

STATE OF TEXAS  
COUNTIES OF POTTER  
AND RANDALL  
CITY OF AMARILLO

On the 22nd day of August 2016, the Amarillo-Potter Events Venue District Board of Directors met at 10:00 a.m. in regular session in Room 306, located on the third floor of City Hall at 509 Southeast 7<sup>th</sup> Avenue, Amarillo, Texas.

VOTING MEMBERS	PRESENT	NO. OF MEETINGS ATTENDED	NO. OF MEETINGS HELD SINCE APPOINTMENT
Glenn McMennamy, President	Yes	36	36
Terry Wright, Vice-President	Yes	35	36
Tom Bivins, Secretary	Yes	23	36
Dean Roper	Yes	27	35
Bill Brewer	Yes	20	24
Dale Williams	Yes	2	2
Vance Reed	Yes	20	36

Also in attendance were the following:

- |                 |   |
|-----------------|---|
| Mick McKamie    | City Attorney, City of Amarillo                         |
| Michelle Bonner | Assistant City Manager, City of Amarillo                |
| Laura Storrs    | Director of Finance, City of Amarillo                   |
| Sherman Bass    | General Manager, Civic Center Complex, City of Amarillo |
| Andrea McDonald | Recording Secretary, City of Amarillo                   |
| Virgil Bartlett | General Manager, Amarillo Tri-State Exposition          |
| Dan Quandt      | Vice-President, Amarillo Convention and Visitor Council |
| Steven A. Adams | Managing Director, Specialized Public Finance, Inc.     |

Mr. McMennamy established a quorum, called the regularly scheduled meeting of the Amarillo-Potter Events Venue District Board of Directors to order at 10:00 a.m., and the following items of business were conducted:

**ITEM 1:** Consider Minutes. Mr. McMennamy presented the minutes from the Regular Meeting held on March 21, 2016. A motion was made by Mr. Roper, seconded by Mr. Reed and unanimously carried to approve the minutes as presented with the exception of modifying item 7; to change the Board member who moved to approve the item from Mr. Brewer to Mr. Wright and reflect that Mr. Brewer abstained from the vote.

**ITEM 2:** Appointment of Treasurer. Mr. Wright made a motion to appoint the City of Amarillo’s Assistant City Manager, Michelle Bonner, as Treasurer to the Board’s current slate of Officers. Mr. Bivins seconded the motion and it carried unanimously.

**ITEM 3:** Discussion and Consideration of All Matters Incident and Related to the Issuance and Sale of “Amarillo-Potter Events Venue District Special Tax and Lease Revenue Refunding Bonds, New Series 2016”, Including the Adoption of a Resolution Authorizing the Issuance of Such Bonds. Mr. Adams reviewed that on August 18, 2016, underwriters led by Stifel, Nicolaus & Company, Inc. had priced the Amarillo-Potter Events Venue District \$5,085,000 Special Tax and Lease Revenue Refunding Bonds, New Series 2016. He explained that the Bonds received a AA+ rating by Standard & Poor’s Rating Services adding that the rating was based on the City of Amarillo’s lease backstopping the debt service payments. Mr. Adams reviewed the true interest cost of the Bonds were at 2.963% with present value savings of \$581,734. He noted the final maturity date would extend from 2035 to 2046 and if approved, the Bonds were expected to close on September 20, 2016. He reviewed from the Financing Timeline that the Bonds were on the City Council agenda for August 23, 2016. Ms. Bonner added that

Potter County had met and approved the refunding bond issue at their meeting held the same morning as, and prior to, the Venue District Board meeting. A motion was made by Mr. Reed, seconded by Mr. Brewer and carried unanimously to approve the issuance and sale of "Amarillo-Potter Events Venue District Special Tax and Lease Revenue Refunding Bonds, New Series 2016", including the adoption of a resolution authorizing the issuance of such Bonds.

**ITEM 4:** Discussion and Consideration of All Matters Incident and Related to Approving the First Amendment to Amended and Restated Lease between the District and the City of Amarillo, Texas, Including the Adoption of a Resolution Pertaining Thereto. Ms. Bonner explained that this item would extend the lease agreement between the District and the City of Amarillo, Texas to correspond with the maturities of the Bonds approved in Item 3. She added that the significance of Item 4 was the fact that the City of Amarillo was the secondary pledge on the Bonds. Mr. Bivins made a motion to approve the First Amendment to Amended and Restated Lease between the District and the City of Amarillo, Texas, including the adoption of a resolution pertaining thereto. Mr. Brewer seconded the motion and it carried unanimously.

**ITEM 5:** Discuss and Consider the Adequan Select World Championship Show. Ms. Bonner reported that at the March 2016 Venue District meeting, the Board reviewed the lease agreement with AQHA and the Amarillo Tri-State exposition and its inclusion of an amount up to \$25,000 to the Adequan Select World Championship in order to offset any potential decrease in State funding of the Event. She clarified that AQHA's intention was to use a benchmark amount of \$74,944. Ms. Bonner explained that because the funding amounts were rolled over into the District's 2016-2017 budget, there was no action needed for this item.

**ITEM 6:** Consider and Consider Amarillo-Potter Events Venue District Budget. Ms. Bonner presented the Amarillo-Potter Events Venue District Proposed Budget for the 2016-2017 fiscal year. She reviewed total expected revenues of \$3,076,097 versus total projected expenses of \$2,511,370 for an increase in the Reserve Balance of \$564,727. Ms. Bonner explained the division of the anticipated reserve balance between the Amarillo National Center at 60% in the amount of \$321,171 and the City of Amarillo at 40% in the amount of \$243,556. She reported an ending reserve balance of \$4,291,273 including \$500,000 in common reserves, \$1,941,160 for the Amarillo National Center and \$1,850,113 for the City of Amarillo. Mr. Wright motioned to approve the District's budget as presented with the amendment to the line item "other events" adjusted to reflect \$65,000 to other events and \$50,000 to the AQHA and adjusting the ANC Management Contract insurance amount of \$38,640 to \$60,000. Mr. Roper seconded the motion and it unanimously carried.

**ITEM 7:** Discuss and Consider Payment to the Amarillo National Center. Ms. Bonner presented an analysis at July 31, 2016 of projects funded at the Amarillo National Center (ANC) with a total dollar amount supported by District of \$252,471.51. She reviewed a separate analysis regarding event development at the ANC in the total amount of \$117,114.00 with corresponding events supported through July 31<sup>st</sup> by the District. Ms. Bonner explained that because the additional \$50,000 in funding to be used to offset expenses related to the Adequan Select World Championship Show was not listed separately in the District's budget this year, a Board approval was needed to place the funding under event development. A motion was made by Mr. Wright, seconded by Mr. Bivins and unanimously carried to approve the addition of \$50,000 to event development to offset expenses related to the Adequan Select World Championship Show.

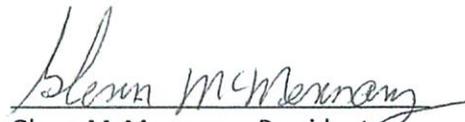
**ITEM 8:** Discuss and Consider Events at Amarillo National Center. Item 8 was discussed and considered along with Item 7 above.

**ITEM 9:** Consider Changes to the District's Investment Policy. Ms. Bonner stated that according to the Texas Public Funds Investment Act, the District's Investment Policy must be reviewed annually. Ms. Storrs reviewed that the City of Amarillo had hired a consultant to review the City's Investment Policy for best practices. She reviewed that the District's Policy had basically been modified to mirror the City's Certified Policy with some exception made to wording referring directly to the District. Ms. Storrs added that basically, changes were made to clean up

verbiage as had been recommended by the consultant. A motion was made by Mr. Reed, seconded by Mr. Williams and carried unanimously to approve the District's Investment Policy as presented.

ITEM 10: Public Forum. Mr. Quandt invited the Board to the Adequan hospitality event on August 30, 2016 from 6:00pm to 9:00 pm. He also noted that the National Cutting Horse Association would be returning to Amarillo over Las Vegas.

There, being no further business, the meeting adjourned at 10:50 a.m. This meeting was recorded and all comments are on file with the City of Amarillo's Finance Department.

  
Glenn McMennamy, President

ATTEST:

  
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Tom Bivins, Secretary  
Terry Wright, V.P.