

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY
July 28, 2010

Quorum

Meeting called to order at 12:00 noon by Chairperson, Dennis Cox.

Members present: Harold Miller, Randy Patterson, Bob Ramsay, Scott Standish, James Wagner, Andrew Weikert.

Staff: Lisa Riggs, Executive Director
Solicitor, Alex Henderson

Introduction of Public Guests

Bernie Harris, Lancaster Newspapers

Approval of Minutes of the May 26, 2010 Meeting

Motion by Harold Miller, second, Bob Ramsay, to approve the May 26, 2010 minutes. Motion approved.

Financial Reports – May and June

Motion by Harold Miller, second, James Wagner, to approve the financial statements for May and June and checks #2510 through #2574 on the Fulton Bank account and checks #1007 through #1011 on the Fulton Bank Façade Grant account for the months of May and June. Motion approved.

2009 Audit Report – Carol Roland and Doug Diehm, Trout Ebersole & Groff, LLP

The auditors provided printed copies of materials circulated to members electronically in advance. Ms. Roland noted that the auditors are issuing a clean opinion. She reviewed highlights of the audit, noting specifically that the DID has in place a reserve equal to about 3.5 months of operation. She noted net income of just over \$3,000, adding that this was better than budget. She acknowledged that the Notes to the Financial Statements remain relatively unchanged year to year. She then reviewed a series of graphs that depicted revenue and expenses for the previous fiscal year and comparatively to prior years. She acknowledged the decreasing assessment revenue despite years with a millage rate increase. She noted that a graph showing assessment revenue should also include the assessed value of the DID base. Ms. Roland reviewed the issue that the DID, like most smaller non-profits, does not have the internal capability to provide financial statements, adding that they are required to disclose this as a deficiency. She acknowledged no challenges or problems in performing the audit or in interactions with management.

Motion by Harold Miller, second, Randy Patterson, to accept the FY09-10 audit. Motion approved. Ms. Riggs executed final copies of the audit. Trout Ebersole & Groff will handle filing the documents.

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Executive Director's Report

Ms. Riggs noted that several delinquent assessments have been received, including noting the receipt of funds from the Brunswick ownership. She credited Ms. Kieffer's diligence in following up on properties that have changed hands to ensure the DID's accounts are current.

Ms. Riggs shared that the DID façade grant contract ended June 30, 2010 and that staff is in the process of performing the grant close out. She acknowledged a series of transactions that occurred during the month of June. She noted that the DID will remit about \$1,500 in funds back to DCED, inclusive of a nominal amount of interest, several hundred dollars that were unspent and funds that were returned to the DID for one project that did not meet its full match requirement. She updated the Board that the DID received a 30 day extension to file the close out so that final paperwork from the bank would be received to properly account for interest and fees. She indicated she has no concerns about any financial risks to the DID, though she also noted that recent experience with grant closeouts have been challenging and additional follow up will be needed. Overall, the program is considered a success and the funds leveraged notable private sector investment.

She shared with the Board that one of SGI's two full-time people was terminated and SGI's part-time staff person promoted to full-time. She reminded the Board to offer any observations, good or bad, about this important service as its helpful to get feedback on quality/customer service.

Lastly, she discussed the transition of the One brochure, which has been a primary marketing piece for Downtown for the past three years. FIG/Moxie House indicated in the spring they no longer planned to produce the brochure, having made a tough business decision. Marshall Snively has worked with the two co-chairs of the merchant committee—Molly Adams and Susan LePaige – to drive a process that will have broad-based merchant support. Ultimately this is a piece that is contingent on advertiser support. Members inquired about any funding commitment from the DID. Ms. Riggs stated that Mr. Snively has clearly communicated that the DID will not be contributing to this piece. Members agreed this was important and felt like it had to be supported by the merchant base. Ms. Riggs reviewed the next two months timeline and offered to provide updates electronically.

Other Business

Mr. Henderson indicated that he is preparing to take on a significant assignment in the Fall. He is recommending that a partner colleague, Bill McCarty, replace him as DID solicitor. He noted the firm's long-standing role as the DID Solicitor and reviewed how the firm handles DID fees. He cited Mr. McCarty's expertise in municipal government and believes he will be able to transition easily. Mr. Cox acknowledged Mr. Henderson's contributions, thanking him for jumping back in to the DID recently. Members supported the recommendation and Ms. Riggs noted she will set up some time to meet with Mr. McCarty prior to the next meeting.

Respectfully submitted,

Lisa Riggs
Executive Director