

Briarbrook Community Improvement District Minutes
Thursday, October 18, 2018
3:30 p.m. Work Session

1. Jim Hackney called the meeting to order. **Members in attendance:** Jim Hackney, Jason Teeter, Elbert Smith, Mike Saale, Tammy Thomas. Marcus Patton arrived 4:32 p.m.
Absent: Chris Moudy

2. **Agenda**—Added a discussion of new housing development in Ward 3
Tammy Thomas moved to amend the agenda to reflect the changes. Mike Saale seconded.
Passed: 5-0

3. New Business

a. Discussion of refinancing BCID bond

Presentation by: Charles Zitnik, Senior Vice President, D A Davidson & CO and

Via telephone conference: Shannon Creighton, Gilmore and Bell

2011 Bond was issued for 1.9 Million

Bond matures December 31, 2030

Jason Teeter asked if the Board could amend the maturity date?

Ms. Creighton answered that 50% of Ward 3 voters would have to approve the change

Jason Teeter asked if we could add property to the Community Improvement District?

Ms. Creighton answered that it is easier to add property to the CID than to amend the petition. She also recommended going through IRS to make sure nothing has changed.

Reissuance of bond does not affect the tax exempt status

Mike Saale asked what happens if we don't pay off the bond before 2030?

The bond holder would have the right to collect the revenue and would have a lien on the property.

By refinancing the bond, we could save approximately \$10,000 per year and \$125,000 over the lifetime of the issuance. There would be fees associated with the refinancing, approximately \$57,900 plus IDA charges, placement of a trustee \$16,400 and registration fees.

The BCID has always paid their bills on time so that provides us a good credit rating.

Other project that we would like to include: Electrical and kitchen updates, finishing cart paths

How much could we borrow and still have the payments be around \$150,000?

Mr. Zitnik thinks that it is possible to raise the tax rate by September 2019 so that funds would be available by 2020. He thinks it would take 5 weeks, assuming the IDA is on board. The City of Carl Junction must adopt a resolution approving the location of the district project.

Jason Teeter asked if bank could loan the money and still have the loan be tax free?

Larry Cowger stated the bank could buy the bonds for their treasury, but must go through IDA to get tax exempt status. A bank can make a loan for a year and would request an audit that would cost \$12,000

b. New housing development is in Ward 3 but not in BCID. Tammy Thomas is checking with Steve Lauver to insure that the maps are drawn correctly. Mike Saale said that Schuber Mitchell needs additional roads to insure that fire trucks have quick access to all homes

Mike Saale moved the Board go into closed session. Marcus Patton seconded. Passed 6-0

4. Closed Session per Ra MO 610.021.2 Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore

Closed Session per Ra MO 610.021.3 Hiring, firing, disciplining or promotion of particular employees by a public governmental body when personal information about the employee is discussed or recorded.

Tammy Thomas moved to adjourn. Elbert Smith seconded. Passed 6-0

5. Adjournment:

Jennifer Gozia
Board Clerk