

# PUBLIC NOTICE

Chair  
**ERIC SCHERTZING**  
Vice-Chair  
**BRIAN McGRAIN**

Appointed Members  
**REBECCA BAHAR-COOK, Treasurer**  
**DEB NOLAN, Secretary**  
**KARA HOPE**

## **Ingham County Land Bank Fast Track Authority**

422 Adams Street, Lansing Michigan 48906 517.267.5221 Fax 517.267.5224

**THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY WILL MEET ON  
MONDAY, JULY 1, 2013 AT 5:00 P.M., IN THE PERSONNEL CONFERENCE ROOM  
(D&E), HUMAN SERVICES BUILDING, 5303 S. CEDAR, LANSING**

### Agenda

Call to Order

Approval of Minutes – June 3, 2013

Additions to the Agenda

Limited Public Comment – 3 minutes per person

1. Community Projects Update
2. Review of 2012 Final Ingham County Land Bank Audit materials from Rehmann
3. Ingham County CDBG Program Restructuring – Discussion item
4. ICLBA Public Relations – Review Draft Talking Points
5. Habitat for Humanity Wayne Street request – Discussion item
6. Property maintenance, renovation & development
  - a. Residential Property Update-Dashboard
  - b. Commercial Property Update
  - c. Vacant Lot Update
  - d. Garden Program Update – Dashboard
  - e. Completed and Pending Sales
  - f. General legal update- Counsel
7. Accounts Payable & Monthly Statement
  - a. Accounts Payable Approval – June 2013
  - b. Monthly Statement – May 2013
8. Chairman & Executive Director Comments

Announcements

Public Comment – 3 minutes per person

Adjournment

**PLEASE TURN OFF CELL PHONES OR OTHER ELECTRONIC  
DEVICES OR SET TO MUTE OR VIBRATE TO AVOID  
DISRUPTION DURING THE MEETING**

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

June 3, 2013  
Minutes

Members Present: Eric Schertzing, Comm. Bahar-Cook, Comm. McGrain, Comm. Hope

Members Excused: Comm. Nolan

Others Present: Jeff Burdick, Tim Perrone, Kate Snyder, Veronica Gracia-Wing

The meeting was called to order by Chairperson Schertzing at 5:01 p.m. Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the May 6, 2013 Minutes

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. HOPE, TO APPROVE THE May 6, 2013 MINUTES. Absent: Comm. Bahar-Cook

Additions to the Agenda:

4a. Extension of existing revolving loan fund borrowing

Limited Public Comment: None

1. Community Projects Update

Executive Director Burdick introduced Kate Snyder and her associate Veronica Gracia-Wing. Ms. Snyder updated the board on the Land Bank's current marketing and public relations efforts.

Comm. Bahar-Cook arrived at 5:07

Ms. Snyder stated one of the main goals is to increase the consistency of message from all levels of the Land Bank. She inquired if there were any specific areas the board members felt they were lacking in information to effectively communicate with their constituents. Comm. Bahar-Cook suggested that a series of talking points for board members would be helpful to establish a cohesive message. Chairperson Schertzing stated Ms. Snyder has also helped increase the Land Bank's involvement with local neighborhood groups.

2. Resolution to Accept Michigan Housing and Community Development Fund (MHCDF) Preliminary Grant

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. HOPE, TO ACCEPT THE MICHIGAN HOUSING AND COMMUNITY DEVELOPMENT FUND PRELIMINARY GRANT IN THE AMOUNT OF \$500,000.

Executive Director Burdick stated the grant award is for the the redevelopment of the Ash Street properties in Mason. The grant award is preliminary and pending due diligence by all parties. Comm. McGrain inquired why Kincaid Henry has not moved ahead with purchase of the building. Executive Director Burdick explained it is in the Land Bank's best interest to retain ownership through the construction phase in order to both secure all available funding opportunities and to maximize the Land Bank's specific tax capture. Comm. McGrain asked if an updated appraisal would be necessary for any future sale. Comm. Bahar-Cook agreed that an updated appraisal would be beneficial prior to any sale.

MOTION CARRIED UNANIMOUSLY.

3. Public Relations Update – Kate Snyder (Piper and Gold)

Chairperson Schertzing stated this item had been covered under Community Projects Update.

4. Strategic Planning Discussion – Revolving Loan Fund Borrowing  
4a. Resolution Authorizing an Amendment to Series 2007A Note and Series 2009A Note

Chairperson Schertzing stated a resolution to extend the Land Bank's existing revolving loan fund was included in board member's packets. He stated this resolution was for the same 3-year duration and terms as the most recent extension. This resolution does not increase the existing loan and incur any new debt. He further stated the board should schedule a time in the future to discuss a possible increase to the revolving fund.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. MCGRAIN TO ADOPT THE RESOLUTION AUTHORIZING AN AMENDMENT TO SERIES 2007A NOTE AND SERIES 2009A NOTE. MOTION CARRIED UNANIMOUSLY.

Executive Director Burdick stated Comm. Nolan had asked to bring up the idea of the board members setting up a three to four hour block of time to strategically work through the idea of increasing the revolving fund borrowing. Comm. Bahar-Cook stated she felt a meeting that long would be unnecessary. She stated her feeling is that it is staff's responsibility to present a strategic plan to the board. It was agreed to include the discussion in the July agenda.

5. Property Maintenance, Renovation & Development

5a. Residential Property Update – Dashboard

Chairperson Schertzing stated the dashboard was included in the meeting packet. He stated the Land Bank had just closed on its 22 sale of the year. We currently have 20 pending offers. Executive Director Burdick informed the board that a second investor program trial had begun on two condos at Eden Glen. This case did not require board approval as the investor has agreed to sell the renovated units to owner occupants.

5b. Commercial Property Update

Chairperson Schertzing stated there was no commercial property update this month.

5c. Vacant Lot Update

Chairperson Schertzing stated staff had received disappointing news from HUD and we may not be able to dispose of vacant NSP2 property to adjacent owners as easily as we had hoped.

7d. Garden Program Update – Dashboard

Chairperson Schertzing stated the Garden Program dashboard was included in the packet.

7e. Completed and Pending Sales

Chairperson Schertzing stated this had been discussed under the residential property update.

7f. General Legal Update - Counsel

Tim Perrone stated there were no legal issues to report.

6. Accounts Payable & Monthly Statement

6a. Accounts Payable Approval – May 2013

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. HOPE, TO APPROVE THE ACCOUNTS PAYABLE FOR MAY 2013. MOTION CARRIED UNANIMOUSLY.

6b. Monthly Statement – April 2013

The April 2013 monthly financial statement was received and placed on file.

7. Chairman and Executive Director Comments

Chairperson Schertzing stated he would be attending the upcoming County Services Committee meeting to update the Board of Commissioners on the CDBG program. Executive Director Burdick discussed the need to schedule training sessions on the ePropertyPlus software. Chairperson Schertzing stated Capital Community Bike Share had received a \$5,000 grant award from DALMAC.

Announcements: None

Limited Public Comment: None

The meeting adjourned at 6:06 p.m.

Respectfully submitted,

Joseph Bonsall



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**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE  
UNDER SAS NO. 114**

June 6, 2013

Chairperson and Board Members  
Ingham County Land Bank Fast Track Authority  
Lansing, Michigan

We have audited the financial statements of the *Ingham County Land Bank Fast Track Authority* (the "Authority"), a discretely presented component unit of the County of Ingham, Michigan, for the year ended December 31, 2012, and have issued our report thereon dated June 6, 2013. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and OMB Circular A-133**

As stated in our engagement letter dated January 2, 2013, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the Authority's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the Authority's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Authority's compliance with those requirements.

**Other Information in Documents Containing Audited Financial Statements**

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

#### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and our meeting about planning matters on March 11, 2013.

#### **Significant Results of the Audit**

##### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. The Authority adopted Statement of Governmental Accounting Standards Board (GASB) Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and No. 65, *Items Previously Reported as Assets and Liabilities*, in the current year. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the collectability of land contract receivable balances is based on past experience and future expectation for collection of various account balances.
- Management's estimate of the value of several properties in inventory is based on the appraised value of the home.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

##### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not identify any misstatements during our audit.

### *Upcoming Changes in Accounting Standards*

Generally accepted accounting principles (GAAP) are continually changing in order to promote the usability and enhance the applicability of information included in external financial reporting. While it would not be practical to include an in-depth discussion of every upcoming change in professional standards, Attachment A to this letter contains a brief overview of recent pronouncements of the Governmental Accounting Standards Board (GASB) and their related effective dates. Management is responsible for reviewing these standards; determining their applicability, and implementing them in future accounting periods.

### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the attached management representation letter dated June 6, 2013.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the governing body and management of the **Ingham County Land Bank Fast Track Authority** and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Rehmann Lohman LLC*



# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Attachment A: Upcoming Changes in Accounting Standards

For the December 31, 2012 Audit

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Authority in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Authority. For the complete text of these and other GASB standards, visit [www.gasb.org](http://www.gasb.org) and click on the "pronouncements" tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

### **GASB 66 ■ 2012 Technical Corrections (an Amendment to GASB 10 and GASB 62)** *Effective 12/15/2013 (your FY 2013)*

This standard was issued to eliminate conflicting guidance that resulted from the issuance of GASB 54 and GASB 62, which are both already effective. GASB 10 was amended to allow for risk financing activities to be accounted for in whichever fund type is most applicable (no longer limited to the general fund or an internal service fund). GASB 62 was amended to modify specific guidance related to (1) operating leases with scheduled rent increases, (2) purchase of loans at an amount other than the principal amount, and (3) service fees related to mortgages that are sold when the service rate varies significantly from the current (normal) service fees.

We do not expect GASB 66 to have any significant impact on the Authority at this time.

### **GASB 67 ■ Financial Reporting for Pension Plans** *Effective 06/15/2014 (your FY 2014)*

This standard establishes the requirements for pension plans administered by trusts to report on their operations, including setting new uniform requirements for actuarial valuations of the total pension liability, and reporting various 10-year trend data as required supplementary information. The financial statements of pension plans will not change substantially as a result of GASB 67, though the additional note disclosures and required supplementary information will be significant. Additionally, actuarial valuations conducted in accordance with GASB 67 will have to match the government's fiscal year, or be rolled forward to that date by the actuary.

Because the Authority does not maintain its own pension trust fund, we do not expect GASB 67 to have any significant impact on the Authority at this time.

### **GASB 68 ■ Accounting and Financial Reporting for Pensions** *Effective 06/15/2015 (your FY 2015)*

This standard establishes new requirements for governments to report a "net pension liability" for the unfunded portion of its pension plan. Governments that maintain their own pension plans (either single employer or agent multiple-employer) will report a liability for the difference between the total pension liability calculated in accordance with GASB 67 and the amount held in the pension trust fund. Governments that participate in a cost sharing plan will report a liability for their "proportionate share" of the net pension liability of the entire system.

Historically, governments have only been required to report a net pension obligation to the extent that they have not met the annual required contribution (ARC) in any given year. Upon implementation of this standard, governments will be required to report a net pension liability based on the current funded status of their pension plans. Changes in this liability from year to year will largely be reflected on the income statement, though certain amounts will be deferred and amortized over varying periods.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## **Attachment A: Upcoming Changes in Accounting Standards** For the December 31, 2012 Audit

GASB 68 also requires more extensive note disclosures and required supplementary information, including 10 years of historical information. The methods used to determine the discount rate (the assumed rate of return on plan assets held in trust) are mandated and must be disclosed, along with what the impact would be on the net pension liability if that rate changed by 1% in either direction. Other new disclosure requirements include details of the changes in the components of the net pension liability, comparisons of actual employer contributions to actuarially determined contributions, and ratios to put the net pension liability in context. For single-employer and agent multiple-employer plans, the information for these statements will come from the annual actuarial valuation. For cost sharing plans, this information will be derived from the financial reports of the plan itself, multiplied by the government's proportionate share of plan.

GASB 67 and 68 are only applicable to pension plans. However, the GASB has announced its intent to issue similar standards for other postemployment benefits (e.g., retiree healthcare) on a two year delay from these standards.

### **GASB 69 ■ Government Combinations and Disposals of Government Operations** *Effective 12/15/2014 (your FY 2014)*

This standard provides detailed requirements for the accounting and disclosure of various types of government combinations, such as mergers, acquisitions, and transfers of operations. The guidance available previously was limited to nongovernmental entities, and therefore did not provide practical examples for situations common in government-specific combinations and disposals. The accounting and disclosure requirements for these events vary based on whether a significant payment is made, the continuation or termination of services, and the legal structure of the new or continuing entity.

Given the infrequent nature of these types of events, we do not expect this standard to have any impact on the Authority at this time.

### **GASB 70 ■ Nonexchange Financial Guarantees** *Effective 06/15/2014 (your FY 2014)*

This standard addresses the accounting and disclosure of situations in which one government offers a financial guarantee on behalf of another government, not-for-profit organization, private entity, or individual without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). A government that extends a nonexchange financial guarantee will be required to recognize a liability when qualitative factors and/or historical data indicate that it is "more likely than not" that the government will be required to make a payment on the guarantee. It further requires governments to disclose any outstanding financial guarantees in the notes to the financial statements.

We do not expect GASB 70 to have any significant impact on the Authority at this time.

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Appointed Members  
**DEB NOLAN, Vice-Chair**  
**REBECCA BAHAR-COOK, Treasurer**  
**BRIAN McGRAIN, Secretary**  
**KARA HOPE, Member**



Chair  
**ERIC SCHERTZING**  
  
Executive Director  
**MARY RUTTAN**

## **Ingham County Land Bank Fast Track Authority**

422 Adams Street • Lansing, Michigan 48906 • phone (517) 267-5221 • fax (517) 267-5224

June 6, 2013

Rehmann Robson  
675 Robinson Rd  
Jackson, MI 49203

We are providing this letter in connection with your audit of the financial statements of the **Ingham County Land Bank Fast Track Authority** as of December 31, 2012 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the Ingham County Land Bank Fast Track Authority and the respective changes in financial position and, where applicable, cash flows thereof in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, as of June 6, 2013, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We have made available to you all—
  - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
  - b. Minutes of the meetings of the Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal awards.
5. We are in agreement with the adjusting journal entries you have proposed, and they have been posted.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
  - a. Management,
  - b. Employees who have significant roles in internal control, or



- c. Others where the fraud could have a material effect on the financial statements.
- 8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
- 9. We have a process to track the status of audit findings and recommendations.
- 10. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 11. The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 12. The following, if any, have been properly recorded or disclosed in the financial statements:
  - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

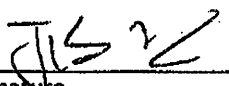
For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.
  - b. Guarantees, whether written or oral, under which the Authority is contingently liable.
  - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances.
- 13. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 14. There are no—
  - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
  - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.

15. As part of your audit, you assisted with preparation of the financial statements and related notes and schedule of expenditures of federal awards. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
16. The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
17. The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
22. Components of net assets (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balances (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
23. Provisions for uncollectible receivables have been properly identified and recorded.
24. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
25. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
26. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
27. Special and extraordinary items, if any, are appropriately classified and reported.
28. Deposits and investments are properly classified as to risk and are properly disclosed.
29. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
30. We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy.

31. We acknowledge our responsibility for the required supplementary information (RSI). The required supplementary information is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
32. We have evaluated the Authority's ability to continue as a going concern and have included appropriate disclosures, as necessary, in the financial statements.
33. With respect to federal award programs:
  - a. We are responsible for understanding and complying with and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including requirements relating to preparation of the schedule of expenditures of federal awards.
  - b. We have prepared the schedule of expenditures of federal awards in accordance with OMB Circular A-133, and have identified and disclosed in the schedule expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.
  - c. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of OMB Circular A-133 §310.b and we believe the SEFA, including its form and content, is fairly presented in accordance with the Circular. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
  - d. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
  - e. We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133.
  - f. We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
  - g. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

- h. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- i. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- j. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Circular A-133 Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards.
- k. We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- m. Amounts claimed or used for matching were determined in accordance with relevant guidelines in *OMB Circular A-87, Cost Principles for State, Local, and Tribal Governments*, and *OMB's Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.
- n. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- o. We have made available to you all documentation related to compliance with the direct and material requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- p. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- q. There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- r. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), have occurred subsequent to the date as of which compliance was audited.
- s. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

- t. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
  - u. We have charged costs to federal awards in accordance with applicable cost principles.
  - v. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
  - w. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.
  - x. We are responsible for preparing and implementing a corrective action plan for each audit finding.
34. We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

  
\_\_\_\_\_  
Signature

EXECUTIVE DIRECTOR  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title



Ingham County Land Bank  
Fast Track Authority  
(a Component Unit of the  
County of Ingham, Michigan)

Year Ended  
December 31,  
2012

Financial  
Statements and  
Single Audit Act  
Compliance

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

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## INDEPENDENT AUDITORS' REPORT

June 6, 2013

Chairperson and Board Members  
Ingham County Land Bank Fast Track Authority  
Lansing, Michigan

### Report on the Financial Statements

We have audited the accompanying financial statements of the *Ingham County Land Bank Fast Track Authority* (the "Authority"), a discretely presented component unit of the County of Ingham, Michigan, as of and for the year ended December 31, 2012, and the related notes to the financial statements, as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ingham County Land Bank Fast Track Authority as of December 31, 2012, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2013 on our consideration of the Ingham County Land Bank Fast Track Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Rehmann Lohman LLC*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Management's Discussion and Analysis

The Ingham County Land Bank Fast Track Authority (the "Authority") is a Michigan public body corporate organized pursuant to the Michigan Land Bank Fast Track Act, 2003 PA 258, MCL 124.751-124.774, and an Intergovernmental Agreement entered into between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Ingham, Michigan, dated September 7, 2005. The Authority is a discretely presented component unit of Ingham County, Michigan.

The Authority presents this management discussion and analysis of its financial performance as an overview of financial activities for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

### Using the Annual Report

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements are comprised of the *statement of net position*, the *statement of revenues, expenses and change in net position*, the *statement of cash flows* and the *notes to the financial statements*.

- The *statement of net position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- The *statement of revenues, expenses and change in net position* presents information showing how the Authority's net position changed during the most recent fiscal year.
- The *statement of cash flows* presents information showing in greater detail how the Authority received and disbursed cash during the most recent fiscal year.
- The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the financial statements.

### Financial Analysis

The net position of the Authority is summarized for the purpose of determining the overall fiscal position. As shown in Table 1 below, the Authority's assets exceeded liabilities by \$1,720,902 at the end of the fiscal year. This is primarily due to the value of the Authority's property inventory. It should be noted that the resources needed to repay liabilities are contingent upon sales from the Authority's property inventory.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Management's Discussion and Analysis

A comparative analysis of the data is presented below:

**Table 1. Ingham County Land Bank Fast Track Authority's Net Position**

	2012	2011
Current and other assets	\$ 2,695,238	\$ 3,498,096
Property inventory	9,102,584	5,852,615
<b>Total assets</b>	<b>11,797,822</b>	<b>9,350,711</b>
Long-term liabilities	-	3,690,000
Other liabilities	10,076,920	3,980,407
<b>Total liabilities</b>	<b>10,076,920</b>	<b>7,670,407</b>
<b>Net position- Unrestricted</b>	<b>\$ 1,720,902</b>	<b>\$ 1,680,304</b>

When comparing this fiscal year to the previous year, net position has increased by \$40,598 (see Table 2 below). Revenue approximated expenses as expected for the Land Bank's operations.

**Table 2. Ingham County Land Bank Fast Track Authority's Change in Net Position**

	2012	2011
<b>Total Revenues</b>	<b>\$ 7,768,912</b>	<b>\$ 12,277,548</b>
<b>Total Expenses</b>	<b>7,728,314</b>	<b>12,301,823</b>
<b>Change in net position</b>	<b>40,598</b>	<b>(24,275)</b>
<b>Net position, beginning of year</b>	<b>1,680,304</b>	<b>1,704,579</b>
<b>Net position, end of year</b>	<b>\$ 1,720,902</b>	<b>\$ 1,680,304</b>

The large decrease in revenues and expenses from the prior year is primarily due to a decrease in activity in the NSP 2 program, which reported federal expenses of \$7.1 million in 2011 and \$3.6 million in 2012.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Management's Discussion and Analysis

### Long-term debt

At the end of the fiscal year, the Authority had total debt obligations of \$3,675,000. On June 29, 2010, two notes held by PNC Bank were amended for the purposes of extending their maturity dates to July 1, 2013. The two outstanding notes are backed by the full faith and credit of Ingham County.

Table 3. Ingham County Land Bank Fast Track Authority's Debt

	2012	2011
Notes payable	\$ 3,675,000	\$ 3,690,000

Additional information on the Authority's long-term debt can be found in Note 5 of this report.

### Economic Factors and Next Year's Budget

The Authority expects the wind down of its involvement with the NSP1 and NSP2 programs to continue in 2013. Involvement with the CDBG and HOME programs are expected to increase, but not to the extent of the NSP2 program. As a result, 2013 revenues and expenses are expected to decrease from 2012. For 2012, the Authority had operating revenues of approximately \$7.76 million and operating expenses of \$7.72 million. For 2013, operating revenues are expected to exceed \$5.8 million with operating expenses of \$5.6 million.

### Contacting the Authority

This financial report is designed to provide a general overview of the Authority's finances and to show accountability for the money it receives and expends. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Ingham County Land Bank Fast Track Authority, 422 Adams Street, Lansing, Michigan 48906.



## **BASIC FINANCIAL STATEMENTS**

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Statement of Net Position

December 31, 2012

### Assets

#### Current assets:

Cash and cash equivalents	\$ 52,704
Accounts receivable	644,701
Current portion of land contracts receivable	73,753
Note receivable	180,000
Property inventory	<u>9,102,584</u>

Total current assets 10,053,742

Noncurrent assets - land contracts receivable, net 1,744,080

Total assets 11,797,822

### Liabilities

#### Current liabilities:

Accounts payable	679,923
Due to Ingham County	1,173,597
Advances from other governments	4,152,900
Notes payable - current	3,675,000
Unearned revenue	<u>395,500</u>

Total liabilities 10,076,920

Net position, unrestricted \$ 1,720,902

The accompanying notes are an integral part of these financial statements.

## INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

### Statement of Revenues, Expenses and Change in Net Position

For the Year Ended December 31, 2012

<b>Operating revenues</b>	
Property sales	\$ 1,097,464
Intergovernmental:	
Federal grants	3,992,642
Brownfield reimbursement	124,383
Other revenues	<u>2,438,508</u>
<b>Total operating revenues</b>	<u>7,652,997</u>
<b>Operating expenses</b>	
Cost of property sold	1,273,611
Parcel maintenance	4,985,081
Administration	<u>1,469,622</u>
<b>Total operating expenses</b>	<u>7,728,314</u>
Operating loss	(75,317)
<b>Nonoperating revenues</b>	
Interest revenue	<u>115,915</u>
<b>Change in net position</b>	40,598
Net position, beginning of year	<u>1,680,304</u>
Net position, end of year	<u>\$ 1,720,902</u>

The accompanying notes are an integral part of these financial statements.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Statement of Cash Flows

For the Year Ended December 31, 2012

<b>Cash flows from operating activities</b>	
Cash received from customers and governmental units	\$ 8,367,553
Cash paid to contractors, vendors and staff	<u>(8,556,770)</u>
<b>Net cash used in operating activities</b>	<u>(189,217)</u>
<b>Cash flows from noncapital financing activities</b>	
Line of credit cash draws	1,651,000
Payments on borrowing	<u>(1,666,000)</u>
<b>Net cash used in noncapital financing activities</b>	<u>(15,000)</u>
<b>Cash flows from investing activities</b>	
Interest revenue received	<u>115,915</u>
<b>Net change in cash and cash equivalents</b>	(88,302)
<b>Cash and cash equivalents, beginning of year</b>	<u>141,006</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 52,704</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities</b>	
Operating loss	\$ (75,317)
Changes in assets and liabilities:	
Accounts receivable	822,801
Land contracts receivable	(288,011)
Property inventory	(3,249,969)
Prepaid expenses	179,766
Accounts payable	(702,661)
Due to Ingham County	(106,384)
Advance from other government	4,152,900
Unearned revenue	<u>(922,342)</u>
<b>Net cash used in operating activities</b>	<u><u>\$ (189,217)</u></u>

The accompanying notes are an integral part of these financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes To Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Ingham County Land Bank Fast Track Authority (the "Authority") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The Authority's accounting policies are described below.

#### Reporting Entity

The Authority was incorporated pursuant to the Michigan Land Bank Fast Track Act (Public Act 258) and an intergovernmental agreement between the Authority and the County of Ingham, Michigan (the "County"). The Authority was legally established on November 1, 2005 and began operations subsequent to January 1, 2006. The Authority is governed by a five-member board, the chair of which is the Ingham County Treasurer; the other four members are appointed by the Ingham County Board of Commissioners for overlapping four year terms. No other governmental entities are part of the Authority; however, the Authority is a discretely presented component unit of the County.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority uses a single proprietary or enterprise fund to account for and report its financial activities, which are limited to *business-type activities* - i.e., activities that are financed in whole or in part by fees charged to external parties and are operated in a manner similar to private business where the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### Related Parties

The Authority owns a 1% interest in Shaws on Newton, LLC. The Ingham County Land Bank Fast Track Authority is a limited partner of Shaws on Newton, LLC. The 1% interest in Shaws on Newton, LLC is not considered material by management and therefore is not included in the accompanying financial statements. The partnership was created to restore the environmental and economic viability of contaminated and blighted properties in Meridian Township in Ingham County. As of December 31, 2012, the Authority's interest in the partnership totaled a negative \$2,540.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes To Financial Statements

### *Assets, liabilities and equity*

#### *Cash and Cash Equivalents*

Cash and cash equivalents include amounts in demand deposit accounts. State statutes authorize the Authority to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the United States, certain commercial papers, repurchase agreements and banker acceptances.

#### *Receivables*

All receivables are reported at their gross value and are deemed to be fully collectible. The land contract receivables represent mortgages between the Authority and individual residents for property being held by the Land Bank.

#### *Property Inventory*

The Authority may acquire by gift, devise, transfer, exchange, foreclosure, or purchase real or personal property, or rights of interest in real or personal property, on terms and conditions and in a manner the Authority considers appropriate. The properties are inventoried at the amount paid. The costs to rehabilitate a particular property that materially add value as well as an allocated portion of administrative costs, maintenance and interest expense on debt incurred to acquire such properties are added to the cost of that property. Adjustments to fair value are made when the cost of properties, including rehabilitation and other costs, exceed the appraised market value for a property. Parcels that are donated to the Authority are valued at \$1 as they have minimal value until rehabilitated.

#### *Long-term Obligations*

Long term debt is reported as a liability in the statement of net position.

## 2. DEPOSITS

At year-end, the carrying amount of the Authority's deposits was \$52,704; none of the combined bank balance of \$214,742 was exposed to custodial credit risk because it was uninsured and uncollateralized.

## 3. NOTE RECEIVABLE

On December 23, 2010, the Authority issued an interest-free promissory note to an unrelated company in the amount of \$360,000. The note was to be paid in two installments of \$180,000; one on December 31, 2011 and the remaining payment on December 31, 2013. The balance of the note at December 31, 2012 was \$180,000.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes To Financial Statements

### 4. LAND CONTRACTS RECEIVABLE

At year-end, the Authority had 25 land contracts due from unrelated parties. The payments on these contracts are due in various monthly installments ranging from \$48 to \$468 at interest rates from 6.00% to 8.00%. Land contracts receivable activity during the year is as follows (of which the current portion was \$73,753):

Beginning balance	\$ 1,529,822
Additions	434,613
Reductions	<u>(146,602)</u>
Ending balance	<u>\$ 1,817,833</u>

### 5. LONG-TERM DEBT

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Notes payable	\$ 3,690,000	\$ 1,651,000	\$ (1,666,000)	\$ 3,675,000	\$ 3,675,000

The Authority obtained two lines of credit through PNC Bank (\$3.0 million authorized and \$2.0 million authorized) during the 2009 fiscal year. The outstanding lines mature on July 1, 2013 and carry variable interest rates based on the 3-month LIBOR rate; at December 31, 2012 the PNC Bank line interest rate was 1.310250%.

### 6. RISK MANAGEMENT

As of July 1, 2011, the Authority began managing its own risk exposures through commercial insurance policies. Settlements have not exceeded insurance coverage since the change to commercial policy coverage.

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## **SINGLE AUDIT ACT COMPLIANCE**

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**INDEPENDENT AUDITORS' REPORT ON THE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

June 6, 2013

Chairperson and Board Members  
Ingham County Land Bank Fast Track Authority  
Lansing, Michigan

We have audited the financial statements of the *Ingham County Land Bank and Fast Track Authority* (the "Authority"), a discretely presented component unit of the County of Ingham, Michigan, as of and for the year ended December 31, 2012, and the related notes to the financial statements, and have issued our report thereon dated June 6, 2013. Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Rehmann Lobson LLC*

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# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2012

Federal Agency / Pass-through Grantor / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Housing and Urban Development				
Neighborhood Stabilization Program	14.218	IC	n/a	\$ 1,620
Neighborhood Stabilization Program	14.218	COL	n/a	340,598
				<u>342,218</u>
HOME Investment Partnership Program	14.239	COL	n/a	145,384
ARRA - Neighborhood Stabilization Program	14.256	MSHDA	NS2-2009-6073	3,505,040
				<u>3,505,040</u>
<b>Total Expenditures of Federal Awards</b>				<u><u>\$ 3,992,642</u></u>

See notes to schedule of expenditures of federal awards.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes to Schedule of Expenditures of Federal Awards

### 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Ingham County Land Bank Fast Track Authority (the "Authority") under programs of the federal government for the year ended December 31, 2012. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the Authority's financial statements. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### 3. PASS-THROUGH AGENCIES

The Authority receives certain federal grants as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Abbreviation	Pass-through Agency Name
IC	Ingham County
COL	City of Lansing
MSHDA	Michigan State Housing Development Authority

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**Independent Auditors' Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

June 6, 2013

Chairperson and Members  
Ingham County Land Bank Fast Track Authority  
Lansing, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the **Ingham County Land Bank Fast Track Authority** (the "Authority"), a discretely presented component unit of the County of Ingham, Michigan, as of and for the year ended December 31, 2012, and the related notes to the financial statements, and have issued our report thereon dated June 6, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Opinion on Major Federal Program***

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2012.

### ***Report on Internal Control Over Compliance***

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Purpose of this Report***

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Rehman Lohani LLC*



# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Schedule of Findings and Questioned Costs For the Year Ended December 31, 2012

### SECTION I - SUMMARY OF AUDITORS' RESULTS

#### Financial Statements

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ yes      X no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes      X none reported

Noncompliance material to financial statements  
noted?

\_\_\_\_\_ yes      X no

#### Federal Awards

Internal control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ yes      X no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes      X none reported

Type of auditors' report issued on compliance  
for major programs:

Unqualified

Any audit findings disclosed that are required  
to be reported in accordance with  
Circular A-133, Section 510(a)?

\_\_\_\_\_ yes      X no

Identification of major program:

#### CFDA Number

14.256

#### Name of Federal Program or Cluster

Neighborhood Stabilization Program

Dollar threshold used to distinguish  
between Type A and Type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

X yes      \_\_\_\_\_ no

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2012

### SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

### SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

■ ■ ■ ■ ■

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2012

None reported.

■ ■ ■ ■ ■





## **Talking Points**

### **What is the Ingham County Land Bank?**

The Ingham County Land Bank is a strategic economic tool that supports growth and investment within the community. Dedicated to improving the quality of neighborhoods and strengthening Greater Lansing, the Ingham County Land Bank was created to return tax reverted, purchased, donated and unclaimed land to productive use.

### **What is the Land Bank's Mission?**

To build great places, strengthen our communities and generate sustainable economic prosperity. The Land Bank is a strategic economic tool designated to support growth and investment in our community by returning tax reverted, purchased, donated and unclaimed land to productive use more rapidly than might have been possible otherwise.

### **What is the Land Bank's vision for the future?**

The Ingham County Land Bank envisions a future for the county in which property values are stable or rising, tax foreclosures are reduced and foreclosed property is quickly returned to valuable use. In this future, the Land Bank will serve as a resource and source of information in the community. Neighborhoods and commercial areas will be more vibrant and prosperous, attracting and retaining diverse residents to live, work, play and raise families in Ingham County.

### **About the Ingham County Land Bank:**

- The Ingham County Land Bank has two offices, one in a renovated house on Adams Street in Old Town and one in the Neighborhood Empowerment Center on Maple Street in Lansing.
- The Land Bank has 12 staff members, ranging from licensed real estate professionals and urban planners to legal and financial professionals.
- The Ingham County Treasurer automatically serves as the Chair of the Ingham County Land Bank Board. Eric Schertzing is the current Chair and County Treasurer.

### **Creating: Place**

The Ingham County Land Bank works with federal and local partners to return blighted and tax foreclosed residential properties to use in our neighborhoods throughout Ingham County:

- In 2012, the Land Bank sold 53 homes in the county.
- It currently has 52 new or renovated homes for sale and has eight homes under construction.

- The Land Bank, in partnership with Mayor Virg Bernero and the city of Lansing, invested over \$24 million in Neighborhood Stabilization Funds in Lansing neighborhoods.
- The Land Bank has set aside a collection of homes to help low-income buyers connect with stable and secure housing.
- In partnership with the Center for Financial Health, a Home Buyer's Club is being launched to help those considering home ownership financially and emotionally prepare for the purchasing process.

### **Creating: Community**

The Land Bank serves as a convener and facilitator for neighborhoods throughout the county:

- The Land Bank Garden Program has full-time staff, AmeriCorps and intern support to help support 62 community gardens throughout the city of Lansing.
- These 62 gardens serve 849 individuals.

### **Creating: Opportunity**

The Land Bank serves as an economic tool by bringing commercial properties back into productive and innovative use:

- The Land Bank currently holds 11 commercial properties in its inventory.
- The Land Bank received more than \$800,000 in grant funding to partner with Great Lakes Capital Fund on demolition and deconstruction at the former Michigan School for the Blind campus. The campus is being made safer for the local neighborhood and is being prepared for redevelopment.

### **How to Connect:**

Online: [www.inghamlandbank.org](http://www.inghamlandbank.org)

On Facebook: [www.facebook.com/inghamcountylandbank](https://www.facebook.com/inghamcountylandbank)

On Twitter: [@inghamlandbank](https://twitter.com/inghamlandbank)

By Phone: 517.267.5221



June 25, 2013

Eric Schertzing  
Ingham County Treasurer and Chairman of Ingham County Land Bank  
422 Adams Street  
Lansing, Michigan 48906

Dear Eric,

Last year Habitat for Humanity Lansing purchased a two acre parcel on Wayne St, Lansing, for development of four new homes. These homes are all for larger Habitat for Humanity Lansing families requiring 4 – 6 bedrooms, with 2 baths. As of this writing the first home is completed and the family is living in the house. The house was appraised at \$118,000. The second (four bedroom split level) and third (five bedroom ranch) houses are under construction.

While excavating the fourth (6 bedroom ranch) house's foundation a strata of muck and organic material was discovered. At this point engineers were called in to assess the property and offer remedies. It was determined that the property could be buildable if we went further down that originally planned and filled with engineered fill. The expected cost to remedy the property was \$15,000.

As you know, Habitat for Humanity Lansing builds affordable homes, and sell them at no-interest for the cost of construction or appraised value, whichever is the lesser amount. It was determined that we could not afford to put an additional \$15,000 into the property, as we would not see a return on that investment.

Does the Land Bank have funds available to assist with the remediation of this property so we can build a house on it? Alternately, does the Land Bank want the property back to turn into a community garden?

Habitat for Humanity Lansing and I appreciate our partnership with the Land Bank. I look forward to your response.

Sincerely,

A handwritten signature in black ink, reading "Denise M. Paquette". The signature is written in a cursive, flowing style.

Denise M. Paquette  
Executive Director  
Habitat for Humanity Lansing

# INGHAM COUNTY LAND BANK

## ACTIVITY REPORT

(DASHBOARD)

May 31, 2013

	Inventory as of 12/31/2012	Previous Month as of 4/30/2013	Acquired as of 5/31/2013	Rental or Garden as of 5/31/2013	Demolished as of 5/31/2013	Sold as of 5/31/2013	Current Inventory as of 5/31/2013
Structures	354	340	1	0	(1)	(22)	332
Rentals	29	29	0	0	0	0	29
Gardens	70	82	0	17	0	0	87
Vacant Land	477	462	1	(17)	1	(5)	457
Commercial Rental	0	1	0	1	0	0	1
Commercial Vacant	5	6	0	0	1	0	6
Commercial	6	4	0	(1)	(1)	0	4
<b>TOTAL(S)</b>	<b>941</b>	<b>924</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>(27)</b>	<b>916</b>

	Current L/C as of 5/31/2013
Land Contracts (L/C)	35

Approved Line of Credit as of 5/31/2013	
Total Line of Credit	\$5,000,000.00
Obligated	3,525,000.00
<b>Available Balance</b>	<b>1,475,000.00</b>



<b>6/24/2013 ICLB Garden Program Dashboard</b>	
Participating ICLB 2010 Gardens	13
Participating ICLB 2011 Gardens	14
Participating ICLB 2012 Gardens	23
Participating ICLB 2013 Gardens	12
<b>Totals</b>	
Total Gardens	62
Total Parcels	96
GLFB GP Affiliated Gardens	16
Vacant/Possible Garden Space	350
People Served	849 People

## **Ingham County Land Bank Garden Program Update June 24<sup>th</sup>, 2013**

1. Welcome Joy Gleason the Ingham County Land Bank Garden Program's 2013 Summer AmeriCorps member. Joy started her service April 23<sup>rd</sup> and will be with us through September 6<sup>th</sup>; directly serving the community by assisting in gardens.
2. Jared Talaga, our full-year AmeriCorps member, was honored by MCSC as AmeriCorps member of the month. <http://michigan.gov/mcsc/0,4608,7-137-8074-101694--,00.html> Jared will be with us through September 20<sup>th</sup>.
3. The Garden Program has hired three volunteer Social Media Interns through MSU's Career Services; that will be volunteering their time through August 9<sup>th</sup>. Our blog is now up and running <http://gardenprogram.wordpress.com/>.
4. Continued outreach efforts; presenting at Lansing Neighborhood Organization meetings and to other groups such as Zonta International, Edible Flint and Growing Hope as well as at various community events such as Peckham's Personal Development Days, the Choosing Health Rally and the Everybody Eats Conference. Also, the Garden Program has hosted a few workshops and trainings aimed at connecting with gardeners and others in the community.
5. Attended, and assisted with, the Everybody Eats conference (400 people in attendance) including planning and logistics, helping with registration, facilitating sessions and organizing the exhibit space for participating organizations.
6. Garden Program Participants, Flood Plain Farms (FPF), received the SARE (Sustainable Agriculture Research and Education) Farmer and Rancher Grant for \$7,000 to complete cover crop research. FPF also received a \$2,000 grant from Center for Regional Food Systems to research for-profit urban agriculture projects.
7. Garden Program updates are emailed to subscribers in all 4 wards. Updates include a list of all existing and pending gardens in each ward. <http://inghamlandbank.us5.listmanage.com/subscribe?u=97042b3f3a7a34f7db0fccccf5&id=086f9f7cb2>
8. In partnership with the Greater Lansing Food Bank's Garden Project coordinated Comcast Cares Day and assisted in coordinating 100 volunteers at three Garden Program gardens.
9. Coordinated 75 volunteers for Global Youth Service Day at Garden Program gardens, cleaning up gardens and preparing for the growing season.
10. Served as host to 2013 AmeriCorps Signature Service Project, a two day project. 90 AmeriCorps members served at 6 Land Bank properties. Members helped with garden clean ups, including brush removal, and planted 150 raspberry plants and 6 fruit trees. This volunteer completed the ICLB Garden Program Community Orchard (500 S. Francis Avenue) and the Community Raspberry Patch (500 S. Hayford).
11. Opened the ICLB Garden Program Resource Garage! Tuesdays and Thursdays from 4:00-6:00 p.m. Gardeners can stop by and check out tools and gather resources such as plant-starts, burlap and straw.

Pending Sales: June 21, 2013      24 Pending; 16 NSP2; 1 NSP1; 4 NSP3; 1 HOME; 2 Land Bank.

821 Clayton St.; NSP2 \$110,000. Repair issues, basement water

1016 N. Jenison Ave.; NSP2 \$95,000. Water issues.

1806 Vermont Ave.; NSP2 \$59,000. LISA

326 Isbell; NSP2 \$72,800; Opportunity Fund (need lender docs), repair issues.

608 Leslie St.; NSP2 \$73,000.

1200 W. Maple St.; NSP2 \$82,000. LISA?

1217 Porter; NSP1 \$77,000. City sent to HUD for eligibility review. 6/21/13 no answer from City

916 Prospect; NSP2 \$90,000 LISA OCOF

1241 Shepard; NSP2 \$90,000 LISA OCOF- OFF MARKET WATER DAMAGE. Ordered new appraisal.

1319 W. Lenawee; NSP2, \$110,000. DPA exception needed-LISA?

3500 Ronald; NSP3, \$75,000.

1221 W. Ottawa St; NSP2, \$110,000.

1126 W. Kalamazoo St; NSP2, \$113,700. Repairs done?

2209 Westbury; LB, \$72,500.

218 Redner; LB, \$80,000. Buyer walk thru-final decision to proceed this week.

3814 Coachlight Commons; NSP3, \$75,700.

2036 Reo Rd.; NSP3, \$85,000.

2202 Midwood; NSP3, \$ 111,900.

1317 W. Lenawee; NSP2, \$113,900.

1561 Ballard; NSP2, \$70,000.

925 May; NSP2, \$97,500.

1226 W. Lenawee; NSP2, \$107,000.

1216 W. Allegan; NSP2, \$105,000. Repair issues, water in basement.

1230 W. Allegan; NSP2, \$100,000. LISA

636 Irvington, HOME, \$61,000.

Note: 28 homes remain in NSP2, 21 are restricted to LISA buyers.

06/26/2013

## CHECK REGISTER FOR INGHAM COUNTY LAND BANK

CHECK DATE FROM 06/01/2013 - 06/30/2013

Check Date	Bank	Check	Vendor	Vendor Name	Amount
Bank GEN					
06/03/2013	GEN	9474	MOW	MOW MASTER	1,485.00
06/10/2013	GEN	9475	BWL	BOARD OF WATER & LIGHT	2,130.00
06/12/2013	GEN	9476	BWL	BOARD OF WATER & LIGHT	654.08
06/12/2013	GEN	9477	BWL	BOARD OF WATER & LIGHT	757.26
06/12/2013	GEN	9478	CONSUMERS	CONSUMERS ENERGY	262.70
06/12/2013	GEN	9479	CONSUMERS	CONSUMERS ENERGY	202.99
06/12/2013	GEN	9480	CONSUMERS	CONSUMERS ENERGY	272.55
06/12/2013	GEN	9481	CONSUMERS	CONSUMERS ENERGY	218.08
06/12/2013	GEN	9482	CONSUMERS	CONSUMERS ENERGY	228.63
06/12/2013	GEN	9483	CONSUMERS	CONSUMERS ENERGY	60.93
06/12/2013	GEN	9484	MASON	CITY OF MASON	16.00
06/12/2013	GEN	9485	AUTO-OWNER	AUTO-OWNERS INSURANCE	387.75
06/12/2013	GEN	9486	TOSHIBA	TOSHIBA FINANCIAL SERVICES	197.86
06/12/2013	GEN	9487	DBI	DBI BUSINESS INTERIORS	135.78
06/12/2013	GEN	9488	CITY PULSE	CITY PULSE	139.05
06/12/2013	GEN	9489	RIZZI	RIZZI DESIGNS	2,111.19
06/12/2013	GEN	9490	BLAIR	PAM BLAIR	240.00
06/12/2013	GEN	9491	PRESERVATI	PRESERVATION LANSING	100.00
06/12/2013	GEN	9492	CAP IMAG	CAPITAL IMAGING	203.33
06/12/2013	GEN	9493	HC	H.C. BERGER COMPANY	141.09
06/12/2013	GEN	9494	SCHAFER'S	SCHAFER'S INC	1,552.00
06/12/2013	GEN	9495	LANE'S	LANE'S REPAIR	60.00
06/12/2013	GEN	9496	J & M HAUL	J & M HAULING	895.00
06/12/2013	GEN	9497	AMERICAN	AMERICAN RENTALS INC.	130.00
06/12/2013	GEN	9498	COMMERCIAL	COMMERCIAL CLEANING	1,645.80
06/12/2013	GEN	9499	BWB CLEANI	BWB CLEANING	1,663.20
06/12/2013	GEN	9500	SHERWIN	THE SHERWIN-WILLIAMS CO.	94.02
06/12/2013	GEN	9501	CRAWFORD	CRAWFORD DOOR COMPANY	162.50

06/12/2013	GEN	9502	KELLEY	KELLEY APPRAISAL COMPANY	300.00
06/12/2013	GEN	9503	ESI	ESI ENERGY CONSULTANTS	870.00
06/12/2013	GEN	9504	ETC	ETC	245.00
06/12/2013	GEN	9505	KEBS	KEBS, INC.	800.00
06/12/2013	GEN	9506	FLOORING	FLOORING AMERICA CARPET STUDIO	125.00
06/12/2013	GEN	9507	TRITERRA	TRITERRA	15,125.00
06/12/2013	GEN	9508	STAPLETON	BOB STAPLETON CONSTRUCTION LLC	3,812.50
06/12/2013	GEN	9509	NORSHORE	NORSHORE BUILDING INC	5,431.00
06/12/2013	GEN	9510	CENTURY	CENTURY CONSTRUCTION	8,865.00
06/12/2013	GEN	9511	FREDRICKSO	SCOTT FREDRICKSON CONSTRUCTION	5,832.00
06/12/2013	GEN	9512	TREASURER	INGHAM COUNTY TREASURER	13,968.48
06/12/2013	GEN	9513	ZERO DAY	ZERO DAY	4,233.75
06/12/2013	GEN	9514	LEO	LJ TRUMBLE BUILDERS	2,550.00
06/12/2013	GEN	9515	FOUR	SCHUMACHER'S FOUR SEASONS	4,400.00
06/12/2013	GEN	9516	MCKISSIC	MCKISSIC CONSTRUCTION	1,605.00
06/12/2013	GEN	9517	ALL STAR	ALL STAR SNOW REMOVAL	3,600.00
06/12/2013	GEN	9518	NORTHWEST	NORTHWEST INITIATIVE	1,290.00
06/12/2013	GEN	9519	GRAHAM	DENNIS GRAHAM	259.06
06/12/2013	GEN	9520	BONSALL	JOSEPH G BONSALE	442.81
06/12/2013	GEN	9521	AMO	AMO INSPECTIONS & APPRAISALS	1,630.00
06/12/2013	GEN	9522	CCBS	CAPITAL COMMUNITY BIKE SHARE	5,000.00
06/14/2013	GEN	9523	J & M HAUL	J & M HAULING	2,975.00
06/25/2013	GEN	9524	BWL	BOARD OF WATER & LIGHT	589.57
06/25/2013	GEN	9525	BWL	BOARD OF WATER & LIGHT	568.90
06/25/2013	GEN	9526	BWL	BOARD OF WATER & LIGHT	600.74
06/25/2013	GEN	9527	BWL	BOARD OF WATER & LIGHT	267.05
06/25/2013	GEN	9528	BWL	BOARD OF WATER & LIGHT	224.96
06/25/2013	GEN	9529	CONSUMERS	CONSUMERS ENERGY	343.72
06/25/2013	GEN	9530	PNC	PNC BANK, NA	5,341.65
06/25/2013	GEN	9531	PNC	PNC BANK, NA	5,353.48
06/25/2013	GEN	9532	ADT	ADT SECURITY SERVICES, INC	121.84
06/25/2013	GEN	9533	AT&T	AT & T	277.57
06/25/2013	GEN	9534	WRS	CITY OF LANSING, C.A.R.T.	45.00
06/25/2013	GEN	9535	COMCAST	COMCAST	66.95

06/25/2013	GEN	9536	VERIZON	VERIZON WIRELESS	234.49
06/25/2013	GEN	9537	GRANGER	GRANGER CONTAINER SERVICE	1,050.00
06/25/2013	GEN	9538	HOME	HOME DEPOT CREDIT SERVICES	659.20
06/25/2013	GEN	9539	MENARDS	HSBC BUSINESS SOLUTIONS	1,864.27
06/25/2013	GEN	9540	SEARS COMM	SEARS COMMERCIAL ONE	1,722.00
06/25/2013	GEN	9541	EDEN	EDEN GLEN CONDO ASSOCIATION	4,980.00
06/25/2013	GEN	9542	COHL	COHL, STOKER & TOSKEY, P.C.	751.40
06/25/2013	GEN	9543	GLHC	GREATER LANSING HOUSING COALITION	1,504.56
06/25/2013	GEN	9544	SOUTH	SOUTH ST, LLC	500.00
06/25/2013	GEN	9545	REHMANN	REHMANN ROBSON	3,400.00
06/25/2013	GEN	9546	MSHDA	MICH STATE HOUSING DEV AUTHORITY	4,153.36
06/25/2013	GEN	9547	MSHDA	MICH STATE HOUSING DEV AUTHORITY	52,179.63
06/25/2013	GEN	9548	HASS	HASSELBRING CLARK CO	405.50
06/25/2013	GEN	9549	DBI	DBI BUSINESS INTERIORS	133.49
06/25/2013	GEN	9550	WCA	LANSING WESTSID COMMERCIAL ASSOC	35.00
06/25/2013	GEN	9551	CITY PULSE	CITY PULSE	925.65
06/25/2013	GEN	9552	HOMES & LI	HOMES & LIFESTYLES MAGAZINE, INC.	100.49
06/25/2013	GEN	9553	PIPER	PIPER & GOLD PUBLIC RELATIONS	3,063.02
06/25/2013	GEN	9554	RIZZI	RIZZI DESIGNS	2,134.95
06/25/2013	GEN	9555	ICE	LANSING ICE & FUEL	440.31
06/25/2013	GEN	9556	ASBESTOS	ASBESTOS ABATEMENT INCORPORATED	1,180.00
06/25/2013	GEN	9557	TRITERRA	TRITERRA	4,675.00
06/25/2013	GEN	9558	FIBERTEC	FIBERTEC ENVIRONMENTAL SERVICES	436.00
06/25/2013	GEN	9559	SCHAFER'S	SCHAFER'S INC	352.00
06/25/2013	GEN	9560	KEBS	KEBS, INC.	375.00
06/25/2013	GEN	9561	VETS	VET'S ACE HARDWARE	518.54
06/25/2013	GEN	9562	MARK'S	MARK'S LOCK SHOP INC	72.50
06/25/2013	GEN	9563	GRANGER LA	GRANGER LANDSCAPE SUPPLY	70.00
06/25/2013	GEN	9564	J & M HAUL	J & M HAULING	4,330.00
06/25/2013	GEN	9565	WISEMAN	WISEMAN TREE EXPERTS	435.00
06/25/2013	GEN	9566	COMMERCIAL	COMMERCIAL CLEANING	1,376.70
06/25/2013	GEN	9567	BWB CLEANI	BWB CLEANING	1,193.60
06/25/2013	GEN	9568	CORTRIGHT	DICK CORTRIGHT	2,880.00
06/25/2013	GEN	9569	NORSHORE	NORSHORE BUILDING INC	9,277.00

06/25/2013	GEN	9570	BERR	BERRY BUILDERS LLC	25,250.30
06/25/2013	GEN	9571	CENTURY	CENTURY CONSTRUCTION	12,345.00
06/25/2013	GEN	9572	STAPLETON	BOB STAPLETON CONSTRUCTION LLC	28,715.00
06/25/2013	GEN	9573	BALLARD	BALLARD DEVELOPMENT INC	21,595.00
06/25/2013	GEN	9574	INGHAM	INGHAM COUNTY TREASURER	10,451.54
06/25/2013	GEN	9575	INTEGRITY	INTEGRITY LAWN MAINTENANCE	2,915.00
06/25/2013	GEN	9576	FOUR	SCHUMACHER'S FOUR SEASONS	7,240.00
06/25/2013	GEN	9577	MCKISSIC	MCKISSIC CONSTRUCTION	4,740.00
06/25/2013	GEN	9578	MOW	MOW MASTER	3,990.00
06/25/2013	GEN	9579	LEO	LJ TRUMBLE BUILDERS	3,060.00
06/25/2013	GEN	9580	ALL STAR	ALL STAR SNOW REMOVAL	1,845.00
06/25/2013	GEN	9581	FRITZY	FRITZY'S LAWN & SNOW	6,230.00
06/25/2013	GEN	9582	NORTHWEST	NORTHWEST INITIATIVE	915.00
06/25/2013	GEN	9583	2ND	SECOND CHANCE EMPLOYMENT	2,760.00
06/25/2013	GEN	9584	ZERO DAY	ZERO DAY	8,482.50
06/25/2013	GEN	9585	SASSY	SASSY GRASS	425.00
06/25/2013	GEN	9586	AMO	AMO INSPECTIONS & APPRAISALS	1,520.00
06/25/2013	GEN	9587	DAWN	DAWN VAN HALST	23.48
06/25/2013	GEN	9588	ERIC	ERIC SCHERTZING	1,216.35
06/25/2013	GEN	9589	SCHONBERG	LINDA SCHONBERG	221.49
06/25/2013	GEN	9590	CASE	ROXANNE CASE	50.32
06/25/2013	GEN	9591	GRAHAM	DENNIS GRAHAM	211.32
06/26/2013	GEN	9592	CONSUMERS	CONSUMERS ENERGY	2,000.00

GEN TOTALS:

Total of 119 Checks:

Less 0 Void Checks:

Total of 119 Disbursements:

366,918.78
0.00
<u>366,918.78</u>

INGHAM COUNTY LAND BANK AUTHORITY  
STATEMENT OF NET ASSETS  
STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
MAY 31, 2013

Cash	53,567.69
Accounts Receivable	120.00
Land Contract Receivable	1,872,688.14
Land Contract Interest Receivable	79,447.16
Land Contract Escrow	16,286.31
Notes Receivable	180,000.00
Specific Tax Receivable	31,185.22
Specific Tax Receivable-Prior Year	940.67
OCOF Nonprofit Receivable	5,322.68
Ingham County Receivable	5,676.55
Lansing City Receivable-General	25,985.34
NSP3 Lansing City Receivable	11,505.27
HOME Lansing City Receivable	46,873.00
Inventory-NSP2	0
Inventory	<u>4,370,832.35</u>
Total Assets	\$ 6,700,430.38
Liabilities	
Accounts Payable	1,153.50
Notes Payable	
PNC Bank	3,525,000.00
Due to MSHDA-NSP2	52,179.63
Due to Ingham County	1,173,596.29
Rental Deposit	12,782.00
Good Faith Deposits	3,001.00
Land Contract Escrow	15,294.31
Deferred Revenue	<u>0</u>
Total Liabilities	\$ 4,783,006.73
Retained Earnings	<u>\$1,720,903.43</u>
Total Net Assets	<u>\$ 196,520.22</u>



STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
MAY 31, 2013

Revenues

Property Sales	432,671.97
NSP1 City of Lansing Revenue	134,652.34
NSP3 City of Lansing Revenue	10,485.27
HOME City of Lansing Revenue	151,369.00
Lansing Reinvestment Revenue	65,734.00
NSP2 MSHDA Revenue	338,410.08
NSP2 MSHDA Adm. Revenue	41,460.51
NSP2 Program Income	235,300.00
NSP County Revenue	4,338.85
Interest Income	125,387.61
Developer Fee Revenue	980.00
Rental Income	73,936.00
Garden Program Revenue	334.00
Late Fee Revenue	1,463.49
Purchase Option Fee Revenue	4,000.00
Miscellaneous Revenue	641.89
Ingham County Allocation	<u>400,000.00</u>

Total Revenue	<u>\$ 2,021,165.01</u>
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Operating Expenses

Cost of Projects	395,059.17
Supplies	5,415.49
Audit Fee	12,000.00
Communication	2,538.63
Security	121.84
Memberships	325.00
Rental	2,800.00
Equipment-small purchase	4,557.04
Vehicle Expense	1,613.38
Postage	581.40
Media	13,365.97
Consultants	16,546.25
Bank Fee	334.04
Legal	2,927.04
Contractual Services	6,531.25
Software	16,205.00
Travel	318.09
Conferences	1,085.00
Payroll Reimbursement	108,749.87
Americorp Member	4,881.00
Employer Tax Liability	6,972.80
Payroll Service	709.51
Workers Compensation	3,651.39
Utilities	144.77
Building Maintenance	6,146.82
Lawn & Snow	360.00
Land Contract Default	76,987.98
Garden Program	3,625.96

## Operating Expenses Continued

Rental Expense	29,272.10
HOME Lansing City	229,136.67
Community Development Projects	1,375.00
Interest Expenses	11,296.21
NSP1 Lansing City	121,851.32
NSP Ingham County	2,002.60
NSP II	456,559.18
NSP2 Program Income Expense	235,299.90
NSP III	18,241.70
CDBG Lansing	22,410.13
Blight Elimination	<u>46.29</u>

Total Expense	\$ 1,824,644.79
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Total Net Assets, end of period	<u>\$ 196,520.22</u>
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