

LORAIN PORT AUTHORITY
Financial Planning & Audit Committee Meeting
April 28, 2016

Committee: Mrs. Cook; Messrs. Bansek, Davila, Nielsen and Zgonc

Board Members: Ms. Carr; Messrs. Mullins (6:03 p.m.) and Zellers

Staff: Rick Novak, Executive Director
Yvonne Smith, Accountant
Tiffany McClelland, Economic Development Specialist

Guests:

- I. **Roll Call.** The meeting was called to order at 5:30 p.m. by Chairman Roberto Davila with roll call indicating a quorum present.
- II. **Disposition of Meeting Minutes:** Tabled until next meeting.
- III. **Report of Chairman.**

A. Chairman

1. Quarterly Review of 2016 Budget. Mr. Davila questioned if the Agency is spending more money then the Agency is receiving. Mrs. Cook questioned Mrs. Smith as to the budgeting the real estate tax money when one does not know how much taxes are down. Mrs. Smith answered that a Budget Projection is done in July for the next year. Mrs. Smith further continued that in September the Lorain County Auditors have their meeting and update their figures and at that time they give the Agency the renewed figures for the new year.

Mrs. Smith reviewed the handouts: Option 1 - Proposal to Board, Option 2 to Board. Mrs. Smith explained Option 1 has the carry over number from year to year. Each year this decreases. The current Budget could encounter some cash flow issues at the beginning of 2019 due to the fact that the Agency needs \$150,000.00 to make it through mid-March, which is when we receive the first installment of the levy funds. Income generated will be from Rockin' on the River ticket sales in house and the overage for people attending with 2,500 attendees as the base. We have received the income for the 2016 Marine Patrol Grant. Also, she further informed the Committee that the Lorain Development Board has been discontinued. The Agency has a shared employee with them. Option 1 has an additional amount for salary of \$22,150.00 because the staff would like to continue this employee's employment. In considering the healthcare, monies have

been budgeted for a single plan for this employee and a family plan has also been budgeted for this employee.

Mr. Novak stated the TIF Agreement this past year with the City of Lorain. originally was projected at \$40,000.00. Mr. Novak stated Mr. Tim Long was to receive \$25,000 and the Agency would receive \$15,000. Mr. Novak further stated the City of Lorain did not apply for certain TIF's. The amount of money the Agency received was \$10,000.00 as stated by Mr. Novak as only \$25,000.00 was received.

Mr. Novak stated the Agency is considering issuing Bonds for a project in Cuyahoga County with a non-profit organization. This organization is involved in social services. Mr. Novak further stated \$15,000.00 would be received by the Agency and Mr. Long would receive \$3,000.00. Mr. Novak stated the completed application form should be received quickly along with a check for \$1,000.00. Mr. Novak further stated this cannot be budgeted yet. Money will be also saved with the energy bills and landscaping.

Mr. Novak further stated within the Marketing Account we have not spent monies for the website and hosting management. We will have four (4) months as a bill has not been received.

Mrs. Smith stated the difference in payroll is not present in Option 2.

Mr. Novak stated there is money used as a carryover. Mrs. Smith stated the carryover coming into 2016 was \$386,628.88. The projected carryover into 2017 would be \$217,680.44. Mrs. Smith stated if we spent all of the carryover money, cash flow issues would begin to happen in 2019.

IV. Adjournment.

There being no further business to come before the Financial Planning & Audit Committee, Mrs. Cook made a motion to adjourn. Seconded by Mr. Bansek. Motion carried. The meeting was adjourned at 6:10 p.m.

Roberto Davila, Chairman

Rick Novak, Executive Director