

The Board of Directors of the Lake County Land Reutilization Corporation (the "Board of Directors") met in session on the 11th day of July, 2016 at 3:00 p.m, in the 5th Floor Conference Room of the Lake County Administration Center with the following Directors present:

**MALCOLM A. CHAFER
GABE CICCONETTI
LORRAINE M. FENDE
BETH A. KNEZEVICH**

**TIMOTHY S. MANROSS
JUDY MORAN
ANDY ROSE
DANIEL P. TROY**

Andy Rose moved to approve the minutes of the Friday, April 1, 2016 meeting and Lorraine Fende seconded the motion.

AYES: ALL NAYS: 0 ASBSTENTION: MANROSS

**LAKE COUNTY LAND REUTILIZATION CORPORATION
ANNUAL MEETING
Friday, April 1, 2016 @ 3:00 p.m.
5th Floor Conference Room
Lake County Administration Building**

1. CALL TO ORDER: Vice-Chair, Daniel Troy called the meeting to order at 3:08 p.m.

ROLL CALL: The following were present:

**MALCOLM A. CHAFER
GABE CICCONETTI
LORRAINE M. FENDE
J. BLAIR HAMILTON
BETH A. KNEZEVICH**

**JUDY MORAN
ANDY ROSE
(for Anthony J. Zampedro)
DANIEL P. TROY**

2. AFFIRMATION OF THE CHAIRMAN AND VICE-CHAIRMAN

Commissioner Troy, acting as the Chair, identified a letter from Timothy Manross stating that he would be unable to attend today's meeting, but would be willing to continue as the Board's Chairman. Commissioner Troy then asked for nominations from the floor. Commissioner Moran made a motion to retain Mr. Manross; seconded by Gabe Cicconetti. Hearing no further nominations for the office of Chair, a vote was taken.

Motion: Moran Second: Cicconetti
AYES: ALL NAYS: 0 ABSTENTION: NONE

Commissioner Troy then asked for nominations for Vice-Chair. Commissioner Moran made a motion to retain Commissioner Troy; seconded by Gabe Cicconetti. Hearing no further discussion a vote was taken to keep Commissioner Troy as Vice-Chairman for 2016.

Motion: Moran
AYES: ALL

Second: Cicconetti
NAYS: 0

ABSTENTION: NONE

The terms of both Chairman and Vice-Chairman will conclude on the day of the next Annual Meeting, Monday, March 27, 2017 when the new appointments are made.

3. REVIEW OF THE BUDGET/FISCAL REPORT

Mr. Rogers introduced the LCLRC Financial Statement as well as Balance Sheets and Revenue and Expenditure Sheets for the fiscal year 2015. Mr. Rogers reminded the Board that NMS Certified Public Accountants are contracted each year to prepare our financial statements. Copies were given to all board members. Prior to this meeting, a final review of the draft was completed by Mr. Rogers with NMS. Again, the only recommendation made by NMS was for the Land Bank to consider dividing funds between more than one banking institution as the FDIC insures bank deposits only to \$250,000 per institution.

Mr. Rogers explained that the NMS Financial Statement is prepared differently than our Quick Books Revenue, Expenditures and Balance Sheets. For the purposes of this meeting, Mr. Rogers advised he would review the Quick Books reports.

The LCLRC's total gross revenue for 2015 was \$1,013,290.54. General office expenses were \$15,103.80. Each line items was reviewed with mild increases evidenced in our Directors/Officers insurance and rent (due to the move to 8 N State St.). When reviewing Linda's salary and Mr. Rogers contract wages, it was noted that he worked in excess of his 1000 hours without any additional compensation. An additional expense was included in the \$4,950.00 total spent on LCLRC audits in 2015. This was because we were subject to our first audit by the State of Ohio, which will be required every two years moving forward.

Payments of \$117,995.95 completed the Moving Ohio Forward Program which began in 2013. A total of \$157,260.90 in demolition fees was spent on Land Bank owned properties, most of which will be reimbursed through the Neighborhood Initiative Program (NIP). A total of \$33,900.00 was spent on our cooperative nuisance abatement program for the benefit of local communities. Our total expenses for the year 2015 were \$842,165.40 and the LCLRC realized a net revenue of \$171,125.14.

A review of the Balance Sheet was next. Mr. Rogers made note of our Accounts Receivable line item shows a balance of \$36,109.92. This money is the result of the two mortgages that the Board approved with Resolutions 2015-66, 2015-67 and 2015-68 at the last meeting that effectively reversed the liens that had been certified for the Mt. Olive Baptist Church property located at 415 Chardon St./428 Lawnview Dr., and the Mt. Moriah Church property at 1143 N. State St. Current Assets and Fixed Assets totaled \$4,764,897.68.

At the request of Commissioner Troy, Mr. Rogers reviewed the Land Bank's practice of establishing the values on properties both owned and demolished (liens). Liabilities for payroll, Cuyahoga HHF Mortgages and lien revenue totaled \$4,764,897.68. Vice-Chair Troy asked if there were any questions about the financial statements, summary of revenue sources and expenses. There were none.

The next document introduced to the Board was a *Summary In Brief* of revenues and expenditures 2013-2015 including a percentage of increase/decrease and short description of each of the funding sources. This special report was at the request of Commissioner Troy to help explain the various sources of funding for the Land Bank. Sources include: DTAC Funds, the Moving Ohio Forward Program (MOF), donations, CDBG Funds, Cuyahoga HHF Mortgages, Allstate Foundation Community Grants, bank interest and more recently, the Neighborhood Initiative Program (NIP). OHFA has advised that application to the Feds for future funding in the amount of \$250 million has been made for additional NIP program activities. More information on this phase will be forthcoming.

The NIP Program thus far addresses 27 houses to be demolished. Once reimbursements have been received, Mr. Rogers believes we will have received \$15,000.00 in excess of our original \$500,000.00 grant. This assumption is based upon the average cost of demolitions to date. We have not received actual figures for the last three homes as they are in the bid preparation process. The Ohio Housing Finance Agency (OHFA) has advised that they will be receiving an additional \$93,000,000 from the US Government for the State's NIP Program, and they are reviewing an application Ohio has made for another \$250 million.

NOTE: Based on the figures from the summary report this statistic was realized: Charity Navigator in its report "Evaluating Charities: *Why The Numbers Count*:" states that 3 out of 4 charities examined spend 15% or less of its revenues on administrative costs. The LCLRC has, from a historical perspective, spent 12.03% of its revenues on administrative costs. Concurrently, the LCLRC to date has spent 15.39% of its expenditures toward admin costs.

Vice-Chairman Troy asked if there were any questions about the financial reports by the Board. Hearing none, the Chair entertained a motion to accept the Annual Financial Report as presented by the Executive Director.

Motion: Moran
AYES: 8

Second: Cicconetti
NAYS: 0

ABSTENTION: NONE

After some discussion, Vice-Chairman Troy asked if there was any objection to the proposed schedule of future meetings. Hearing none the schedule stands.

1) SCHEDULE OF FUTURE MEETINGS

The following dates are posted:

Second Quarter – Monday, June 13, 2016 @ 3:00 p.m.

Third Quarter – Monday, September 26, 2016 @ 3:00 p.m.

Fourth Quarter – Monday, December 19, 2016 @ 3:00 p.m.

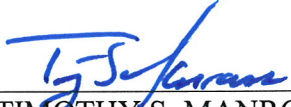
First Annual Meeting – Monday, March 27, 2017 @ 3:00 p.m.

First Quarter – Monday, March 27, 2017 @ 3:00 p.m.

With no further business Vice-Chairman Troy asked for a motion to adjourn.

Motion: Chafer Second: Rose
AYES: 8 NAYS: 0 ABSTENTIONS: 0

The meeting was adjourned at 3:46 p.m. by unanimous vote.

APPROVED: 7/11/16 
TIMOTHY S. MANROSS, Chair

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held April 1, 2016, of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

Dated: 7.11.16 
LINDA S. FREDEBAUGH, Clerk