

Beulah JDA
Special Meeting Minutes
May 23rd, 2018
4:38 PM – Beulah Civic Center

In attendance were: David Ripplinger Nathan Richter, Gloria Olheiser, Mary Lou Horning.
Absent were: Scott Solem, Clyde Schulz, Michael Woods. Solem entered the meeting late.

Chairman Richter called the meeting to order. Chairman asked for the minutes of May 16, 2018, but Horning said today's meeting was a "special meeting" and those minutes do not need approval until the next regular meeting on June 20, 2018. There were no additions to the agenda.

Chairman Richter moved to the Financial Report. Olheiser will be meeting with John Phillips Friday to go over the Quickbook software and financials. Discussion centered around the checkbook. Treasurer Olheiser called 7 JDAs around the area and 4 of those are using their city auditor for managing the checkbook and financial reports. Gloria made a motion to pursue having the Beulah City Auditor manage the checkbook. Mary Lou seconded. Motion carried. Gloria will talk with Heather Ferbee, the Auditor, and see if this is a possibility.

Financial Audit discussion followed. Should we should have a financial audit? Gloria mentioned they are expensive and maybe we need to review financials closer. Gloria will meet with John this Friday and look through the financials to see what the BOD needs. Nathan is looking for information for the liabilities for outstanding for incentives, interest buydown, grants, loans on properties and details. Nathan explained a financial audit and forensic audit. \$110 per hour and 20 hours..... Gloria will discuss this on Friday with John.

A. OLD BUSINESS

Discussion of past Minutes: Chairman seeking recommendations on how to proceed with approving the following minutes for June 2017, January 2018, April 2018, May's special Meeting 2018. It was decided to get recorded minutes from Beacon. Gloria says this will take time to review tapes. Dave asked about 2 versions for June 2017. Mary explained the 2 sets and showed Dave the 2 sets. Gloria moved to get recordings of those meetings from Kate at Beulah Beacon to clarify those minutes; Mary seconded. Motion carried.

- 1) **B'Dolce's project** – Mark and Bonnie Neis were present and presented a Final punch list for Bakery building completion; Mark Neis talked with electrician Mark Olson, about lights outside over the awning. This should be done tomorrow. Western Steel will adjust and put weather stripping on both doors. Ice was on inside of doors this winter. Twin City roofing will come to fix the roof leaks (2) leaks on the roof per Western Steel. Neis's will take care of all propane tank moving at their cost. Western Steel is responsible for the Landscaping in the rear and cleaning up Lenzen's lot to make sure all drains toward the alley. Western Steel should check the rain gutters between the 2 buildings as it drains toward the south on main street and Baker experienced water in the basement when snow melted.

Contract for Deed. It has not been changed or recorded. Neis's said the date of possession is April 27, 2018 when they opened. Ripplinger made a motion to change the date of possession to April 27, 2018 in the contract for deed; Gloria seconded. Motion Carried. JDA will contact Greg Lange to make the changes. JDA does not have a mortgage so we may need an addendum to correct date of possession and change mortgage info. Bakery rent will be due June 1st, 2018. Neis's assume the taxes from April 27, 2018 forward. JDA is responsible for Jan-April 27th, 2018.

Collection of costs to be paid and yet to be paid: There was a previous report provided by John Phillips regarding cost of a Dumb Waiter for \$9,491.46; and Cabinetry \$7,814.25. It appears these costs still need to be paid. The Dumb Waiter was John's idea after the addition to the rear of the building was scratched, so this is a JDA expense; Cabinets were also JDA expense. Bonnie said she told Austin that Menards had a 11% off on cabinets but Austin ordered custom cabinets by Anderson Cabinetry. The walk-in freezer comes apart and is owned by Neis's. Sewer and water repair are also a JDA expense.

Discussion on overages – Nathan and Gloria will meet with Western Steel and Austin and go over the overages.

Title opinion – Scott did a current title opinion. Gegelman Deed was recorded. March 26, 2018.

Loan with The Union Bank – all is the same as discussed previously - \$165,000 3.5% with 3-year balloon, unsecured. However, Chairman recommends to do a “draw” line of credit instead of lump sum of total amount. Similar to construction loans this allows JDA to save interest as you are not taking the total amount at once. All other conditions would be the same. We are only taking money as is needed. Horning motioned to do a “draw” line of credit with the Union Bank with the same terms, unsecured, 3,5%, with 3-year balloon. Gloria seconded. Motion carried.

Outstanding Bills - Besides bakery project we don't know these figures yet. Olheiser will find out on Friday with John.

Board resignations- John Phillips and Darrell Bjerke have both resigned from JDA at the May 16th, 2018 meeting. Olheiser made a motion to accept resignations of John and Darrell; Dave Ripplinger seconded; motion carried.

B. NEW BUSINESS

- 1) **Lease with USDA Building-** Tenants – Lease is up in December and they are looking for some changes. JDA to meet and view building and hear tenants requests. Gloria will get all leases for all the buildings from John on Friday.. Mary and Nathan will be the contact on USDA lease to be authorized to talk with tenants.

- 2) **Lease with Greystone Tenants** - Mary
- 3) **Lease with Country Kettle Tenants** - Mary

Scott Solem entered the meeting.

- 4) **Changing of signature cards at financial institutions** - President and Treasurer will sign.
 - 5) **New membership**- announce openings in Beacon, City Website. The JDA procedure should be that interested members provide a “Letter of Interest” stating who you are and why you want to be on the board. Names will be sent to City Council. Ripplinger made a motion for this Letter of Interest to be our new procedure for new members; Mary will second; approved.
 - 6) **Existing membership:** Dave Ripplinger, Nathan Richter, Gloria Olheiser, Mary Horning, Scott Solem, Clyde Schulz. Missed meetings was the topic discussed. Concern was whether a policy for members who do not appear for 3 consecutive should become policy. This was tabled until next February.
 - 7) **Term Limit:** Discussion around term limits. Tabled until next February 2018
 - 8) **Digital Recorder for meeting minutes:** Discussion about Phillips providing everything on thumb drive that he can. Mary will check with Lonny about cost of a laptop for JDA which will also record minutes.
 - 9) **Outstanding interest buydowns:** Chairman says need to research what our liabilities are.
 - 10) **Mail** – Where does JDA’s mail go to? Gloria will ask Phillips on Friday.
- G. **Other Business** – who is the contact person for the website– Gloria will ask John. Membership item – Scott asked if we had a spot on the board for Chamber and CVB, Park Board and members felt that was a good idea along with industry and other possibilities.
- H. **Special meeting, Wednesday 30, 4:30**, prior to Wednesday and get the bills.
- I. **Normal Scheduled meeting: June 20th, 2018**

Adjourned