

## RECORD OF PROCEEDINGS

### Minutes of the Special Meeting of the Trustees of Sycamore Township Sycamore Township, Hamilton County, Ohio

April 25, 2022

The special meeting was called to order at 1:00 p.m. by Chairman Weidman.

Present for the meeting were Chairman Weidman, Vice Chairman Schwegmann, Trustee James, Interim Law Director Barbieri, Interim Administrator / Superintendent Kellums, Office Manager Gunderson, and Planning & Zoning Inspector Clark.

Mr. Weidman requested a motion for a Clerk Pro Tem.

Mr. James made a motion for Mr. Kellums to serve as Clerk Pro Tem for the special meeting. Ms. Schwegmann seconded the motion. Mr. Weidman called roll. Vote: All Aye.

#### **Resolution – Issuance of Tax Increment Revenue Notes**

The resolution “Authorizing the Issuance of Not to Exceed \$4,250,000 Tax Increment Revenue Notes of the Township of Sycamore; Providing for the Pledge of Revenues for the Payment of Such Notes; Authorizing Necessary and Appropriate Documents for the Protection and Disposition of Such Revenues and to Further Secure Such Notes; and Authorizing Other Actions in Connection with the Issuance of Such Notes” was presented by Mr. Kellums. Mr. James made a motion, seconded by Ms. Schwegmann, to approve the resolution as presented, dispensing with a second reading.

Mr. James stated he requested documentation in regard to this resolution from Mr. Kellums this morning and only received it two hours and ten minutes prior to the meeting. He noted he did not know about it until the April 19<sup>th</sup> meeting. He asked Ms. Schwegmann when she received the documentation.

Ms. Schwegmann replied that she had received it this morning also.

Mr. James stated he had questions about this and thought that Fiscal Officer Porter and Andrew Brossart, of Bradley Payne Advisors, LLC, would be present to answer them. He requested Mr. Kellums keep all three Trustees informed and stated this is exactly the sort of thing a finance committee could vet for the Trustees.

Mr. James said he had asked Mr. Brossart what the transaction fees would be, and he had answered \$12 to \$15 thousand, however, the fees are actually over \$100,000.00. He went on to list the amounts of money all parties would receive for their involvement in this transaction. He said Mr. Brossart’s firm would get \$40,000.00, which is certainly earned for putting the transaction together; Bond Counsel at Dinsmore & Shohl is getting about \$27,000.00; and the Township is paying \$15,000.00 for the buyer’s lawyer fees. Mr. James said over time the Township is paying \$1.6 million in interest on the bonds. He said he has some questions, and he doesn’t know if anybody can answer them.

Mr. James asked why there is a time period of 15 years on the notes.

Mr. Weidman answered because there are 15 years left on most of the TIFs.

Mr. James asked why this was not brought up at a prior meeting for discussion and public input.

Mr. Weidman answered the Township has an obligation to have this resolved by May 3, 2022. He noted the last time the bond was due he was not informed of it until the last minute when Mr. James and Mr. LaBarbara voted to take money out of Township funds to pay them off.

Mr. Weidman said he has been copied on emails, but he has had no conversations with Mr. Brossart except for the original meeting we had and one other phone call. He stated he asked Mr. Brossart to provide direction on a rollover and on issuing bonds against TIF revenues. Mr. Weidman stated it is clear to him that the Township must preserve unencumbered TIF funds so that we have the ability to negotiate with the State Legislature to take pressure off of the general fund. He noted that would not be possible if we use that money to pay off the bonds. He said this will be looked back on as a real bargain as interest rates rise. Mr. Weidman stated we will be able to generate more money on the \$4 million kept in the TIF funds, and we will potentially be able to utilize those TIF funds for other things that we are unable to use them for today.

Mr. Weidman concluded this is a no-brainer just as it was last year when the majority of the Board wanted to pay off the bonds. He noted instead of paying them off, the Township earned 1.22% on the money while rolling the bonds over at only .2%. He said this is a great deal and he thinks we should move forward.

Mr. James stated if Mr. Weidman was not in the loop a year ago when this was discussed he should have been. He said the Board ultimately decided to go with Mr. Weidman's recommendation a year ago, so he got what he wanted.

Mr. Weidman stated a year ago both Mr. James and Mr. LaBarbara voted to pay this off with \$4 million in TIF funds. He noted there was a thirty-day waiting period and he had pushed hard to roll them over another year.

Mr. James said he was not attacking Mr. Weidman, but, from some of the emails he saw, Mr. Weidman was in the loop on this since March 10<sup>th</sup>. He said he was faulting others for not keeping everyone in the loop and said this is exactly the thing we should be teaching the public about and having an informed discussion with the public about whether it makes sense. He then asked what specific TIFs would be encumbered for this and what logic was used to determine that. He noted the resolution was not publicly shared as we normally do.

There was a discussion about what TIFs would be used for this with Mr. Kellums noting the TIF resolutions were all listed.

Mr. James asked if this would prevent the Township from closing any of the TIFs before the bond is paid off.

Mr. Weidman answered he was not sure but stated he could not imagine a reason to close any of the TIFs.

Mr. Barbieri answered yes, closing of the TIFs involved would be prohibited.

Mr. James asked if we are over securing this obligation. He said we seem to be keeping all the pledged TIFs encumbered until the bond is entirely paid off. He asked why we are not using a sliding scale as the principal drops and asked if there was discussion of that.

Mr. Weidman answered there was not a discussion of that, and he does not see a reason to do that as we have divided this up among multiple TIFs which are all generating revenue. He noted the bonds are not backed with the TIFs; they are backed with the revenue generated from the TIFs. He said he sees no reason to be concerned about it.

Mr. James said this was something that could have been discussed with the finance committee to recommend the merits of one way or another. He said the revenues from the TIFs will be tied up until the last dollar of this obligation is paid 15 years from now. Mr. James stated there probably would not be a reason to close any of the TIFs but with this there will not be that option. He stated being able to pay the debt is not the only consideration. He asked what amount of money the Township is saving by not paying off the one-year note. He stated he would have liked to see those numbers, but Mr. Porter is not here.

Mr. Weidman answered that is a moot point as no one can predict what we will be paying in five years. He said he is willing to bet that it will be higher than it is today because of interest rates.

Mr. James answered Mr. Porter could tell them what the earnings are currently and make a projection. He stated there has not been discussion about this, it popped up out of nowhere, and if we do not vote unanimously by Tuesday then we have to pay off the current note.

Mr. Barbieri said he did not do the bond work and has not researched if a vote on a bond needed to be unanimous.

Mr. James said ORC Section 505.262 would apply as requiring unanimity. He then stated he raised all this simply to encourage everyone to work together. He said he is sure Mr. Brossart knows what he is doing but Mr. Brossart has a financial interest in making the loan happen not in getting the best deal for the Township. He said the Township should get the finance committee back in place and get the public involved.

Mr. Kellums stated Mr. Brossart has worked with Attorney Brenda Wehmer to put this together as they always do for our bonds. He added it is not using all the revenue but a piece of the revenue on a sliding scale and the same amount will not be coming out of every TIF. He said we thought it was a good way to secure the bonds without putting the obligation on the general fund.

Mr. James said ultimately that is the three Trustees' decision.

Mr. Kellums noted Mr. Brossart has done bond work for the Township for years.

Mr. James stated he does not question that they know what they are doing. He then said he knows Mr. Kellums has a lot on his plate managing the Township and his own department but all three Trustees should be copied on discussions so that an informed decision may be made.

Mr. Kellums called roll. Vote: All Aye.  
Resolution 2022-036 passed this 25<sup>th</sup> day of April, 2022

**Resolution – Adopting Standard Allowance for Expenditure From ARPA Funds**

The resolution “Adopting Standard Allowance for Expenditure From American Rescue Plan Act Funds” was presented by Mr. Kellums. Mr. James made a motion, seconded by Ms. Schwegmann, to approve the resolution, dispensing with a second reading.

Mr. James requested to read the resolution.

Mr. Kellums noted the resolution was based on a sample resolution provided by the Ohio Township Association.

Mr. Kellums called roll. Vote: All Aye.  
Resolution 2022-037 passed this 25<sup>th</sup> day of April, 2022

**Executive Session**

A motion was made by Mr. Weidman to adjourn the meeting into executive session as permitted by Ohio Revised Code Section 121.22(G)(1) to consider the employment, dismissal, discipline, or compensation of a public employee with the Township Law Director.

Mr. James seconded the motion.

Mr. Kellums called roll. Vote: Mr. James: Aye; Ms. Schwegmann: Aye; Mr. Weidman: Aye

Mr. Weidman invited Mr. Kellums into the Executive Session with Trustees.

End Regular Session: 1:23 p.m.

Begin Executive Session: 1:27 p.m.

End Executive Session: 2:03 p.m.

Back in Regular Session: 2:04 p.m.

Mr. Kellums called roll. All three Trustees indicated they were present.


A motion was made by Mr. James, seconded by Ms. Schwegmann, to adjourn the meeting.

Mr. Kellums called roll. Vote: All Aye. The meeting adjourned at 2:04 p.m.

  
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Thomas J. Weidman, Chairman

  
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Tracy Schwegmann, Vice Chairman

  
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Thomas C. James, Jr., Trustee

  
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Robert C. Porter III, Fiscal Officer

Special Trustees Meeting 04/25/2022