

AGENDA
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
Regular Meeting
Wednesday, July 15, 2015 at 12:00 noon
The Alliance for Economic Development of Oklahoma City
Conference Room (High Tower Building)
105 North Hudson, Suite 101
Oklahoma City, OK

1. Call to Order
- 2.* Approve Minutes of May 13, 2015 Port Authority Meeting
- 3.* Accept Financial Reports
- 4.* Election of Officers
5. Consultant Report – Matthew Weaver
- 6.* Ratify and approve payment of claims and invoices
7. Consider New Business
8. Receive Comments from Members, Staff and Citizens
9. Schedule of Next Meeting – Wednesday, September 16, 2015
- 10.* Adjournment

*Action Required

MINUTES
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
SPECIAL MEETING
WEDNESDAY, May 13, 2015 - 12:00 noon
The Alliance Conference Room
Oklahoma City, OK

Board Members in Attendance: Barry Murphy, Vice Chairman; Erika Lucas and Richard Tanenbaum

Board Members Absent: Chuck Mills and Mark Stansberry

Others Present: Susan Barrett, Finance; Matthew Weaver, Marketing Director; Hailey Rawson, Municipal Counselor's Office, Mark Kranenburg, Airport, Cathy O'Connor, The Alliance and Pam Lunnon, The Alliance

1. Call to Order at 12:01 p.m.

2.* Approve Minutes of March 18, 2015 Port Authority Meeting

APPROVED. Moved by R. Tanenbaum; seconded by E. Lucas; Ayes: Tanenbaum, Lucas and Murphy

3.* Accept Financial Reports

Presentation made by Susan Barrett, City of Oklahoma on Financial Reports dated April 30, 2015.

ACCEPTED. Moved by R. Tanenbaum; seconded by E. Lucas; Ayes: Tanenbaum, Lucas and Murphy

4. Consultant Report – Matthew Weaver

Presentation made by Matthew Weaver, Director of Marketing & Business Development
(see attached Consultant Report)

Discussion: General Administrative & Marketing
FTZ Board of Director's Meeting
Annual Report
Citizen Potawatomie Nation Iron Horse Industrial Park

5.* Ratify and approve payment of claims and invoices. Matthew Weaver, FTZ Marketing Director's time 1/1/15 through 2/28/15 - \$1,300.00

APPROVED. Moved by R. Tanenbaum; seconded by E. Lucas; Ayes: Tanenbaum, Lucas and Murphy

6. Consider New Business

7. Receive Comments from Members, Staff and Citizens

8. Schedule of Next Meeting – Wednesday, July 15, 2015

9.* ADJOURNMENT – 12:22 p.m.

Moved by R. Tanenbaum; seconded by E. Lucas; Ayes: Tanenbaum, Lucas and Murphy

*Action Required

Foreign Trade Zone #106 Marketing Activity Report & Invoice
March 1st, 2015 – April 30th, 2015
Matthew S. Weaver

Date: March, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings.
- Prepared for, attended and presented marketing activity report at Foreign-Trade Zone #106 Board of Director's meeting.
- Annual Report: Contacted Usage-Driven sites to verify information to be included in FTZ #106's Annual Report to the Foreign-Trade Zones Board (FTZB) at the U.S. Department of Commerce, and then wrote the narrative portion of the Report to support the Zone Projects activities and commitment to administering the Project. Also, spoke with personnel at the FTZB regarding the Report. This Report will be included in the FTZB's comprehensive Annual Report that is submitted to Congress for review.
- Submitted FTZ #106's Annual Report on 31 March 2015.
- Citizen Potawatomie Nation application: Spoke with Camille Evans of the FTZB, and Jim Collard of CPN, about approval/announcement date(s).

Hours worked: 20 hours x \$50/hr = \$1000

Date: April, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings, networking events.
- CPN application: U.S. Department of Commerce, Foreign-Trade Zone Board, Board Order 1975, designates the CPN's Iron Horse Industrial Park in Shawnee, Oklahoma, as Site 18. Signed on 3 April 2015.

Hours worked: 6 hours x \$50/hr = \$500

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

A Discrete Component Unit of
Oklahoma City, Oklahoma

Board of Directors

Craig R. Knutson, Chairman

Erica Lucas
Chuck Mills
Barry Murphy
Richard Tanenbaum
Mark Stansberry

Management

James D. Couch, General Manager

Financial Report For the Fiscal Year Ended June 30, 2015

Prepared by The Oklahoma City Finance Department, Accounting Services Division
Laura L. Papas, Controller

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

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MEMORANDUM

The City of OKLAHOMA CITY

TO: Port Authority Board of Directors

FROM: Accounting Services Division

DATE: July 9, 2015

SUBJECT: Port Authority of the Greater Oklahoma City Area (Port Authority) Financial Schedules For the Fiscal Year Ended June 30, 2015 and 2014

The financial schedules presented on the following pages include the schedule of cash receipts and disbursements and the supplemental listing of checks issued for the fiscal year ended June 30, 2015 and 2014.

Current year to date receipts totaled \$18,008.11. This compares to prior year to date receipts of \$19,612.06 for a decrease of \$1,603.95. The decrease in receipts is due primarily to annual fees for subzone received in the prior year from Citizen Potawatomi Nation Iron Horse Industrial Park for \$3,600.00, offset by increased warehouse operator fees from Biagi Warehousing Incorporation of \$1,999.69.

Current year to date disbursements totaled \$10,041.15. This compares to prior year to date disbursements of \$4,467.39 for an increase of \$5,573.76. The consulting contract is on an hourly basis for special projects. In both years, the Port Authority has used the service of the consultant on various projects including the Seminole, Lawton, Oklahoma City, and Woodward sub zones. Consultant fees increased \$3,825.00. Also, in the current year, the application fee for Citizen Potawatomi Nation Iron Horse Industrial Park was sent to the U.S. Department of Commerce for \$1,600.00.

The financial schedules are prepared on the cash basis of accounting.

The schedules are preliminary and may change. However, any changes are expected to be immaterial. Significant changes would result in reissuance of the schedules.

The financial schedules are unaudited and prepared for internal use only. The financial schedules are prepared by the City of Oklahoma City, Finance Department, Accounting Services Division. The undersigned are prepared to answer any questions you may have pertaining to the financial schedules.

Prepared by:

Reviewed by:

A handwritten signature in blue ink, appearing to read "Susan M. Barrett".

Susan M. Barrett
Municipal Accountant II

A handwritten signature in blue ink, appearing to read "Christy D. Jameson".

Christy D. Jameson, CPA
Accounting Manager

Approved for issuance:

A handwritten signature in blue ink, appearing to read "Laura L. Papas".

Laura L. Papas
Controller

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Fiscal Year Ended June 30, 2015
(unaudited) (preliminary)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

	<u>2015</u>	<u>2014</u>
<u>RECEIPTS</u>		
Warehouse operator fees - Biagi Warehousing, Inc. -----	\$5,999.65	\$3,999.96
Annual fee - VF Jeanswear-----	12,000.00	12,000.00
Annual fee - Citizen Potawatomi Nation Iron Horse Industrial Park-----	-	3,600.00
Interest on checking -----	8.46	12.10
Total receipts -----	<u>18,008.11</u>	<u>19,612.06</u>
<u>DISBURSEMENTS</u>		
Checks issued for previous period-----	8,393.85	3,404.85
Checks issued for the two months ended June 30,		
Consultant fees - 1237 Matthew Weaver-----	-	800.00
Checks issued for the two months ended June 30,		
Consultant fees - 1248 Matthew Weaver-----	1,300.00	-
Total checks issued for two months ended February 28,-----	<u>1,300.00</u>	<u>800.00</u>
Bank fees -----	347.30	262.54
Total disbursements -----	<u>10,041.15</u>	<u>4,467.39</u>
Net increase (decrease) in cash -----	7,966.96	15,144.67
Beginning cash - July 1,-----	36,859.86	21,715.19
Ending cash - June 30,-----	<u><u>\$44,826.82</u></u>	<u><u>\$36,859.86</u></u>

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2015
For the Fiscal Year Ended June 30, 2015
(unaudited) (preliminary)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

Previously Reported

1238	Matthew Weaver -----	\$1,500.00
1239	U.S. Department of Commerce -----	1,600.00
1242	Matthew Weaver -----	1,125.00
1243	Matthew Weaver -----	675.00
1244	National Association of Foreign-Trade Zones-----	1,200.00
1245	Matthew Weaver -----	800.00
1246	Matthew Weaver -----	1,300.00
1247	The Alliance for Economic Development of OKC-----	193.85
	Total-----	<u><u>\$8,393.85</u></u>

Currently Reported

1248	Matthew Weaver -----	\$1,300.00
	Total-----	<u><u>\$1,300.00</u></u>

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2014
For the Fiscal Year Ended June 30, 2014
(unaudited) (preliminary)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

Previously Reported

1230	Matthew Weaver -----	\$675.00
1231	National Association of Foreign-Trade Zones-----	1,160.00
1232	Matthew Weaver -----	400.00
1233	Matthew Weaver -----	450.00
1234	The Alliance for Economic Development of OKC-----	139.87
1235	Matthew Weaver -----	550.00
1236	The Alliance for Economic Development of OKC-----	29.98
	Total-----	<u>\$3,404.85</u>

Currently Reported

1237	Matthew Weaver -----	\$800.00
	Total-----	<u>\$800.00</u>

I. RELATION TO THE CITY OF OKLAHOMA CITY

The Port Authority of the Greater Oklahoma City Area, (Port Authority), was created by the City of Oklahoma City (City), pursuant to Title 82, Oklahoma Statutes, Sections 1101-1104. The Port Authority was established on October 30, 1962. The Port Authority was granted Foreign Trade Zone #106, (the Zone) on September 14, 1984. The Foreign Trade Zone provides for the physical plant and operation of general warehousing facilities to companies for manufacturing or manipulation, duty free.

The Port Authority is governed by a Board of Directors consisting of five members appointed by the Mayor with the advice and consent of the City Council. The Directors serve a term of four years.

Method of Reporting in the City's Comprehensive Annual Financial Report (CAFR)

The Port Authority is the City's financial reporting entity. The Port Authority is a discretely presented component unit of the City. The City's CAFR can be obtained from the City of Oklahoma City, Finance Department, 100 N. Walker, Ste. 300, Oklahoma City, OK 73102.

II. BASIS OF ACCOUNTING

The attached schedule of cash receipts and disbursements is presented on the cash basis of accounting. Receipts are recorded when cash is received, and disbursements are recorded when paid.

III. OPERATOR'S AGREEMENT

The Port Authority selected Biagi Warehousing, Inc., to act as the operator of the general purpose warehouse. Biagi Warehousing, Inc. is responsible for all warehousing and warehouse-related activities; maintenance of the warehouse; marketing and promotion of the Zone; developing the general purpose warehouse; and assisting and cooperating with the Port Authority on any audit, report, inventory, or other documentation of activities in the Zone. The Port Authority receives a fee of \$3,999.96 from Biagi annually, payable in monthly installments of \$333.33 for the operation of warehousing space.

IV. CONSULTING SERVICES CONTRACT

The Port Authority entered into a contractual agreement for professional services with a consultant to provide marketing and development services, assist in the administration of the Zone #106, and to advise the management and the Board. The consultant is required to prepare a written and oral report of scope of work and services performed at each Board meeting. Among other requirements of the consultant are the preparation and filings of documents to the U.S. Customs Services, the Foreign Trade Zone Board and any other government agency with jurisdiction. The Board has agreed to work with the consultant on an hourly basis on special projects.

V. SUB ZONES

The Port Authority receives additional fees for the establishment and maintenance of sub zones. Sub zones are adjuncts to the general purpose zone and are single user private sites, usually at manufacturing facilities. The amount of the fees will vary according to the number of sub zones that are active. There is a current sub zone VF Jeanswear. The VF Jeanswear application fee was \$12,000, activated in April, 2013. The City of Seminole completed an application unit based trade zone for VF Jeanswear. The initial fee for the Seminole contract was \$5,000.00. Enid has qualified as a sub zone and has paid a fee but has no active zones at this time. The Citizen Potawatomi National Iron Horse Industrial Park sub zone fee of \$1,600.00 was activated in February, 2014 and the annual fee for Citizen Potawatomi Nation Iron Horse Industrial Park was received in April, 2014 in the amount of \$2,000.00.

VI. RECEIPTS

Receipts include sub zone fees, activation and deactivation fees. Activation fees are applied with the application for a sub zone. Deactivation fees are for voluntary discontinuation of the activation of an entire zone or sub zone.

Foreign Trade Zone #106 Marketing Activity Report & Invoice
May 1st, 2015 – June 30th, 2015
Matthew S. Weaver

Date: May, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, networking meetings.
- Prepared for, attended and presented marketing activity report at Foreign-Trade Zone #106 Board of Director's meeting.
- Citizen Potawatomi Nation: Compiled relevant information and spoke with Jim Collard, of CPN, about announcement/celebration date(s).

Hours worked: 8 hours x \$50/hr = \$400

Date: June, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings, networking events.
- Century Martial Arts: I had 2 meetings, and an extensive tour, of Century's mfg. and distribution center with Debbie Lumry, Century's International Sales Account Manager. The company has evolved over the past 10 years to be the largest supplier of martial arts uniforms and associated equipment to the world's markets. The vast majority of all materials, whether components for assembly/manufacture, or for branding and repackaging, are imported. They have a complicated duty-drawback program in place, which is only recovering approximately 75 cents on the dollar. A quick reminder that the duty-drawback program by the government is more of a deterrent for those importers trying to recover taxes/fees than it being an incentive, as all of them are by design according to my sources. They are preparing for their major industry's tradeshow, the first part of July, and Debbie will be arranging a meeting with the owner/president, Mr. Mike Dillard, their CFO, import managers, and warehouse manager, the later part of July. Their operation/inventory control is extremely organized and automated, and by all preliminary accounts should be a prime candidate to take full advantage of FTZ benefits.

Hours worked: 12 hours x \$50/hr = \$600

TOTAL Invoice

Foreign-Trade Zone #106

Marketing Activity Billing Report

Hours worked: 20 hours x \$50/hr = \$1000

Time Period: 4/1 – 5/30/15

submitted by Matthew Weaver

Project	Activity	Time
General Administrative and Marketing	Responding to FTZ inquiries, market segment research, etc; Networking	13
Citizen Potawatomie Nation	Discussions on coordinating materials for public announcement/activities	2
Century Martial Arts	Industry Research, Calls to FTZB on textile regulations, Preliminary Meetings	5

Billable Time: 20 hours

Total Due: \$1000