

**Lorain Port and Finance Authority
Board of Directors
Financial Planning & Audit Committee Meeting
Tuesday, February 8, 2022, at 5:30 p.m.
Port Office**

Committee: Ms. Bonilla; Messrs. Kuznir, Sommers and Zellers (4)

Board Members: Messrs. Mullins, Nielsen and Veard

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva-Smith, Office Manager
Lil, Goose Dog

Guests: None

I. Roll Call

- A. The committee meeting was called to order at 5:35 p.m. by Chairman Matthew Kuznir with a roll call indicating a quorum present.

II. Disposition of Meeting Minutes

- A. June 14, 2021, Financial Planning & Audit Committee Meeting: Mrs. Leyva Smith said there was one change on the first page under budgetary process. The word “fun” was corrected to “fund.” Mr. Zellers moved to approve the meeting minutes as corrected. Second by Mr. Sommers. Motion carried.
- B. November 30, 2021, Joint Bylaws & Personnel and Financial Planning & Audit Committee Meeting: Mrs. Leyva-Smith said minor typos on page three, four, five were corrected. Mr. Sommers moved to approve the meeting minutes as corrected. Second by Ms. Bonilla. Motion carried.

III. Report of Chairman

- A. 2022 Budget Work Session: Mr. Kuznir turned the floor over to Mrs. Smith. Mrs. Smith said the staff sat down and went through this budget. There was one change, which is why there is a handout. Prior year encumbrances, changes the amount going into 2023. In taxes we received \$13,000 more

than initially projected by the county. She asked if there were any questions? A lot of the intergovernmental numbers are static and can't be changed. For recreational fees we input a projected amount and we're typically pretty conservative. We have the Oasis lease in there. The one for CenturyLink/Lumen, last year they didn't pay but they have paid for this year. Instead of \$1,500 last year and this year we received \$3,000 this year. For Black River Landing revenues, we did a conservative \$15,000, which includes Rocking on the River's payment. Economic development is what we project to come in. KIFBL is the balance of what we expect to come in this year. Mrs. Smith said she books the whole amount in the current year and then whatever's left will be reprogrammed into the next year. Lighthouse, last year, they gave us \$13,839, so we're being a little conservative there. On page 2 under expenditures, shuttle boats we projected \$17,000 for captains and \$15,000 for everything else, which is in line with what we've done in the past. Under utilities we projected a little more in gas and water for the additional properties we purchased. Mr. Brown said Mrs. Smith gave a good summary of the revenues. He said we tend to be conservative on our revenues and harsh on expenditures. Mr. Brown thinks we can do better with revenues. He and Ms. McClelland are chasing deals every day and changes could be added. Our revenues were higher last year due to property sales and KIFBL. Looking at expenses, we cushioned utilities a little bit due to 3807 West Erie. We're working hard to find a lease holder, which would then be added as a revenue. Salary expenses are pretty standard with the adjustments made in December 2021. Some items are highlighted in gold. Moving forward we're consolidating those items into one account, but because we didn't do that this year, we had one month where some expenses came out of the previous economic development account. Hospitalizations is pretty constant. If you look down to telephone, we're estimating saving a couple of thousand. We will not have the Bonaminio expense, unless they approach us and want to host another event. That would be money in and money out just like last year. Fireworks was split out to better show the cost, which is \$22,075. The permit

is \$75, and the contract is \$22,000. The ODNR Lease looks high because we had two payments in one year. We're back down to one payment this year, which is the same amount. Same with US Army Corps of Engineers lease. Uniform Accounting Network is a constant. Tax collection fees were bumped up a little bit to be safe. Planning consultant is our financial advisor, and he said the staff is deciding which route to go. Liability insurance premiums reflect the extra building, but we're hoping to see a \$11-12,000 savings without the Marine Patrol. Everything else is pretty standard. Repairs, we did \$174,000 last year. We're talking about \$185,000 this year. We'll have a federal single audit again this year. Mr. Brown said he wanted to bring a balance budget but put \$100,000 in capital. With the stage project, it's hard to know exactly what we're going to get into, so he wanted at least a placeholder for now. Mr. Brown doesn't have any large capital projects in mind this year but it's there if we need it. We won't use it if we don't have to. Our goal with the stage project is to get sponsorships and financing. If you look back, in 2014 and 2015 about \$320,000 carry over. In 2017 we got to \$500,000 and has grown since then. He thinks hovering around \$500,000 carryover is healthy. Mr. Brown said the plan is to not spend everything budgeted and his goal is to bring in more revenues. Mrs. Smith said the Paddle Boat Enhancement Grant was completed. The Marine Patrol had \$16.11 remaining, and that was reallocated. About \$14.79 was used for the OPERS payment and \$1.32 is left. She plans to budget that amount and close the account. For Inclusive Project Planning Grant, some of the funds are in and some are not. It's a reimbursement grant from JobsOhio. Under Kelley's Island, you'll see all the funds that didn't come in last year have been reprogrammed. It's an even wash in and out. The Port and Parks Bike Trail Station was also reprogrammed into this year from last year. In the custodial funds, which is the ESID and ROTR, we do not need to budget because they are custodial funds. Mrs. Smith opened the floor to questions and comments. Mr. Kuszniir thanked Mrs. Smith for providing the detailed synopsis. He asked as we go out for sponsorships and receive money for the stage, how would

that be handled? Mrs. Smith said it would be its own fund, such as a capital project fund. Mr. Mullins asked if we'd need to factor in additional expenses once the stage is complete? Mr. Brown said eventually, yes. Our fee structure will likely change. He envisions having our own sound company and including that in the rental price. Mr. Zellers moved to send the 2022 permanent budget for the full board for approval. Second by Ms. Bonilla. Motion carried.

IV. Other Business

A. None.

V. Adjournment

A. There being no further business to come before the Financial Planning and Audit Committee, Mr. Zellers moved to adjourn. Mr. Sommers seconded. The motion carried and the meeting adjourned at 5:54 p.m.



Matthew Kuszniir, Chairman



Tom Brown, Executive Director