

City of Rossford, Ohio

Finance and Insurance Committee

Monday, March 8, 2021

Attendees: Robert Ruse, Bob Densic, Larry Oberdorf (Arrived at 6:45), Gina Schell, Allyson Murray

Guests: (Sudsina & Associates); Steve Santo, Greg Van Wagner, Catie Romenchek

Meeting called to order at 5:45 p.m.

Agenda:

1. Debt and Financing Options

- a. Sudsina team reviewed current bond rates and trends. We are near historic low bond rates although they have slightly increased in recent weeks.
- b. Bond ratings and rates consider numerous factors including general financial position, overall asset valuation history and project variables.
- c. Current BAN's are 1-year (due in June) and carry a 0.75% interest rate. Options:
 - i. Roll each BAN over for another 1-year.
 1. Low administrative costs for roll-over (+/- \$30K)
 2. Lower interest rate but not locked in. Current trends are up on rates.
 3. We can roll over for a maximum of 20 years.
 4. Does not pay down principle.
 - ii. Convert both BAN's into a single BOND
 1. Low interest rates locked in for 20-years
 2. Higher administrative costs for conversion. (+/- \$125K)
 3. Can place a 5-year call option to reduce the bond amount.
 - iii. Add other bond options
 1. Refinance 2012 Bond
 - a. This is financed through one of the Crossroads TIF's and would need to remain separate
 - b. Current rate is very low and matures 2027.
 - c. We could continue to look at this and compare rates up to the point of issuing the bond.
 2. New projects additional bond
 - a. Requires set project scopes and budgets and must meet strict compliance with IRS regulations for "tax exempt".
 - b. Would need to be separate for each category of project (i.e. roads, public safety, etc.)
 - iv. Separate Ordinances would need to be drafted for each of the three options. Any ordinance would need to be approved by the last council meeting of April to meet the bond deadline.
- d. The F&I Committee requested further information on total project costs for the \$1.5M BAN which covered the SR65/Colony/Lime City roundabout and Vineyard/Groce.
 - i. Allyson to review to project costs
 - ii. Gina to review 2012 Crossroads Bond status
 - iii. Committee will meet next week to discuss further. (March 18 @ 3:00 p.m.)

Meetings adjourned at 6:55 pm