

The Board of Directors of the Lake County Land Reutilization Corporation (the "Board of Directors") met in session on the **24th day of June, 2019 at 3:00 p.m.**, 8 N State St. Painesville City (KeyBank Building) Lower Level with the following Directors present:

**GABE CICONETTI
JERRY C. CIRINO
JACK CORNACHIO**

**LORRAINE FENDE
KENNETH FILIPIAK
JEFFREY SHIBLEY**

Commissioner Cirino moved to approve the minutes of the Monday, June 24th, 2019 meeting and Jeff Shibley seconded the motion.

AYES: 5

NAYS: 0

ASBSTENTION: 1

**LAKE COUNTY LAND REUTILIZATION CORPORATION
ANNUAL MEETING**

Monday, March 25th, 2019 @ 3:00 p.m.

8 N State St, KeyBank Building (Lower Level), Painesville OH 44077-3955

1. CALL TO ORDER: Tim Manross, Chairman called the meeting to order at 3:03 p.m.

ROLL CALL:

**MAC CHAFER
(MIKE MANARY FOR)
GABE CICONETTI
JERRY CIRINO
JACK CORNACHIO**

**LORRAINE M. FENDE
KENNETH FILIPIAK
TIMOTHY MANROSS
JEFF SHIBLEY
RON YOUNG**

2. Chairman Manross began the meeting by welcoming our new and now official members to our Board; Kenneth Filipiak, Jeff Shibley and Jack Cornachio. Mr. Rogers reminded the Board that the appointment of Kenneth Filipiak was made by the City of Mentor, and Jack Cornachio and Jeff Shibley being selected by the two sitting Commissioners and the Treasurer.

3. RESOLUTION: 2019-107

A RESOLUTION ACKNOWLEDGING THE APPOINTMENT OF KENNETH FILIPIAK TO THE BOARD OF DIRECTORS AS MUNICIPAL DIRECTOR FOR THE LAKE COUNTY LAND REUTILIZATION CORPORATION.

Motion: Fende

Second: Cirino

AYES: 9

NAYS: 0

ABSTENTIONS: 0

Our net position increased by \$1,167,764 over the prior year which reflected a lower increase than that of the previous year. The Land Banks total revenues amounted to \$2,946,642 in 2018. The Land Banks total expenses amounted to \$1,778,878 in 2018.

The Land Bank reports the estimated worth of all its properties based on the estimated taxable market value as published by the Lake County Auditor website. Oftentimes, this figure can be significantly lower or higher than the estimated market values obtained from our independent analysis; more often higher. Mr. Rogers indicated his intent to discuss this with NMS prior to the preparation of the next annual report and to determine what, if any, adjustments should be made to reflect real value and not overstate or inflate values suggesting that the land bank's net worth is of greater value than what actually exists. Any adjustments would be accounted for and reported in the annual statement.

Another concern is the valuation's associated with community demolitions which we certify to the tax duplicate for collection. These liens are recorded as assets as well. Frequently, these parcels are then acquired as a result of a forfeiture. When this happens, our financial statements are adjusted by eliminating the lien figure and reporting the value of the property based on the Auditor's estimated tax valuation. Eliminating the lien from our assets and adjusting the figure to reflect the auditor's valuation can, again, make the property value higher than the market evaluation. Any similar adjustments would also have to be reported by NMS at year's end.

Our Statement of Net Position reports an amount of \$8,474,057. Details of each page of the report were then reviewed. Mr. Rogers explained that when we examine the report prepared by NMS, the report is based on an accrual basis as opposed to our reports which are based on a cash basis or monies in and monies out.

To better understand the impact of this difference, our total revenues listed an amount of \$2,946,642. If we look at our Revenues and Expenses Report for 2018, our gross revenues amounted to \$1,079,930.69 for the year. The difference is between the two types of methodology between an accrual vs cash basis and the fact that when we acquire a parcel of land, the auditor's values are reported as revenue received.

Finally, while no findings exist that might suggest an inappropriate reporting of revenues or expenditures, as we have discussed in the past, the \$250,000 FDIC insurance limitation on accounts is noted.

This year the State Auditor's Office will be retained to conduct its examination of our financial records for 2017 and 2018. This is required by law to be done every two years.

Mr. Rogers plans to create an operational reserve fund and a credit card policy. The fund, is typical for not-for-profits and charitable organizations such as the Land Bank. It would be prudent based on our activities and our fund balances, to create a reserve account for an estimated one year's operational activities. These monies once set aside, remain available for use by the Land Bank, but the usage would be subject to a prior authorization by the Board in the event these funds would be needed.

With the conclusion of the NIP program at the end of this year; unless the association of Land Banks in Ohio is able to secure additional funding from the federal government or Ohio. As to the Credit Card policy, Ohio law now requires a policy in place for all political subdivisions; a category in which all land banks fall.

The Chairman entertained a motion to accept the Annual Financial Report and close the meeting as presented by the Executive Director.

Motion: Cirino Second: Shibley

AYES: 9 NAYS: 0 ABSTENTION: 0

A motion to adjourn the 2019 Annual Meeting was made, seconded and approved.

Motion: Cirino Second: Shibley

AYES: 9 NAYS: 0 ABSTENTION: 0

Setting of next Annual Corporate Meeting:
(On the date and time that is 30 minutes prior to the first quarterly meeting)
Monday, March 23, 2020 at 3:00 PM.

5) SCHEDULE OF QUARTERLY BOARD MEETINGS

Second Quarter - Monday, June 24, 2019 @ 3:00 PM

Third Quarter – Monday, September 23, 2019 @ 3:00 PM

Fourth Quarter – Monday, December 16, 2019 @ 3:00 PM

Annual Meeting – Monday, March 23, 2020 @ 3:00 PM

First Quarter – Monday, March 23, 2020 @ 3:00 PM

ADJOURNMENT

APPROVED: JUNE 24, 2019



GABE CICCONE
GABE CICCONE, VICE-CHAIRMAN

The undersigned Clerk certified that the foregoing is a true and correct transcription of the minutes of the meeting held March 25, 2019, of the Board of Directors of the Lake County Land Reutilization Corporation showing the adoption of the Minutes above set forth.

Dated: JUNE 24, 2019



LINDA S. FREDEBAUGH
LINDA S. FREDEBAUGH, CLERK