



Ted Zeller – Chairperson
Candida Affa – Vice Chairperson
Santo Napoli – Treasurer
Daryl Hendricks – Secretary
Jessica Baraket - Member

John N. Morgan – Executive Director
Dan McCarthy, Davison McCarthy – APA Solicitor

ALLENTOWN PARKING AUTHORITY BOARD OF DIRECTORS MINUTES

A regular meeting of the Allentown Parking Authority Board of Directors was held at 12:00 p.m. on Wednesday, May 26, 2021 at the Office of The Allentown Parking Authority, located at 603 W. Linden Street, Allentown, PA 18101.

The following attended:

Ted Zeller – Chairperson
Candida Affa – Vice Chairperson
Daryl Hendricks – Secretary
Santo Napoli – Treasurer
Jessica Baraket – Member
Dan McCarthy – APA Solicitor
John Morgan – Executive Director
Jon Haney – Deputy Director
Connie Abercrombie – Finance Manager
Janet Canevari – Minutes
Andrew Wagaman of Morning Call – Guest (via phone conference)
Chris Betley of Buckno, Lisicky & Co. – Auditor (via phone conference)
Jeffrey Dobeck of Buckno, Lisicky & Co. – Auditor (via phone conference)
Christina Dayton – Deputy Director ABSENT

Mr. Zeller called the meeting to order at 12:20pm. Mr. Zeller asked for a review of the April 28th Board Meeting Minutes. He asked for any questions or comments. Mr. Hendricks made a motion to approve the minutes, and Ms. Affa seconded. The Board voted and approved the April Meeting Minutes.

Mr. Zeller asked the Auditors for their review. He introduced Chris Betley and Jeffrey Dobeck of Buckno, Lisicky & Company.



AUDITOR'S REPORT

Mr. Betley began with an explanation of Pages 1 and 2 of the report.

He stated that on page 1, the section named "Manager's Responsibility for the Financial Statements", means it is Connie and her team's responsibility to prepare and provide the financial statements to us. The Authority has a very strong team, led by Connie, and there were no issues there. As for the Auditors responsibilities, it is their responsibility to review on a risk-based approach. They do not give an opinion on the internal controls, but if they come across any deficiencies, they would be reported to management and the governing bodies. They did not find any type of deficiencies or weaknesses in internal control.

On page 2, under opinion, the last two paragraphs talk about the OPEB schedules, and they do not provide any opinions on those. The supplemental information, which is the budget versus actual, is something they do provide an opinion on.

Pages 3-9 basically explain what the future is going to look like. Schedules that compare prior years, etc.,

Page 10 is the balance sheet. Cash wise, we were \$226K less than the prior year. That is because we moved about \$500K to investments. When combined cash and investments together, we are up about \$300K from the prior year.

The PPE loan of \$581K is still on our balance sheet and is only recognized as revenue on the day it is forgiven, which was March 2021. So, all that \$581K will be recognized as revenue in 2021.

Page 11 shows the OPEB amounts, total liability is about \$838K, but we have investments of about \$433K, so we have a NET of \$395K. Our Net position increased about \$900K, which is amazing considering the year we had. It is basically our capital assets, minus any debt of depreciation, less any debt service on those capital assets.

Page 12 is the Income Statement. Operating Revenue went down from the prior year by \$133K. Operating Expenses went up about \$300K, mostly due to wages and benefits. There was a \$836K difference in Net Position. There was income of \$266,470.00 due to the cancellation of the financing arrangement between City Center for the Gate Equipment at the Spiral Deck.



AUDITOR'S REPORT.....continued

Page 47 in a Summary, which is much more detailed, by category. It is not a required schedule, but they put it in there for the governing body to read. Page 15 shows the investments of the OPEB accounts.

Page 25, in the middle of the page, it states that the Authority is not in compliance with those debt service covenants. This has to do with the debt coverage ratio calculation. They calculate it to be 0.95 in 2020. There is a minimum requirement of 1.1, so we are not in compliance. It was expected that all their clients would not reach their compliance goals, due to the pandemic. Mr. Betley wanted to point out that had the PPE loan been included as revenue and not a loan, we would have met that requirement. As of now, we are asking the bank for a waiver.

Connie stated that she spoke with the bank this morning and they were planning on providing the waiver, they were just waiting on a few more signatures.

Mr. Betley continued with pages 39-45, stating that these are all required schedules regarding the supplemental schedules and information on GASB and OPEB. The last few pages are required communication they are supposed to have with the governing body regarding disclosure of disagreements or issues they had during the audit. They received everything they asked for in a timely fashion. They thanked Connie and her staff.

At this time, the Auditors left the meeting. Mr. Zeller asked Mr. Morgan to present the Executive Director's report.

EXECUTIVE DIRECTOR'S REPORT

Mr. Morgan stated that the ATC project is well underway. So far, a few hiccups, but nothing major. Buses have been rerouted and is going smoothly, as far as we can tell.

The Maple Street garage (9W) project is now moving forward. Waiting for the final plans to be signed off by the City. We had the ribbon cutting for the Oz-Mahal on the 12th. That new station is working out well and is full steam ahead. We have brought on 4 new PCO's and all of the courts have re-opened. We are able to boot vehicles again.



EXECUTIVE DIRECTOR'S REPORT.....continued

People in the downtown area are starting to come back to work, little by little, so our permit count is beginning to rise.

Mr. Haney reported the double-parking numbers. For the month of April, in our targeted area of N. 7th Street, the APA wrote 159 DP citations – so, 501 YTD. Mr. Morgan stated that for the entire city, in April, the APA wrote a total of 378 DP tickets, and so far, this year, 1,263 DP tickets throughout the city.

Mr. Morgan stated that all these tickets are not without a lot of aches and pains. We've had vehicle windows being broken, being shot with paint guns, being verbally threatened, being spit on, etc., Mr. Morgan stated the difference between Allentown and Hoboken is that the Police Department would respond IMMEDIATELY and handcuff them and take them away. Perception is reality and we do not have that here. Everything here is "Oh, the DA is not gonna take the case". Ms. Affa asked if we have had meetings with the APD about this and their response was, "it is the officer's discretion". Mr. Morgan said it is a very hard job, but our people are out there doing it, every day, and every night.

Mr. Morgan stated that in the month of April, we found 4 more stolen cars. And as for the 7A lot status, we are still waiting for the approval from Penn Dot in the next 30 days.

At this time, Mr. Zeller asked Mr. Wagaman if he had anything to add or discuss before we went into executive session. There would not be any items being discussed that would require action coming out of Executive Session. Mr. Wagaman said he had nothing and stated he was leaving the meeting at this time.

The Board broke at 1:04 p.m. for an Executive Session to discuss contractual matters. The Board ended their Executive Session and the regular meeting resumed at 1:50p.m.

EXECUTIVE SESSION - ACTION TAKEN

No action was taken coming out of Executive Session. Mr. Zeller asked Connie to give an abridged version of the finances.



FINANCIAL REPORT

For the month of April, the general operating fund shows a deficit of \$443K, which includes an approved payment by the Board at the April 2021 meeting, of \$500,000.00 to the City.

YTD, total revenue exceeded total operating expenses by \$1.2M. After transfers, the excess for the period is \$77K.

Mr. Zeller asked if anyone had anything else to add or discuss. At this time, the meeting was adjourned.

This meeting was adjourned at 1:54 pm

The next Board Meeting will be held on Wednesday, June 23, 2021