

MINUTES OF MEETING
BARTRAM PARK COMMUNITY DEVELOPMENT DISTRICT

A regular meeting of the Board of Supervisors of the Bartram Park Community Development District was held on Monday, June 17, 2015 at 10:30 a.m. at the Offices of Offices of England-Thims & Miller, Inc. 14775 Old St. Augustine Road, Jacksonville, Florida 32258.

Present and constituting a quorum were:

John Dodson	Chairman
Fionnuala Geoghegan	Vice Chairperson
Pat Evert	Assistant Secretary

Also present were:

Jim Oliver	District Manager
Wes Haber	District Counsel (by phone)
Jon Kessler	FMS Bonds (by phone)
Peter Dame	Akermann Senterfit (by phone)

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 11:30 a.m.

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the May 27, 2015 Meeting

Mr. Oliver stated included in your agenda package is a copy of the minutes of the May 27, 2015 meeting. Are there any additions, corrections or deletions? Hearing none.

On MOTION by Ms. Evert seconded by Ms. Geoghegan with all in favor the Minutes of the May 27, 2015 Meeting were approved.

FOURTH ORDER OF BUSINESS

Consideration of Matters Related to Series 2005 Bond Refunding

- A. Resolution Authorizing Issuance of Bonds
- B. Fourth Supplemental Trust Indenture
- C. Bond Purchase Agreement

- D. Continuing Disclosure Agreement**
- E. Preliminary Limited Offering Memorandum**
- F. Escrow Deposit Agreement**
- G. Assessment Methodology**

Mr. Haber stated the resolution is primarily something that your bond counsel is best to discuss. It really goes into some of the details regarding the proposed refunding, as well as the documents that are attached to the resolution, which would be approved in substantial form. Before that discussion, there is one matter that I wanted to bring to the board's attention. There were some matters that are related to the original Developer and the funds that are in the reserve account, which are funds that would be used if we moved forward with this refunding, that we are seeking to work through. Our recommendation is that we go ahead and hear the presentation from bond counsel. To the extent that the District is interested in moving forward with the transaction and approving this resolution that the approvals would be subject to the matter related to the reserve account being addressed in a manner that is satisfactory to your bond counsel and me, as your District Counsel. It is an issue that is in the document that we need to make sure that the original Developer is signed off on and comfortable with the refunding moving forward. To the extent that for some reason there is not an agreement between the District and the original Developer on this issue, we wouldn't move forward. We would come back to the board and address that issue in more detail.

Ms. Evert stated I am still not sure why we don't have a clear answer.

Mr. Haber stated we think it is language that was included in the indenture but not necessarily applied for this particular District as it relates to amounts that would be potentially owed to the original Developer from those reserve accounts. We wanted to give the Developer a sufficient amount of time to review the issue. We prepared a release for the Developer to review to say we agree that there are no amounts owed from amounts in the reserve account and that it is appropriate for the District to use the amounts in the reserve account for purposes of the refunding. The Developer has that in his possession and is reviewing that document. To the extent that we get the release, I think we will be comfortable moving forward with the refunding. Without the release, I think the conditional nature of the approval that I described would go into effect and would likely be back before you to discuss it in more detail.

Ms. Evert asked and when did he receive the release?

Mr. Haber responded I think he received it Monday afternoon. It is an issue that was identified late in the preparation of the document.

Mr. Peter Dame stated we prepared the resolution you have in front of you. The resolution authorizes the issuance of the refunding bonds. We do authorize the issuance of bonds and that is in section one. For refunding purposes, it is just the refinancing that we are doing with these bonds. The resolution has a delegated award. It authorizes the issuance of bonds and authorizes the sale of those bonds to Jon Kessler's firm. It makes a delegated award and that means that it sets the parameters within which the bonds will be issued, what the terms of the bonds will be and then delegates to staff, in connection with the pricing of the bonds and to the Chairman to finalize the terms of the bonds within those parameters. In terms of what the parameters of the bonds are, the resolution lays them out in section four and it actually says that in order for the transaction to go forward, the minimum requirements are 8% savings on the assessments. There is no maturity extension. There is no principal increase. The principal of the bonds has to be equal to or less than the refinanced bonds. The third parameter that is in there are that the bonds must be subject to prepayment, no later than 10 years from the date of issuance. That is sort of the standard municipal bond industry parameter, which is a 10-year no prepayment period.

Mr. Jon Kessler stated I presented the savings to the board. I think I showed you around 10% savings, which is what we are looking to achieve. That is 10% annual debt service reduction. Rates are back up quite a bit since we met. When I ran the numbers, we had a little bit of room in there. I am still hoping that we get in the 9% to 10% range but we don't know exactly when we are going to be in the market and marketing the bonds, so that is why we have a little bit of flexibility in the resolution.

Mr. Peter Dame stated the resolution goes on and a large part of the resolution is approving the forms of the various documents that are necessary for the financing. That includes, the bond purchase contract between the underwriter and the District. It provides for the terms of sale of the bonds. It includes the supplemental indenture, which is the legal document under which the bonds are actually issued. It approves the limited offering memorandum. This is the information package that is given to potential investors, so they can decide whether to make an investment or not. A form of that is included in the agenda package. It includes a continuing disclosure agreement. This is the District's agreement that it will continue to provide

information to investors. It approves the form of the escrow agreement. There is a form of these attached but it is subject to the completion with the actual details as we get into the market and those documents are ready to be signed. The resolution does some miscellaneous things. It notes that you have complied with the open meeting statutes. It broadly delegates staff with the authority to move forward and complete the refunding. It also authorizes the redemption of the 2005 bonds, which are the refunded bonds.

Ms. Geoghegan stated they were talking about the refinancing fees were already built in. Is that a normal thing when you issue bonds or was it because they knew that you were going to be rated this way because there were no buildings but now there are buildings that they were anticipating?

Mr. Jon Kessler responded I know in my presentation I had explained that there was no out of pocket from the District to pay for the cost of the refinancing. When the original bonds were issued, there was a reserve fund that is equal to one year of debt service and when we issued the new bonds, we only need a reserve fund equal to about half of one years worth of debt service. It would first fill the new reserve and then it would pay the cost of issuance.

Mr. Peter Dame stated the resolution that you received in your agenda package has had two changes to it. There was a blank for the average annual savings and we filled in that number with the 8%. We had one error, where I had misnamed the trustee. We corrected the name of the trustee.

On MOTION by Mr. Dodson seconded by Ms. Geoghegan with all in favor Resolution 2015-04 Authorizing the Issuance of Bonds was approved, subject to the Developer & CDD working through the issue related to the deferred costs identified in the prior indentures in a manner satisfactory to Bond Counsel & District Counsel.

Mr. Oliver asked what would be the next step?

Mr. Haber responded assuming we would work through the condition, I think we would want to come back to the board. Along the lines of what Peter was saying with respect to the principal of the amounts not going up and a decrease in assessments, we would have a supplemental assessment resolution adopted by the District, which would serve to not levy or impose a new or different assessment but rather just adjust the existing assessment lien

downward to reflect the savings by virtue of this transaction. We would have Peter and Jon come back before the board to explain where we ended up by way of the savings and then after the board approves the adjusted assessment document and gets an update on where we ended up with the transaction, we would hold a pre-closing, where the Chair would stay and execute a number of documents. One of the more pressing questions would be when do we think that we would be able to hold a meeting and a pre-closing.

Mr. Oliver stated our next meeting is July 29th.

Mr. Jon Kessler stated I think we would be ready by then. The next step from my standpoint is we have to get the final rating from the rating agency, which will be about 10 days and then we would mail the prospectus, the price of the bonds. In that step, we would need the Chairman to sign the bond purchase agreement and then go to the closing. I don't see why we couldn't do that July 29th. We would price the bonds before then.

Mr. Haber stated the only intermediate step that we will need board involvement on is for the Chair to sign the bond purchase agreement, which is attached to the resolution that you just approved. We would then have another board meeting to discuss the results, do the assessment resolution and ultimately hold the pre-closing thereafter.

Mr. Oliver stated we have to have the assessment rolls to Duval County by July 31st, so this could impact the tax bills for those residents for fiscal year 2016.

Mr. Haber stated yes.

Mr. Dodson asked back on the closing costs for the refinance, did we have an estimate or any idea what that runs?

Mr. Jon Kessler responded I haven't polled the professionals but I am guessing for a transaction like this it will be in the \$150,000 range.

Mr. Dodson asked and you said this comes out of the reserves but it is replenished?

Mr. Jon Kessler responded right.

Mr. Dodson asked what is the reserve amount that you have to have now?

Mr. Jon Kessler responded half of one year worth of debt service.

Mr. Dodson asked if we free up half of that reserve, what can you do with that?

Mr. Jon Kessler responded the excess money goes to pay down the bonds.

Mr. Oliver stated when we originally issued all of these bonds this District was all dirt. Now you have rooftops and you spread the assessment base and risk. That is why we can have a smaller reserve.

FIFTH ORDER OF BUSINESS **Acceptance of Draft Fiscal Year 2014 Audit**

Mr. Oliver stated we are required as a form of government to have an annual audit done each year. We have made the June 30th deadline. The deadline used to be September 30th but the Florida Legislature changed that a couple of years ago. You will see a clean audit. They did not find anything to indicate material weaknesses. You will see they don't have any finds or recommendations for this year or last year. The District is not in a state of financial emergency.

Mr. Geoghegan asked did they know about us refinancing the bonds as a subsequent event?

Mr. Oliver responded they didn't at the time they did their fieldwork. We will add that comment to the audit.

On MOTION by Mr. Dodson seconded by Ms. Geoghegan with all in favor the Draft Fiscal Year 2014 Audit was accepted, subject to adding subsequent events for the refunding.

SIXTH ORDER OF BUSINESS **Consideration of GMS Proposal to Provide Dissemination Agent Services**

This item was tabled.

SEVENTH ORDER OF BUSINESS **Other Business**

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS **Staff Reports**

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager – Report on the Number of Registered Voters (3,185)

Mr. Oliver stated included in your agenda package is a letter from the Supervisor of Elections of Duval County. There are 3,185 registered voters residing in the District. We are required to put that on the record by statute. I spoke with Bob Carroll, who you elected to the board. He is going to serve on the board. He had a previous engagement for today's meeting, but he will be at our next meeting.

NINTH ORDER OF BUSINESS **Audience Comments / Supervisors' Requests**
There being none, the next item followed.

TENTH ORDER OF BUSINESS **Financial Reports:**

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending April 30, 2015

Mr. Oliver stated included in your agenda package is a copy of the balance sheet and income statement as of April 30, 2015.

B. Treasury Report

Mr. Oliver stated included in your agenda package is a treasury report.

C. Assessment Receipts Schedule

Mr. Oliver stated included in your agenda package is the assessment receipt schedule. You will see you are fully collected.

D. Approval of Check Register

Mr. Oliver stated included in your agenda package is the check register.

On MOTION by Mr. Dodson seconded by Ms. Evert with all in favor the Check Register was approved.

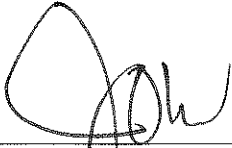
ELEVENTH ORDER OF BUSINESS **Next Scheduled Meeting – July 29, 2015 at 11:30 a.m. at ETM**

Mr. Oliver stated the next regularly scheduled meeting is July 29, 2015 at 11:30 a.m. at this location.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Evert seconded by Mr. Dodson with all in favor the Meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman