

**Lorain Port and Finance Authority**  
**Board of Directors**  
**Financial Planning & Audit Committee Meeting**  
**Tuesday, February 14, 2023, at 6:00 p.m.**  
**Port Office**

**Committee:** Mss. Bonilla and Kiraly; Mr. Zellers (3)

**Board Members:** Mr. Nielsen

**Staff:** Tom Brown, Executive Director  
Tiffany McClelland, Assistant Director  
Yvonne Smith, Accountant  
Kelsey Leyva Smith, Office Manager

**Guests:** None

**I. Roll Call**

A. The committee meeting was called to order at 6:00 p.m. by Chairwoman Tamika Bonilla with a roll call indicating a quorum present.

**II. Report of Chairman**

A. 2022 Annual Financial Report: Mrs. Smith said this starts with the notes, which explains our organization and what we do and where we are financially. She said we're in great shape and opened the floor to the committee members. Ms. Kiraly said she doesn't have any questions. Ms. Bonilla said Mrs. Smith is meticulous, she wished she had her at her daycare. Mrs. Smith said there are a few items she wanted to point out. Last year, we had two different funds that were supposed to have their advancement of funds paid back by December 31, but due to various unforeseeable issues out of our control led to the projects taking longer. As a result, she is requesting two repayment extension resolutions later tonight at the regular board meeting. Mrs. Smith said you don't have to budget advances because it is a loan, but she did put it in for the Inclusive Project Planning Grant so the numbers aren't skewed. All the special revenue funds are listed separately in the last few pages. They correspond to the figures on the first two pages of the 2022

financial statement. Each one of the pages gives more information, so you can drill down as far as you like. The first two pages is the overall.

**B. 2023 Permanent Budget:** Mrs. Smith said we'll start with the general fund on page one. The proposed 2023 budget is highlighted in blue. The carryover into 2023 was \$854,697.60. We had prior year encumbrances of \$37,071.95. Our total unencumbered balance was \$817,625.65. She said when we budget the \$840,000 from the county real estate taxes, the homestead and rollback is receipted a few line items down. Looking at the taxes, that number is very low. We called the county auditors and asked why. It will fluctuate from time to time, and they explained there are several large taxpayers who paid after the deadline. We'll get a larger distribution next time. The next line is the ODNR submerged land lease. It's doubled this year because they didn't pay last year. They typically pay in December but it hit our bank on January 3. Next budgeted item is recreational fees and that's at \$12,500 because we try to be conservative. Real estate sales we don't budget until we get. The Oasis number is defined in their lease. We have a lease with Lumen, which is changing names again. Black River Landing went up because we're including Mr. Bob Early's donation as well as rent collected. The \$10,000 under economic development is from Ariel on Broadway. The total revenue anticipated is \$992,304. Moving onto expenditures, the first two are related to the river tours. Electric is at \$40,000 and natural gas is at \$6,500. Under salaries we include extra for Mr. Mike Brosky and an intern and it comes to \$344,000. OPERS and Medicare is a percentage of the salaries. The hospitalization rate is not going to change this year. Life insurance changed by \$44 for the year. Workman's comp has a little in it just in case. "Other insurance benefits" is the reimbursement for medical through our policies and procedures. With travel and training, we're hopefully we'll be back to normal after quite years in 2020 and 2021 due to Covid. Mr. Zellers asked if the travel 2022 included the Kelley's Island project? Ms. McClelland said yes, it is included. Mr. Brown said Mrs. Smith will once again be going to the Auditors' training that has been virtual the last couple of years. Mrs. Leyva Smith will be

going this year, too. Mrs. Smith said the fireworks expenses are separated out as the board requested. Rents and leases has been consistent. Army Corps of Engineers is the pier lease, \$16,843. We have a contract with Verdantas for \$15,000, so we can use the rest of that as our in-kind contribution. We have \$3,000 in accounting and legal just in case. We can always add more if needed. UAN Fees is the accounting software and computer provided by the state. We have \$5,000 in engineering as a placeholder. Planning consultant is set at \$15,000. We put \$20,000 in other professional and technical services, and that covers Mr. Chris Haynes' contract. Liability insurance is \$5,700. In 2022 we had an insurance rebate of \$4,000 due to the Marine Patrol moving to the police department. Dues and fees is \$14,000. Office supplies and materials is at \$5,000. Mrs. Smith said we don't print nearly as much as we used to. Repairs and maintenance is at \$190,000, which is pretty consistent. Goose Dog is \$1,500. Machinery, equipment and furniture we've started at \$3,500. Mr. Zellers asked why nothing was in Auditing Services? Mrs. Smith said in 2022 we did not exceed the \$750,000 federal funds threshold, and we are back to every other year for audits. In capital, we have \$50,000. The total expenditures come to \$1,107,091.00. Mr. Zellers said we're spending more than we earn, but we usually do better because we don't typically spend all of what we predict? Mrs. Smith said yes. If everything goes according to plan, our carryover would be \$739,000 in 2024. Mr. Zellers asked about electricity and if staff saw improvement after switching to LED? Mrs. Smith said yes. Mr. Brown agreed and said electricity is event driven. He said we don't spend a ton on natural gas. Mrs. Smith said the next fund is the USEPA Brownfields Assessment Grant. We didn't draw down or use it in 2022, so that's now listed under 2023. The \$500,000 is broken down to \$6,500 in travel and transportation, \$493,000 in contractual services and \$500 in supplies and materials. The next is Marine Patrol. She was able to transfer the \$1.32 balance back to our general fund and it's closed out. Mr. Zellers asked if the police department took over the Marine Patrol grant? Mr. Brown said yes, they're applying for the grant again.

Next is the Inclusive Project Planning Grant. This is one needing an extension for the advancement of funds. Mrs. Smith said this is a reimbursable grant, so we won't receive the JobsOhio funds until the project is complete. Then we can pay the advancement or loan back to the general fund. Next is Kelley's Island Project fund which has a zero balance going into 2023. We received \$390,854.54 in fees from the project. Mr. Zellers said in the future, we need to calculate and charge for hours. Mrs. Smith said the Port and Parks fund is next. We're hoping to finish it this year. We have a grant extension until June 30. What wasn't spent in 2022 was moved to 2023. The Stage Project is the last page. We got \$995,000 from the county in late December. When we sold t-shirts and got donations, it totaled \$1,260.50. She wasn't able to transfer the amount from the general fund to the stage account before her surgery, so there will be a transfer in. She used call center tags in the accounting system to better show what expenses are being covered. Ms. Kiraly said that is very helpful. Mrs. Smith said there's a lot that goes into this. Mr. Zellers said he can tell she spends a lot of time with it and he appreciates it. Mr. Zellers moved to recommend approval of the 2023 permanent and the 2022 annual financial report to the full board. Ms. Kiraly. Motion carried.

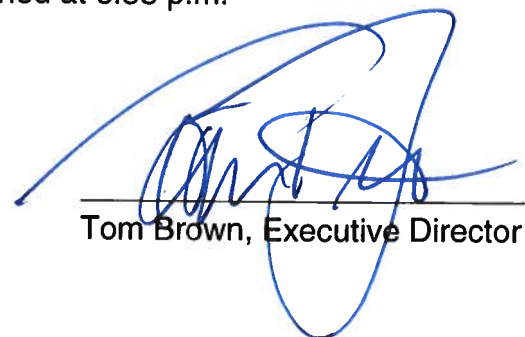
### III. Other Business

A. None.

### IV. Adjournment

A. There being no further business to come before the Financial Planning and Audit Committee, Mr. Zellers moved to adjourn. Ms. Kiraly seconded. The motion carried and the meeting adjourned at 6:38 p.m.

  
Tamika Bonilla, Chairwoman

  
Tom Brown, Executive Director