

Joint Meeting

**Switzerland County Board of Commissioners
and
Switzerland County Council**

Wednesday, April 12, 2017, at 6:12 p.m.

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

Those present: commissioners: Mark Lohide and Jerry Monjar, council: Mike Bear, Lisa Fisher, Andy Haskell, Elizabeth Jones, Rachel Schuler, Glenn Scott, and John Welch, and the county auditor. Commissioner Josh South was absent due to work.

#1 Tech Building Refinance

Angie Steno, of Crowe Horwath, gave the council information concerning the refinance package that was sent to the different banks.

One of the key items is payment flexibility. They reached out on 13 bids, and 3 have provided formal bids. MainSource Bank has come back with the best rates; an interest rate of 2.57% flat, no placement/closing fees, and no charges for legal fees. All of the other bids had these charges. MainSource is also allowing payoff at any time, even next year if the funds are available. The other 2 bids were from Regions Bank and German American Bank. Friendship Bank still holds the 2009 bonds for the county but they could eventually loan up to \$500,000.00 if need be. These bid packages are for 10 year bonds.

Angie said the 2009 bonds should have had a debt reserve when issued. Friendship did not collect the debt service amount of \$310,000.00 in the original transaction. This can be done by setting up a certificate of deposit or move that amount into another fund and not spend it. There are 4 payments left on these bonds.

The payments on the MainSource bid of \$2,740,000.00 would be around \$345,000.00 annually. Council was interested in paying cash for everything that is considered out-of-pocket expenses. This would be \$162,488.00 for legal fees, trustee fees, and the interest on the installment contract. The closing documents are to be signed the first week of May and then officially close on May 12th.

Angie will send out new numbers to council once the bid is locked in and the cash contribution is made. The \$345,000.00 payment should decrease.

After some discussion, Lisa made a motion to accept the offer from MainSource Bank for a 10 year loan/bond at 2.57%, seconded by John Gary and all agreed.

#2 Chip and Seal

Commissioner Mark Lohide explained how the funding had been handled in the past for chip and seal and paving since there a new council members. A couple of years ago or so council had given the commissioners about \$500,000.00 for chip and seal but it had to be used on major road slips. Last year council gave them \$350,000.00. Mark had asked the highway superintendent, how much was needed for the chip and seal and paving work that was planned for 2017 and he said about \$400,000.00. The commissioners will make a priority list to give to council to see where the money would go.

Chip and Seal cont'd

Council wants to see how much infrastructure money the commissioners have to use and what projects are to be paid out of this.

They also have 3 bridges that need repaired/replaced. There is isn't enough funds in Cum Bridge to cover these.

The paving cost is \$65,000.00 a mile and chip and seal is approximately \$10,000.00 a mile.

Council told the commissioners to prioritize their needs and then come back for a discussion about finances.

With no further business to come before the joint session, Mike made the motion to adjourn, seconded by John Gary and all agreed. The meeting adjourned at 6:56 p.m.

Council:

Commissioners:

Attest: _____

Gayle A. Rayles, Auditor
Switzerland County, Indiana