

LINCOLN CREEK METRO DISTRICT

BOARD OF DIRECTORS MEETING MINUTES

APRIL 16, 2021

CALL TO ORDER

The meeting was called to order at 10:00 a.m. Board Members in attendance were Christy Reynolds, James Ballard, Jennifer Schmidt, Joseph Stice, and Pamela Boscoe. In attendance from MSI, LLC was Diana Jansen. Representing RBC was Tom Wendelin and Michael Persichitte. Legal counsel in attendance from Spencer Fane was Lisa Mayer.

PUPOSE OF THE MEETING

The purpose of the meeting was to discuss the current status of the District's Bond, and to discuss refinancing options.

OLD BUSINESS

- Item: Mill Levy & Bond
 - Discussion/Summary: A general discussion occurred recapping the District's current status of its Mill Levy and Bond. It was noted that the District is unable to make any payments on the principal balance due to the high interest rates.
 - Board Decision: The Board is interested in refinancing options.
 - Action: Legal counsel has set up a meeting with RBC to discuss what refinancing options are available to the Lincoln Creek Metro District.

NEW BUSINESS

- Item: Refinancing Options for the District
 - Discussion/Summary: A presentation was given to the Board by RBC of its two refinancing options. A general discussion occurred on the two main ways to refinance. These two options are as follow:
 - Bank Loan – interest rate is lower than traditional bonds (currently around 3.5%), term of payments can be between 5-30 years. The closing costs would be around \$117,000. This cost includes attorney fees and banker fees.
 - Bond – interest rate is higher than a bank loan and payment terms are longer. The closing costs would be around \$340,000 for a bond. This is due to the increased legal documents necessary for a bond.
 - The Board would like to refinance the bond with a bank loan. This will provide the ability to make payments toward the balance of the principle instead of just making payments only towards the interest of the bond (currently at 6.3%).
 - Board Decision: It was motioned, seconded, and received unanimous consent to request an engagement letter and move forward with pursuing a bank loan.

- Action: No action for MSI at this time.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 11:06 a.m.