

LOCAL GOVERNMENT TAX CONTROL BOARD



RECOMMENDATIONS

TO THE

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

FROM

June 16, 2005

Call to Order

James Riehle called the June 16th 2005 Local Government Tax Control Board meeting to order at 9:00am. Board members present were James Riehle, Stan Mettler and Dan Eggermann.

Discussion

Judy Robertson informed the Board that there are several outstanding issues from the April and May meetings. The Commissioner is waiting for additional information before making the final decision.

Recommendation

Stan Mettler motioned to approve the minutes from the May 19th 2005 Local Government Tax Control Board meeting. Dan Eggermann seconded and the motion carried 3-0.

**Pike Township, Marion County
Emergency Fire Loan**

The unit is requesting approval to obtain an emergency fire loan in the amount of \$1,650,000 to fund its 2005 operating budget. The estimated tax rate is .0335 based on an assessed value of \$4,777,641,339 and an annual levy of \$1,600,000.

Per the following emergency loan calculation, the unit shows a need of:

January 1 st Cash Balance	\$2,520,548
Plus: Current Year Certified Tax Levy	\$9,660,391
Plus: Estimated Current Year Miscellaneous Revenues	\$2,141,913
Total Current Year Available Funds	\$14,322,852
Less: Encumbered Appropriations from Prior Year	\$329,363
Less: Estimated Current Year Expenditures	\$15,642,199
Funds Remaining (must be negative to qualify)	(\$1,648,710)

Taxpayer Objections:

The date of publication for a public hearing was March 18th 2005. A public hearing was held and a resolution adopted on March 29th 2005. The date of publication for the Notice of Determination was April 2nd and 4th 2005. The Auditor certified No Remonstrance on June 13th 2005.

Attendance

The following people attended the hearing: Herschel Frierson (Financial Advisor with Crowe Chizek) and Lula M. Patton (Trustee).

Discussion

For the past couple of years they have needed emergency loans in order to finance their firefighting budget. They are growing at a rapid pace and are experiencing a shortfall in providing fire protection. They have over 140 full-time firefighters.

Questions by Board Members:

James: Have you had any public hearings and what has been the reaction from the taxpayers?

Answer: We have had several meetings and everyone is for it.

Stan: Have you filed for an excessive levy appeal to increase your maximum levy?

Answer: They are considering it and will be eligible for next year. The maximum they would qualify for is \$400,000.

Stan: How many staff do you have?

Answer: We have 142 firefighters and all of them are EMT's.

Dan: Do you expect to pay this back in one year?

Answer: Yes.

Stan: Do you expect the tax rate impact to be three cents?

Answer: Yes, about that.

Stan: What is the purpose of your Cumulative Fire fund?

Answer: For capital expenses and to build a new station.

James: Is your population growing pretty rapidly?

Answer: Between 1990 and 2000, the population increased by fifty-eight percent. As of the 2000 census, the population was 71,465.

Recommendation

Stan Mettler motioned to approve an emergency fire loan in the amount of \$1,650,000. Dan Eggermann asked if Stan would change that to the amount the unit qualifies for per the emergency loan calculation. Stan amended his motion for an amount of \$1,648,710. Dan Eggermann seconded and the motion carried 3-0.

Sugar Creek Township, Hancock County Special Taxing District Bonds

The unit is requesting approval to issue bonds in the amount of \$1,995,000 for a term of fifteen (15) years. Proceeds of the bonds will be used to finance the purchase of certain land for park and recreational purposes, along with site improvements by the Park and Recreation Special Taxing District. The estimated tax rate is .0243 based on an assessed value of \$690,834,645 and an annual levy of \$168,042. This is an uncontrolled project because the project is less than

\$2,000,000. The Common Construction Wage is not applicable because construction costs are less than \$150,000.

Taxpayer Objections:

The date of publication for a public hearing was March 17th 2005. A public hearing was held on April 13th 2005. A Resolution was adopted on April 19th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Tim Miller (Park Board member), Mac Crawford (Township Board member), Kirk Grable (Attorney with Barnes & Thornburg), Beth Promce (President of the Park Board), and Eric Reedy (Financial Consultant with Reedy & Peters).

Discussion

We have purchased eighty-eight acres for a township park. The unit distributed a handout that detailed the following information:

- Township Board Meetings
- Township Park Board Meetings
- Legal Publications
- Constitutional Debt Limit and current outstanding indebtedness
- Increase in the Park District's net assessed value
- Current events and history about Sugar Creek Township
- Monthly tax impact of issuing bonds
- Importance of Parks and Recreation land

Questions by Board Members:

James: Were there any objections at the public hearings?

Answer: No, per the show of hands at the end of the meeting, there was 97% in support of the project.

Stan: Is the land currently undeveloped?

Answer: It is farmland.

Stan: What is the future plan for the park?

Answer: We have applied for grants. We hope to add walking and bike trails. For now, we would just like to get the park open and install recreational equipment. This will be a long-term project – it cannot be completed in just a couple of years.

Stan: Are you planning on adding baseball and soccer fields?

Answer: We are not sure yet – the only requests we have received is for baseball and football fields.

Dan: How are you currently funding your parks?

Answer: Entirely from certified shares, this also funds our township assistance and some of our operational expenses.

James: Is the owner still willing to sell?

Answer: Yes, he has graciously worked with us for two years while we've tried to get together the necessary funding. He is the only property owner in the township that has been willing to sell us land at the appraised value.

Recommendation

Stan Mettler motioned to approve the issuance of special taxing district bonds in the amount of \$1,995,000. Dan Eggermann seconded and the motion carried 3-0.

Jackson Township, Morgan County Emergency Fire Loan

The unit is requesting approval to obtain an emergency fire loan in the amount of \$50,000 for the purpose of necessary additional funding for the 2005 Fire Contract. The estimated tax rate is .0403 based on an assessed value of \$148,941,890 and an annual levy of \$60,000.

Per the following emergency loan calculation, the unit shows a need of:

January 1 st Cash Balance	\$507
Plus: Current Year Certified Tax Levy	\$19,660
Plus: Estimated Current Year Miscellaneous Revenues	\$47,612
Total Current Year Available Funds	\$67,779
Less: Encumbered Appropriations from Prior Year	\$0
Less: Estimated Current Year Expenditures	\$110,000
Funds Remaining (must be negative to qualify)	(\$42,219)

Taxpayer Objections:

The date of publication for a public hearing was March 12th 2005. A Public Hearing was held and a Resolution adopted on March 22nd 2005. The date of publication for the Notice of Determination was March 26th 2005. The Auditor certified No Remonstrance on April 27th 2005.

Attendance

The following people attended the hearing: Dan Broyer (Trustee).

Discussion

He is here seeking approval of a \$50,000 fire truck loan.

Questions by Board Members:

James: Have you held public hearings?

Answer: Yes, there were no dissenting votes.

Dan: Your maximum levy is \$19,660 – did you supplement that with COIT funds?

Answer: Yes, that's right. We use to have a maximum levy of \$78,000. I have not been able to trace why it has decreased so much.

Dan: What do you use you Cumulative Fire fund for?

Answer: To make the fire truck payments – we have had to supplement from the fire fund in order to make the payments.

Dan: When will you pay off the trucks?

Answer: In June of 2006.

Stan: In your financial data, you need to specify the additional revenue.

Answer: Yes, I will do that.

Recommendation

Dan Eggermann motioned to approve an emergency fire loan in the amount of \$42,219. Stan Mettler seconded and the motion carried 3-0.

City of Carmel, Hamilton County Lease

The unit is requesting approval to execute a lease with the City of Carmel Redevelopment Commission with maximum annual lease rental payments in the amount of \$12,455,000 for a term of twenty-five (25) years for the purpose of acquiring and constructing a new performing arts center complex. The unit anticipates using Tax Increment Revenues (TIR) from surrounding allocation areas and/or County Option Income Tax (COIT) revenues to make the lease payments. The estimated tax rate, should TIR and COIT be insufficient, is .2164 based on an assessed value of \$5,296,046,292 and an annual levy of \$11,458,600. This is an uncontrolled project. The Common Construction Wage is applicable; the hearing was held May 4th 2005 and passed with a 4-0 vote.

Taxpayer Objections:

The date of publication for a Notice of Public Hearing was March 22nd 2005. A public hearing was held and a resolution adopted April 11th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Willem Brans (Consultant, MPSG), Sean Ryan (Construction Consultant, Frics with Donnell Consultants Inc.), Steve Engelking (Director of Administration, City of Carmel), Ersal Ozdemir (Resident), Nancy Heck (Director of Community Relations, Carmel), Alan Davis (Executive Director of the Carmel Symphony), Ron Carter (President of the Carmel Redevelopment Commission and City Council, At-large), Douglas Haney (City Attorney), Larry Creviston (President of the Carmel Community Players), Bruce Donaldson (Bond Counsel with Barnes and Thornburg), Jerry Heniser (Vice-President of Regions Bank), William Styring (President of Styring & Associates), Mark Rattermann (City Council member), Jason Semler (Financial Advisor with H.J. Umbaugh), Rick Sharp (City Council member), Curtis L. Coonrod (Accountant), Jim Brainard (Mayor), Loren Matthes (Financial Advisor with H.J. Umbaugh), Diane Cordray (Clerk Treasurer), and Cindy Sheets (Deputy Clerk-Treasurer).

Discussion

Mayor Brainard began by giving a short historical description of downtown Carmel and the plans for a performing arts center. In 1997 they laid out a plan for a new city center in partnership with the private sector. They planned for a place where people could live, work and shop. They have received over \$80 million in investments from developers. The performing arts center has been one of the topics in the last several mayoral elections, and he keeps getting re-elected. They established a blue panel commission in 1997. The plan has always been to use TIF revenue to fund the project. They established the TIF area in 1997 and have waited for it to grow; they now have enough in TIF revenue to fund the performing arts center project in its entirety. A hotel chain has pledged to build a new hotel adjacent to the center. They expect that there will be an operating shortfall every year. The practice, nationwide, is to lease the center to a not-for-profit organization, and they will be responsible for the shortfalls. They will use private donations and membership fees to make up the shortfall.

We will not compete with any other center in Indiana. A performing arts center is different from a concert hall. There are different needs for theaters vs. a performing arts center. There are only about twenty performing art centers in the United States. They are attempting to stay competitive with jobs and economic development with other states, not with Indiana. Our quality of life needs to be able to compete with other states in bringing in the talent that Indiana companies need. There are companies out there that go on tour, but will not come to Indiana because they do not have a place to perform.

The Board has unanimously approved the debt. The council approved it with a 4-3 vote. Those who opposed the project were against the cost, not the project. They intend to have a very professional campaign to raise the necessary funding needed to support the project. Our belief is that there is overwhelming support from the taxpayers.

Carmel has the lowest tax rates compared to all other Indiana cities of comparable size. Their tax rate is \$2.48. This project has been well thought out. This project, relatively, is the same size that the Colt's stadium is to Indianapolis (around 10% for each).

(The mayor then introduced the various people that would explain the different areas of the project) - Willem Brans (Marks Paneth Strategy Group) and Sean Ryan (Donnell Consultants, Inc), architects of public centers around the nation, including state libraries.

Willem Brans (Refer to Performing Arts Center Handout by Mark Peneth Strategy Group): The handout detailed the following areas:

- ❖ The Center's goals
- ❖ Purpose of the Performing Art Center
- ❖ Benefits to Citizens

No performing arts center in the United States operates with a profit. They depend on endowments and private sector donations and investments to make up operating shortfalls. The Carmel performing arts center presents a normal model for operating a center of this kind.

Sean Ryan: Donnell Consulting, Inc is a specialty firm dealing only in estimating the cost and financing needed for performing arts centers across the United States. These buildings are very difficult to finance. We take the actual space available and "gross it up" to include all areas of construction, including mechanical, technical, stages, dressing rooms, etc. They also include legal and other fees needed to make it work. Their specialty is to do a very thorough cost analysis.

Loren Matthes: If you will refer to the handout titled Carmel's Performing Arts Center project overview and financing summary, I will discuss some of the highlights for you. This book is what was presented to the council. This is a comparison of this facility to other centers. Tab 3 is a financial summary. The center will be funded from TIF areas, we are asking for a property tax backup consideration. We will also use COIT revenue, if the TIF is not sufficient, before we will request a tax levy. Loren read a direct quote from Moody's Investors Service – rating report dated 9/27/04 re: City of Carmel "The "Aa2" rating reflects the sizable tax base with a well-established pattern of high quality residential and commercial development which is expected to continue in the medium term, a high, yet manageable debt burden, a satisfactory financial position and strong management". (See e-mail submitted with complete direct quote and additional information on the city's direct debt burden).

If you will now look at the book titled Tax and Debt Information, I would like to point out some areas of interest. Carmel has five TIF areas. Over one hundred taxing units in Indiana uses TIF to fund major developments.

Loren then went over some of the items reported in the hearing information sheet.

Questions by Board Members:

James: Is taxpayer support still very high?

Answer: Yes – a local newspaper went out on the streets and interviewed several people. All the comments were positive and in support. There have been numerous newspaper articles in support of the project – we have given you a binder with articles written on the project since 2000.

Comments from Taxpayers:

Wayne Wilson: I was president of the council from 2000 to 2003 and I am opposed to the project. The actual costs historically always came in above estimates on previous projects. The \$80 million does not represent all the costs included. There will be another \$30 million of bonds that will be issued to build a parking garage – there is not parking costs included in the current request. I like the idea of a performing arts center, but not in favor of how it has been presented. It is not a necessity – it is a luxury. The issue here is citizens' expectation of service vs. necessities.

Bill Styring: I am a long-time resident and worked on the original TIF legislation. I am not asking you to deny the request, only to offer a concrete suggestion – my analysis shows that this may not operate as a TIF area. If you build a performing arts center, other taxable things will happen. As presented, we are told “Don't worry, TIF will cover the payments”. If it doesn't, then the taxpayers are stuck with the costs of the performing arts center. For very minimal additional costs, the city could market the bonds two ways. The Interest rate differential would be very small to bid the bonds as taxable and as backup. The costs are low, the benefits are great.

Larry Creviston: I am the president of the Carmel Community Players. During the last three mayoral elections there have been three candidates. The one who proposed the performing arts center has won every time. There have been several meetings held and only a few people showed up to oppose. No one who stood against the project won an election.

Mark Rattermann: I am one of the opposing voters on the council. The project is not as quite as supported as what you might think. A lot of people at the meetings were performing arts center people. I have received sixty-two phone calls personally. I am in sticker shock on the price of the project. I teach real estate classes and estimate values all the time. A parking garage is not included in this request – it is to be three stories, with two of them underground. Not all the costs have been presented. The \$30 million garage bond issue is on the Council agenda for next week.

Rick Sharp: I am a council member and also on the CRC. There is overwhelming support positive support from the community. There have been nine articles and three intelligent stories written. I represent District 1 – about 1/3 of the city. When I speak to people who are in opposition to the project and explain the details to them, they become proponents. We have received \$60 million in private investments because of the implied and explicit knowledge that the performing arts center will be built. My experience is that the vast majority of people welcome a performing arts center.

Ron Carter: I am a council member and a member of the Redevelopment Commission also. This is my third consecutive term and I represent all of Carmel. There have been signs up in the area for the last eight years. This has been in front of the people for a long time now. The ad put in was misleading and poor information presented.

Mayor Brainard: The parking garage is not being proposed by the city. The developer is buying the bonds, so there will be no obligation to the city. The developer is going to allow the city to use the garage. The city is going to contribute \$80 million and it will be matched with \$60 million dollars in private funding.

Bud Wilson: I am a long time – 4th generation – citizen of Indiana – soon to be annexed into Carmel. I am very supportive of the mayor and the council. Carmel is a high-income community. The problem I have is one of clarity – how TIF area works and the funding of schools. How will this affect what the schools receive? I have been told “No problem, any school shortfall will be passed on to the state”. It is Peter robbing Paul and it just doesn’t work. Taxpayers will be affected. The State of Indiana should not be responsible to pay for Carmel’s performing arts center.

Questions by Board Members:

Dan: How are you paying all this from TIF? After reviewing your hearing information sheet, I do not understand the debt coverage page.

Answer: Explained how the debt will be covered using TIF revenue.

Dan: Mayor, what would be your objection to bidding the bonds two ways?

Answer: I would be willing to consider it, but I need your approval first.

Dan: You commented that other companies wouldn’t come in without this type of center, who specifically will not come to Indiana because we do not have a center of this type?

Answer: Touring companies – it is general knowledge in the business – have specific needs that other venues in Indianapolis do not provide. For example, the Boston Symphony, and others will not come to places where they have to perform in a concert hall theatre.

Stan: The 160 bed hotel - is that directly tied to the performing arts center being approved?

Answer: That is not clear – they have said they will probably go ahead with phase 1, but phases 2 & 3 are contingent on this project.

Stan: Doesn’t the Carmel High School have a theatre – why can’t you use that?

Answer: They charge \$10,000 for two weekends of use. It only seats 900 and you can never get in to use it. It is booked almost continuously.

Stan: Is the TIF district contingent with the city boundaries – is it the whole City of Carmel?

Answer: It is mostly the downtown area with a little arm that runs north for a ways.

Stan: Is there room for outside development?

Answer: Yes, plenty of room.

Stan: Will parking be available?

Answer: Yes, with the surface parking available and the garage that is going to be built, there should be enough parking available.

Stan: If this project would be denied, would you use the TIF and COIT to lower taxes?
Answer: No because we are already at our maximum levy.

Stan: The projected cost breakdown you have design consultants at six percent and that seemed kind of high to me.

Answer: That is because of the complexity of the building. You need to take into account acoustic engineers, professional designers, specialized technical engineers and the like.

Stan: Does the city of Carmel have a general manager? If so, why do you need a construction manager – can't the general contractor oversee the construction?

Answer: The general manager oversees only the things done in-house. The construction manager will oversee more than just the building of the center. The demands are higher because of the professional fees and the more types of people involved in building a performing arts center.

Stan: How long before you expect the project to be finished?

Answer: It is a three-year project.

Recommendation

Stan Mettler motioned to approve a lease with maximum annual lease rental payments in the amount of \$12,455,000 for a term not to exceed twenty-five (25) years. Dan Eggermann seconded and the motion carried 3-0.

City of Crawfordsville, Montgomery County Tax Increment Revenue Bonds

The unit is requesting approval to issue Tax Increment Revenue (TIR) bonds in the amount of \$4,500,000 for a term of twenty-two (22) years to provide funds for the acquisition of land and the development of a municipal business park, including road, water, sewer and stormwater infrastructure improvements in, serving, or benefiting the Commerce Park Economic Development Area. The estimated tax rate is .0547 based on an assessed value of \$676,705,000 and an annual levy of \$370,000. This is a controlled project. The Common Construction Wage is applicable; the hearing was held June 10th 2005 and passed with a 4-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was April 30th 2005. A public hearing was held and a resolution adopted May 10th 2005. The Notice of Determination was published May 17th 2005. The Auditor certified no remonstrance on June 15th 2005.

Attendance

The following people attended the hearing: John Zumer (Mayor), David Peebles (City Attorney), Tom Guevare (Financial Advisor with Crowe Chizek), Lisa A. Lee (Bond Counsel with Ice Miller) and Jacob Hurt (Director Planning and Community Development).

Discussion

There has long been a concern about the economic health and future of the city. We are not keeping pace with the surrounding areas. The last couple of decades there has been a lot of talk, but not much action. We have made the decision to line up land and get the zoning in place for businesses to come in without having a long wait for approvals. We launched the plan for a business park late last year – about 223 acres. We began optioning the land last October. We have had the environmental surveys done and the bad soil removed. We do not expect a boom town in two years, but we do expect growth. We have a twenty-year plan in place. We are prepared to bond \$4½ million through the Redevelopment Commission. The city council has approved our plans.

Lisa Lee: This request does include infrastructure; it is not for land acquisition only. They will not need to come back for a second bond issue.

Questions by Board Members:

James: Do you have willing sellers or will you need to condemn the land?

Answer: We have willing sellers.

Stan: What type of business do you expect to come in?

Answer: The park was designed by a Wabash College graduate who envisions catering to the academic community – printing shops, book stores and the like.

Stan: There are a lot of ponds in the design – is it for cosmetic appearance or are they functional?

Answer: A little of both – some are for aesthetics, but most of them will be for storm water control purposes.

James: Will the park support manufacturing purposes?

Answer: Mostly industrial. There is a rail-line available for transportation.

Stan: Are you requesting a general obligation bond from the city?

Answer: Our request is for special taxing district bonds from the Redevelopment Commission. TIF will be a bonus and as it grows, it will be able to lower the tax rate impact.

Stan: Is this a \$4½ million bond issue or an annual lease rental?

Answer: It is totally a bond issue.

Recommendation

Stan Mettler motioned to approve the issuance of special taxing district bonds in the amount of \$4,500,000. Dan Eggermann seconded and the motion carried 3-0.

**North Webster Public Library, Kosciusko County
Maximum Levy**

The unit is requesting a maximum levy for their operating fund in the amount of \$320,361. The proposed budget is \$308,196 broken down into the categories as follows:

Personal Services	\$174,096
Supplies	\$11,600
Other Services & Charges	\$91,600
Capital Outlays	\$30,900

Attendance

The following people attended the hearing: Helen Leinbach (Director) and Brenda Rigdon (President of the Board of Trustees).

Discussion

We are Indiana's newest library. We were established in July of last year. We have existed since 1978 as an LSA supported by the Town of North Webster, the township and via grants we applied for and received – we received no property taxes. We also moved to a larger building last year and have five times more space than we used to have.

Questions by Board Members:

James: Do you have good public support?

Answer: Since we moved to the larger building, our circulation has doubled. We average fifty or more patrons per month.

Stan: You have proposed expenses of \$15,000 for a consultant – what is that for?

Answer: For computer consulting.

Stan: Are you going through cable for Internet service?

Answer: We are hoping to get a T1 line.

Stan: The capital outlay budget for books, etc – is that normal for a library of your size?

Answer: Historically, we have only had \$6,000-\$8,000 for books. The proposed amount is what we need to build the library up to meet the standards of other libraries our size.

Dan: How did you arrive at a 35% operating balance?

Answer: George Helton helped us to arrive at that since we do not have a LIRF fund.

Dan: Will you have a capital projects fund?

Answer: The township board is voting on that next week.

Dan: What rate have you requested?

Answer: We requested .0133, but they probably will not grant the full amount.

Recommendation

Stan Mettler motioned to approve a maximum levy of \$320,361. Dan Eggermann seconded and the motion carried 3-0.

Davis Township, Starke County Fire Equipment and Apparatus Loan

The unit is requesting approval obtain a loan in the amount of \$160,000 for a term not to exceed six (6) years. Proceeds of the loan will be used to purchase a fire truck – a tanker with a 2500 gallon water tank and 500 GPM pump to be used by the Hamlet Volunteer Fire Department in providing fire protection to Davis Township, Johnson Township and the Town of Hamlet. The estimated tax rate is .0861 based on an assessed value of \$33,000,000 and an annual levy of \$28,400. This is an uncontrolled project. The Common Construction Wage is not applicable.

Taxpayer Objections:

The date of publication for a public hearing was February 24th 2005. A public hearing was held and a resolution adopted on March 8th 2005. The Notice of Determination was published March 17th 2005. The Auditor Certified No Remonstrance on April 21st 2005.

Attendance

The following people attended the hearing: David McCain (Township Attorney), Glen Gearhard (Trustee), and Grover Goetz (Fire Chief)

Discussion

They are here seeking approval to buy one fire truck – a tanker they need pretty desperately. They have a 1976 chassis with a 1,000-gallon tank. They would like to purchase a 2,000-gallon tanker; they would like a bigger one, but it wouldn't fit into their bay. They have not taken bids yet. They may be able to use the revolving loan program through the State's Fire Marshall's Office.

Questions by Board Members:

James: How big is Hamlet?

Answer: The population is around 330.

James: Do you have a big coverage area?

Answer: We cover 18 miles and have mutual aid agreements with other stations in the county.

James: Are you a volunteer department?

Answer: We have a roster of twenty-four volunteers, but only thirteen are active. No one is paid, we are all volunteers.

Stan: Why did you choose a term of six years – based on your population, you could have a term of up to fifteen years?

Answer: We did not want to stretch the debt out that long.

Recommendation

Stan Mettler motioned to approve a fire equipment and apparatus loan of \$160,000 for a term not to exceed six (6) years. Dan Eggermann seconded and the motion carried 3-0.

Portage Township, Porter County Emergency Township Assistance Loan

The Township is requesting approval to issue general obligation notes in the amount of \$200,000 for a term of five (5) years. Proceeds of the loan will be used to finance the shortfall in the Township Assistance Fund. The estimated tax rate is .0097 based on an assessed value of \$1,820,798,522 and an annual levy of \$176,500. The Township petitioned the county commissioners for a loan on April 19th 2005 and was denied. The township then petitioned the county council for a loan on April 26th and was denied.

Taxpayer Objections:

The date of publication for a public hearing was May 6th 2005. A Public Hearing was held and a resolution adopted on May 17th 2005. The unit is not required by statute to advertise a Notice of Determination or to obtain an Auditor's Certificate of No Remonstrance.

Attendance

The following people attended the hearing: Jack Jent (Trustee), Dave Arrensen (Bond Counsel), Jason Schiesser (Bond Counsel), Dan Botich (Financial Advisor), and Pat Jackson (Township Chief Deputy).

Discussion

They have already used 58% of their 2005 budget for township assistance and 63% of the budget for utility payments. Up until a couple of years ago, they were averaging about 4,000 people per year coming and asking for assistance. Last year, they helped 8,000 people. Requests for help are growing every year.

Questions by Board Members:

James: Do you know the reason for the increase?

Answer: Yes, in 2002 2,173 people requested assistance and we actually helped 1,577. In 2004, 8,421 came in and we helped 2,052. It is mostly from Chicago people coming in and be under-employed or unemployment. We have really got tight in what we allow.

Dan: Did you change your guidelines?

Answer: No, but we tightened up where there was slack. I have here a copy of the guidelines that we use when determining the assistance we give. (Handed in a copy of guidelines)

Dan: Why did the commissioners deny your request?

Answer: They didn't have the money.

Recommendation

Stan Mettler motioned to approve a township assistance emergency loan in the amount of \$200,000 for a term of one (1) year. Dan Eggermann seconded and the motion carried 3-0.

City of LaPorte, LaPorte County Fire Equipment Lease

The unit is requesting approval to execute a lease with the LaPorte Building Corporation with maximum annual lease rental payments in the amount of \$130,000 for a term not to exceed twenty-two (22) years to provide financing to lease two fire trucks for the Fire Department. The estimated tax rate is .0152 based on an assessed value of \$770,800,949 and an annual levy of \$117,000. This is an uncontrolled project. The common construction wage is not applicable.

Taxpayer Objections:

The unit is requesting approval under IC 5-22 and IC 36-1-3. They are not required to hold a public hearing or advertise any notices under these two statutes. These two codes detail home rule and purchasing rules.

Attendance

The following people attended the hearing: Lucy Emison (Bond Counsel with Ice Miller), Arthur L. Roule, Jr. (City Attorney), and Richard Treptow (Financial Advisor with H.J. Umbaugh).

Discussion

They need to acquire two new fire trucks to replace old and unreliable vehicles. One of them is a 20-year old aerial truck that is far beyond its expected life of fifteen years. They also need to replace a 28-year old pumper truck, which has no realistic trade-in value. (The unit then went over some of the specifications of the new trucks vs. what they old trucks have). Since 1998 they have spent a lot of money repairing the 28-year old truck to keep it in service. They anticipate that it will cost them \$1.2 million, via a lease, to replace both trucks. They feel this is the most practical way to fund what is needed – it is far beyond the capabilities of the city to purchase them outright.

Questions by Board Members:

Stan: What is the largest building in the city?

Answer: They have a 7-story hospital and a 5-story bank building.

Stan: Is a 90' aerial truck going to be big enough to meet your needs?

Answer: Yes, we are sure it is.

Stan: Since fire trucks have a 15-year life expectancy, why are you requesting a term of 22 years?

Answer: We advertised at the maximum allowable term. Realistically, we expect to finance the trucks for 16 years.

Stan: Would you be comfortable then with a term of 16 years?

Answer: We would like to have some flexibility because of interest rates. Also, preliminary bids have come in at a little more than \$1.2 million.

Lucy: From a legal point of view, we cannot issue a lease for longer than the economic life.

Recommendation

Stan Mettler motioned to approve a fire equipment lease with maximum annual lease rental payments not to exceed \$130,000 for a term not to exceed twenty-two (22) years. Dan Eggermann seconded and the motion carried 3-0.

Michigan City Redevelopment Commission, LaPorte County Lease

The unit is requesting approval to execute a lease with the Michigan City Redevelopment Authority with maximum annual lease rental payments in the amount of \$825,000 for a term of twenty-two (22) years for the lease of certain land and public improvements, including the issuance of bonds to finance the construction of a stormwater outfall and the first phase of the Lafayette Street Storm Sewer, and other related improvements. The unit intends to use Tax Increment Financing (TIF) revenue to make the lease payments. The estimated tax rate, should TIF revenue be insufficient, is .0542 based on an assessed value of \$1,283,697,797 and an annual levy of \$695,520. This is an uncontrolled project because of the property tax backup consideration. The Common Construction Wage is applicable and the hearing was held June 2nd and passed with a 4-0 vote.

Taxpayer Objections:

No information has been received on dates of public hearings or notices advertised. A Resolution was adopted March 28th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Randy Rompola (Bond Counsel with Baker & Daniels), Charles Oberlie (Mayor), Fred Larmore (Project Coordinator with Beam, Longest &

Neff, LLC), Richard Treptow (Financial Advisor with H.J. Umbaugh), Matthew Eckerle (Financial Advisor with H.J. Umbaugh), and John Pugh (Planner).

Discussion

We need to install a sewer line to an undeveloped area in order to prepare for development. We cannot go forward with infrastructure to the TIF area until the sewer lines are in place. We need to install a 17" pipe and we will need to bore under a four-lane highway, railroad tracks, etc. It is a brand new line; we are not replacing an existing one. We are also working toward separate storm water and sewer systems.

Questions by Board Members:

James: How big of an area is it?

Answer: Approximately six city blocks by six city blocks.

Stan: Is street reconstruction a part of this project?

Answer: Yes.

Stan: Is the new area all inside the TIF area?

Answer: Yes.

James: How long will the project take to complete?

Answer: We expect to be substantially complete by December 2006.

Stan: Your amortization schedule shows the largest payment at \$756,000 – is that what you expect the annual payments to be?

Answer: Yes, based on current interest rates.

Stan: When do you expect to sell the bonds?

Answer: We expect to bid them in the fourth quarter.

Recommendation

Stan Mettler motioned to approve a lease with maximum annual lease rental payments in the amount of \$825,000 for a term not to exceed twenty-two (22) years. Dan Eggermann seconded and the motion carried 3-0.

Michigan City Redevelopment Commission, LaPorte County Tax Increment Bonds

The unit is requesting approval to issue bonds in the amount of \$4,550,000 for a term not to exceed twenty-three (23) years. Proceeds of the bonds will be used for necessary infrastructure for the development of the area. The proposed improvements include the construction of a 450 foot extension of the existing frontage road, including the acquisition of right of way rights and the widening of County Road 400. The unit intends to use tax increment financing revenue to

make the lease payments. The estimated tax rate, should tax increment revenue be insufficient, is .0262 based on an assessed value of \$1,283,697,797 and an annual levy of \$336,345. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing was held June 2nd and passed with a 4-0 vote.

Taxpayer Objections:

No information has been received concerning the date of publication for a public hearing, or the date of a public hearing. The Redevelopment Commission adopted a resolution on April 25th 2005; The Common Council adopted a resolution on May 18th 2005. The Notice of Determination was published April 8th and 15th. The Auditor Certified No Remonstrance on May 31st 2005.

Attendance

The following people attended the hearing: Randy Rompola (Bond Counsel with Baker & Daniels), Charles Oberlie (Mayor), Fred Larmore (Project Coordinator with Beam, Longest & Neff, LLC), Richard Treptow (Financial Advisor with H.J. Umbaugh), Matthew Eckerle (Financial Advisor with H.J. Umbaugh), and John Pugh (Planner).

Discussion

This project is called the South-Side Project. There was formerly a municipal airport on this lot that was sold in 1980. We have established it as a TIF area. Since then, a Meijer, a Lowe's and several restaurants have located there. There is also a proposed Super Wal-Mart that has been presented for approval. A warehouse distribution center may also be going in. The project is still under design. We expect the construction drawings to be complete in December of 05 and expect to bid the project in the spring of 06.

Questions by Board Members:

Stan: This is a general obligation bond for the redevelopment commission?

Answer: Yes, we anticipate using TIF revenues to cover the debt payment for this project also.

Recommendation

Stan Mettler motioned to approve the issuance of general obligation bonds in the amount of \$4,550,000. Dan Eggermann seconded and the motion carried 3-0.

Town of Merrillville, Lake County Redevelopment District Bonds

The unit is requesting approval to issue bonds in the amount of \$6,000,000 for a term not to exceed fifteen (15) years. Proceeds of the bonds will be used for infrastructure improvements. The estimated tax rate is .0510 based on an assessed value of \$1,679,506,008 and an annual levy

of \$856,125. This is a controlled project. The Common Construction Wage is applicable; the meeting was held May 23rd 2005 and passed with a 3-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was April 29th 2005. A public hearing was held and a resolution adopted on May 10th 2005. The Notice of Determination was published May 13th 2005. The Auditor Certified No Remonstrance on June 13th 2005.

Attendance

The following people attended the hearing: Timothy A. Brown (Town Manager), Bob Swintz (Financial Advisor), Dave Arrensen (Bond Counsel), and Scott Peck (Bond Counsel).

Discussion

This is a \$9 million general obligation bond issue for the purpose of consolidating some old debt – 1998 and 2001 bonds – to get one system of payments; it is also to fund two new projects. The first is a paving project and the second is to install water lines to provide water service to areas of the Town that have never had it before – they are still using wells. We will also need to install storm water drainage systems on some roads. The paving project is approximately \$3 million and the water-line project is \$2.7 million. \$6 million is the worst-case scenario for financing. There is a combination of bad roads plus no water in the one area of town. The other \$3 million is a refunding request that we will submit to the DLGF very shortly.

Questions by Board Members:

James: Are the citizens happy to get water service?

Answer: Very happy. There are high levels of magnesium, iron, and sometimes sulphur, in the well water. They also have to drill multiple wells to find water. One man was telling me that he put in nine wells over a five-year period.

Dan: How many miles of road do you need to pave?

Answer: It is quite extensive, basically commercial roads originally laid in 1976-1978; approximately 5 ½ to 6 miles of roadway.

Stan: You are re-paving and not reconstructing?

Answer: There will be some reconstruction for roads that have bad drainage. We are going to grind up the old road, put drains and gutters in, then reuse the old road to lay down a new one.

Recommendation

Stan Mettler motioned to approve redevelopment district bonds in an amount not to exceed \$6,000,000. Dan Eggermann seconded and the motion carried 3-0.

**Town of Highland, Lake County
General Obligation Bonds**

The unit is requesting approval to issue bonds in the amount of \$1,226,000 for a term of fifteen (15) years to provide funds for road infrastructure improvements. The estimated tax rate is .0124 based on an assessed value of \$1,175,000,000 and an annual levy of \$145,687. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is applicable; the hearing was held May 2nd 2005 and passed with a 4-0 vote.

Taxpayer Objections:

A resolution was adopted on May 17th and May 24th 2005 approving the issuance of bonds. The Notice of Determination was published May 27th and June 3rd 2005. The date of publication for a public hearing was June 1st and a public hearing held June 14th 2005. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Michael Griffin (Clerk Treasurer), Jim Higgins (Financial Advisor), Lisa A. Lee (Bond Counsel with Ice Miller), Rhett Tauber (Town Attorney), and Susan Reed (Bond Counsel).

Discussion

This is fairly straight forward financing. The requested amount of \$1,226,000 includes some contingency that will be decided before issuing the bonds. We have 10.1 miles of road that needs to be re-paved, no reconstruction involved. That is 1/9 of the total 90 miles of road in the Town of Highland. We are very sensitive of the tax rate impact on taxpayers for a debt issue. We take into account the debt limitation, rate impact, expected life of project and future debt needs that may occur. The last time we requested approval for a bond issue was 1999. That debt will be paid off in two years. We are trying to be thoughtful stewards to our citizens.

Questions by Board Members:

James: Does your Council and Board support your request?

Answer: The Council approved it by the necessary majority.

Dan: Are you anticipating an interest rate of 5% or 8%? You submitted an amortization schedule for each rate.

Answer: We think it will be around 5%, but would like permission for 8%.

Stan: Your Common Construction Wage has only four votes; did the fifth person not attend?

Answer: I am not sure as I did not attend the hearing myself. I am sure there was no opposition.

Recommendation

Stan Mettler motioned to approve the issuance of general obligation bonds in the amount of \$1,226,000. Dan Eggermann seconded and the motion carried 3-0.

Highland Sanitary District, Lake County Sanitary District Bonds

The unit is requesting approval to issue sanitary district bonds in the amount of \$1,968,000 for a term of fifteen (15) years to construct certain additions and improvements to the sewage works of the District. The estimated tax rate is .0184 based on an assessed value of \$1,175,000 and an annual levy of \$216,548. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is applicable; the hearing was held May 23rd 2005 and passed with a 4-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was June 1st 2005. A public hearing was held June 14th 2005. A Resolution was adopted May 17th 2005. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Michael Griffin (Clerk Treasurer), Jim Higgins (Financial Advisor), Lisa A. Lee (Bond Counsel with Ice Miller), John Tweedle (Local Counsel), and Susan Reed (Bond Counsel).

Discussion

The amount of \$1,968,000 will be adjusted downwards once the contingencies are finalized. This request includes four different projects.

1. The North Drive Storm Sewer Improvement Projects in the amount of \$805,000
They need to retrofit 1,190 linear feet of sewer lines in conjunction with the U.S. Army of Engineers and the Little Calumet River Project.
2. Supervisory Control and Data Acquisition System in the amount of \$215,000
We would like to install a remote reporting and correction system in one of the lift stations, instead of having a control system in each of the five or six stations. This would allow us to control all lift stations from one site and be in real time.
3. Kleinman Road Reconstruction Project in the amount of \$200,000
This road needs to be brought up to standards. We plan to tear up the road, add sewer lines, and then reconstruct the road.
4. Petit Park Sanitary Sewer Improvement Project in the amount of \$360,000
We need to upgrade older lines first installed eighty years ago. Once completed, it will eliminate the need for a lift station in that area – which requires a lot of maintenance.

Questions by Board Members:

Stan: Is the District boundaries contingent with the Town limits?

Answer: Yes – the Sanitary District is debt free right now.

Stan: Is your debt limitation 2%?

Answer: No, the Sanitary District debt limitation is 12%.

Recommendation

Stan Mettler motioned to approve the issuance of general obligation bonds in the amount of \$1,968,000. Dan Eggermann seconded and the motion carried 3-0.

Brazil Public Library, Clay County General Obligation Bonds

The unit is requesting approval to issue bonds in the amount of \$1,600,000 for a term of twenty (20) years to provide funds to be applied on the renovation of and addition to the library building. The estimated tax rate is .0550 based on an assessed value of \$242,000,000 and an annual levy of \$132,733. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is applicable.

Taxpayer Objections:

The date of publication for a public hearing on an additional appropriation was April 27th and May 4th 2005. A public hearing was held May 18th 2005 for the additional appropriation. A Resolution was adopted April 20th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Lonnie Therber (Financial Advisor), Eric L. Wyndham (Attorney), Jane Herndon (Bond Counsel with Ice Miller), Jill Scarbrough (Library Director), Terry Burnworth (Architect), Beth Crawford (Architect), and Steve Garlits (Library Board Member).

Discussion

In 1903, Andrew Carnegie generously donated the funds to build the library. After 102 years, the building is no longer adequate to meet the needs of their community. (See written speech for full discussion, the unit also distributed a handout with letters of support, photographs of the condition of the building, and the rendering of the new building). Some of the major concerns are:

- Access to the building and materials - not ADA compliant
- Does not meet spacing or patronage needs
- Current building lacks necessary wiring to accommodate technological needs

- No room to provide computer training classes
- Heating and cooling system is over 20 years old and parts are no longer available
- No work areas for patrons to work or just sit and read
- Lack of storage area, office space, and staffing space
- Lighting has not been updated, so there are safety concerns during the evening hours
- Programs have to be held out in open in the collection area
- Only one meeting room that will hold only 25 people
- Inadequate restroom facilities

The library consists of the main library building. The children's area is located in the basement of this building. It is difficult to get to because of the stairs. Patrons have to carry babies down while holding on to other children or trying to navigate a stroller and carrying books at the same time.

They also have the Annex directly across the street. There are staffing and space issues in this building also. The heating and cooling system is outdated and has a 25+-year old roof that is leaking.

Because of the stairs into the main building, patrons with handicaps or visually impaired must have material brought to them from across the street to the annex where they can choose the material they want. This takes time and staff away from the main building.

There has been a 158% growth in computer usage since 1997 and they currently have around 68,000 items for patrons to choose from. The idea of constructing a new building was first discussed in 1988. The decision was made not to pursue the project at that time. 17 years later and a new group of board members, the decision was made that something must be done. For the past five years they have carefully planned and have come with an exciting initiative to preserve and improve the library.

The mayor, school officials and others were invited to informational meetings and all are excited and supportive of our plans. I have included letters of support in the package I submitted to you.

The proposed project will expand the current library with an additional 7,000 sq. ft. The annex will be torn down and converted into a parking lot. All collections and staffing will be integrated into one building providing adequate space for present and future expanding library services. No additional staffing will be needed. Every effort will be made to carry the historic ambience of the library throughout the new addition. The current building will be re-designed to meet accessibility issues, and an elevator installed. The expansion project will upgrade the building's structure, its electrical and plumbing, heating and cooling, ventilation, and security systems. It will also provide an expansion to the children's service area, greater space for large and small community group meetings, increased access to new technologies and computer training, be in compliance with ADA, restoration of the current historical building, space for quiet study, literacy tutoring, and library programming, expanded shelving and displays, additional seating areas and increased parking and access.

Questions by Board Members:

James: Will you need to acquire land?

Answer: No, we have a small yard that we can use – it determined the size of our expansion.

Dan: Do you contract with other libraries?

Answer: We have a contract with the town and township; we are the only library in the county.

Dan: Do you charge library card fees?

Answer: Yes.

Dan: Do you have a capital projects plan and a LIRF?

Answer: We have a LIRF – it has about a \$238,000 balance. A capital projects plan just would not fly.

Stan: You are doubling your size – will your operating account support the requirements?

Answer: We are going to tear down the annex, which is costly to maintain, and convert it into parking spaces. We have full-time maintenance person on staff already. We do not expect an increase in operating costs.

Dan: Is the 102-year old building in good shape?

Answer: Yes, it is remarkably good shape. The limestone exterior is not broken or chipped anywhere. Even with the harsh winters and weather conditions in Indiana, it has stood up well.

Recommendation

Stan Mettler motioned to approve the issuance of general obligation bonds in the amount of \$1,600,000. Dan Eggermann seconded and the motion carried 3-0.

City of Shelbyville Redevelopment Commission, Shelby County Lease

The unit is requesting approval to execute a lease with maximum annual lease rental payments in the amount of \$210,000 for a term of twenty-one (21) years for the purpose of financing all or a portion of the acquisition of right-of-way and the construction of various road and related projects. The unit intends to use tax increment finance revenues (TIF) and/or economic development income tax revenues (EDIT) to make the least payments. The estimated tax rate, if TIF and EDIT funds are insufficient, is .0245 based on an assessed value of \$841,480,189 and an annual levy of \$206,400. This is an uncontrolled project because it is a property tax backup request. The Common Construction Wage is applicable and the hearing was held June 8th 2005 and passed with a 4-0 vote with 1 abstaining vote.

Taxpayer Objections:

A Resolution was adopted May 16th 2005. The date of publication for the lease was held May 26th 2005. A public hearing was held and a resolution adopted on June 6th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Bruce Donaldson (Bond Counsel with Barnes & Thornburg), Herschel Frierson (Financial Advisor with Crowe Chizek), Scott Furgeson (Mayor), and Matt Taylor (CEA Engineer and Surveyors).

Discussion

We have purchased 180 acres for a new park. We need to build a road and a bridge over the river for access to the area. Construction of the park will begin in late fall.

Questions by Board Members:

James: Is the public pretty supportive?

Answer: Yes, no one spoke at the meetings. The park board began in 2003 with meetings to involve the public and get their input. They have tried very hard to meet the public's needs.

Stan: Is the county going to build the bridge?

Answer: No, they have no money right now. They are concerned with a major project they have and cannot even think of taking something else on.

Stan: Will the \$1.7 million requested buy the land and do part of the road project?

Answer: The lease will build the road - this includes the acquisition of right-of-ways and a small part of the road project.

Dan: You intend to make the debt payments from TIF and EDIT revenues – what is your current EDIT revenues used for?

Answer: For the jail and sewer projects.

Dan: When will the jail project be paid off?

Answer: In 2009, as will the sewer project.

Recommendation

Stan Mettler motioned to approve a lease with maximum annual lease rental payments in the amount of \$210,000 for a term not to exceed twenty-one (21) years. Dan Eggermann seconded and the motion carried 3-0.

City of Shelbyville, Shelby County Park District Bonds

The unit is requesting approval to issue special taxing unit bonds in the amount of \$4,750,000 for a term of twenty-one (21) years for certain land acquisition, road, bridge and infrastructure improvements for park purposes. The unit intends to use tax increment revenues (TIR) and/or economic development income tax revenues (EDIT) to make the debt payments. The estimated tax rate, if TIR and EDIT funds are insufficient, is .6040 based on an assessed value of

\$841,480,159 and an annual levy of \$5,082,500. This is an uncontrolled project because it is a property tax backup request. The Common Construction Wage is applicable.

Taxpayer Objections:

A Resolution was adopted May 25th 2005. The date of publication for the issuance of bonds was May 26th 2005. A public hearing was held and a resolution adopted on June 6th 2005. Since this is an uncontrolled project, a Notice of Determination was not published. The Remonstrance process is not applicable at this time.

Attendance

The following people attended the hearing: Bruce Donaldson (Bond Counsel with Barnes & Thornburg), Herschel Frierson (Financial Advisor with Crowe Chizek), Scott Furgeson (Mayor), and Matt Taylor (CEA Engineer and Surveyors).

Discussion

There was a bond issue in 2003 and we are trying to clean up that financing. The bonds will be used to construct a park on the 180 acres we purchased. This bond issue will be used to finance and refinance the acquisition of land, road, bridge and infrastructure improvements.

Questions by Board Members:

James: Has the public had a chance to see the park design?

Answer: Yes, several times in the last two years.

James: Is the park in a flood plain?

Answer: Yes, it seems to flood every year.

Stan: With both issues, will there be enough TIF to cover both debt payments?

Answer: Yes, if rates become too high, we have \$1.9 million in EDIT money that can be used, if it becomes necessary.

Recommendation

Stan Mettler motioned to approve the issuance of park district bonds in the amount of \$4,750,000. Dan Eggermann seconded and the motion carried 3-0.

Wayne Township, Montgomery County Fire Equipment and Apparatus Loan

The unit is requesting approval to obtain a loan in the amount of \$249,000 for a term of six (6) years for the purpose of the demolition of a current structure and the construction of a new fire department structure to house fire equipment and apparatus. The estimated tax rate is .0754

based on an assessed value of \$65,120,380 and an annual levy of \$49,138. This is an uncontrolled project. The Common Construction Wage is not applicable.

Taxpayer Objections:

The date of publication for a public hearing was March 4th 2005. A public hearing was held and a resolution adopted on March 15th 2005. The Notice of Determination was published March 19th 2005. The Auditor certified No Remonstrance on April 18th 2005.

Attendance

The following people attended the hearing: Stu Weliever (Attorney), Jeff Turner (Wayne Township Chairman), Jack Edwards (Trustee), Randy Perigo (Secretary), and Mel Vance (Member).

Discussion

We are building a fire house. The current building is over one hundred years old. It has inadequate space and is unsafe. We plan to tear down the building, and the one next door, and build a new 4500 sq. ft. new pole-type building. We have no current debt. The estimated tax impact at the highest amount is about 7 ½ cents, which will be about \$75 per year for an average homeowner. We have held several public meetings. We have a fountain trust that is going to oversight us.

Questions by Board Members:

James: Do you have mutual aid agreements?

Answer: No, we cover only the township and Waynetown.

James: How many pieces of equipment do you have?

Answer: We have five trucks and are trying to keep a seven-year rotation.

Stan: How many bays will the new building have?

Answer: Six bays parallel to each other and can open in front and back.

Stan: Are you going to use the building as a community meeting room also?

Answer: We will have a small meeting room that could be used for meetings. Wayne township population is only about 900 people.

Recommendation

Stan Mettler motioned to approve a fire equipment and apparatus loan in the amount of \$249,000 for a term not to exceed six (6) years. Dan Eggermann seconded and the motion carried 3-0.
