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BOYNE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY

Monday, January 13, 2020 following the Noon EDC meeting

City Hall
319 N Lake Street
Boyne City, MI 49712

1. CALL MEETING TO ORDER

2. ROLL CALL

Excused Absences

3. READING AND APPROVAL OF MINUTES

Approval of the October 14, 2019 meeting minutes

4. HEARING CITIZENS PRESENT (ON NON-AGENDA ITEMS)

5. CORRESPONDENCE

6. UNFINISHED BUSINESS

- a. Business Park Sign - Air Industrial Drive
- b. Other

7. NEW BUSINESS

- a. Board Vacancy (Drew May)
- b. Expiration of Terms in March for Kelly Bellant and Josette Lory
- c. Budget Discussion
- d. 2020 Calendar
- e. Other

8. GOOD OF THE ORDER

9. ANNOUNCEMENTS

- The next regular meeting is scheduled for March 9, 2020

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, 319 North Lake Street, Boyne City, Michigan 49712 (231) 582-0334



Approved: _____

MEETING OF
October 14, 2019

MINUTES OF THE BOYNE CITY LOCAL DEVELOPMENT FINANCE
AUTHORITY MEETING DULY CALLED AND HELD ON MONDAY, October 14,
2019 at City Hall ~ 319 N Lake Street, Boyne City

CALL TO ORDER

Chair Gillett called the meeting to order at 12:01 p.m.

ROLL CALL

Present: Pat Anzell, Michael Cain, Michelle Cortright, Pete Friedrich, Ralph Gillett and
 Josette Lory
Absent: Kelly Bellant, Drew May

EXCUSED ABSENCES
MOTION

Anzell moved, Cortright seconded, PASSED UNANIMOUSLY to excuse Kelly Bellant.

MEETING ATTENDANCE

Staff: Recording Secretary Jane Halstead, Planning Director Scott McPherson, City
 Clerk/Treasurer Cindy Grice
Public: One

APPROVAL OF MINUTES
MOTION

Lory, Friedrich seconded, PASSED UNANIMOUSLY to approve the May 13, 2019
minutes as presented.

HEARING CITIZENS
PRESENT

None.

CORRESPONDENCE

None.

INFORMATIONAL
MEETING

The Recodified Tax Increment Financing Act requires that informational meetings are held twice per year and that each taxing entity that is subject to tax capture is notified. This meeting meets that requirement. We also post our budgets, meetings and minutes online to promote transparency.

UNFINISHED BUSINESS
Business Park Sign

Bruce Janssen of The Wood Shop presented his rendering for a new sign for the Air Industrial Drive entrance to the Business Park. The current sign is 33 years old. The Board discussed Bruce's design and decided they would like to the sign to have more resemblance to the sign at the other entrance of the Park. They suggested the elimination of the stone platform and have the sculpture sit closer to the ground. The Board would also like the sign lighted with sensitivity to light pollution. Bruce will work on the changes and communicate to the Board via email through the process. The Board would like to have a new sign installed next spring if possible. Several trees will need to be removed at the site for the sign.

NEW BUSINESS

None.

GOOD OF THE ORDER

None.

NEXT MEETING

The next meeting of the Local Development Finance Authority is scheduled for November 11, 2019.

ADJOURNMENT

The October 14, 2019 Local Development Finance Authority meeting was adjourned at 12:38 p.m.

Pete Friedrich, LDFA Secretary

Jane Halstead, Recording Secretary

LOCAL DEVELOPMENT FINANCE AUTHORITY

Fund Code: 251
REVENUES

See page 59 on 12 Yr History

Code	Account Title	Prior year FYE 2018	Current Year FYE 2019		Proposed FYE 2020
			Budgeted	Projected	
030	REVENUES				
400	Allocated from Fund Balance	123,586	0	286,955	101,156
402	Property Tax Collections	169,047	142,670	146,840	150,344
673	Property Sale	0	0	62,205	0
TOTAL		292,633	142,670	496,000	251,500

	Prior FYE 2018	Current FYE 2019	Proposed FYE 2020
Fund Balance, Beginning of Year	1,141,504	1,018,918	731,963
Revenues Over (Under) Expenditures	(123,586)	(286,955)	(101,156)
Fund Balance, End of Year	1,017,918	731,963	630,807

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.....\$ 150,344

Within the LDFA District, the LDFA levies 24.4416 mills on an increase in taxable value since 1996 of \$6,161,988.

*Revised 4/4/19

LOCAL DEVELOPMENT FINANCE AUTHORITY

**Fund Code: 251
EXPENDITURES**

See page 60 on 12 Yr History

Code	Account Title	Prior year FYE 2018	Current Year FYE 2019		Proposed FYE 2020
			Budgeted	Projected	
040	EXPENDITURES				
750	Administrative Service Fee	30,000	500	0	500
808	Community Promotion	3,125	30,000	30,000	30,000
818	Contracted Services/Engineering	5,399	2,000	500	2,500
819	Professional Services	171	2,500	2,500	10,000
870	Training/Travel	0	500	0	500
900	Advertising/Publishing	1,212	3,000	3,000	3,000
968	Depreciation	61,793	55,000	55,000	55,000
970	Property Repurchase	2,853	0	405,000	50,000
971	Capital Outlay	1,848	30,000	0	100,000
TOTAL		106,401	123,500	496,000	251,500

A. LINE ITEM CLARIFICATION - Expenditures

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

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

818 - Contracted Services/Engineering..... \$ 2,500

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

971 - Capital Outlay..... \$ 100,000

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

City of Boyne City
Combining Statement of Net Position / Balance Sheet
Component Units
April 30, 2019

Governmental Activities

	<u>Downtown Development Authority</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>	<u>Local Development Finance Authority</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS						
<i>Current Assets</i>						
Cash and Investments	\$ 502,640	\$ --	\$ 502,640	\$ 786,083	\$ --	\$ 786,083
Total Current Assets	502,640	--	502,640	786,083	--	786,083
<i>Noncurrent Assets</i>						
Capital Assets not being Depreciated	--	--	--	--	291,419 1	291,419
Capital Assets being Depreciated	--	1,517,013 1	1,517,013	--	1,425,767 1	1,425,767
Total Assets	502,640	1,517,013	2,019,653	786,083	1,717,186	2,503,269
DEFERRED OUTFLOWS OF RESOURCES						
Pension	--	5,833 2	5,833	--	--	--
LIABILITIES						
<i>Current Liabilities</i>						
Accounts Payable	1,599	--	1,599	9	--	9
Payroll Liabilities	1,934	--	1,934	--	--	--
Total Current Liabilities	3,533	--	3,533	--	--	--
<i>Noncurrent Liabilities</i>						
Net Pension Liability	--	18,128 2	18,128	--	--	--
Total Liabilities	3,533	18,128	21,661	--	--	--
NET POSITION / FUND BALANCE						
Investment in Capital Assets	--	1,517,013	1,517,013	--	1,717,186	1,717,186
Unassigned / Unrestricted	499,107	(12,295)	486,812	786,074	--	786,074
Total Net Position / Fund Balance	\$ 499,107	\$ 1,517,013	\$ 2,003,825	\$ 786,074	\$ 1,717,186	\$ 2,503,260

- 1 General government capital assets net of accumulated depreciation are not financial resources, and accordingly are not reported in the funds.
2 The DDA's net pension liability and deferred outflows of resources related to its participation in the MERS defined benefit pension plan are not recorded in the governmental funds but are recorded in the statement of net position.

City of Boyne City
Combining Statement of Activities / Statement of Revenues, Expenditures and Changes in Fund Balance
Component Units
For the Year Ended April 30, 2019

Governmental Activities

	Downtown Development Authority	Adjustments	Statement of Activities	Local Development Finance Authority	Adjustments	Statement of Activities
Expenses						
Community and Economic Development	\$ 270,429	\$ (5,531)	1 \$ 264,898	\$ 440,888	\$ -	2 \$ 440,888
Depreciation Expense	--	1,400	2 1,400	-	61,793	2 61,793
Total Expenses	<u>270,429</u>	<u>1,400</u>	<u>266,298</u>	<u>440,888</u>	<u>61,793</u>	<u>502,681</u>
Program Revenues						
Charges for Services	97,501	--	97,501	62,205	--	62,205
Total Program Revenues	<u>97,501</u>	<u>--</u>	<u>97,501</u>	<u>62,205</u>	<u>--</u>	<u>62,205</u>
Net Program Revenues (Expenses)	<u>(172,928)</u>	<u>(1,400)</u>	<u>(168,797)</u>	<u>(378,683)</u>	<u>(61,793)</u>	<u>(440,476)</u>
General Revenue						
Property Taxes	285,413	--	285,413	146,839	--	146,839
Total General Revenues	<u>285,413</u>	<u>--</u>	<u>285,413</u>	<u>146,839</u>	<u>--</u>	<u>146,839</u>
Change in Net Position / Fund Balance	<u>112,485</u>	<u>(1,400)</u>	<u>116,616</u>	<u>(231,844)</u>	<u>(61,793)</u>	<u>(293,637)</u>
<i>Net Position / Fund Balance at Beginning of Period</i>	386,622	1,500,587	1,887,209	1,017,918	1,778,979	2,796,897
Net Position / Fund Balance at End of Period	<u>\$ 499,107</u>	<u>\$ 1,499,187</u>	<u>\$ 2,003,825</u>	<u>\$ 786,074</u>	<u>\$ 1,717,186</u>	<u>\$ 2,503,260</u>

- 1 Changes in the City's net pension liability and deferred outflows of resources for the current year are not reported in the governmental funds but are reported in the statement of activities.
- 2 Governmental fund report capital outlay as expenditures; however, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

2020 EDC/LDFA Meeting Schedule – Noon @ City Hall

January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1	1	2	3	4	5	6	7				1	2	3	4
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31		23	24	25	26	27	28	29	29	30	31					26	27	28	29	30		

May							June							July							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2		1	2	3	4	5	6				1	2	3	4							1
3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29
31																					30	31					

September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31		