

Business Improvement District
318 Central Avenue
January 10, 2019

Board Present: Andrew Ferrin, Garry Hackett, Jason Madill, Alison Fried, Sheila Rice, via video conference
Board Absent: Max Grebe, Travis Neil
Staff Present: Joan Redeen
Guests Present: Brett Gaare

- I. **Call to order & Roll Call:** Andy called the meeting to order at 9:09am; roll call of all present, a quorum was established.
- II. **Guests:** Brett Gaare, Douglas Wilson & Company, was present at the board's request to discuss the journal entry that was made in reference to the sale of the BID's ownership interest in the Johnson building. He noted that the BID took a loss on the Johnson, the Balance Sheet is current, and the P&L is accurate reflecting the loss. The initial value that has been reflected on the books was \$576K, less 15 years of depreciation left an unrecovered cost of \$342K, less the \$210K sales price leaves a loss of \$132,733 as reflected on the P&L at this time. Sheila requested that a note be included to reflect this in the audit for FYE2019; Brett agreed that he can make a very detailed note in the audit. Garry inquired about the high-tech equipment and depreciation. Brett noted that the initial purchase was \$47K on 6/30/01; major renovations took place the following two fiscal years and a depreciation schedule was followed on all improvements over the years. Joan reminded Brett that he had requested that the Board establish a policy for setting a dollar amount for capitalization of fixed assets; when last discussed the Board asked for the auditor's recommendation. Brett noted that this is simply setting a dollar amount for capitalization of fixed assets, it simply means the dollar amount for whether an asset goes on the depreciation schedule or is immediately expensed. Brett recommended \$2,000-\$3,000. Sheila motioned that the BID adopts a fiscal policy of \$2,500 depreciation minimum. Garry seconded. **Motion passed unanimously.**
- III. **BID Board: Conflict of Interest:** Jason Madill disclosed that he has a conflict under agenda item VI. Grant Applications, grant applications from his tenants are due to be discussed. Joan noted that the Conflict Disclosure statement was due to the City by 12/31; Andy, Travis & Max have completed their forms. Garry & Alison provided their forms to Joan to submit to the City. Joan reminded the board that there will be three openings on the board on 7/1/19; applications are now being accepted and interested parties will be attending BID board meetings over the next few months. New board members will officially be appointed in June, with their effective date being 7/1.
- IV. **Approval of minutes from 12-13-18 Board meeting:** Sheila motioned to approve the meeting minutes from the 12/13/18 Board meeting, as presented. Alison seconded. Jason inquired about the wording on the meeting minutes about his attendance last month; Joan read the paragraph under Conflict of Interest reflecting Jason's stance in regard to his presence at last month's meeting. **Motion passed unanimously.**
- V. **Financials:**
Monthly Financials: The Board received the November financials via e-mail; the auditor had previously noted that previous monthly financials will not need to be approved. There being no further discussion on the financials, Sheila motioned to approve the 11/30/18 financial statements which include the Balance Sheet, P&L, and the P&L/Budget comparison. Motion not seconded. **Motion failed.**
Audit: Joan reported that Douglas Wilson was the only company to respond to the RFP. The bid was opened; \$4,700 for 2020; \$4,800 for 2021; and \$4,900 for 2022. Douglas Wilson was paid \$4,600 for the audit for FY2018. Discussion followed on why only one company provided a bid. The proposal

request was sent to Junkermeier Clark Campanella Stevens, Douglas Wilson and Anderson ZurMuehlen. It was noted that not all accounting firms are eligible to audit a governmental entity. The updated Budget vs. Actual report was provided to the Board.

V. Grant Programs:

Grant Applications: The grant schedule for FY 2019 was provided to the board.

Inge's Fashions: Joan reported that Inge's Fashions Business Incentive Grant was approved, the lease is effective January 1 and the grant will be paid out by February 1.

Law Office of Megan Lulf Sutton: Joan reported that a Business Incentive Grant application was received for 410 Central Ave, Suite 306 for the Law Office of Megan Lulf Sutton. The Board received the application via email. Lease is effective January 1, grant will be paid out by February 1. Discussion followed on what constitutes a new business; the Board felt this applicant met that requirement. Garry motioned to approve the Business Incentive grant for \$1,300. Alison seconded. Jason abstained. **Motion passed.**

Law Office of Megan Lulf Sutton: Joan reported that an Interior Grant application was received for 410 Central Ave, Suite 306 for the Law Office of Megan Lulf Sutton. The Board received the application via email. Garry motioned to approve the Interior grant as a new business for \$2,280. Alison seconded. Jason abstained. **Motion passed.**

Aspen Acupuncture: Joan reported that a Business Incentive Grant application was received for 410 Central Ave, Suite 321 for Aspen Acupuncture. The Board received the application via email. Lease is effective February 1, grant will be paid out by March 1. Alison motioned to approve the Business Incentive grant for \$694. Garry seconded. Jason abstained. **Motion passed.**

Aspen Acupuncture: Joan reported that an Interior Grant application was received for 410 Central Ave, Suite 321 for Aspen Acupuncture. The Board received the application via email. Alison motioned to approve the Interior grant as a new business for \$2,205. Garry seconded. Jason abstained. **Motion passed.**

Discussion followed on the proposed changes/updates to the Art Grant program; Joan has proposed that the Art Grant remain at 50% of costs but have the maximum potential payout be increased to \$5,000. Jason motioned to approve the changes to the Art Grant, as presented. Alison seconded.

Motion passed unanimously.

VI. Old Business:

Beautification: Holiday Décor: Joan noted that the décor, with the exception of the banners, was removed last night. Cat Graphics has the banner removal scheduled.

Trash Enclosures: Joan continues to explore the possibilities.

Banners: Joan reported that the City reached out to the BID in regard to banners being hung across Central Ave; the City has requested that the BID handle this. Jason noted that there is a bracket for a cable on 410 Central Ave. Joan will draft a policy for City and BID board review and approval. Joan noted that she'd like to have holiday décor strung across Central Avenue, someday.

Graffiti: Joan reported that Bert & Ernie's and Hoglund's have been tagged; Hotsy will try to remove at those two locations as well as 410 Central.

Sound System: Joan reported that the heart of the sound system (laptop, Pandora box, modem and battery back-up) were stolen out of the Strain building. The theft occurred Wednesday, January 2nd between approximately 5pm and 8pm. A police report has been filed. The value of the equipment is less than \$1,000 and our insurance deductible is \$1,000. Good Vibrations will be relocating the antenna from the Strain and installing it on the Dunn Brown building, with a new laptop set up in the Downtown office. Joan noted that the new laptop has a Find My Laptop feature that the 2014 Toshiba that was stolen did not have.

Downtown Great Falls Association: Joan reported Kellie is actively working on Craft Beer Week. Joan noted that Travis inquired, last month, about BID board members and membership in DGFA; Joan provided each BID board member with an invoice for DGFA Membership for 2019. It was noted that if paid prior to 3/1 DGFA allows a 10% discount. Discussion followed on how to support

DGFA with grant applications for new businesses; the question was posed of how BID can help encourage new businesses to join DGFA.

Downtown Partnership: Joan reported that the Partnership received notification yesterday that they were approved for a Montana Main Street grant in the amount of \$20K for microvisioning of downtown blocks. Brett Doney will be leading this project. Jason inquired about which blocks were identified as possibilities for microvisioning; Joan will pull the list and report next month. Joan noted that the next meeting is 1/23.

Downtown Safety Alliance: Joan reported that the Safety Alliance meets next on 2/5 at 9am at NWGF. The BID's letter in support of the BRIC Officer was mailed to Chief Bowen; there's been no response. The Safety Alliance and DGFA will also be writing letters. Sergeant Munkres, who is in charge of the DDACTS program, will be the main contact for downtown; the Board asked for his contact information. Sergeant Munkres will be invited to attend the Safety Alliance meeting on 2/5. Jason expressed his frustration with the indifferent attitude he feels GFFD has in regard to the petty crimes that continue to occur downtown and citywide; Alison reported on a statewide group that is being reactivated in regard to petty theft (Montana Organized Retail Crime Alliance), information is being shared statewide, not just locally. Discussion followed on security cameras. Joan noted that we are entering a new legislative session and new laws related to crime & safety will be passed; HB 133 was passed during the last legislation session and that law has affected the threshold for crime to be considered a felony. The Safety Alliance is trying to figure out how to cull safety laws out of the over 3,000 proposed pieces of legislation during this session.

National Main Street Conference: Joan reported that the National Main Street Conference is March 24-27 in Seattle; early registration ends 1/14. Joan and Kellie are registered and will be speaking about the Pedlet program on Tuesday 3/26.

Parking Commission: Parking Commission meets next on Thursday, 1/17. Joan reported that nothing new has transpired since the December meeting. The letter from the BID board noting that they do not support the meter increase was sent to the City; City staff acknowledged receipt and noted that they were not surprised that the BID does not support the increase. Joan noted that lots of additional suggestions and recommendations have been made on how to solve the issues.

Personnel: Joan noted that her 10-year anniversary was Saturday 1/5/19; she added her thanks for the Board's continued support of the work she does.

Renewal 2019: Joan reported that the public hearing at the City Commission meeting is scheduled for 1/15/19; 2/19/19 is when the Commission will take final action on BID renewal. Joan reported the stats again: Renewal ballots submitted to the City with a renewal percent at 83.32%; with the rejected ballots that percentage has decreased slightly. Ballots in favor of renewal were 58.96%; actual No votes received totaled 6.15%; 195 parcels, 141 parcels voted yes, 12 parcels voted no, and 42 parcels did not cast a vote one way or the other. Joan added that one of the 12 No votes has resubmitted a new ballot voting in favor of renewal, due to a sale of that parcel. Amended ballots will be provided to the City for their records but have been received too late for inclusion in the final percentage to the City Commission. Discussion followed on the closure date of sale of a few parcels; Rocky Mountain building is set to close 2/1, NEW building does not have a closure date yet.

Work Plan 2019: The Work Plan for FY2019 continues to be worked.

VII. **New Business:** No new business currently.

VIII. **Public Comment:** No public comment currently.

IX. **Adjournment:** Meeting adjourned at 10:34am.

Andy Ferrin, Chair

Joan Redeen, Staff

Date: _____

Date: _____