

# City of Litchfield

## TIFA Meeting Minutes

August 10, 2016

### Call to order

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00 p.m. on August 10, 2016 in Litchfield City Hall.

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

Absent: Mike Warren

Others Present: Mike Flint, Nex Solutions, Doug Terry, TIFA Administrator

Minutes: A motion was made by Failing and seconded by Winchell to approve the minutes of the Regular TIFA Meeting held on July 12, 2016. Motion passed unanimously.

- I. Balance Sheet and Revenue & Expenditure Statements: After board review, a motion was made by Winchell and seconded by Sanger to accept and place on file the August Balance Sheet & Revenue Report. Motion passed unanimously.
- II. Nex Solution Loan Request: Mr. Mike Flint from NEX Solution asked the TIFA Board to consider a loan request of \$150,000 for five years. Mr. Flint explained that Nex Solutions had run into difficulties being able to collect on invoices still pending which is adversely affecting Nex Solutions' ability with adequate cash flow. Mr. Flint stated that the parent company of LV2 was also contributing \$50,000 toward cash flow to keep the company solvent during its collection and current manufacturing process. Mr. Flint stated there are currently seventy-one employees at Nex Solutions. Mr. Flint explained in detail the financial status and projections and his philosophy in managing cash. Roger Winchell asked Mr. Flint why a five year payback is requested. Mr. Flint stated that he is concerned with ability to pay

back in a comfortable time margin. Brendan Sanger asked Mr. Flint what would happen if TIFA decided not to approve the loan request. Mr. Flint responded by stating that severe company cuts would have to take place. A motion was made Failing and seconded Nobles to grant a loan request to Nex Solutions for \$150,000 at 2% for five (5) years with TIFA Attorney Roy Brandes preparing the loan documents. Motion passed unanimously.

- III. **City Manager Report:** Doug Terry presented the TIFA Board members with proposed plans for housing in Hawthorne Heights. In the past TIFA Board has considered partnering with developers in building houses. It was the consensus of the TIFA Board members present to hold off any decisions until a full board was present to further discuss. Discussion was also held concerning a request from the Hillsdale County Board of Commissioners requesting financial information from all of the TIFAs and DDAs in Hillsdale County. Ed Smith informed the TIFA Board members about possible developments with Hi-Lex and Speed Rack in the industrial park.
- IV. **Golf Course Contribution:** Doug Terry asked the TIFA Board to consider contributing \$100 to each league for season end prizes. This is a practice that occurred in past years. A motion was made by Failing and seconded by Winchell to approve the \$100.00 contribution to each league. Motion passed unanimously.
- V. **Bills for Approval:** A motion was made by Winchell and seconded by Failing to pay the August bills in the amount of \$15,561.12. Motion passed unanimously.
- VI. **Manual Checks:** None.
- VII. **Golf Course Discussion:** Some of the TIFA Board members would like to see a greater effort in selling the golf course. Doug Terry did inform the board of serious discussions with Berkshire-Hathaway Realty in trying to find the right buyer who will be successful in sustaining the golf course well into the future.
- VIII. **LRTC Report:** Bill Nobles presented a report on the Litchfield Regional Training Center.

**Adjournment:** A motion was made by Failing and seconded by Sanger to adjourn the August 10, 2016 meeting at 8:30 p.m. Motion passed unanimously.

**Attested: Douglas K. Terry, TIFA Administrator, August 10, 2016**