

# **BEMIDJI ECONOMIC DEVELOPMENT AUTHORITY**

## **A G E N D A**

**January 3, 2017**

**6:00 p.m. (or soon thereafter)**

**City Hall Council Chambers**

1. CALL TO ORDER
2. APPOINTMENT OF OFFICERS FOR 2017
3. RESOLUTION AUTHORIZING PARTIAL PREPAYMENT OF 2007 TAXABLE BONDS
4. ADJOURN

## **B.E.D.A. AGENDA ITEM**



**Meeting Date: January 3, 2017**

**Action Requested: BEDA Annual Meeting and Appointment of Officers**

**Prepared By: Kay M. Murphy, Secretary** *Kay*

**Reviewed By: Nate Mathews, Executive Director**

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The Bylaws of the Bemidji Economic Development Commission provide for an annual meeting to be held in January of each year. The Bylaws further provide:

“That officers of the BEDA are elected annually at the annual meeting to be held in January of each year and are hereby authorized to perform the duties and powers of their respective offices as defined in Article II.”

The current BEDA officers are:

Rita Albrecht, President  
Ron Johnson, Vice President  
Nancy Erickson, Treasurer  
Nate Mathews, Executive Director  
Ron Eischens, Assistant Treasurer  
Kay Murphy, Secretary

### **Recommendation:**

Hold the annual meeting of the BEDA and elect officers in accordance with the Bylaws (available in my office) and appoint the officers for 2017 as:

Rita Albrecht, President  
Nancy Erickson, Vice President  
Dave Larson, Treasurer  
Nate Mathews, Executive Director  
Ron Eischens, Assistant Treasurer  
Kay Murphy, Secretary

## **BEDA AGENDA ITEM**



**Meeting Date:** January 3, 2017

**Action Requested:** Authorize partial prepayment of 2007 Taxable Bonds

**Prepared By:** Ron Eischens, Finance Director *Ron*

**Reviewed By:** Nate Mathews, City Manager

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In 2012 the City refinanced \$5.9 million of taxable bonds related to South Shore land purchases with interest rates ranging from 2 to 3.9%.

The bonds have a current balance of \$4,730,000 which the City can prepay beginning February 1, 2017. Doing so requires advance notice to bond holders.

Based on 2016 land sale proceeds and 2017 budgeted transfers, the City has the ability to pay off \$1,175,000 at this time, saving approximately \$25,000 in interest. Since the prepayment was not known when the budget was finalized, I did not include this in the 2017 budget, but will prepare a budget amendment to do so.

### **Recommendation:**

Approve the attached resolution calling for prepayment of \$1,175,000 of 2007 Taxable Bonds.

Extract of Minutes of Meeting  
of the Bemidji Economic Development Authority

Pursuant to due call and notice thereof, a regular meeting of the Bemidji Economic Development Authority, was held in the Authority offices, on Tuesday, January 3, 2017, commencing at \_\_\_\_ p.m.

The following members were present:

and the following were absent:

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Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION PROVIDING FOR THE PREPAYMENT  
AND REDEMPTION OF CERTAIN GENERAL OBLIGATION BONDS**

BE IT RESOLVED By the Board of Commissioners of the Bemidji Economic Development Authority (Authority) as follows:

Section 1. The Authority has previously issued and sold its Taxable General Obligation Refunding Bonds, Series 2012 (Bonds), dated January 25, 2012, in the total principal amount of \$5,915,000. Bonds maturing on or after February 1, 2018 are subject to redemption on February 1, 2017 and any date thereafter at a redemption price of par plus accrued interest to the redemption date in such order of maturity as determined by the Authority.

Section 2. It is determined that it is in the best interests of the sound financial management of the Authority and the City of Bemidji that the outstanding Bonds maturing on February 1 in the years 2026, 2027 and 2028, in the aggregate principal amount of

RESOLUTION CALLING FOR REDEMPTION

\$1,175,000 be redeemed and prepaid on February 1, 2017, and those Bonds are hereby called for redemption on that date.

Section 3. The Finance Director is authorized and directed to provide notice of redemption of the Bonds in the form attached hereto as Exhibit A to the registrar and to such other parties as necessary to provide for the redemption of the Bonds.

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)

COUNTY OF BELTRAMI)

I, the undersigned, being the duly qualified and acting Secretary of the Bemidji Economic Development Authority, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the Bemidji Economic Development Authority held on January 3, 2017, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the redemption of certain general obligation bonds of the Authority.

WITNESS my hand officially as such Secretary and the corporate seal of the Authority of Bemidji this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Secretary  
Bemidji Economic Development Authority

(SEAL)

**ATTACHMENT A**

**Notice Of Call For Redemption**

**Taxable General Obligation Refunding Bonds, Series 2012**

**Dated January 25, 2012**

**Bemidji Economic Development Authority  
City of Bemidji, Beltrami County, Minnesota**

Notice is hereby given that the Bonds of the above issue which mature on February 1 in the following years and amounts:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>CUSIP Numbers</u>
2026	\$395,000	3.60%	081386 AY0
2027	390,000	3.75	081386 AZ7
2028	390,000	3.90	081386 BA1

are called for redemption and prepayment on February 1, 2017. The Bonds will be redeemed at a price equal to their principal amount plus accrued interest to the date of redemption. Holders of such Bonds should present them for payment on or before said date, on which date they will cease to bear interest.

A form W-9, Payer's Request for Taxpayer Identification Number, must be completed and returned with the called bond or 31% of the bond redemption proceeds will be withheld. Payment of bonds to be redeemed will be made on and after February 1, 2017, by submitting said bond along with the completed form W-9 to the following address:

If you request payment of principal and/or interest via wire transfer, please be advised there is a wire transfer fee which will be deducted from your payment.

Additional information may be obtained from the undersigned.

Dated: \_\_\_\_\_

\_\_\_\_\_

\*The Registrar shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in this Notice of Redemption or on any Bond. They are included solely for convenience of the Holders.