

MINUTES OF
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Minutes of the Regular Meeting of the Board of Directors

November 17, 2014

MEMBERS PRESENT: Fred Miller
Jim Carr
John Williams
Sahara Williams
Melissa Bailey-Comstock

BOND BANK PRESENT:

Gregory Clark	Brad Busse
Monica Durrett	Kyle Willis
Adam Collins	Isaiah Kuch
Kurt Fullbeck	Laurie Canatsey
Russell Hollis (intern)	

OTHERS PRESENT:

Sue Beesley, Bingham Greenbaum Doll	Eric Green, Backstrom McCarly
Maranda Johnson, Huntington	Katie Aeschliman, BMO Harris Bank
Nancy Dorsa, JP Morgan	Diana Hamilton, Sycamore Advisors
Miranda Johnson, Huntington Bank	Curt Fritch, CRF Group
David Corbitt, Krieg DeVault	Mark Hudson, Huntington
Joe Nixon, Frost Brown Todd	Sharon Karst, BNYM
Nathan Flynn, Fifth-Third	

A Regular Meeting of the Indianapolis Local Public Improvement Bond Bank (“Bond Bank”) convened at 12:05 p.m., Monday, November 17, 2014 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, Chairman James Carr determined that a quorum was present and the meeting was called to order.

First order of business was the approval of the minutes of October 20, 2014. J. Williams made the motion to approve, seconded by Bailey-Comstock. All voted in favor and the motion passed.

Next, Greg Clark discussed the Bond Bank's proposed 2015 budget. He pointed out some discrepancies and requested that the Board look at it as a developing budget since there are still fees outstanding. He stated that there has been a fall-off in revenues, mainly due to less debt that is outstanding. Current projected revenues for 2015 are at \$2.6 million and there are approximately \$2.8 million in expenses. He explained some of

the changes with the line items, and pointed out that professional services and Union Station expenses were decreased. Clark then explained an inclusion of \$100K to Live Indy, at the request of the City of Indianapolis. He stated that there should be more information on projected revenues and expenses at the December meeting for the approval of the next year's budget. He then stated that the revenues are based conservatively upon the lowest fees possible. Clark asked if there were any questions.

There being none, Clark stated that he would keep the Board apprised of any developments leading up to the December meeting.

Next discussed was the Personnel Exchange Policy. Clark stated that he sent the Board a copy of the policy prior to the meeting. The policy deals with individuals that are employed by the Bond Bank, but may have assigned duties outside of the Bond Bank. The policy is being presented for the consideration of the Board. Clark stated that there is a request from the City that the Bond Bank consider continuing payment of salaries for the Deputy Mayor and one other employee. The policy was written in order to determine how best to address the uniqueness of the employee's salary on an annual basis. Clark asked if there were any questions.

Miller stated that he had a motion for the Board. Miller moved that *"the Bond Bank deny the request to pay the salaries of the Deputy Mayor of Economic Development and Sr. Policy Advisor for the City, and further move that the adoption of the policy guidelines for personnel exchange not be considered at this time."* The motion was seconded by S. Williams and J. Williams. All voted in favor and the motion passed.

Next, Clark discussed another policy: Advancing Costs for QE's. Clark stated that traditionally the Bond Bank has paid for upfront costs to explore the desirability and feasibility of projects throughout the City. He stated that during the prior meeting there were some concerns raised regarding how the funds are accounted for, and how they are expended. He explained the draft of the policy and how the Board could govern over the advancement and reimbursement of the expenditures. He then stated that the City relies on the Bond Bank for upfront costs for projects because of the makeup of the Bond Bank. He stated that from a policy standpoint this will outline how the Bond Bank can account for upfront costs and how they will be repaid. Carr stated that the Board had a concern from the auditor's viewpoint regarding having the appropriate controls in place for expenditures. Carr then stated that there was two proposed policies presented, one being more restrictive. Clark stated that was correct, and explained the differences between the two. There was further discussion as to how to make the policy work for all parties involved.

Miller asked Clark if the prior board approval for payment of upfront expenses would be too difficult. Clark stated that for the vast majority of items, there needs to be some flexibility for the Executive Director to approve expenses. S. Williams stated that upfront costs should be listed as an expense, also listed as revenue since the Bond Bank is expecting payment. She then stated that there should also be some type of contract for repayment. She stated that there should be a policy that puts a limit on the Executive Director authorizing the amount. Clark agreed and stated that the costs are sometimes taken on to explore or identify if it could become a project. Carr stated that there can be

some type of classification of the expense that goes in the budget on a project basis. Clark then stated that he would like some direction from the Board and their thoughts on policies and the request from the City. S. Williams stated that with any expenditures of the Bond Bank there is an obligation to have the expenditures listed in the budget. She then stated that there needs to be a policy in place in how the Board asks the Executive Director to administer that line item. (J. Williams and M. Bailey-Comstock left the meeting at 12:40p.m.). Clark restated what S. Williams proposed for clarification.

Next, Clark discussed upcoming projects. He stated that the IndyRoads project would come before the Board at the December meeting. The initial issuance is for up to \$70 million however since only half has been appropriated the first issuance will not exceed \$35 million. He stated that the measure is necessary in order to protect the qualified entity. He then stated that once the City County Council identifies the projects for the remaining \$35 million, the Bond Bank will bring issuance for the remaining \$35 million before the Board. Clark stated that those bonds could price mid-January 2015. Clark then stated beginning of 2015 there be an issuance within the Consolidated TIF for the Angie's List Project. He also stated that the Bond Bank is looking at whether the BroadRipple project should be a placement or what other measures would be feasible.

S. Williams thanked Clark for gathering the information. Clark thanked the staff. He then introduced Russell Hollis, the Bond Bank's legal intern. Russell is nearing completion of his law degree from the IU Indy School of Law.

Carr asked for a motion to adjourn. S. Williams made the motion, seconded by F. Miller. All voted in favor and the meeting was adjourned at 12:45 p.m.