

Mason County Finance Committee
411 North 5th Street, Shelton, WA
October 10, 2016

2:00 P.M.

Finance Committee

Chair Lisa Frazier, Treasurer and Commissioner Terri Jeffreys were in attendance. Karen Herr, Auditor was absent. Also attending was Cmmr. Randy Neatherlin; Cmmr., Tim Sheldon, attended via telephone. Frank Pinter was also in attendance.

Chair Frazier convened the Finance Committee at 2:05 p.m. The Current Expense Cash balance as of September 30, 2016 is \$4,165,197; total cash and investments is \$157,222,240. Registered warrants have been issued for Central Fire. A breakdown of investments was included in the packet.

Old Business – Cash Handling Policy and Procedures is pending.

Scott Bauer, Northwest Municipal Advisors, presented information regarding loan refinancing for Mason County. Savings could be obtained by refinancing five Bonds: LTGO 2002 (NCBI Loan 9201); LTGO Bonds, 2008B (Rustlewood 92-5); LTGO Bonds, 2008; LTGO Bonds 2008A (Rustlewood 92-3) and DOE 2010 (0800017) for a total of \$10.3M that would refinance to a total of \$8.9M and net savings would be \$947,879. The refinancing would have a fixed rate.

Only Bonds and state loans are being looked at; not the \$1.2M interfund loan.

Cmmr. Neatherlin asked if there were other options for savings over the 2017 to 2020 time period.

Cmmr. Sheldon brought up the high delinquency rate of the utilities.

Mr. Bauer explained these are general obligation bonds, not revenue bonds.

Cmmr. Jeffreys/Treasurer Frazier moved and seconded for the Finance Committee to forward this analysis to the Commission to identify which loans to refinance. Motion carried.

Northwest Municipal Advisors were directed to review the proposal to see if there can be more savings in the first four to five years.

A briefing will be scheduled with the Commissioners.

Interfund Loan Policy and Procedures

Chair Frazier reviewed the proposed amendments to the Interfund Loan Policy and Procedures.

Commissioner Sheldon left the meeting at 3 p.m.

Policy to address invoices that straddle two fiscal years

A policy has been drafted, in response to SAO, for consistency in handling invoices that straddle two fiscal years. The policy is to pay out of the budget year when the invoice is due.

There was discussion of when services are rendered but not billed until the next fiscal year. There has been discussion with the SAO of how to address this.

Another issue to address is request for prepayment of services.

Meeting adjourned at 3:12 p.m.

