

Doug Stone
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September 30, 2022

VIA E-MAIL AND FIRST CLASS MAIL

Ms. Tara Barreth, City Clerk
City of Osage Beach, MO
1000 City Parkway
Osage Beach, MO 65065

*Re: Osage Beach Commons Community Improvement District
Proposed Annual Budget (2023)*

Dear Ms. Barreth:

Pursuant to Section 67.1471.2 of the Revised Statutes of Missouri, enclosed is the proposed annual budget for the Osage Beach Commons Community Improvement District (the “District”) for the fiscal year ending December 31, 2023.

If you have any questions, please contact me.

Very truly yours,

LEWIS RICE LLC

Doug Stone

Doug Stone

DMG

Enclosure

cc: Tim Lowe, (via email w/encl.)
Ed Rucker, Esq. (via email w/encl.)
Missouri Department of Revenue (via email, w/encl.)
Missouri State Auditor (via email, w/encl.)

Osage Beach Commons Community Improvement District FYE December 31, 2023 Budget

BUDGET MESSAGE

The Osage Beach Commons Community Improvement District (the “**District**”) was formed as a political subdivision of the State of Missouri on June 29, 2017 by the Board of Aldermen of the City of Osage Beach, Missouri (the “**City**”) by Ordinance No. 17.44. The City, the District and TSG Osage Beach, LLC (the “**Developer**”) entered into a Cooperative Agreement dated March 1, 2018 (the “**CID Cooperative Agreement**”) pursuant to which the District agreed to undertake the “**District Projects**” (as defined in the CID Cooperative Agreement). Developer and City also entered into that certain Tax Increment Financing Redevelopment Agreement dated as of September 21, 2017 (as amended, the “**TIF Redevelopment Agreement**”) relating to the Osage Beach Commons Tax Increment Financing Plan (the “**TIF Plan**”).

The District has adopted a fiscal year beginning January 1 and ending December 31 of each year, the same as the fiscal year of the City.

The Petition to Establish the District (the “**Petition**”) authorized a sales and use tax at the maximum rate of one percent (1%) (the “**CID Sales Tax**”). At the initial meeting of the Board of Directors of the District held December 21, 2017, the Board of Directors passed a Resolution approving the one percent (1%) CID Sales Tax, subject to qualified voter approval. On June 22, 2022, the qualified voters approved the one percent (1.00%) CID Sales Tax by mail-in ballot election. Taxable retail sales began in the District in October, 2022. One half of the CID Sales Tax revenue is captured as economic activity taxes in accordance with the TIF Plan and TIF Redevelopment Agreement.

BUDGET SUMMARY

Pursuant to the CID Cooperative Agreement, the Developer is to advance the costs of the construction of the District Projects and the District's formation costs, administrative and operating expenses (the “**Loan**”). The Loan will be repaid from CID Sales Tax revenues in accordance with the terms of the CID Cooperative Agreement.

	<u>FYE 12/31/2023</u> ¹	<u>FYE 12/31/2022</u> ¹ (REVISED)	<u>FYE 12/31/2021</u>
<u>FUNDS AVAILABLE</u>			
Cash on Hand (Beginning of Fiscal Year)	\$6,655.57	\$0.00	\$0.00
<u>REVENUES</u>			
CID Sales and Use Tax ²	\$58,212.00	\$13,582.80	\$0.00
TOTAL REVENUES	\$64,867.57	\$13,582.80	\$0.00
<u>EXPENDITURES</u>			
Transfer to Special Allocation Fund	\$29,106.00	\$6,791.40	\$0.00
Reimbursement for District Administrative Costs	\$5,000.00	\$0.00	\$0.00
Reimbursement to Developer for District Project Costs	\$30,179.45	\$0.00	\$0.00
City Administration Fee (1.0% of Sales & Use Tax Revenue)	\$582.12	\$135.83	\$0.00
TOTAL EXPENDITURES	\$64,867.57	\$6,927.23	\$0.00
TOTAL ENDING BALANCE	\$0.00	\$6,655.57	\$0.00

¹ Estimated

² Revenue from the District's Sales and Use Tax began in FYE 2022. One-half of CID Sales and Use Tax is captured as economic activity taxes under the Osage Beach Commons Tax Increment Financing Plan.