



FY 2017-18 Annual Budget

May 12, 2017 Board Presentation

*Michael A. Houlemard, Jr. Executive Officer
Helen Rodriguez, Controller/Finance Manager*

HIGHLIGHTS



This fiscal year budget was prepared in conjunction with the FY 17-18 CIP Budget – Business Item 8c.

The proposed FY 17-18 Budget includes:

- Fund Balances – \$36.5M at end FY 17-18
 - projected \$35.9M committed/assigned and \$631K unassigned.
- Payment to CalPERS (\$575K) to reduce UAL.
- Full staffing of authorized 16 positions and 1 intern.
- Compensation and Benefit Adjustments
- Extension of Economic Development Program



SUMMARY

CATEGORIES

ANNUAL REVENUES AND EXPENDITURES

TOTAL REVENUES

TOTAL EXPENDITURES

FUND BALANCE USED IN FY 17-18

FUND BALANCE

BEGINNING 7/1/17

ENDING 6/30/18

FY 17-18 PROPOSED	
\$	10,319,178
	18,340,686
\$	(8,021,508)
\$	44,558,609
\$	36,537,101

REVENUES



CATEGORY	SPECIAL REVENUE FUNDS (SRF)				TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	ARMY ESCA	
Membership Dues	\$ 307,000	\$ -	\$ -	\$ -	\$ 307,000
Franchise Fees - MCWD	415,000	-	-	-	415,000
Federal Grants	-	-	-	1,002,580	1,002,580
Development Fees	-	-	6,118,763	-	6,118,763
Land Sale Proceeds	-	-	-	-	-
Rental/Lease Revenues	50,000	-	-	-	50,000
Property Tax Payments	1,300,000	-	1,010,835	-	2,310,835
Reimbursement Agreements	5,000	-	-	-	5,000
Investment/Interest Income	90,000	-	20,000	-	110,000
Total Revenues	\$ 2,167,000	\$ -	\$ 7,149,598	\$ 1,002,580	\$10,319,178

Note: FORA financial statements reports all property taxes in the General Fund. Amount allocated to CFD/TAX Developer Fees would be presented as a Transfer Out of General Fund and a Transfer In to CFD/Tax Developer Fee Funds.

For purposes of the budget , the revenues are shown based on expenditure use of that fund.

Investment/Interest Income in CFD/Tax Developer Fee Funds pertains to the HCP set-aside and is a Fund Balance Designation/Commitment, - see Fund Balance

EXPENDITURES



CATEGORY	SPECIAL REVENUE FUNDS (SRF)				TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	ARMY ESCA	
EXPENDITURES					
Salaries & Benefits	\$ 2,072,862	\$ 150,480	\$ 629,868	\$ 405,880	\$ 3,259,090
Supplies & Services	307,444	19,456	94,200	54,200	475,300
Contractual Services	639,000	2,000	1,129,000	542,500	2,312,500
Capital Projects	-	3,750,000	8,543,796	-	12,293,796
Total Expenditures	<u>\$ 3,019,306</u>	<u>\$ 3,921,936</u>	<u>\$ 10,396,864</u>	<u>\$ 1,002,580</u>	<u>\$ 18,340,686</u>

Highlighted items

Salaries & Benefits Payment of UAL to CalPers to reduce liabilities; 3.0% COLA for staff, retention benefits

FUND BALANCE-RESERVE



CATEGORY	SPECIAL REVENUE FUNDS (SRF)				TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	ARMY ESCA	
Fund Balance used in FY 17-18	(852,306)	(3,921,936)	(3,247,266)	-	(8,021,508)
FUND BALANCE-BEGINNING 7/1/17	13,484,008	11,191,406	19,883,195	-	44,558,609
FUND BALANCE - ENDING 6/30/18	<u>\$ 12,631,702</u>	<u>\$ 7,269,470</u>	<u>\$ 16,635,929</u>	<u>\$ -</u>	<u>\$ 36,537,101</u>

Fund Balance					
<i>Committed/Assigned for:</i>					
CalPers Termination	\$ 7,300,000	\$ -	\$ -	\$ -	\$ 7,300,000
Operations	4,700,000	-	-	-	4,700,000
Habitat Management (HM/HCP)	-	-	13,253,306	-	13,253,306
Bldg Removal	-	3,339,000	-	-	3,339,000
CIP	-	3,930,470	3,382,623	-	7,313,093
Unassigned	631,702	-	-	-	631,702
FUND BALANCE - ENDING 6/30/18	<u>\$ 12,631,702</u>	<u>\$ 7,269,470</u>	<u>\$ 16,635,929</u>	<u>\$ -</u>	<u>\$ 36,537,101</u>

OPERATING BUDGET

FY 17-18 ANNUAL BUDGET



CATEGORY	SPECIAL REVENUE FUNDS (SRF)				TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES/ LAND SALE	CFD/Tax Developer Fees	ARMY ESCA	
REVENUES					
Membership Dues	\$ 307,000	\$ -	\$ -	\$ -	\$ 307,000
Franchise Fees - MCWD	415,000	-	-	-	415,000
Federal Grants	-	-	-	1,002,580 (c)	1,002,580
Development Fees	-	-	-	-	-
Land Sale Proceeds	-	-	-	-	-
Rental/Lease Revenues	50,000	-	-	-	50,000
Property Tax Payments	1,300,000 (a)	-	250,000 (a,b)	-	1,550,000
Reimbursement Agreements	5,000	-	-	-	5,000
Investment/Interest Income	90,000	-	-	-	90,000
Total Revenues	2,167,000	-	250,000	1,002,580	3,419,580
EXPENDITURES					
Salaries & Benefits	1,497,862 (d)	150,479	629,868 (b)	405,880 (c)	2,684,090
Supplies & Services	307,444	19,457	94,200	54,200 (c)	475,300
Contractual Services	639,000	2,000	379,000 (b,e)	542,500 (c)	1,562,500
Capital Projects	-	-	-	-	-
Total Expenditures	2,444,306	171,936	1,103,068	1,002,580	4,721,890
REVENUES OVER (UNDER)					
EXPENDITURES	\$ (277,306)	\$ (171,936)	\$ (853,068)	\$ -	\$ (1,302,310)

Notes

- (a) Property taxes in excess of \$1.3M is be used for CIP projects
- (b) Prevailing Wage program funded up to \$250K from Property Taxes
- (c) Fully funded by ESCA grant
- (d) Excludes \$575K for CalPers UAL - not a normal recurring cost
- (e) Excluded \$750K for CIP Architect/Engineering is funded by Property taxes collected - CIP cost for Transportation projects



Total Compensation and Benefit FY 17-18 - \$3,259,090
(\$2,684,090 + \$575,000 UAL)

Increase of \$303K from prior year for:

- Step increases and longevity for eligible employees
- Final installment of \$575K for CalPers risk pool Unfunded Actuarial Liability and reduces 2020 termination liability
- 3% COLA for eligible employees – Fiscal Impact - \$65,000
- Health Insurance Benefit – Fiscal Impact up to \$17,000
- Retention Benefits – Fiscal Impact up to \$50,000
 - In light of FORA's nearing sunset date, funds to provide for employee retention, special assignments, coverage for employee losses. *This will not increase retirement benefits*

COST OF LIVING ADJUSTMENT



Effective October 1, 2016, pursuant to independent human resources consultant and FC/EC recommendations, the FORA Board adjusted salary ranges to bring FORA employees to equity with other Monterey Bay Regional labor market agencies and affiliated jurisdictions. To sustain this equity, the preliminary budget includes scheduled salary step increases for eligible staff. Proposed Cost-of-Living adjustment (COLA) is provided.

Cost-of-Living-Adjustment (COLA) 3.00%

CPI SF-Oakland-SJ report (available data thru 2/17): 3.44%

Effective date: July 1, 2017

Eligibility: Must be full-time, employed with FORA for the past 12 months.

FY 17-18 BUDGET IMPACT

\$ 64,427	
\$ 55,680	Salary increase
\$ 8,747	Benefits increase - impacts only CalPers and Wcomp
\$2,619,663	Total S & B/No COLA
\$2,684,090	Total S & B/With COLA
\$ 64,427	Difference

COLA Budget by Jurisdictions FY 17-18

	<u>%</u>
City of Carmel	3.00
City of Del Rey Oaks	pending
City of Monterey	2.00
County of Monterey	2.50
City of Marina	pending negotiations
City of Pacific Grove	pending negotiations
City of Salinas	2.50
City of Sand City	pending negotiations
City of Seaside	2.00
MCWD	3.00
TAMC	3.00
MRWPCA	3.00
LAFCO	3.00

Normally uses CPI

final year of 3 year agreement

effective 1/1/17

HEALTH INSURANCE



Total FY 17-18 FORA budgeted contribution	\$	263,208
FY 16-17 FORA contribution	\$	235,055
Change/Increase from prior year	\$	28,153
% increase from prior year		12%

Note:

FY 16-17 FORA had 3 vacant positions that were subsequently filled
Board approved at mid-year an increase with a fiscal impact of \$5K or annually \$10K

For comparative purposes - FY 16-17 if all employees active full fiscal year

Budgeted FORA contribution	\$	263,208
FY 16-17 FORA contribution	\$	235,055
Add new hires cost if hired for full year	\$	15,451
FY 16-17 annualized for 16 FTE all year	\$	250,505
Annualized increase	\$	12,702
Annualized % increase		5%

- In light of FORA's nearing sunset date, a pool of funds for:
 - Special assignments
 - Coverage for employee losses
 - Employee retention
- In the form of a stipend which will not increase retirement benefits.
 - A benefit that will be excluded in the calculation of final compensation by CalPers.
- Fiscal Impact – not to exceed \$50,000

Fort Ord Reuse: Economic Development Program

May 12, 2017

Josh Metz

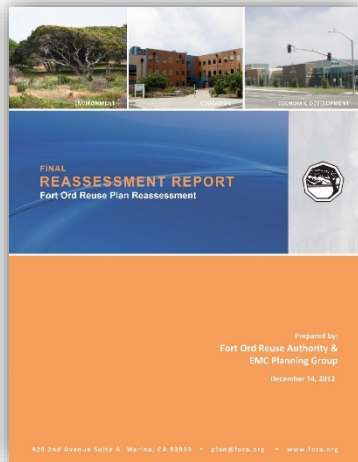
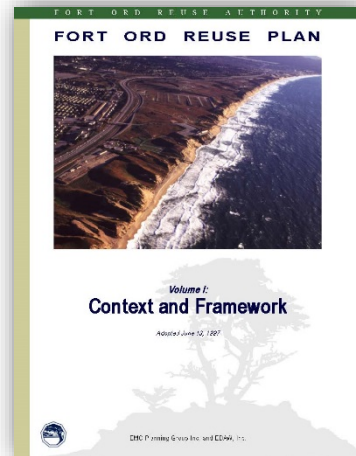
Economic Development Manager

Overview



- Background
- Program
- Accomplishments

Background



- 1994 FORA Act
- 1997 Base Reuse Plan
- 2012 Reassessment
- **2015 Board Action**
 - 2-year initial funding
 - Program Support
 - Personnel

Program



- **Build** on regional strengths
- **Engage** regional partners & stakeholders
- **Develop & maintain** information resources
- **Pursue** new business opportunities
- **Measure & report** progress



Key Accomplishments



- **Stakeholder Engagement**
 - County, Marina, Seaside
 - Developers
 - Conservationists
 - Business Leaders
- **Information Resources**
 - [Coworking Feasibility](#)
 - [OrdForward.org](#)
 - [TheStartupChallenge.org](#)
- **Regional Partnerships**
 - MBEP
 - CSUMB
 - UCMBEST

- **Business Recruitment**
 - American Biosciences, Inc.
 - Wine & Food Center
 - Green Building Supplier
 - Cosmetics Manufacturer
- **Measure & Report**
 - Quarterly Updates
 - Progress Dashboard
 - Jobs Surveys
- **Planning**
 - [Regional Urban Design Guidelines](#)
 - Regional Trails Blueprint

Questions?



Josh Metz
Economic Development Manager
josh@fora.org
OrdForward.org
[@OrdForward](https://twitter.com/OrdForward)
(831) 883-3672

REQUESTED BOARD ACTION



- 1) Approve Proposed Compensation and Benefit Adjustments**

- 2) Extend funding of Economic Development Program**

- 3) Adopt FY 2017-18 Annual Budget**

Q & A