

NOTICE OF SPECIAL MEETING

Mayor and Board of Commissioners of the City of Enid, Oklahoma,
the Trustees of the Enid Municipal Authority, a Public Trust,
and the Trustees of the Enid Economic Development Authority, a Public Trust

Notice is hereby given that the Mayor and Board of Commissioners of the City of Enid, Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust, will meet in special session at 8:00 a.m. on the 21st day of May, 2015, in the Council Chambers of the City Administration Building, located at 401 W. Owen K. Garriott Road in said city, and the agenda for said meeting is as follows:

- AGENDA -

MAYOR AND BOARD OF COMMISSIONERS RESCHEDULED REGULAR MEETING

1. CALL TO ORDER/ROLL CALL.
2. RECONSIDER AWARDING A CONTRACT FOR THE CONSTRUCTION OF THE ENID MEADOWLAKE PARK NORTH CONCESSIONS AND RIDER BUILDING, PROJECT NO. P-1501C, AND AUTHORIZE THE MAYOR TO EXECUTE ALL CONTRACT DOCUMENTS AFTER REVIEW BY THE CITY ATTORNEY.
3. REMOVE FROM THE TABLE AND CONSIDER RENEWAL OF ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF ENID AND BLUECROSS BLUESHIELD OF OKLAHOMA FOR THIRD PARTY ADMINISTRATION OF THE CITY OF ENID'S SELF FUNDED EMPLOYEE HEALTH INSURANCE PLAN, HEALTH AND DENTAL COBRA ADMINISTRATION AND STOP LOSS COVERAGE.
4. RECESS TO CONVENE AS THE ENID MUNICIPAL AUTHORITY.
5. TRUSTEES OF THE ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
6. ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
 1. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION AUTHORIZING THE DEFEASANCE OF THE OUTSTANDING PORTION OF THE ENID MUNICIPAL AUTHORITY UTILITY AND SALES TAX REVENUE BONDS, SERIES 1987A; AUTHORIZING THE EXECUTION OF ANY NECESSARY DOCUMENTATION IN CONNECTION WITH THE REFERENCED DEFEASANCE; AUTHORIZING THE TRANSFER OF FUNDS IN CONNECTION WITH THE REFERENCED DEFEASANCE; AND CONTAINING OTHER PROVISIONS RELATED THERETO.
 2. CONSIDER AND TAKE POSSIBLE ACTION TO DIRECT MUNICIPAL FINANCE SERVICES, INC. TO PROCEED WITH THE PROPOSED ISSUANCE OF INDEBTEDNESS BY THE ENID MUNICIPAL AUTHORITY TO FINANCE CAPITAL IMPROVEMENTS; AUTHORIZING THE DISTRIBUTION OF BID PACKETS TO BANKS; AND AUTHORIZING ANY RELATED ACTION.
7. ADJOURN TO CONVENE AS THE ENID ECONOMIC DEVELOPMENT AUTHORITY.
8. TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
9. ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
10. ADJOURN TO RECONVENE AS THE ENID CITY COMMISSION.
11. CONSIDER CONVENING INTO EXECUTIVE SESSION PURSUANT TO 25 O.S. §307(C)(10), TO DISCUSS ECONOMIC DEVELOPMENT, BECAUSE PUBLIC DISCLOSURE WILL VIOLATE THE CONFIDENTIALITY OF THE BUSINESS, AND RECONVENE TO TAKE ANY NECESSARY ACTION.
12. ADJOURN.

CERTIFICATE AS TO POSTING

I, the undersigned City Clerk of the City of Enid, Oklahoma, do hereby certify that prior to 5:00 P.M. on the 19th day of May 2015, a true copy of the above Notice of Meeting was posted at the entrance to the Administration Building of the City of Enid, located at 401 W. Owen K. Garriott Road in said City. I further certify that I received at least forty-eight (48) hours advance notice of said meeting as required by State Statutes.

DATED at Enid, Oklahoma this 19th day of May 2015.

City Clerk

(SEAL)

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**MINUTES OF SPECIAL MEETING OF THE
MAYOR AND BOARD OF COMMISSIONERS OF THE CITY OF ENID, OKLAHOMA,
TRUSTEES OF THE ENID MUNICIPAL AUTHORITY, A PUBLIC TRUST,
AND TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY, A PUBLIC TRUST
HELD ON THE 21ST DAY OF MAY 2015**

The Mayor and Board of Commissioners of the City of Enid, County of Garfield, State of Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust, met in special meeting in the Council Chambers of the Administration Building of the City of Enid, located at 401 West Owen K. Garriott Road in said city, at 8:00 A.M. on the 21st day of May 2015, pursuant to notice given forty-eight (48) hours in advance to the Clerk of the City of Enid, and pursuant to notice thereof displayed at the entrance to the Administration Building of said city, in prominent view and which notice was posted prior to 5:00 P.M. on the 19th day of May 2015.

-MAYOR AND BOARD OF COMMISSIONERS-

Mayor Shewey called the meeting to order with the following members present and absent:

PRESENT: Commissioners Janzen, Brownlee, Ezzell, Timm, Vanhooser and Mayor Shewey.

ABSENT: Commissioner Wilson.

Staff present were City Manager Jerald Gilbert, Assistant City Manager Joan Riley, City Attorney Andrea Chism, City Clerk Linda Parks, Director of Engineering Services Christopher Gdanski, Chief Financial Officer Erin Crawford, Interim Public Works Director Billy McBride, Planning Administrator Chris Bauer, Police Chief Brian O'Rourke, Fire Chief Joe Jackson, and Human Resources Director Sonya Key.

Motion was made by Commissioner Ezzell and seconded by Commissioner Timm to remove from the table, Item 3, Consider Renewal Of Administrative Services Agreement Between The City Of Enid And Bluecross Blueshield Of Oklahoma For Third Party Administration Of The City Of Enid's Self Funded Employee Health Insurance Plan, Health And Dental Cobra Administration And Stop Loss Coverage, which was tabled at the May 14, 2015 special Commission meeting, and the vote was as follows:

AYE: Commissioners Janzen, Brownlee, Ezzell, Timm, Vanhooser and Mayor Shewey.

NAY: None.

It was noted that Commissioner Wilson arrived at 8:08 A.M. and sat in for the remainder of the proceedings.

Opening comments were made by Human Resources Director Sonya Key. She explained that the item was tabled on May 14, 2015, until a full report as to how staff had concluded that Blue Cross Blue Shield (BCBS) was the best value for the City of Enid employees was provided. She introduced Ms. Morgan Young, the City's consultant from the firm of Holmes Murphy, who reviewed the RFP processes for the third party administration of the City of Enid's self-funded employee health insurance plan, and health and dental COBRA administration, and for stop loss insurance coverage.

Ms. Morgan explained that during the prior year, RFP's were solicited for third party administration of the City's health insurance plan, and health and dental COBRA administration. She

stated that the RFP requested responses for medical and administrative costs, disruption analysis, discounts, administrative capabilities, and references. Three carriers responded: BCBS, WebTPA on behalf of Healthcare Highways, and United Healthcare, with BCBS being the recommended carrier. BCBS was not only the current vendor partner, but based on the RFP, had the strongest network presence for the City of Enid, the lowest overall projected cost, and a projected discount of 60.8%.

Bids were also solicited for stop loss insurance, of which BCBS presented the strongest third party stop loss bid, and was recommended for renewal. Ms. Morgan stated that when the renewal from BCBS was received, there was a 25% increase over current, they had a lower fixed cost, and the maximum exposure as a City was \$600,000 higher. At that time, it was determined that it was in the best interest of the City to remain with BCBS, simply because there would be more exposure if it was moved to a third party.

Since the last meeting, Ms. Morgan explained that they had gone back to the market with the benefit of having updated claims experience, and final plan changes. She stated that for the best and final results from BCBS, their fixed costs came in at 17% over current, and fixed costs proposed by the third party stop loss vendor remained at 15% over current. However, she noted that what did change was the amount proposed for maximum claims liability, which was based on expected claims. She stated that the third party stop loss vendor came back and adjusted their numbers, and BCBS did as well, but the third party stop loss vendor was actually lower in both fixed costs, and maximum claims liability.

Ms. Morgan stated that based on updated information, it was now their recommendation that the City move its third party stop loss coverage to Partner Re, which would save the City money. She stated that based on Partner Re's proposal, the City would save \$23,337 in fixed costs annually, and would have a \$19,202 lower maximum claims liability.

In closing, Ms. Morgan reiterated that it was Holmes Murphy's recommendation to accept the BCBS 2015 renewal for third party administration of the City's health insurance plan, and health and dental COBRA administration, and to move the stop loss insurance coverage to the third party vendor, Partner Re, effective July 1, 2015.

Following brief discussion, motion was made by Commissioner Vanhooser and seconded by Commissioner Ezzell to accept the recommendation of Holmes Murphy to renew the third party administration of the City's health insurance plan, and health and dental COBRA administration with BCBS, and to move the stop loss insurance coverage to the third party vendor, Partner Re, effective July 1, 2015, and the vote was as follows:

AYE: Commissioners Janzen, Ezzell, Timm, Wilson, Vanhooser and Mayor Shewey.

NAY: Commissioner Brownlee.

Motion was made by Commissioner Ezzell and seconded by Commissioner Wilson to reconsider the award of a contract for Project No. P-1501C, Meadowlake Park North Concessions and Rider Building, which was considered and denied at the May 14, 2015 rescheduled Commission meeting, and to award said contract to the lowest, responsible bidder, Henson Construction Company, Enid, Oklahoma, for the base bid only in the amount of \$394,086.00.

Commissioner Janzen expressed concerns that the project came in significantly over what was budgeted. He also stated that he felt the project was not in the Commission's best interest as there were other priorities in the park system, as well as in other parts of the City's budget.

Commissioner Ezzell stated that the project was within budget. He went on to say that the biggest cost wasn't so much the housing of the two rides, but replacing the Meadowlake restrooms, providing a snack bar, and connecting the restroom to the City's sewer system at Rupe Avenue.

Commissioner Vanhooser stated that he liked the design, and felt it was something that should be done at some point. However, given budget constraints, he felt that this was one project that the City could not afford to do, and would vote against it for that reason.

Architect John Merz made a brief presentation regarding the project and addressed questions and concerns voiced by commissioners.

Following brief discussion, the vote was taken as follows:

AYE: Commissioners Brownlee, Ezzell, Wilson and Mayor Shewey.

NAY: Commissioners Janzen, Timm and Vanhooser.

Motion carried.

Mayor Shewey recessed the meeting to convene as the Enid Municipal Authority.

- TRUSTEES OF THE ENID MUNICIPAL AUTHORITY -

PRESENT: Trustees Janzen, Brownlee, Ezzell, Timm, Wilson, Vanhooser, Chairman Shewey, Trust Manager Jerald Gilbert, Trust Attorney Andrea Chism, and Secretary Linda Parks.

ABSENT: None.

Discussion was held with respect to a resolution authorizing the defeasance of the outstanding portion of the Enid Municipal Authority's Utility and Sales Tax Revenue Bonds, Series 1987A; authorizing the execution of any necessary documentation in connection with the referenced defeasance; and authorizing the transfer of funds in connection with the referenced defeasance.

Mr. Jon Wolff from Municipal Finance Services, Inc., addressed trustees. He explained that the Enid Municipal Authority (EMA) had bonds that were still outstanding through February 1, 2017. He stated that it was his recommendation to defease the bonds, which would move dollars already held at the trustee bank to a separate account that was in irrevocable escrow, and take the bonds off the City's books. He added that there were certain provisions within the EMA's existing bond indenture that could hamper its position to borrow funds, and this would provide the ability to develop a new operating indenture as far as any future indebtedness by the EMA may be concerned.

Following brief discussion, motion was made by Trustee Brownlee to approve the resolution as presented

Motion was seconded by Trustee Ezzell, and the vote was as follows:

AYE: Trustees Janzen, Brownlee, Ezzell, Timm, Wilson, Vanhooser and Chairman Shewey.

NAY: None.

RESOLUTION

A RESOLUTION AUTHORIZING THE DEFEASANCE OF THE OUTSTANDING PORTION OF THE ENID MUNICIPAL AUTHORITY UTILITY AND SALES TAX REVENUE BONDS, SERIES 1987A; AUTHORIZING THE EXECUTION OF ANY NECESSARY DOCUMENTATION IN CONNECTION WITH THE REFERENCED DEFEASANCE; AUTHORIZING THE TRANSFER OF FUNDS IN CONNECTION WITH THE REFERENCED DEFEASANCE; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE ENID MUNICIPAL AUTHORITY:

SECTION 1. DEFEASANCE. The Enid Municipal Authority (the "Authority") is authorized to defease the Authority's Utility and Sales Tax Revenue Bonds, Series 1987A (the "Bonds"), which transaction shall be referred to herein as the "Defeasance". The Authority is authorized to transfer funds as needed to accomplish the Defeasance and is further authorized to execute such documentation as is deemed necessary and appropriate by bond counsel to accomplish the Defeasance.

SECTION 2. EXECUTION OF NECESSARY DOCUMENTS. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are hereby authorized and directed on behalf of the Authority to execute and deliver all necessary documentation and closing and delivery papers required by Bond Counsel in connection with the Defeasance; approve the transfer of funds in connection with the Defeasance; and to execute, record and file any and all the necessary release documents or termination statements, and to consummate the transaction contemplated hereby.

PASSED AND APPROVED THIS 21ST DAY OF MAY, 2015.

ENID MUNICIPAL AUTHORITY

(SEAL)

By: /s/ William E. Shewey
Chairman

ATTEST:

By: /s/ Linda S. Parks
Secretary

Discussion was held regarding possible action to direct Municipal Finance Services, Inc. to proceed with the proposed issuance of indebtedness by the Enid Municipal Authority to finance capital improvements; authorizing the distribution of bid packets to banks; and authorizing any related action.

Opening comments were made by Trust Manager Jerald Gilbert. He stated that over the past few weeks, discussions had been held regarding the fact that the City had done numerous projects over the past three or four years that had added to the City's asset base, but had used up its cash reserve to accomplish that. He explained that most of the capital projects had been funded by the EMA with excess revenues from utility fees, and with the one percent (1%) sales tax that had built up over a period of years. He went on to say that having done that, and looking ahead at the biggest capital project in the City of Enid's history, the Kaw Lake waterline project, it was realized that the City was not in as good a position on cash as it needed to be potentially, to get a loan, or to get the best interest rate to get a loan for the project. As a result, he had asked the City's financial advisors to discuss the possibility of issuing indebtedness by the EMA to finance capital improvements which would increase the City's cash position.

Mr. Wolff addressed trustees. He stated that in the past, major utility projects, such as the Water Reclamation Facility, the water tower projects, replacement of water meters, and other sewer wastewater type projects had been advance funded to take advantage of below market interest rates. Other more recent projects that were outside the utility system, such as the Event Center and the renovation of Convention Hall had been funded through the City's existing sales tax and revenue

generated from the EMA. As the City's financial advisor, he stated that his firm had started the diligence on the water source project as to what would put the EMA, under the umbrella of the City of Enid, in the best position to make this the most economical financing for the citizens of Enid, and that part of that process was looking at what was typically addressed and focused upon by creditors.

Mr. Wolff advised trustees that the major criteria looked at today by creditors in financings was three-fold: 1) The overall financial condition of the City as far as its fund balance; 2) The City's ability to pay back the debt; and 3) Liquidity. He stated that in discussions with the governing body during the past week, options to increase, or to better the City's liquidity position, and reduce what cash outlay was currently budgeted, and for the next year, were addressed. He stated that the way to do that was two-fold: 1) Decide which projects budgeted were more flexible, or could be avoided; and 2) Advance fund the projects and not use all cash to fund them over the next three to fifteen months. He went on to say that it was his position that the City could not fund all the projects that it had for the remainder of the current year, and for next year with cash, without significantly hurting its position to borrow funds for the water source project. As a result, he was there to discuss the potential of seeking financing for those projects, if that was the option that the governing body would like to consider

Mr. Gilbert asked how much money he was suggesting the City should borrow to help cover the costs of the projects.

Mr. Wolff stated that at a minimal level, he felt that by the end of June 30, 2016, the City should be in a position where it had a cash equivalence, short-term investments, unrestricted, to have at least \$10 million in cash. He stated that this would effectively mean that the EMA would need to borrow anywhere between \$15 to \$17 million, short-term, with an early redemption or call option. He went on to say that the key factor in doing this was that lenders needed to be able to look at the City's June 30, 2015 and June 30, 2016 audited financials, look at the balance sheet, and see that it had a better liquidity position than it had today.

Commissioner Ezzell stated that the debt service schedule provided commissioners during individual discussions had roughly reflected a \$250 million debt for the water source project, some borrowing now for capital improvements to improve the City's cash position, and no increase in sales tax, which did come up with a positive EMA fund balance at the end of each year. However, he stated that the trade-off there was that the City would have to stop doing other capital improvements for a long time, and with other issues that needed to be addressed, such as streets, and quality of life projects, he wasn't sure that could be done.

Mr. Wolff stated that he was asking for authorization by trustees to submit bid packages to banks, with five and seven-year financing options, and then come back at a future meeting for award. He went on to say that if discussions needed to go further, as to what projects should be funded, and how much should be borrowed, that could be discussed at this meeting or at a future meeting.

Mr. Gilbert stated that he understood the urgency of the situation. However, he felt more information was needed, and there should be further discussions regarding how much debt, or how many cuts, or a combination thereof, trustees would be comfortable with before proceeding.

Trustee Vanhooser stated that he was against this, adding that it was absolutely irresponsible to borrow \$17 million for projects to cover the fact that the City could not control its spending. He went on to say that if six of the seven votes needed to approve the spending could not be reached, then discussions needed to stop, and trustees needed to figure out how they were going to cut the budget and deal with it.

Commissioner Ezzell responded. He stated that those projects were not projects that the City wanted to do for fun. They were Cleveland, Willow, big capital improvement projects in the city that needed to be done. Yes, the City was making quality of life investments, it was doing trails, it was playing catch-up for not investing in quality of life. But that was a small portion of the costs. He stated that Mr. Wolff was telling trustees that the City could do a better job of paying for, among other things, \$5.7 million in street improvements, by financing it today, and taking advantage of very low interest rates and saving huge amounts of money, to be in a better financial position when it needed to borrow money for the water source project in two years, adding that they were not being irresponsible with City funds, just reviewing options.

Mayor Shewey asked if other options were available.

Mr. Wolff stated that to put yourself in a better cash position, you don't spend cash. Either you cut operations, or you don't do projects that are listed.

Lengthy discussion ensued.

Trustee Vanhooser stated that in the big picture of the idea of borrowing money for the water source project, he didn't want trustees to feel like they had to do the \$17 million loan in order to be able to finance the project. He stated that if they were willing to commit the additional revenue from the increases from utilities that were already in place, five years from now that would be \$8 million of the projected needed cash. Additionally, if they could get the public to believe in the project, and approve a one-cent sales tax, they were basically there. He stated that banks would look at the City very favorably if it had two sources of revenue that were committed as an ability to pay the loan for the project over the next 30 years. He on to say that whether or not there was \$10 million in the bank was not a major factor. It wouldn't matter if there was \$50 million cash in the bank. If the citizens didn't approve a new source of revenue to pay the debt payment for the pipeline, the City would be unable to do the project. He stated that this should not be looked at like it was a do or die for Kaw Lake. The \$17 million needed to be looked at for what it was worth right now, what was being funded, why were they doing it, and was it the right thing to do. He added that again, he thought it was not, and it was not the ultimate impact on the water source project.

Trustee Ezzell stated that he actually agreed with Trustee Vanhooser on that, and that revenues would have to be looked at. However, as to whether or not the \$17 million should or should not be spent, the City had already committed to doing those projects when the Fiscal Year 2015-2016 budget was approved, and today was not the time to decide whether they should do them or not. Today they were only deciding how to pay for them.

Trustee Brownlee agreed with Trustee Vanhooser that there was no reason to take on debt if the City didn't have to. He also agreed that yes, the budget was approved, but staff was only yielding to the requests and demands of the Commission. Commissioners came to the table with, " I want these

projects to be funded. I want these projects to be done," and it was staff's job to figure out how to fund the projects and get them done. Because of this, commissioners needed to change their mindset and be more conservative in the way they approached those projects. He went on to say that too many demands had been placed on staff to include too many projects that the City could not afford, and that was not a favorable position to be in. He stated that he didn't want to finance projects, but also knew of no other way, at the moment, to achieve what needed to be achieved. He reiterated that the Commission needed to change its mindset and stop requesting that so many projects be accomplished.

Mr. Gilbert stated that he was hearing that more research needed to be done. He stated that his recommendation was that a lot of projects needed to be cut, because the City, on some of those projects, had over-committed itself. He felt a compromise might be in order to look at the items that could be delayed or cut, and then have the Commission determine which ones were needed because of commitments to the community.

Trustee Brownlee agreed that commissioners needed to come to an agreement on which projects could be cut, but went on to say that he also felt that they needed to be willing to borrow for the balance of those projects. He added that this was not what he wanted to do, and that he didn't see how they could possibly cut \$8 million worth of capital improvement projects.

Trustee Ezzell stated that perhaps it did make sense to bite the bullet, and get the projects paid for now while they could be financed cheaply, instead of kicking them down the road to a time when there may be less flexibility, or even worse, when the City might be forced to pay for them with borrowing anyway, and be in a much worse position to do so.

Mr. Gilbert suggested that a committee of three commissioners be formed to come up with a package that might be reasonable to bring back for consideration by commissioners at the June 2, 2015 Commission meeting.

Trustee Janzen stated that trustees need to approve the recommendation and move on, adding that there would be many other decisions on the financing that would need to be made as they proceeded with the project.

Trustee Vanhooser stated that there needed to be an open session of the governing body to hash out the proposed budget cuts. As to the financing issue, he stated that he wanted to revisit the budget, because he wasn't sure they all had the information at the time the budget was approved, that they would have to borrow \$17 million to do those projects.

Trustee Brownlee asked if the City would look more attractive to lenders, and if the long-term effects of that would be a positive favor for the City, if trustees agreed to the financing.

Mr. Wolff responded, "Yes."

In closing, Mr. Wolff stated that there was one final thing he wanted to point out. "This is your net capital position. Your total assets, less your liabilities, as far as capital assets, you're over \$60 million. You're a corporation. You're not a household. Most corporations have to have liquidity. They have to be able to show that their capital infrastructure, whatever that business is, is able to operate as a going concern and not disappear. Corporations will disappear over the next 50 years. Enid will not. You're an on-going concern. You will not go away. So you

have a lot of your cash locked up in assets. If you look at the other side and say we just want to avoid paying interest ever, then you have to follow the idea that you will only fund those capital improvements that you can fund with what is generated from tax dollars and from utility charges. If you want to do more, and you don't want to incur the cost of interest or finance costs, then you need to raise utility rates, and raise taxes. It's that simple. You make one decision or the other. So, in looking at the net assets you have, if you were to have an option tomorrow and sell all City assets, and call it done, you would be \$60 plus million ahead. But that's not the reality. You have tough decisions to make in the coming years. My concern as far as where your FICO score is going to be, is, very simply, you will have two potential lenders: Bondholders if you do a public offering; or the OWRB. There's no gray fog out there. There are no other options. The OWRB will issue debt and loan that money from those proceeds to you. You will be the major player in the issuance of their debt. The rating agencies that rate the Water Board's debt, when they issue that debt to give the money to you to do the water source project, they're going to look right through and look at Enid. And they're going to say, "Where does Enid stack up as far as a credit rating?" One of the major criteria is yes, the ability to pay back the debt over time, but they will also look at your actual cash position, because there is a concern about your operations. Why? Because you wouldn't have money to pay back the debt if you didn't have efficient operations. It's a public trust, where the assets were leased from the City, over to the public trust. Those assets actually generate revenues that keep that enterprise going. So they look at your ability to meet your future needs. Very simply, I'm concerned not because your FICO score might be lower, but concerned that they might look, three years from now, and say, "You know what. Their balance sheet is in such poor condition as far as cash liquidity, that we're not even going to loan the money." We don't want to put you in a position to go through everything that's planned out over the next two years, and then wish you had done something looking back in retrospect two years from now. However you accomplish that, and the different methods, we'll be glad to sit down and discuss those issues with you."

Following further discussion, Trustee Janzen moved to direct Municipal Finance Services, Inc. to proceed with the proposed issuance of indebtedness by the Enid Municipal Authority to finance capital improvements; authorizing the distribution of bid packets to banks; and authorizing any related action.

Motion was seconded by Trustee Ezzell, and the vote was as follows:

AYE: Commissioners Janzen, Brownlee, Ezzell and Mayor Shewey.

NAY: Commissioners Timm, Wilson and Vanhooser.

Motion failed for lack of super majority as is required by State Statues to incur debt.

Mr. Gilbert stated that trustees would still be required to figure out, collectively, what they wanted to do. Whether to cut the budget significantly, or add debt financing significantly, which right, now, was obviously not the will of trustees. He stated that he would review the 22015-2016 Fiscal Year

Budget, and bring back potential cuts for consideration by commissioners as early as the June 2, 2015 Commission meeting.

There being no further business to come before the Board at this time, motion was made by Commissioner Ezzell and seconded by Commissioner Timm that the meeting adjourn, and the vote was as follows:

AYE: Commissioners Janzen, Ezzell, Timm, Wilson, Vanhooser and Mayor Shewey.

NAY: Commissioner Brownlee.

The meeting adjourned at 9:41 A.M.

CITY OF ENID, OKLAHOMA

BY: _____
WILLIAM E. SHEWEY, MAYOR

(SEAL)

ATTEST:

LINDA S. PARKS, CITY CLERK

ENID MUNICIPAL AUTHORITY

BY: _____
WILLIAM E. SHEWEY, CHAIRMAN

(SEAL)

ATTEST:

LINDA S. PARKS, SECRETARY

ENID ECONOMIC DEVELOPMENT AUTHORITY

BY: _____
WILLIAM E. SHEWEY, CHAIRMAN

(SEAL)

ATTEST:

LINDA S. PARKS, SECRETARY

