

PORT AUTHORITY OF WINONA MINUTES

DATE: July 8, 2004

PRESENT: Commissioners Schwab, Cichanowski, Mielimonka, Kiekbusch, Thurley, Johnson, and Glubka, and Executive Secretary Sorensen

ABSENT: None

1. **CALL TO ORDER – APPROVAL OF JUNE 10 MINUTES**

The meeting was called to order at 4:00 p.m. by President Cichanowski. A motion was made by Commissioner Mielimonka, and seconded by Commissioner Thurley to approve the minutes from the June 10, 2004 meeting. The motion carried with all Commissioners present voting aye.

2. **REMARKS BY PRESIDENT**

President Cichanowski commented on the success of the Grand Excursion Event held on the Mississippi River in Winona. He said that all of the events went well and all of the time and effort of the volunteers was greatly appreciated.

3. **NEW BUSINESS**

A. **Presentation of the 2003 Annual Financial Report for the Port Authority of Winona**

Cliff Hoffman of Deloitte & Touche presented to the Port Authority their Financial Report for 2003. Mr. Hoffman noted that the estimated property values have grown by 50% since 1999, from \$800 million to over \$1.1 billion. This increase in value and growth can be attributed to the development in Winona and to the Port Authority of Winona. Mr. Hoffman also noted the one-year growth rate of 11.3% and again, the five-year overall growth rate of 54.3%. Some of the advantages in Winona that were summarized in the report includes strong bond ratings, a strong commercial tax base, growth of fair market values over the past five years, successful implementation of GASB34, and written Financial Management and Investment Policies. Some of the future challenges include funding for infrastructure replacement and keeping pace with rising health insurance costs. Mr. Hoffman also noted the importance of succession planning and the Quality Management Team for the Port Authority and City of Winona. Mr. Hoffman also stated that the City will be implementing a new computer system and that they would have to be alert as to internal controls. Following the report, a motion was made to accept and place on file the 2003 Financial Report. This motion was made by Commissioner Mielimonka, and seconded by Commissioner Johnson. The motion carried with all Commissioners present voting aye.

B. Financial Management Policy – Proposed Revision

The Port Authority reviewed the Financial Management Policy and a motion was made to adopt the changes. The motion was made by Commissioner Mielimonka, seconded by Commissioner Johnson, and the new Policy was approved with all Commissioners present voting aye.

C. Investment Policy – Proposed Revision

The Port Authority Commissioners reviewed changes to the Investment Policy. A motion was made by Commissioner Mielimonka, and seconded by Commissioner Glubka to approve the Investment Policy. The motion carried with all Commissioners present voting aye.

D. Professional Services Agreement - Riverbend Business Park Engineering Services

The Commissioners reviewed the Professional Services Agreement between the Port Authority and WHKS. This work would be needed for the road design for Riverbend. A motion to accept the Services Agreement at a cost of \$50,000 was approved by Commissioner Mielimonka, and seconded by Commissioner Thurley. Commissioner Mielimonka asked if funds were in the budget to pay for these services. Staff noted that the Sales Tax Fund would be used to pay for the engineering services. A motion was called for a vote with all Commissioners present voting aye.

E. Budget Amendment for Fund 213

A motion was made by Commissioner Mielimonka, and seconded by Commissioner Johnson as follows:

Expenditures		
213-5-4074-1131	\$150,000	
Engineering – Louisa Street Extension		\$100,000
Riverbend Business Park		\$ 50,000
213-5-4074-1500	\$117,000	
Target Land Acquisition		
213-5-4074-1520	\$290,000	
Construct Menard Road		\$190,000
Construct Portion of Riverbend Industrial Road		\$100,000
TOTAL	\$557,000	

The motion for these changes was called for a vote with all Commissioners present voting aye. The motion carried.

F. Composite Product Bond Redemption

CPI requested the Port Authority's approval to pay the remaining balances on their bond indebtedness. This would include two taxable General Obligation Industrial Development Bonds and a General Obligation Industrial Development Bond. Judy Bodway reported that the Port Authority owns the land and building of Composite Products under a Lease Purchase Agreement. They would like to expand and pay off the debt to the Port Authority and seek traditional financing for their new expansion. She reported that at the next Port meeting, documents related to the defeasibility of the bonds would be brought forward. A motion to proceed was made by Commissioner Glubka and seconded by Commissioner Mielimonka. The motion carried with all Commissioners present voting aye.

4. ADJOURNMENT

The motion to adjourn the meeting was made by Commissioner Mielimonka, and seconded by Commissioner Glubka. The motion carried with all Commissioners present voting aye. The meeting was adjourned at 5:00 p.m.

Judy Bodway
Director of Economic Development