

**COMMISSIONERS' MEETING MINUTES**  
**DECEMBER 4, 2013**

Commissioner Chairman Rodney D. Ruddock called the regular meeting of the Indiana County Commissioners to order at 10:30 a.m. in the Commissioners' Hearing Room.

**ROLL CALL**

Chairman Rodney D. Ruddock, present via phone    Commissioner David S. Frick, present  
Commissioner Patricia A. Evanko, absent

Also in attendance were Chief Clerk Robin Maryai and Financial Supervisor Lisa Bowser. A member of the news media present was Chauncey Ross.

**PUBLIC COMMENT**

There was no public comment.

**ORDINANCE...LOCAL GOVERNMENT UNIT'S GENERAL OBLIGATION NOTES, SERIES A OF 2013 AND SERIES B OF 2013**

Mark Lundquist, Financial Advisor, was present and explained that the purpose for refinancing typically is to lower interest rates and get debt service savings. In this particular case, he has negotiated with the bank to match the current interest rates on the 2010 Series B and C obligations. The Series B Note is currently outstanding in an amount of approximately \$3.5 million. It was borrowed by the County to finance some of the costs of the prison construction and other capital projects. The Series C Note is currently outstanding in an amount of approximately \$5.5 million was borrowed by the County to finance some of the costs of the communication project. Instead refinancing these to achieve interest rate savings, the bank had some prepayment rights which would have obligated to the County to make significant payments to them for the purpose of refinancing to lower interest rates. In recognizing the goals were different in this restructuring, he negotiated to keep the same interest rates that are currently outstanding on the note. One is 3.31% for the \$3.5 million and the other is 3.64% for the \$5.5 million. What he did was ask that they defer the principle payments that would be due and payable or restructure the principle payments due in the next three to four fiscal years so that we can take advantage of lower overall debt service payments through the period of countywide reassessment. Without this accommodation the county would be required to raise the debt service millage next year and beyond because of the \$4.8 million we took out and are only currently paying interest on and the principal amortization starts next year. With the goal of getting through reassessment with the debt service millage in place that we have, he asked the bank to restructure and differ some of the principal on these two loans through 2017 and in exchange for that, the overall term of the \$5.5 million loan has been shortened by a little over 6 years of debt service. When you look at the debt service comparison of what the county is currently paying and the debt service comparison the county will be paying, it amounts to \$93,493.90 more in debt service over the term of the loans which is 20 years.

Bond Council Christopher Brewer, from the law Pittsburgh Law of Dinsmore and Shohl, said the public sector debt laws require detailed documentation to go before state regulators. He said we are running a bit tight on the calendar because these proceedings have to get to Harrisburg and approval has to come back. Right now, if we do get this put together in rapid order, we will see approval by probably December 27<sup>th</sup> with a closing on December 30<sup>th</sup>. If this can be

accomplished, it will save the county the January payment and start to give the needed cash relief.

Lisa Bowser, Financial Supervisor, said that cutting the loan payments of \$365,000 in 2014 and \$324,000 in 2015 and 2016 would provide a financial cushion until the county-wide property reassessment project is completed.

A motion was made by Mr. Frick, seconded by Mr. Ruddock and unanimously carried to approve the ordinance for the Local Government Unit's General Obligation Notes, Series A of 2013 and Series B of 2013.

### **OTHER BUSINESS**

There was no other business.

### **NEXT REGULAR MEETING...DECEMBER 11, 2013 AT 10:30 A.M.**

The next regular scheduled Commissioners' Public meeting will be held on Wednesday, December 11, 2013 at 10:30 a.m. in the Commissioners' Hearing Room.

### **ADJOURNMENT**

With no other business to come before the Board at this time, Commissioner Ruddock adjourned the meeting at 10:47 a.m.

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Patricia A. Evanko, Secretary

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Rodney D. Ruddock, Chairman