

## **AGENDA ITEM #VI.**

### **Five County Association of Governments Revolving Loan Fund Board Reappointments June 2010**

The Five County Association of Governments has operated a Revolving Loan Fund (RLF) since July 1986. The RLF is intended to provide supplemental financing to start-up and growing businesses in the region that may not be able to generate adequate capital from private sector lenders. The RLF “fills the gap” between available private sector debt and equity capital and the owner’s capital resources. In 24 years of operation, the RLF has injected more than \$6.8 million into 109 business deals, resulting in the creation of more than 730 jobs.

The RLF is operated pursuant to policies outlined in the regional Revolving Loan Fund Plan adopted in July 1987 and last amended in February 2006. The Plan states:

The RLF is administered by the Five County Loan Administration Board. The seven (7) member board is composed of the following:

- 2 Bankers
- 2 Businessmen or Businesswomen
- 1 Chairperson, Private Industry Council
- 1 Chairperson, Five County Economic Development District
- 1 County or Municipal Attorney

This board is responsible to the Five County Association of Governments Steering Committee. The members of the Board serving because of another affiliation remain on the Board for the duration of their terms of office in the related affiliation. The four private sector members serve for two year terms. The terms are staggered so that two terms expire every two years. ***Members are appointed by the Steering Committee, and may be reappointed to additional terms.*** The Steering Committee may dismiss any Board member for cause. One reason for dismissal for cause is the absence of a member from three (3) consecutive meetings.

Nick Lang, CPA has served for two two-year terms on the RLF Board. He has added valuable expertise to the RLF Board and has expressed a desire to remain on the Board. The staff recommends that he be re-appointed for an additional two year term.