

**City of Sault Ste. Marie  
Tax Increment Finance Authority III (Airport TIFA)  
Meeting Minutes  
March 14, 2017 1:00pm @ Smartzone**

**1. Call to Order**

Welton called the meeting to order at 1:07 p.m.

**2. Roll Call**

Members Present:	Gwen Worley	Dan Dasho	Tom Veum
	Bob Mattson	Doug Welton	Jim Devaprasad

Members Absent:	Kelley Bunker	Dr. Rachael McCoy	Steve Glezen
-----------------	---------------	-------------------	--------------

Staff Present:	Jeff Holt	Tracey Laitinen
----------------	-----------	-----------------

Also Present:	Ray Bauer, City Commission Liaison
---------------	------------------------------------

**3. Agenda: Changes, Additions, or Deletions - None**

**4. Matters presented by the Public – None**

**5. Approval of Minutes**

It was moved by Worley, supported by Veum, to approve the minutes from October 11, 2016. The motion carried unanimously.

**6. Financial Report**

Balance Sheet, Profit & Loss Statement and Check Detail were in the packet.

Moved by Dasho, supported by Veum to approve the financial report as presented. The motion was carried unanimously.

**7. Additional approval of \$3,000 from TIFA III to LDFA**

Holt referred to the attached proposed LDFA budget you will see that City Finance is estimating that LDFA will need another \$3,000 to close out the fiscal year ending 6.30.2017. This motion was supported by the LDFA board during a public meeting held on 3.2.17. Total funds from TIFA III to LDFA for this fiscal year would be \$73,000.00 with the intent to pay the TIFA III back. City Finance estimates LDFA requests to TIFA III will decrease after this year with \$62,000 ending 6.30.18 and \$20,000 ending 6.30.19.

Moved by Dasho, supported by Veum to approve that TIFA III will transfer the additional \$3,000 to the LDFA with the intent that the LDFA pay TIFA III back. The motion was carried unanimously.

**8. Budget approval 2017-18 and 2018-19**

Laitinen explained how the grant funding will be shown for capital improvement projects (CIP) moving forward. The tax increment revenue and State personal property elimination reimbursement are only preliminary estimates at this time. Once the City Commission has approved their final budget we will know which CIP projects we can move forward.

Laitinen noted that input was provided from the Airport Board, EDC, City Manager and Finance at previous budget meetings. Surplus funds are being retained by the authority for the Smartzone Bond as well as the 6-year Capital Improvement Plan for the development of airport and surrounding property.

Moved by Devaprasad, supported by Worley to accept the TIFA III 2017-18 and 2018-19 budgets as presented. The motion was carried unanimously.

Dasho inquired about the projected -81,000 in budget year 2017-18. Laitinen replied that was the preliminary estimate if no additional revenue was received and we completed all the estimated CIP projects noting the current fund balance was adequate to cover the loss.

**9. Bylaw Revisions**

Laitinen presented the bylaws with changes to the address and gender neutrality.

Veum made a motion to approve the bylaw amendments as presented. Support by Mattson. Motion carried.

**10. Open Meetings Act & FOIA**

Laitinen noted that all members had received their packets except Bunker and she will drop that off to him later this week. This is an annual reminder for all boards members.

**11. Update on banking coverage limits \$250,000 FDIC**

Laitinen was following up to a board member inquiry of coverage limits from back in October. In talking to several local banks, who reiterated the same advice, since TIFA III funds are under the City's federal tax id number we are over the \$250,000 FDIC coverage threshold. The \$250,000 limit does apply to investments and cash. It was noted that moving our funds to another bank would not necessarily help as the same is true for EDC funds. Laitinen noted that the banks were all willing to share their annual reports and City Finance will be following up in April with all banking institutions they utilize and will share that information with us this.

**12. Update on Airport Projects**

- a. Holt reported that the PFC Overlay project will be bid in May. A pre-bid meeting is scheduled for March 23<sup>rd</sup> from 11-Noon at the terminal. This runway overlay project was funded by a 90-10 MDOT Aero grant.
- b. Holt noted that AeroMed, the air ambulance company, is coming to the Sault. They have a signed agreement with War Memorial Hospital and have been Blue Cross Blue Shield approved for services. Holt is working with City staff and Airport staff on the project which includes a hangar, a housing facility and 5 employees.
- c. Holt shared that the Air Industrial Park is moving forward. In working with Northwoods/Sidock the drawings and lot descriptions are being laid out to highlight at our April 4<sup>th</sup> Construction Summit at LSSU.
- d. Holt updated the group on the capital improvement project set for the airport terminal parking lot. Laitinen and Putnam have been working closely with City Engineering and Cloverland on the plan to improve the lighting situation and brighten up the new sign and driveway entrance off Meridian.

**13. Costs associated with the Smartzone**

Laitinen reported on the improvements to the Smartzone and costs associated with operating the building. Costs to date as of 2.20.17 were \$34,118.66 and this includes all utilities.

**14. 2017 Meeting Schedule – attached.**

Laitinen noted that an April TIFA III meeting would be necessary to review the outlined service agreement between the EDC and the TIFA III.

**15. Other Matters – none at this time**

**16. Adjournment**

It was moved by Dasho, supported by Veum to adjourn the meeting at 1:26pm. Motion carried unanimously.



Secretary Dan Dasho