

Sargent County Development Authority

Minutes

Date of Meeting: 6-23-11

Time: 7:30 AM

Location of Meeting: Sargent County courthouse conference Room

PRESENT: Bill Anderson, Jay Jacobson, Jerry Erickson, Randy Pearson, Mark Bopp, Ron Narum, Sandra Hanson, Mike Walstead. Also Present Nathan Schelcht President of Four Seasons Health Care. **Not Present:** Dan Delahoyde, Jeff Anderson, Terry Dusek.

Meeting Called to Order by Chr Ron Narum.

Minutes of Last Meeting Presented by the recording secretary- Sandra Hanson. Minutes were read to group. Bill/Jerry to approve minutes as read. Motion carried unanimously.

Treasurer's Report activity report as created by the County auditor's office was distributed to group by the Secretary.

No Committee Reports at this time.

Loan Reports- Four Seasons HealthCare and Waswick Chiropractic are making regular payments.

OLD BUSINESS

Oath of Offices- The Chr Ron Narum presented the oath of office To Mark Bopp, term of expiration December 31, 2015 and Randy Pearson term expiration of December 31, 2013.

R & G Inc. – Bill Anderson had a conversation with Kim Beckstrom about the business proposal that was introduced to the JDA this winter. At this time they are working with the insurance company to make settlement on the losses and making new arrangements with customers. Then it is their intention to re-organize and begin to work towards building and putting the business in full operation. The project is currently on Hold.

With no further old business the group moved into New Business.

NEW BUSINESS

Four Seasons Loan Request- Ron Called on Nathan to provide the group with an update about the Four Seasons and the intention of the loan Request. Currently are employing over 50 fulltime/parttime staff. 35 Bed maximum with 33 residents at this time. They offer both skilled and basic care. They have installed an internal sprinkler system at a cost of approximately \$70,000.00. Question from JDA- Is the facility looking at any type of expansions. Nathan stated that Assisted Living is a conversation that has been taking place for some time. Feel it would be worthwhile. Have and continue to look at different ways to finance, employee and manage facility. They continue to pursue. Nathan explained that the state sets the amounts based on patient care, so unless you have a banner year it is hard to build a reserve for projects. They do try to do projected residential occupancy for planning. State rewards facilities that have an average of 90% occupancy for the year with a cash award.. Q-What is the projection for the next 4 -5 yrs? The board is finding that occupancy is driven by where the family is located, where the residents doctors are, and what type of care needs. With no further questions regarding the update on Four Seasons HealthCare, Nathan presented the letter of request for the current loan that was due for a Balloon payment in May of 2011 be extended for another 60 payments at 2% interest with a balloon payment at the end. Jerry/Jay to approve the request made by Nathan representing the Four Seasons. With no discussion the motion was carried unanimously. Bill suggested that Jason Rockswold and Nathan Schlecht work with The Sargent County States Attorney in drawing up any necessary written

agreements pertaining to the new loan schedule and that the loan schedule will be the responsibility of the Four Seasons Board to get it set up and provide a copy to the JDA.

With no further Business, the members moved into Round Table Discussion for anyone who had something of interest for the Group.

Jay reported that Operational Security is currently organizing a meeting on July 12, 2011 to bring local public utilities and others to the table to have open discussion and presentations on where the project currently is. No agenda has been provided at this time to direct the information that the utilities are supposed to bring to the table.

Mark reported that Forman City/Development Org? is continuing to move forward in its plans to put up a building for warehouse or industrial use outside of what the Nosaan Bobcat request was last summer/fall. It is the hopes of the community that if the building is in place, the attraction for small industry or other needs will increase.

No other round table discussion Ron adjourned the meeting.

8:45 am

Recording secretary,

Sandra Hanson