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**BOYNE CITY
LOCAL DEVELOPMENT FINANCE AUTHORITY**

Monday, January 9, 2017—following the EDC meeting at City Hall
364 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 October 17, 2016 meeting minutes
- 4. HEARING CITIZENS PRESENT (ON NON-AGENDA ITEMS)**
- 5. CORRESPONDENCE**
- 6. REPORTS OF OFFICERS, BOARDS, AND STANDING COMMITTEES**
- 7. UNFINISHED BUSINESS**
 - a. TIF Renewal
 - b. Budget Discussion
 - c. Other
- 8. NEW BUSINESS**
 - a. Approval of 2017 Meeting Calendar
- 9. GOOD OF THE ORDER**
- 10. ANNOUNCEMENTS**
 - Joint Board & Committee Meeting Tuesday, January 17th, 6:00 p.m. – City Hall
 - The next regular meeting is scheduled for March 13, 2017
- 11. 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
October 17, 2016**

**MINUTES OF THE BOYNE CITY LOCAL DEVELOPMENT FINANCE
AUTHORITY SPECIAL MEETING DULY CALLED AND HELD ON MONDAY,
OCTOBER 17, 2016 AT City Hall~364 N Lake St, Boyne City.**

CALL TO ORDER

Chair Gillett called the meeting to order at 12:00 p.m.

ROLL CALL

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

**EXCUSED ABSENCES
MOTION**

Cain moved, Cortwright seconded, PASSED UNANIMOUSLY to excuse Anzell,
Bellant and Fewins

**MEETING
ATTENDANCE**

Staff: Recording Secretary Jane Halstead
Public: Two

**APPROVAL OF
MINUTES
MOTION**

Friedrich moved, Cortwright seconded, PASSED UNANIMOUSLY to approve the
September 12, 2016 minutes.

**HEARING CITIZENS
PRESENT**

None

NEW BUSINESS

Steve Schunk of Northern Logistics presented a site plan amendment to expand parking by 15 spaces on the east end of the property at 827 Moll Drive. The plan also provided for enhancements to the driveway radius to allow easier access for truck-trailers. Pete Friedrich moved and Michelle Cortwright seconded a motion to send a recommendation to the Planning Commission to approve the plan.

Schunk stated that Northern Logistics has 3 office spaces that are available for rent. They are currently leasing space to LexaMar.

UNFINISHED BUSINESS Mac McClelland was unable to attend meeting due to illness. The board looked over the questionnaire McClelland put together for residents of the Boyne City Air Industrial Park. It was suggested that a ranking scale be provided for all questionnaire answers. The board agreed that the use of Survey Monkey to compile results would be beneficial.

Michael Cain stated that the large amount of materials on site at LexaMar needs to be addressed. This will be an agenda item at a future meeting.

Friedrich brought up the need for a turn lane on M-75 to access the industrial park and alleviate drivers passing on the right. This will be added to the TIF plan.

Friedrich stated the need for a name brand hotel in Boyne for people who come to Boyne City to do business. Currently, many business people stay in Petoskey.

GOOD OF THE ORDER

None.

NEXT MEETING The next meeting of the LDFA was scheduled for November 14th, 2016 but will need to be rescheduled due to scheduling conflicts with several board members.

ADJOURNMENT The October 17, 2016 Local Development Finance Authority meeting was adjourned at 12:45 p.m.

Pete Friedrich, LDFA Secretary

Jane Halstead, Recording Secretary

LOCAL DEVELOPMENT FINANCE AUTHORITY

Fund Code: 251

REVENUES

See page 55 on 12 Yr History

| Code | Account Title | Prior year FYE 2015 | Current Year FYE 2016 | | Proposed FYE 2017 |
|--------------|-----------------------------|------------------------|-----------------------|----------------|----------------------|
| | | | Budgeted | Projected | |
| 030 | REVENUES | | | | |
| 400 | Allocated from Fund Balance | 0 | 544,582 | 288,082 | 0 |
| 402 | Property Tax Collections | 213,243 | 191,418 | 191,418 | 213,106 |
| TOTAL | | 213,243 | 736,000 | 479,500 | 213,106 |

| | Prior FYE 2015 | Current FYE 2016 | Proposed FYE 2017 |
|------------------------------------|----------------------|------------------------|-------------------------|
| Fund Balance, Beginning of Year | 994,480 | 1,069,754 | 781,672 |
| Revenues Over (Under) Expenditures | 75,274 | (288,082) | 29,606 |
| Fund Balance, End of Year | 1,069,754 | 781,672 | 811,278 |

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.....\$ **213,106**

Within the LDFA District, the LDFA levies 25.53 mills on an increase in taxable value since 1996 of \$8,344,022.

LOCAL DEVELOPMENT FINANCE AUTHORITY

**Fund Code: 251
EXPENDITURES**

See page 56 on 12 Yr History

| Code | Account Title | Prior year FYE 2015 | Current Year FYE 2016 | | Proposed FYE 2017 |
|--------------|---------------------------------|------------------------|-----------------------|----------------|----------------------|
| | | | Budgeted | Projected | |
| 040 | EXPENDITURES | | | | |
| 726 | Administrative | 0 | 500 | 0 | 500 |
| 750 | Administrative Service Fee | 30,000 | 30,000 | 30,000 | 30,000 |
| 802 | Legal Services | 0 | 5,000 | 1,500 | 5,000 |
| 808 | Community Promotion | 7,044 | 7,500 | 7,500 | 7,500 |
| 818 | Contracted Services/Engineering | 16,800 | 67,000 | 60,000 | 25,000 |
| 819 | Professional Services | 1,389 | 10,000 | 2,500 | 15,000 |
| 825 | AIP Right of Way Construction | 0 | 515,000 | 350,000 | 0 |
| 870 | Training/Travel | 128 | 1,500 | 0 | 1,500 |
| 871 | Workforce Training Program | 30,899 | 20,000 | 20,000 | 20,000 |
| 900 | Advertising/Publishing | 2,831 | 4,000 | 3,000 | 4,000 |
| 970 | Property Repurchase | 0 | 500 | 0 | 0 |
| 971 | Capital Outlay – Entrance sign | 135 | 75,000 | 5,000 | 75,000 |
| 992 | CDBG Loan Principal | 48,742 | 0 | 0 | 0 |
| TOTAL | | 137,968 | 736,000 | 479,500 | 183,500 |

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..... \$ 5,000

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

818 - Contracted Services/Engineering..... \$ 25,000

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

825 - Contracted Services/Construction..... \$ 25,000

871 – Workforce Training Program \$ 20,000

971 – Capital Outlay..... \$ 75,000

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

990/992– Principal\$ 0

This item is no longer required. The final payments were made in FYE 2015.

City of Boyne City
Combining Statement of Net Position
Component Units
April 30, 2016

| | <u>Downtown Development Authority</u> | <u>Local Development Finance Authority</u> | <u>Boyne City Housing Commission 9/30/2015</u> | <u>Total Component Units</u> |
|---|---|--|--|----------------------------------|
| ASSETS | | | | |
| <i>Current Assets</i> | | | | |
| Cash and Cash Equivalents | \$ 235,372 | \$ 811,142 | \$ 237,372 | \$ 1,283,886 |
| Accounts Receivable | -- | -- | 2,001 | 2,001 |
| Inventories | -- | -- | 2,864 | 2,864 |
| Prepaid Items | -- | -- | 12,265 | 12,265 |
| Total Current Assets | <u>235,372</u> | <u>811,142</u> | <u>254,502</u> | <u>1,301,016</u> |
| <i>Noncurrent Assets</i> | | | | |
| Capital Assets not being Depreciated | -- | 291,419 | 796,267 | 1,087,686 |
| Capital Assets being Depreciated | 1,626,822 | 1,611,146 | 444,212 | 3,682,180 |
| Total Assets | <u>1,862,194</u> | <u>2,713,707</u> | <u>1,494,981</u> | <u>6,070,882</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension | 12,954 | -- | 70,722 | 83,676 |
| Total Deferred Outflows of Resources | <u>12,954</u> | <u>--</u> | <u>70,722</u> | <u>83,676</u> |
| LIABILITIES | | | | |
| <i>Current Liabilities</i> | | | | |
| Accounts Payable | 444 | 16,363 | 2,984 | 19,791 |
| Payroll Liabilities | 1,167 | -- | 22,132 | 23,299 |
| Customer Deposits | -- | -- | 30,138 | 30,138 |
| Accrued Interest | -- | -- | 63 | 63 |
| Unearned Revenue | -- | -- | 563 | 563 |
| Current Portion of Long-term Debt | 6,783 | -- | 15,795 | 22,578 |
| Total Current Liabilities | <u>8,394</u> | <u>16,363</u> | <u>71,675</u> | <u>96,432</u> |
| <i>Noncurrent Liabilities</i> | | | | |
| Long-term Debt | 7,074 | -- | 23,589 | 30,663 |
| Compensated Absences | -- | -- | 2,804 | 2,804 |
| Net Pension Liability | 46,462 | -- | 351,939 | 398,401 |
| Total Liabilities | <u>61,930</u> | <u>16,363</u> | <u>450,007</u> | <u>528,300</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 1,612,965 | 1,902,565 | 1,201,095 | 4,716,625 |
| <i>Restricted for:</i> | | | | |
| Housing Commission | -- | -- | 5,295 | 5,295 |
| <i>Unrestricted</i> | 200,253 | 794,779 | (90,694) | 904,338 |
| Total Net Position | <u>\$ 1,813,218</u> | <u>\$ 2,697,344</u> | <u>\$ 1,115,696</u> | <u>\$ 5,626,258</u> |

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

