

# Spencer Township Trustee Meeting

## October 23, 2017

Chairman of the Board, Shawn P. Valentine called the meeting to order.

### Roll Call

<b>Trustee Michael B. Hood</b>	<b>present</b>
<b>Trustee Teresa M. Bettinger</b>	<b>present</b>
<b>Trustee Shawn P. Valentine</b>	<b>present</b>

The purpose of this meeting is to discuss the proposed cooperative agreement with the Lucas County Port Authority.

Thomas Winston, Vice President and legal representative for Lucas County Port Authority was given the floor. He gave background on the Lucas County Port Authority and their financing activities. They have a Standard and Poor's A- rating.

The Cooperative would be beneficial to allow the JEDZ funds to go back into the community as business owners. It allows business owners to reinvest in their Companies. The Cooperative would also be beneficial to receive a financial return on the monies in the general fund.

Mr. Winston said this partnership could be beneficial in other needs of the Community.

Mr. Winston stressed this is not a moneymaker for the Lucas County Port Authority.

Trustee Bettinger asked about the length of commitment, Mr. Winston said the Port Authority would like this to be sustainable or continue on, there is a 90-day notice in the agreement, but that is not the intent.

Trustee Valentine commented the Township would have another source of income that does not involve raising taxes.

Trustee Bettinger asked about the initial investment of \$1,000,000. The agreement states \$1,500,000. Mr. Winston said this amount is amendable.

Trustee Valentine said this cooperative is to provide money back to the Companies that created the wealth for the Township.

Trustee Bettinger asked if the dollars would only be available to Spencer Township businesses. Mr. Winston said that is the spirit of the program, but there could be exceptions that the Board would be informed of in that event.

Sheilah McAdams, legal representative for Spencer Township, asked if there were program guidelines. Mr. Winston answered yes.

Trustee Bettinger asked about a ballpark figure of interest rates to the borrowers, Mr. Winston said it ranges from 3% to 9%.

Mr. Winston stated the return to Spencer would range around 1% at a minimum.

Resident, Jack Gulvas, asked about marketing of the West Winds Industrial Park. Mr. Winston explained the agreement does not include marketing, but they can help identify people that can help with marketing.

Trustee Bettinger asked about a timetable to pull the funds if an emergency occurs in the Township. Mr. Winston explained 90 day notice if the funds are available.

Jim Baum, resident, said a budget for the Township may help to understand this cooperative more easily.

Mr. Baum asked if this was being done with any other Townships with a JEDZ. Mr. Winston said no, not at this time.

Trustee Hood asked once the agreement was approved when would the funds be transferred. Mr. Winston said it could be on the Township's timetable.

Trustee Hood commented the Township is more financially stable than it has been in a long time.

Mr. Winston explained the Port Authority would inform the community of this program and start taking applications for loans.

Trustee Hood said 1.5% is a good return and this will help us build up our own reserves.

Dawn McDonald, Fiscal Officer, explained the Ohio Revised Code binds Townships and certain types of investments are prohibited. She will contact the Auditor of State's Office.

Trustee Bettinger asked where does the return go. Mr. Winston explained the interest will go to the Township and the principal amount will go to the Port Authority.

Trustee Bettinger asked about expenses and there was more discussion on the matter.

Sheliah McAdams asked Mr. Winston for a breakdown of additional costs. He explained the costs are administrative as well as mailings and other costs associated with this agreement. Ms. McAdams asked if the costs could be separated project specific vs. general costs. Mr. Winston said they could do that, but they would all be related to program.

Trustee Valentine said the Township should absorb these costs in the beginning. Mr. Winston we will work on this as it comes and the Township can absorb some of the initial costs.

Resident, Jacky Dale, asked how long is the agreement. Trustee Valentine explained there is no end date, it is open-ended and can be ended at any time. She asked if it is limited to Spencer Township.

The Fiscal Officer read the resolution.

Trustee Hood made a motion to accept Resolution 2017-1023, which has been reviewed by all Trustees, Trustee Bettinger seconded. Roll call vote: Trustee Hood: yes, Trustee Bettinger: yes, Trustee Valentine: yes.

Trustee Bettinger made a motion to adjourn, Trustee Hood seconded. Roll call vote: Trustee Hood: yes, Trustee Bettinger: yes, Trustee Valentine: yes.