

County Executive's Report
April 8, 2019

- Connie Aytes, Scott Gibson and I were on a conference call with Standard and Poor's last week preparing for a bond rating for the \$7.1 million school bond. The bond rating was just received before tonight's commission meeting and is a "AA"
- Before commission tonight is a \$10 million loan proposal for road construction due the recent weather damages. We will talk more about this potential issue once the resolution is on the floor. I would like to take time to tell you about our debt process.
 1. The \$7.1 million school bond is a long term 30 years fixed rate.
 2. The proposed \$10 million is a variable rate, short term loan on a draw down basis.
 3. We anticipated a lower rate on the \$10 million due to short term and variable. Further, since going short term and variable rate on the \$10 million and we are getting a rating on the issuance of \$7.1 million we anticipate the cost to go to market to be cheaper on the \$10 million assurance.
 4. \$7.1 million is all funded at once.
 5. \$10 million is a draw down loan.

What I don't want someone to say is we should always use the loan option. There are many different factors in making decision on issuance of debt. My guess is that there could be a 2% difference in the interest rate due to fixed variable and length of the term.

- We anticipate the Swan Pond Sport Complex sampling to start the week of April 15, 2019.
- We are currently working on the 2020 budget.
- The Roane Alliance has elected a New President/CEO, Pam May.
- A number of resolutions have been filed. I will be glad to address any question at the appropriate time.
- A monthly financial report has been distributed to each seat.
- The jail study committee traveled to Nashville last week, those minutes will be filed in May.