5
910-48645-00	LOAN INTEREST-LEARNING DEPOT	299.38	2,404.72	5,337.81	2,933.09	45.1
910-48646-00	LOAN INTEREST-RAAB/WINKHAUS	.00	1,497.39	2,407.57	910.18	62.2
910-48647-00	LOAN INT-TOPPERS--\$115,659	162.26	1,427.84	2,139.70	711.86	66.7
910-48648-00	LOAN INT-TOPPERS--\$33,960	49.01	430.10	698.25	268.15	61.6
910-48649-00	FACADE LOAN-INT-TOPPERS-15K	.00	.00	362.87	362.87	.0
910-48650-00	FACADE--INT.--RR WALTON-15K	.00	254.20	701.92	447.72	36.2
910-48651-00	FACADE-INT-WALTON DIST-30K	62.86	534.95	852.00	317.05	62.8
910-48655-00	ED LOAN-INT-DAN'S MEAT-15K	27.37	241.45	309.78	68.33	77.9
910-48657-00	FACADE-INT-WARHAWK-45K	136.21	1,102.33	1,693.11	590.78	65.1
910-48658-00	LOAN INT.-960 E. MILWAUKEE LLC	875.52	3,574.63	5,546.08	1,971.45	64.5
910-48660-00	FACADE-1117 W. MAIN(SWD/TDW)	49.18	347.12	.00	(347.12)	.0
	TOTAL MISCELLANEOUS REVENUE	4,489.75	56,736.50	75,701.03	18,964.53	75.0
<u>OTHER FINANCING SOURCES</u>						
910-49300-56	FUND BALANCE APPLIED	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL OTHER FINANCING SOURCES	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL FUND REVENUE	4,489.75	56,736.50	12,100.00	(44,636.50)	468.9

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 8 MONTHS ENDING AUGUST 31, 2010

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-212 LEGAL/PROFESSIONAL/MARKETING	.00	4,400.00	10,000.00	5,600.00	44.0
910-56500-295 ADMINISTRATIVE EXPENSE	.00	501.25	1,000.00	498.75	50.1
910-56500-404 HOUSING LOANS	.00	.00	100.00	100.00	.0
910-56500-408 RENTAL EXPENSES	.00	.00	1,000.00	1,000.00	.0
910-56500-415 LOANS-WRITE OFF-BALANCES	.03	1,779.14	.00	(1,779.14)	.0
TOTAL CDA PROGRAMS	<u>.03</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
TOTAL FUND EXPENDITURES	<u>.03</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
NET REVENUE OVER EXPENDITURES	<u>4,489.72</u>	<u>50,056.11</u>	<u>.00</u>	<u>(50,056.11)</u>	<u>.0</u>

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2010**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	41,850.90	783.23	10,801.87	52,652.77
910-11102	357,635.78	5,916.04 (	79,684.16)	277,951.62
910-11103	403,213.96	851.61	435,809.97	839,023.93
910-11104	14,736.29	2.67	23.19	14,759.48
910-11105	60,949.50	110.17 (	5,470.40)	55,479.10
910-11106	2,683.78	.49	4.23	2,688.01
910-11107	1,047.74	.19	20.92	1,068.66
910-11303	276,910.05	.00	200,000.00	476,910.05
910-11304	57,930.64	.00	.00	57,930.64
910-11305	40,000.00	.00 (	15,000.00)	25,000.00
910-11310	950,000.00	.00 (	400,000.00)	550,000.00
910-11315	75,849.27	.00	.00	75,849.27
910-13301	988.00	.00	.00	988.00
910-14303	132,143.66 (	812.53) (	7,216.32)	124,927.34
910-14308	61,431.89 (	446.65) (	3,966.87)	57,465.02
910-14310	90,937.76 (	239.41) (	1,600.69)	89,337.07
910-14311	62,706.02	.00 (	62,706.02)	.00
910-14320	.00 (	41.86)	14,668.96	14,668.96
910-14337	15,000.00	.00	.00	15,000.00
910-14338	6,355.01	.00 (	3,115.21)	3,239.80
910-14339	58,969.44 (	1,423.35) (	12,642.87)	46,326.57
910-14340	17,720.56 (	416.55) (	3,699.97)	14,020.59
910-14341	9,071.64	.00	.00	9,071.64
910-14342	21,255.33 (	348.36) (	3,093.89)	18,161.44
910-14343	9,506.80	27.46 (	1,242.12)	8,264.68
910-14344	41,806.87 (	136.93) (	1,216.12)	40,590.75
910-14345	182,341.83 (	978.91) (	8,708.36)	173,633.47
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14354	9,000.00	.00	.00	9,000.00
910-14355	1,779.11	.00 (	1,779.11)	.00
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14364	2,412.00	.00	.00	2,412.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	5,500.00 (	100.00) (	900.00)	4,600.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-15208	15,711.04	.00	.00	15,711.04
910-15401	3,345.27	.00 (	3,345.27)	.00
910-15402	107,426.52	.00	.00	107,426.52
910-15500	127,921.00	.00	.00	127,921.00
910-15521	275,171.53	.00	.00	275,171.53
TOTAL ASSETS	3,699,925.58	2,747.31	45,941.76	3,745,867.34

LIABILITIES AND EQUITY

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2010**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>				
910-21200 DEPOSITS	900.00	.00	.00	900.00
910-24400 HOUSING-217 COTTAGE-B0803-0901	6,861.66	.00	(6,861.66)	.00
TOTAL LIABILITIES	7,761.66	.00	(6,861.66)	900.00
<u>FUND EQUITY</u>				
910-30110 CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300 PROPRIETARY CAPITAL	2,598,383.62	.00	.00	2,598,383.62
910-35000 HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100 ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160 FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	2,747.31	52,803.42	52,803.42
BALANCE - CURRENT DATE	.00	2,747.31	52,803.42	52,803.42
TOTAL FUND EQUITY	3,692,163.92	2,747.31	52,803.42	3,744,967.34
TOTAL LIABILITIES AND EQUITY	3,699,925.58	2,747.31	45,941.76	3,745,867.34

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2010

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
900-48100-56 INTEREST INCOME	8.96	544.36	1,200.00	655.64	45.4
900-48620-56 EVENT/SPONSORSHIP REVENUE	.00	314.04	.00	(314.04)	.0
TOTAL MISCELLANEOUS REVENUE	8.96	858.40	1,200.00	341.60	71.5
<u>OTHER FINANCING SOURCES</u>					
900-49290-56 CITY TRANSFER INCOME	.00	.00	70,118.00	70,118.00	.0
900-49300-56 FUND BALANCE APPLIED	.00	.00	68,918.00	68,918.00	.0
TOTAL OTHER FINANCING SOURCES	.00	.00	139,036.00	139,036.00	.0
TOTAL FUND REVENUE	8.96	858.40	140,236.00	139,377.60	.6

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2010

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>CDA</u>					
900-56500-111 SALARIES	6,223.86	57,201.04	74,052.00	16,850.96	77.2
900-56500-115 INTERNSHIP PROGRAM--UWW	.00	.00	5,000.00	5,000.00	.0
900-56500-151 FRINGE BENEFITS	1,101.88	10,767.08	23,488.00	12,720.92	45.8
900-56500-154 PROFESSIONAL DEVELOPMENT	.00	506.74	920.00	413.26	55.1
900-56500-212 LEGAL SERVICES	.00	90.00	1,500.00	1,410.00	6.0
900-56500-219 AUDIT FEES	.00	.00	700.00	700.00	.0
900-56500-223 MARKETING	.00	4,185.17	16,500.00	12,314.83	25.4
900-56500-224 COUNTY/REGIONAL ECON DEV	.00	11,210.00	11,210.00	.00	100.0
900-56500-225 MOBILE COMMUNICATIONS	36.39	300.29	850.00	549.71	35.3
900-56500-310 OFFICE SUPPLIES	.00	632.76	1,200.00	567.24	52.7
900-56500-311 POSTAGE	93.09	339.78	800.00	460.22	42.5
900-56500-320 DUES	.00	.00	600.00	600.00	.0
900-56500-321 SUBSCRIPTIONS & BOOKS	.00	16.95	300.00	283.05	5.7
900-56500-323 MARKETING	.00	1,210.00	.00	(1,210.00)	.0
900-56500-330 TRAVEL EXPENSE	21.00	575.10	2,000.00	1,424.90	28.8
900-56500-340 OFFICE RENTAL EXPENSE	.00	35.00	.00	(35.00)	.0
900-56500-341 MISC EXPENSE	.00	353.99	1,116.00	762.01	31.7
TOTAL CDA	7,476.22	87,423.90	140,236.00	52,812.10	62.3
TOTAL FUND EXPENDITURES	7,476.22	87,423.90	140,236.00	52,812.10	62.3
NET REVENUE OVER EXPENDITURES	(7,467.26)	(86,565.50)	.00	86,565.50	.0

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2010**

CDA FUND

		BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>					
900-11100	CASH	21,694.11	(7,415.71)	(90,198.32)	(68,504.21)
900-11200	GENERAL CHECKING ACCOUNT	48,810.42	8.96	754.11	49,564.53
900-11300	TID DEVELOPMENT CD	25,000.00	.00	.00	25,000.00
900-18400	OFFICE EQUIPMENT	14,101.41	.00	.00	14,101.41
TOTAL ASSETS		109,605.94	(7,406.75)	(89,444.21)	20,161.73
<u>LIABILITIES AND EQUITY</u>					
<u>LIABILITIES</u>					
900-21100	VOUCHERS PAYABLE	126.25	.00	(126.25)	.00
900-21106	WAGES CLEARING	2,801.24	.00	(2,801.24)	.00
900-22000	ACCUM DEPR - EQUIPMENT	11,633.92	.00	.00	11,633.92
900-25100	DUE TO GENERAL FUND	23.15	60.51	48.78	71.93
900-25101	DUE TO 910	15,711.04	.00	.00	15,711.04
TOTAL LIABILITIES		30,295.60	60.51	(2,878.71)	27,416.89
<u>FUND EQUITY</u>					
900-34300	PROPRIETARY CAPITAL	79,310.34	.00	.00	79,310.34
UNAPPROPRIATED FUND BALANCE:					
REVENUE OVER EXPENDITURES - YTD		.00	(7,467.26)	(86,565.50)	(86,565.50)
BALANCE - CURRENT DATE		.00	(7,467.26)	(86,565.50)	(86,565.50)
TOTAL FUND EQUITY		79,310.34	(7,467.26)	(86,565.50)	(7,255.16)
TOTAL LIABILITIES AND EQUITY		109,605.94	(7,406.75)	(89,444.21)	20,161.73

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2010

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET	
<u>MISCELLANEOUS REVENUE</u>						
910-48101-00	INTEREST INCOME-BUSINESS DEV	151.61	15,309.70	20,000.00	4,690.30	76.6
910-48102-00	INTEREST INCOME-ECONOMIC DEV	49.33	2,339.04	9,000.00	6,660.96	26.0
910-48103-00	INTEREST INCOME-FACADE	9.58	561.26	800.00	238.74	70.2
910-48104-00	INTEREST INCOME-HOUSING	10.17	491.76	2,000.00	1,508.24	24.6
910-48105-00	INTEREST INCOME-ED DEV	2.67	23.19	500.00	476.81	4.6
910-48106-00	INTEREST INCOME-MORAINES VIEW	.49	4.23	.00	(4.23)	.0
910-48107-00	INTEREST INC-WETLAND ESCROW	.19	520.92	2,200.00	1,679.08	23.7
910-48601-00	MISC INCOME	.00	5,035.00	.00	(5,035.00)	.0
910-48604-00	RENTAL INCOME-HOWARD ROAD	700.00	6,300.00	8,400.00	2,100.00	75.0
910-48605-00	RENTAL INCOME-CROP LEASES	.00	10,220.00	5,000.00	(5,220.00)	204.4
910-48608-00	LOAN INTEREST-LAVELLE	419.13	3,868.62	5,285.76	1,417.14	73.2
910-48613-00	LOAN INTEREST-ZINGG MOTORS	192.28	1,783.50	2,466.18	682.68	72.3
910-48645-00	LOAN INTEREST-LEARNING DEPOT	298.59	2,703.31	5,337.81	2,634.50	50.6
910-48646-00	LOAN INTEREST-RAAB/WINKHAUS	.00	1,497.39	2,407.57	910.18	62.2
910-48647-00	LOAN INT-TOPPERS--\$115,659	157.57	1,585.41	2,139.70	554.29	74.1
910-48648-00	LOAN INT-TOPPERS--\$33,960	47.64	477.74	698.25	220.51	68.4
910-48649-00	FACADE LOAN-INT-TOPPERS-15K	.00	.00	362.87	362.87	.0
910-48650-00	FACADE--INT.--RR WALTON-15K	.00	254.20	701.92	447.72	36.2
910-48651-00	FACADE-INT-WALTON DIST-30K	61.70	596.65	852.00	255.35	70.0
910-48655-00	ED LOAN-INT-DAN'S MEAT-15K	27.46	268.91	309.78	40.87	86.8
910-48657-00	FACADE-INT-WARHAWK-45K	135.76	1,238.09	1,693.11	455.02	73.1
910-48658-00	LOAN INT.-960 E. MILWAUKEE LLC	434.10	4,008.73	5,546.08	1,537.35	72.3
910-48660-00	FACADE-1117 W. MAIN(SWD/TDW)	49.04	396.16	.00	(396.16)	.0
	TOTAL MISCELLANEOUS REVENUE	2,747.31	59,483.81	75,701.03	16,217.22	78.6
<u>OTHER FINANCING SOURCES</u>						
910-49300-56	FUND BALANCE APPLIED	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL OTHER FINANCING SOURCES	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL FUND REVENUE	2,747.31	59,483.81	12,100.00	(47,383.81)	491.6

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2010

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-212 LEGAL/PROFESSIONAL/MARKETING	.00	4,400.00	10,000.00	5,600.00	44.0
910-56500-295 ADMINISTRATIVE EXPENSE	.00	501.25	1,000.00	498.75	50.1
910-56500-404 HOUSING LOANS	.00	.00	100.00	100.00	.0
910-56500-408 RENTAL EXPENSES	.00	.00	1,000.00	1,000.00	.0
910-56500-415 LOANS-WRITE OFF-BALANCES	.00	1,779.14	.00	(1,779.14)	.0
TOTAL CDA PROGRAMS	<u>.00</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
TOTAL FUND EXPENDITURES	<u>.00</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
NET REVENUE OVER EXPENDITURES	<u>2,747.31</u>	<u>52,803.42</u>	<u>.00</u>	<u>(52,803.42)</u>	<u>.0</u>

**CITY OF WHITEWATER
BALANCE SHEET
OCTOBER 31, 2010**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	41,850.90	3,282.49	14,084.36	55,935.26
910-11102	357,635.78	6,340.41 (	73,343.75)	284,292.03
910-11103	403,213.96	852.02	436,661.99	839,875.95
910-11104	14,736.29	2.67	25.86	14,762.15
910-11105	60,949.50	110.14 (	5,360.26)	55,589.24
910-11106	2,683.78	.49	4.72	2,688.50
910-11107	1,047.74	439.16	460.08	1,507.82
910-11303	276,910.05	.00	200,000.00	476,910.05
910-11304	57,930.64	.00	.00	57,930.64
910-11305	40,000.00	.00 (	15,000.00)	25,000.00
910-11310	950,000.00	.00 (	400,000.00)	550,000.00
910-11315	75,849.27	.00	.00	75,849.27
910-13301	988.00	.00	.00	988.00
910-14303	132,143.66 (	815.24) (	8,031.56)	124,112.10
910-14308	61,431.89 (	448.14) (	4,415.01)	57,016.88
910-14310	90,937.76 (	481.22) (	2,081.91)	88,855.85
910-14311	62,706.02	.00 (	62,706.02)	.00
910-14320	.00 (	42.00)	14,626.96	14,626.96
910-14337	15,000.00	.00	.00	15,000.00
910-14338	6,355.01	.00 (	3,115.21)	3,239.80
910-14339	58,969.44 (	1,428.04) (	14,070.91)	44,898.53
910-14340	17,720.56 (	417.92) (	4,117.89)	13,602.67
910-14341	9,071.64 (	2,136.28) (	2,136.28)	6,935.36
910-14342	21,255.33 (	349.52) (	3,443.41)	17,811.92
910-14343	9,506.80	27.55 (	1,214.57)	8,292.23
910-14344	41,806.87 (	137.39) (	1,353.51)	40,453.36
910-14345	182,341.83	.00 (	8,708.36)	173,633.47
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14354	9,000.00	.00	.00	9,000.00
910-14355	1,779.11	.00 (	1,779.11)	.00
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14364	2,412.00	.00	.00	2,412.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	5,500.00 (	100.00) (	1,000.00)	4,500.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-15208	15,711.04	.00	.00	15,711.04
910-15401	3,345.27	.00 (	3,345.27)	.00
910-15402	107,426.52	.00	.00	107,426.52
910-15500	127,921.00	.00	.00	127,921.00
910-15521	275,171.53	.00	.00	275,171.53
TOTAL ASSETS	3,699,925.58	4,699.18	50,640.94	3,750,566.52

LIABILITIES AND EQUITY

**CITY OF WHITEWATER
BALANCE SHEET
OCTOBER 31, 2010**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>				
910-21200 DEPOSITS	900.00	.00	.00	900.00
910-24400 HOUSING-217 COTTAGE-B0803-0901	6,861.66	.00	(6,861.66)	.00
TOTAL LIABILITIES	7,761.66	.00	(6,861.66)	900.00
<u>FUND EQUITY</u>				
910-30110 CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300 PROPRIETARY CAPITAL	2,598,383.62	.00	.00	2,598,383.62
910-35000 HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100 ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160 FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	4,699.18	57,502.60	57,502.60
BALANCE - CURRENT DATE	.00	4,699.18	57,502.60	57,502.60
TOTAL FUND EQUITY	3,692,163.92	4,699.18	57,502.60	3,749,666.52
TOTAL LIABILITIES AND EQUITY	3,699,925.58	4,699.18	50,640.94	3,750,566.52

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2010

CDA FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>						
900-48100-56	INTEREST INCOME	153.92	698.28	1,200.00	501.72	58.2
900-48620-56	EVENT/SPONSORSHIP REVENUE	.00	314.04	.00	(314.04)	.0
TOTAL MISCELLANEOUS REVENUE		153.92	1,012.32	1,200.00	187.68	84.4
<u>OTHER FINANCING SOURCES</u>						
900-49290-56	CITY TRANSFER INCOME	.00	.00	70,118.00	70,118.00	.0
900-49300-56	FUND BALANCE APPLIED	.00	.00	68,918.00	68,918.00	.0
TOTAL OTHER FINANCING SOURCES		.00	.00	139,036.00	139,036.00	.0
TOTAL FUND REVENUE		153.92	1,012.32	140,236.00	139,223.68	.7

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2010

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>CDA</u>					
900-56500-111 SALARIES	9,004.54	66,205.58	74,052.00	7,846.42	89.4
900-56500-115 INTERNSHIP PROGRAM--UWW	.00	.00	5,000.00	5,000.00	.0
900-56500-151 FRINGE BENEFITS	1,624.20	12,391.28	23,488.00	11,096.72	52.8
900-56500-154 PROFESSIONAL DEVELOPMENT	.00	506.74	920.00	413.26	55.1
900-56500-212 LEGAL SERVICES	.00	90.00	1,500.00	1,410.00	6.0
900-56500-219 AUDIT FEES	.00	.00	700.00	700.00	.0
900-56500-223 MARKETING	1,210.00	5,395.17	16,500.00	11,104.83	32.7
900-56500-224 COUNTY/REGIONAL ECON DEV	.00	11,210.00	11,210.00	.00	100.0
900-56500-225 MOBILE COMMUNICATIONS	36.39	336.68	850.00	513.32	39.6
900-56500-310 OFFICE SUPPLIES	161.81	794.57	1,200.00	405.43	66.2
900-56500-311 POSTAGE	73.47	413.25	800.00	386.75	51.7
900-56500-320 DUES	345.00	345.00	600.00	255.00	57.5
900-56500-321 SUBSCRIPTIONS & BOOKS	.00	16.95	300.00	283.05	5.7
900-56500-323 MARKETING	(1,210.00)	.00	.00	.00	.0
900-56500-330 TRAVEL EXPENSE	49.00	624.10	2,000.00	1,375.90	31.2
900-56500-340 OFFICE RENTAL EXPENSE	(35.00)	.00	.00	.00	.0
900-56500-341 MISC EXPENSE	.00	353.99	1,116.00	762.01	31.7
TOTAL CDA	11,259.41	98,683.31	140,236.00	41,552.69	70.4
TOTAL FUND EXPENDITURES	11,259.41	98,683.31	140,236.00	41,552.69	70.4
NET REVENUE OVER EXPENDITURES	(11,105.49)	(97,670.99)	.00	97,670.99	.0

**CITY OF WHITEWATER
BALANCE SHEET
OCTOBER 31, 2010**

CDA FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
900-11100 CASH	21,694.11	(11,197.53)	(101,395.85)	(79,701.74)
900-11200 GENERAL CHECKING ACCOUNT	48,810.42	153.92	908.03	49,718.45
900-11300 TID DEVELOPMENT CD	25,000.00	.00	.00	25,000.00
900-18400 OFFICE EQUIPMENT	14,101.41	.00	.00	14,101.41
TOTAL ASSETS	109,605.94	(11,043.61)	(100,487.82)	9,118.12
<u>LIABILITIES AND EQUITY</u>				
<u>LIABILITIES</u>				
900-21100 VOUCHERS PAYABLE	126.25	.00	(126.25)	.00
900-21106 WAGES CLEARING	2,801.24	.00	(2,801.24)	.00
900-22000 ACCUM DEPR - EQUIPMENT	11,633.92	.00	.00	11,633.92
900-25100 DUE TO GENERAL FUND	23.15	61.88	110.66	133.81
900-25101 DUE TO 910	15,711.04	.00	.00	15,711.04
TOTAL LIABILITIES	30,295.60	61.88	(2,816.83)	27,478.77
<u>FUND EQUITY</u>				
900-34300 PROPRIETARY CAPITAL	79,310.34	.00	.00	79,310.34
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	(11,105.49)	(97,670.99)	(97,670.99)
BALANCE - CURRENT DATE	.00	(11,105.49)	(97,670.99)	(97,670.99)
TOTAL FUND EQUITY	79,310.34	(11,105.49)	(97,670.99)	(18,360.65)
TOTAL LIABILITIES AND EQUITY	109,605.94	(11,043.61)	(100,487.82)	9,118.12

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2010

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET	
<u>MISCELLANEOUS REVENUE</u>						
910-48101-00	INTEREST INCOME-BUSINESS DEV	152.02	15,461.72	20,000.00	4,538.28	77.3
910-48102-00	INTEREST INCOME-ECONOMIC DEV	1,348.71	3,687.75	9,000.00	5,312.25	41.0
910-48103-00	INTEREST INCOME-FACADE	9.70	570.96	800.00	229.04	71.4
910-48104-00	INTEREST INCOME-HOUSING	10.14	501.90	2,000.00	1,498.10	25.1
910-48105-00	INTEREST INCOME-ED DEV	2.67	25.86	500.00	474.14	5.2
910-48106-00	INTEREST INCOME-MORAINES VIEW	.49	4.72	.00	(4.72)	.0
910-48107-00	INTEREST INC-WETLAND ESCROW	439.16	960.08	2,200.00	1,239.92	43.6
910-48601-00	MISC INCOME	.00	5,035.00	.00	(5,035.00)	.0
910-48604-00	RENTAL INCOME-HOWARD ROAD	700.00	7,000.00	8,400.00	1,400.00	83.3
910-48605-00	RENTAL INCOME-CROP LEASES	.00	10,220.00	5,000.00	(5,220.00)	204.4
910-48608-00	LOAN INTEREST-LAVELLE	416.42	4,285.04	5,285.76	1,000.72	81.1
910-48613-00	LOAN INTEREST-ZINGG MOTORS	190.79	1,974.29	2,466.18	491.89	80.1
910-48645-00	LOAN INTEREST-LEARNING DEPOT	594.78	3,298.09	5,337.81	2,039.72	61.8
910-48646-00	LOAN INTEREST-RAAB/WINKHAUS	.00	1,497.39	2,407.57	910.18	62.2
910-48647-00	LOAN INT-TOPPERS--\$115,659	152.88	1,738.29	2,139.70	401.41	81.2
910-48648-00	LOAN INT-TOPPERS--\$33,960	46.27	524.01	698.25	174.24	75.1
910-48649-00	FACADE LOAN-INT-TOPPERS-15K	362.86	362.86	362.87	.01	100.0
910-48650-00	FACADE--INT.--RR WALTON-15K	.00	254.20	701.92	447.72	36.2
910-48651-00	FACADE-INT-WALTON DIST-30K	60.54	657.19	852.00	194.81	77.1
910-48655-00	ED LOAN-INT-DAN'S MEAT-15K	27.55	296.46	309.78	13.32	95.7
910-48657-00	FACADE-INT-WARHAWK-45K	135.30	1,373.39	1,693.11	319.72	81.1
910-48658-00	LOAN INT.-960 E. MILWAUKEE LLC	.00	4,008.73	5,546.08	1,537.35	72.3
910-48660-00	FACADE-1117 W. MAIN(SWD/TDW)	48.90	445.06	.00	(445.06)	.0
	TOTAL MISCELLANEOUS REVENUE	4,699.18	64,182.99	75,701.03	11,518.04	84.8
<u>OTHER FINANCING SOURCES</u>						
910-49300-56	FUND BALANCE APPLIED	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL OTHER FINANCING SOURCES	.00	.00	(63,601.03)	(63,601.03)	.0
	TOTAL FUND REVENUE	4,699.18	64,182.99	12,100.00	(52,082.99)	530.4

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2010

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-212 LEGAL/PROFESSIONAL/MARKETING	.00	4,400.00	10,000.00	5,600.00	44.0
910-56500-295 ADMINISTRATIVE EXPENSE	.00	501.25	1,000.00	498.75	50.1
910-56500-404 HOUSING LOANS	.00	.00	100.00	100.00	.0
910-56500-408 RENTAL EXPENSES	.00	.00	1,000.00	1,000.00	.0
910-56500-415 LOANS-WRITE OFF-BALANCES	.00	1,779.14	.00	(1,779.14)	.0
TOTAL CDA PROGRAMS	<u>.00</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
TOTAL FUND EXPENDITURES	<u>.00</u>	<u>6,680.39</u>	<u>12,100.00</u>	<u>5,419.61</u>	<u>55.2</u>
NET REVENUE OVER EXPENDITURES	<u>4,699.18</u>	<u>57,502.60</u>	<u>.00</u>	<u>(57,502.60)</u>	<u>.0</u>

Mary Nimm

From: Norman, Peter J - COMMERCE [Peter.Norman@Wisconsin.gov]
Sent: Wednesday, November 10, 2010 11:36 AM
To: Mary Nimm
Subject: RE: ED Loan Manual - 2010 Revised Edition.1.doc

Hi Mary,

I finally got a chance to review this. I see where it is more difficult to modify the later sections. I think you could take this to your board for discussion and input. It wouldn't have to be that long or difficult of a meeting if you start by showing them you are streamlining the program and adding some flexibility. They still retain power to set policy and approve or reject projects.

Here are some suggestions:

- Charge fees of \$150 or 1% of borrowed funds, whichever is greater.
- Allow any business to borrow for working capital.
 - If not, can you determine maximum loan amounts for working capital or some similar approach?
 - Should working capital continue to be limited to inventory and direct labor costs?
- Get up to date figures for wages, or refer to an outside source (WI DOA, HUD, US Census, etc.).
- You could have internal policies regarding interest rates and terms instead of being tied to specifics in the manual.
 - If the CDA Directors don't like that, maybe just have a line between loans under \$15,000 and other loans. Note that the difference between a \$15,000 7-yr loan at 4% and 7-yr at 8% is a monthly payment of \$205 or \$234. It's not much per month, but adds to a \$345 difference per year.

I hope this at least gives you food for thought and is somewhat helpful. The direction you are going appears to be compatible with Commerce administration and goals. Please let me know if I can provide more help on this matter.

Pete

Peter Norman
Wisconsin Department of Commerce
Bureau of Entrepreneurship and Technology Development
PO Box 7970
Madison WI 53707-7970

(608)267-5100 voice
(608)261-0469 fax

From: Mary Nimm [<mailto:MNimm@whitewater-wi.gov>]
Sent: Wednesday, October 27, 2010 10:16 AM
To: Norman, Peter J - COMMERCE
Subject: ED Loan Manual - 2010 Revised Edition.1.doc

Peter,

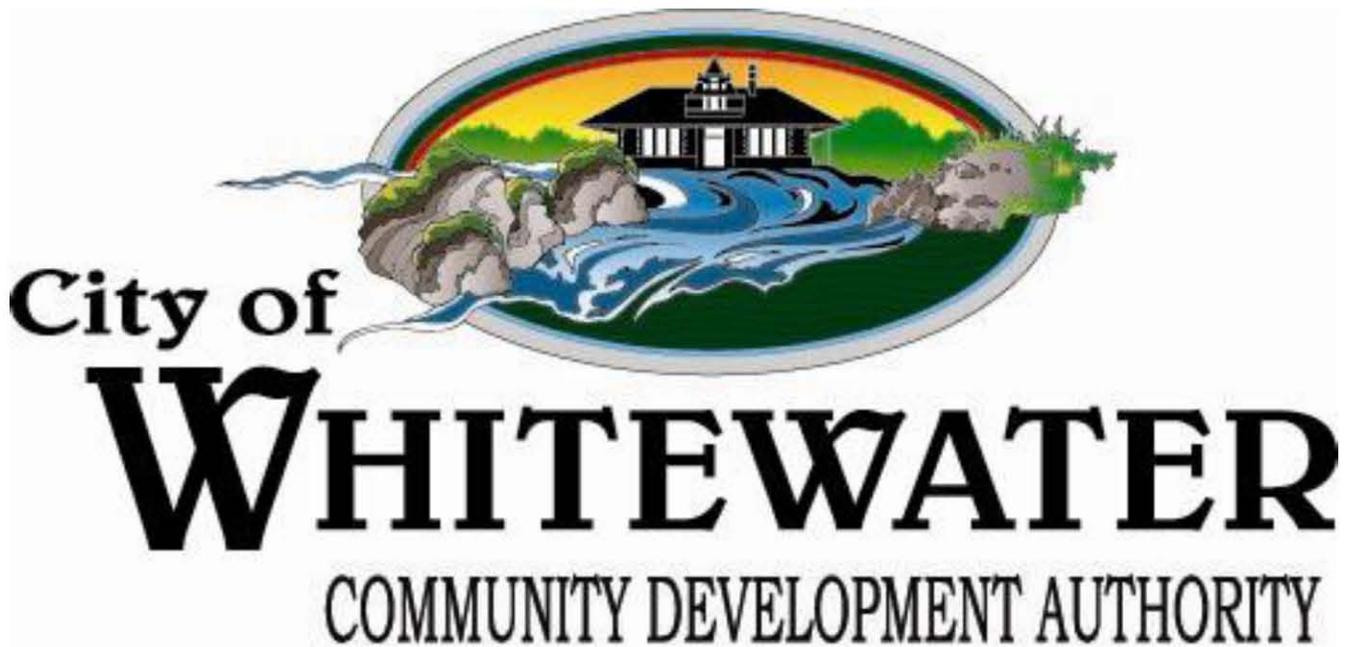
Some time ago, we had a conversation related to the City of Whitewater's Loan Manual, specifically addressing the loan category designation. I have (finally) gone through the manual, and attempted to make some revisions. I am asking for your review of the items highlighted in yellow. If there is yellow highlight and the font is strikethrough – it is language I am proposing to either remove completely or change. After I receive your comments, I will then forward to our attorney for his comments, and then to my board for their final approval. Of note, there is a section or two that I have no idea how to revise. Those sections are simply highlighted yellow.

Regards,

City of Whitewater

Economic Development Loan Program

Policy Manual



WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY

312 W Whitewater Street, Whitewater, WI 53190

262-473-0148

www.cityofwhitewater.com

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Revised as of June 2004

Whitewater CDA Approval – 7 June 2004

Wisconsin Department of Commerce Approval – June 2004

Forward

The Community Development Block Grant (CDBG) – Economic Development Program, administered by the Wisconsin Department of Commerce, provides local governments with funding for economic development. More specifically, this program assists business start-up and expansion. Funds provided by the US Department of Housing and Urban Development (HUD) are used to provide grants to local communities, which in turn loan the money to businesses. The business, in return for the use of public funds, provides investment in the assisted activity, and more importantly, creates job opportunities, principally for the benefit of low and moderate-income persons.

When a business repays the loan to the community (both principal and interest), these funds are used to capitalize a local revolving loan fund, from which the community can make additional loans to businesses.

The City of Whitewater has been the recipient of three grants (in 1984, 1985 and 1990), which have provided the initial capital for its Economic Development Loan Program. During this time the Whitewater Community Development Authority (CDA) has made several loans which have contributed to substantial business growth and job creation. Loans are currently offered under three programs:

- 1) the Industrial Development Loan Program;
- 2) the Commercial Enterprise Loan Program; and
- 3) the Micro-Loan Program.

This manual contains the policies, which have been adopted to govern the use of the City of Whitewater's Economic Development Loan Program.

1 *General Provisions*

Purpose

The purpose of the policies and procedures contained in this manual, hereafter referred to as the Economic Development Loan Program Manual, is to present the criteria governing activities assisted through the City of Whitewater's Economic Development Loan Program.

Objectives

Economic development activities assisted with funds made available through the Economic Development Loan Program are intended to meet the following objectives:

1. To encourage the creation and retention of permanent jobs which provide a wage appropriate to the skills and experience of the local work force. A minimum of fifty-one percent (51%) of jobs created will be made available to persons with low to moderate incomes.
2. To encourage the leveraging of private investment into Whitewater in the form of fixed asset investment, particularly in land and buildings.
3. To perpetuate a positive and proactive business climate which encourages the retention and expansion of existing businesses and helps to attract desirable new businesses.
4. To maintain and promote a diverse mix of employment opportunities and to minimize seasonal or cyclical employment fluctuations.
5. To encourage the development and use of modern technology and create safe work environments.

Loan Programs

The Whitewater CDA has created three different programs under which it may distribute Economic Development Loan Program funds. Each program has been designed to meet the needs of different types of businesses. These programs are:

1. Industrial Development Loan Program. This program is targeted to manufacturing, distribution, and related businesses which have greater capital needs and generally provide larger numbers of jobs. Loans made under this program will not exceed \$150,000, unless exceptional circumstances merit a greater sum.
2. Commercial Enterprise Loan Program. This program is designed to appeal to mid-sized to larger commercial and retail businesses. Loans will generally not exceed \$50,000 unless exceptional circumstances merit a larger sum.

3. ~~Micro Loan Program. The intent of this program is to encourage new business formation and expansion of small businesses, particularly those located in the downtown business district. Loans under this program may not exceed \$15,000.~~

Amendments

The Whitewater CDA may from time to time amend the policies and procedures contained in the Economic Development Loan Program Manual. Any such changes are subject to written approval by the Wisconsin Department of Commerce.

2 *Administration*

Loan Review Board

Initial review of loan application materials shall be done by the Attorney of the Community Development Authority's (CDA's) choice and shall serve as the Loan Review Committee. The Attorney shall have the authority to review application materials and advise the CDA Board of Directors on the findings of the review. The CDA Board of Directors shall have final approval authority.

Three members of the Board of Directors of the Whitewater CDA will be appointed to serve as a Loan Review Board. The Loan Review Board will review and recommend loan applications to the full Board of Directors of the Whitewater CDA for final approval. The Loan Review Board will make recommendations for the administration of the Economic Development Loan Program.

Loan Fund Administrator

The Board of Directors of the Whitewater CDA has designated the CDA Director Coordinator to serve as the Loan Program Administrator.

The Loan Program Administrator explains the program to prospective applicants, provides written information, assists applicants in completing applications, and processes requests for financing. The Administrator, when necessary and appropriate, will counsel or guide applicants to other more appropriate technical or financial resources when the loan applicant has needs beyond those which may be met through the Economic Development Loan Program.

The Loan Program Administrator will periodically review all financial statements and loan amortization schedules of loan recipients, review and approve documentation of business expenditures financed with Economic Development Loan Program proceeds, record Economic Development Loan Program security instruments, maintain the Economic Development Loan Program accounting records, **which must be segregated from other CDA and City accounts**, and report annually to the Wisconsin Department of Commerce regarding the use of Economic Development Loan Program funds.

The Loan Program Administrator will maintain all records for the Economic Development Loan Program, particularly those related to the expenditure of Economic Development Loan Program funds for administrative purposes.

The CDA's attorney will prepare loan agreements, review promissory notes and mortgage or lien instruments, and counsel the CDA on default matters.

Meetings

Loan Review Board meetings will be held on an as needed basis. Pursuant to section 19.84, Wisconsin Statutes, all Loan Review Board members will be given prior notice of each meeting. A majority of the Loan Review Board in attendance at a meeting will constitute a quorum which is required for official action. Official actions must have the support of a simple majority of the full membership of the ~~Loan Review Board~~ CDA Board of Directors.

Records

Written records of all program activities, including minutes of Loan Review Board meetings, meetings of the CDA Board at which action is taken with regard to the Economic Development Loan Program, loan applications, and all related documents, will be maintained in appropriate files. Files are to be maintained in a secure place with limited access only by authorized personnel. The CDA's legal counsel will be consulted in regard to compliance with state and municipal open records laws.

A master file must be established for each loan recipient. These files are to be maintained in a locked, fireproof file cabinet. The master file must include the following sub-files and contents (as appropriate):

1. Loan Application File. All application, business financial statements, personal financial statements, credit reports, business plan documents, and other supporting loan information submitted to the CDA, including all applicable correspondence, will be placed in this file.
2. Loan Recommendation File. This file will contain a summary of the analysis, recommended actions for the application, and a copy of the minutes of the Loan Review Board meeting and CDA Board meeting summarizing the action taken on the loan request.
3. Loan Closing File. This file contains copies of all loan closing documents. This file contains the legal documents from the loan closing, including security instruments, the note, and other applicable correspondence. Originals of security instruments must be kept in the CDA's safety deposit box. The CDA's attorney should be involved in helping create and complete this file to ensure complete loan documentation. Copies of the loan closing documents and an amortization schedule will be provided to the loan recipient along with an invoice, if appropriate, for loan closing and servicing fees.
4. "Tickler File" System. A tickler file system should be established and maintained to ensure that loan repayments, financial information, the loan agreement, UCC updates, and other time-sensitive documentation is tracked and obtained or updated as required. The system should include the following:
 - a. expiration dates for property, casualty, and life insurance policies;
 - b. due dates for all financial statements;

- c. expiration dates for UCC financial statements (reminder 45 days in advance);
 - d. scheduled dates of annual loan performance and covenant reviews;
 - e. dates for site visits;
 - f. Due dates for property tax payments and confirmation of payment;
 - g. Review dates for job monitoring; and
 - h. Dates of any scheduled changes in the loan amortization, and notification dates.
5. Financial Statement File. This file will contain the business' periodic financial statements as required by loan covenants, with a statement indicating that the Loan Fund Administrator has reviewed the data.
6. Progress Report File. Loan recipients may be required to submit periodic progress reports during the outstanding term of the loan. The Loan Fund Administrator should make periodic site visits to verify information in the progress report and financial statements. These site visits shall be documented for the file.
7. Site Visit File. Site visits should be conducted periodically to each loan recipient, the scheduling of which depends on the nature of the project. A summary of the site visits should be placed in the file, particularly highlighting any information that can help in rating the overall condition/risk of the loan.
8. Repayment Monitoring File. This file should include the loan amortization schedule, status of payments, and the outstanding balance of the loan. Observations suggesting concerns or problems should be reported to the CDA Board of Directors and notations should be placed in the Tickler File to remind the Administrator of the need to provide continued monitoring.
9. Loan Review File. All loans are to be reviewed on an annual basis, and at such other times as may be deemed necessary by the CDA. The review should follow receipt of any required financial statements, the progress reports, and site visits. A report on the loan review will be placed in the file and may address the following:
 - a. Timeliness of payments;
 - b. Condition of collateral securing the loan;
 - c. Status of security documents;
 - d. Overall financial condition of the business;
 - e. Presence of material liens or lawsuits; and
 - f. Violations of loan covenants and suggested corrective actions.
10. If the business is experiencing problems with any of the above criteria, the Loan Fund Administrator is to work with the loan recipient to identify actions needed to correct the deficiencies, including possible restructuring of the loan to protect the CDA's interest and meet the needs of the business. If appropriate, the Administrator will arrange for

business assistance through available public or private resources. In the event that the findings of the loan review suggest serious problems, particularly if the loan is in risk of default, the account should be turned over to the CDA's attorney for legal action to protect the loan and to ensure the maximum repayment of the balance due. Again, corrective actions may be achieved through restructuring or if necessary, foreclosure actions.

Administration

Reasonable administrative funds may be withdrawn from the Economic Development Loan Program to cover personnel costs and other administrative expenses. Administrative expenses may not exceed 15% of program income (defined as loan payments received during the year, plus interest on bank balances, and other income to the program). In addition to paying costs for a Loan Fund Administrator, these funds may be used for the following purposes:

1. Legal costs;
2. Consulting fees for credit analysis, business plan reviews and technical assistance;
3. Costs associated with the advertising and promotion of the loan program;
4. Office supplies, copying, mailing and related expenses; and
5. Training costs for personnel involved in administering the program.

Application and Closing Fees

To defray administrative costs related to closing loans, the CDA may assess fees for processing an application or servicing a loan. All fees collected must be deposited into the Economic Development Loan Program accounts. The following fees will be assessed:

1. Industrial Development Loan Program. At the time of closing, loan recipients will be assessed a 1% fee for administrative expenses, along with the actual legal fees related to loan origination.
2. Commercial Enterprise Loan Program. At the time of closing, loan recipients will be assessed a 1% fee for administrative expenses, along with the actual legal fees related to loan origination.
3. Micro-Loan Program. At the time of closing, loan recipients will be assessed a \$150 fee.

3 *Eligibility Considerations*

Eligible Area

Projects must be located within the corporate limits of the City of Whitewater in order to be eligible for loans made through the Economic Development Loan Program.

Eligible Applicants

Applications may be submitted by any business wishing to establish a new operation or expand an existing operation located within the City of Whitewater.

No member of the CDA Board of Directors, Loan Review Board, or any other official, employee, or agent of the City of Whitewater who exercises decision-making functions or responsibilities in connection with the implementation of the Economic Development Loan Program is eligible for financial assistance under this program.

No program loans will be made in conflict with section 946.13 Wisconsin Statutes (Private Interest in Public Contract Prohibited).

Applicants may not be disqualified based on age, race, religion, color, handicap, sex, physical condition, or development disability as defined in s. 51.01 (5), sexual orientation or national origin.

Eligible Activities

Program loans are available to applicants under the Industrial Development Loan Program, Commercial Enterprise Loan Program, and Micro-Loan Program for the following activities:

1. Acquisition of land, buildings and fixed equipment;
2. Site preparation and construction or reconstruction of buildings (including leasehold improvements), provided that they are in keeping with any covenants or design guidelines (such as the Whitewater Business Park Covenants) imposed by the City of Whitewater or Whitewater CDA, and are consistent with plans approved by the City of Whitewater Plan & Architectural Review Commission;
3. Installation of fixed equipment;
4. Clearance, demolition, or removal of structures or rehabilitation of buildings (including leasehold improvements) and other such improvements, provided they are in keeping with any covenants or design guidelines (such as the Whitewater Business Park Cove-

nants) imposed by the City of Whitewater or Whitewater CDA, and are consistent with plans approved by the City of Whitewater Plan & Architectural Review Commission;

5. Payment of assessments to a business for sanitary sewers, water mains, public streets, and other improvements if the provision of the improvements will directly create or retain jobs. The use of Economic Development Loan Program funds in this manner must be in the form of a loan to a business which is assessed for these costs. Economic Development Loan Program funds may not be used to finance public improvements paid for by the City.
6. In addition to the above, the ~~Micro~~-Loan Program may also be used to provide working capital for inventory and direct labor costs only. (The Industrial Development Loan Program and Commercial Enterprise Loan Program may not provide funds for these purposes.)

Ineligible Activities

Program loans may not be used for the following activities:

1. Refinancing or consolidating of existing debt;
2. Reimbursement for expenditures made prior to loan approval;
3. Specialized equipment that is not essential to the business operation;
4. Residential construction or reconstruction unless such reconstruction is intended to convert the use of the residential building to a business or industrial operation. Program funds may be applied to the exterior or other necessary improvements to mixed-use (commercial/residential) buildings where such improvements are directly attributable to the commercial enterprise operating within the building. Economic Development Loan Program funds may not be applied to conversion or rehabilitation of residential units.
5. Routine maintenance;
6. Professional services such as feasibility and marketing studies, accounting, management services, and similar activities. The cost of legal services incurred in closing the Economic Development Loan Program loan are eligible;
7. Façade improvements are not eligible under the Micro-Loan Program. These should be financed under the CDA's Façade Loan Program; and
8. Other activities that the Loan Review Board may identify during the administration of the program.

Ineligible Businesses

Program funds may not be made available to the following entities:

1. Speculative investment companies;
2. Real estate investment companies (except for facilities from which the business operates);
3. Lending institutions;
4. Gambling operations;
5. Recreational facilities which do not allow access to the general public
6. Other businesses not serving the interests of the City of Whitewater;
7. Any government body or governmental entity (including the City of Whitewater or Whitewater CDA); and
8. Not-for-profit businesses or organizations.

Additionally, businesses are allowed only one outstanding loan under the Economic Development Loan Program. In order to apply and be considered for a subsequent loan under the program, the outstanding balance (principle and interest) of the existing loan must be paid in full.

Minimum Requirements

To be eligible for funding, a project must meet all of the following minimum requirements:

1. Private Funds Leveraged. The applicant must leverage a minimum of one dollar of private funds for every one dollar of loan funds requested. Higher leverage may be required at the discretion of the Loan Review Board.
2. Cost Per Job Created. At least one full-time, permanent position must be created for every \$20,000 of program funds requested. No part-time jobs will be counted toward meeting this requirement. The CDA may require job creation at a rate greater than one job per \$20,000 loaned, upon taking into consideration the type of jobs, hourly wage, benefits, etc.
3. Financial Feasibility and Business Viability. The applicant must demonstrate that the proposed project is viable and the business will have the economic ability to repay the funds.
4. Low and Moderate Income (LMI) Benefits. The project will provide increased permanent employment or will retain existing jobs which would have been lost locally. Of the jobs created or retained by the project, at least 51 percent must be made available to low or moderate income persons as defined by the U.S. Department of Housing and Urban Development.

5. Compliance with Applicable Laws. Applicants will comply with all applicable local, state, and federal laws and codes.
6. Project Completion. Project shall be completed within 24 months from the date of the loan approval. Applicants must provide the CDA with a project implementation time schedule not exceeding 24 months. All required jobs must be created within 24 months of the date of loan closing, and these jobs must be retained by the business for a minimum of 24 months.
7. Owner Equity. Applicants for the Micro-Loan Program must have a minimum ten percent equity in the business to qualify for a loan.

Job Retention

It is the intent of the Whitewater CDA to utilize its Economic Development Loan Program to foster development of new jobs in the community. Under exceptional circumstances, the Whitewater CDA may consider loans to businesses for job retention. In order for retained jobs to be considered, the following conditions must be met:

1. The jobs to be retained must offer wages at or above the average wage within the Capital Ideas Technology Zone (which includes Dane, Jefferson, and Rock Counties and the City of Whitewater, and was \$15.45 as of January 1, 2003);
2. The jobs must provide benefits consistent with those provided by a majority of area businesses; and
3. The business must provide convincing proof that the jobs would be eliminated or transferred outside of the City of Whitewater if the loan were not made available.

4 *Terms and Conditions*

Terms and Conditions

Loan terms and conditions will be structured based upon need and ability to repay. Minimum standards include the following:

1. **Loan Amount.** Loan amounts are subject to the availability of Economic Development Loan Program funds and the following:
 - a. The maximum loan amount under the Micro-Loan Program will be \$15,000.
 - b. Loans under the Commercial Enterprise Loan Program will generally not exceed \$100,000. A larger loan amount may be recommended by the Loan Review Board where circumstances (for example, very high wages or potential economic impact) warrant it.
 - c. Loans under the Industrial Development Loan Program will generally not exceed \$150,000. A larger loan amount may be recommended by the Loan Review Board where circumstances (for example, very high wages or potential economic impact) warrant it.
2. **Interest Rate.** The Loan Review Board will recommend an interest rate subject to the following considerations:
 - a. The interest rate on all Micro-Loan Program loans will be set at 4.00%.
 - b. The interest rate on Industrial Development and Commercial Enterprise loans may be set from a minimum of 3.00% to a rate equal to 2.00% above prime (defined as the prime rate of interest as published in the Midwest edition of the Wall Street Journal plus 2.00%).
3. **Loan Terms.** Loan terms will be determined by the Loan Review Board subject to the following guidance:
 - a. The loan term for any loan made under the Micro-Loan Program may not exceed 7 years, which is the maximum allowed by the Department of Commerce. Most equipment loans will not exceed 5 years, in order to simplify UCC monitoring requirements.
 - b. Loans for machinery, equipment, and fixtures will have a maximum term of five years.
 - c. Real estate loans will have a maximum term of ten years which can be amortized up to a twenty-year basis.

- d. Loan terms will be set so that there is an approximate parity between the amortized balance of the loan and the remaining value of the collateral. Loans secured by rapidly-depreciated equipment should have a shorter amortization than loans secured by real estate.
 - e. Loans may be amortized with balloon payments.
 - f. The term of any loan made under the Economic Development Loan Program may not exceed the term of private financing used to meet the matching funding requirements of the project
 - g. All loans will be written to require regular monthly payments.
4. Deferment of Principal and Interest. The Loan Review Board may recommend deferring principal and/or interest payments on Industrial Development and Commercial Enterprise loans, on demonstration of need by the recipient. Interest will accrue during the deferral period and may be paid in one lump sum at the end of the deferral period or added to the principal of the loan and amortized over the remaining term of the loan. Loan payments may be deferred for a maximum of twelve monthly payments (or one full year from the date the loan is originated).
5. Prepayment. There are no penalties for prepayment of an Economic Development Loan Program loan.
6. Collateral. The CDA will seek the best possible collateral position to ensure that Economic Development Loan Program loans are adequately secured.

5 *Application Procedures*

Discussion of Program Requirements

Prior to submitting an application, the applicant must discuss the program with the Loan Fund Administrator. The Administrator will assist the applicant, as is reasonably necessary, in completing the application. All financial information will be kept in a secure place with limited access by authorized personnel only.

Timing of Applications

There is no proscribed funding cycle for this program. Applications may be submitted at any time.

Priority of Consideration

Applications are reviewed in the order received and based on readiness for the proposed project to proceed. In the event that the loan funds requested exceed available funds, the following criteria will be used to determine which business(es) will be awarded the loan(s):

1. Eligibility of the applicant.
2. Eligibility of the project to be undertaken.
3. Ability of the project to secure funding from other sources.
4. Extent to which other public funds are used to support the project.
5. The extent to which private funds are leveraged.
6. The extent to which jobs are created, type of jobs, wages and benefits.
7. The extent to which the loan will be secured.
8. Evidence of ability to repay the loan.
9. Size of the loan requested.
10. Timing of the proposed expenditures.
11. Completeness of the application.
12. Other factors as deemed appropriate by the Loan Review Board.

Loan Application

Applicants must submit an application using the form available for the appropriate Economic Development Loan Program and that includes the following:

1. Business Description. A written description of the business including:
 - a. A brief history of the existing or proposed business, including when it started or is to start, type of operation, legal structure, market and products;
 - b. Key customers and clients;
 - c. Resumes of each principal associated with the business including number of years experience in the business, educational background, and role in the business; and
 - d. A financial history of the business including balance sheets, profit/loss statements, cash flow statements, and accountant notes for the previous three years.
2. Project Description. A detailed description of the sources and uses of the funds needed for the project, including Economic Development Loan Program funds, private sector funds, equity, etc.
3. Commitments from Other Lenders. Letters of commitment are required from all other public and private sector entities providing financing for the project. Lender commitments should include a description of the type of financing being offered, the term, interest rate, security, availability, repayment schedule and amounts, and any conditions placed on the financing. These commitments may be obtained concurrently with the negotiation of the terms and conditions of the Economic Development Loan Program loan.
4. Projections. Provide pro formas (a balance sheet, income statement and cash flow statement) covering a three year period based on the assumption that the business will obtain the requested loan from the Whitewater CDA.
5. Additional Information. Additional information may be requested by the Loan Review Board or the Loan Fund Administrator.

Review Process

Specific steps in the review process include the following:

1. Preliminary Review. The Loan Fund Administrator will review the application for completeness and verify that the proposed project meets the minimum requirements. If the application is not complete, the Administrator will inform the applicant of the deficiencies.
2. Formal Review. ~~The Loan Review Board will meet to~~ CDA Attorney will review an application prior to the next regularly scheduled meeting of the CDA Board of Directors. Once the review is completed, the CDA Attorney will forward a review summary to the

CDA Board of Directors to either approve or deny the loan, ~~along with any recommended terms or conditions.~~

3. Negotiation of Terms. Upon tentative acceptance by the CDA Board of Directors, the Administrator will contact the business in writing to explain the terms of the loan offer being extended.
4. Notice of Award. If the application is approved, a closing will be scheduled to execute the necessary loan documents.
5. Rejection of Award. If the applicant is not approved, the Administrator will send a letter to the applicant stating the reasons for the rejection and offering to meet with the applicant to explore ways to strengthen the loan request or to identify potential alternative sources of financing.

6 *Distribution of Funds*

Loan Procedures

Prior to releasing funds, the following documentation must be in place or provided at the appropriate time during the term of the loan.

1. Notice of Award. The Loan Review Board must have reviewed and approved a complete application for an eligible applicant.
2. Loan Agreement. The CDA's attorney will prepare a loan agreement to be executed by the CDA Director Coordinator, CDA Board Chairperson or Co-Chair, and authorized representative(s) of the business.
3. Promissory Note. A promissory note will be prepared by the CDA's attorney and signed by the authorized representative of the business at the time of the loan closing. The note must be dated, it must reference the agreement between the CDA and the business, and it must specify the amount and terms of the loan funds delivered.
4. Security. Mortgage and/or lien instruments and/or personal guarantees provided as security for all loans will be prepared by the CDA's attorney and executed at the time of the loan closing. The CDA's attorney, or the Loan Fund Administrator, must record the instrument and place a copy in the project file to include:
 - a. Mortgage and/or security agreement;
 - b. UCC searches and filing;
 - c. Guarantee agreement;
 - d. Title insurance or abstract;
 - e. Assignment of life insurance;
 - f. Casualty insurance binder;
 - g. Personal guarantees; and
 - h. Other documentation as may be appropriate.
5. Repayment Schedule. A loan repayment or amortization schedule will be prepared by the Loan Fund Administrator at the time funds are disbursed. The repayment schedule will be attached to both parties' copies of the agreement.
6. Evidence of Permits, etc. Documentation must be provided by the applicant that all necessary permits, licenses, and other registrations required have been obtained by the applicant prior to the release of program funds.

7. Evidence of Program Expenditures. Documentation must be provided by the business to evidence the program expenditures. Documentation may include bills and invoices or receipts for materials, final bills of sale or cancelled checks. All documentation will be approved by the Loan Fund Administrator.
8. Fixed Equipment. Fixed equipment financed with program funds must have been purchased, delivered and installed. The Loan Fund Administrator will verify the installation of fixed equipment.
9. Other Documentation. As appropriate or necessary, the borrower may be asked to provide the following:
 - a. A Certificate of Status from the Department of Financial Institutions;
 - b. Articles of Incorporation and Bylaws;
 - c. A resolution of agreement to borrow funds;
 - d. Current financial statements;
 - e. Evidence of having secured other funds necessary for the project; and
 - f. An environmental assessment for real estate.

With the above documentation in place, the Loan Fund Administrator will schedule a loan closing. All documents will be executed before funds are disbursed, and mortgages and UCC statements must be recorded with the Register of Deeds and the Secretary of State.

7 *Post-Approval Requirements*

Obligation of the Loan Recipient

In addition to the terms and conditions of the loan, all borrowers must agree to comply with the following conditions. These conditions must be written into the terms of the agreement prepared by the CDA's attorney.

1. **Job Creation.** The creation or retention of the agreed upon number of jobs within 24 months of the date of execution of the loan agreement with the CDA, and requirement to maintain those jobs for a minimum of 24 months.
2. **Non-Discrimination.** Not to discriminate on the basis of age, race, religion, color, handicap, sex, physical condition, development disability as defined in s. 51.05(5), sexual orientation or national origin in an employment or construction activity related to the use of the business loan funds.
3. **Use of Funds.** To use the loan money only to pay the cost of services or materials necessary to complete the project or activity for which the loan funds were awarded.
4. **Inspections by the CDA.** To permit inspections by persons authorized by the CDA of all projects and properties assisted with the loan funds. Related project materials will also be open to inspections which include, but may not be limited to contracts, materials, equipment, payrolls, and conditions of employment. Requests for inspection must be compiled with by the borrower.
5. **Records.** To maintain records on the project as may be requested by the CDA. These files must be maintained as long as the loan is active or for at least three years after completion of the work for which the loan has been obtained, whichever is longer.
6. **Progress Reports.** To submit periodic progress reports to the Loan Fund Administrator in accordance with the schedule in the loan agreement. These reports should report on project progress including the number of jobs created or retained during the loan agreement.
7. **Insurance.** To maintain fire and extended coverage insurance on the project property required during the term of the loan. The CDA must be listed as the Loss Payee, Mortgagee, or "additional" insured on the policy. Term life insurance may be required of the applicant in an amount equal to the loan balance through the life of the loan.
8. **Compliance with Federal Law.** To abide by all federal laws, when applicable. These include, but may not be limited to the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Davis-Bacon Act as amended, the Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, and all regulations pursuant to these acts.

8 *Performance Monitoring*

Private Leverage Commitments

The Loan Fund Administrator will monitor the use of funds and expenditure of private leverage commitments. Documentation may include invoices or receipts for materials and supplies, letters from lenders, final bills of sales, and cancelled checks.

Hiring of New Employees

The Loan Fund Administrator will monitor the borrower's progress in meeting job creation or retention goals. Job creation may be documented using payroll records. Before-project and after-project records must be provided by the borrower to document job creation. Failure of the business to provide the targeted number of LMI jobs may be a condition of default unless the business can show it made a good faith effort to create the targeted number of LMI jobs but did not succeed due to reasons beyond its control.

Relocation from the City of Whitewater

Economic Development Loan Program loans are made only to businesses located within the corporate limits of the City of Whitewater. Loans made to businesses which subsequently move jobs or facilities from the City of Whitewater are subject to the following actions:

1. The business is subject to a penalty equal to the difference in interest paid at the rate established for the loan versus the interest which would have been paid if the loan had been written at the prime rate of interest on the date of closing (defined as the prime rate of interest as published in the Midwest Edition of the Wall Street Journal) plus two percent.
2. Economic Development Loan Program loans become due and payable immediately.

Default

In the event the business is in default on any of the terms and conditions of the loan agreement, all sums due and owing, including penalties, will, at the CDA's option, become immediately due and payable. Loans found to be in default may be subject to a default rate of the prime rate on interest on the date of closing (defined as the prime rate of interest as published in the Midwest Edition of the Wall Street Journal) plus two percent. To exercise this option, the CDA's attorney will prepare a written notice to the business. The notice must specify the following:

1. The default;
2. The action required to cure the default;
3. The date, not less than thirty days from the date of notice, by which the default may be cured to avoid foreclosure or other collective action; and
4. Any penalties incurred as a result of the default, jobs, etc.

9 *Use and Reporting of Payments*

Use of Loan Payments

Repaid loans must be deposited into the Economic Development Loan Program account(s) and used in a manner consistent with the policies and procedures manual. A separate accounting record must be kept for each loan to account for all funds loaned.

Reporting Requirements

The Economic Development Loan Program account(s) must be audited on an annual basis and the Loan Fund Administrator must report semi-annually, June 30 and December 31, to the Wisconsin Department of Commerce (Commerce) regarding the use of program income. Reports must be submitted on forms proscribed by Commerce.

Discontinued Economic Development Loan Program

In the event the Economic Development Loan Program is discontinued, all program funds must be repaid to the Wisconsin Department of Commerce as provided in the applicable contracts.

10 *Loan Program Servicing*

Program Monitoring

The Loan Program Administrator will monitor each loan to ensure compliance with the loan terms and conditions and to monitor the financial health of the business to ensure continued payment of the loan. The monitoring will also ensure that all record keeping requirements are met, particularly in regard to job creation and expenditures of matching funds.

The Loan Program Administrator will monitor the overall Economic Development Loan Program including all records of individual loans, funds deposited to bank accounts, use of administrative funds, and other program funds. The Loan Program Administrator will monitor the effectiveness of the Economic Development Loan Program, market the program, and recommend policy and procedures to the Board of Directors of the Whitewater CDA.

The duties of the Loan Program Administrator may be delegated to be routinely carried out by the CDA's Administrative Assistant, under the supervision of the Loan Program Administrator.

Monthly Reporting to the CDA Board

The Loan Program Administer will prepare a monthly summary report of the Economic Development Loan Program and provide this to the CDA Board of Directors. The intent of the report is to offer a snapshot of the status of existing loans and balances in the program accounts. The report will include the following information:

1. Summary information for each outstanding loan, including the starting balance, payments received during the month, current balance, and status of payments;
2. Summary information on Economic Development Loan Program accounts, including starting balance, debits and credits to the accounts, and ending balances;
3. Funds available to lend and funds committed; and
4. A written summary of any collection activity or other non-routine activity relating to the program.

Monthly Reporting to the City of Whitewater

The various loan programs offered through the Whitewater CDA are included in the financial information reported by the CDA to the City of Whitewater on a monthly basis. Accounting for these programs occurs within the financial reporting system used by the city. The CDA will report the balances of all Economic Development Loan Program accounts, outstanding loan bal-

ances, and all transactions that occurred during the month. Loan program accounts are subject to the city's requirement for an annual audit.

Program Records

The Loan Program Administrator will maintain records associated with the general administration of the Economic Development Loan Program, including:

1. Applications to the Wisconsin Department of Commerce for grant funds used to establish or fund the Economic Development Loan Program;
2. Contracts with the Wisconsin Department of Commerce for grant funds awarded;
3. Policy and procedures manuals or other guidance issued by the Wisconsin Department of Commerce relating to administration of the Economic Development Loan Program;
4. Policy and procedures manuals and other guidance adopted by the Whitewater CDA or City of Whitewater relating to the administration of the Economic Development Loan Program;
5. Documentation of any actions taken by the Whitewater CDA or City of Whitewater relating to the Economic Development Loan Program;
6. General documentation and correspondence relating to the Economic Development Loan Program;
7. Bank statements, checkbook registers, deposit records, check copies, certificates, and all other documentation relating to Economic Development Loan Program funds deposited at area financial institutions;
8. Records of administrative expenses paid through the use of program funds;
9. Records of activity taken to market the Economic Development Loan Program;
10. Monthly Loan Status Reports provided to the Whitewater CDA Board of Directors; and
11. Semi-annual reports filed with the Wisconsin Department of Commerce.

Program Monitoring Schedule

The Loan Program Administrator will establish a monitoring schedule to provide a reminder of the dates on which actions need to be taken to service the Economic Development Loan Program. The monitoring file should record the following dates:

1. Due dates of certificates of deposit in which program funds are invested;
2. Reporting dates to the Wisconsin Department of Commerce;
3. Date upon which the terms of outstanding loans are due to be modified according to the loan agreement;

4. Dates by which loan recipients are scheduled to provide financial statements or progress reports;
5. Expiration dates of required insurance;
6. Dates upon which loans are due to be paid off, or balloon payments are due;
7. Dates by which loan recipients are required to meet job creation requirements (both to create the jobs and to maintain them for a period of at least 24 months);
8. Dates by which UCC Filings are scheduled to be renewed; and
9. Dates upon which annual loan recipient reviews are to be conducted

Individual Loan Records

A Master File will be established for each loan made through the Economic Development Loan Program. The Master File will include several sub-files, with the contents arranged as follows:

1. Loan Application File. This file contains all of the documentation relating to application for the loan. The following items will be placed in this file:
 - a. Application and related documentation;
 - b. Business financial statements;
 - c. Personal financial statements;
 - d. Credit reports;
 - e. Business plan documents;
 - f. Supporting loan information; and
 - g. Correspondence.
2. Loan Recommendation File. This file will contain a record of deliberations in considering the request for a loan under the Economic Development Loan Program. It may include the following:
 - a. Loan application analysis;
 - b. Recommended actions;
 - c. Record of recommendations by the Loan Review Board;
 - d. Minutes of the CDA Board of Directors; and
 - e. Notice of Approval or Notice of Rejection.
3. Loan Closing File. This file includes all documentation relating to the closing of the loan. Some original documents may be kept in the CDA's safety deposit box for added security. Copies of these will be placed in the file along with a note indicating that the original is in the safety deposit box. This file may contain:

- a. Loan closing documents;
 - b. Security instruments;
 - c. Mortgage or Promissory Note;
 - d. Other legal documents;
 - e. Correspondence related to the closing;
 - f. Amortization schedule; and
 - g. Invoices for fees.
4. "Tickler File" System. The "tickler file" is a listing of time-sensitive monitoring requirements, intended to alert the Loan Program Administrator to actions which may need to be taken to adequately secure the CDA's interests in the loan. It should include any of the following which may be applicable to the loan:
- a. Expiration dates of insurance (life or property) required in the loan agreement;
 - b. Expiration dates of any UCC filings;
 - c. Dates by which the business is scheduled to submit any financial statements required in the loan agreement;
 - d. Dates on which the loan is to receive its annual review;
 - e. Dates on which property taxes are due for which the loan recipient may be liable;
 - f. Job monitoring dates (both the date by which jobs must be created, and the close of the 24-month period for which the jobs must be retained); and
 - g. any scheduled changes to the amortization schedule.
5. Financial Statement File. This file contains the business's financial statements submitted to the CDA.
- a. Periodic financial statements required to be submitted by the loan recipient; and
 - b. Confirmation of review by the Loan Program Administrator.
6. Site Visit File. This file will contain a record of site visits made by the Loan Program Administrator to the project location or loan recipient.
7. Progress Report File. This file will contain progress reports submitted by the business.
8. Repayment Monitoring File. This file contains all records relating to the loan payment history of the loan recipient. It will include the following:
- a. Business financial statements (if required);
 - b. Personal financial statements (if required);
 - c. Loan Payment Register (showing payment history to present, and the status of the loan);

- d. Copies of checks received in payment on loans;
 - e. Correspondence related to loan repayment;
 - f. Records of any collection activities taken by the CDA; and
 - g. Records of any default or legal action taken by the CDA regarding collection of the loan.
9. Loan Review File. This file will contain the Annual Loan Review report prepared by the Loan Program Administrator.

Record Security

All files related to the various loan programs and to loans made under those programs will be maintained in a locked, fireproof file cabinet with access only by authorized personnel.

Original copies of mortgages and other recorded documents will be kept in the CDA's safety deposit box. Copies will be included in loan files maintained at the CDA's office.

Loan Payment Register

A Loan Payment Register will be established for each loan. The Loan Payment Register will include the following:

1. Dates on which payments are due;
2. Starting balance;
3. Amount paid;
4. Allocation of principle and interest;
5. Ending balance;
6. Check number (or notation if cash or electronic fund transfer); and
7. Date payment was received;

Late Payment

All loan payments must be made in a timely manner. Payments made within ten (10) days of the due date will be considered on time. If payment is not received on the due date, the actual account balance will be compared to the scheduled balance shown on the amortization schedule. In the event that past payments have been larger than required, if the current balance is less than the scheduled balance, the payment will not be considered past due. The following procedure will apply to all past due loan payments:

1. Payment less than ten (10) days past due. The date on which payment is received will be noted on the loan repayment log. No further action will be taken.
2. Payment ten (10) days past due. The loan recipient will be contacted by telephone to notify them of the past due payment and to discuss when payment will be received. If applicable, a late fee may be assessed. A record of the telephone conversation will be placed in the loan file.
3. Payment fifteen (15) days past due. If payment is not received within fifteen (15) days of the due date, written notice will be sent to the loan recipient notifying them that payment is past due and requesting immediate payment of the scheduled amount plus any applicable penalties. A copy will be placed in the loan payment file.
4. Payment thirty (30) days past due. A written notice will be sent to the loan recipient via certified mail, reminding them that payment is past due and notifying them of a potential default. The letter will include any actions that must be taken to avoid default, and the date by which action must be taken (not more than sixty (60) days from the date of the notice on which payment must be received). Notice will be given to the CDA Board at its next regularly scheduled meeting, and the Board will determine if any additional steps are warranted.
5. Payment sixty (60) days past due. An additional written notice will be sent to the loan recipient via certified mail. This notice will contain the information included in the original notice and a reminder that the loan will be considered in default if payment is late by ninety (90) days or more.
6. The CDA Board will be updated on the status of the loan at its next regularly scheduled meeting. The Board will determine if any additional steps are warranted.
7. Payment ninety (90) days past due. In the event that payment is not received within ninety (90) days of its due date, the loan may be considered in default. All sums due or owing to the CDA may, at its option, become due and payable and may be subject to a default rate of interest, if provided for in the loan agreement. The CDA Board may turn the matter over to its attorney for legal action in order to recover loan proceeds through the liquidation of collateral and/or the exercising of personal guarantees.

Troubled Loans

When loan monitoring indicates that the loan recipient may be experiencing financial or potential problems that could threaten the viability of the loan or the business, the CDA will make appropriate attempts to assist the recipient.

Accounts

Funds that are not loaned to businesses will be deposited in bank accounts. These funds should be divided among a checking account and certificates of deposit, maximizing both access to the funds to write new loans, and interest earnings. The following guidelines apply:

1. Checking account – The checking account should target a balance of approximately \$250,000. This is approximately enough to complete two new loans during any quarter.
2. Certificate(s) of Deposit – Remaining funds over the \$250,000 balance in the checking account will be placed into certificates of deposit, coming due every 91 days at the end of each quarter (i.e., March 31, June 30, September 30, and December 31).

Appendix A

Loan Application

Application - City of Whitewater Economic Development Loan Program

Part I - General Information

Business Name

Business Address

Contact Name

Contact Address

Contact Phone

Contact Fax

Contact E-Mail

Company Web Site

Part II - Business History

Provide a brief history of the existing or proposed business, including the following items:

- year started
- significant markets
- primary products
- legal structure
- significant events in the company's history
- key clients
- any additional information that may help to describe the business and the products or services it provides.

Part III - Project Description

Provide a summary of the proposed project including information about:

- start and completion dates
- real estate acquisition
- construction activity, including estimated value of improvements
- machinery and equipment purchases
- product or market information
- total project cost
- job creation

Part IV - Sources and Uses of Funds

Provide information about how the project will be funded. What are the proposed sources of funding for major project components such as real estate, construction, machinery, etc.?

Proposed Use of Funds	Source and Amount of Funds				Total
	Owner Equity	ED Loan			
Total					

Part V - Job Creation

Provide information about the new jobs that will be created as a result of this project. Only include information about full-time, permanent (year-round) jobs.

Job Title	Average Hourly Wage	Benefits Provided?	Number of New Full-Time Jobs Created			
			1 st Year	2 nd Year	3 rd Year	Total
		Select One				
		Select One				
		Select One				
		Select One				
		Select One				
		Select One				
		Select One				
		Select One				
Total Jobs Created						
Current Number of Jobs in the City of Whitewater						
Provide information on the types of benefits provided to employees. For health, life, and dental insurance, provide information on the percentage of costs paid by the employer and employee.						
Provide information on new part-time or seasonal jobs that will result from the proposed project.						

Part VI - Collateral

Provide information about collateral available to secure the CDA's loan to the business. This may include real estate, machinery and equipment, inventory, etc.

Available Collateral	Current Value	Appraisal Available?	Equity Available	CDA in subordinate position?
				Select One
Total				
<p>Provide a brief description of the collateral available to secure the CDA's loan. Include relevant information on its current value, equity available, and other lenders secured by the same collateral.</p>				

Part VII - Attachments

The following information must be attached to the application in order for it to be considered complete.

- Resumes of each principal associated with the business, including experience, educational background, role in the business, and other relevant information.
- A financial history of the business including balance sheets, profit/loss statements, cash flow statements, and accountant notes for the past three years.
- Projections including balance sheets, profit/loss statements, and cash flow statements for three years from the date of application.
- Letter(s) of commitment from other lenders on the project (if any) describing the type of financing being offered, amount, interest rates, security, availability, and repayment schedule.
- A copy of the company's business plan, or those segments of the business plan relating to the proposed project.
- Any other documentation that reinforces the viability of the proposed project, or that helps to describe the company and its products.

Part VIII - Trade Secrets / Confidentiality

- Please review the application and indicate whether any of the information provided is considered a trade secret or considered confidential by the business. Wisconsin State Statutes require that certain information received by the CDA and used to consider the loan application be considered public information. Generally, certain financial, product, and market information may be considered a trade secret and may not be subject to release by the CDA.

Part IX - Certification

I hereby certify that the information provided above and in the attached supporting documentation is to the best of my knowledge true and accurate. I also authorize the Whitewater Community Development Authority to perform both business and personal checks as a part of this application process.

Name

Name

Date

Date

Appendix B

Annual Loan Review

Economic Development Loan Program

ANNUAL LOAN REVIEW

Loan Review Report Conducted {month, year}

COMPANY NAME

DATE OF LOAN

PRINCIPAL AMOUNT

TERM

AMORTIZATION

MO. PAYMENT

BALLOON

COMMENTS

PART ONE – REVIEW OF LOAN FILE

Date on which loan files were reviewed

Loan file review conducted by

Loan file if complete and all dated material is current

Loan file is not complete and/or dated material is not current

Explanation:

Actions taken and follow-up required:

Date on which loan files were completed

Comments

Loan Application File

The Loan Application File will be reviewed to ensure that it contains the required documents.

Application

Business Financial Statements

Personal Financial Statements

Credit Reports

Business Plan Documents

Supporting Loan Information

Correspondence

Comments

Loan Recommendation File

The Loan Recommendation File will be reviewed to ensure that it contains the required documents.

- Loan Application Analysis
- Recommended Actions
- Loan Review Committee Minutes
- Notice of Approval or Rejection

Comments

Loan Closing File

The Loan Closing File will be reviewed to ensure that it contains the required documents. Some of these items may require the original to be stored in the safety deposit box. A copy should be placed in the file and the location of the original noted.

- Loan Closing Documents
- Security Instruments
 - Original in safety deposit box
- Mortgage or Promissory Note
 - Original in safety deposit box
- Correspondence
- Other Legal Documents
- Amortization Schedule
- Invoices for Fees

Comments

"Tickler File" System

The "Tickler" File will be reviewed to ensure that it contains the required documents, that all documentation is current, and that suspense dates are noted.

Insurance Documents

Expiration Date:

Financial Statements

UCC Financing Statements

Expiration Date:

Loan Performance Review

Annual Review Date:

Site Visits

Property Taxes

Job Monitoring

New Jobs Required:

Current Employment

Full-time:

Part-time:

Changes to Amortization Schedule

Comments

Financial Statement File

The Financial Statement File will be reviewed to ensure that it contains the required documents.

Periodic Financial Statements

Confirmation of Review by RLF Administrator

Comments

Site Visit File

The Site Visit File will be reviewed to ensure that it contains the required documents.

Annual Site Visit Reports

Comments

Progress Report File

The Progress Report File will be reviewed to ensure that it contains the required documents.

Annual Progress Reports

Comments

Repayment Monitoring File

The Financial Statement File will be reviewed to ensure that it contains the required documents.

Business Financial Statements

Personal Financial Statements

Loan Payment Register

Correspondence Related to Repayment

Comments

Loan Review File

The Loan Review File will be reviewed to ensure that it contains the required documents.

Annual Loan Review Reports

Comments

PART TWO – SITE VISIT REPORT

To be completed by CDA Director / RLF Administrator

Date on which site visit was conducted

Site Visit Conducted by

SITE VISIT REPORT

PART THREE – PROGRESS REPORT

To be completed by CDA Director / RLF Administrator

Date Prepared

Completed by

FILE REVIEW

File contains all required documents

File is missing required documents

Comments

REPAYMENT HISTORY

Payments have been made in a timely manner

Payments have not been made in a timely manner

Comments

JOB CREATION

Job creation requirements have been met

Job creation requirements have not been met

Comments

OBSERVATIONS