

JOINT MEETING OF  
THE SWITZERLAND COUNTY COUNCIL  
AND  
THE SWITZERLAND COUNTY BOARD OF COMMISSIONERS

TUESDAY MARCH 8, 2017, AT 5:51 PM.

The Switzerland County Council and the Switzerland County Board of Commissioners met in joint session pursuant to law and by being duly advertised.

Those present: council: Mike Bear, Lisa Fisher, Andy Haskell, Elizabeth Jones, Rachel Schuler, Glenn Scott, and John Gary Welch, commissioners: Mark Lohide, Jerry Monjar, and Josh South, the county attorney, Wil Goering, and the auditor, Gayle Rayles.

The joint meeting was opened by Josh.

Josh called for a motion to vote on whether or not to record the meeting live for the public to see. Lisa made a motion to video tape the joint meeting live, seconded by Elizabeth and the motion carried with a vote of 8 for and 1 against (John Gary) with Glenn abstaining.

**#1 East Enterprise Regional Sewer District (EERSD)**

Josh said this part of the meeting is to discuss the current plan. The EERSD is currently reapplying for the OCRA grant. Debbie Vann, of the EERSD, said they are having a public meeting on March 20<sup>th</sup> at 5:00 p.m. at the East Enterprise Fire House. Debbie had the new rates. Josh asked what the rate is currently, \$42.80 per month and there are no commercial rates. The new rates would be \$58.89 per month for residential and the commercial rate is based on a business' average yearly water usage. The residential rate is based on an average water usage of 5000 gallon per month.

Josh asked Kathy Kelly, of SIRPC, if this will satisfy the time line for implementation for the OCRA grant application; she said it should, the deadline for the grant is April 7<sup>th</sup>. Debbie said everything is on schedule.

Josh asked the council how much they had committed in the past, Rachel said approximately \$600,000.00, only if the OCRA grant is received.

George Vann asked about getting the cost of their filing fees added to the cost of the liens placed on the properties for past due sewer amounts. They can just be added to the lien amounts per the previously passed ordinance.

John Gary asked if they can't pay the \$42.80 how are the residents going to pay the \$58.89. Without the OCRA grant, the rates would be considerably higher. Andy asked what the percentage of non-paying customers is and George said about 1/3 of them have trouble paying but it varies. Mike asked if everyone paid their bill, would the sewer district be out of the hole financially and at the current monthly rate, no.

They should know by June whether or not they have received the OCRA grant. Debbie asked if anyone had any pull with state officials because she had talked to someone and they are taking into account that the county receives casino funds. The grant people look at the county as being the one applying for the grant not just the EERSD. Gayle asked Kathy about who is writing for the grant, as she could explain where our casino money actually goes. Debbie is going to ask Susan Craig to get with Gayle about this; Gateway does not tell the whole story.

**#2 Tech Building Refinance**

Josh said that the commissioners want the council fully engaged in the decision making on the tech building refinance. Wil said it could be put in the minutes that council is only agreeing to the resolution if they are the ones to make the final financial decision and not the commissioners or tech building corporation.

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### *Tech Building Refinance cont'd*

Council feels like the wording in the resolution is taking away their ability to make the final financial decision in regards to the bonds.

Rick Hall, of Barnes and Thornburg, handed out a list of the timeline in order to get the bond issue settled on time. Rick said cash could be chipped in and get a loan for \$2,000,000.00 and the county would not exceed the debt limit. Angie Steno, of Crowe Horwath, said that a bond could be less than \$3,000,000.00. There are other costs associated with the bond process. The banks require you to have a debt service reserve. When you certify bonds with revenue, many banks require you to set aside a certain amount, usually 10%, in case the county's funds run short.

Angie went through the reports she provided. It contained the current information on all of the debt the county pays on; how they are paid for and what they are used for. This is one document that is required by the banks for bidding purposes. If the reserve funds are not needed for payment at any time then these funds can be applied as the last payment or 2. The 2012 bond payoff would be approximately 2.5 million dollars, because of paying the principle and estimated interest through the pay-off date. The 2009 bonds are not part of the debt limit.

Rick said that the county should decide whether or not they want the first interest payment, included in the bond amount before the April meeting. Angie went on to explain to everyone present how they arrive at the numbers contained in the financial reports.

The payments for the lease would actually be paid to a trustee, possibly the bank, who in turn would make the bond payment. The reports shows the worst case scenario. The estimated closing date is May 2<sup>nd</sup> and the lease payment dates would begin July 2018, approximately \$435,000.00 per year. This is based on 5% interest for 10 years. Angie's goal was to make the county's future debt payments close to what they are currently. Her example uses the debt reserve on the 2009 bond issue to make the last payment due January 15, 2019 and a portion of the payment due July 15, 2018.

Wil said the reason you don't want to use up the debt limit is because that is the money that is most readily available in an emergency situation. Jefferson County a building corporation to fund their new jail.

It needs to be written in the agreement, with whatever bank gets the loan, that the county has the option for early payment. Angie said this could be more costly.

After some discussion as to whether or not to pay down the bond/loan amount and who has the final decision making power, Glenn asked what had to be done tonight. Josh said there needs to be action taken on the resolution in order to proceed.

Lisa made a motion to adopt the resolution "Pledging Faming Revenue to the Payment of Lease Rental" under a lease with the Switzerland County Building Corporation with the amendment "that all final decisions on the bond/loan will be made jointly by county council and county commissioners", seconded by Elizabeth and all agreed. Council then signed the resolution.

Rick suggested a joint meeting on April 12<sup>th</sup>, all were in agreement. This is council's regular meeting night and it would immediately follow the regular meeting which is held at 5:00 p.m.

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With no further business to come before the joint meeting, Lisa made the motion to adjourn, seconded by Jerry and all agreed. The meeting adjourned at 6:53 p.m.

Council:

Commissioners:

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Attest: \_\_\_\_\_  
Gayle A. Rayles, Auditor  
Switzerland County, Indiana