

# WASHINGTON TOWNSHIP TRUSTEE

TRUSTEE  
Don Hodson

HENDRICKS COUNTY  
311 PRODUCTION DRIVE  
AVON, INDIANA 46123  
PHONE: (317) 272-1835

TOWNSHIP BOARD  
Suzanne X. Conger  
Doug Elmore  
Michael J. Lynch

Washington Township Board  
Special Meeting Minutes  
Meeting March 6, 2012—8:15 PM

Held at: Washington Township Pavilion Center, 435 Whipple Lane, Avon, IN, 46123

## Call to Order

Meeting was called to order at 8:15 PM for the Special Emergency Fire Loan. Same quorum in attendance: Michael Lynch, Suzanne Conger, Doug Elmore, Don Hodson, Pat Laughlin, Jeff Peters, and Tony Jost.

## Trustee Report

We will be making two requests tonight. The first is fire emergency loan for \$4.1 million. Fire levy is maxed out at the rate approved by the DLGF and the difference in monies is made up with the purchase of an emergency fire loan. The second request is on the approval of the additional appropriation of \$100,000 for the chase vehicle. Notices were given to the papers and provided proof of posting at three locations per bond counsels request. Attached to the agenda is the procedure of the emergency fire loan.

## Emergency Fire Loan

Tony Jost, Legal Counsel, wants to remind us of the attached procedure for the special meeting. Consideration points are in section 3. In determining if need exists for an emergency fire loan all of the eight factors need to be included, discussed, and then have public comment. Notice is for \$4.1 million and it has been appropriately and adequately noticed required by Statute. There is a resolution that has been prepared and it has a major change that was made from last year to allow a private bid instead of open public bid process as in Section 8 of the resolution.

Jeff Peters, Financial, emergency loans are normally used to fund the money gap between monies raised in levies and taxes. The difference between the money we are going to get versus what we need and that is what we apply for as the emergency loan. If we look at the estimated gap in 2012 it is \$3.925 million which includes the \$100,000 that the Fire Chief presented earlier and is based on revenue coming in accordance with the 1782 notice. It is also premised on the 2011 Circuit Breaker amounts. Last year we were short with the e loan from the circuit breaker being larger than what we thought. The full \$4.1 million is made to fully fund the gap in case the circuit breaker is larger than anticipated and to keep us from having to apply for a second emergency loan. We should get auditors estimate for circuit breaker prior to close of loan to give us a better idea of the figure we need to borrow.

CAGIT will be used to fund the debt funds to get them back in the positive. If you are going to approve or amend the additional appropriations please leave that section of the additional appropriation alone as the DLGF will make us do this if we are not pro-active about it.

Last year we did the public bidding process and Chase came in with a really low rate. We have been in discussion with Chase and other places that it will be easier and cheaper to take private negotiations than

to open it up to a public bid. This will save a little bit of money and get us the same rate that a public bid would get. Don Hodson asked if we approve a \$4.1 million loan and the circuit breaker comes back less we can take out a loan for less correct. Jeff Peters stated that that is correct. Don Hodson asked about cost advantage for approving one larger loan rather than two emergency loans. Jeff Peters explained that the professional fees would be the same amount on the second loan as the same as the first and they would have to do the work over again that has already been done. It does cost a lot more to approve two emergency loans rather than one larger emergency loan. Doug Elmore asks for the timeline of the note sale. Jeff Peters negotiations have already been done and everyone is gathering their information for bids. We are looking to close by the middle of April and look to have a bid package for banks a couple after this meeting. Voters will have a 30 day remonstrations period but we hope to close right after remonstrations period if the emergency loan is approved tonight. We like to keep 2-3 banks involved so that it is closed in a timely manner. Doug Elmore asked is there any law that requires abstract to be issued by a certain date. Jeff Peters says that the abstract should be in the process of being constructed if not in line for approval at the state. So we are hoping to receive it in the next 30 days. Why are we asking for 3.825? Jeff Peters stated we are covering the short falls of the debt funds which will take 1 million of tax money. In the following years we should only have to allocate current years circuit breaker shortfall which will lower emergency loan amounts. Fire budget is a large number so if it grows it is a large increase to cover. Don Hodson stated that he has been up in front of the public several times and it is known that this is being requested. Pat Laughlin asked if this would make the debt funds cash flow positive and if the Tax Anticipation Warrants will be less next year. Jeff Peters said yes it will be lower as those funds will be cash flow positive. Suzanne Conger asked if emergency loan should be less next year. Jeff Peters said yes it should be less next year unless we do something with the fire budget that drives it up.

Fire Chief Dan Smith presented the attached eight consideration points. Suzanne Conger asked under number three how we perform under those standards. Dan Smith stated we meet them a good portion of the time. Suzanne Conger asked under number five when last pay raise was given to employees. Our last pay raise was 2009. Doug Elmore asked if number seven is correct. Dan Smith stated that the corrected amount for 2011 should be \$1,824,243,504. As you can see our numbers have been declining the past several years. Michael Lynch asked about number four certified and noncertified needs. Currently we don't have any plans to hire? Dan Smith we are currently holding the numbers were they are at unless we get the Safer grant which has no matching from us. Michael Lynch asked about the certified and non-certified personnel used in the list. Dan Smith stated that the only two not listed are Support Services Director whose salary is around \$53,000 and Billing whose salary is around \$37,000. Everyone else non-certified was listed in that comparison.

Opened public hearing at 8:46 PM. Eric Gibson asked if he is correct in understanding that we are asking for up to \$4.1 million so that we don't have a situation like 2010? Don Hodson said the smallest amount we will borrow is \$3.925 million if the board approves the additional \$100,000 for the chase vehicle unless the circuit breaker is larger than anticipated then we can borrow up to the \$4.1 million. Eric Gibson asked if we had that line of credit if we had something catastrophic. Jeff Peters answered no that once it closed in April that is closed for whatever amount up to \$4.1 million we borrowed. Don Hodson stated if circuit breaker shortage comes in higher than expected that \$4.1 million is the highest amount that we can borrow. Close public hearing at 8:49 PM

Michael Lynch moves to approve Resolution 030612-1. Suzanne Conger seconds as written. **3-0 motion carries.** Two copies of Resolution signed on record. Notification will be in the paper that this was approved and that there is a 30 remonstrations period.

### **Additional Appropriation**

Consideration of additional appropriation as the Financial Advisor said earlier moving money to take care of the bond funds and that the fire department is asking for the additional \$100,000 to their budget for the chase vehicle. Suzanne Conger asked if it could be explained where the \$100,000 is falling in the resolution. The hundred thousand is already included in Section 1 of the additional appropriation resolution. Section 2, 3, and 4 is back filling. Prior resolution has authorized the notice and ability to appropriate. Doug Elmore asked if we are making those bond funds positive plus the fifty percent available by law. Jeff Peters said yes that we are making it so that the funds have money in them prior to it being spent. Unlike what it is currently were we spend it and then get the money to fund that expenditure six months later.

Tony Jost noted that no new public was in the room and everyone was here for the presentation of the eight points on the resolution and the need for appropriation.

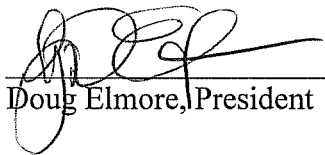
Opened to public comment and closed public comment with no public comments made.

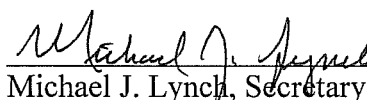
The board is making the additional appropriation 030612-02 as the resolution number. Suzanne Conger makes a motion to approve Resolution 030612-02 as written. Michael Lynch seconds. **3-0 motion carries.**

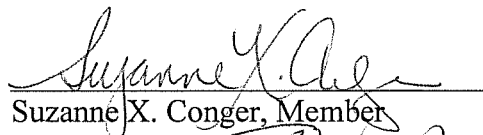
### **Adjournment**

Michael Lynch makes a motion to adjourn. Suzanne Conger seconds. **3-0 motion carries.** Special meeting is adjourned at 8:57 PM. Next regularly scheduled board meeting on April 18, 2012 at 7:00 PM held at Washington Township Pavilion Center, 435 Whipple Lane, Avon, IN 46123. In the event of flooding the meeting will be held at Washington Township Government Center, 311 Production Drive, Avon, IN 46123.

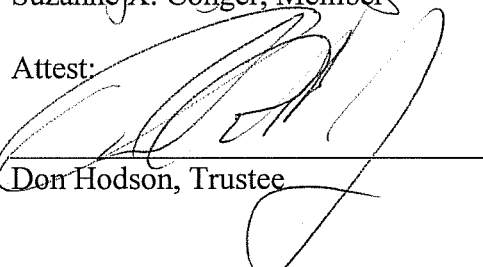
Minutes Approved April 18, 2012:

  
\_\_\_\_\_  
Doug Elmore, President

  
\_\_\_\_\_  
Michael J. Lynch, Secretary

  
\_\_\_\_\_  
Suzanne X. Conger, Member

Attest:

  
\_\_\_\_\_  
Don Hodson, Trustee