

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

January 14, 2014

6:30 p.m.

First Baptist Church, 5290 Canal Boulevard, New Orleans, Louisiana

The meeting was called to order at 6:30 pm and requested a roll call by David Halpern.

Board of Directors Present:

Ashlyn Graves
Alva See
David Halpern
Reginald Smith
Warner Tureaud
Connie Uddo

Board of Directors Absent:

Thomas Forbes
Shannon Sims
Howard Rodgers

A quorum was present.

There were no amendments to the agenda.

The agenda was approved and adopted on a motion by Ric Smith, seconded by Ashlyn Graves and unanimously carried.

On a motion by David Halpern, seconded by Ric Smith, and unanimously carried, the minutes from the regular meeting of December 10, 2013 were approved.

Action Items:

1. The Inspector General's Office had made a request that MYHMC come up with a bad debt write-off policy. Wayne Bloom has put a lot of time into this project and asked the Inspector General's Office to furnish some information in order to provide some guidance in developing the policy which is attached to the proposed resolution. In the Financial Audits (2010-2012), MYHMC has reserved approximately \$17,000 for bad debts that have occurred over the last several years. To date, MYHMC has not formally written off any bad debts. The resolution is the recommendation of a proposed policy and a request will be made to the Law Department for an opinion.

On a motion by David Halpern, seconded by Ric Smith, and unanimously carried, the Resolution "Authorizing the Establishment of a Bad Debt Write-Off Policy" was deferred.

2. On a motion by David Halpern, seconded by Ric Smith, and unanimously carried, the resolution "Authorizing the write-off of bad debts for the 2013 fiscal year" was deferred as it relates to resolution #1.

3. Appointment of the Nominating Committee was presented by Warner Tureaud. The following board members are nominated: Ashlyn Graves as Vice-President Chairman, Ric Smith, Shannon Sims, and Howard Rodgers.

The Committee will report to the Board at the February meeting and the election of officers will take place at the March meeting.

Information and Discussion Items:

1. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. MYHMC has received all five (5) boxes of executed leases from the City Attorney's Office which have been scanned into the City's electronic contract system. Wayne Bloom has merged and uploaded the 114 executed leases into the system and they have been approved through the City's routing system. The memorandum of the lease along with the supplemental lease agreement totaling 3 pages per lease has been recorded and the \$90.00 fee is being reimbursed by the lessees. MYHMC is still working to resolve various issues associated with the remaining 18 leases. As per Erica Beck, the City Council Ordinance authorizing the extension to 2068 of the three (3) leases set to expire in 2019 is in process.

2. The FEMA Update was presented by Mr. Casey. Capital Projects (CPA) is currently reviewing the 50% completed harbor repair plans with respect to the scope of the repair project. CPA anticipates submitting the plans to FEMA within the next several weeks. Last week, Capital Projects had a meeting with the Governor's Office of Homeland Security (GOHSEP), who has agreed to fund the cost of a third party construction estimate of the harbor repairs which is expected to cost \$35,000. This is needed as backup to the architect's construction estimate and opinion of probable cost.

In December, the contractor mobilized to start the demolition of Boathouse #93 and two (2) construction signs have been installed on Breakwater Dr. across from the Boathouse. Work has been delayed due to FEMA's request that a Coastal Use Determination be provided. The reconstruction is a replacement of an existing structure as opposed to the construction of a new structure. This is another item that FEMA is requiring in order to release the construction funds, and they want to make sure that it is covered. Capital Projects is in the process of holding discussions with the Louisiana Department of Natural Resources relative to the need for the Coastal Use Permit.

In December, FEMA obligated \$887,000 for the fishing pier and the restroom facilities.

3. The Financial Report was presented by Mr. Smith. At the end of the year MYHMC showed total assets of just over \$3.3 million of which all of them were current assets and the bulk of which was in cash in Capital One bank accounts. On the liability side we have total liabilities of \$1,325,000 of which \$505,000 is the principal on NOAA bonds that is still in deferral and accrued interest on the NOAA bonds is \$133,000. Boathouse refundable lease extension deposits total \$595,000. That gives MYHMC an equity position or net fund balance of \$2,040,000 of which \$1,040,000 is unrestricted. For the month of December, total income was \$63,000 and operating expenses totaled \$58,000 which yielded \$4,000 in ordinary income. In addition, interest expense for the month was \$3,000. For the 2013 year, MYHMC had total revenues of \$635,000 and operating expenses of \$695,000 which provided an operating loss of \$60,000. There was an additional \$36,000 in interest expense which yielded a net loss of \$96,000 for the year.
4. Mr. Casey presented the Executive Director's Report. There were two topics: 1.) The MYHMC's application to Louisiana Department of Wildlife and Fisheries (WLF) for a grant to restore the Breakwater Drive Boat Launch is still pending. As per Randy Myers, boating access coordinator, WLF is still in the process of evaluating applications and reviewing available funds for the current fiscal year and; 2.) The 2013 Financial Audit is scheduled to start on January 27th.

Other Comments and Issues from the Public

None.

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of January 14, 2014

Adjournment:

On a motion by Ric Smith and seconded by Ashlyn Graves, the meeting was adjourned at approximately 7:08pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, February 11, 2014 at the First Baptist Church.