

COLUMBIA COUNTY DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING

MINUTES

April 8, 2015

The Board of Directors for the Columbia County Development Agency met in scheduled session with Commissioner Anthony Hyde, Commissioner Earl Fisher and Commissioner Henry Heimuller, together with Sarah Hanson, County Counsel, Jennifer Cuellar, Finance Director, and Cynthia Zemaitis, Acting Board Office Administrator. Commissioner Hyde called the meeting to order.

EXTRA LOAN PAYMENT FOR ROAD LOAN IN FY15:

Jennifer Cuellar advised the Board that the CCDA budget contained extra cash and that making an extra payment to the bond holder (the State) would still leave plenty of cash to meet all of the Agency's needs next year. In addition to making another payment, according to the amortization table, this would shorten the life of the loan and make the debt payments smaller.

Jennifer stated that the original loan was for \$5.M and change, although she is not sure what the balance is today. This year's payment was \$975,139. The FY 17 payment drops to \$775,000.

Jennifer continued that the cash is such that we have more than enough to pay the loan down faster and it makes sense to do that. She suggests they pay \$1.1M extra, on top of the \$975,139 already paid. This would not create any problems with OR Biz. Commissioner Fisher asked if the County should consider paying an extra \$1.25M and Jennifer agrees it is doable.

Commissioner Fisher moved and Commissioner Heimuller seconded to pay \$1.25 million extra to the State on the road loan. The motion carried unanimously.

Commissioner Heimuller asked for a spreadsheet that shows when this loan will be paid off with the extra payments. Jennifer stated it gets tricky with the Port's involvement and whether the Board should consider paying down the water loan as well, and that commitments coming out of the new intergovernmental agreement may affect this. Commissioner Heimuller thinks it is best to retire one debt, and then move on to the next. Commissioner Fisher asked if a spreadsheet can be ready this afternoon. Jennifer stated that she has not worked up those figures. Commissioner Heimuller asked that it be done soon.

Sarah Hanson added that they need to consider the extra projects out there related to the Fire District, with a projected amount of \$500,000. That needs to be taken into account.

Jennifer mentioned that at the budget committee meeting last year, one of the members felt pretty strong that a large amount be shifted from contingency and left on the table. If you want to make choices to fund additional projects, money in ending fund balance is not available.

Commissioner Hyde stated has had conversations with the Fire District, which is making an effort to try to increase the amount of money available through the businesses out there; those discussions are ongoing. Sarah said they have drawn down some of that with the purchase of a fire engine.

With no further discussion, the motion carried unanimously.

FY16 CCDA BUDGET PREVIEW:

Moving on to the budget, Jennifer stated that, as reflected on the spreadsheet, is she is proposing for FY 2016 that all excess going into FY 2017 is put into contingency, not into the fund balance category. This will not limit the ability to pay more down on the loans. Commissioner Hyde asked if Jennifer remembers why this was important. Jennifer stated it was the recommendation of Dan Garrison, who was concerned about the appearance of extra money and someone wanting us to take money out of the contingency and spend it this year.

Commissioner Hyde stated that if Dan feels the same this year, they can discuss it and see if his arguments are compelling. Jennifer believes it makes sense to use these funds to pay down one or more of the debt services as opposed to limiting their ability to do this next year. She proposes an additional \$1.1M excess payment on the road loan again in FY 2016, which has been built into the budget. The Port does not seem to be in the position of wanting to make additional payments on the water loan, so Jennifer didn't budget any excess payments there. Commissioner Hyde feels that the best bang for the buck, strategically, is paying down the water loan.

Commissioner Heimuller recommended that there should be a line item for additional debt service to avoid questions, and to give them the flexibility on which way they want to go.

There was no Executive Session held.

With nothing further coming before the Board, the meeting was adjourned.

Dated at St. Helens, Oregon, this 8th day of April, 2015.

NOTE: An audio tape of this meeting is available for purchase by the public or interested parties.

BOARD OF DIRECTORS FOR THE
COLUMBIA COUNTY DEVELOPMENT AGENCY

By: _____
Anthony Hyde, Chair

By: _____
Earl Fisher, Vice-Chair

By: _____
Henry Heimuller, Secretary/Treasurer

By: _____
Cynthia Zemaitis, Acting
Board Office Administrator