

Minutes of Beulah JDA
Beulah City Hall
9/21/2022

Members present: Nathan Richter, Beaver Brinkman, Ben Lenzen, Mary Lou Horning, Kim Kessler, Jerry Isaak, by phone: Vern Muscha, Auston Biles

Meeting was called to order by Chairman Richter at 4:30pm

There were additions to the agenda including the sign at the end of Industrial Park, discussion on Executive Sessions, discussions on CD's and Lines of Credit, Program Development, and Meeting Minutes. Beaver moved to approve the agenda with requested additions, Jerry 2nd. All in favor, motion carried.

Meeting minutes from 7-20-22, 7-27-22, and special meeting on 8/10/22 were reviewed. Beaver moved to approve the three meeting minutes, Auston 2nd. All in favor, motion carried.

Financial statements have been put on hold because of the sale of the bakery building. Motion was made to approve the financial statements from April, May, June, July, and August by Beaver. Ben 2nd. Discussion was held on rent received from the Greystone. All in favor, motion carried to approve the Financials.

Old business:

USDA – no information has been received back on the mini-splits from Legend Air.

Greystone – A request for appraisal was made to Allied Appraisals and is in progress. Discussion was held regarding the Greystone loan and selling this building. A request was made to Beaver to find out the steps needed to sell the Greystone. Beaver will research what the protocol is for selling the building, when the appraisal will be done, and what the open records law is regarding the appraisal. Vern offered to take the time to research building specs when needed.

Budgeting – a request for the chart of accounts on monthly financials to coincide with the budget chart of accounts.

Vern joined the meeting in person at 4:50pm

New Business:

Mill levy potential changes: At the last meeting of the City Council, the mayor discussed cutting 1.5 mills from the JDA. The mayor has not been to a JDA meeting and has not communicated with the Chair of the JDA or emailed/communicated with the Chair or Vice Chair on the JDA to discuss this possibility.

Without thought of the sale of the Bakery building that the JDA recently received, the mayor was concerned with the size of our bank balance, and the city council followed suit.

The JDA Board members consider the liabilities of the Greystone and the USDA building, plus the amount of money that is committed to buy-downs; and realizes that the budget is near equal. Our mill levy was suggested to be cut by approximately \$15,000 and moved into an equipment fund primarily for the police department. The result is that mills would be taken from an organization that can increase the tax base of Beulah and put into

a fund that will only be spent. The police equipment fund or other equipment funds have the ability and the respect of our community to raise money, and has done so for equipment needs in the past. The JDA depends on mills to support our community and new businesses with financial assistance.

The JDA has been working for the city with a volunteer group of people to promote and develop programs to increase the ability for businesses to expand, move to Beulah, and raise the sales tax base. The JDA is self-sufficient and helps businesses get started; not asking for additional funds from the city even when buy-down requests have required the JDA to consider a loan to honor the buy-down. The volunteers on the JDA have developed guidelines and new programs for rent buy-down, website development, and guidelines for buy-down 'pay backs' for some business models. The JDA is now going to be penalized for being financially responsible by possibly getting mills taken away. The communication from the mayor and city council to the JDA regarding the possibility of mill cuts that could take place at next week's city council meeting was felt to be irresponsible.

Scott Solem joined the meeting at 5:45.

JDA members were encouraged to attend next week's city council meeting on 9/28/22 at 6:00pm. Scott invited the mayor to join our JDA meeting today, but the mayor did not communicate back to Scott, so it was assumed he is out of town or did not see the need to attend a JDA meeting.

Beaver will go back thru our money in the bank and better explain the loan and sale of the bakery building. Also, the JDA's need to be financially responsible by having money available for every dollar of loan that the JDA has. Sales tax revenue and the businesses that have benefitted from a JDA buy-down will be looked at and he will highlight what sales tax dollars those businesses draw to our community.

Kim exited the meeting at 6:00

Executive Session: Discussion was held on the guidelines for Executive Session. Beaver will get the rules to the JDA.

CD's: Interest rate has gone up to 2.5% for the next 1-2 years.

Program Development: Beaver and Nathan will go through our current programs to be sure they are well-defined.

Meeting Minutes: Ben made a motion to have Renee Carlson write all the 2022 minutes so they conform for the website; Vern seconded. Motion carried.

Other: Jerry Isaak submitted his resignation from the JDA. Reluctantly, a motion was needed to accept his resignation. Vern motioned to accept; Mary Lou seconded. All were in favor with the exception of Beaver, who voted against accepting Jerry's resignation. Motion carried.

Meeting was adjourned at 6:16pm