

<p style="text-align: center;">YANKEE SPRINGS TOWNSHIP <u>Board of Trustees</u> Special Meeting</p> <p style="text-align: center;">Wednesday, February 18, 2015 Yankee Springs Township Hall 284 North Briggs Road, Middleville, Michigan 49333</p> <p style="text-align: center;">MINUTES</p>	<p>Circulated Feb. 24, 2015 Final MINUTES Approved March. 18, 2015 As presented</p>
<p>Meeting called to order at 9:00 AM by Supervisor Englerth. <u>PLEDGE OF ALLEGIANCE</u></p> <p><u>Roll Call</u>: Present: Jerkatis, Lippert, Rottschafer, Campbell, Englerth. <u>All Present</u></p> <p><u>Also Present</u>: Robert Raney of Hastings City Bank, and Russ Yarger Barry County Drain Commissioner. <u>Other Staff present</u>: Alice Jansma <u>No Visitors</u></p>	<p>PLEDGE CALL TO ORDER ROLL CALL</p>
<p>PURPOSE OF MEETING: To discuss (financing) options for projects in the immediate future and long-term. Specifically, Island Drive Channel Dredging Project by Special Assessment District</p>	<p>PURPOSE OF MEETING:</p>
<p>ACKNOWLEDGEMENT of VISITORS:</p> <p>Robert Raney, of Hastings City Bank: Commented on the current popularity of borrowing from private entities in Michigan.</p> <p>Typical projects handled by Hastings City Bank: Drain projects, capital improvements, maintenance, dredging, engineering costs, sewer, fire trucks, and fire station construction.</p> <p>Hastings City Bank has dealt with approximately three-fourths of Michigan counties for financing of projects. It was noted that HCB has done numerous dredging projects throughout the state.</p> <p>Alice Jansma inquired as to tax exemption and attorney involvement with private bank financing, as well as, additional paperwork involved because of YS Township being a municipality.</p> <p>Current HCB par interest rates quoted: 5 year – 1.74%, 10 year- 2.53% and 15 year- 2.67% (Raney noted that this is a par interest rate and is not giving any discounts for the strength of the balance sheet and income statement and it doesn't have a premium so there's not a penalty for a township that may be having a little bit more financial struggle). Raney commented that there are numerous attorneys available to help the township draw up a contract for bidding. Raney commented that he typically gets 2 to 10 requests per week. The benefit to the townships/counties is getting a tax exempt interest rate. Discussion also occurred on the loan payments coinciding with the dates of property tax collection.</p>	<p>Robert Raney, of Hastings City Bank</p> <p style="text-align: right;">Page 1 of 2 Feb. 18, 2015</p>

It was noted that the county has a Department of Public Works and that they finance projects.

Russ Yarger, Barry County Drain Commissioner commented that water systems, and sewer project payments all come through his office and they (his office) make the bond payments. R. Yarger also commented that for a \$500,000 project a flat fee of \$7,500 is charged upfront (not an annual fee). Interest is beyond the \$7,500. This fee takes care of the administrative costs, checking the district, lawyer services, etc. If the cost goes over, everything has to be payable from the project/municipality.

Discussion occurred regarding the Department of Public Works using their credit rather than the township's credit if financed through the DPW. It was noted that it would still be a Special Assessment District.

R. Raney commented that the bank does not charge any closing fees, or administrative fees. It would just be the interest that the township would be paying HCB.

Bond rating was discussed.

A private individual (from the Michigan thumb area) who is interesting in financing the project was mentioned.

J. Lippert commented that the Township has an administrative fee attached to Special Assessment Districts such as; cost to publish two public hearing notices, recording secretary fee, postage mailings twice.

After no further questions, M. Englerth thanked the visitors for coming.

ADJOURNMENT:

Motion by J. Jerkatis with support from B. Campell to adjourn the meeting at 9:32 a.m. All ayes. MOTION CARRIED.

Approved by: Janice Lippert, Township Clerk
Draft & Distributed Date 2-24-15

APPROVED DATE: March 18, 2015

Final MINUTES

ADJOURNMENT

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Deb Mousseau
Recording Secretary
February 22, 2015