

MINUTES OF  
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Minutes of the Regular Meeting of the Board of Directors

June 18, 2012

MEMBERS PRESENT: Briane House  
Sahara Williams  
Fred Miller  
Jim Carr  
Claudia Cummings

BOND BANK PRESENT:

Deron Kintner	Kyle Willis
Kris Butler	Laurie Canatsey
Monica Durrett	

OTHERS PRESENT:

Jim Merten, City Securities	Dennis Otten, Bose McKinney
Nancy Dorsa, JPMC	Kim Wilson, UMB
Sharon Karst, BNY Mellon	Pam Cole, U.S. Bank
Jeff Qualkinbush, Barnes & Thornburg	Julia Watson, IDI
Eric Green, Backstrom McCarly	Sue Beesley, BGD

A Regular Meeting of the Indianapolis Local Public Improvement Bond Bank (“Bond Bank”) convened at 12:05 p.m., Monday, June 18, 2012 in the City-County Building, 200 East Washington Street, Suite 107, Indianapolis, Indiana, pursuant to notice given in accordance with IC 5-14-1.5. Mr. House after determining that a quorum was present called the meeting to order.

Mr. House asked for approval of the minutes of May 21, 2012. Mr. Miller made the motion to approve, seconded by Ms. Williams. All voted in favor and the motion passed.

The first to be discussed was Resolution No. 4 - 2005A Pension Bond Refunding. Mr. Kintner stated that Resolution No.4 authorizes the refunding of the 2005A Pension bonds. The bonds were issued in 2005 for the purpose of providing the subsequent three (3) years of required City pension contributions. The 2005 bonds were issued at \$100 million, with \$55 million currently outstanding. The new refunding would be approximately \$48 million, leaving approximately \$10 million of the original issue

outstanding. The current interest rate on the 2005A bonds is 5%, while today's market is closer to 2%. The approximate savings would be \$3 million and the maturity would not be extended. He then explained that although the Bond Bank staff was seeking approval now, they may not go to the market until later in the year as the rates may change.

Ms. Williams asked if the \$3 million in savings was through 2022. Mr. Kintner stated that it would be an overall net present value (NPV) savings.

There were no further questions. Mr. House asked for a motion to approve Resolution No. 4 - 2005A Pension Bonds. Mr. Carr made the motion to approve, seconded by Ms. Cummings. All voted in favor and the motion passed.

Next was the introduction to the Indianapolis Bond Bank's audited financial statements. Mr. Ben Kimmerling of Somerset CPAs presented. He went over the detailed information in the audit report and stated that it was a standard clean opinion. Mr. Kimmerling gave a summary of the Bond Bank's internal control and discussed the segregation of duties, which is difficult for the Bond Bank to accomplish due to a small staff. However, the Bond Bank has done a good job of utilizing outside entities to provide additional oversight. Mr. Kimmerling went on to cover the variable rate swaps. Mr. House asked about the fixed rates on swaps for the Indianapolis International Airport (IAA) and the Circle Centre Mall.

Mr. Kintner then stated that this was a preliminary overview of the Bond Bank financials and he would come back before the Board in July for final acceptance.

Next, Mr. Kintner informed the Board of upcoming refundings. He also informed the Board that the Tax Increment Finance (TIF) Study Commission's report should be completed by the following Thursday.

There were no other questions. Mr. House asked for a motion to adjourn. Ms. Williams made the motion, seconded by Ms. Cummings. All voted in favor and the meeting was adjourned at 12:20p.m.