



# Scott Fitzpatrick

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Missouri State Auditor

Brentwood Pointe  
Transportation Development District

Report No. 2024-005

January 2024

[auditor.mo.gov](http://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Brentwood Pointe Transportation Development District

### Background

The Brentwood Pointe Transportation Development District was organized in May 2001 for the purpose of improving the extensions of Hanley Industrial Drive and Eager Road. The project was substantially completed as of December 31, 2021, and the City of Brentwood and St. Louis County subsequently accepted ownership of the project. Projects costs for the Brentwood Pointe TDD totaled \$5,857,460.

The project was funded by a one-cent sales tax on all taxable transactions within the boundaries of the district. Debt associated with the project was satisfied and the Board of Directors approved rescinding the sales tax on July 25, 2022.

In July 2009, the Brentwood Pointe TDD entered into an Amended Intergovernmental Cooperation Agreement with the Hanley Road Corridor TDD. Pursuant to this agreement, the Brentwood Pointe Board of Directors lowered the Brentwood Pointe's TDD sales tax to 0 percent, and the TDD sales taxes collected by the Hanley Road Corridor TDD within the boundaries of the Brentwood Pointe TDD were applied to the Brentwood Pointe TDD obligations until those obligations were satisfied.

Based on the audit, the cash balance of the Brentwood Pointe TDD as of December 31, 2022, was \$364,283. According to the district chairperson, as of June 14, 2023, the district would incur additional estimated legal and administrative expenses totaling \$25,000 related to the dissolution of the district. After the district's final costs and professional fees are paid, the remaining balance will be transferred to the Hanley Road Corridor TDD in accordance with the Intergovernmental Cooperation Agreement.

### Financial Status

The audit of the Brentwood Pointe Transportation Development District indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.

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# Brentwood Pointe Transportation Development District

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Brent Beumer, Chairperson  
and  
Board of Directors  
Brentwood Pointe Transportation Development District  
Brentwood, Missouri

The State Auditor is required under Section 238.275, RSMo, to audit a transportation development district prior to the question of abolishment being submitted to a vote. On July 25, 2022, the Board of Directors of the Brentwood Pointe Transportation Development District approved a resolution of its intent to dissolve the district and request an audit as required by statute. The State Auditor was subsequently notified of this resolution on July 28, 2022.

The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2022. The objectives of our audit were to evaluate the financial status of the district and determine whether it may be abolished pursuant to law.

Our methodology included reviewing financial records and other pertinent documents, and interviewing various personnel of the district, as well as certain external parties. We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides such a basis.

The audit determined the district's Board of Directors may proceed with abolishment of the district in accordance with Section 238.275, RSMo.

The accompanying Management Advisory Report presents our findings arising from our audit of the Brentwood Pointe Transportation Development District.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick  
State Auditor

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# Brentwood Pointe Transportation Development District Management Advisory Report - State Auditor's Findings

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## Financial Status

Our audit of the Brentwood Pointe Transportation Development District (TDD) indicates the financial condition of the district is such that it may be abolished.

The Brentwood Pointe TDD is located in St. Louis County, in the City of Brentwood. The district was organized in May 2001 by petition of the property owners/developer within the proposed TDD. The district consists of 2 property owners. The members of the Board of Directors consist of 5 representatives of the property owners/developer. The district has a fiscal year end of December 31.

The Brentwood Pointe TDD was formed for the purpose of improving the extensions of Hanley Industrial Drive and Eager Road. Details of this project include but are not limited to right-of-way acquisition, demolition, grading, utility relocation, retaining walls, fencing, lighting signalization, landscaping improvements, paving, widening of the road, sidewalks, and restriping. The project was substantially completed as of December 31, 2021. The City of Brentwood and St. Louis County both serve as local transportation authorities with jurisdiction over the local portion of the project. The City of Brentwood and St. Louis County subsequently accepted ownership of the project. The Brentwood Pointe TDD's portion of the project costs was \$5,857,460.

In July 2001, the qualified voters of the district approved a 1-cent (1 percent) sales tax on all taxable transactions within the boundaries of the district. The Board of Directors subsequently passed a resolution formally establishing that sales tax rate to be effective August 2001 for 40 years unless terminated sooner.

In December 2001, the Brentwood Pointe TDD Board issued revenue bonds to pay for project costs. The Brentwood Pointe TDD satisfied this debt in April 2022. The Board approved certain actions in connection with abolishment of the Brentwood Pointe TDD, including repealing the District's sales tax on July 25, 2022. See the table below for district financial activity for the calendar year ending December 31, 2022.

In July 2009, the Brentwood Pointe TDD entered into an Amended Intergovernmental Cooperation Agreement with the Hanley Road Corridor TDD.<sup>1</sup> Pursuant to this agreement, the Brentwood Pointe Board of Directors lowered the Brentwood Pointe's TDD sales tax to 0 percent, and the TDD sales taxes collected by the Hanley Road Corridor TDD within the boundaries of the Brentwood Pointe TDD were applied to the Brentwood Pointe TDD obligations until those obligations were satisfied.

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<sup>1</sup> The Hanley Road Corridor TDD's boundaries contain multiple smaller TDDs, including the Brentwood Pointe TDD and the Kenilworth TDD.



Brentwood Pointe Transportation Development District  
Management Advisory Report - State Auditor's Findings

In July 2022, the Brentwood Pointe TDD Board of Directors formalized its intent to dissolve the district. The District subsequently advised the State Auditor's Office (SAO) of this resolution and requested the SAO proceed with all necessary actions as required pursuant to Section 238.275, RSMo. That statute requires the State Auditor to audit the district to determine its financial status, and determine whether it may be abolished pursuant to law. It also states the board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against it; if its liabilities exceed its assets; or while the district is insolvent, in receivership, or under the jurisdiction of a bankruptcy court.

The following table presents the financial activity and cash balances for the year ended December 31, 2022.

	Year Ended December 31, 2022
<b>RECEIPTS</b>	
Sales Tax	\$ 239,297
Interest Income	3,306
Total Receipts	<u>242,603</u>
<b>DISBURSEMENTS</b>	
Debt Service-Principal	290,000
Maintenance	8,618
Administrative Expenses	6,013
Debt Service-Interest	4,833
Total Disbursements	<u>309,464</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(66,861)
BEGINNING CASH	431,144
ENDING CASH	<u>\$ 364,283</u>

Source: Compiled by the SAO using the district's financial statements.

Based on our audit, the cash balance of the Brentwood Pointe TDD as of December 31, 2022, was \$364,283. According to the district Chairperson, as of June 14, 2023, the district would incur additional estimated legal and administrative expenses totaling \$25,000 related to the dissolution of the district. There are no pending, threatened, or unasserted claims or assessments against the district according to district legal counsel. District officials confirmed the district is not insolvent, in receivership, or under the jurisdiction of a bankruptcy court. Based on these representations, district assets are sufficient to pay any remaining costs and obligations. After the district's final costs and professional fees are paid, the remaining balance will be transferred to the Hanley Road Corridor TDD in accordance with the Intergovernmental Cooperation Agreement dated July 17, 2009.



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Based on our audit, the Board of Directors may proceed with the abolishment of the district in accordance with Section 238.275, RSMo.