

CITY OF SURPRISE

Surprise Municipal Property Corporation
16000 North Civic Center Plaza
Surprise, AZ 85374

December 16, 2015

MEETING MINUTES

CALL TO ORDER

President Ken Wright called the Surprise Municipal Property Corporation Meeting to order at 6:02 p.m. at Surprise City Hall, 16000 North Civic Center Plaza, Surprise, Arizona 85374, on Wednesday, December 16th, 2015.

ROLL CALL

In attendance with President Wright were Vice President Brucher and Secretary Gonzalez.

PLEDGE OF ALLEGIANCE

CURRENT EVENTS REPORT

None

STAFF REPORT

CALL TO THE PUBLIC

None

CONSENT AGENDA

None

REGULAR AGENDA ITEMS NOT REQUIRING A PUBLIC HEARING

- **Item 1: Consideration and action pertaining to approval of the November 19, 2014 minutes of the Surprise Municipal Property Corporation Board meeting.**
Vice President Brucher moved to approve the minutes of the November 19, 2014 MPC meeting as amended. President Wright seconded the motion. The motion passed with a vote of 2 ayes.
- **Item 2: Discussion of the Stadium Improvement / Refunding Bonds**
Andrea Davis, Assistant Finance director, discussed an overview to the changes made by City staff to the MPC 03 bonds. The MPC2003 bonds were refinanced at a lower interest rate and extended 4 years. Change resulted in generating \$1.3M in savings, \$18.9M of new money for stadium improvements and decreased annual payment from \$4.8M to \$4.0M.

President Wright asked if any consideration of issuing new bonds other than what has been issued was considered. No other bonds are planned at this time. Since the MPC03 issuance was refinanced, it will not be an MPC Board item moving forward.

• **Item 3: Discussion of the Annual Report of the Municipal Property Corporation (MPC) with the Arizona Corporation Commission.**

Andrea Davis, Assistant Finance Director went over the filing of the report with the MPC board members. Vice President Brucher inquired as to need of the MPC board for Bonds. Board is necessary as 2007 bonds are outstanding until 2025.

• **Item 4: Discussion of changes made by City staff to the MPC07 bond payment schedule.**

Andrea Davis, Assistant Finance Director discussed the changes made by City staff to the MPC07 bond schedule. Payments are similar to last year with no plans to refinance. Principal is being paid off ahead of schedule. \$1.78M paid on October 1st resulting in a \$543,000 savings. President Wright stated payments made early provide general public with more confidence.

Brucher asked for explanation of where funds are coming from to pay principal in advance. Lindsey Duncan explained sewer utility rates were set to cover P&I annually. President Wright asked about stormwater tax. Lindsey Duncan explained a stormwater utility was being discussed. The tax would help create operating revenues, capital revenues for stormwater improvements. It was discussed the average consumer increase will be \$1 to \$2 and has not yet been approved by Council. City council will look at figures for discussion, generally included in budget document and CAFR.

• **Item 5: Consideration and possible action to place items on future agenda.**

Secretary Gonzalez commended staff for their hard work. Brucher stated his self-employment does not allow to schedule meeting one year in advance. No other items were discussed.

OTHER BUSINESS

ADJOURNMENT

Hearing no further business, President Wright adjourned the Surprise Municipal Property Corporation at 6:23 p.m. and Brucher seconded the motion. Meeting adjourned.

STAFF PRESENT:

Lindsey Duncan, Finance Director; Andrea Davis, Assistant Finance Director; Randy Hyatt, Senior Financial Analyst; Debra Gallagher, Temp Administrative Services Assistant.