

Metro Emergency Operations Center
Finance Committee
August 3, 2011
Minutes

Present: John Wells, presiding
Jerri Nibert
Sheriff Mike Rutherford
Bill Chambers, adviser

Staff: Carolyn Charnock
Lindsay Chafin
Brooke Hylbert

Guests: Samme Gee, Jackson Kelly
Ryan White, Jackson Kelly

Mr. Wells called the meeting to order at 12:15 p.m., roll call noted.

Proposal to Refinance Building Debt – Samme Gee from Jackson Kelly explained that she has prepared and is presenting to the Finance Committee a draft of a request for proposal to be sent to banks and underwriters outlining the information about the bonds. Gee reassured the committee that this is a draft and all input and suggestions are greatly appreciated. She explained one item they have included in the draft is that the term for the bonds is not more than 10 years, which she believed was something the Board of Directors agreed on previously.

Sheriff Rutherford asked if the RFP includes language stating there is no penalty if Metro 911 is able to pay off the bonds early. Ms. Gee explained that most banks will have the provision that if money is borrowed from another bank to pay off the bonds there is a pre-payment penalty. Currently the language in the RFP says the Commission will not consider any proposals containing a penalty for pre-payment. She recommends changing that to allow penalty for pre-payment from another borrowing. If that is the language used Metro 911 can still use any grant money or equity that Metro comes across to pre-pay without penalty, but cannot borrow from another bank without penalty.

Sheriff Rutherford then asked what interest rate we currently pay and if we can expect a lower interest rate. Ms. Gee stated the bonds currently range from 4.25 to 5 percent through 2024. She believes that the new rates will be less than 3 percent with a term of 10 years or less.

Mrs. Charnock then explained that Commissioner Carper's main purpose is to shorten the term and save interest expense without regard to the monthly payments, as long as they are affordable for Metro 911. According to Bill Chambers, if we can get the term under 10 years we are looking at life of the loan savings around \$500,000 - \$600,000. Gee explained that the term is written for under 10 years because of her market knowledge that, once you go over 10 years, the banks will be very unlikely to give a fixed interest rate.

The committee decided to release the RFP to banks on August 29th, 2011, with a return date of September 14th. Questions from the financial institutions should be returned to Metro 911 by September 7th, 2011 and will be returned back September 12th. Samme Gee recommends the proposals be returned to the courthouse for convenience purposes and the board agrees.

Audit Proposal Review Committee – The committee sitting as the audit proposal review committee proceeded to score the proposals from the four firms that submitted: Gibbons & Kawash, Suttle & Stalnaker, Teed & Associates, and Balestra Hall & Scherer. Mrs. Charnock stated that the Executive Board at its July meeting had authorized this committee to award the contract on the board's behalf to the highest scored proposal.

There was a motion to adopt the scoring criteria previously used.

Motion: Rutherford

Second: Nibert

The motion carried unanimously.

The committee members stated their scores, which were then recorded electronically for display on the screen overhead. Upon the finishing the fourth firm's proposal, the scores were electronically tallied. The highest score was from Suttle & Stalnaker with 64 points. Mrs. Charnock explained that procedurally the committee was allowed to award up to 5 preference points to any one proposer. There was no motion to award preference points.

There was a motion to award the contract to Suttle & Stalnaker, the highest scored proposer.

Motion: Wells

Second: Rutherford

The motion carried unanimously.

Old Business – Mr. Chambers explained that May financial statements are in packets and Lindsay Chafin is working on June.

New Business – None.

Public Comment – None.

Motion made to adjourn.

Motion: Wells

Second: Nibert

The motion carried unanimously.

Adjourned at 1:21 p.m.

Respectfully submitted,

