

TUESDAY, OCTOBER 27, 2015

**APPROVED MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING HELD**

**STATE OF MINNESOTA)
COUNTY OF DODGE)**

**COUNTY ADMINISTRATION OFFICE
MANTORVILLE, MN**

2015-20 C.O.W.

The Dodge County Commissioners met in Committee of the Whole October 27, 2015, in the County Board Room at the Dodge County Government Services Building, Mantorville, MN, at 4:30 p.m. CDT. Chair John Allen opened the meeting at 4:30 p.m. CDT.

Meeting Convened

The Chair acknowledged those present:

Those Present

Members present:	John Allen	District #1
	Tim Tjosaas	District #2
	David Erickson	District #4
	Steven Gray	District #5
Members absent:	Rodney Peterson	District #3
Also present:	Jim Elmquist	County Administrator
	Becky Lubahn	Deputy Clerk
	Lisa Kramer	Finance Director

Finance Director Lisa Kramer met with the Board to discuss an Ag Society Loan refinance request with Home Federal Bank.

Fair Board Loan
Refinance Request
Reviewed

In 2005/2006 the Dodge County Agricultural and Mechanical Society entered into two loans at Kasson State Bank, one for \$15,000 for equipment and the other for \$160,000 for the construction of the office building. The equipment loan was paid off in subsequent years; the other loan has been refinanced once in 2011 when the first balloon payment came due. The original loan was at 6% interest and the current loan is at 4.5% interest. The Ag Society would like to refinance the loan again to secure a new lower rate of 3.95% and extend the payments out until 2021 when a new balloon payment would be due.

Ms. Kramer included in the Board packet a letter from Home Federal detailing what the bank would need to refinance the loan. The Finance Director also spoke with Matt Bradford at the bank on Tuesday, October 20, 2015 regarding the loan and the County's role as co-signer. If the County does not co-sign the building loan, the bank will call the loan and will not refinance this loan. If the County would co-sign the refinance, Ms. Kramer discussed with Matt Bradford the structure of the refinance, if approved, and highly recommended that the loan be structured to maintain the same payment as the current loan so the Ag Society could pay off more principal in the next five years.

The Finance Director reported the County does not have the authority to co-sign loans for the Agricultural and Mechanical Society and included in the Board packet the finding from the County's 2006 audit explaining this. The County does however have authority to appropriate funds to the Dodge County Mechanical and Agricultural Society.

Ms. Kramer stated the current reality is that the County did co-sign the original loan in 2005 and that loan was refinanced in 2010 carrying forward the guarantee from the County, so the County is currently listed as the guarantor of this loan.

Fair Board Loan Refinance Request Reviewed - Continued

Commissioner Erickson clarified that it's county property but the Fair Board has their buildings on our property. Mr. Erickson reiterated the county can't co-sign the loan.

Brief discussion took place regarding the fact that the county is already a co-signer of the loan and therefore would be responsible for making payments if the Fair Board defaults on the loan.

Commissioner Peterson arrived to the meeting at 4:31 p.m. CDT.

Commissioner Peterson Arrives

It was Commissioner Allen's opinion the county should allow Home Federal Bank to carry over the County's guarantee for the Agricultural and Mechanical Society's building loan in order to refinance the loan to a lower interest rate and be prepared to pick up the slack where needed. Mr. Allen stated he is in favor of the County co-signing the note and the Fair Board keeping the payments as is in order to help pay down the principal. Commissioner Allen was hopeful the Ag Society would continue to make their loan payments.

Fair Board Loan Refinance Request Reviewed - Continued

The Finance Director informed the Board the Ag Society has been making the required loan payments.

Commissioner Tjosaas wanted to know what the balance of the building loan was.

Ms. Kramer reported she believes the balance of the loan is approximately \$119,000.

Commissioner Peterson stated the county has two options, co-sign the loan or pay it off completely.

It was noted the Board will be asked to take action on the Fair Board loan refinance request during the full Board meeting later today.

Public Health Director Amy Roggenbuck provided the Board with a South Country Health Alliance update.

South Country Health Alliance Update

Ms. Roggenbuck reported that South Country will be allowed to continue to offer their services, although they won't be the county's default provider. It was noted South Country is however the default for Minnesota Care.

Enrollment deadlines were discussed.

Commissioner Erickson informed the Board enrollment has to be done by the end of the month.

South Country
Health Alliance
Update - Continued

Commissioner Gray wanted to know if the county could provide a summary sheet of services.

Commissioner Erickson reported there is already a publication like this out there that explains the different products.

The Connector position was briefly discussed.

The Public Health Director thanked the Board for their support of South Country.

The Board thanked Ms. Roggenbuck for the update.

The Chair adjourned the meeting at 4:54 p.m. CDT.

Meeting Adjourned

ATTEST:

**JOHN ALLEN
CHAIR, COUNTY BOARD**

**BECKY LUBAHN
DEPUTY CLERK**

DATED: