DOWNTOWN DEVELOPMENT DISTRICT
FINANCE COMMITTEE MEETING MINUTES
Wednesday, September 30, 2026
3:00 p.m.
DDD Ronald E. Gardner Board Room

Roll taken - Meeting called to order at 3:00 p.m.

Members' Present: Treasurer Kenneth Rubenstein, Commissioner David Piscola, Commissioner Frank Zumbo

Members Absent: N/A

Other Board Members Present: Chair Chris Ross

Staff/Counsel Present: Michael McKnight, Chief Financial Officer, Christopher Kane Legal Counsel, Adams & Reese

Others Present: N/A

Notice: The time, location, and agenda were adequately and publicly noticed.

Public Input Card: N/A

Public Comments: N/A

Approval of Finance Committee Meeting Minutes for April 29, 2026: Motion to approve Commissioner Zumbo, Second by Commissioner Piscola. Motion carried.

Michael McKnight, CFO - Approval of July 2026 Financial Report:

- Year to date revenue exceeded budget by $1.2 Mil, totaling $10.1 mil with operating expenses at $5.9 mil against $7.2 mil budget, it creates a variance of $1.3 mil.
- Both Seth Knudsen and Michael clarified that the expense reporting mismatch which was noted between net operating loss figures of $714, 267 and $737, 130, with a $22, 863 gap is due to uncollected city taxes which reflects differently in reports. This discrepancy was explained because some revenues are recognized as entitled but not yet collected, which causes a timing difference between reports. Staff acknowledges ongoing efforts to reconcile these variances and emphasized that with the exit of BOL reporting will be simplified.
- Michael will correct the labeling "July" to "August" on page 3 of the financial report.

Motion to approve pending corrections, by Commissioner Piscola. Seconded by Commissioner Zumbo. Motion carried.

Sean Bruno 2025 Audit:
Sean Bruno, the external auditor, provided an update on challenges reconciling the 2025 audit numbers, explaining that there were discrepancies between the numbers provided and the audit report submitted to the Legislative Auditor's Office. Sean will continue to work with the previous auditor to ensure a transparent and accurate financial statements. He has asked for an extension from the legislative auditor's office to allow DDD until December 31, 2026. Legal counsel confirmed that issues are widespread with the previous auditing firm which has been barred by the legislative auditor and that multiple clients are affected.

Approval of Resolution 26-08 Set Millage for 2027: Motion to submit to the Board of Commissioners made by Commissioner Piscola, seconded by Zumbo. Motion carried.

Seth Knudsen, President & CEO – 2027 Budget and Workplan

- The workplan combines the budget with goals, emphasizing deliverables ranging from assessments to contract execution, with key performance indicators for both binary milestones and ongoing measures.
- The budget includes a contingency approach without a formal line item, relying on conservative estimates and incremental adjustments as quotes and revenues become clearer.
- The operating reserve fund was established to cover 3-4 months of expenses, serving as bridge financing from January through tax collection periods.
- It was emphasized the need to distinguish strategic plan outcomes from operational contract managements, suggesting more meaningful KPIs that assess actual service quality rather than just contract execution.
- It was also suggested that if the documents were shared publicly it would be best if the terminology were changed from administrative costs to operation costs to avoid misinterpretation.

Motion to approve by Commissioner Zumbo. Seconded by Commissioner Piscola. Motion carried

Commissioners assessed the effectiveness of the security outpost, affirming its positive impact on law enforcement presence and private security coordination in the area.

Committee discussed the city's request for funding for the Low Barrier Shelter.

Adjournment: Motion to adjourn made by Commissioner Zumbo, seconded by Commissioner Piscola. Motion carried.