

MINUTES

PORT OF SIUSLAW COMMISSION MEETING

Wednesday, 19 March 2014, 7:00pm

Port Office, 100 Harbor St, Florence OR 97439

ATTENDANCE:

Commission: Commissioner Ron Caputo (Caputo), Commissioner Nancy Rickard (Rickard), Commissioner Terry Duman (Duman), Commissioner Jay Cable (Cable), Commissioner Bill Fleenor (Fleenor);

Staff: Recording Secretary Dina McClure (McClure)

Absent: Port Manager Robert Forsythe (Forsythe)

Audience: Alan Campbell, Jay Nefcy, Dave Huntington, Larry Barney, Eldon Nordahl, Bill Trotter (Trotter), Emerald CPA Group

Commission President Caputo called the meeting to order at 7:00pm.

PRESENTATION: Bill Trotter, Emerald CPA Group, FY2012-13 Audit

Trotter told the board he has given the FY2012-13 Audit a “clean opinion”. Trotter called the board’s attention to the Manager’s Discussion & Analysis which includes extensive financial detail. Trotter said he submitted a letter to the State Division of Audits reporting the Port’s compliance with rules and regulations. Trotter explained that no material weaknesses were found, however, there were a few deficiencies such as a small payroll issue, a few outstanding checks, and not enough staff to separate certain accounting functions. Trotter said he has seen positive improvements over the years including the Hercules reservation program, a new chart of accounts, and changing from cash to accrual accounting. Trotter said the Port is in a solid financial position with an increasing cash balance.

Fleenor complimented staff and asked for Trotter’s advice on designating net profits into capital reserves. Trotter said designating funds is a matter of adopting procedures. There was discussion regarding updating the list of fixed assets. Trotter concluded that strengthening internal control leads to good things and the Port is going in the right direction.

APPROVAL OF MINUTES: On the Motion, made by Rickard and seconded by Cable, the board voted unanimously to approve the Minutes from the Regular Meeting on 19 February 2014.

FINANCIALS: On the Motion, made by Cable, and seconded by Fleenor, the board voted unanimously to approve the Financials and Ratify the Bills in the amount of \$81,675.59.

OLD BUSINESS

1. **Response to Eldon Nordahl regarding Dredge Spoil Site #22 Property:** Caputo told Nordahl the Port was not interested in purchasing this property. Nordahl asked the board to release the Dredge Spoil overlay on the property and asked for their answer at the next meeting. Fleenor said the Port Manager and the Port attorney should submit their recommendation to the board for consideration at the next meeting. Nordahl requested that both answers be put in writing for him.
2. **Port Manager Performance Evaluation:** To be discussed at the April meeting.
3. **Discuss Liability Insurance for Moorage Customers:** To be discussed at the April meeting.

NEW BUSINESS

1. **2013-18 Strategic Business Plan Annual Review:** Fleenor said this an annual review of the five year plan is an opportunity for the board to make changes in the event policies or projects need to be added or revised. Fleenor said the difference between this plan and the previous plan is that full cost recovery was implemented. Fleenor said the board should agree to direct staff to implement full cost recovery whenever possible, and if not, the plan should be revised. Caputo said he does not agree that full cost recovery should be used in certain situations and some operations may have to take a loss in order to keep the port a port. Caputo said he wants the port to be profitable but some areas may need to use other operating revenues to cover expenses. There was discussion that some projects in the plan are allowed in ORS 777 but are not being pursued by the port at this time. Cable said full cost recovery is a good goal whenever practical. Caputo said he'd look at the plan this month and if there are any other issues to be addressed, he will have it on next month's agenda.
2. **Appoint Budget Committee Member:** McClure said one application had been submitted earlier that day. The board agreed to extend the deadline for applications to 5pm 31 March.

REPORTS

- Caputo gave a recap of the trip to Washington DC for the Pacific Northwest Waterways convention. He said there were meetings with the American Association of Port Authorities and a review of the COE budget for FY2014-15. Caputo said they met with congressional staff and Oregon Ports Caucus. Caputo said the Senators are very upbeat about getting things done in DC this year. Traveling to these conferences supports the organization that brings funding to our ports. Fleenor asked about the Harbor Maintenance Trust Fund. Caputo said we may not see any money for our jetties for many years but the COE is aware of our issues.
- Caputo reported there are no new projects are on the table for the Florence Urban Renewal Agency at this time.
- Rickard said she attended the Siuslaw Watershed Council meeting. She said there are tensions in the management of the O&C lands within the watershed and it is important for the public to stay informed of these issues.

President Caputo adjourned the meeting at 7:50pm.

President