

Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office
Tuesday, January 9, 2024, at 6:00 p.m.

Board of Directors: Ms. Kiraly; Mrs. Silva Arredondo; Messrs. Mullins, Nielsen,
Scott, Veard, Zellers and Zgonc (7)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva-Smith, Office Manager
Mike Brosky, Esq., Port Attorney

Guests: None

I. Roll Call

A. The meeting was called to order at 6:02 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Disposition of Meeting Minutes

A. November 14, 2023, Contract Management Committee Meeting: Mr. Veard moved to approve the meeting minutes. Second by Ms. Kiraly. Motion carried.

B. November 14, 2023, Regular Board Meeting: Mrs. Leyva Smith said there is one correction. She left an "x" in place of the total page number in the bottom right corner, so that was corrected to 8 on all pages. Mr. Zellers moved to approve the minutes. Second by Mr. Veard. Motion carried.

C. December 12, 2023, Bylaws & Personnel Committee Meeting: Mrs. Silva Arredondo moved to approve the minutes. Second by Mr. Zellers. Motion carried.

D. December 12, 2023, Regular Board Meeting: Mr. Nielsen moved to approve the minutes. Second by Ms. Kiraly. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence received:

a. Mr. Brown said he had none.

B. Executive Director

1. Discussion about Board Retreat/Training: Mr. Brown said we've talked about this in the past. He wanted to take the temperature of the board and discuss availability. Maybe a Saturday training session and then something recreational afterwards. If it's something the board is interested in, we'll get more info and report back. Mr. Mullins asked what the purpose would be? Mr. Brown said to discuss the functionality of the board, how we operate, and why we do what we do. Mr. Mullins said he didn't realize there was a thing. Ms. McClelland said we could focus on the Ohio Revised Code (ORC), the laws and regulations related to port authorities, sunshine laws, etc. It's to make you a better board and ensure you understand your role and responsibilities. Mr. Zellers asked if other ports do this? Ms. McClelland said yes. Mr. Zellers asked for an agenda as an example of another organization. Mr. Mullins said he has done retreats before. He wants to know the full capacity of the board from an economic development standpoint. Is there something we can do to improve? Mr. Nielsen said it would be interesting if Mr. Brosky could go over what we have the ability to do through the ORC. Ms. McClelland said we have great relationships with experts who can present. Mr. Zellers said it sounds like there is interest.

C. Assistant Director

1. Important Dates 2024: Ms. McClelland said we're going to look at a quick calendar. Some things in flux at the moment. We tried to put together any important dates we need board members to remember. We're going to have a lot of stage deadline dates so we can keep a pulse on what is to come. She will get this out to everyone. The levy fundraiser is on February 21st. The fundraising/steering committee needs to set a date for introductory meetings with the honorary chairs so we can keep on track with fundraising goals. We'll be on the ballot March 19. Volunteers are needed to build signs and put signs out on February 19. Outside of selling tickets, we'll also need volunteers for the levy fundraiser. On March 1 we will be Celebrity Bar Tenders at the

Mexican Mutual Club. Ms. McClelland said we need board members and guests to attend for a good turnout. It helps voter turnout for the election. March 8 is the Rockin' on the River kickoff event. March 19 is election day. April 8 is our Solar Eclipse Event. May 4 is our 60th anniversary. May 8 is the kickoff dinner and registration for Cabela's NTC. The NTC tournament is May 9-11. We'll need about 6-8 volunteers per day. May 24 may be the port's pour date at Rockin' on the River. Will we continue to set the tent up from Memorial Day through Labor Day? That's up for discussion. If so, we'll need volunteers for every night. Ms. McClelland said the rest is a lot of fundraising, financing and stage deadlines we'll need to meet along the way. July 4 is the fireworks display. God forbid, but if we don't do well in March, we then have the November election. Ms. McClelland said a board training may be added, and the pour date may change. The big question is whether we'll be volunteering on Fridays for the ROTR tent. Mr. Mullins said it's unfair for the staff to man that booth every week. If board members not interested, maybe we don't do it every Friday. He said he likes the awareness but he wouldn't be available that regularly. Ms. Kiraly asked how it was beneficial? She hasn't personally volunteered so she doesn't know what we do there. Mr. Mullins said a lot of people ask questions about the stage. He sees some value but he doesn't know if it's worth it. Mr. Veard said we collect emails. Mr. Scott said with everything else going on, he doesn't know if we have the capacity to do everything at every event. He sees the Solar Eclipse as an opportunity to help us as far as stage fundraising is concerned. He thinks the tent is more realistic at once a month. We have to determine our priorities and go from there. Mr. Mullins agreed. He thinks having some type of entertainment might make it so we could charge for entry. Mr. Scott asked about the hotel for the eclipse? Mr. Brown said they're booked. The hard part about a band is the weather. We're going to do enough to make revenue. We might be able to do something with parking. Mr. Scott asked how good our site will be in comparison to Avon Lake? Mr. Brown said the path of totality goes right through us. The Rt 83 and Lake Road in Avon Lake is the exact point. He

said we'll have about three and a half minutes of darkness. Mr. Brosky said Avon Lake will be more like four minutes. Mr. Scott said we have a serious opportunity here. Mr. Mullins said every hotel is booked in the county. People began preparing last year. Schools are taking off. Mr. Brown said we're accepting vendor applications. We'll have 14-16 food trucks and a set number of craft or merchandise vendors. We're thinking about a DJ and we'll have the NASA live stream. We're talking to Speak of the Devil about setting up in the Train Station. We're talking to Main Street about running a beer tent. We can capture money on parking. Crushers stadium is charging \$25 per person to sit in the stadium to watch. When you start charging gates you're talking cash, and staff and accounting. He wanted to try to capture dollars without manning a gate. Mr. Scott asked about the liquor permit? Mr. Brown said we'll get a temporary F2 permit for that day. Mr. Mullins said he thinks it's worth it to take it to committee. Mr. Brown said it's Opening Day for the Guardians, too. There are a lot of unknowns. We're going to have to protect our parking lots. There's going to be a million extra people in the county that day. Mr. Zellers said he's good with it going to committee. What about the Rockin' on the River tent? Mr. Mullins said he recommends it be once a month. Mrs. Silva Arredondo said what about the bands with the biggest draws? Mr. Brown said it slowed down a lot by the end of the season. Mr. Mullins said we'll pick the 3-4 most popular concerts. Mr. Nielsen said we'll wait until the schedule comes out to decide. The Solar Eclipse Event will go to committee. Ms. McClelland mentioned the port's 60th anniversary in May. Mr. Nielsen asked if the stage top would be up for the Solar Eclipse Event? Mr. Brown said we're going to try, but that will depend on the weather. Ideally it will be up.

V. Report of Committees

A. Contract Management Committee

1. Mr. Zellers said they've been working with our architects and engineers. We're just about under contract. There are a couple of things they're changing, mostly adjusting dates. Mr. Brown said he received an updated fee schedule this afternoon. We did ask Mr. Robert Maschke to take a look at

their numbers. They were at \$986,000. They dropped that \$102,000, so now we're at a fee of \$883,000. Mr. Brown said Mr. Zellers has done great work. Mr. Zellers said \$32,000 is the architect fee. We're switching structural engineers, so that's a savings of \$43,000. They took \$5,000 out of electrical and mechanical. The next big item was the lighting design review. They were using Claud Engel and switched to a new designer which dropped another \$20,000. About 11-12% lower. He thinks Mr. Bialosky is good with that and they're ready to go. Mr. Brown said Mr. Zellers has been incredibly helpful in the process.

B. Strategic Development Plan Committee

1. Mr. Mullins said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Nielsen said there will be a committee meeting on or before the next meeting to discuss the Solar Eclipse Event. It is Monday, April 8.

D. Financial Planning and Audit Committee

1. Ms. Kiraly said she reviewed the bank reconciliation for December with Mrs. Smith. It looked good. Receipts were good, too. And payments checked out as well. They reviewed the 2023 Annual Financial Report. It looks great. Those two open accounts, which included the Port and Parks Bike Trail Grant and Inclusive Project Planning Grant closed at the end of the year. She said the proposed budget looks good, too. Mr. Zellers asked if we were approving the 2024 budget tonight? Mrs. Smith said that is the goal. She emailed all related documents this afternoon. Mr. Scott asked if we added in the contingencies related to the stage project? Mr. Brown said no, this is just the operating budget, but it's a dynamic document that can change. If we receive an unanticipated donation, we can meet to adjust our revenues. We can meet monthly and edit it as needed. This just gives us the structural framework to work from. Mrs. Smith said the permanent must be in place with the county auditors by April 1. Mr. Scott said he hasn't yet reviewed the proposed 2024 budget. Mrs. Smith said she's happy to go through it tonight. The reason she's rushing a little bit to get this done is because we won't be able to open

purchase orders or sign contracts for the stage out of the general fund. Ms. McClelland said if we don't pass it tonight, we'll need a special call. Mr. Brown said we can go through it as a team to get everyone comfortable, and if not we can schedule a committee meeting for next Monday or something. He doesn't want anyone to feel pressured into passing an important document.

2. Lorain County Auditor Electronic Payments: Mrs. Smith said Lorain County is getting ready to switch to electronic payments. She originally did the resolution with just the job titles and the auditors wanted the person's name. Mr. Mullins asked if a new resolution would need to be passed if positions change? Mrs. Smith said yes.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO SET UP AND MAKE CHANGES TO THE LORAIN PORT AUTHORITY BANK ACCOUNT INFORMATION WHERE FUNDS WILL BE SETTLED FROM THE LORAIN COUNTY AUDITOR REGARDING ACH TRANSACTIONS.

Ms. Kiraly moved to approve Resolution 2024-01. Second by Mr. Zellers. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

3. 2023 Annual Financial Report: Mrs. Smith said the first two pages are a snapshot of the agency as a whole. Earnings on investment is the interest we received this year, which was \$29,833. Transfers are a permanent move of money. An advance is like a loan from one fund to another. She said all advances and transfers have been returned to their appropriate place by year-end. The more pages you flip the further it drills down into the details of the fund. You can go down to each individual line item. Mrs. Smith said custodial funds are funds that we have on our books but we don't manage how it's spent. We only handle the tracking. We don't budget for those. Mr. Scott asked about the Brownfield Grant Fund. Mrs. Smith said the actual budget was \$500,000. The money we didn't spend this year was pushed to next year. Then there are seven pages of notes. If you have any questions,

Mrs. Smith encouraged anyone to call her. Mr. Zellers said he wants an idea of what our carryover into next year will be. Mrs. Smith said that will be on the next one, in the budget. Mr. Scott moved to approve the 2023 Annual Financial Report. Second by Ms. Kiraly. Motion carried.

4. 2024 Permanent Budget: Mrs. Smith said to be able to operate we have to set a temporary budget and send it to the county auditors. Then by April 1 we have to pass a permanent budget. She didn't want to use the auditor's form because it makes you start with the revenues you project in July of the previous year. She received a different form from the auditors to avoid that. We have sent the county auditors our unencumbered balance but they have to approve it. Once we get that approved, then she can set the budget. She can't do it until she gets it back from the auditors. But with the resolution, she'll be able to move forward with the permanent budget as soon as she gets confirmation. Mrs. Smith said at the top we start with the general fund, The blue column is the proposed permanent budget. You'll see coming into 2024, our cash is \$917,629. We have prior year encumbrances, which are outstanding purchase orders as well as unpaid payroll withholdings. Our unencumbered balance is \$888,759.05. Mr. Zellers said in the projections for the stage, were we using our carryover? Ms. McClelland said yes. Mr. Mullins asked if we borrowed money, would we use that to make payments or would we put cash directly into the stage? Ms. McClelland said that is for the board to decide. She said we could take roughly \$500,000 and use that, or we could get a lone and make debt service payments. Mr. Brown said when he was previously on the board, he remembers the lowest carryover being about \$300,000 and the average being \$500,000, so \$888,000 is great. Mr. Mullins asked if we aren't maintaining things? Mr. Brown said he thinks we're keeping up but there are projects we can tackle. Mr. Zellers said we need to use what we can toward the stage project. Mr. Scott worries if we set aside too much we won't have enough for other opportunities that come along. Mr. Mullins said we have options, and we have to remember we can't do too much until the 2024 proceeds get here. He asked when the disbursement are? Mrs.

Smith said March and August. She said going down the page we can see the revenues. We're conservative so we don't over project. Mr. Nielsen asked when the replacement levy would kick in if it passed? Mrs. Smith said 2025. Mr. Scott asked what happens if the replacement levy fails? Mrs. Smith said we try a renewal levy in November and get about the same amount we currently receive. Mrs. Smith said we're conservative on revenues so we don't over project. We'll likely end up with more by the end of the year. Right now, we project a carryover of \$785,000 into 2025. Mr. Scott asked about the \$20,000 listed for election expenses. Mrs. Smith said that was an error and should go under 2025. It's a fluctuating number that depends on how many people are on the ballot. In 2020, we paid \$27,000 some odd dollars, but you don't pay until you start collecting the levy funds. Mrs. Smith said next is the Brownfield Assessment Grant. We had \$500,000 and this year we spent \$28,048.53, so the remainder goes into next year. Mr. Brown said we have \$500,000 to spend in 3 years. We're doing assessments on people's properties. The next item is the Inclusive Project Planning Grant. It did close out and the balance was transferred back to the general fund. The Port and Parks Bike Trail Fund also closed out by the end of 2023. The next is the stage project. We have a carryover of \$576,122.13. Mr. Scott asked about the expenditures for the stage over the next few months. Mr. Zellers said they're supposed to put together a fee schedule based on the design schedule. Design development, he's not sure when it's supposed to be completed. The next part is the construction document. Those are \$400,000. The construction phase starts sometime in August and is another \$275,000.

Mr. Mullins presented:

**A RESOLUTION MAKING ANNUAL APPROPRIATIONS OF THE LORAIN PORT
AUTHORITY FOR CALENDAR YEAR 2024 PENDING VERIFICATION OF THE
UNENCUMBERED BALANCES FROM THE LORAIN COUNTY AUDITOR.**

Mrs. Silva Arredondo moved to approve Resolution 2024-02. Second by Mr. Nielsen.

Roll call vote as follows:

Ayes: 7

Nays: 0

Abstain: 0

Resolution Passed

Mr. Scott moved to reduce the budget by \$20,000 to remove election expenses. Second by Ms. Kiraly. Motion carried.

E. Bylaws and Personnel Committee

1. Mrs. Silva Arredondo said no report.

VI. Other Business

A. None.

VII. Public Comment

A. None.

VIII. Executive Session: Property Disposition

Mr. Veard moved to enter executive session. Second by Mr. Zellers. Roll call vote as follows:

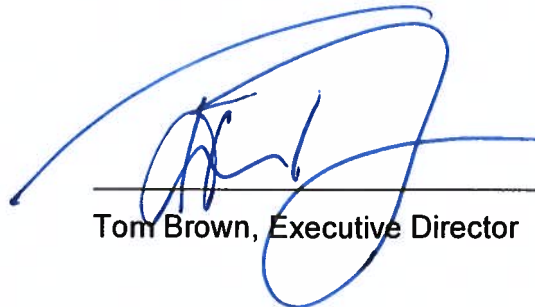
Ayes: 7 Nays: 0 Abstain: 0 Motion carried

Mr. Scott moved to exit executive session. Second by Mr. Veard. Motion carried.

IX. Adjournment

A. There being no further business to come before the board, Mr. Nielsen moved to adjourn. Mr. Scott seconded. The meeting adjourned at 7:48 p.m.



Brad Mullins, Chairman

Tom Brown, Executive Director