

MINUTES FOR THE SPECIAL
CLINTON COUNTY COUNCIL MEETING
JANUARY 31, 2023

The Clinton County Council met in the Commissioner's Meeting Room at the Clinton County Courthouse, Frankfort, Indiana on January 31, 2023, at the hour of 6:00 p.m. at a Special Council meeting. Council President, Alan Dunn, called the meeting to order and led the Pledge of Allegiance. On call to order the following members we shown to be present or absent.

PRESENT

Alan Dunn
Clark Beard
Jeff Chynoweth
Mike Hensley
Carol Price
Todd Corrie

ABSENT

Joe Mink

Britt Ostler, Clinton County Auditor, was present to record the proceedings of the Council. Tim Elston was also present to stream the meeting virtually.

Others present were: Ken Hartman, Brett Todd, Dale Davis, Zach Klutz, Emma Adlam, Sam Schrader, Commissioner Weaver, Commissioner Brewer, Dan Sheets and Judge Mohler.

President Dunn stated the purpose of this special meeting of the County Council is to propose two very important projects that the County is wanting to move forward on. The first project is the renovating of the interior and exterior of the historic Courthouse and the second project is tearing down the existing Regions building to construct an Annex building. The other purpose of this meeting is to conduct a public hearing as the County begins the process of making determinations on the construction project.

TAFT LAW

Zach Klutz with Taft Law is the bond counsel for Clinton County. He spoke regarding the bond issue and how it's to be supported indirectly through the property tax levy. Both projects are above a certain threshold in terms of cost, so Indiana Code requires the County to conduct two public hearings before a determination is made to move forward. This meeting represents the first public hearing and, therefore, it was felt it would be important to hold the meeting in the evening to accommodate any public participation. The next meeting will be the morning of February 14, 2023. After the second public hearing is concluded, the Council will be asked to consider and vote upon a resolution making the determination to move forward with the projects. After the February 14th meeting, if the resolution is approved, there will be a notice published to convey that the resolution has been passed and a preliminary determination has been made to move forward. This would trigger a window of time to allow for any objections. The next steps would then be to consider the underlying approvals of the bond and lease financing documents. At each of these steps there will be further opportunity for public input via public hearing.

ENVOY

Dale Davis, Director of Planning with Envoy went over their findings. The last remodel for the Courthouse was 30 years ago and it's time again to help preserve the historic building. Both the interior

and exterior are being looked over for the renovation. The entire building will need to have a scaffold for the exterior, the set up of scaffolding alone is \$1 million dollars. The interior needs to be brought up to the ADA guideline requirements.

The Regions building on the north side of the square will now become the County Annex. Envoy has had structural engineers, asbestos, abatement professionals, and other professionals come in to evaluate the building. There is evidence of three to four buildings meshed together, making the layout very inefficient. There are 12 different floor and ceiling height combinations in the building, which means almost every hallway in the building has a slope to it. The new HVAC system needed for the building would weigh 30,000 to 40,000 lbs. and the roof wouldn't withstand the weight without supports from the basement to rooftop. There is also asbestos throughout the building and water issues in the basement. The more findings they found compounded the cost and led to researching how much a new building would cost. It's approximately 20% more for a new building over the renovation. The new building would far outlast the renovation, making it a viable option. It is their professional recommendation that the County move forward with the new building option. The procurement of these projects will be a BOT (Build, Operate, Transfer).

BAKER TILLY

Emma Adlam, Director at Baker Tilly went over the financial aspect of the project(s). The Annex Project estimated cost is \$17,440,000. And the Courthouse Project estimated cost is \$9,833,000.

The County has \$5,000,000 cash on hand for the project(s), with the additional \$23,640,000 needing to be a bond. President Dunn did point out that the Council is pledging \$5,000,000 towards the project, out of the \$6,293,126 received from the ARPA distribution. The term of the bond would be 20 years, payable from a property tax levy, with a payment of \$2,038,000. These numbers are subject to change depending on the final cost of the project and interest rates.

President Dunn expressed that a more complex financial worksheet is available this evening or in the Auditor's Office, if anyone would like a copy.

(Please see attached presentation for more specifics)

PUBLIC HEARING

President Dunn opened the public hearing at 6:28 p.m.

Dan Sheets, County Surveyor and taxpayer, spoke in favor of the project. He has been in the old Regions Building and confirmed that the renovation makes no sense. With modern construction, he believes a new building could last 100 years. He's also in favor of renovating the Courthouse and doing what's necessary to preserve our historic building.

Brad Mohler, Circuit Court Judge and taxpayer, appreciates the Courthouse and believes we all should be proud of it. He's been in a lot of other courtrooms and loves the old courtroom style. Preserving this building and improving on what we have is definitely needed. He expressed another bathroom is needed for a jury trial, along with the other rooms for the jury.

Jordan Brewer, County Commissioner and taxpayer, has been involved in the project since the beginning and expressed the sentimental value it has to him. A former councilmember had given Jordan a document from 1997 with a list of issues and all of those issues were highlighted as issues currently. In

1997 nothing was done, 26 years later, we have the opportunity move the community forward. This is a foundational and generational project that will enhance the economic development of this community. We have a responsibility to continue to revitalize the downtown area. As taxpayers, this is a project we can be proud of.

Bert Weaver, County Commissioner and taxpayer, worked in the Regions building 50 years ago. He spoke of all kinds of issues they had long ago in the remodeling aspect. In 2012, the Commissioners had the opportunity to purchase the building and chose not to do so. He believes now is the time and he'd like to see our community grow. He thanked the Council for the consideration of the project.

President Dunn closed the public hearing at 6:39 p.m.

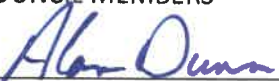
President Dunn introduced Resolution 2023-01, noting that it would be voted on at their next regularly scheduled Council meeting after the second public hearing.

Resolution 2023-01 - A Resolution Making A Determination Of Need For Two Separate Projects and Making A Preliminary Determination To Enter Into A Lease Agreement And Authorizing Circulation Of Taxpayer Petition And Ordering of Appraisals

The next meeting will be February 14, 2023 at 9:00 a.m.

Adjourned: 6:41

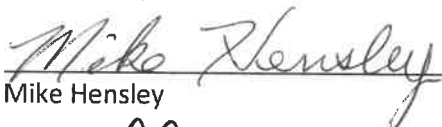
COUNCIL MEMBERS




Alan Dunn, President



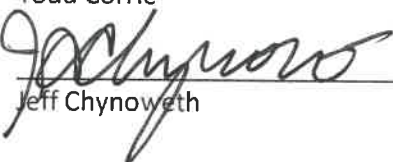
Clark Beard, Pro Tem




Mike Hensley



Todd Corrie



Jeff Chynoweth

Joe Mink


Carol Price

ATTEST:



Britt Ostler, Auditor

CLINTON COUNTY, INDIANA

**PRELIMINARY DETERMINATION HEARING:
PROPOSED CLINTON COUNTY BUILDING CORPORATION
AD VALOREM PROPERTY TAX LEASE RENTAL BONDS OF 2023**

- 1. The result of the County's current and projected annual debt service payments divided by the net assessed value of taxable property within the County.**

2023 Certified Net Assessed Value: (1) \$1,764,474,034

Payment Year	Current Annual Debt Service Payments (2)	Percentage of Net Assessed Value (1)	Current and Proposed Annual Debt Service Payments (3)	Percentage of Net Assessed Value (1)
2023	\$0	0.00%	\$0	0.00%
2024	0	0.00%	2,034,000	0.12%
2025	0	0.00%	2,034,000	0.12%
2026	0	0.00%	2,037,000	0.12%
2027	0	0.00%	2,038,000	0.12%
2028	0	0.00%	2,036,000	0.12%
2029	0	0.00%	2,032,000	0.12%
2030	0	0.00%	2,035,000	0.12%
2031	0	0.00%	2,031,000	0.12%
2032	0	0.00%	2,033,000	0.12%
2033	0	0.00%	2,032,000	0.12%

- (1) Based upon the 2023 certified net assessed value for the County, per the 2023 Clinton County Budget Order.
- (2) As of January 31, 2023, the County does not have any outstanding debt that is payable primarily from a property tax levy. The Clinton County Redevelopment Authority Lease Rental Revenue Bonds of 2020 are payable from the County's distributive share of the Certified Shares Local Income Tax with an ad valorem property tax backup.
- (3) Includes the estimated lease rental schedule per the analysis dated January 31, 2023 of Baker Tilly Municipal Advisors, LLC.

(Prepared by Baker Tilly Municipal Advisors, LLC.)
(January 31, 2023)

2. **The result of the sum of the County's outstanding long-term debt plus the outstanding long term debt of other taxing units that overlap the County divided by the net assessed value of taxable property in the County.**

	Direct Tax Supported Debt \$52,785,753*	Allocable Portion of All Other Overlapping Tax Supported Debt \$101,452,722*	Total Direct and Overlapping Tax Supported Debt \$154,238,475*
--	---	--	--

Percent of net assessed valuation (1) 2.99% 5.75% 8.74%

(1) Based upon the 2023 certified net assessed value for the County, per the 2023 Clinton County Budget Order.

*Preliminary, subject to change.

3. **The maximum term of the lease.**

The maximum term of the lease is 20 years.

4. **The maximum principal amount of the bonds and maximum lease rental for the lease.**

The maximum principal amount is \$26,000,000. The maximum lease rental is \$2,500,000.

5. **The estimated interest rates that will be paid and estimated total interest costs.**

The Bonds have been structured with an estimated interest rate ranging from 4.40% to 6.15%. The Bonds have a total estimated interest cost of \$15,760,587 based upon a 20-year term.

6. **The purpose of the lease.**

The purpose of lease is to pay the cost of leasing real estate for the following two separate individual projects: (i) the renovating and equipping of the Clinton County Courthouse, and (ii) the construction and equipping of a new County Annex Building for use by Clinton County (collectively, the "Projects") and to fund capitalized interest, if necessary, and issuance expenses.

7. **Any owners of property within the County or registered voters residing within the County who want to initiate a petition and remonstrance process against the proposed lease payment must file a petition that complies with Indiana Code 6-1.1-20-3.1(b)(4) and (5) law not later than thirty days after publication in accordance with Indiana Code 5-3-1,**

8. **The County's current debt service levy and rate.**

The County's current (2023) ad valorem property tax levy for the County is \$0 and the County's current (2023) ad valorem tax rate is \$0.

9. The estimated increase to the County's debt service levy and rate that will result if the County enters into the lease.

Based on the estimated lease rental payment of \$2,038,000, the County's debt service levy is estimated to increase by \$1,936,100 and the County's debt service tax rate is estimated to increase by \$0.1097.

10. The estimated amount of the County's debt service and rate that will result during the following ten years if the County enters into the lease in consideration of the changes in such due to the maturing or termination of existing debt obligations.

2023 Certified Net Assessed Value: (1) \$1,764,474,034

Payment Year	Current Annual Debt Service Payments (2)	Current Debt Service Tax Rate (1)	Estimated Proposed Annual Debt Service Payments (3)	Estimated Proposed Debt Service Tax Rate (1)(4)
2023	\$0	\$0.0000	\$0	\$0.0000
2024	0	0.0000	2,034,000	0.1095
2025	0	0.0000	2,034,000	0.1095
2026	0	0.0000	2,037,000	0.1097
2027	0	0.0000	2,038,000	0.1097
2028	0	0.0000	2,036,000	0.1096
2029	0	0.0000	2,032,000	0.1094
2030	0	0.0000	2,035,000	0.1096
2031	0	0.0000	2,031,000	0.1093
2032	0	0.0000	2,033,000	0.1095
2033	0	0.0000	2,032,000	0.1094

- (1) Based upon the 2023 certified assessed value for the County, per the 2023 Clinton County Budget Order.
- (2) As of January 31, 2023, the County does not have any outstanding debt that is payable primarily from a property tax levy. The Clinton County Redevelopment Authority Lease Rental Revenue Bonds of 2020 are payable from the County's distributive share of the Certified Shares Local Income Tax with an ad valorem property tax backup.
- (3) Includes the estimated lease rental schedule per the analysis dated January 31, 2023 of Baker Tilly Municipal Advisors, LLC. Assumes the first levy can be implemented in 2024.
- (4) Assumes a license excise/ financial institutions factor of 5% with 95% payable from a property tax levy.

(Prepared by Baker Tilly Municipal Advisors, LLC.)
(January 31, 2023)