

Minutes of the meeting of the Village of Iola Finance Committee held at 3:15 p.m. March 11, 2022, at the Iola Village Community Center.

Members Present: Dave Harper, Jim Rasmussen, Pam Parks and Jennifer Schustek

The meeting was called to order by chairman Harper at 3:15 p.m.

Village President Jennifer Schustek discussed a meeting held with Jody Jansen, Bank First Representative, held that morning. Jansen indicated that there has been a long time shared mutual and invested relationship with the Village of Iola. Schustek in turn explained the reason for looking at the International Bank of Amherst in terms of consideration for a lower interest rate on the Village's obligation and to act in the best interests of the residents of Iola in doing so.

Further Schustek discussed with Jansen the 2% prepayment penalty as described in the BankFirst financial proposal as something that the Committee had concerns with keeping as part of Village agreement. Jansen explained that this 2% takes into consideration the risk the bank is taking for our loan. However, he said he could propose that the 2% be only for the first four years verses for the entire eight years of the term loan.

Discussed was the interest rate that could be offered for the library loan obligation. Jansen had mentioned looking at only a 2.75% rate. But Schustek explained to the committee that she thought it possibly could be renegotiated. Rasmussen stated that he believed that International Bank of Amherst had proposed an interest rate of 2.25%, with 60 months to pay; with a max borrowing amount of \$125,000.

Rasmussen commented on the library board and current loan payment: \$32,000 will be due in a few days to the state land trust. The library board will wait until their next board meeting to decide if they will pay off the trust. But the library board would like to take advantage of being able to have a lower interest rate in which to pay.

Harper suggested that Bank First Representative Jansen meet with the Finance Committee to discuss a final offer that BankFirst could provide for review. Rasmussen suggested that part of the meeting and consideration include the following:

- 2.25% (fixed full term) and the amortization rate of 62 months on amount borrowed \$125,000 (library)

- 2.75% (fixed for 8yrs) –term loan

- 3.00% -line of credit

- Note-2% penalty to be only applicable to the first four of the fixed eight years- term loan

Schustek sent email requesting meeting with Jansen and the Finance Committee. Upon Jansen's reply, a meeting will take place next Wednesday, March 16, 2022 at 1 p.m.

Jim Rasmussen made motion to adjourn the meeting. Motion seconded by Pam Parks. Motion carried. The meeting was adjourned at 4:03 p.m.