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BOYNE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY

Monday, January 8, 2018—following the Noon EDC meeting at City Hall
319 N. Lake St., Boyne City, MI 49712

- 1. CALL MEETING TO ORDER**
- 2. ROLL CALL**
Excused Absences
- 3. READING AND APPROVAL OF MINUTES**
Approval of the November 13, 2017 meeting minutes
- 4. HEARING CITIZENS PRESENT (ON NON-AGENDA ITEMS)**
- 5. CORRESPONDENCE**
- 6. UNFINISHED BUSINESS**
 - a. Other
- 7. NEW BUSINESS**
 - a. Budget Discussion/2018-19 Projects
 - b. Terms of Office – Anzell, Friedrich and Gillett – terms expire 3/11/2018
 - c. Other
- 8. GOOD OF THE ORDER**
- 9. ANNOUNCEMENTS**
 - The next regular meeting is scheduled for March 12, 2018
- 10. ADJOURNMENT**

*Individuals with disabilities requiring auxiliary aids or services in order to participate in municipal meetings
may contact Boyne City Hall for assistance:*

Cindy Grice, City Clerk/Treasurer, 364 North Lake Street, Boyne City, Michigan 49712 (231) 582-0334



Approved: _____

**MEETING OF
November 13, 2017**

**MINUTES OF THE BOYNE CITY LOCAL DEVELOPMENT FINANCE
AUTHORITY MEETING DULY CALLED AND HELD ON MONDAY, November 13,
2017 at City Hall ~ 319 N Lake St, Boyne City**

CALL TO ORDER

Chair Gillett called the meeting to order at 12:13 p.m.

ROLL CALL

Present: Kelly Bellant, Michael Cain, Michelle Cortright, Pete Friedrich, Ralph Gillett
Absent: Pat Anzell, Todd Fewins, Josette Lory

EXCUSED ABSENCES

Friedrich moved, Cain seconded, PASSED UNANIMOUSLY to excuse Pat Anzell,
Todd Fewins and Josette Lory

**MEETING
ATTENDANCE**

Staff: Recording Secretary Jane Halstead
Public: One

**APPROVAL OF
MINUTES
MOTION**

Cain moved, Friedrich seconded, PASSED UNANIMOUSLY to approve the
August 28, 2017 minutes.

**HEARING CITIZENS
PRESENT**

None

CORRESPONDENCE

None

UNFINISHED BUSINESS

Business Park Inquiries

Michael Cain reported that the previous inquires on vacancies in the park did not pan out at
this time.

Cain will be contacting the City Attorney to clarify “first right of refusal” issues.

Board Vacancy

Todd Fewins will remain on the Board until a replacement is found.

NEW BUSINESS

Budget Update

A reminder to be thinking about next year’s budget.

**2018 Calendar
MOTION**

Cortright moved, Friedrich seconded, PASSED UNANIMOUSLY to approve the
2018 calendar as presented.

GOOD OF THE ORDER The new Commissioners, Dean Solomon and Sally Page will be sworn in tonight at the City Commission meeting.

Upcoming meetings include the Joint Board & Commission meeting which will probably occur before the end of the year and the Community Goal Setting Meeting which will be held in the Spring/Summer of 2018.

NEXT MEETING The next meeting of the Local Development Finance Authority is scheduled for Monday, January 8th, 2018.

ADJOURNMENT The November 13, 2017 Local Development Finance Authority meeting was adjourned at 12:44 p.m.

Pete Friedrich, LDFA Secretary

Jane Halstead, Recording Secretary

City of Boyne City
Combining Statement of Net Position
Component Units
April 30, 2017

| | <u>Downtown Development Authority</u> | <u>Local Development Finance Authority</u> | <u>Boyne City Housing Commission 9/30/2016</u> | <u>Total Component Units</u> |
|---------------------------------------------|-----------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|----------------------------------|
| ASSETS | | | | |
| <i>Current Assets</i> | | | | |
| Cash and Cash Equivalents | \$ 328,218 | \$ 895,878 | \$ 336,871 | \$ 1,560,967 |
| Accounts Receivable | -- | -- | 9,073 | 9,073 |
| Inventories | -- | -- | 1,941 | 1,941 |
| Prepaid Items | -- | -- | 11,543 | 11,543 |
| Total Current Assets | <u>328,218</u> | <u>895,878</u> | <u>359,428</u> | <u>1,583,524</u> |
| <i>Noncurrent Assets</i> | | | | |
| Capital Assets not being Depreciated | -- | 291,419 | 794,267 | 1,085,686 |
| Capital Assets being Depreciated | 1,519,813 | 1,549,353 | 468,339 | 3,537,505 |
| Total Assets | <u>1,848,031</u> | <u>2,736,650</u> | <u>1,622,034</u> | <u>6,206,715</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension | 2,133 | -- | 125,819 | 127,952 |
| Total Deferred Outflows of Resources | <u>2,133</u> | <u>--</u> | <u>125,819</u> | <u>127,952</u> |
| LIABILITIES | | | | |
| <i>Current Liabilities</i> | | | | |
| Accounts Payable | 1,507 | 2,400 | 2,253 | 6,160 |
| Payroll Liabilities | 1,014 | -- | 10,368 | 11,382 |
| Current Portion of Compensated Absences | -- | -- | 1,038 | 1,038 |
| Customer Deposits | -- | -- | 30,511 | 30,511 |
| Accrued Interest | -- | -- | 27 | 27 |
| Unearned Revenue | -- | -- | 995 | 995 |
| Current Portion of Long-term Debt | 7,074 | -- | 16,145 | 23,219 |
| Total Current Liabilities | <u>9,595</u> | <u>2,400</u> | <u>61,337</u> | <u>73,332</u> |
| <i>Noncurrent Liabilities</i> | | | | |
| Long-term Debt | -- | -- | 7,425 | 7,425 |
| Compensated Absences | -- | -- | 884 | 884 |
| Net Pension Liability | 17,488 | -- | 487,678 | 505,166 |
| Total Liabilities | <u>27,083</u> | <u>2,400</u> | <u>557,324</u> | <u>586,807</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension | 3,138 | -- | -- | 3,138 |
| Total Deferred Inflows of Resources | <u>3,138</u> | <u>--</u> | <u>--</u> | <u>3,138</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 1,512,739 | 1,840,772 | 1,239,036 | 4,592,547 |
| <i>Unrestricted</i> | 307,204 | 893,478 | (48,507) | 1,152,175 |
| Total Net Position | <u>\$ 1,819,943</u> | <u>\$ 2,734,250</u> | <u>\$ 1,190,529</u> | <u>\$ 5,744,722</u> |

The Notes to the Financial Statements are an integral part of these Financial Statements

City of Boyne City
Combining Statement of Activities
Component Units
For the Year ending Ended April 30, 2017

| | Downtown Development Authority | Local Development Finance Authority | Boyne City Housing Commission 9/30/2016 | Total Component Units |
|--------------------------------------------|-----------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|----------------------------------|
| Expenses | | | | |
| Health and Welfare | \$ -- | \$ -- | \$ 672,061 | \$ 672,061 |
| Community and Economic Development | 782,500 | 45,533 | -- | 828,033 |
| Depreciation Expense | 128,009 | 61,793 | 79,615 | 269,417 |
| Interest Expense | 518 | -- | 633 | 1,151 |
| Total Expenses | <u>911,027</u> | <u>107,326</u> | <u>752,309</u> | <u>1,770,662</u> |
| Program Revenues | | | | |
| Charges for Services | 102,997 | -- | 284,404 | 387,401 |
| Operating Grants and Contributions | 525,780 | -- | 469,701 | 995,481 |
| Capital Grants and Contributions | -- | -- | 72,934 | 72,934 |
| Total Program Revenues | <u>628,777</u> | <u>--</u> | <u>827,039</u> | <u>1,455,816</u> |
| Net Program Revenues (Expenses) | <u>(282,250)</u> | <u>(107,326)</u> | <u>74,730</u> | <u>(314,846)</u> |
| General Revenue | | | | |
| Property Taxes | 288,975 | 144,232 | -- | 433,207 |
| Interest and Rentals | -- | -- | 103 | 103 |
| Total General Revenues | <u>288,975</u> | <u>144,232</u> | <u>103</u> | <u>433,310</u> |
| Change in Net Position | <u>6,725</u> | <u>36,906</u> | <u>74,833</u> | <u>118,464</u> |
| <i>Net Position at Beginning of Period</i> | 1,813,218 | 2,697,344 | 1,115,696 | 5,626,258 |
| Net Position at End of Period | <u>\$ 1,819,943</u> | <u>\$ 2,734,250</u> | <u>\$ 1,190,529</u> | <u>\$ 5,744,722</u> |

The Notes to the Financial Statements are an integral part of these Financial Statements

LOCAL DEVELOPMENT FINANCE AUTHORITY

Fund Code: 251

REVENUES

See page 57 on 12 Yr History

| Code | Account Title | Prior year FYE 2016 | Current Year FYE 2017 | | Proposed FYE 2018 |
|--------------|-----------------------------|------------------------|-----------------------|----------------|----------------------|
| | | | Budgeted | Projected | |
| 030 | REVENUES | | | | |
| 400 | Allocated from Fund Balance | 0 | 0 | 0 | 61,265 |
| 402 | Property Tax Collections | 171,600 | 213,106 | 144,232 | 139,735 |
| TOTAL | | 171,600 | 213,106 | 144,232 | 201,000 |

| | Prior FYE 2016 | Current FYE 2017 | Proposed FYE 2018 |
|------------------------------------|----------------------|------------------------|-------------------------|
| Fund Balance, Beginning of Year | 1,069,754 | 794,779 | 811,511 |
| Revenues Over (Under) Expenditures | (274,975) | 16,732 | (61,265) |
| Fund Balance, End of Year | 794,779 | 811,511 | 750,246 |

The LDFA generates revenue from increases in taxable value within the LDFA District (Air Industrial Park) that occur after the district was established (1996). It levies a millage equal to those that would ordinarily be levied by other taxing authorities within the district; in other words, these other taxing units forego their increased tax collections in order that the LDFA can capture them for improvements within the district. The LDFA currently raises income based upon a levy of 25.53

. LINE ITEM CLARIFICATION - Revenues

Tax Revenues.....\$ **139,735**

Within the LDFA District, the LDFA levies 24.56 mills on an increase in taxable value since 1996 of \$6,010,258.

LOCAL DEVELOPMENT FINANCE AUTHORITY

**Fund Code: 251
EXPENDITURES**

See page 58 on 12 Yr History

| Code | Account Title | Prior year FYE 2016 | Current Year FYE 2017 | | Proposed FYE 2018 |
|--------------|---------------------------------|------------------------|-----------------------|----------------|----------------------|
| | | | Budgeted | Projected | |
| 040 | EXPENDITURES | | | | |
| 726 | Administrative | 0 | 500 | 500 | 500 |
| 750 | Administrative Service Fee | 30,000 | 30,000 | 30,000 | 30,000 |
| 802 | Legal Services | 0 | 5,000 | 1,000 | 2,000 |
| 808 | Community Promotion | 3,625 | 7,500 | 7,500 | 7,500 |
| 818 | Contracted Services/Engineering | 0 | 25,000 | 0 | 15,000 |
| 819 | Professional Services | 0 | 15,000 | 10,000 | 2,500 |
| 870 | Training/Travel | 0 | 1,500 | 500 | 500 |
| 871 | Workforce Training Program | 17,363 | 20,000 | 20,000 | 10,000 |
| 900 | Advertising/Publishing | 2,695 | 4,000 | 3,000 | 3,000 |
| 968 | Depreciation Expense | 51,971 | 0 | 55,000 | 55,000 |
| 971 | Capital Outlay – Entrance sign | 0 | 75,000 | 0 | 75,000 |
| TOTAL | | 105,654 | 183,500 | 127,500 | 201,000 |

A. LINE ITEM CLARIFICATION - Expenditures

750 –Administrative Fee..... \$ 30,000

This expenditure covers support staff services provided from departments within the General Fund.

802 - Legal Services..... \$ 2,000

This expenditure covers legal costs associated with the sale of lots in the industrial park.

818 - Contracted Services/Engineering..... \$ 15,000

This expenditure covers costs to update the LDFA plan, plus miscellaneous engineering.

871 – Workforce Training Program \$ 10,000

971 – Capital Outlay..... \$ 75,000

Sign and streetlight improvements and possible broadband improvements in the Business Park.

Public Facility Implementation Schedule

Boyne City LDFA

| ID | Task Name | Duration | Start | Finish | 2017 | | | | 2018 | | | | 2019 | | | | 2020 | | | | 2021 | | | | 2022 | | | |
|----|-------------------------------------|-----------------|--------------------|--------------------|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|
| | | | | | Q1 | Q2 | Q3 | Q4 |
| 1 | Road Improvements | 250 days | Tue 10/1/19 | Mon 9/14/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Design | 60 days | Tue 10/1/19 | Mon 12/23/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Financing | 60 days | Tue 12/24/19 | Mon 3/16/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Bidding | 30 days | Tue 3/17/20 | Mon 4/27/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Construction | 100 days | Tue 4/28/20 | Mon 9/14/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Stormwater Improvements | 401 days | Tue 1/1/19 | Tue 7/14/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Drainage Area 51a | 140 days | Tue 1/1/19 | Mon 7/15/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Design | 30 days | Tue 1/1/19 | Mon 2/11/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | Financing | 30 days | Tue 2/12/19 | Mon 3/25/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | Bidding | 20 days | Tue 3/26/19 | Mon 4/22/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Construction | 60 days | Tue 4/23/19 | Mon 7/15/19 | | | | | | | | | | | | | | | | | | | | | | | | |
| 12 | Drainage Area 52a | 140 days | Wed 1/1/20 | Tue 7/14/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 13 | Design | 30 days | Wed 1/1/20 | Tue 2/11/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Financing | 30 days | Wed 2/12/20 | Tue 3/24/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 15 | Bidding | 20 days | Wed 3/25/20 | Tue 4/21/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 16 | Construction | 60 days | Wed 4/22/20 | Tue 7/14/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 17 | Water and Sewer Improvements | 240 days | Mon 1/3/22 | Fri 12/2/22 | | | | | | | | | | | | | | | | | | | | | | | | |
| 18 | Design | 60 days | Mon 1/3/22 | Fri 3/25/22 | | | | | | | | | | | | | | | | | | | | | | | | |
| 19 | Financing | 30 days | Mon 3/28/22 | Fri 5/6/22 | | | | | | | | | | | | | | | | | | | | | | | | |
| 20 | Bidding | 30 days | Mon 5/9/22 | Fri 6/17/22 | | | | | | | | | | | | | | | | | | | | | | | | |
| 21 | Construction | 120 days | Mon 6/20/22 | Fri 12/2/22 | | | | | | | | | | | | | | | | | | | | | | | | |
| 22 | Other Infrastructure | 951 days | Mon 4/3/17 | Wed 12/2/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Fiber Connections | 170 days | Tue 1/2/18 | Mon 8/27/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 24 | Design | 30 days | Tue 1/2/18 | Mon 2/12/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 25 | Financing | 30 days | Tue 2/13/18 | Mon 3/26/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 26 | Bidding | 20 days | Tue 3/27/18 | Mon 4/23/18 | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | |
|--------------------------------------------------|-----------|--|---------------------|--|--------------------|--|
| Project: Boyne City LDFA Dev Date: Tue 4/4/17 | Task | | Rolled Up Task | | Project Summary | |
| | Split | | Rolled Up Split | | External Milestone | |
| | Progress | | Rolled Up Milestone | | Deadline | |
| | Milestone | | Rolled Up Progress | | | |
| | Summary | | External Tasks | | | |

Public Facility Implementation Schedule

Boyne City LDFA

| ID | Task Name | Duration | Start | Finish | 2017 | | | | 2018 | | | | 2019 | | | | 2020 | | | | 2021 | | | | 2022 | | | |
|----|-----------------------------------------|-----------------|-------------------|---------------------|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|
| | | | | | Q1 | Q2 | Q3 | Q4 |
| 27 | Construction | 90 days | Tue 4/24/18 | Mon 8/27/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | Trail Development | 240 days | Thu 1/2/20 | Wed 12/2/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 29 | Design | 60 days | Thu 1/2/20 | Wed 3/25/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 30 | Financing | 30 days | Thu 3/26/20 | Wed 5/6/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 31 | Bidding | 30 days | Thu 5/7/20 | Wed 6/17/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 32 | Construction | 120 days | Thu 6/18/20 | Wed 12/2/20 | | | | | | | | | | | | | | | | | | | | | | | | |
| 33 | Signage | 60 days | Mon 4/3/17 | Fri 6/23/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 34 | Design | 10 days | Mon 4/3/17 | Fri 4/14/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 35 | Financing | 10 days | Mon 4/17/17 | Fri 4/28/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 36 | Bidding | 20 days | Mon 5/1/17 | Fri 5/26/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 37 | Construction | 20 days | Mon 5/29/17 | Fri 6/23/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 38 | Lighting Improvements | 160 days | Thu 3/1/18 | Wed 10/10/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 39 | Design | 60 days | Thu 3/1/18 | Wed 5/23/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 40 | Financing | 20 days | Thu 5/24/18 | Wed 6/20/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 | Bidding | 20 days | Thu 6/21/18 | Wed 7/18/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 42 | Construction | 60 days | Thu 7/19/18 | Wed 10/10/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 43 | Landscaping | 140 days | Thu 2/1/18 | Wed 8/15/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 44 | Design | 30 days | Thu 2/1/18 | Wed 3/14/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 45 | Financing | 30 days | Thu 3/15/18 | Wed 4/25/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 | Bidding | 20 days | Thu 4/26/18 | Wed 5/23/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 47 | Construction | 60 days | Thu 5/24/18 | Wed 8/15/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 48 | Analysis and Feasibility Studies | 207 days | Mon 5/1/17 | Thu 2/22/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 49 | Communications | 120 days | Mon 5/1/17 | Tue 10/17/17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 50 | Workforce Housing | 120 days | Fri 9/1/17 | Thu 2/22/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 | Economic Development | 120 days | Fri 9/1/17 | Thu 2/22/18 | | | | | | | | | | | | | | | | | | | | | | | | |

Project: Boyne City LDFA Dev
Date: Tue 4/4/17

| | | | | | |
|-----------|--|---------------------|--|--------------------|--|
| Task | | Rolled Up Task | | Project Summary | |
| Split | | Rolled Up Split | | External Milestone | |
| Progress | | Rolled Up Milestone | | Deadline | |
| Milestone | | Rolled Up Progress | | | |
| Summary | | External Tasks | | | |