

MINUTES OF SPECIAL MEETING IN LIEU  
OF THE ANNUAL MEETING OF  
THE BOARD OF DIRECTORS OF  
THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF PRESCOTT

December 20, 2017

A special meeting in lieu of the annual meeting of the Board of Directors of The Industrial Development Authority of the City of Prescott was held at the law firm of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C., 125 North Granite Street, Prescott, Arizona, at 1:30 o'clock p.m. on Wednesday, December 20, 2017.

The following directors were present: Steven R. Burton, Michael S. Danowski, Richard A. Jacobs, William T. Hepburn, Lon D. McAnally, and Ted Gambogi. Also present was Donald C. Zavala, of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C., legal counsel for the Authority.

The President, Mr. Burton, asked that Mr. Zavala act as Chairman and help to guide the meeting. Mr. Zavala called the meeting to order and declared the same open to the public. He also declared that a quorum was present. The Secretary, Mr. Jacobs, assumed the duties of his office.

Mr. Zavala stated that the first order of business was the discussion and possible action regarding the Minutes of the 2016 Special Meeting. Upon motion by Mr. Hepburn and seconded by Mr. Burton, the Minutes of the Special Meeting in Lieu of the Annual Meeting held on December 7, 2016 were approved as presented.

Mr. Zavala then stated that the next order of business was the election of officers for the ensuing year. After discussion, and upon motion by Mr. Gambogi, seconded by Mr. Jacobs, the following persons were elected to the offices set opposite their names, to serve until the next annual meeting or until their successors have been elected and qualified:

Lon D. McAnally	-	President
Michael S. Danowski	-	Vice President
William T. Hepburn	-	Secretary
William T. Hepburn	-	Treasurer
Ted Gambogi	-	Assistant Secretary

Mr. Zavala then stated that the next order of business was the discussion regarding Open Meeting Law and Public Records Requirements for board members. Mr. Zavala briefly spoke to the Board regarding open meeting law and public records requirements.

Mr. Zavala then stated that the next order of business was the discussion regarding changes in the federal income tax code to Industrial Development Authority funding and the possible implications of those proposed changes. Mr. Burton reported to the Board that in an earlier draft of the changes, there was a possible change that would eliminate the tax preference

for bond issuances. That provision has since been removed from the changes, and so the tax status remains the same as it has been.

Mr. Zavala then stated that the next order of business was the review and possible discussion regarding key provisions of the Bylaws. Mr. Zavala specifically mentioned the provisions regarding the size of the Board and how replacement members are elected. The Bylaws provide that the Board should have 9 members, but there are currently only 6 members. Therefore, the City needs to be notified that they need to elect replacement members to fill the vacancies. Mr. McAnally stated that he would contact the City and inquire about electing new members. The Board also discussed the possibility of amending the Bylaws in the future to change the size of the Board and other items such as the application fee for bonds.

At 2:20 p.m. Mr. Zavala made a Call to the Public.

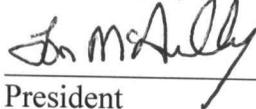
Consideration and discussion of comments from the public. Those wishing to address the Board need not request permission in advance. The Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Board Members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Law.

Let the minutes of this meeting reflect that no one from the public was present or appeared at this meeting.

There being no further business to come before the meeting, the same was adjourned.

  
Secretary

APPROVED:

  
President

1-10-19