

**BATTLE CREEK DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS**

Monday April 25, 2022, 3:30 PM
Kellogg Executive Airport Conference Room

MEMBERS PRESENT: John Godfrey, Kim Carter, Paul Conkey, Edward Guzzo, Nelson Karre, Cody Newman, Ross Simpson, Kyra Wallace
Ex-Officio: Commissioner Boonikka Herring and Commissioner Carla Reynolds

ABSENT: Rebecca Fleury

OTHERS PRESENT: Ted Dearing, Linda Morrison, John Hart, Cassi Cooper (electronically)

Call to order: Chairperson Conkey called meeting to order at 3:32 pm.

Approval of Minutes:

MOTION: Mr. Godfrey moved that the Battle Creek Downtown Development Authority Board of Directors approve the meeting minutes from October 25, 2021 with a minor correction. Mr. Newman supported the motion. Unanimously approved.

Financials:

- a. **FY 2021 Audit Presentation** – Revenue Services Director Linda Morrison presented the annual audited financial statements for the year ended June 30, 2021 with an opinion date of December 21, 2021. The independent certified public accounting firm of Rehmann Robson provided an unmodified opinion, which is the highest level of assurance available for a financial audit. The General Fund of the DDA completed the year with revenues over expenditures of \$377,952 and an ending fund balance of \$1,469,260. The report on internal controls and compliance noted no identification of any deficiencies in internal control, which they would consider material weaknesses nor did they identify any instances of noncompliance during their testing.

MOTION: Mr. Guzzo moved that the Battle Creek Downtown Development Authority Board of Directors accept the June 30, 2021 audited financial statements. Mr. Godfrey supported. Unanimously approved

- b. **FY 2021 Annual Report** – Revenue Services Director Linda Morrison presented the annual report for the year ended June 30, 2021. Ms. Morrison noted this report is required by and filed with the Michigan Department of Treasury. It includes details of the capture of property taxes, and the revenues and expenditure numbers reconcile to the audited financial statements.

MOTION: Mr. Guzzo moved that the Battle Creek Downtown Development Authority Board of Directors accept the June 30, 2021 annual report. Mr. Godfrey supported. Unanimously approved.

- c. **Interim Financial Statement through March 2022** – Revenue Services Director Linda Morrison presented the interim financial statements for the nine months ended March 31, 2022. Revenues exceed expenditures for the nine months by \$3,015,99; debt service of \$2,110,398 will be paid May 1, 2022.

MOTION: Mr. Karre moved that the Battle Creek Downtown Development Authority Board of Directors accept the March 31, 2022 interim financial statement. Mr. Newman supported. Unanimously approved

- a. **FY 2022 Budget Amendment** – Revenue Services Director Linda Morrison presented the proposed budget amendment for the year ending 6/30/22. The proposed amendment adjusts the budget to the estimated actual year-end numbers. This reduces the revenue budget by \$64,142 as well as reduces expenditures by \$422,292. This results in a proposed amended budgeted bottom line revenue over expenditures of \$358,150. If estimates are accurate, that would bring fund balance up to \$1,827,410. Ted Dearing's memo included in the board packet gives further details of the requested amendment for projects.

MOTION: Mr. Newman moved that the Battle Creek Downtown Development Authority Board of Directors approve the June 30, 2022 amendment to the budget. Mr. Godfrey supported. Unanimously approved

- b. **FY 2023 Budget Approval** – Revenue Services Director Linda Morrison presented the proposed annual budget for the year ending June 30, 2023. Total revenues, primarily due to personal property tax replacement, are lower than FY22 by \$61,815. The expenditure budget continues the commitment to support the Central Business District maintenance and planting, the downtown police officer, and the economic development fund. There is an increase in the support for the intermodal facility and the reinstatement of support for the Kellogg Arena.

MOTION: Mr. Guzzo moved that the Battle Creek Downtown Development Authority Board of Directors approve the fiscal year 2023 annual budget. Mr. Simpson supported. Unanimously approved

Voces Lease:

Mr. Dearing discussed the Voces lease that expires 4/30/22. This is a transition period for VOCES during which the request and recommendation is a continuation of current terms on a month-to-month basis.

MOTION: Mr. Guzzo moved that the Battle Creek Downtown Development Authority Board of Directors continue the current terms on a month-to-month basis. Mr. Simpson supported. Unanimously approved.

2022 Plan Amendment:

Mr. Dearing discussed the Development Area Citizens Council information that was included in the board packet and the recommendation of this council to encourage public engagement. There was direct mail to every address with a principal residence exemption in the district, and there has been interest returned to join the council. Still looking for more geographic diversity of members. Will be looking for approval by the City Commission in either the second meeting in May or first meeting in June. Mr. Dearing will send a map showing the sub area delineation.

Project Updates:

VanBuren purchase option – Mr. Hart and Mr. Dearing updated the board. The City has entered into a purchase option with a development company for a mixed-use development. Initial term is 3 years. Discussion about changes to parking as more downtown residential development occurs.

Member/Citizen Comments: There were no citizen comments. Member discussion included river development/restoration and hydrolic modeling by the Army Corp of Engineers. The city is seeking several million in federal/state funding for this project as GPI vacates their location in May. Recommendation from members for site visits to see riverfront restoration in Detroit and San Antonio as well as natural flood control systems in Denver and Boulder.

Adjourn: 4:34 pm