

**CHARTER TOWNSHIP OF VAN BUREN
LOCAL DEVELOPMENT FINANCE AUTHORITY
JULY 14, 2011 MINUTES**

Chairman Dotson called the meeting to order at 2:00 p.m.

Roll Call:

Members present: Chairman Dotson, Covington, Medlen, Ayer, Hayes and Supervisor White.

Staff Present: Director Carroll and Secretary Queener.

Absent: Peters, Smart, Armstrong, Tyler.

APPROVAL OF AGENDA:

Motion Hayes, Ayer second to approve the agenda with the addition of the Accept the LDFA Audit as information as item 2 under New Business.

Motion carried.

APPROVAL OF MINUTES:

Motion Covington, Medlen second to approve the minutes of March 10, 2011 as presented.

Motion carried.

CORRESPONDENCE: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

1. Transfer Bond Funds to Bond Payment Fund

Internal transfer of bond proceeds to include in next bond payment

Director Carroll informed the Committee that the bond Counsel and Deputy Treasurer requested that the Committee recommend transfer of excess bond proceeds. This will deplete the original bond funds raised for the Grace Lake Project. When a municipal entity sells bonds for a project it does so on the estimated costs of that project. Over the course of the construction of the project, these projections often change and there is rarely an estimate that results in the true final cost of the project. The project estimate resulted in an excess of approximately \$216,000 for the Grace Lake Project that has been sitting in the bond proceeds fund since the bonds were sold.

It is the recommendation of the bond counsel and the Deputy Treasurer that the approximately \$216,000 be moved into the bond payment fund and used to defray the Township's next bond payment. The Director concurs that these funds should be moved.

Motion Medlen, seconded White to transfer the remaining balance from Grace Lake bond fund in to the Grace Lake bond payment fund which is estimated at 216,000.00.

Motion carried.

2. Accept the LDFA Audit as information.

Director Carroll reviewed the audit of the Local Development Finance Authority of the Township recently completed by Plante Moran. The significant change in the financial statement that the Committee is accustomed to seeing is the realization of extraordinary revenue to reflect the settlement of the Visteon bankruptcy case. The amount settled on by the Township was sold to a third party and the Township received funds that are included in the financial statements in this audit report as extraordinary revenue as required by Generally Accepted Accounting Principles.

GENERAL DISCUSSION: *Update on Visteon/Hoosier Co-Generation Facility*

Director Carroll passed out the debt service schedule for the Visteon bonds that was requested.

Hoosier/ Visteon is currently in site plan preparation and there will be another facility in the ITC corridor in order to get the electricity on the grid. Construction of the building a substation these two buildings will be taxable and funds will come back into the LDFA, they should be up and running in about one year.

AUDIENCE (non-agenda items):

A Township resident asked if the bonds would be used to construct any future buildings.

Supervisor White explained that the bond will not be used for the new buildings the bond is for the original buildings

**Motion White, Hayes second to adjourn at 2:45 p.m.
Motion carried.**

Respectfully submitted,

**Patricia Queener,
Recording Secretary**