

**VILLAGE OF CHAGRIN FALLS  
FINANCE COMMITTEE  
January 23, 2017**

Members present: Maersch, DeBernardo, Newell  
Also present: Mayor Tomko, Bloom, Himes, Markowitz, Berkobein

The meeting was called to order at 6:13 p.m. by Chairman Karl Maersch.

**CAPITAL BUDGET FINANCING**

Mr. Himes went over the 2017 and 2018 Capital Project descriptions and noted which ones have been moved up on the schedule.

Matt Stuczynski, MAS Financial Advisory Services LLC, explained the process of obtaining bonds for the purpose of accelerating the Capital Projects.

The Summary Comparison of RFP responses, Various Purpose Improvement Bonds, Series 2017, and the Financial Institution Proposal were reviewed and discussed.

Moved by Mr. Newell, seconded by Mrs. DeBernardo that we make the recommendation to Council tonight to authorize the Mayor to enter into a contract with MAS Financial Advisory Services, LLC for the purpose of facilitating the issuance of improvement bonds, authorizing the Mayor to seek bids for issuance of the improvement bonds, and authorizing the Mayor, Law Director, and MAS Financial Advisory Services, LLC to obtain bond counsel. Carried. Ayes: Maersch, DeBernardo, Newell. Nays: None.

The meeting adjourned at 6:51 p.m.

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Karl Maersch, Chairman  
lgb

City of Chagrin Falls, Ohio  
 Summary Comparison of RFP responses  
 Various Purpose Improvement Bonds, Series 2017

<u>Financial Institution Proposal</u>		Capital One (a)	Capital One (b)	Capital One (c)	Huntington (a)	Huntington (b)	Key Bank (a)	Key Bank (b)	<b>Preferred Financing Solution</b>
									Chase
Fixed Rate thru Final Maturity		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Final Maturity	10 yr	12/1/2027			12/1/2027		12/1/2027		12/1/2027
	14-15 yr		12/1/2032			12/1/2031		12/1/2032	
	20 yr			12/1/2037					
Interest Rate		2.95%	3.45%	3.95%	3.00%	3.25%	2.94%	3.18%	2.50%
Optional Redemption		12/1/2022	12/1/2024	12/1/2027	12/1/2024	12/1/2027	12/1/2022	12/1/2027	12/1/2022
Bank Counsel Fee									\$1,500
Bank Fee					\$2,000	\$2,000			

Recap Analysis

<b>\$1.0 Million Bond Issue</b>				
Total Interest Expense		\$465,626	\$251,506	\$143,625
Total Principal & Interest Expense		\$1,465,626	\$1,251,506	\$1,143,625
<b>Average Annual Debt Service</b>		<b>\$73,281</b>	<b>\$83,434</b>	<b>\$114,362.50</b>
<b>\$1.2 Million Bond Issue</b>				
Total Interest Expense		\$558,451	\$327,508	\$171,125
Total Principal & Interest Expense		\$1,758,451	\$1,527,508	\$1,371,125
<b>Average Annual Debt Service</b>		<b>\$87,923</b>	<b>\$101,834</b>	<b>\$137,113</b>

**2017 Projects**

Capital Project Description	Capital Funds		
	GF	Water	Sewer
Walters Road Reconstruction (road & drainage portion)	350,000		
water		165,000	
sewer			150,000
sidewalks	100,000		
High Court	20,000		
River Street	36,000		
water		175,000	
sewer			122,500
West Street	17,500		
water		55,000	
sewer			38,500
Carriage Stone/Monticello	220,000		
Bell Street Curb	30,000		
Fire Department Apron	15,000		
Salt Building Replacement	425,000		
Police Department (phase III)	100,000		
Pedestrian Safety Study - Implementation	140,500		
Sidewalk Repair Program	40,000		
Hickory Hill Slope Failure	149,201		
Meadow Lane Riverbank Stabilization			148,000
Bell Street Storm Outfall Erosion Repair	20,000		
1/2 sewer jet/vac truck	203,000		
1/2 sewer jet/vac truck			203,000
ODOT invoice for Mill Street	98,531		
OPWC loan payments (solon road)		17,441	
Loan Payments (Falls, Rd, W. Wash., Ridgewood)	32,238		
Riverside Park- Library/Arboretum path	120,000		
Cemetery Expansion	14,000		
Parking improvements	270,000		
Rebuild Cash Balances	100,000		
<b>Subtotals</b>	<b>2,500,970</b>	<b>412,441</b>	<b>662,000</b>

funding applications		comments
grant	loan	
181,250	543,750	OPWC grant \$181,250 and loan of \$543,750 pending
		assess cost to benefitting properties
136,250	408,750	OPWC grant of \$136,250 and \$408,750 loan pending (river and west)
		moved up from 2018
		place holder
120,000		grant for \$120,000 pending \$33,000 if no grant
		60% grant pending recover 22% of local cost from geauga county
88,800		savings of about \$25,000 per year in rental costs
		potential funding from Naturworks, Jaycees and donations
		assumes \$120k enforcement software, \$80k kiosks, \$70k meters
		place holder
526,300	952,500	

Cash Balances	378,274	118,679	488,107
Revenue	575,000	100,000	50,000
Grants	120,000	317,500	88,800
government loans	317,500	317,500	317,500
bank loans	1,200,000		
<b>Subtotal</b>	<b>2,590,774</b>	<b>853,679</b>	<b>944,407</b>

assumes \$500kGF; \$50k parking; \$25k sewer jet savings  
assume grants applied to water as priority  
assume total loans split evenly between accounts

**2018 Projects**

Capital Project Description	Capital Funds		
	GF	Water	Sewer
Hawthorne Dr.	68,500		
Somerset Dr.	22,500		
Greenbrier Dr.	75,000		
water transmission line extension to Solon Road		100,000	
Greenhaven Dr.	22,500		
Greenbrier Subd. Storm sewer lining	200,000		
Cottage Street - West	40,000		
water		200,000	
sewer			200,000
Stanridge	37,500		
Willow Lane	40,000		
Center Street	82,500		
water		280,000	
sewer			280,000
OPWC loan payments (solon road)		17,441	
2017 government loan payment	15,875	15,875	15,875
2017 bank loan payment	139,000		
Loan Payments (Falls, Rd, W. Wash., Ridgewood)	32,238		
Sidewalk Repair Program	40,000		
Triangle Park Sidewalk replacement	40,000		
*Rebuild Cash Balances	100,000		
Subtotals	955,613	613,316	495,875

funding applications		comments
grant	loan	
		cost needs to be verified
		zero interest OPWC loans assuming 20 year term assumes 10 year at 3% interest
0	0	

Cash Balances	89,804	441,238	282,407
Revenue	785,000	150,000	50,000
Grants			
government loans			
bank loans			
Subtotal	874,804	591,238	332,407

assumes \$650k GF; \$100k parking, \$10k sdwk assmnt, \$25k sewer jet savings