

Pursuant to due call and notice thereof, a North Mankato Port Authority Commission meeting was held in the Council Chambers of the Municipal Building on Monday, October 16, 2023.

Treasurer Carlson called the meeting to order at 5:45 p.m. The following were present: Commissioners Whitlock, Steiner, Oachs and Farforth, Assistant Treasurer Ryan, Executive Vice President McCann, and Secretary Van Genderen. Absent: Executive Commissioner Olenius and Commissioner Peterson.

Approval of the Minutes

Commissioner Steiner moved, seconded by Commissioner Whitlock, to approve the minutes of the Port Authority meeting of August 21, 2023. Vote on the motion: Oachs, Steiner, Whitlock, Farforth, and Carlson, aye, no nays. Motion carried.

Approval of Bills

Commissioner Oachs moved, seconded by Commissioner Whitlock, to Approve the bills. Vote on the motion: Oachs, Steiner, Whitlock, Farforth, and Carlson, aye, no nays. Motion carried.

Resolution Providing for the Defeasance of the Authority's Outstanding Taxable General Obligation Bonds, Series 2021B, and Authorizing the execution of an Escrow Agreement.

Executive Vice President McCann introduced Mary Ippel of Taft Law via Zoom to discuss the resolution. Ms. Ippel reported the Port Authority has outstanding bonds concerning the Norwood Inn property. The Port Authority has sold the property, and it is in the best interest of the City to defease the funds, put the money into a security escrow, and pay the bonds when they are due or callable. No interest will accrue on the funds after the call date. The resolution authorizes the acquisition of securities to be used solely to pay the bonds. The bonds will be called, and the Port will pay back the bonds. Once the bonds are in escrow, they will no longer be considered outstanding debt. Ms. Ippel noted that the securities will be invested according to State law and will be safe securities. Council Member Oachs requested clarification on whether the bonds would affect budgeting. Ms. Ippel stated the bonds would no longer appear on outstanding debt reports. Commissioner Whitlock moved, seconded by Commissioner Steiner, to Adopt Resolution Providing for the Defeasance of the Authority's Outstanding Taxable General Obligation Bonds, Series 2021B, and Authorizing the Execution of an Escrow Agreement. Vote on the motion: Oachs, Steiner, Whitlock, Farforth, and Carlson, aye, no nays. Motion carried.

Other Business

None

Open Meeting to the Public

Barb Church, 102 Wheeler Avenue, appeared before the Port Authority and asked if the

Port Authority Minutes, October 16, 2023

2

Port Authority made a profit, and if they did, why can the Port not just pay off the debt? Executive Vice President McCann reported that when bonds are sold, there is an agreement that the investors will have a guaranteed return on their investment. The minimum time period before bonds can be paid off is 8 years, so the investors have a return.

There being no further business, Commissioner Steiner moved, seconded by Commissioner Oachs, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 5:53 p.m.

President

Secretary



City of North Mankato, MN

Port Authority Claims

By Fund

Payment Dates 10/17/2023 - 12/18/2023

Vendor Part Number	Vendor Name	Payment Date	Amount
Fund: 240 - JOINT ECONOMIC DEVELOPMENT			
	BOLTON & MENK, INC.	10/27/2023	160.00
	BOLTON & MENK, INC.	12/06/2023	40.00
	FREDRIKSON & BYRON, P.A.	11/02/2023	266.00
	TAFT	11/22/2023	5,103.95
Fund 240 - JOINT ECONOMIC DEVELOPMENT Total:			5,569.95
Grand Total:			5,569.95

Authorization Signatures

Port Authority

The above claims list for 10/17/23 - 12/18/23 is approved by:

SCOTT CARLSON - COMMISSIONER

JAMES WHITLOCK - COMMISSIONER

WILLIAM STEINER - COMMISSIONER

SANDRA OACHS - COMMISSIONER

MATT PETERSON - COMMISSIONER

DUANE OLENIUS - COMMISSIONER

DOUG FAHRFORTH - COMMISSIONER

A RESOLUTION CLOSING AND TRANSFERRING PORT AUTHORITY FUNDS

WHEREAS, sound financial planning by the Port Authority and Staff is the purpose behind the transfer and closing of funds; and

WHEREAS, due to the sale of the property at 1111 Range Street, the Finance Director recommends that the following funds be closed and their remaining balances, if any, be transferred effective December 19, 2023:

- Close Fund 652 (Hotel Fund) – 12/7/23 Balance: \$1,278,984 (Bonds defeased for property) (subject to change pending final audit)
 - Transfer remaining funds **to** Fund 228 (Port Authority)
- Close Pioneer Bank Account and move remaining funds to the Frandsen Bank general account

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of North Mankato hereby approve the closing and transferring of these funds as of December 19, 2023.

Adopted by the City Council this ____ day of _____, 2023.

Mayor

City Clerk