



OCEAN HIGHWAY & PORT AUTHORITY

Miriam R. Hill – Chairwoman, District 1
Danny Fullwood – Commissioner, District 2
Justin Taylor – Vice Chairman, District 3
Ray Nelson – Secretary/Treasurer, District 4
Mike Cole – Commissioner, District 5

Budget FY 2024-25 Workshop Minutes

July 24, 2024

The Ocean Highway and Port Authority, Nassau County, held its Budget FY 2024-25 Workshop on Wednesday, July 24, 2024 at the Peck Center, Willie Mae Ashley Auditorium, 516 S 10th Street, Fernandina Beach, FL 32034.

1. Public meeting (Call to Order) - Chair

Chair Hill called the public meeting to order at 6:00 PM.

2. Invocation

The invocation was given by Chair Hill.

3. Pledge of Allegiance

The pledge was led by Chair Hill.

4. Roll Call: Miriam Hill, District 1; Danny Fullwood, District 2, Justin Taylor, District 3; Ray Nelson, District 4; Mike Cole, District 5.

Roll call was conducted by Rossana Hebron, Administrative Office Manager. All Commissioners were present. Also in attendance was Pierre LaPorte, Port Accountant.

5. Recognition of elected Officials, Honored guests, Industry and Professional representatives, and others in attendance (Chair)

No acknowledgement made by the Chair.

6. Public Comments on agenda items (Comments submitted prior to the meeting)

No public comments submitted.

7. Regular Business:

a. Budget FY 2024-25 (version 2)

Mr. LaPorte submitted a written copy of the budget FY 2024-25, version 2, that was included in the meeting packet. He provided details of the line items for the Board to consider.

Discussions:

Revenues:

- The quarterly fee was adjusted according to the Consumer Price Index (CPI) of 3% currently. It was calculated at \$318,164.61 annual. The official calculation will come in August. This item is paid by the Port Operator on a quarterly basis.

- The Miscellaneous income comes from the Conduit Bond issuer fee, collected annually in June of each year. The amount is set at \$1,500.

- The ARPA reimbursement has one remaining draw, \$60,906.84. in late September. It ends in December to close out the grant.

- Mr. LaPorte reported the Operator is approximately a month late in providing the Harbor Admin and Bunkering revenue-share. The total is below what was forecasted.

- He reminded the Board for any grant reimbursements more than \$750K received is subject to a separate audit process. From a previous OHPA meeting, the Board decided to bill the audit cost, \$1800, to the Operator. The particular audit this year pertains to the warehouse project, \$1.5M total.

Expenses:

- The payroll and unemployment taxes are proportionate to the salaries.
- Conferences and travel allocation remains at \$1K annual.
- Insurance line item covers the directors and officers.
- Workers Compensation insurance covers the Commissioners and the Administrative Office Manager (AOM). The reduction comes from the exclusion of the Executive Director's salary.
- Mr. LaPorte reported the Port Attorney requested a \$10K allocation for case management, specifically, the Property Appraiser case, to assist in the transfer of management to the Operator.
- The general allocation for the Port Attorney was approximately \$45K in years past. Currently, it is allocated amount at \$60K.
- Peck Center office lease is adjusted according to CPI, from \$281.74 to approximately \$290.90 per month.
- There was no allocation for the Ports Council representative. It remains to be determined if the Board will employ a representative or the Commissioners take turns attending the meetings. Hence, all the Executive Director related expenses were excluded.
- Both the Port Accountant and AOM salaries remain at status quo.
- The AOM requested allocation for a new laptop, approximately \$2885.00. Office supplies allocation remains at \$4K. The purchase of audio-visual systems for the OHPA meetings added to the increased total expended thus far. AOM travel expenses was increased from \$100 to \$300 annual because Mrs. Hebron attends more meetings/conferences outside the regular Board meetings.
- The Department of Revenue (Special District fee) remains at \$225.
- The membership dues (TPO, NC Chamber of Commerce, CSX, Florida Ports Council, NC Economic Development) remain at status quo for now until notified otherwise.
- Advertisement line item covers the newspaper public notices for OHPA special meetings outside the established monthly meeting dates. Allocation remains at \$600 annual.
- Website line item encompasses IT support and is allocated for \$500 annual.
- Allocation for the PILOT payment was set for \$37K for the fiscal year. The Operator has in escrow the additional \$100K portion of the settlement with the City. Another \$50K is due for the coming fiscal year, October 1, 2024. The Operator agreed to fund the latter by amending the tariff rates; however, details of funding the future PILOT payments are still under negotiations. Mr. LaPorte explained the \$50K will not be collected by the due date. Therefore, that should be added to the \$37K allocation. He proposed to amend the allocation from \$37K to \$87K. OHPA has yet to receive the \$100K from the Operator.
- Still waiting for confirmation from FMIT on the premium for FY2024-25. Currently, total allocated is \$18,206.
- There was a slight increase in the audit fee from \$28K to \$31,300 for the special audit in the coming fiscal year.
- Mr. LaPorte summarized that he started a cash flow forecast because the ARPA funds will be expended. Additionally, to date there is approximately \$116K in the Operating account to carry over to the next fiscal year to pay for the "normal" expenses. Another \$60K is expected from ARPA by the end of September. He cautioned the Board to watch the cashflow to pay for the salaries in the coming fiscal year.
- Consequently, the revenue-share from the tonnage starts at year seven of the Operating agreement, \$1.50 per ton and adjusted per inflation rate.
- Mr. LaPorte emphasized that managing legal fees is pertinent to sustain the Operating funds.

Budget request:

- Mrs. Hebron requested additional funds this fiscal year for a laptop. She inherited the existing one that was purchased about six years ago. She was advised the internal drive is almost to capacity and in need of replacement. Three options were presented to the Board: install a bigger internal drive (2 terabytes/TB) to the existing one; purchase a refurbished device plus install 2TB drive; or purchase a new device plus install a 2TB drive. After much discussion, the consensus was to research for a new device. Mrs. Hebron will follow and submit cost estimates. Chair Hill suggested to

declare the tablets (5 total) given to the Commissioners as surplus and perhaps sell them. Mrs. Hebron will follow as directed and report back.

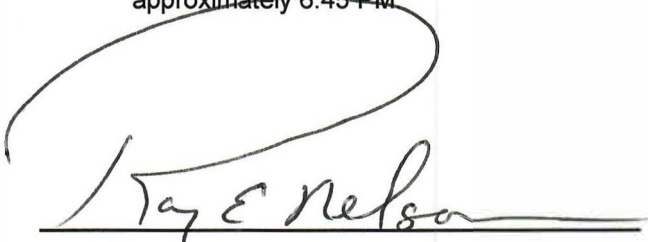
8. Old Business
None

9. New Business
None

10. Other items to be brought by Commissioners

11. Adjournment

With no other items brought before the Board, the meeting was adjourned by Chair Hill at approximately 6:45 PM

A handwritten signature in cursive script, reading "Ray Nelson", is written over a horizontal line. A large, loopy flourish extends from the top of the signature, looping back to the left and then down.

Ray Nelson, Secretary/Treasurer

August 14, 2024

Date
