



AGENDA

Johnson City Development Authority Board Meeting

Friday, July 28, 2023 @ 8:00 AM
510 Bert St. Johnson City, TN 37604

1. CALL TO ORDER

- 1.1. Call to Order and Quorum Confirmation: 6/11 of Current Members Required
[Call to Order and Confirm Member Quorum July 28 \(FY24 Roster\)](#)
- 1.2. Claim for Member Conflict of Interest
- 1.3. Welcome New Board Members: Chris Hyder, Bob Cooper, Daniel Tackling
- 1.4. Additional Action Item to Agenda

2. ADOPTION OF MINUTES

- 2.1. ACTION: Review and Adoption of the Previous Regular JCDA Meeting Minutes
[JCDA Regular Board Meeting Minutes June 2023](#)

3. PUBLIC COMMENT

4. COMMITTEE REPORTS

- 4.1. John Sevier Center Operations Report
[John Sevier Operations Report July 2023](#)
- 4.2. John Sevier Center Disposition Report
[John Sevier Disposition Report July 2023](#)
- 4.3. TIF Advisory Committee Report
[TIF Advisory Committee Report June 2023](#)
- 4.4. Downtown Centre/Parking Report
[Downtown Centre and Parking Garage Report June 2023](#)

4.5. Human Resources Report - No Report

4.6. Finance Committee Report
[Finance Committee Report July 2023](#)

5. FINANCIALS

5.1. ACTION: Johnson City Development Authority General Operating Fund Financial Statement
[JCDA General Fund Financial Statements- June 2023](#)

5.2. ACTION: Johnson City Development Authority Tax Increment Financing (TIF) Special Fund Financial Statement
[JCDA TIF Special Fund 7.28.2023](#)

5.3. ACTION: John Sevier Center Financials
[John Sevier Center Financial Statements 7.28.2023](#)

6. STAFF REPORTS

6.1. Main Street America Program Report (administered by Connect Downtown Johnson City Foundation, a 501(c)3 non-profit)
[Main Street America Program Report July 2023](#)

6.2. Executive Director's Report
[By-Laws Recommendation July 2023 JCDA](#)

6. PUBLIC INPUT

7. CHAIR REPORT

Comments from the Chairman

8. ADJOURNMENT

1.1 Call to Order and Confirm Member Quorum

The Johnson City Development Authority (JCDA) consists of eleven active members with no vacant seats. A majority (6 of 11 voting members) is required for quorum in order to conduct business. *

**JCDA By-Laws: Section 23. Quorum*

July 28, 2023, Meeting

Member	Term Expires	Present	Not Present
Hank Carr, Chairman	June 30, 2025 (3 year term)		
Shannon Castillo, Vice Chairman	June 30, 2024 (2 year term)		
Ernest Campbell	June 30, 2024 (fulfill unexpired)		
Bob Cooper	June 30, 2025 (fulfill unexpired)		
County Commissioner Jodi Jones	County Commission Seat		
County Commissioner Freddie Malone	County Commission Seat		
City Commissioner Aaron Murphy	June 30, 2024 (2 year term)		
Daniel Tackling	June 30, 2026 (3 year term)		
Jack Simpson	June 30, 2025 (3 year term)		
Chris Hyder	June 30, 2026 (3 year term)		
City Commissioner Joe Wise	City Commission Seat		
Patricia Oldham, AICP, TCEcD	Executive Director, non-voting		



Minutes
Johnson City Development Authority
Friday, June 23, 2023 @ 8:00 AM
510 Bert St. Johnson City, TN 37604

CALL TO ORDER

Call to Order and Quorum Confirmation: 6/11 of Current Members Required

The regular meeting of the Johnson City Development Authority was called to order at 8:00am by Chairman, Hank Carr. Chairman Carr confirmed the presence of a quorum.

Present: Jack Simpson, Shannon Castillo, Hank Carr, Jodi Jones, Robert Williams, Seth Thomas, Aaron Murphy, Joe Wise, and Patricia Oldham, AICP, TCEcD (non-voting).

Absent: Ernest Campbell.

JCDA Staff Present: Daniel McIntosh, Finance Manager and Sydni Leonard, Administrative Coordinator to the Executive Director.

Others present: T. Korade, Johnson City Resident

Claim for Member Conflict of Interest

None

Additional Action Item to Agenda

None

ADOPTION OF MINUTES

ACTION: Review and Adoption of the Previous Regular JCDA Meeting Minutes

There was a motion by **Commissioner Jack Simpson** to approve the May 22, 2023, meeting minutes. The motion was seconded by **City Commissioner Aaron Murphy**. The motion passed unanimously.

COMMITTEE REPORTS

John Sevier Center Operations Report

Finance Manager, Daniel McIntosh reported two significant plumbing leaks occurred in June in the building from cast iron drain lines. LHP has addressed both leaks with one leak requiring outside contractor assistance as it was located between floor sections and difficult to access. Security presence continues to be a positive and needed part of operations.

Significant cost was incurred for pest control services in June. LHP building management contracted with a new pest control company to address an ongoing extermination effort. The initial treatment resulted in an increased cost of \$13,515.

Building management continues to work on ensuring the property is safe and compliant with leasing standards. LHP Management reports following all due diligence processes and does involve the Johnson City Police Department when necessary. Management continues to trespass individuals that violate leasing or visitor standards by adding them to the JCPD "no trespass" list. The use of cameras in common areas has been vital to the investigation of reported issues.

LHP Management has high confidence that the mark up to market rate increase will be approved by HUD. The fiscal year 2024 proposed budget revenue has been increased to reflect this change.

LHP Management, Harrell Group, and the Johnson City Police Department responded to an incident at the John Sevier Center on June 21, 2023 at approximately 7:30pm. Finance Manager, Daniel McIntosh, reported that the incident was dealt with in a timely and efficient manner. Chairman Hank Carr requested that Staff request the LHP and Harrell Group post orders for such incidents and report findings to the Board before the July 2023 meeting.

John Sevier Center Disposition Report

Ms. Oldham reported that The Tapestry at Roan Hill, Section 8 subsidized housing is targeting construction launch in the fourth quarter of 2023.

Per LHP, the U.S. Department of Housing and Urban Development Fair Housing and Equal Opportunity, Region IV, Atlanta, just recommended approval of the Section 8bb transfer request to move Section 8 vouchers from Project A, the John Sevier Center at 141 East Market Street to Project B, Tapestry at Roan Hill, 2165 South Roan Street, Johnson City, Tennessee. She presented the following timeline:

- Early July 2023: Next, the Office of Policy Development and Research must recommend approval before it is sent to the national office HUD headquarters.
- Early July 2023: Ensure submission of the development approval package to HUD headquarters (LHP and JCDA tracking).
- Early September 2023: The HUD review then will take approximately sixty (60) days to review and then issue a decision letter on the 8bb voucher transfer.
- Early November 2023: Financing would be set for closing in early November
- Mid-November 2023: Construction would be set for mid-November with an assumed 24-month timeline.
- October/November 2025: Begin moving John Sevier Center residents

TIF Advisory Committee Report

The Johnson City Development Authority TIF Advisory Committee did not meet in the month of June due to the lack of completed TIF applications. As a result, updates from prior meetings were provided electronically to TIF Advisory Committee members on June 9, 2023, as well as an electronic update to the entirety of the JCDA Board on June 2, 2023.

The TIF project application packet returned from legal review on May 25, 2023. The TIF Project Guidelines and Application were launched at www.jcdatn.org/tif-project by June 2, after corrections were completed.

Downtown Centre Report

Human Resources Report

The Executive Director recognized the staff for recently attaining additional higher education.

She announced that Sydni Leonard had been awarded a graduate level 12 credit hour certificate in E-Sport Management from East Tennessee State University Department of Sport, Exercise, Recreation, and Kinesiology, in addition to her existing undergraduate and graduate degrees.

Daniel McIntosh, also had been awarded a 21 credit hour certificate in Accounting from Liberty University, in addition to his existing undergraduate and graduate degrees.

Finance Committee Report

Daniel McIntosh, Finance Manager, reported that staff is currently working to determine a more accurate assessment of the anticipated costs that will be incurred by the Downtown Centre when it becomes vacant on September 1, 2023. Northeast State Community College operational staff have been very helpful in sharing information about utility and security system costs along with building specifications and allowing for tours of the facility. Examples of expected costs being assessed include the following: new security cameras with required IT support, security personnel cost, continued utilities, minimum building maintenance, fire prevention services, et al.

Regarding the security of funds and recent interest, Mr. McIntosh explained that starting June 01, 2023, all money market accounts held with Home Trust Bank increased interest rates from 0.75% to 4.00% for the next six months. The bank also confirmed all funds held by the JCDA are collateralized through the State of Tennessee bank collateral pool. This collateralization covers all funds removing any concern about FDIC insurance limitations.

Next, the John Sevier Center budget for fiscal year 2024 was presented as also discussed by the Finance Committee. The fiscal year 2024 budget includes an increase in rent revenue tied to an anticipated mark up to market increase approval by HUD. An offsetting revenue of \$120,000 allocation from the City of Johnson City for security costs is also captured in other revenue. In expenses, contract services rose significantly due to changes in security, cable, and extermination services. Anticipated capital expense of \$255,000 is captured in the budget and the payback to JCDA is reduced from \$250,000 in FY23 to \$117,000 in FY24. Budgeted remaining cash balance for the John Sevier is \$41,860.

Mr. McIntosh & Ms. Oldham discussed the amended and balanced fiscal year 2023 budget, which reduced general operating expenditures to \$367,510 from the adopted \$459,501. TIF expenditures were reduced to \$772,658.58 from \$779,747.63 to match actuals with a positive TIF revenue of \$323,435.

The discussion continued noting that the fiscal year 2024 proposed budget contains \$372,350 of revenue comprised of \$340,000 of city allocation for general operating, \$30,000 from TIF administration assessment, \$2,000 from remaining NeSCC lease, and \$350 interest. Due to no increase in the city allocation staff has worked to cut all possible flexible costs and only increased salaries by half of 2023 cost of living adjustment. The TIF portion of FY24 budget reflects FY2023 revenue and expense and includes façade grant expense with increased legal fee expense.

County Commissioner Freddie Malone noted that the JCDA Financial Statements look much better this year than they did this time last year. Commissioner Malone provided kudos to Finance Manager, Daniel McIntosh, and Executive Director, Tish Oldham, for their efforts in changing the way in which finances are presented, organized, and administered.

FINANCIAL STATEMENTS AND BUDGET ACTIONS

Agenda Item #2.2.1.

ACTION: Johnson City Development Authority General Operating Fund Financial Statement

TIF repayment will no longer appear on the JCDA General Fund Statement as it has been paid off. Conversations with Assistant City Manager, Randy Trivette, are ongoing regarding the \$14,400 to the John Sevier Center Reserve Fund that remains from the funds allocated by City Commission for elevator modernization.

County Commissioner Freddie Malone made the motion to adopt the JCDA General Fund Financial Statements. The motion was seconded by **Vice-Chairman and Commissioner Shannon Castillo**. The motion pass unanimously.

ACTION: Johnson City Development Authority Tax Increment Financing (TIF) Special Fund Financial Statement

It was noted during the discussion that the JCDA received the TIF allocation from the City and the County. The Washington County payout for 2022 was \$499,000 - approximately \$30,000 more than last year.

County Commissioner Freddie Malone made the motion to accept the JCDA TIF Special Revenue Fund Financial Statements. The motion was seconded by **County Commissioner Jodi Jones**. The motion passed unanimously.

ACTION: John Sevier Center Financials

The JCDA payback from the John Sevier Center is \$117,000. The budget for the John Sevier Center Financials is built around knowledge gained in the last year about the building and its operations, which is an improvement following a year of REAC upgrades and deferred maintenance issues. Estimated cash position for the John Sevier Center in FY 23 is \$30,000.

County Commissioner Freddie Malone made the motion to approve the John Sevier Center Financial Statements for April 2023 and May 2023. The motion was seconded by **County Commissioner Jodi Jones**. The motion passed unanimously.

JCDA FY 23 Budget Amendment

Commissioner Jack Simpson made the motion to approve the JCDA FY 23 Budget Amendment. The motion was seconded by **City Commissioner Joe Wise**. The motion passed unanimously.

JCDA FY 2024 Budget Adoption

The total allocation from the City of Johnson City for General Funds remained the same as last year at \$340,000. Other revenues include a 5% administrative fee assessment of City TIF allocation - with total revenue matching expense at \$372,350.00 in general operations. This budget accounts for three full-time staff members, with benefits. Reductions to the proposed budget we made to reduce expenses.

County Commissioner Freddie Malone made the motion to adopt the JCDA FY 2024 Budget. The motion was seconded by **Vice-Chairman and Commissioner Shannon Castillo**. The motion passed unanimously.

John Sevier Center FY 24 Budget Adoption

The John Sevier Center budget includes a Mark Up to Market increase that is awaiting final approval from HUD. Staff explained that LHP is confident that this will be approved and therefore, is accounted in the FY 24 Budget Adoption presentation. FY 24 budget includes a new cable contract, security cost allocation from the City of Johnson City (a total of \$120,000), and an increased Operating Expense in preparation for REAC inspection. Staff continues to work on getting tax exemption approval for the John Sevier Center. This budget, however, does include a payment toward property taxes due to the outstanding balance.

County Commissioner Freddie Malone made the motion to adopt the John Sevier Center FY 24 Budget as presented. The motion was seconded by **Commissioner Jack Simpson**. The motion passed unanimously.

STAFF REPORTS

Downtown Johnson City Foundation Report

Executive Director Oldham reported that Main Street Director Nancy Williams and consultant Dr. Bridget Jones facilitated the Main Street Strategic Planning Training and Discussion on May 24, 2023, from 11:30 to 2:00. As a launching point for the discussion, they shared the results of the group survey that had been created by the State of TN. The attendees included representatives from various downtown entities, downtown property owners and stakeholders, the First Tennessee Development District, JCDA Commissioners, the Johnson City Historic Zoning Commission, the Johnson City Regional Municipal Planning Commission and city staff who work directly with downtown. The attendance was excellent, particularly in that a number of individuals were traveling before the Memorial Day weekend. Ms. Oldham said that a report from the State of Tennessee Main Street program concerning the event and discussion is expected soon and will be distributed once it is available.

Sydni Leonard reported that Fridays After 5 is a third of the way through and running smoothly! Staff has been working collaboratively with Young Professionals of Johnson City to coordinate day-of events. The event has been well-attended. Compliments have been received from community members and sponsors alike. Four more events remain in the 2023 season. Staff continues to contribute time to the event. Sydni Leonard has kept all sponsorship social media recognition on schedule, in addition to other logistics matters. Finance Manager Daniel McIntosh manages necessary payments, sponsorship deposits, and collaborate on financial and insurance matters with the Chamber of Commerce Young Professionals. The JCDA staff works at each event. Foundation Chairman Tracy Johnson contributed significant time to the event and secured \$29,500 in sponsorships, also. Thank you to everyone who is helping. Please take time to thank the sponsors, as found here: <https://www.downtownjc.com/fa5>

Ms. Oldham noted that the the State of Tennessee Placemaking Grant will be closed out for all reimbursements and reporting in the coming weeks. The funding allowed the Johnson City Development Authority/the Downtown Johnson City Foundation, and the State of Tennessee to provide matched funding that assisted in the development of two downtown retailers with dozens of micro-enterprises operating in each. The Generalist is located on the corner of Main and Roan Streets and Hometown Cottage is located at the intersection of Tipton and Spring Streets, with an entrance from Downtown Square. Both buildings benefited from the funding that allowed the tenants to have rent assistance for a few months, as well as some assistance with interior improvements for their retail design.

Executive Director's Report

No Report

BOARD RECOMMENDATIONS TO CITY COMMISSION (3 SEATS)

Board Recommendations to City Commission for Three JCDA Commissioner Appointments
[City Commission Information on Appointments for Johnson City Development Authority](#)

The JCDA did not vote on particular recommendations, but noted that an email could be sent to City Commission by Chairman Carr.

CHAIR REPORT

ADJOURNMENT

Meeting adjourned at 9:16am by Chairman, Hank Carr.

Chair:

Secretary:

These minutes were approved in an open meeting on __ day of __, in the year __

Johnson City Development Authority

John Sevier Center Operations Report

July 2023

1. Water Leaks

The two water leaks reported in June have been fixed. Another leak occurred impacting administrative offices which was tied to aging cast iron piping. LHP maintenance director Justin Lawson reported that each time a cast iron leak is found, the full section of piping is replaced, fitting to fitting, if possible.

2. Security Presence and Impact

Security presence continues to be a positive and needed part of operations.

3. Pest Control

LHP reports continued challenges with pest issues. In response, on the 21st LHP will host a seminar with the current pest control company that will focus on discussing with residents how to minimize spread.

4. Residents and Safety

Following the incident with the property visitor who was armed and subsequently arrested on property, JCDA staff requested the post orders from the Harrell Group and any guidelines LHP has in place for either an armed intruder or active shooter scenario. The Harrell Group shared the post orders for the John Sevier Center. LHP management also shared their standing guidelines for LHP employees.

5. Mark Up to Market

The anticipated arrival date of the Mark Up to Market (MuTM) funds is November 2023, that will include back dated funds to August 2023. This timing format for increased HAP funding is the same as what occurred in 2022.

6. Occupancy Rate

The June occupancy rate was 96.6%

7. Elevator Door Replacement

John Sevier resident elevators, car 1 and car 2, were modernized in 2022, except for the car cabs. The doors for both cars have equal wear with car 2's doors finally breaking to the point disrepair on July 19. JCDA staff asked LHP to request quotes for replacing both doors considering equal equipment wear and the probable price break of replacing both car doors under one contract. The total price to replace both doors is \$13,500 which includes a \$1,500 price break on the second door from freight expense savings. Due to the urgent and necessary nature of the repair, the JCDA Board Chair authorized the replacement contract. Net funds remaining from the elevator modernization allocation from the City of Johnson City, \$14,400, will be used to cover this expense.

Johnson City Development Authority

John Sevier Center Disposition Report

July 2023

The following information is similar to the June report, as the timeline remains unchanged. LHP and JCDA staff answered a few questions for the HUD representative in mid-July regarding the application that was to be forwarded to Washington, D.C. As of July 21st, the application has not been forwarded to HUD federal headquarters. There are no other updates. Staff is remaining in contact with LHP staff during the month.

The John Sevier Center Project, Section 8 subsidized housing is targeting construction launch in the fourth quarter of 2023.

Per LHP, the U.S. Department of Housing and Urban Development **Fair Housing and Equal Opportunity**, Region IV, Atlanta, just **recommended approval** of the Section 8bb transfer request to move Section 8 vouchers from Project A, the John Sevier Center at 141 East Market Street to Project B, Tapestry at Roan Hill, 2165 South Roan Street, Johnson City, Tennessee.

- Early July 2023: Next, the **Office of Policy Development and Research** must recommend approval before it is sent to the national office HUD headquarters. That is anticipated to occur in early July 2023.
- Early July 2023: Ensure **submission** of the development approval package to HUD headquarters (LHP and JCDA tracking).
- Early September 2023: The HUD review then will take approximately sixty (60) days to review and then issue a decision letter on the **8bb voucher transfer**. That would be approximately by early September 2023.
- Early November 2023: **Financing** would be set for closing in early November
- Mid-November 2023: **Construction** would be set for mid-November with an assumed 24 month timeline.
- October/November 2025: Begin **moving** John Sevier Center residents
- The architects and engineers are working to prepare materials with LHP to submit the HUD 221d4 loan application.

Johnson City Development Authority

TIF Advisory Committee Report

July 2023

The TIF Committee did not meet during July due to the lack of applications submitted. Staff has had conversations with a number of potential applicants and continues to offer technical support as needed for applicants. The guide and the application information is available on the website www.jcdatn.org.

The JCDA staff is continuing to evaluate the funding spent on the John Sevier Center that would be eligible for a TIF request, as well as additional funding that may be needed to cover upgrades, security infrastructure, and other projects for the Downtown Centre. The Downtown Centre, owned by JCDA, will be turned over from Northeast State Community College on September 1, 2023. Staff will complete the application for submission to the TIF Advisory Committee, which will be more than \$25,000. As a result, if the committee approves the request, the JCDA full board will make a recommendation to the Washington County Commerce, Industry and Agricultural Committee, then the request will be forwarded to the full Washington County Commission.

Johnson City Development Authority

Downtown Centre Report

June 2023

The Johnson City Development Authority will be taking over the operation of the Downtown Centre from Northeast State on September 1st. Staff has been working with the Northeast State team and is coordinating conversations about dates, operations, and potential costs.

The meetings for the collaborative working committee regarding the redevelopment of the John Sevier Anchor Block are being held on the second and fourth Wednesdays, at 3:30pm. The agendas have included the discussion regarding the potential construction of an external elevator, tours of the building to examine the structure and its layout, as well as discussions about what seems feasible and reasonable to expect short and long term. The committee will examine the Request for Qualifications (RFQ) process that will be forwarded to the Johnson City Development Authority to hire a development consultant to steer the redevelopment of both the John Sevier and the Downtown Centre anchor block, the use of parking at Downtown Centre, securing Downtown Centre. Staff is contacting consulting groups to begin the discussion with the working group, as well.

All efforts are to pursue returning the Downtown Centre to a revenue generating property for the JCDA. Initially, however, the cost of operating the Downtown Centre will fall to the Johnson City Development Authority, which does not have budgeted funds for that need. Full operation costs are being detailed by staff, including security cameras, security personnel, any additional insurance, parking lot cleaning, parking lot gates and ticketing options, utility costs, and other potential costs.

The JCDA will request additional conversations with the City of Johnson City City Management to discuss what will be possible in the short term. The JCDA intends to seek an occupant for the building to generate supporting revenue to offset costs and to examine the potential for parking revenue, as well.

Johnson City Development Authority

Finance Committee Report

July 2023

The JCDA Finance Committee convened at 12:30 PM on July 20, 2023, at the JCDA office, with Board of Director members Freddie Malone, Ernest Campbell, Executive Director Patricia “Tish” Oldham, Finance Manager Daniel McIntosh, and Administrative Coordinator, Sydni Leonard in attendance. Absent from the meeting was member Jack Simpson.

Items reviewed included:

1. JCDA General Fund Financials
2. JCDA Special Reserve TIF Fund Financials
3. John Sevier Center Financials
4. John Sevier amended budget request for salary increase actual cost
5. John Sevier elevator doors replacement cost
6. Downtown Centre Transition – operating and capital cost proposals
7. BrightRidge fiber contract for downtown public Wi-Fi access

The following is a summary of the meeting and review by the Finance Committee, as related to the JCDA meeting agenda items.

4.1.1 APPROVE JUNE 2023 JCDA GENERAL FUND FINANCIALS

Summary / Action

The June 2023 JCDA General Fund Financials, as prepared by the David M Ellis Firm, Certified Public Accountants, were reviewed by the Finance Committee with a unanimous recommendation to accept and forward to the JCDA Board for approval of the financial statement. (Motion Carr/Campbell) Motion passed.

4.1.2 APPROVE JUNE 2023 JCDA SPECIAL RESERVE TIF FUND FINANCIALS

Summary / Action

The June 2023 JCDA Special Reserve TIF Fund Financials, as prepared by the David M Ellis Firm, Certified Public Accountants, were reviewed by the Finance Committee with a unanimous recommendation to accept and forward to the JCDA Board for approval of the financial statement. (Motion Campbell/Carr) Motion passed.

4.1.3 FORWARD JUNE 2023 JOHN SEVIER CENTER FINANCIALS

Summary / Action

The June 2023 John Sevier Financials, prepared by LHP, were reviewed by the Finance Committee, and forwarded to the JCDA Board for review. (Motion Carr/Campbell) Motion passed. (Motion Carr/Campbell) Motion passed.

Additional discussion included:

- LHP requested an amendment to the FY24 John Sevier Budget in the salaries category. The increase came after further CPI (consumer price index) evaluation by LHP which impacted two employee salaries. The total increase for the year is \$681.09. The Finance Committee had a unanimous recommendation to accept the amended budget change and forward to the JCDA Board for approval. (Motion Carr/Campbell) Motion passed.
- One of two elevators in the John Sevier Center was out of service due to door disrepair. JCDA staff requested LHP request a quote on replacing both elevator doors due to similar age and history of repair needs. The quote submitted by LHP totaled \$13,500 which offered a price break of \$1,500 on the second door install. Capital funds remaining from the elevator modernization were sufficient to cover this expense and the quote was approved under emergency measure by the Board Chairman. JCDA staff will notify the City of Johnson City about the fund utilization for the elevator doors. *(See John Sevier Operations report for further information.)*
- JCDA staff is continuing to solicit bids and aggregate operating costs associated with the Downtown Centre. Two cost categories are being evaluated; the first is necessary operational expense for items like routine maintenance and utility usage. The second cost category is capital improvements for items such as security cameras, parking garage upgrades, and an external elevator. Some items will need immediate funding such as security cameras and operational expenses for the September 1, transition date. The Finance Committee is recommending to the JCDA that staff make an official request from the City of Johnson City for the needed funding. Capital improvement portions of the immediate cost can be included for reimbursement through a larger TIF project grant. (Motion Campbell/Carr) Motion passed.
- In the proposed budget for fiscal year 2024, expenses were reduced in the internet expense line item to accommodate budget restraints. The previous internet cost paid by JCDA carried all the free downtown public Wi-Fi access. The Finance Committee discussed the budgeted cost reduction and directed staff to inform both the City of Johnson City and BrightRidge of the changes. Staff is examining the contract related to the services, as well.

DAVID M. ELLIS

Certified Public Accountant
Member, American Institute of
Certified Public Accountants

Member, Tennessee Society of
Certified Public Accountants

JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND

FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

**JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND
BALANCE SHEET
June 30, 2023**

ASSETS

Current Assets

Cash

HomeTrust Operating \$ 49,084

Home Trust Savings 111,935

Total Cash 161,019

Rental Security Deposits 600

Due to/From Other Funds 458,403

John Sevier Capital Repair Loan 156,534

Total Current Assets \$ 776,556

LIABILITIES

Accounts Payable \$ 4,947

Due to John Sevier Center Elevator Fund 14,400

Total Liabilities 19,347

FUND BALANCES

Unassigned 757,209

Total Fund Balances 757,209

Total Liabilities and Fund Balances \$ 776,556

**JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2023**

REVENUE

Operating Revenue - City of JC	\$	340,000	
Festival Allocation		15,000	
Lease Income - Downtown Centre		12,000	
Miscellaneous Income		162	
Interest Income		696	
Total Revenue			367,858

EXPENSE

Salaries	\$	195,614	
Office Rent		17,864	
Audit Fees		15,000	
Downtown Events Support		14,991	
Payroll Taxes		14,912	
Health Insurance		11,203	
Outside Contract Services		11,374	
Internet		10,200	
Accounting Fees		9,966	
Computer/IT Support		9,053	
Property Coverage		7,587	
Office Furnishings		7,229	
Directors and Officers Insurance		3,966	
Conference/Education		3,015	
Office Supplies		2,224	
Cell and Office Phones		1,685	
Payroll Service Fees		1,520	
Flood Policy		1,460	
Retirement Contributions		875	
Bank Fees		845	
Miscellaneous		800	
Meals & Entertainment		404	
Worker's Compensation Insurance		397	
Memberships/Dues/Subscriptions		337	
Marketing/Advertising		303	
Legal Fees		78	
Total Expenses			342,902

Excess (Deficiency) of Revenues Over (Under) Expenditures			24,956
Fund Balances, Beginning of Fiscal Year			732,253
Fund Balances, End of Fiscal Year			\$ 757,209

JOHNSON CITY DEVELOPMENT AUTHORITY

BUDGET TO ACTUAL

For the Year Ended June 30, 2023

	June Actual	June Budget	March Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
REVENUE						
Operating Revenue - City of JC	\$ -	\$ -	\$ -	\$ 340,000	340,000	-
Festival Allocation	-	-	-	15,000	15,000	-
Lease Income - Downtown Centre	1,000	1,000	-	12,000	12,000	-
Miscellaneous Income	-	-	-	162	160	2
Interest Income	312	29	283	696	350	346
Total Revenue	1,312	1,029	283	367,858	367,510	348
EXPENSE						
Salaries	15,917	17,158	(1,241)	\$ 195,614	\$ 205,900	(10,286)
Office Rent	1,933	1,950	(17)	17,864	18,000	(136)
Audit Fees	-	-	-	15,000	15,000	-
Downtown Events Support	-	-	-	14,991	15,000	(9)
Payroll Taxes	1,218	1,292	(74)	14,912	15,500	(588)
Health Insurance	810	967	(157)	11,203	11,600	(397)
Internet	850	850	-	10,200	10,200	-
Accounting Fees	1,000	1,167	(167)	9,966	14,000	(4,034)
Computer/IT Support	322	791	(469)	9,053	9,500	(447)
Property Coverage	-	-	-	7,587	7,600	(13)
Outside Contract Services	3,429	767	2,662	11,374	9,200	2,174
Office Furnishings	2,132	-	2,132	7,229	8,000	(771)
Directors and Officers Insurance	-	-	-	3,966	3,966	-
Conference/Education	-	682	(682)	3,015	8,185	(5,170)
Office Supplies	433	196	237	2,224	2,600	(376)
Cell and Office Phones	143	142	1	1,685	1,700	(15)
Flood Policy	-	-	-	1,460	1,460	-
Payroll Service Fees	90	133	(43)	1,520	1,600	(80)
Miscellaneous	393	255	138	800	2,799	(1,999)
Retirement Contributions	-	83	(83)	875	1,000	(125)
Bank Fees	35	83	(48)	845	1,000	(155)
Worker's Compensation Insurance	-	-	-	397	400	(3)
Memberships/Dues/Subscriptions	20	29	(9)	337	350	(13)
Meals & Entertainment	109	38	71	404	450	(46)
Marketing/Advertising	40	42	(2)	303	500	(197)
Legal Fees	506	-	506	78	2,000	(1,922)
Downtown Events/Programs	-	-	-	-	-	-
Total Expenses	29,380	26,625	2,755	342,902	367,510	(24,608)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (28,068)	\$ (25,596)	\$ (2,472)	\$ 24,956	\$ -	\$ 24,956

DAVID M. ELLIS

Certified Public Accountant
Member, American Institute of
Certified Public Accountants

Member, Tennessee Society of
Certified Public Accountants

JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND - TIF

FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
BALANCE SHEET
June 30, 2023**

ASSETS

Current Assets

Cash

HomeTrust Bank Money Market	\$ 1,950,190
HomeTrust Bank Downtown Centre Fund	203,395
Eastman Credit Union Savings	<u>7</u>

Total Current Assets	<u>\$ 2,153,592</u>
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Total Assets	<u><u>\$ 2,153,592</u></u>
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FUND BALANCES

Restricted for Tax Increment Financing Projects	\$ 2,108,592
Assigned	<u>45,000</u>

Total Fund Balances	<u>2,153,592</u>
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Total Fund Balances	<u><u>\$ 2,153,592</u></u>
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**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2023**

REVENUE

City of Johnson City Funding	\$	610,595
Washington County Funding		499,317
Interest Income		<u>16,954</u>
Total Revenue		\$ 1,126,866

EXPENSE

Administrative		
Façade Grants		6,188
Legal Fees		155
TIF Projects		
University Edge		201,409
Debt Service		
Downtown Centre - Principal		155,230
Downtown Centre - Interest		44,277
Downtown Pavilion - Principal		109,725
Downtown Pavilion - Interest		25,167
Cherry Street - Principal		13,568
Cherry Street - Interest		4,591
Model Mill - Principal		60,000
Model Mill - Interest		41,324
Triple G - Principal		27,273
Triple G - Interest		12,142
MMM Enterprises - Principal		17,270
MMM Enterprises - Interest		<u>7,339</u>
Total Expenditures		<u>725,658</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures		401,208
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Fund Balances, Beginning of Fiscal Year		<u>1,752,384</u>
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Fund Balances, End of Fiscal Year		<u><u>\$ 2,153,592</u></u>
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**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
BUDGET TO ACTUAL
For the Year Ended June 30, 2023**

	June Actual	June Budget	Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE						
City of Johnson City Funding		-	-	\$ 610,595	610,595	-
Washington County Funding	499,317	475,000		\$ 499,317	475,000	
Interest Income	5,677	875	4,802	16,954	10,500	6,454
Total Revenue	504,994	475,875	29,119	1,126,866	\$ 1,096,095	30,771
EXPENDITURES						
Façade Grants	-	-	-	6,188	6,188	-
Legal Fees	-	-	-	155	2,155	(2,000)
TIF Projects						
University Edge	-	-		201,409	201,409	-
Debt Service						
Downtown Centre - Principal	-	-	-	155,230	155,230	-
Downtown Centre - Interest	-	-	-	44,277	44,277	-
Downtown Centre-Other	-	-	-	-	-	-
Downtown Pavilion - Principal	-	-	-	109,725	109,725	-
Downtown Pavilion - Interest	-	-	-	25,167	25,167	-
Cherry Street - Principal	-	-	-	13,568	13,568	-
Cherry Street - Interest	-	-	-	4,591	4,591	-
Model Mill - Principal	-	-	-	60,000	60,000	-
Model Mill - Interest	-	-	-	41,324	41,324	-
Triple G - Principal	-	-	-	27,273	27,273	-
Triple G - Interest	-	-	-	12,142	12,142	-
MMM Enterprises - Principal	-	-	-	17,270	17,270	-
MMM Enterprises - Interest	-	-	-	7,339	7,339	-
Buffalo Street Boardwalk	-	-	-	-	45,000	(45,000)
Total Expenditures	-	-	-	725,658	772,658	(47,000)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 504,994	\$ 475,875	\$ 29,119	\$ 401,208	\$ 323,437	\$ 77,771

John Sevier Center

Monthly Financial Reports

Balance Sheet
Income Statement

June 30, 2023

John Sevier Center (1415)
Balance Sheet
As of Jun 2023

Accrual YE13

Jun 2023

7/7/2023 12:17

ASSETS

CASH

Current Assets

Cash-Operating	71,443.43
Cash-Petty Cash	100.00
Cash-Restricted Reserve	8,515.07
Tenant AR	13,926.28
Allowance Doubtful Accts	(2,073.87)
AR/AP-HUD	9,524.00
AR-Other	14,400.00
Security Deposits	36,229.13
Prepaid Expenses	8,018.34
Prepaid Insurance	308.67

TOTAL CURRENT ASSETS 160,391.05

FIXED ASSETS

Land	79,300.00
Buildings	4,650,395.00
Furniture for Project Use	34,952.00
Accumulated Depreciation	(425,012.27)

TOTAL FIXED ASSETS 4,339,634.73

OTHER ASSETS

TOTAL OTHER ASSETS 0.00

TOTAL ASSETS **4,500,025.78**

John Sevier Center (1415)
Balance Sheet
As of Jun 2023

Accrual YE13

Jun 2023

7/7/2023 12:17

LIABILITIES & CAPITAL

LIABILITIES

Current Liabilities

AP - Operations	11,945.39
AP - Other	28,820.45
AP-Failure to Report Claims	150.00
AP-Failure to Report Repayments	(50.00)
Accrued Wages Payable	4,456.41
Accrued Mgmt Fee Payable	11,224.75
Accrued Interest-1st Mort	14,576.34
Accrued Property Taxes	21,697.29
Accrued Expenses	11,612.95
Accrued Audit Fees	3,362.52
AP-Related Party	3,242.23
Security Deposit	29,472.00
Pet Deposit	1,120.00
Prepaid/Unearned Rent	11,169.11
Prepaid HUD	8,922.00

TOTAL CURRENT LIABILITIES	161,721.44
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OTHER LIABILITIES

Mortgage Payable - 1st	3,843,249.82
Due to Other Funds - JCDA	614,936.50

TOTAL OTHER LIABILITIES	4,458,186.32
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TOTAL LIABILITIES	4,619,907.76
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CAPITAL

Owner Equity	(338,832.43)
Net Profit (Loss)	218,950.45

TOTAL CAPITAL	(119,881.98)
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TOTAL LIABILITIES & CAPITAL	4,500,025.78
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John Sevier Center (1415) Comparative Income Statement						
Accrual^YE13 For the period ending June 30, 2023						
Account	Current Period		Variance	Year-To-Date		Variance
	Actual	Budget		Actual	Budget	
Revenue						
Tenant Rent Revenue	33,916.00	152,145.00	(118,229.00)	367,588.00	1,762,860.00	(1,395,272.00)
HUD Assistance	118,229.00	0.00	118,229.00	1,395,272.00	0.00	1,395,272.00
Total Gross Potential	152,145.00	152,145.00	0.00	1,762,860.00	1,762,860.00	0.00
VACANCY LOSS & CONCESSIONS						
Special Claims Revenue	1,198.00	1,115.67	82.33	20,603.00	13,388.04	7,214.96
Apartment Vacancy	(4,908.00)	(3,380.83)	(1,527.17)	(41,926.00)	(40,569.96)	(1,356.04)
Total Vacancy Loss & Concessions	(3,710.00)	(2,265.16)	(1,444.84)	(21,323.00)	(27,181.92)	5,858.92
OTHER INCOME						
Other	0.00	0.00	0.00	1,116.50	0.00	1,116.50
Laundry & Vending Revenue	106.04	66.67	39.37	2,755.27	800.04	1,955.23
Misc Tenant Charges	2,999.62	324.17	2,675.45	9,473.93	3,890.04	5,583.89
Late Fees	130.75	476.33	(345.58)	3,357.59	5,715.96	(2,358.37)
Damages	8,490.08	721.67	7,768.41	12,575.93	8,660.04	3,915.89
Insurance Proceeds Income	225.61	0.00	225.61	225.61	0.00	225.61
Other Income	117.72	250.00	(132.28)	402,391.57	3,000.00	399,391.57
Total Other Income	12,069.82	1,838.84	10,230.98	431,896.40	22,066.08	409,830.32
BAD DEBT						
Bad Debts	(153.90)	(293.81)	139.91	(26,328.32)	(3,525.72)	(22,802.60)
Bad Debts - Admin	(1,272.99)	0.00	(1,272.99)	(13,534.06)	0.00	(13,534.06)
Allowance for Bad Debts	0.00	0.00	0.00	5,294.09	0.00	5,294.09
Total Bad Debt	(1,426.89)	(293.81)	(1,133.08)	(34,568.29)	(3,525.72)	(31,042.57)
Effective Gross Income (EGI)	159,077.93	151,424.87	7,653.06	2,138,865.11	1,754,218.44	384,646.67
Expense						
OPERATING EXPENSES						
UTILITIES						
Electricity	2,432.03	3,303.37	871.34	30,258.56	38,980.67	8,722.11
Electricity-Vacants	466.83	0.00	(466.83)	5,140.20	0.00	(5,140.20)
Water	2,746.33	1,710.83	(1,035.50)	30,681.59	24,757.08	(5,924.51)
Gas	183.53	133.90	(49.63)	2,560.97	2,080.60	(480.37)
Sewer	6,098.05	3,643.11	(2,454.94)	71,397.37	53,308.68	(18,088.69)

John Sevier Center (1415) Comparative Income Statement						
Accrual^YE13 For the period ending June 30, 2023						
Account	Current Period		Variance	Year-To-Date		Variance
	Actual	Budget		Actual	Budget	
7/7/2023 12:33						
Total Utilities	11,926.77	8,791.21	(3,135.56)	140,038.69	119,127.03	(20,911.66)
CONTRACT SERVICES						
Contract-Exterminating	1,955.00	500.00	(1,455.00)	30,295.00	6,000.00	(24,295.00)
Contract-Elevator	3,676.38	3,956.33	279.95	36,405.94	47,475.96	11,070.02
Contract-Fire Alarm	572.77	628.75	55.98	16,110.13	7,545.00	(8,565.13)
Contract-Plumbing	2,216.25	347.17	(1,869.08)	3,907.50	4,166.04	258.54
Contract-Cable TV	4,774.37	3,375.00	(1,399.37)	22,040.68	40,500.00	18,459.32
Contract-Other	5,002.22	2,874.83	(2,127.39)	39,418.45	34,497.96	(4,920.49)
Garbage & Trash Removal	1,459.73	1,287.92	(171.81)	16,734.89	15,455.04	(1,279.85)
Contract-Security	9,544.57	766.67	(8,777.90)	68,917.02	9,200.04	(59,716.98)
Total Contract Services	29,201.29	13,736.67	(15,464.62)	233,829.61	164,840.04	(68,989.57)
REPAIRS & MAINTENANCE						
Janitorial Supplies	1,026.13	369.63	(656.50)	8,791.26	4,435.56	(4,355.70)
Maintenance Supplies	3,102.95	1,467.45	(1,635.50)	13,493.49	17,609.40	4,115.91
Decorating Supplies	0.00	333.33	333.33	2,398.14	3,999.96	1,601.82
Plumbing Supplies	2,502.53	1,251.30	(1,251.23)	20,335.31	15,015.60	(5,319.71)
Electrical Supplies	380.44	354.00	(26.44)	1,885.95	4,248.00	2,362.05
HVAC R & M	0.00	416.67	416.67	4,229.15	5,000.04	770.89
Appliances	67.05	244.42	177.37	6,441.29	2,933.04	(3,508.25)
Carpentry	179.51	9.67	(169.84)	1,304.68	116.04	(1,188.64)
Uniform Expense	0.00	0.00	0.00	1,060.84	1,575.00	514.16
NonRoutine Maintenance	0.00	2,047.08	2,047.08	1,692.30	24,564.96	22,872.66
Total Repairs & Maintenance	7,258.61	6,493.55	(765.06)	61,632.41	79,497.60	17,865.19
TURNOVER						
Painting & Paint Supplies	444.80	668.19	223.39	7,410.86	8,018.28	607.42
Contract-Janitorial	0.00	0.00	0.00	983.50	0.00	(983.50)
Contract-Carpet Cleaning	0.00	10.75	10.75	0.00	129.00	129.00
Contract-Paint	0.00	0.00	0.00	1,041.00	0.00	(1,041.00)
Total Turnover	444.80	678.94	234.14	9,435.36	8,147.28	(1,288.08)
ADMINISTRATIVE						
Conventions & Meetings	0.00	30.00	30.00	540.78	2,345.00	1,804.22
Office Equipment-Lease & Maint	44.58	70.58	26.00	671.30	846.96	175.66
Office Supplies	370.94	304.84	(66.10)	3,273.96	3,658.08	384.12
Postage	130.85	59.65	(71.20)	1,426.38	715.80	(710.58)
Telephone/Data/Cable/Answering Svc	470.84	170.00	(300.84)	9,089.54	2,040.00	(7,049.54)

John Sevier Center (1415) Comparative Income Statement						
Accrual^YE13 For the period ending June 30, 2023						
Account	Current Period			Year-To-Date		Variance
	Actual	Budget	Variance	Actual	Budget	
7/7/2023 12:33						
Legal Exp-Collection/Evictions	516.50	245.42	(271.08)	6,582.27	2,945.04	(3,637.23)
Misc Admin Expense	169.12	174.75	5.63	2,947.95	2,097.00	(850.95)
Meals & Entertainment	50.80	215.92	165.12	795.97	2,591.04	1,795.07
Computer Expense	1,011.15	626.90	(384.25)	12,473.33	7,522.80	(4,950.53)
Travel Expenses	409.54	393.83	(15.71)	459.02	4,725.96	4,266.94
Bank Charges	337.42	184.58	(152.84)	3,939.60	2,214.96	(1,724.64)
Dues & Subscriptions	0.00	0.00	0.00	350.00	0.00	(350.00)
Professional Fees	22.50	1,000.00	977.50	6,186.42	12,000.00	5,813.58
Mileage	395.90	249.42	(146.48)	4,281.11	2,993.04	(1,288.07)
Total Administrative	3,930.14	3,725.89	(204.25)	53,017.63	46,695.68	(6,321.95)
MARKETING & RESIDENT RETENTION						
Advertising & Marketing	0.00	2.58	2.58	40.00	30.96	(9.04)
Screening Expense	289.00	317.17	28.17	3,454.00	3,806.04	352.04
Tenant Promotions	300.13	375.00	74.87	6,289.17	4,500.00	(1,789.17)
Total Marketing & Resident Retention	589.13	694.75	105.62	9,783.17	8,337.00	(1,446.17)
PERSONNEL						
Office Payroll	2,705.60	3,322.47	616.87	31,201.83	35,525.64	4,323.81
Office Payroll CC	757.86	542.53	(215.33)	3,609.53	6,510.36	2,900.83
Manager Payroll	6,195.57	4,861.51	(1,334.06)	73,688.79	45,982.78	(27,706.01)
Payroll Processing Fees	90.95	117.07	26.12	1,181.61	1,404.84	223.23
Repairs & Maint Payroll	13,333.05	11,567.41	(1,765.64)	137,185.87	122,134.52	(15,051.35)
Payroll Tax Expense	1,538.74	1,541.51	2.77	18,602.23	15,918.97	(2,683.26)
Employee Benefits & Insur	5,553.25	7,373.87	1,820.62	61,297.34	88,486.44	27,189.10
Total Personnel	30,175.02	29,326.37	(848.65)	326,767.20	315,963.55	(10,803.65)
Total Controllable Operating Expenses	83,525.76	63,447.38	(20,078.38)	834,504.07	742,608.18	(91,895.89)
Controllable NOI	75,552.17	87,977.49	(12,425.32)	1,304,361.04	1,011,610.26	292,750.78
AUDIT EXPENSE						
Audit Expense	560.42	560.42	0.00	3,362.52	6,725.04	3,362.52
Total Audit Expense	560.42	560.42	0.00	3,362.52	6,725.04	3,362.52
MANAGEMENT & BOOKKEEPING						
Management Fees	11,332.22	10,232.94	(1,099.28)	120,889.40	122,795.28	1,905.88

John Sevier Center (1415) Comparative Income Statement						
Accrual^YE13 For the period ending June 30, 2023						
Account	Current Period		Variance	Year-To-Date		Variance
	Actual	Budget		Actual	Budget	
Total Management & Bookkeeping	11,332.22	10,232.94	(1,099.28)	120,889.40	122,795.28	1,905.88
TAXES & INSURANCE						
Real Estate Taxes	3,692.50	3,692.50	0.00	43,837.86	44,310.00	472.14
Property & Liability Insu	6,178.16	6,357.75	179.59	79,819.43	76,293.00	(3,526.43)
Workers Compensation Insu	308.33	232.44	(75.89)	11,133.66	2,789.28	(8,344.38)
License & Permits	235.00	0.00	(235.00)	520.00	345.00	(175.00)
Franchise & Excise Tax	0.00	15.77	15.77	0.00	189.24	189.24
Taxes-Other	0.00	37.50	37.50	462.00	450.00	(12.00)
Total Taxes & Insurance	10,413.99	10,335.96	(78.03)	135,772.95	124,376.52	(11,396.43)
TOTAL NON-CONTROLLABLE OPERATING	22,306.63	21,129.32	(1,177.31)	260,024.87	253,896.84	(6,128.03)
TOTAL OPERATING EXPENSES	105,832.39	84,576.70	(21,255.69)	1,094,528.94	996,505.02	(98,023.92)
NET OPERATING INCOME	53,245.54	66,848.17	(13,602.63)	1,044,336.17	757,713.42	286,622.75
NON-OPERATING EXPENSES						
Depreciation	9,217.81	0.00	(9,217.81)	110,613.72	0.00	(110,613.72)
Cap Ex- Appliances	883.79	672.50	(211.29)	14,095.82	8,070.00	(6,025.82)
Cap Ex- Unit Flooring	7,730.44	2,916.67	(4,813.77)	50,265.34	35,000.04	(15,265.30)
Cap Ex- Plumbing	1,082.95	483.75	(599.20)	4,343.26	5,805.00	1,461.74
Cap Ex- HVAC	1,460.00	466.92	(993.08)	17,015.96	5,603.04	(11,412.92)
Cap Ex- Upgrades-Furniture/Fixtures	0.00	0.00	0.00	2,573.47	0.00	(2,573.47)
Cap Ex- Upgrades-Building	4,029.21	0.00	(4,029.21)	444,334.53	0.00	(444,334.53)
Mortgage Interest-1st	14,576.34	15,088.85	512.51	179,483.15	179,739.98	256.83
Interest - Other	6.95	0.00	(6.95)	2,660.47	0.00	(2,660.47)
Total Non-Operating Expenses	38,987.49	19,628.69	(19,358.80)	825,385.72	234,218.06	(591,167.66)
NET INCOME	14,258.05	47,219.48	(32,961.43)	218,950.45	523,495.36	(304,544.91)
CASH FLOW ITEMS						
Principal Pmts-1st Mortga	7,955.61	7,964.50	8.89	96,794.06	96,930.22	136.16
JCDA Pmts	20,000.00	25,000.00	5,000.00	235,000.00	250,000.00	15,000.00
Depreciation	(9,217.81)	0.00	9,217.81	(110,613.72)	0.00	110,613.72
TOTAL CASH FLOW ITEMS	18,737.80	32,964.50	14,226.70	221,180.34	346,930.22	125,749.88

July 2023

Main Street America Program

Administered by the Downtown Johnson City Foundation, Inc 501 (c)3

Tennessee Main Street Board Training and Input Report

Consultant Dr. Bridget Jones returned the draft report from the Tennessee Main Street Board Strategic Planning Training and Surveys. In preparation for that event, a survey was created by the State of TN and sent to a variety of individuals in the Downtown community. The results of this anonymous survey have been analyzed and included in the draft report. The Downtown Johnson City Foundation Chairman, Tracy Johnson and JCDA staff are reviewing the report to return to Dr. Jones with any comments and suggestions. The report will be sent to the Foundation and JCDA board members and will be distributed to those who participated in the event. It also will be available to the public upon request.

Fridays After 5

The Downtown Johnson City Foundation collaborative Fridays After 5 event concluded successfully on July 14th. The Chamber of Commerce Foundation's Young Professionals, the City of Johnson City, the Johnson City Development Authority and the Downtown Johnson City Foundation worked together to execute the event. Visit Johnson City also has provided their support, as well.

The event took place every Friday beginning June 9 and ending July 14 from 6:30pm to 8:30pm. The lineup was publicized on www.downtownjc.com, as well as the Downtown Johnson City social media outlets. Marketing costs were much less this year and attendance remained in keeping with previous years.

Christmas Tree Programming December 2023

The City of Johnson City will be handling the sale and management of the Christmas trees that traditionally have been displayed in Founder's Park and in King Commons. The event originated with the Blue Plum organization during the pandemic, which next was managed by the Downtown Johnson City Foundation as a fundraiser and downtown activity as part of the Candyland Christmas themed event, a multi-event experience throughout downtown. The City of Johnson City has contributed enormously throughout all the years, dedicating extensive staff time, energy planning, and marketing. VisitJC also has supported the event through its tourism marketing throughout the region and beyond, helping bring it to a broader audience. The City of Johnson City will be receiving all requests and Downtown Johnson City and the JCDA will direct interested sponsors and tree decorating teams to the appropriate city staff by phone and online. We look forward to supporting the event and its future success for the community and all the visitors!

Main Street America Program Responsibilities

The City of Johnson City has notified the Downtown Johnson City Foundation that as of January 1, 2024, the program will be administered by City staff.

Johnson City Development Authority

By-Laws Amendment Recommendation

In preparation for upcoming officer elections, staff noticed that the election of officers is to occur in even numbered years. The current officers are concluding their two-year terms this August. Staff recommends amending Section 10 of the by-laws, in August, to change the election to occur in odd numbered years. The recommendation is based upon staff research on the history of the by-laws, previous and current terms, and elections. Since ten days is required before any amendment, this report will allow the JCDA to examine the by-laws and the item will be placed on the August agenda. By-laws currently require August elections, therefore, the item will need to be placed in advance of any officer election agenda items. Nominating Committee will meet in the coming weeks to prepare the slate of officers for the August meeting. JCDA Vice-Chair serves as the Chair of Nominating Committee.

Current:

Section 10. Election of Officers. The officers of the JCDA (hereinafter referred to as "Officers") shall be a Chair, a Vice Chair, and a Treasurer. Officers shall be JCDA Commissioners and shall be elected during the regularly scheduled JCDA Board meeting **in the month of August of even-numbered years**. The Nominating Committee (hereinafter defined) shall report its nominations for the Officers during the regularly scheduled meeting in August of the election year. In August, the Chair shall accept additional nominations for Officers from the floor. Any Commissioner of the JCDA may nominate any other Commissioner or himself/herself for any position not prohibited elsewhere in the By-Laws.

Proposed:

Section 10. Election of Officers. The officers of the JCDA (hereinafter referred to as "Officers") shall be a Chair, a Vice Chair, and a Treasurer. Officers shall be JCDA Commissioners and shall be elected during the regularly scheduled JCDA Board meeting **in the month of August of ~~even~~-odd-numbered years**. The Nominating Committee (hereinafter defined) shall report its nominations for the Officers during the regularly scheduled meeting in August of the election year. In August, the Chair shall accept additional nominations for Officers from the floor. Any Commissioner of the JCDA may nominate any other Commissioner or himself/herself for any position not prohibited elsewhere in the By-Laws.