

Mason County Finance Committee
411 North 5th Street, Shelton, WA
January 17, 2017~~6~~

10:00 a.m.

Chair Lisa Fraizer and Commissioner Kevin Shuttly were in attendance. Auditor Karen Herr was absent. Also in attendance: Commissioners Terri Jeffreys and Randy Neatherlin; Frank Pinter.

Alan Dashen and Scott Bauer, Northwest Municipal Advisors, began by recapping the November meeting. Alan advised that they would be discussing the Rustlewood loan and the Belfair Loan. Scott Bauer went over the graphs within the packet he handed out before the meeting.

Cmmr. Jeffreys asked about refinancing \$10 million which is currently outstanding. Scott explained with refinancing, around \$1 million would be saved over the life of the loan and financing costs would be around 1.5%.

Scott discussed two scenarios for refinancing the Belfair debt. He said that one option was Status Quo, meaning the debt will have no change to final maturity. The second scenario is to only pay interest for 5 years, and then the maturity would be extended to 2041.

Cmmr. Neatherlin asked about extending life of the Belfair loan. Scott said extending it would mean the county would pay \$860,000 more over the life of the loan.

Frank noted that there may be possibility of restructuring the loans with the Department of Ecology. Cmmr. Neatherlin stated that because this is a Federal Loan, he was told that it cannot be restructured.

Ms. Frazier voiced concern that no plan is in place for Belfair, and the options presented are a quick fix. Cmmr. Neatherlin agreed. Ms. Frazier added that someone needs to be focusing on Belfair because at this time, nobody is.

Frank said he would be meeting with Jerry Hauth, Director of Public Works to discuss his conversation with the Department of Ecology to confirm the requirements that Mason County is to fulfill.

Ms. Frazier asked Scott and Alan when they need a decision. Alan suggested coming back in one month. Commissioner Jeffreys asked what information they need for the next meeting. Frank said he believes they need to know what the County commitments are to the Department of Ecology and what options are available. Cmmr. Neatherlin said that he knows some people are hoping for grants, but as he understands it, Ecology does not give out grants for economic development. He asked Frank to verify this.

Cmmr. Jeffreys addressed the finding on the Belfair sewer noting that the main reason for the finding is due to the fact that the .09 REET was not taken out far enough. Frank added that they only have two years' worth of .09 funds coming in under the debt service.

Ms. Frazier asked if a decision should be made or pushed out. Alan advised pushing out until more information has been obtained in regards to Belfair. Ms. Frazier agreed and stated that no motions would be made. She then said she would schedule another Finance meeting in February.

Meeting adjourned at 10:55 a.m.

Minutes submitted by Melissa Drewry, Clerk of the Board