

RESOLUTION NO. 23-003

A RESOLUTION OF THE SHOPPES AT WARRENTON COMMUNITY IMPROVEMENT DISTRICT AMENDING THE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2023; APPROVING THE PROPOSED BUDGET OF THE DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2024, WITH INSTRUCTIONS TO FORWARD SAME TO THE CITY OF WARRENTON, MISSOURI, THE MISSOURI DEPARTMENT OF REVENUE, AND THE OFFICE OF MISSOURI STATE AUDITOR IN COMPLIANCE WITH THE COMMUNITY IMPROVEMENT DISTRICT ACT; AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Shoppes at Warrenton Community Improvement District (the “*District*”) is a community improvement district and a political subdivision of the State of Missouri organized under the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “*CID Act*”); and

WHEREAS, Section 67.010 of the Revised Statutes of Missouri, as amended, requires each political subdivision of the State of Missouri to prepare an annual budget prior to the beginning of the ensuing fiscal year; and

WHEREAS, Section 67.030 of the Revised Statutes of Missouri, as amended, allows each political subdivision to revise, alter, increase or decrease the items contained in the budget; provided that in no event shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year; and

WHEREAS, Section 67.1471 of the CID Act requires that the District submit its proposed annual budget to the City of Warrenton, Missouri’s (the “*City*”) Board of Aldermen, the Missouri Department of Revenue, and the Office of Missouri State Auditor.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHOPPES AT WARRENTON COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

Section 1. Amendment of the Budget for the Fiscal Year Ending June 30, 2023. The District’s Board of Directors hereby amends the budget of the District for the fiscal year ending June 30, 2023 as set forth on **Exhibit A**, attached hereto and incorporated herein by reference.

Section 2. Approval of the Budget for the Fiscal Year Ending June 30, 2024. The budget of the District for the fiscal year ending June 30, 2024 is hereby approved as set forth on **Exhibit A**, attached hereto and incorporated herein by reference.

Section 3. Secretary or Assistant Secretary to Forward Proposed Budget to the City, the Missouri Department of Revenue, and the Office of Missouri State Auditor. The Secretary or Assistant Secretary or his or her designee shall submit a copy of the proposed budget referenced in Section 2 of this Resolution to the to the City Clerk of the City for the City’s review and comment, the Missouri Department of Revenue, and the Office of Missouri State Auditor. If the District does not receive written comments from the Board of Aldermen of the City on or before the date that is the later of

(a) 60 days prior to the first day of the fiscal year ending June 30, 2024, or (b) 30 days after submission of the budget to the City, the proposed budget shall become the final budget.

Section 4. District Officers to Execute Resolution. The Chair or Vice Chair of the Board of Directors of the District is hereby authorized and directed to execute this Resolution for and on behalf of and as the act and deed of the District and the Secretary or Assistant Secretary of the District is hereby authorized and directed to attest to this Resolution.

Section 5. Further Authority. All actions heretofore taken by the authorized officials, officers, representatives, agents and employees of the District in connection with the transactions contemplated by this Resolution are hereby confirmed and approved, and the District shall, and the officials, officers, representatives, agents and employees of the District are hereby authorized and directed to, take such further action, and execute and deliver such other documents and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 6. Severability. The sections, paragraphs, sentences, clauses and phrases of this Resolution shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of this Resolution are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the District has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 7. Governing Law. This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 8. Effective Date. This Resolution shall take effect and be in full force upon its passage by the Board of Directors of the District.

(The remainder of this page is intentionally left blank.)

Passed this 16th day of March, 2023.

I, the undersigned, Chair of the Shoppes at Warrenton Community Improvement District, hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the District at a meeting held, after proper notice, on March 16, 2023.



**SHOPPES AT WARRENTON COMMUNITY
IMPROVEMENT DISTRICT**

Chair, Board of Directors

WITNESS my hand and official seal this 16th day of March, 2023.

ATTEST:

Assistant Secretary, Board of Directors

EXHIBIT A

**SHOPPES AT WARRENTON
COMMUNITY IMPROVEMENT DISTRICT**

AMENDED BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2023

AND

PROPOSED BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2024

Chair/Executive Director/Director
Bryan King

Bradford H. Proctor
Secretary/Treasurer/Director

Brandie Walters
Director

Dana Belaska
Vice Chair/Director

Wendy Walters
Assistant Treasurer/Director

Assistant Secretary
Dana Kramer

BUDGET MESSAGE BY CHAIR BRYAN KING

On March 19, 2019, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “*CID Act*”), the Shoppes at Warrenton Community Improvement District (the “District”) was established by Ordinance No. 2459 (the “*Ordinance*”) of the City of Warrenton, Missouri (the “*City*”). The District is a political subdivision of the State of Missouri.

On March 21, 2017, the City’s Board of Aldermen adopted Ordinance No. 2325 authorizing the City to execute and enter into a Redevelopment Agreement dated as of March 21, 2017 (the “Original Agreement”) with RAK Development, L.L.C. (the “*Prior Developer*”). On March 9, 2018, pursuant to an Assignment and Assumption of Redevelopment Agreement between the Prior Developer and Warrenton Shopping Center LLC (the “*Developer*”), the Prior Developer assigned, transferred, set over and conveyed to the Developer all of its right, title and interest in, to and under the Original Agreement. On March 26, 2019, the District’s Board of Directors adopted Resolution No. 19-003 approving and authorizing the execution of a First Amendment to Redevelopment Agreement (the “*Amendment*”), amending the Original Agreement. The Original Agreement and the First Amendment were further amended by the Second Amendment to Redevelopment Agreement (the “*Second Amendment*”), pursuant to Resolution No. 21-005 approved by the District’s Board of Directors on December 30, 2021, (the Original Agreement as amended by the Amendment and the Second Amendment is referred to herein as the “*Agreement*”).

As set forth in the Ordinance and the Agreement, the District is to assist in financing the RPA 1 Redevelopment Project (as defined in the Agreement) as permitted under the CID Act, with the District’s CID Sales Tax (as defined herein) revenues to be applied to the payment of TIF Obligations (as defined in the Agreement).

On March 26, 2019, pursuant to Section 67.1545 of the CID Act, the District’s Board of Directors adopted Resolution No. 19-004, authorizing the District to impose a community improvement district sales and use tax on all taxable sales within the District in accordance with Section 67.1545 of the CID Act (the “*CID Sales Tax*”), which CID Sales Tax became effective as of October 1, 2019, following approval of the CID Sales Tax by the qualified voters of the District at an election held in accordance with the CID Act on June 11, 2019.

On December 30, 2021, the Board of Directors adopted Resolution No. 21-006, approving the issuance, execution, delivery and sale of the City of Warrenton’s Tax Increment and Improvement District Revenue Bonds (Warrenton West Development – Redevelopment Project Area 1), Series 2022 (the “*Bonds*”) for the purpose of (a) reimbursing the Developer and Rural King Realty, LLC for certain eligible costs under the TIF Act and the Agreement, (b) funding a debt service reserve fund for the Bonds and (c) paying the costs of issuance of the Bonds, including certain CID Documents, as defined in Resolution No. 21-006, including the Special Taxing District Pledge Agreement between the District and the City (the “*Pledge Agreement*”), to document and pledge, subject to annual appropriation, CID Sales Tax Revenues to the City for repayment of the Bonds, all capitalized terms as defined in the Pledge Agreement.

During the fiscal year ended June 30, 2019, the District received \$0 in revenues and had \$0 in expenditures.

During the fiscal year ending June 30, 2020, the District received \$23,087 of CID Sales Tax revenues and \$1 of interest income. The District had \$0 expenditures.

During the fiscal year ending June 30, 2021, the District received \$201,468 of CID Sales Tax revenues and \$68 of interest income. The District had total expenditures of \$36,751, consisting of bank fees of \$167 and legal and administration fees of \$36,584.

During the fiscal year ending June 30, 2022, the District received \$213,874 of CID Sales Tax revenues and \$0 of interest income. The District had total expenditures of \$308,071, consisting of an allocation of \$305,594 to the City for project debt, an allocation of \$30,510 of the CID Sales Tax that constitutes economic activity taxes subject to capture in accordance with the TIF Act, an allocation of \$30,510 of CID Sales Tax Revenues in accordance with the Special Taxing District Pledge Agreement, bank fees of \$40, audit fees of \$0, legal and administration fees of \$13,417 and insurance expenses of approximately \$0.

During the fiscal year ending June 30, 2023, the District anticipates approximately \$227,450 of CID Sales Tax revenues and approximately \$10 of interest income. The District anticipates total expenditures of approximately \$230,126, consisting of allocation of approximately \$114,297 of the CID Sales Tax that constitutes economic activity taxes subject to capture in accordance with the TIF Act, an allocation of approximately \$99,337 of CID Sales Tax Revenues in accordance with the Special Taxing District Pledge Agreement, bank fees of approximately \$0, audit fees of approximately \$3,000, insurance expenses of approximately \$3,000 and legal and administration fees of approximately \$10,492.

During the fiscal year ending June 30, 2024, the District anticipates approximately \$230,000 of CID Sales Tax revenues and approximately \$100 of interest income. The District anticipates total expenditures of approximately \$230,000, consisting of allocation of approximately \$115,000 of the CID Sales Tax that constitutes economic activity taxes subject to capture in accordance with the TIF Act, an allocation of approximately \$98,900 of CID Sales Tax Revenues in accordance with the Special Taxing District Pledge Agreement, bank fees of approximately \$100, audit fees of approximately \$3,000, insurance expenses of approximately \$3,000 and legal and administration fees of approximately \$10,000.

**Shoppes at Warrenton Community Improvement District
Operating Budgets**

	FYE JUNE 30, 2024		FYE JUNE 30, 2023 Amended Budget		FYE JUNE 30, 2023 Initial Budget	
Beginning Balance	\$	19,009	\$	21,675	\$	20,000
Summary of Receipts						
CID Sales Tax Revenue	\$	230,000	\$	227,450	\$	240,000
CID Special Assessment	\$	-	\$	-	\$	-
Interest Earnings	\$	100	\$	10	\$	100
Developer Contribution	\$	-	\$	-	\$	-
Total Receipts	\$	230,100	\$	227,460	\$	240,100
Summary of Disbursements						
Bank Fees	\$	100	\$	-	\$	300
Legal Fees/Administration	\$	10,000	\$	10,492	\$	9,000
Capital Project Expenditure	\$	-	\$	-	\$	-
EATS	\$	115,000	\$	114,297	\$	120,000
Audit Expenses	\$	3,000	\$	3,000	\$	3,000
CID Sales Tax Revenues	\$	98,900	\$	99,337	\$	104,800
Insurance Expenses	\$	3,000	\$	3,000	\$	3,000
Total Disbursements	\$	230,000	\$	230,126	\$	240,100
Transfer into Fund	\$	-	\$	-	\$	-
Transfers out of Fund	\$	-	\$	-	\$	-
Ending Balance	\$	19,109	\$	19,009	\$	20,000

Shoppes at Warrenton Community Improvement District

Statement of Revenues Collected and Expenditures Paid -

General Fund - Budget and Actual - Cash Basis

June 30, 2022

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
CID sales tax revenues	\$ 240,000	\$ 240,000	\$ 213,329	\$ (26,671)
CID use tax revenues	-	-	545	545
Interest income	100	100	-	(100)
Total Revenues	<u>\$ 240,100</u>	<u>\$ 240,100</u>	<u>\$ 213,874</u>	<u>\$ (26,226)</u>
Expenditures:				
Bank fees	\$ 300	\$ 300	\$ 40	\$ 260
Legal and professional fees	10,000	12,000	13,417	(1,417)
Payments to City for project debt	-	-	305,594	(305,594)
Insurance expense	-	3,000	-	3,000
Audit fees	3,000	-	-	-
EATS payment	120,000	232,277	30,510	201,767
CID revenue payment	-	160,396	30,510	129,886
Total Expenditures	<u>\$ 133,300</u>	<u>\$ 407,973</u>	<u>\$ 380,071</u>	<u>\$ 27,902</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ 106,800</u>	<u>\$ (167,873)</u>	<u>\$ (166,197)</u>	<u>\$ 1,676</u>
Fund Balances - at beginning of the year		<u>187,872</u>	<u>187,872</u>	
Fund Balances - at end of the year		<u>\$ 19,999</u>	<u>\$ 21,675</u>	