

Downtown Development Authority Meeting of the DDA Board of Directors November 28, 2023

The November meeting of the DDA Board of Directors was called to order at 8:05 am.

ROLL CALL

Present: DJ Boyd, Margene Buckhave, David Cole, Aaron Cozart, Ryan McKindles, Robert Miller, Shawn Riley, Brian Turnbull

Absent: Mike Jaafar, Jim Long

Also Present: Lori Ward/DDA Director, Stacy Pearson/Assistant DDA Director, George Lahanas/City Manager, Sandi Wiktorowski/Finance Director, Barbara Moroski-Browne/Mayor Pro-tem, Ashley Raden/Plante Moran

Ward noted amendments to previous October minutes, adjusting a vote cast by Long to approve the Interlocal agreement to read as 'approve'.

APPROVAL OF AGENDA AND CONSENT AGENDA

Motion by Turnbull, seconded by Boyd to approve amended minutes, agenda, and consent agenda as presented. Motion carried unanimously.

AUDIENCE COMMENTS

None

INFORMATIONAL MEETING – PA 57

Twice a year, DDA's are required by state statute to hold an information meeting and to extend an invitation to taxing jurisdictions to attend the meeting and hear what the DDA is working on. Ward presented a detailed overview of the DDA 2023 Annual Report (Attachment 7.a) and 2023-2024 Goals and Objectives as it pertains to each of the five committees to additionally include Action Steps (Attachment 7.b) as laid out in the meeting packet. Ward briefly reviewed each Committee's goals as listed in the report along with additionally summaries of each group. Ward reviewed revenue and expenses for the year.

McKindles noted that the EV chargers are occasionally not working. Ward and Turnbull shared that a meeting was upcoming on Thursday November 30 with Red E Charging to discuss the issues.

Ward stated that when reaching out to taxing jurisdictions to let them know about the meetings, Ward reminds them that the DDA meetings are open to the public and they are encouraged to attend any of the DDA meetings or committee meetings.

Riley congratulated Turnbull and Moroski-Browne on their reelection. Moroski-Browne will be staying on as a member of the Executive Committee and will continue on as Mayor Pro-tem.

DDA BOARD ISSUES

Ward walked through changes outlined in packet regarding DDA Bylaws. Questions arose on what constitutes a quorum in order for the DDA to do business. She noted that the issue was referred to the City Attorney who made recommendations that are outlined in the packet memo – Attachment 6.a. Current bylaws are silent on the quorum matter. A discussion took place by the group on what the best course of action should be regarding what constitutes a quorum. Boyd led the discussion.

Boyd included that the definition of quorum doesn't specify a number, and McKindles noted that the it should fall to Robert's Rules. McKindles asked if we currently had a problem reaching a quorum of members to conduct business. Ward stated that it was not a large problem and only happened occasionally over the years, usually in late summer. Boyd questioned whether the DDFA needed to meeting every month or could we move to a schedule of only six times a year? Timing of Board meetings was debated by the board focusing on eliminating special meetings while keeping the momentum of the board throughout the year. Turnbull requested that whatever is decided upon by the Board should be defined before future meetings begin. Boyd commented that moving the DDA's standing meeting from the 3rd to the 4th Tuesday of each month has reduced the need for special meetings. Ward suggested that the standing committee's quorum should match the language for board quorum requirement. She concluded the discussion stating that an updated copy and proposal will be brought back to group after adjustment with the attorney for a final vote. Boyd suggested that the revised bylaws include a definition of quorum in the document. Boyd suggested that that definition of quorum be phrased as "A majority of the appointed members of the Board". Ward stated that she would work with the City Attorney to address the recommendations of the Board and bring a revised document back to a future meeting of the DDA Board.

Boyd discussed Organizational Committee finances, fund balance, and upcoming design expenses that were not originally in the budget. Boyd noted fund balance is currently half of what is usually available. Project launches will be discussed at next week's meeting and how they will affect the DDA's fund balance. Boyd suggested taking extra time on this report when it comes out in order to have an informed discussion.

Ward also noted that McKindles has been the DDA liaison to the Brownfield Redevelopment Authority (BRA) and he was recently reappointed to the DDA Board for another term. Ward suggested that the DDA Board take formal action to reappoint McKindles as its liaison to the BRA. McKindles said he would be happy to continue on. McKindles noted that if there were a conflict in voting he would sit out, but it would be a rare occurrence. Moroski-Browne added that McKindles position is not a liaison, but is a full board member.

Motion by Turnbull, seconded by Cozart, to approve McKindles as a continuing member of the BRA. Motion carried unanimously.

Riley announced that Steven Huprich would no longer be serving on the DDA Board due to time commitments and conflicts. Riley noted he was a thoughtful and appreciated member of the group. Turnbull stated that a decision on a new member would be made in the upcoming week and new member would be included in the December meeting.

Riley reminded the board that the requirement for serving on the board is 75% attendance rate at meetings. He continued that adjusting the number of meetings moving forward may be impacted by this requirement and that the group needed to be thoughtful on this point.

Ward noted in the packet (Attachment 9), the proposed 2024 meeting schedule was listed. She additionally noted that the original December meeting date of 12/26/23 will be moved 12/19/23 to accommodate holiday break and travel. Notices will be sent to ensure quorum and announced to the public.

PRESENTATION OF DDA 2022-2023 AUDIT – PLANTE MORAN

Raden thanked the DDA and Wiktorowski for their help in the audit process. She stated that Plante Moran issued an unmodified opinion, a clean opinion, which is the best reporting a community can get from an audit. This opinion can be found in packet on page 18/19. Raden walked through all aspects of the audit including fund balance, TIF captures, assigned costs, income statement, revenue, and expenditures. She made special note to the board when planning out the 2024 budget to consider that the library capture would be going away in the next couple of years based on the boundary expansion for the Brownfield redevelopment plan. She concluded that the report findings are fairly consistent with prior years, and that Plante Moran would be happy to answer further questions whenever needed.

Raden reported that State of Net Position stated that as of the end of the fiscal year, June 30, 2023 the DDA had a fund balance of \$467,645 which was an increase of a fund balance of \$425,000 from the previous year. Of that fund balance, \$112,000 was considered unassigned, so this is the amount that the DDA has for future spending.

Turnbull asked for a brief final note. Raden said that audit process was very collaborative, all necessary information was gathered during field work, and that the audit was completed just over a month ago. She found everyone very helpful yielding a smooth audit for 2023. Lahanas included that changes for the future will move the DDA audit to the City's report. Lahanas noted that this is a cost-effective change for both entities yielding a single report, and that no clarity would be lost in the process. This was supported by Wiktorowski.

Boyd requested clarity on whether negative items on balance sheet should be shifted to their own page in the reporting. Raden stated that it was the purpose of the unassigned line to address this issue. The reporting format is dictated by GAAS audit standards. Ward included a note that in the past, unexpected items have been paid for by the fund balance so that budget alterations weren't necessary. In the future the DDA may want to also look at expense reductions as well as use of fund balance to fund items.

Motion by Boyd, seconded by Buckhave, to accept the auditor report as presented by Plante Moran. Motion carried unanimously.

INFORMATION and UPDATES

Design Committee – Miller noted a meeting date would be forthcoming.

Marketing Committee – No report.

- Ward noted the Holiday Lighted Parade was a wonderful event, and a post event meeting would be held in the DDA meeting room today. Ward also noted the Holiday to Remember on 12/9, 12/16, and 12/23 to include horse and wagon rides, Santa, singers, bagpiper, vendors, and more. Santa would also be present on Sundays.
- Lahanas noted that the last set of bollards would be installed in the spring.
- Cole noted that business was very good over the Thanksgiving week. Buckhave said that black Friday and the weekend were not great for sales for small businesses.
- Turnbull thanked local restaurants for helping with the community Thanksgiving event.

Parking Committee – No report.

Organizational Committee – report items already presented.

Economic Development Committee – No report.

ADJOURNMENT

Motion by Turnbull, seconded by McKindles to adjourn the DDA Board meeting. Motion carried. Meeting adjourned at 9:01am.

Respectfully submitted,
Stacy Pearson, Assistant DDA Director Northville DDA