



FORT ORD REUSE AUTHORITY

REGULAR MEETING FORT ORD REUSE AUTHORITY (FORA) FINANCE COMMITTEE

Friday, February 22, 2019 at 2:00 p.m.

920 2nd Avenue, Suite A, Marina CA 93933 (FORA Conference Room)

AGENDA

1. CALL TO ORDER/ESTABLISHMENT OF QUORUM
2. PLEDGE OF ALLEGIANCE
3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE
4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Committee on matters within its jurisdiction, but not on this agenda, may comment for up to 3 minutes and will not receive Committee action.

5. MEETING MINUTES **ACTION**
 - a. Approve December 5, 2018 Regular Meeting Minutes

6. BUSINESS ITEMS **INFORMATION/ACTION**

Business items are for Committee discussion, debate, direction to staff, and/or action. Comments from the public are not to exceed 3 minutes or as otherwise determined by the Chair. Whenever possible, written correspondence on a Business Item should be submitted to the Committee staff 36 hours in advance of the meeting, to provide adequate time for its consideration.

- a. Review FY 18-19 Mid-year Budget

7. ITEMS FROM MEMBERS

Receive communication from Committee members as it may pertain to future agenda items.

8. ADJOURNMENT

For information regarding items on this agenda or to request disability related modifications and/or accommodations please contact the FORA office at (831)883-3672, 48 hours prior to the meeting. Agendas are available on the FORA website at www.fora.org.



**FORT ORD REUSE AUTHORITY
FINANCE COMMITTEE MEETING MINUTES**

**2:00 p.m., Wednesday, December 5, 2018 | Executive Officer's Conference Room
920 2nd Avenue, Suite A, Marina CA 93933**

1. CALL TO ORDER/ESTABLISHMENT OF QUORUM

Chair City of Salinas Mayor Joe Gunter called the meeting to order at 2:00 p.m.

MEMBERS PRESENT:

Mayor Joe Gunter (City of Salinas)
Mayor Ralph Rubio (City of Seaside)
Councilmember Cynthia Garfield (City of Pacific Grove)

Other Representatives Present:

John Gagiloni (City of Del Rey Oaks)

2. PLEDGE OF ALLEGIANCE led by City of Seaside Mayor Ralph Rubio.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

There were no acknowledgements, announcements and correspondence.

4. PUBLIC COMMENT PERIOD

There were no comments received from the public.

5. APPROVAL OF MEETING MINUTES

a. May 2, 2018 Regular Meeting Minutes

MOTION: On motion by Committee member Garfield and second by Committee member Rubio and carried by the following vote the Finance Committee approved the regular meeting minutes of May 2, 2018.

MOTION PASSED UNANIMOUSLY

6. BUSINESS ITEMS

a. Fiscal Year 2017-18 Audited Financial Report

Controller Helen Rodriguez reviewed the fiscal year 2017-18 audited financial report and introduced the auditor representative from Moss, Levey & Hartzheim, Hadley Hui, CPA. Ms. Rodriguez and Mr. Hui responded to questions and comments from the Committee.

MOTION: On motion by Committee member Rubio and second by Committee member Gunter and carried by the following vote the Finance Committee moved to

recommend the fiscal year 2017-18 audited financial report with suggested additions of footnotes to the Board of Directors.

MOTION PASSED UNANIMOUSLY

b. Consider Selection of 2019 Financial Auditor

Item 6b was heard by the Committee due the auditors delay in being connected to the meeting by Conference call. Mr. Houlemard reviewed the item and reminded the Committee that a new auditor is chosen every 5 years. Staff recommended that the same auditor be retained due to their expertise, experience and the approaching sunset of FORA in 2020.

MOTION: On motion by Committee member Garfield and second by Committee member Rubio and carried by the following vote the Finance Committee moved to retain Moss, Levy, Hartzheim as the financial auditor for 2019.

MOTION PASSED UNANIMOUSLY

7. ITEMS FROM MEMBERS

There were no items from members.

8. ADJOURNMENT at 2:30 p.m.

Minutes Prepared by:
Dominique Jones
Deputy Clerk

FORT ORD REUSE AUTHORITY - FY 18-19 MID-YEAR BUDGET - BY FUND

CATEGORY	SPECIAL REVENUE FUNDS (SRF)				TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES/ LAND SALE	CFD/Tax Developer Fees	ARMY ESCA	
REVENUES					
Membership Dues	310,928	-	-	-	310,928
Franchise Fees - MCWD	721,557	-	-	-	721,557
Federal Grants	-	-	-	1,078,135	1,078,135
Development Fees	-	-	10,734,756	-	10,734,756
Land Sale Proceeds	-	-	-	-	-
Rental/Lease Revenues	50,000	-	-	-	50,000
Property Tax Payments	1,300,000	-	1,674,613	-	2,974,613
Reimbursement Agreements	5,000	-	-	-	5,000
Investment/Interest Income	240,000	-	41,490	-	281,490
Other Income	-	-	-	-	-
Total Revenues	2,627,485	-	12,450,859	1,078,135	16,156,479
EXPENDITURES					
Salaries & Benefits	1,728,850	89,411	518,395	461,089	2,797,745
Supplies & Services	313,818	13,230	132,940	76,037	536,025
Contractual Services	1,317,589	25,690	588,062	541,009	2,472,350
Capital Projects	-	9,520,871	17,000,000	-	26,520,871
Total Expenditures	3,360,257	9,649,202	18,239,397	1,078,135	32,326,991
REVENUES OVER (UNDER) EXPENDITURES	(732,772)	(9,649,202)	(5,788,538)	-	(16,170,512)
OTHER FINANCING SOURCES (USES)					
Transfer In/(Out)	375,000	(1,325,000)	950,000	-	-
Total Other Financing Sources (Uses)	375,000	(1,325,000)	950,000	-	-
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES	(357,772)	(10,974,202)	(4,838,538)	-	(16,170,512)
FUND BALANCE-BEGINNING 7/1/17	11,904,456	11,185,029	24,844,821	-	47,934,306
FUND BALANCE-ENDING 6/30/18	11,546,684	210,827	20,006,283	-	31,763,794

Fund Balances

Committed/Assigned for:

CalPers Termination	\$ 6,820,000	\$ -	\$ -	\$ -	\$ 6,820,000
Operations	4,700,000	-	-	-	4,700,000
Habitat Management (HM/HCP)	-	-	17,113,239	-	17,113,239
Building Removal	-	-	-	-	-
CIP	-	210,827	2,893,044	-	3,103,871
Unassigned	26,684	-	-	-	26,684
Ending Fund Balance	11,546,684	210,827	20,006,283	-	31,763,794

FORT ORD REUSE AUTHORITY - FY 18-19 MID-YEAR BUDGET - BY FUND

CATEGORIES	FY 18-19 APPROVED	FY 18-19 <u>Variances</u> <i>Projected thru 6/30/19</i>	FY 18-19 Mid Year	NOTES
REVENUES				
Membership Dues	\$ 310,928	\$ -	\$ 310,928	
Franchise Fees - MCWD	721,557	-	721,557	
Federal Grants	1,129,167	(51,032)	1,078,135	
Development Fees	10,734,756	-	10,734,756	
Land Sale Proceeds	-	-	-	
Rent Proceeds	50,000	-	50,000	
Property Taxes	2,974,613	-	2,974,613	
Reimbursement Agreements	5,000	-	5,000	
Investment/Interest Income	161,490	120,000	281,490	Interest on Sec. 115 Trust
TOTAL REVENUES	<u>16,087,511</u>	<u>68,968</u>	<u>16,156,479</u>	
EXPENDITURES				
Salaries & Benefits	2,902,432	(104,687)	2,797,745	Staff and benefit changes
Supplies & Services	536,025	-	536,025	
Contractual Services	2,112,350	360,000	2,472,350	Financial consultants/ DART/Transportation Study
Capital Projects (CIP)	29,701,327	(3,180,456)	26,520,871	CIP Transportation Contingency
TOTAL EXPENDITURES	<u>35,252,134</u>	<u>(2,925,143)</u>	<u>32,326,991</u>	
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES	(19,164,623)	2,994,111	(16,170,512)	Use of Fund Balance
FUND BALANCES				
Beginning	47,934,306	-	47,934,306	Ties to FY 17-18 Audited Financials
Ending	\$ 28,769,683	\$ 2,994,111	\$ 31,763,794	Ending Fund Balance
Fund Balances				
<i>Committed/Assigned for:</i>				
CalPers Termination	\$ 6,700,000	\$ 120,000	\$ 6,820,000	Staff recommends investing \$1M reserve in Sec. 115 Trust
Operations	4,700,000		4,700,000	
Habitat Management (HM/HCP)	17,113,239		17,113,239	
Building Removal	-		-	
CIP	232,010	2,871,861	3,103,871	
Unassigned	<u>24,434</u>	<u>2,250</u>	<u>26,684</u>	
Ending Fund Balance	<u>\$ 28,769,683</u>	<u>\$ 2,994,111</u>	<u>\$ 31,763,794</u>	

FORT ORD REUSE AUTHORITY - FY 18-19 MID-YEAR BUDGET - BY FUND

EXPENDITURE CATEGORIES	FY 18-19 Approved	FY 18-19 Mid- Year Proposed	Change	NOTES
				"N" indicates a new expense in FY 17-18 budget
<u>SALARIES AND BENEFITS (S & B)</u>	17 positions + 1 intern	17 positions + 1 intern		
SALARIES	2,038,161	1,967,512	(70,649)	
BENEFITS/HEALTH, RETIREMENT, OTHER	714,271	680,233	(34,038)	
TEMP HELP/VACTION CASH OUT/STIPENDS	150,000	150,000	-	
<u>TOTAL SALARIES , BENEFITS AND UAL</u>	2,902,432	2,797,745	(104,687)	
<u>SUPPLIES AND SERVICES</u>				
PUBLIC & LEGAL NOTICES	8,000	8,000	-	
COMMUNICATIONS	8,000	8,000	-	
DUES & SUBSCRIPTIONS	25,000	25,000	-	
PRINTING & COPY	13,000	13,000	-	
SUPPLIES	16,000	16,000	-	
EQUIPMENT & FURNITURE	25,000	25,000	-	
VEHICLE AND MAINTENANCE	28,600	28,600	-	
TRAVEL & LODGING	35,000	35,000	-	
CONFERENCE, TRAINING & SEMINARS	25,000	25,000	-	
MEETING EXPENSES	15,750	15,750	-	
TELEVISED MEETINGS	7,000	7,000	-	
BUILDING MAINTENANCE & SECURITY	10,000	10,000	-	
FORA OFFICES RENTAL	180,000	180,000	-	
UTILITIES	14,175	14,175	-	
INSURANCE	34,000	34,000	-	
PAYROLL/ACCOUNTING SERVICES	7,500	7,500	-	
IT/COMPUTER SUPPORT	35,000	35,000	-	
RECORD ARCHIVING	11,000	11,000	-	
PREVAILING WAGE TECH SUPPORT/SOFTWARE	10,000	10,000	-	
Community Outreach/Marketing	25,000	25,000	-	
OTHER (POSTAGE, BANK FEES, MISC)	3,000	3,000	-	
<u>TOTAL SUPPLIES AND SERVICES</u>	536,025	536,025	-	
<u>CONTRACTUAL SERVICES</u>				
AUTHORITY COUNSEL	250,000	250,000	-	
LEGAL/LITIGATION FEES	185,000	185,000	-	
LEGAL FEES - SPECIAL PRACTICE	75,000	75,000	-	
AUDITORS	18,850	18,850	-	
SPECIAL COUNSEL (EDC-ESCA)	100,000	100,000	-	
ESCA/REGULATORY RESPONSE/ QUALITY ASSURANCE	460,000	460,000	-	
FINANCIAL CONSULTANT	25,000	175,000	150,000	BOD approve \$100K on 1/19 for EPS and \$50K on 9/18 Bldg Removal
LEGISLATIVE SERVICES CONSULTANT	43,000	43,000	-	
PUBLIC INFORMATION/OUTREACH	20,000	20,000	-	
HCP CONSULTANTS	150,000	150,000	-	
FORA Sunset/Transition	500,000	650,000	150,000	Transportation Study
REUSE PLAN IMPLEMENTATION	150,000	150,000	-	
ECONOMIC DEVELOPMENT	105,500	165,500	60,000	DART grant match/Monterey Bay Symposium
OTHER CONSULTING/CONTRACTUAL EXP	30,000	30,000	-	
<u>TOTAL CONTRACTUAL SERVICES</u>	2,112,350	2,472,350	360,000	
<u>CAPITAL PROJECTS</u>				
TRANSPORTATION/OTHER CIP PROJECTS	20,180,456	17,000,000	(3,180,456)	Transportation Contingency
BUILDING REMOVAL	9,520,871	9,520,871	-	
<u>TOTAL CAPITAL PROJECTS</u>	29,701,327	26,520,871	(3,180,456)	
<u>TOTAL EXPENDITURES</u>	35,252,134	32,326,991	(2,925,143)	