

City of Litchfield  
TIFA Meeting Minutes  
December 9, 2015

Call to order

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00 p.m. on December 9, 2015 in Litchfield City Hall.

Chairman Smith conducted a roll call. The following persons were present: Bill Nobles, Ed Smith, Roger Winchell, Mike Warren, and Don Failing

Absent: Brendan Sanger

Others Present: Doug Terry TIFA Administrator, Mike Flint of Nex- Solutions, and Sue Smith of Hillsdale EDP

Minutes: A motion was made by Nobles and seconded by Failing to approve the minutes of the TIFA Meeting held on November 11, 2015. Motion passed unanimously.

- I. Balance Sheet and Revenue & Expenditure Statements: After Board review, a motion was made by Failing and seconded by Nobles to accept and place on file the November Balance Sheet & Revenue Report. Motion passed unanimously.
  
- II. Nex-Solutions Discussion: Mike Flint representing Nex-Solutions explained to the TIFA Board Members that the first part of 2015 was challenging for Nex-Solutions. He explained Nex-Solutions has been making scheduled payments and is currently employing approximately one hundred employees. He also stated that Nex- Solutions will begin providing employee health benefits beginning in January. Mr. Flint also informed the TIFA Board members that Nex- Solutions has good business contracts; however cash-flow has become a challenge. Mr. Flint requested the TIFA Board to consider deferring the monthly payment of \$8,600 for a year. Mr. Flint also asked the TIFA Board to consider forgiving the \$21,105.89 accumulated interest and asked if this issue could be revisited in December 2016. Mike Warren stated he would be in favor of this request and made a motion to that effect. Motion was seconded by Nobles. Motion passed unanimously.

- III. **Golf Course Report:** TIFA Administrator Doug Terry presented to the TIFA Board Members a proposal from Mr. Dean McDuff of Mt. Pleasant, Michigan concerning the purchase of the golf course. Ed Smith stated that because we have another party interested in the golf course, we should be careful in reviewing any proposals for the sale of the golf course. Mike Warren stated he was concerned with the terms of the proposal. He also suggested that a cash offer would be more inviting. The other board members felt that a serious cash offer would also show a commitment for success. Ed Smith also wants to see a plan from an interested party to help insure future sustainability. It was the board's consensus to review each proposal in the hope of selecting the right buyer that will provide the greatest success. Time will be needed to review each proposal received.
- IV. **Hillsdale Economic Development Presentation:** Sue Smith, Executive Director of the Hillsdale Economic Development Partnership was present with a request to the TIFA Board to consider participating in the Hillsdale EDP annual membership dues. The annual cost for 2016 is \$15,000. Sue Smith stated that the \$15,000 is the amount the other municipalities are paying next year. A motion was made by Mike Warren and seconded by Bill Nobles to participate in the 2016 Hillsdale EDP annual dues. Motion approved unanimously.
- V. **Gonzales Subordination Agreement:** Ed Smith asked the TIFA Board to consider approving a subordination agreement with Comerica Bank regarding a \$200,000 proposed loan to the Gonzales Group. After much discussion, a motion was made by Warren and seconded by Nobles to authorize Chairman Smith to sign the Comerica Subordination Agreement after legal review and approval. Members in favor of the motion: Nobles, Warren, Winchell and Smith. Members against the motion: Failing. Motion passed four to one.

VI. City Manager Report: None

VII. Bills for Approval: A motion was made by Warren, seconded by Failing to approve the TIFA Board bills in the amount of \$63,199.12. Motion passed unanimously.

VIII. Manual Checks: A motion was made by Warren to approve the manual checks in the amount of \$20,757.00, seconded by Failing. Motion passed unanimously.

IX. Investments: A motion was made Failing and seconded by Warren to authorize the City Treasurer to reinvest TIFA funds at the best rate possible. Motion passed unanimously.

Ad journment: A motion was made by Failing and seconded by Nobles to adjourn the December 9, 2015 meeting at 8:35 pm. Motion passed unanimously.

Attested: Douglas K. Terry, TIFA Administrator December 9, 2015

