

## PUBLIC NOTICE

Chair  
ERIC SCHERTZING

Appointed Members  
**DEBBIE DE LEON, Vice-Chair**  
**REBECCA BAHAR-COOK, Secretary**  
**DALE COPEEDGE, Treasurer**  
**DEB NOLAN**

### **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, AUGUST 2, 2010 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 14, 2010

Additions to the Agenda

Limited Public Comment – 3 minutes per person

1. Strategic Visioning/Marketing Presentation-Rizzi Design  
10-15 minutes
2. Land Bank Auction
3. Property Maintenance, Renovation & Development
  - a. Residential Property Update
  - b. Commercial Property Update
  - c. General legal update – Counsel
4. Accounts Payable & Monthly Statement
  - a. Accounts Payable Approval May 2010
  - b. Accounts Payable Approval June 2010
  - c. Monthly Financial Statement – May 2010
  - d. Monthly Financial Statement – June 2010
5. Chairman & Executive Director Items
  - a. Audit

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 14, 2010  
Minutes

Members Present: Eric Schertzing, Comm.DeLeon, and Comm. Nolan

Members Absent: Comm. Copedge, Comm. Bahar-Cook

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall, Dorothy Boone, Bruce Johnston, Ryan Kincaid, Paul Jaques, Tom Stewart, Ryan Henry, Joanne Fairmont Yinger

The meeting was called to order by Chairperson Schertzing at 5:39 p.m. in Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the May 3, 2010 Minutes

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. DELEON TO APPROVE THE MAY 3, 2010 MINUTES AS SUBMITTED. MOTION CARRIED UNANIMOUSLY.

Absent: Comm. Bahar-Cook and Comm. Copedge

Additions to the Agenda: None

Limited Public Comment: None

1. Resolution to Establish a Section 3 Policy and Procedure for the Housing and Urban Development Act of 1968

MOVED BY COMM. DELEON, SUPPORTED BY COMM. NOLAN TO ESTABLISH A SECTION 3 POLICY AND PROCEDURE FOR THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968.

Chairperson Schertzing introduced Bruce Johnston, Executive Director of the Ingham County Housing Commission. Mr. Johnston stated the policy had been developed in consultation with the City of Lansing and the US Department of Housing and Urban Development. He further stated the goal of Section 3 is to create job opportunities for under-employed demographics. Mary Ruttan stated the Land Bank needed to have the policy in place to satisfy the requirements of NSP1 and NSP2. Comm. DeLeon asked how we intended to make the new policy known to our vendors. Ms. Ruttan stated it was included in our Vendor Application packet, bid documents and all of our vendor contracts.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Copedge, Comm. Bahar-Cook

2. Resolution to Authorize Sale of Commercial Property at 934 Clark Street and Vacant Adjacent Lot, Lansing, MI

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. DELEON TO AUTHORIZE THE SALE OF COMMERCIAL PROPERTY AT 934 CLARK STREET AND VACANT ADJACENT LOT, LANSING, MI.

Chairperson Schertzing introduced Ryan Kincaid and Ryan Henry of Kincaid Henry Building Group, Inc. Mr. Kincaid provided the board with his company's background and their vision for the property. Mr. Kincaid introduced Tom Stewart from New Enterprise Opportunity Center, a prospective tenant. Mr. Stewart distributed a handout outlining his company's history. Comm. Nolan asked how much they anticipated spending on the renovation. Mr. Kincaid stated total costs were expected to be between \$400,000 and \$450,000 with the hope reimbursement may be available for certain eligible Brownfield activities. Comm. Nolan asked how that would work. Chair Schertzing replied that the Land Bank was a conduit for funds from the County Brownfield Authority. He added that language should be added to the resolution stating reimbursement would only be made as funds were available from the Brownfield Authority pursuant to an approved Act 381 Work Plan. Mr. Kincaid stated that a due diligence period was included with the purchase offer and then a final development agreement would be completed. Comm. Nolan asked if our attorney had drafted the document. Ms. Ruttan stated that Purchase Offer were drafted and submitted by prospective purchasers. Our attorney would become involved, if necessary, when it came time to draft a Development Agreement. Comm. Nolan requested the motion be amended to include the Act 381 reimbursement provisions and that approval be contingent upon a review by the Authority's attorney.

MOTION, AS AMENDED, CARRIED UNANIMOUSLY. Absent: Comm. Copedge, Comm. Bahar-Cook

3. Property Maintenance, Renovation & Development

3a. NSP1/HOME Update

Ms. Ruttan stated the list did not include the properties scheduled for demolition. Comm. Nolan asked for an explanation of the "Funding" column. Ms. Ruttan and Dorothy Boone explained.

3b. NSP2 Update

Chair Schertzing informed the board that two new purchases on W. Saginaw were made today. He stated that NSP2 staff will be located in the Oakland Center until their new office space in the Neighborhood Empowerment Center is available in December. Ms. Ruttan explained the finalized budget relating to the two funding agreements with

MSHDA. She also stated that we are in the process of hiring additional staff for NSP2 and should be more or less fully staffed by our next meeting.

3c. OCOF Update

Ms. Ruttan stated we are hoping to close on three properties by June 30, 2010.

3d. Residential/Commercial Property Update

Comm. Nolan asked how we decided which units are determined to be demolitions. Ms. Ruttan stated all properties are inspected using a check list and staff recommends whether a property is best suited for demolition or renovation. Comm. DeLeon asked if any of our other partners such as Cristo Rey were involved in these projects. Ms. Ruttan stated that Cristo Rey had submitted bids on some of our renovation and demolition

3e. Lansing Fire Department Training

Chair Schertzing stated the Lansing Fire Department had conducted a training exercise on our house at 739 Princeton prior to its demolition. Ms. Ruttan noted a regional training exercise would be conducted at the former Deluxe Inn prior to its scheduled demolition.

3f. General Legal Update

Timothy Perrone stated an individual wants to donate 653 S Hayford, Lansing to the Land Bank. The donation is being delayed due to probate issues. Chair Schertzing stated the property was located next to our urban farm. With the hope the home would be a rental occupied by a student steward of the farm. Mr. Perrone informed the board a new Investigator had been assigned to the A. Maiz case. The new investigator has recently requested a substantial amount of additional information which we are in the process of providing. The new investigator has indicated that a settlement is no longer pending.

3g. Business Plan

Comm. Nolan stated that she would prefer to have this discussion at a separate meeting. Chair Schertzing asked if the Commissioner would be willing to meet with him to discuss her thoughts one on one, believing that many of her concerns were already addressed by current policies and procedures. Comm. Nolan was agreeable.

7. Accounts Payable and Monthly Statement

4a. Accounts payable approval – April 2010

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. DELEON TO APPROVE THE ACCOUNTS PAYABLE FOR APRIL 2010. MOTION CARRIED UNANIMOUSLY.

8b. Monthly financial statement – April 2010

The April 2010 monthly financial statement was received and placed on file.

9. Items from the Chairman or Executive Director

9a. Conference Update

Chairperson Schertzing stated the 2010 Land Bank Conference was held the previous week and was well attended and received.

Limited Public Comment:

Joanne Fairmont Yinger, 2812 LaSalle, Lansing, MI 48912, addressed the board. She informed the board she was an interior designer interested in offering her services to the board. She also inquired about whether the Clark Street property had already gone through re-zoning since it is located in a residential area. Ms Ruttan stated the property was already zoned commercial.

The meeting adjourned at 6:41 p.m.

Respectfully submitted,

Joseph Bonsall

# PUBLIC AUCTION



## JULY 23, 2010

INGHAM COUNTY COURTHOUSE, MASON

## (517) 267-5221

### **Vacant Land**

Harris St., Lansing 48906  
W. Sheridan Rd, Lansing 48906  
W. Miller Rd, Lansing 48911  
Green Rd, Haslett 48840  
5047 Nichols Rd, Mason 48854  
Miami Dr, Mason 48854  
3653 Williamston Rd, Leslie 49251  
W. Columbia Rd, Mason 48854

### **Improved Land**

1120 Lathrop Street, Lansing 48912  
(Open House 07/19/10 6-7:30pm)  
5142 Bogart St, Lansing 48911  
(Open House 07/20/10 6-7:30pm)  
6118 Grovenburg Rd, Lansing 48911  
(Open House 07/21/10 6-7:30pm)  
209 S. Hathaway St, Lansing 48917  
(Open House 07/22/10 6-7:30pm)  
1526 E Cavanaugh Rd, Lansing 48910

CREATING: COMMUNITY   CREATING: OPPORTUNITY   CREATING: PLACE

07/16/2010  
10:17 am

CHECK REGISTER FOR INGHAM COUNTY LAND BANK  
CHECK DATE FROM 05/01/2010 - 05/31/2010

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Agenda Item 4a

Check Date	Bank/Check #	Name	Amount
5/3/2010	GEN 4266	CONSUMERS ENERGY	170.96
5/3/2010	GEN 4267	BOARD OF WATER & LIGHT	368.37
5/3/2010	GEN 4268	BOARD OF WATER & LIGHT	311.40
5/3/2010	GEN 4269	BOARD OF WATER & LIGHT	118.92
5/3/2010	GEN 4270	THE JOB SHOP INK, INC.	1,714.00
5/3/2010	GEN 4271	OCE IMAGISTICS, INC	171.76
5/3/2010	GEN 4272	HOLT ELECTRIC & SON	585.00
5/3/2010	GEN 4273	LJR REMOVAL	400.00
5/3/2010	GEN 4274	DON PLANTZ CONCRETE	2,650.00
5/3/2010	GEN 4275	MARES FLOOR REFINISHING	150.00
5/3/2010	GEN 4276	SHIVELY CONSTRUCTION LLC	1,700.00
5/3/2010	GEN 4277	SCHUMACHER'S FOUR SEASONS	1,794.00
5/3/2010	GEN 4278	ABOOD APPRAISAL COMPANY	3,000.00
5/3/2010	GEN 4279	CAPITAL FUND TITLE SERVICES, LLC	550.00
5/3/2010	GEN 4280	AGAINST THE GRAIN	900.00
5/3/2010	GEN 4281	MPC CASH-WAY LUMBER	82.35
5/3/2010	GEN 4282	GORDON WOODWORKING LLC	20.00
5/3/2010	GEN 4283	ACCENT SPECIALIZED CLEANING	740.00
5/3/2010	GEN 4284	KEHREN CONSTRUCTION, LLC	4,637.50
5/3/2010	GEN 4285	RED CEDAR CONSULTING, LLC	7,130.00
5/3/2010	GEN 4286	PROGRESSIVE REMODELING	36,072.00
5/3/2010	GEN 4287	PAUL HICKNER	150.00
5/3/2010	GEN 4288	MOLENAAR & ASSOCIATES, INC	300.00
5/3/2010	GEN 4289	FOXTAIL BUILDING COMPANY	6,071.00
5/3/2010	GEN 4290	CITY PULSE	1,337.00
5/3/2010	GEN 4291	THE PARMENTER GROUP	500.00
5/3/2010	GEN 4292	FIBERTEC INDUSTRIAL HYGIENE SERVIC	402.00
5/3/2010	GEN 4293	THERMAL INSPECTION SERVICES LLC	750.00
5/3/2010	GEN 4294	ROOTER EXPRESS	550.00
5/3/2010	GEN 4295	MICHIGAN PLUMBING	427.50
5/3/2010	GEN 4296	WOODWORKS & DESIGN CO.	1,062.90
5/3/2010	GEN 4297	ROOFING INNOVATIONS, LLC	3,950.00
5/3/2010	GEN 4298	RBK BUILDING MATERIALS	614.00
5/3/2010	GEN 4299	THE SHERWIN-WILLIAMS CO.	648.39
5/3/2010	GEN 4300	OETZEL-HARTMAN GROUP	1,200.00
5/3/2010	GEN 4301	EIKENHOUT, INC.	3,033.70
5/3/2010	GEN 4302	EDEN GLEN CONDO ASSOCIATION	3,795.00
5/3/2010	GEN 4303	GENESEE INSTITUTE	1,775.00
5/3/2010	GEN 4304	AMO INSPECTIONS & APPRAISALS	1,431.00
5/3/2010	GEN 4305	MARY RUTTAN	4,019.87
5/3/2010	GEN 4306	LINDA SCHONBERG	2,786.31
5/3/2010	GEN 4307	ERIC SHOVEIN	233.77
5/3/2010	GEN 4308	ERIC SCHERTZING	583.41
5/3/2010	GEN 4309	JOSEPH G BONSALE	131.98
5/3/2010	GEN 4310	DAWN VAN HALST	81.75
5/7/2010	GEN 4311	GENESEE INSTITUTE	125.00

5/7/2010	GEN 4312	EDEN GLEN CONDO ASSOCIATION	3,960.00
5/17/2010	GEN 4313	CAPITAL FUND TITLE SERVICES, LLC	4,611.00
5/19/2010	GEN 4314	CAPITAL FUND TITLE SERVICES, LLC	8,803.52
5/19/2010	GEN 4315	CAPITAL FUND TITLE SERVICES, LLC	8,803.52
5/19/2010	GEN 4316	CONSUMERS ENERGY	1,143.56
5/19/2010	GEN 4317	CONSUMERS ENERGY	531.08
5/19/2010	GEN 4318	CONSUMERS ENERGY	273.16
5/19/2010	GEN 4319	BOARD OF WATER & LIGHT	351.78
5/19/2010	GEN 4320	BOARD OF WATER & LIGHT	210.88
5/19/2010	GEN 4321	BOARD OF WATER & LIGHT	555.72
5/19/2010	GEN 4322	BOARD OF WATER & LIGHT	373.16
5/19/2010	GEN 4323	AT & T	225.60
5/19/2010	GEN 4324	COMCAST	59.95
5/19/2010	GEN 4325	GANNETT MICHIGAN NEWSPAPERS	279.75
5/19/2010	GEN 4326	RBK BUILDING MATERIALS	1,609.00
5/19/2010	GEN 4327	HSBC BUSINESS SOLUTIONS	276.85
5/19/2010	GEN 4328	OCE IMAGISTICS, INC	144.26
5/19/2010	GEN 4329	HOME DEPOT CREDIT SERVICES	915.31
5/19/2010	GEN 4330	COHL, STOKER, TOSKEY & MCGLINCHEY	256.00
5/19/2010	GEN 4331	HAZEN LUMBER, INC.	8,477.22
5/19/2010	GEN 4332	DRAKE'S INSULATION, INC	946.40
5/19/2010	GEN 4333	MINT CITY DEMOLITION, LLC	480.00
5/19/2010	GEN 4334	FOXTAIL BUILDING COMPANY	13,870.00
5/19/2010	GEN 4335	GLASS BLOCK AND MORE	169.00
5/19/2010	GEN 4336	DBI BUSINESS INTERIORS	340.93
5/19/2010	GEN 4337	FIBERTEC INDUSTRIAL HYGIENE SERVIC	207.00
5/19/2010	GEN 4338	SUPREME RENTAL INC	442.00
5/19/2010	GEN 4339	GYPSUM SUPPLY CENTRAL	1,252.96
5/19/2010	GEN 4340	J & M HAULING	325.00
5/19/2010	GEN 4341	MERIDIAN PLUMBING	206.95
5/19/2010	GEN 4342	CURSOR CONTROL INC	619.00
5/19/2010	GEN 4343	DISCOUNT CARPET WAREHOUSE	1,277.17
5/19/2010	GEN 4344	EIKENHOUT, INC.	913.70
5/19/2010	GEN 4345	THE JOB SHOP INK, INC.	433.00
5/19/2010	GEN 4346	ETC	2,190.00
5/19/2010	GEN 4347	KEBS, INC.	1,200.00
5/19/2010	GEN 4348	VET'S ACE HARDWARE	46.47
5/19/2010	GEN 4349	ABOOD APPRAISAL COMPANY	3,000.00
5/19/2010	GEN 4350	AGAINST THE GRAIN	3,000.00
5/19/2010	GEN 4351	PAM BLAIR	60.00
5/19/2010	GEN 4352	SC SERVICES ENVIRONMENTAL	4,765.00
5/19/2010	GEN 4353	BEERY CONSTRUCTION	200.00
5/19/2010	GEN 4354	MARK'S LOCK SHOP INC	6,608.00
5/19/2010	GEN 4355	MICHIGAN PLUMBING	1,480.00
5/19/2010	GEN 4356	DON PLANTZ CONCRETE	2,440.00
5/19/2010	GEN 4357	HOLT ELECTRIC & SON	3,110.00
5/19/2010	GEN 4358	EUGENE TOWNSEND, BUILDER	824.59
5/19/2010	GEN 4359	INTEGRITY LAWN MAINTENANCE	1,410.00
5/19/2010	GEN 4360	LANSING NEIGHBORHOOD COUNCIL	1,428.00
5/19/2010	GEN 4361	MOW MASTER	2,028.00
5/19/2010	GEN 4362	LABREN'S LAWN & SNOW	920.00
5/19/2010	GEN 4363	SCHUMACHER'S FOUR SEASONS	2,230.00



5/19/2010	GEN 4364	LINDA SCHONBERG	1,371.61
5/19/2010	GEN 4365	DAREN LACKEY	700.00
5/19/2010	GEN 4366	AMO INSPECTIONS & APPRAISALS	1,530.00
5/19/2010	GEN 4367	OAKLAND CENTER LLC	900.00
5/19/2010	GEN 4368	EDEN GLEN CONDO ASSOCIATION	1,815.00
5/21/2010	GEN 4369	UNITED STATES TREASURY	850.00
			<hr/> <hr/>
			206,676.94
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07/16/2010  
10:20 am

CHECK REGISTER FOR INGHAM COUNTY LAND BANK  
CHECK DATE FROM 06/01/2010 - 06/30/2010

Agenda Item 4b

Check Date	Bank/Check #	Name	Amount
6/1/2010	GEN 4370	EDEN GLEN CONDO ASSOCIATION	4,620.00
6/9/2010	GEN 4371	BOARD OF WATER & LIGHT	258.37
6/9/2010	GEN 4372	BOARD OF WATER & LIGHT	343.31
6/9/2010	GEN 4373	BOARD OF WATER & LIGHT	126.77
6/9/2010	GEN 4374	BOARD OF WATER & LIGHT	275.00
6/9/2010	GEN 4375	CONSUMERS ENERGY	259.59
6/9/2010	GEN 4376	CONSUMERS ENERGY	327.26
6/9/2010	GEN 4377	CONSUMERS ENERGY	239.58
6/9/2010	GEN 4378	CONSUMERS ENERGY	35.09
6/9/2010	GEN 4379	CONSUMERS ENERGY	400.00
6/9/2010	GEN 4380	MAJESTIC TREE	300.00
6/9/2010	GEN 4381	THE JOB SHOP INK, INC.	60.00
6/9/2010	GEN 4382	SEARS COMMERCIAL ONE	9,319.00
6/9/2010	GEN 4383	ABOOD APPRAISAL COMPANY	3,500.00
6/9/2010	GEN 4384	ETC	260.00
6/9/2010	GEN 4385	RIZZI DESIGNS	3,850.00
6/9/2010	GEN 4386	DBI BUSINESS INTERIORS	80.44
6/9/2010	GEN 4387	PAM BLAIR	60.00
6/9/2010	GEN 4388	GANNETT MICHIGAN NEWSPAPERS	535.80
6/9/2010	GEN 4389	MPC CASH-WAY LUMBER	2,020.78
6/9/2010	GEN 4390	DAVIS GLASS & SCREEN	191.76
6/9/2010	GEN 4391	J & M HAULING	1,225.00
6/9/2010	GEN 4392	WES STEFFEN PLUMBING	625.00
6/9/2010	GEN 4393	THERMAL INSPECTION SERVICES LLC	1,200.00
6/9/2010	GEN 4394	KEBS, INC.	3,200.00
6/9/2010	GEN 4395	GRANGER CONTAINER SERVICE	60.00
6/9/2010	GEN 4396	EIKENHOUT, INC.	1,055.63
6/9/2010	GEN 4397	SUPREME RENTAL INC	348.50
6/9/2010	GEN 4398	DAREN LACKEY	301.00
6/9/2010	GEN 4399	WISEMAN TREE EXPERTS	810.00
6/9/2010	GEN 4400	CITY PULSE	46.35
6/9/2010	GEN 4401	DESTIGTER ARCHITECTURE & PLANNING	11,371.19
6/9/2010	GEN 4402	THE LENAWEE COMPANY	2,046.81
6/9/2010	GEN 4403	SC SERVICES ENVIRONMENTAL	9,036.50
6/9/2010	GEN 4404	HOLT ELECTRIC & SON	6,300.00
6/9/2010	GEN 4405	GLASS BLOCK AND MORE	265.00
6/9/2010	GEN 4406	SCHAFER'S INC	105.20
6/9/2010	GEN 4407	KEHREN CONSTRUCTION, LLC	13,592.50
6/9/2010	GEN 4408	DON PLANTZ CONCRETE	2,525.00
6/9/2010	GEN 4409	DRAKE'S INSULATION, INC	444.40
6/9/2010	GEN 4410	FJG PAINTING, DRYWALL, & FINISHING	1,550.00
6/9/2010	GEN 4411	LANDLORDS OF MID-MICHIGAN	90.00
6/9/2010	GEN 4412	PRO TILL	235.00
6/9/2010	GEN 4413	RICHARD SECORD	2,020.00
6/9/2010	GEN 4414	THE SHERWIN-WILLIAMS CO.	180.42
6/9/2010	GEN 4415	SOIL AND MATERIALS ENGINEERS, INC.	483.59

6/9/2010	GEN 4416	FOXTAIL BUILDING COMPANY	10,377.00
6/9/2010	GEN 4417	LJ TRUMBLE BUILDERS	74,180.00
6/9/2010	GEN 4418	MICHIGAN FARM BUREAU	402.00
6/9/2010	GEN 4419	INGHAM COUNTY HEALTH DEPARTMENT	1,592.00
6/9/2010	GEN 4420	POTTERVILLE HOUSING COMMISSION	162.00
6/9/2010	GEN 4421	INGHAM COUNTY HOUSING COMMISSION	4,789.93
6/9/2010	GEN 4422	DAREN LACKEY	532.00
6/9/2010	GEN 4423	SCHUMACHER'S FOUR SEASONS	5,070.00
6/9/2010	GEN 4424	LABREN'S LAWN & SNOW	1,840.00
6/9/2010	GEN 4425	MOW MASTER	2,988.00
6/9/2010	GEN 4426	INTEGRITY LAWN MAINTENANCE	2,435.00
6/9/2010	GEN 4427	FRITZY'S LAWN & SNOW	2,150.00
6/9/2010	GEN 4428	AMO INSPECTIONS & APPRAISALS	1,269.00
6/9/2010	GEN 4429	INGHAM COUNTY TREASURER	7,993.87
6/9/2010	GEN 4430	JOSEPH G BONSALE	479.29
6/9/2010	GEN 4431	CITY OF LANSING	125.00
6/9/2010	GEN 4432	CAPITAL FUND TITLE SERVICES, LLC	8,853.38
6/9/2010	GEN 4433	CAPITAL FUND TITLE SERVICES, LLC	6,303.34
6/14/2010	GEN 4434	EDEN GLEN CONDO ASSOCIATION	15,510.00
6/21/2010	GEN 4435	CONSUMERS ENERGY	17.59
6/21/2010	GEN 4436	BOARD OF WATER & LIGHT	826.66
6/21/2010	GEN 4437	BOARD OF WATER & LIGHT	223.78
6/21/2010	GEN 4438	BOARD OF WATER & LIGHT	136.69
6/21/2010	GEN 4439	RBK BUILDING MATERIALS	570.62
6/21/2010	GEN 4440	HSBC BUSINESS SOLUTIONS	1,056.12
6/21/2010	GEN 4441	HOME DEPOT CREDIT SERVICES	473.48
6/21/2010	GEN 4442	AT & T	221.47
6/21/2010	GEN 4443	CITY OF LANSING, WRS	43.00
6/21/2010	GEN 4444	COMCAST	59.95
6/21/2010	GEN 4445	ADT SECURITY SERVICES, INC	121.84
6/21/2010	GEN 4446	SPRINT	99.98
6/21/2010	GEN 4447	HAZEN LUMBER, INC.	9,638.56
6/21/2010	GEN 4448	KEHREN CONSTRUCTION, LLC	9,185.00
6/21/2010	GEN 4449	DON PLANTZ CONCRETE	4,370.00
6/21/2010	GEN 4450	YOUNG BROTHERS & DALEY	480.64
6/21/2010	GEN 4451	DISCOUNT CARPET WAREHOUSE	3,572.40
6/21/2010	GEN 4452	VET'S ACE HARDWARE	24.87
6/21/2010	GEN 4453	MPC CASH-WAY LUMBER	430.17
6/21/2010	GEN 4454	OETZEL-HARTMAN GROUP	1,800.00
6/21/2010	GEN 4455	KEBS, INC.	3,200.00
6/21/2010	GEN 4456	MINT CITY DEMOLITION, LLC	3,795.00
6/21/2010	GEN 4457	HOLT ELECTRIC & SON	2,700.00
6/21/2010	GEN 4458	DAVIS GLASS & SCREEN	387.52
6/21/2010	GEN 4459	MARES FLOOR REFINISHING	1,382.50
6/21/2010	GEN 4460	THE SHERWIN-WILLIAMS CO.	1,026.78
6/21/2010	GEN 4461	FOX BROTHERS COMPANY	224.28
6/21/2010	GEN 4462	CITY OF LANSING	886.00
6/21/2010	GEN 4463	ABOOD APPRAISAL COMPANY	300.00
6/21/2010	GEN 4464	DC BUILDING AND DEVELOPMENT, LLC	5,950.00
6/21/2010	GEN 4465	WOODWORKS & DESIGN CO.	834.15
6/21/2010	GEN 4466	THERMAL INSPECTION SERVICES LLC	700.00
6/21/2010	GEN 4467	ROOTER EXPRESS	175.00

6/21/2010	GEN 4468	WES STEFFEN PLUMBING	2,600.00
6/21/2010	GEN 4469	FOXTAIL BUILDING COMPANY	15,565.00
6/21/2010	GEN 4470	ACCENT SPECIALIZED CLEANING	240.00
6/21/2010	GEN 4471	SCOTT FREDRICKSON CONSTRUCTION	16,390.00
6/21/2010	GEN 4472	THOMAS KRYCINSKI	16,549.50
6/21/2010	GEN 4473	MERIDIAN PLUMBING	203.95
6/21/2010	GEN 4474	DBI BUSINESS INTERIORS	302.75
6/21/2010	GEN 4475	LAND INFORMATION ACCESS ASSOCIAT	330.00
6/21/2010	GEN 4476	COHL, STOKER, TOSKEY & MCGLINCHEY	932.93
6/21/2010	GEN 4477	OAKLAND CENTER LLC	400.00
6/21/2010	GEN 4478	LANSING NEIGHBORHOOD COUNCIL	1,356.00
6/21/2010	GEN 4479	LAKE STATE LAWN-LANDSCAPING & SN	1,380.00
6/21/2010	GEN 4480	INTEGRITY LAWN MAINTENANCE	2,455.00
6/21/2010	GEN 4481	MOW MASTER	2,424.00
6/21/2010	GEN 4482	AMO INSPECTIONS & APPRAISALS	1,332.00
6/21/2010	GEN 4483	ARTHUR D POTTER	575.00
6/21/2010	GEN 4484	LABREN'S LAWN & SNOW	780.00
6/21/2010	GEN 4485	JOSEPH G BONSALE	118.71
6/21/2010	GEN 4486	LINDA SCHONBERG	328.00
6/21/2010	GEN 4487	MARTY LEJEUNE	17.00
6/21/2010	GEN 4488	DAWN VAN HALST	38.50
6/21/2010	GEN 4489	KIMBERLY WHITFIELD	61.03
6/21/2010	GEN 4490	VOID	0.00

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352,525.07

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INGHAM COUNTY LAND BANK AUTHORITY  
STATEMENT OF NET ASSETS  
STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
MAY 31, 2010

Assets

Cash	\$ 24,674.52
Accounts Receivable	120.00
Land Contract Receivable	905,906.62
Land Contract Interest Receivable	36,045.08
Brownfield Receivable	280,650.13
Land Contract Escrow	7,555.63
Notes Receivable	18,353.90
Specific Tax Receivable	41.88
OCOF Nonprofit Receivable	5,042.50
Ingham County Receivable	17,555.83
Earnest Deposits	1,000.00
NSP1 Lansing City Receivable	20,861.38
NSP County Receivable	2,990.37
Youth Build Receivable	36,615.15
Home Program Receivable	36,226.68
Inventory	<u>5,715,729.99</u>
Total Assets	\$7,109,369.66

Liabilities

Notes Payable	
Capital National	64,165.95
National City Bank	3,900,000.00
Due to Ingham County	471,768.11
Rental Deposit	1,100.00
Land Contract Escrow	<u>7,475.93</u>
Total Liabilities	\$4,444,509.99

Retained Earnings \$2,187,077.29

Total Net Assets \$ 477,782.38

## Revenues

Property Sales	461,398.02
Brownfield Revenue	69,184.83
NSP1 Lansing City Revenue	277,539.99
Youth Build Revenue	36,615.15
Miller Park Revenue	32,010.00
Home Program Income	36,226.68
Interest Income	57,358.61
Rental Income	7,150.00
Developer Fee Revenue	79,413.92
Miscellaneous Income	247.32
County Appropriation	<u>250,000.00</u>
Total Revenue	\$1,307,144.52

## Operating Expenses

Cost of Land Sold	648,272.52
Cost of Land Sold-FEMA	63,898.67
Supplies	9,049.35
Communication	1,945.80
Security	121.84
Memberships	640.00
Rental	1,300.00
Postage	402.95
Public Relations/Media	4,508.68
Consultants	8,100.00
Legal	2,498.65
Contractual Service	16,061.60
Software	1,114.00
Garden Project	3,830.80
Travel	904.33
Conferences	3,295.00
Payroll Reimbursement	21,747.13
Americorp Membership	1,592.00
Employer Tax Liability	140.40
Utilities	162.85
Building Maintenance	647.41
Lawn/Snow	165.00
Interest Expense	8,595.86
Prior Year Expense	566.40
HOME Lansing City	1,359.19
NSP1 Lansing City	23,241.42
NSP Ingham County	461.76
NSP II	4,738.53

Total Expense	\$ 829,362.14
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Total Net Assets, end of period	<u>\$ 477,782.38</u>
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Agenda Item 4d

INGHAM COUNTY LAND BANK AUTHORITY  
STATEMENT OF NET ASSETS  
STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
JUNE 30, 2010

Assets

Cash	\$ 135,405.50
Accounts Receivable	120.00
Land Contract Receivable	904,173.26
Land Contract Interest Receivable	30,703.60
Brownfield Receivable	280,650.13
Land Contract Escrow	10,637.04
Notes Receivable	17,390.80
Specific Tax Receivable	41.88
OCOF Nonprofit Receivable	5,047.40
Ingham County Receivable	3,508.91
NSP1 Lansing City Receivable	179,928.92
NSP County Receivable	2,990.37
Home Program Receivable	16,539.99
Inventory	<u>5,705,602.32</u>
Total Assets	\$7,292,740.12

Liabilities

Accounts Payable	(120.20)
Notes Payable	
National City Bank	4,175,000.00
Due to Ingham County	219,170.05
Rental Deposit	1,100.00
Land Contract Escrow	<u>9,334.26</u>
Total Liabilities	\$4,404,484.11

Retained Earnings \$2,187,077.29

Total Net Assets \$ 701,178.72

STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
JUNE 30, 2010

Revenues

Property Sales	536,398.02
Brownfield Revenue	69,184.83
NSP1 Lansing City Revenue	499,387.38
Youth Build Revenue	36,615.15
Miller Park Revenue	46,712.00
Home Program Income	52,766.67
Interest Income	57,358.61
Rental Income	9,000.00
Developer Fee Revenue	88,413.92
Miscellaneous Income	267.58
County Appropriation	<u>250,000.00</u>
Total Revenue	\$1,646,104.16

Operating Expenses

Cost of Land Sold	720,095.29
Cost of Land Sold-FEMA	63,898.67
Supplies	10,101.88
Communication	2,327.20
Security	243.68
Memberships	730.00
Rental	1,300.00
Appraisals	1,500.00
Postage	592.29
Public Relations/Media	8,688.68
Consultants	8,450.00
Legal	3,431.58
Contractual Service	19,384.80
Software	1,114.00
Garden Project	4,806.00
Travel	1,045.33
Conferences	3,295.00
Payroll Reimbursement	30,056.00
Americorp Membership	3,184.00
Employer Tax Liability	420.52
Payroll Service	26.55
Workers Compensation	301.71
Utilities	162.85
Building Maintenance	647.41
Lawn/Snow	165.00
Interest Expense	9,037.20
Prior Year Expense	566.40
HOME Lansing City	1,528.23
NSP1 Lansing City	29,182.20
NSP Ingham County	461.76
NSP II	<u>18,181.21</u>
Total Expense	\$ 944,925.44

Total Net Assets, end of period      \$ 701,178.72



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

May 20, 2010

To the Board of Commissioners of the  
Ingham County Land Bank Fast Track Authority

We have audited the financial statements of the *Ingham County Land Bank Fast Track Authority* (the "Authority") for the year ended December 31, 2009, and have issued our report thereon dated May 20, 2010. 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 March 15, 2010, 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 opinions 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.

## **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 15, 2010.

## **Significant Audit Observations**

### *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. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit 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.

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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### *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 May 20, 2010.

### *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,

A handwritten signature in black ink, appearing to read "Lehmann Lobson". The signature is written in a cursive, flowing style.



422 Adams  
Lansing MI 48906

517-267-5221  
517-267-5224 Fax

**Erie A. Schertzing**  
Chair

[Eschertzing@ingham.org](mailto:Eschertzing@ingham.org)

**Mary E. Rutian**  
Executive Director

[mruttan@ingham.org](mailto:mruttan@ingham.org)

May 20, 2010

**Rehmann Robson**  
675 Robinson Road  
Jackson, MI 49203

We are providing this letter in connection with your audit of the financial statements of Ingham County Land Bank Fast Track Authority as of December 31, 2009 and for the year then ended for the purpose of expressing an opinion 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, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of May 20, 2010, 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 financial audits, attestation engagements, performance audits, or other studies related to the objectives of the audit being undertaken and the corrective actions taken to address significant findings and recommendations.
- 11. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 12. The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 13. 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 affiliated governmental units that are not included in the financial statements as part of the reporting entity.

- 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, consistently applied, and adequately disclosed.
14. 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.
15. 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. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with Financial Accounting Standards Board (FASB) Statement No. 5 or which would affect federal award programs, and we have not consulted a lawyer concerning litigation, claims, or assessments.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.
  - d. Reservations or designation of fund equity that were not properly authorized and approved.
16. As part of your audit, you prepared the draft financial statements and related notes and schedule of expenditures of federal awards. We have designated a competent management-level individual 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.
17. 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.
18. 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.



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. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.
23. 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.
24. 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.
25. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
26. Deposits and investment securities are properly classified as to risk, and investments are properly valued.
27. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
28. With respect to federal award programs:
  - a. We are responsible for complying and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
  - b. We have, in accordance with OMB Circular A-133, identified in the schedule of expenditures of federal awards, 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 are responsible for complying with, and have complied with in all material respects, 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 federal program.
  - d. 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. Also, no changes have been made in internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies (including material weaknesses) reported in the schedule of findings and questioned costs.

- e. 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 relating to major federal programs.
- f. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- g. We have complied, in all material respects, with the compliance requirements, 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, including those resulting from other audits or program reviews.
- h. 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*.
- i. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- j. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- k. 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.
- l. We have charged costs to federal awards in accordance with applicable cost principles.
- m. 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.
- n. 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.



- o. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133, and we are responsible for preparing and implementing a corrective action plan for each audit finding.

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 or in the schedule of findings and questioned costs.

Mary Batten  
Signature

Executive Director  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

**Financial Statements and  
Single Audit Report**

**For the Year Ended December 31, 2009**

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

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## INDEPENDENT AUDITORS' REPORT

[TBD]

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

We have audited the accompanying basic financial statements of the ***Ingham County Land Bank Fast Track Authority***, a discretely presented component unit of Ingham County, Michigan, as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of the management of the Ingham County Land Bank Fast Track Authority. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Authority has not presented Management's Discussion and Analysis (MD&A) as required supplementary information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated [TBD], on our consideration of ***Ingham County Land Bank Fast Track Authority's*** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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* and should be considered in assessing the results of our audit.

# **BASIC FINANCIAL STATEMENTS**

# Ingham County Land Bank Fast Track Authority

## Statement of Net Assets

December 31, 2009

### Assets

#### Current assets:

Cash and cash equivalents	\$ 104,328
Accounts receivable	655,039
Current portion of land contracts receivable	15,119
Current portion of note receivable	11,599
Property inventory	<u>5,325,998</u>

Total current assets 6,112,083

#### Noncurrent assets:

Land contracts receivable, net	779,262
Note receivable	<u>11,476</u>

Total noncurrent assets 790,738

**Total assets** 6,902,821

### Liabilities

#### Current liabilities:

Accounts payable	219,809
Due to Ingham County	<u>471,768</u>

Total current liabilities 691,577

Noncurrent liabilities - notes payable 4,024,166

**Total liabilities** 4,715,743

**Net assets, unrestricted** \$ 2,187,078

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

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

## **Statement of Revenues, Expenses and Changes in Net Assets**

**For the Year Ended December 31, 2009**

### **Operating revenues**

Property sales	\$ 1,626,811
Federal grants	709,558
Intergovernmental - Brownfield reimbursement	534,670
Other revenues	<u>425,454</u>

Total operating revenues	<u>3,296,493</u>
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### **Operating expenses**

Cost of property sold	1,737,006
Administration	<u>306,500</u>

Total operating expenses	<u>2,043,506</u>
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Operating income	1,252,987
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### **Nonoperating revenues**

Interest revenue	<u>26,813</u>
------------------	---------------

Change in net assets	1,279,800
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Net assets, beginning of year	<u>907,278</u>
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Net assets, end of year	<u><u>\$ 2,187,078</u></u>
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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, 2009

### Cash flows from operating activities

Cash received from customers	\$ 2,342,929
Cash paid to contractors, vendors and staff	<u>(3,751,557)</u>
Net cash used by operating activities	<u>(1,408,628)</u>

### Cash flows from noncapital financing activities

Line of credit cash draws	2,950,020
Payments on borrowing	<u>(1,550,000)</u>
Net cash provided by noncapital financing activities	<u>1,400,020</u>

### Cash flows from investing activities

Interest revenue received	<u>26,813</u>
Net increase in cash and cash equivalents	18,205

Cash and cash equivalents, beginning of year	<u>86,123</u>
--	---------------

Cash and cash equivalents, end of year	<u><u>\$ 104,328</u></u>
--	--------------------------

### Reconciliation of operating income to net cash used by operating activities

Operating income	\$ 1,252,987
Changes in assets and liabilities:	
Accounts receivable	(426,272)
Land contract receivable	(504,217)
Note receivable	(23,075)
Property inventory	(1,871,257)
Accounts payable	(25,830)
Due to Ingham County	<u>189,036</u>

Net cash used by operating activities	<u><u>\$ (1,408,628)</u></u>
---------------------------------------	------------------------------

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



# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes to Basic Financial Statements

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### I. 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.

#### A. 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.

#### B. Measurement Focus, Basis of Accounting and Basis of 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.

The Authority follows private-sector standards of accounting and financial reporting issued prior to December 1, 1989, unless those standards conflict with guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Authority has elected not to follow subsequent private-sector guidance.

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.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes to Basic Financial Statements

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### C. 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, 2009, the Authority's interest in the partnership totaled a negative \$68.

### D. 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, purchase or otherwise 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 and interest expense on debt incurred to acquire such properties are added to the cost of that 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 assets.

## II. DETAILED NOTES ON ALL FUNDS

### A. Deposits

At year-end, the carrying amount of the Authority's deposits was \$104,328. The bank balance of \$189,800 was entirely insured by the Federal Deposit Insurance Corporation.

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Notes to Basic Financial Statements

### B. Note Receivable

On November 2, 2009, the Authority issued a promissory note to an unrelated company in the amount of \$24,000. The note is due in monthly installments of \$1,085 at an interest rate of 8% and is due on November 2, 2011. The balance at December 31, 2009 was \$23,075.

### C. Long-term Debt

	<u>Balance January 1 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2009</u>	<u>Due Within One Year</u>
Lines of credit:					
Capital National Bank	\$ 774,146	\$ 200,020	\$ 600,000	\$ 374,166	\$ -
National City Bank	<u>1,850,000</u>	<u>2,750,000</u>	<u>950,000</u>	<u>3,650,000</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 2,624,146</u></b>	<b><u>\$ 2,950,020</u></b>	<b><u>\$ 1,550,000</u></b>	<b><u>\$ 4,024,166</u></b>	<b><u>\$ -</u></b>

The Authority obtained three lines of credit through Capital National Bank (\$1.0 million authorized) and National City Bank (\$3.0 million authorized) during the 2007 fiscal year and (\$2.0 million authorized) during the 2009 fiscal year. The current lines mature on July 1, 2010 and carry variable interest rates based on the 3-month LIBOR rate; at December 31, 2009 the Capital National line interest rate was 0.8394% and the National City line interest rates was 0.8960% and 0.8400%, respectively.

### D. Risk Management

The Authority, as a component unit of the County, is covered from losses as described in the note captioned "Risk Management" in the County's comprehensive annual financial report.

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# **SINGLE AUDIT**

**Ingham County Land Bank Fast Track Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2009**

<u>Federal/Pass-through Grantor Program Title</u>	<u>CFDA Number</u>	<u>Accrued Revenue Beginning of Year</u>	<u>Current Year Expenditures</u>	<u>Current Year Receipts</u>	<u>Accrued Revenue End of Year</u>
<b>U.S. Department of Housing and Urban Development</b>					
Passed-through the City of Lansing, Michigan Neighborhood Stabilization Program	14.256	\$ -	\$ 629,568	\$ 301,591	\$ 327,977
Passed-through the County of Ingham, Michigan Neighborhood Stabilization Program	14.256	-	79,990	-	79,990
<b>Total Expenditures of Federal Awards</b>		<u>\$ -</u>	<u>\$ 709,558</u>	<u>\$ 301,591</u>	<u>\$ 407,967</u>

# **INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY**

## **Notes to Schedule Of Expenditures Of Federal Awards**

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### **1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Ingham County Land Bank Fast Track Authority (the "Authority"). Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The reporting entity of the Ingham County Land Bank Fast Track Authority is defined in Note I of the Authority's basic financial statements.

### **2. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting which is described in Note I of the Authority's basic financial statements.

**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***

[TBD]

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

We have audited the financial statements of the *Ingham County Land Bank Fast Track Authority*, a discretely presented component unit of Ingham County, Michigan, as of and for the year ended December 31, 2009, and have issued our report thereon dated [TBD]. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

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 grant agreements, 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 and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

[TBD]

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

**Compliance**

We have audited the compliance of the **INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY** with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2009. The Ingham County Land Bank Fast Track Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Ingham County Land Bank Fast Track Authority's management. Our responsibility is to express an opinion on the Ingham County Land Bank Fast Track Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Ingham County Land Bank Fast Track Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Ingham County Land Bank Fast Track Authority's compliance with those requirements.

In our opinion, the Ingham County Land Bank Fast Track Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

### **Internal Control Over Compliance**

The management of the Ingham County Land Bank Fast Track Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Ingham County Land Bank Fast Track Authority's 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, 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies in internal control over compliance. *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.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

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**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  
not considered to be material weaknesses?

\_\_\_\_\_ 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  
not considered to be material weaknesses?

\_\_\_\_\_ 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

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS (Continued)**

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.256	Neighborhood Stabilization Program
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>
Auditee qualified as low-risk auditee?	_____ yes <u>  X  </u> no

**SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

**SECTION IV – PRIOR YEAR FINDINGS**

No matters were reported.

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