



City of Foley, AL

The City of Foley Public
Cultural & Entertainment
Facilities Cooperative
District
407 East Laurel Avenue
Foley, AL 36535

Meeting Minutes - Final

Public Cultural & Entertainment Facilities Cooperative District

Monday, December 21, 2015

3:00 PM

Conference Room

Call to Order

Chairman Floyd Davis called the City of Foley Public Cultural & Entertainment Facility District meeting to order at 3:08 p.m.

Roll Call

The following members were present: Chairman Davis, Member Ebert and Member Koniar. Absent: Members Newton and Welytok. Others present: Vickey Southern, Mike Thompson, Jeff Rouzie, Miranda Bell and Heyward Hosch.

Present: 3 - Floyd A. Davis, Charles Ebert III and J Koniar

Absent: 5 - Keith Newton, Mark Welytok, Mark Welytok, Mark Welytok and Mark Welytok

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Approval of the Minutes

[15-0755](#)

11-16-2015 PCEFCFCD Minutes

Attachments: [11-16-2015 PCEFCFCD MINUTES.pdf](#)

The Public Cultural and Entertainment Facilities Cooperative District Minutes of November 16, 2015 were unanimously approved on motion by Mr. Koniar and seconded by Mr. Ebert.

New Business

[15-0756](#)

A RESOLUTION AND ORDER TO ADOPT, APPROVE AND AUTHORIZE A POLICY AND PROCEDURES FOR COMPLIANCE OF TAX-EXEMPT BONDS WITH THE INTERNAL REVENUE CODE

Attachments: [Foley Cultural 2015. Minutes Re Tax Policy \(03475282\) 12-21-2015.pdf](#)

Mr. Heyward Hosch, the City's Bond Counsel, reported the resolution approves a policies and procedures for compliance of tax-exempt bonds with the

Internal Revenue Code.

This Resolution was unanimously adopted on motion by Mr. Ebert and seconded by Mr. Koniar.

Enactment No: 15-0019 PCEFCD

15-0758

A RESOLUTION ELECTING OFFICERS

The Resolution was unanimously adopted on motion by Mr. Ebert and seconded by Mr. Koniar.

Enactment No: 15-0020 PCEFCD

15-0759

A RESOLUTION AUTHORIZING (1) THE ISSUANCE AND SALE OF CULTURAL AND ENTERTAINMENT FACILITIES REVENUE BONDS, SERIES 2015, AND (2) THE EXECUTION AND DELIVERY OF FINANCING DOCUMENTS

Mr. Hosch reported this is for the entertainment facility financing. The total is \$15,285,000 payable over 30 years. The interest rates start at 2% and works it way up to approximately 3.5% - 3.7% in 2040 and 2045, respectively. They are limited obligations of the District and payable solely from money the City provides over the funding agreement or any revenues earned from the project itself. It is callable for redemption in November 2025. The members of the City and the District, board of directors are exempt from any liability. It is very much like the others that we've just done. Mr. Thompson pointed out that the City will actually be getting \$16.1 million instead of \$15,285,000. Mr. Hosch reported the bonds were issued at a premium so there is \$946,764 in premium the City will receive. The \$16.1 will be after you pay the underwriter at \$135,000. The City borrows \$15,285,000 and gets \$16,180,00. Mr. Thompson pointed out that is for 109,000 sq. ft. facility. They want to have enough funds to be able to construct a grounds maintenance building. Mr. Hosch reported the closing is set for December 29, 2015 (funding date).

Mr. Koniar reported they went before the Judge to get the project validated. Mr. Hosch reported it was validated December 7, 2015 and the appeal period runs out tonight.

The Resolution was unanimously adopted on motion by Mr. Koniar and seconded by Mr. Ebert.

Enactment No: 15-0021 PCEFCD

Updates

Mr. Thompson reported the deadline of how quickly the City needs to spend the money. One of the things they were trying to balance was getting this completed at a point in time where we could maximize an outstanding interest rate, which we did, but also trying to get this sold prior to the first of the year because Bob Young is trying to get our Refi for an existing bond that the City has and by separating out these bonds via calendar years he can save the City

additional funds. When Mr. Thompson first spoke to the Council it was thought the savings would be around \$250,000 and maybe jump up to approximately \$500,000 by separating the bonds but on Friday Mr. Young sent in another estimate and it appears that it will be a little of \$600,000. You will see the 2009 Refi coming the end of January. Mr. Thompson just wanted the District members to know why they did the bond now even though they might not be materially using the money until April. They will begin funding the architect right away. We knew the Feds were going to move the rates up and didn't know how that would affect our rates so we wanted to get that locked in and secondly we wanted to get some distance between these two bonding cycles.

Chairman Davis commented that it appeared there were a lot of City officials and elected officials paying attention to what is going on and that is a big savings. He thanked them. Mr. Koniar reported the bond rating remain at AA Stable from Standard and Poors, and AAA3 from Moody's. There only 34 cities/counties out of 500 in the State that have a rating that good. Mr. Hosch reported that is a very good rating.

Visitor Comments

There were no comments to report.

Adjourn

Hearing no further comments the meeting adjourned at 3:21 p.m.