

MINUTES
HUMAN SERVICES BUILDING AUTHORITY
THURSDAY, MAY 4, 1989 — 12:00 NOON
MR. ED'S MAIN STREET STATION, ADRIAN, MI

Present: Bill Bacon, Victor Hogue and Dan Bruggeman

Also Present: David Fisher, Larry Gould and Barbara Peck

I. Approval of Minutes

Motion by Bacon, supported by Hogue to approve the minutes of the April 19, 1988 meeting. Motion carried.

II. Review Audited Financial Statements

David Fisher reviewed the audit of the Building Authority for calendar year 1988. The audit reflects a clean opinion according to generally accepted accounting principles. Mr. Fisher reviewed the balance sheet, operating statements and notes to the financial statements.

There was a question on the discount received from the bond proceeds. Mr. Fisher explained that these are listed under long term debt net of unamortized discount of \$77,667. Total assets for the Building Authority as of December 31, 1988 were \$14,398,193.

There was discussion regarding the amount due from the Building Authority to the Delinquent Tax Revolving Fund. Barbara Peck distributed copies of the minutes from the April 13, 1988 Board of Commissioners meeting where a \$1,000,000 loan to the Building Authority was approved. Upon adoption of the motion, the Treasurer's Office secured a \$1,000,000 certificate of deposit in the name of the Delinquent Tax Revolving Fund and Human Services Building Authority. Mr. Fisher explained that this was considered a transfer to the Building Authority which accrued interest during the year leaving a total amount of \$1,034,567.

Mr. Gould explained that the motion should have stated that the loan was "a line of credit". The funds from the Delinquent Tax Revolving Fund were to be transferred to the Building Authority only when the first three bond payments were due. Clarification of the motion is scheduled for discussion at the May 9, 1989 **Ways and Means Committee** meeting. Any changes in the terms of the loan would be reflected in next years audit.

Motion by Bacon, supported by Hogue to accept the auditor's report for 1988. Motion carried.

III. The committee recessed and received a tour of the building construction from architect David Siler. The meeting was adjourned at approximately 2:30 P.M.