

FY 13-14 OPERATING AND CIP BUDGETS DEVELOPMENT AND REVIEW PROCESS

FY 13-14 BUDGET

FY 13-14 CIP

JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		
												STAFF
												FINANCE CMTE
												EXECUTIVE CMTE
											*	ADMIN CMTE
												BOARD

Finance Committee completes review on April 25 and recommends approval; Executive Committee recommends approval on June 5

* Administrative Committee recommends postponing action on CIP by 1 month

FORT ORD REUSE AUTHORITY - FY 13-14 PRELIMINARY BUDGET - ALL FUNDS COMBINED

CATEGORIES	FY 12-13 APPROVED	FY 12-13 MID-YEAR	FY 12-13 ACTUAL-projected	FY 13-14 PRELIMINARY	NOTES
REVENUES					
Membership Dues	\$ 261,000	\$ 261,000	\$ 261,000	\$ 261,000	
Franchise Fees - MCWD	275,000	275,000	245,000	245,000	Based on FY 12-13 collections, MCWD FY 13-14 budget not available
Federal Grants - ESCA	787,690	787,690	764,093	970,325	Increased activity related to upcoming ESCA property transfer (Attachment D - ET/ESCA)
PLL Loan Payments	-	-	-	694,920	DRO unpaid PLL premium may be collected in coming FY
Development Fees	6,000,000	3,930,986	4,207,002	11,090,443	* Based on draft CIP budget to be considered by FORA Board in June 2013
Land Sale Proceeds	28,450,279	500,000	-	2,750,300	* Based on draft CIP budget to be considered by FORA Board in June 2013
Lease/Rent Proceeds	840,000	1,460,908	1,741,908	1,758,380	Preston Park budget to FORA Board in June; CFD payment removed pending litigation
Property Taxes	-	1,300,000	1,300,000	1,300,000	Anticipated property tax payments from MoCo Auditor/Controller
CSU Deficit Payment	326,795	326,795	326,795	-	Final payment in FY 12-13
Planning Reimbursements	7,000	7,000	7,000	5,000	Reimbursements by future property - owner agencies to manage ESCA access services
Investment/Interest Income	135,000	100,000	100,000	110,000	Interest income from money market/COD accounts
TOTAL REVENUES	37,082,764	8,949,379	8,952,798	19,185,368	
EXPENDITURES					
Salaries & Benefits	1,959,578	1,994,044	1,937,994	2,106,975	Ongoing staffing level, includes potential salary/benefits adjustments (Attachment C - S&B)
Supplies & Services	193,050	185,050	166,550	144,750	Costs reduced, Community Information Center completed, expense policies implemented
Contractual Services	1,548,750	1,957,750	1,876,750	2,865,344	Increased/expected legal fees, environmental review and HCP
Capital Projects (CIP)	4,584,000	1,787,542	1,742,879	3,717,641	* Required Habitat management, other projects CFD fee/land sale revenues dependent
Debt Service (P+I)	19,124,340	1,480,880	1,480,880	1,480,880	Final year of existing loan/lease
TOTAL EXPENDITURES	27,409,718	7,405,266	7,205,053	10,315,589	(Attachment B - Itemized Expenditures)
NET REVENUES					
Surplus/(Deficit)	9,673,046	1,544,113	1,747,745	8,869,779	
FUND BALANCES					
Budget Surplus/(Deficit) - Beginning	5,425,802	5,461,505	5,461,505	7,209,250	
Budget Surplus/(Deficit) - Ending	\$ 15,098,848	\$ 7,005,618	\$ 7,209,250	\$ 16,079,028	Ending Fund Balance/FORA Reserve
				1,323,956	Development Fees
				4,385,990	Land Sale Proceeds
				10,369,083	General Fund/Reserve
				16,079,028	Total
					(set aside to cover a portion of FORA operating costs thru 2020; includes \$7.6M from fees/taxes to repay borrowed funds)

* These amounts will be finalized with the CIP budget approval.

PRELIMINARY FY 13-14 BUDGET

**PROPOSED SALARY/BENEFITS
ADJUSTMENTS**

Effective January 2012, pursuant to independent consultant and FC/EC recommendations, the FORA Board adopted new salary ranges to bring FORA employees to equity with other labor market agencies.

To sustain the equity process, the FORA Executive Committee recommended including in the FY 13-14 budget the following Salary/Benefits adjustments:

	FY 13-14 IMPACT	ANNUAL IMPACT
Maximum impact if all awarded	110,563	138,790
<u>Salaries & Benefits - no adjustments</u>	1,996,412	
<u>Salaries & Benefits - adjusted</u>	2,106,975	
Increase	5.5%	

Scheduled salary step advances

Limited to 5%, effective 1-2014
Scheduled advances to next salary step based on step eligibility and performance
Last salary step increases: 1-2013

with 2.5% COLA	28,227	1/14 - 1/15	56,454
without COLA	25,830		

Cost-of Living-Adjustment (COLA)

CPI SF-SJ reports 2.4% inflation for 3/12 - 3/13 (5.4% for past 24 months)
Last COLA increase: 2% 7-2011

2.5% COLA	42,643	42,643
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Health insurance premium to cover provider increases

Health premium increased 31% from 2010 to 2013
Employees pay health premium increases since 2010 ranging from \$158 (employee only) to \$ 412 (family coverage) per month.

24,693	24,693
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	EE	EE+1	Family	
1-2010	509	1,017	1,323	2010 premium
1-2013	667	1,334	1,734	2013 premium
% Increase	31%	31%	31%	
	509	1,017	1,323	Current employer contribution
	158	317	412	Employee payment

7-2013	667	1,176	1,481	Proposed employer contribution (\$158/mo increase per employee)
	0	158	253	Employee payment

Last employer contribution increase: 1-2010

Additional Pay/Stipends - temporary

Provides the EO flexibility to compensate employees for additional duties, responsibilities, temporary assignments, projects, etc.
Temporary award, ends when temporary assignment/duty ends
Stipends awarded in FY 12-13: \$750.00

Up-to	15,000	15,000
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Compensation increase for Executive Officer

This item will be negotiated seperately with the Executive Committee and the Board during the EO's performance evaluation
Last compensation increase: 7-2010

TBD

PRELIMINARY FY 13-14 BUDGET

ITEMIZED EXPENDITURES

EXPENDITURE CATEGORIES	FY 12-13 Approved	FY 12-13 Mid-Year	FY 12-13 Actual	FY 13-14 PRELIMINARY	NOTES
<u>SALARIES & BENEFITS</u>	14 positions	14 positions	14 positions	14 positions	See Attachment - C "Salaries/Benefits Adjustment"
Staff - Salaries	1,387,046	1,402,869	1,388,619	1,459,795	for detail regarding potential adjustment in this category
Staff - Benefits/Employer taxes	527,532	531,175	531,175	587,180	
Temp help/Vac cash out	45,000	60,000	18,200	60,000	
TOTAL SALARIES & BENEFITS	1,959,578	1,994,044	1,937,994	2,106,975	<i>FY 12-13 under budget/savings estimated at least 55K</i>
<u>SUPPLIES & SERVICES</u>					
COMMUNICATIONS	12,000	8,000	8,000	7,500	
SUPPLIES	14,000	14,000	12,000	12,000	
EQUIPMENT & FURNITURE	10,000	10,000	10,000	6,000	
TRAVEL, LODGING, REGISTRATION FEES	26,000	20,000	28,000	20,000	
MEETING EXPENSES	8,000	6,000	5,000	5,000	
BUILDING MAINTENANCE & SECURITY	8,500	6,000	6,000	6,000	
UTILITIES	13,000	13,000	12,000	12,000	
INSURANCE	48,500	48,500	31,000	22,000	No construction in FY 13-14
IT/COMPUTER SUPPORT	22,050	22,050	22,050	22,500	
PAYROLL/ACCOUNTING SERVICES	6,000	6,000	5,000	5,000	
TRAINING & SEMINARS	5,000	7,000	3,000	5,000	ADC registration fee reclassified to Travel
COMMUNITY INFORMATION CENTER COSTS	7,500	6,000	6,000	-	
TELEVISED MEETINGS	5,000	10,000	10,000	12,000	Additional/longer meetings
OTHER:					
NOTICES, DUES, PRINTING, POSTAGE, ETC	7,500	8,500	8,500	9,750	Under \$5,000/year expense items
TOTAL SUPPLIES AND SERVICES	193,050	185,050	166,550	144,750	<i>FY 12-13 under budget/savings estimated at least 18K</i>
<u>CONTRACTUAL SERVICES</u>					
AUTHORITY COUNSEL/EXPIRING CONTRACT	131,250	131,250	131,250	77,344	<i>FORA BM 3/15/13</i> : Contract expires by September 15, 2013 On-call after 9/15/13-JPA, HCP/implementing agreements (\$50K)
AUTHORITY COUNSEL/NEW CONTRACT				135,000	<i>FORA BM 3/15/13</i> : New Authority Counsel is selected
LEGAL/LITIGATION FEES	125,000	500,000	500,000	500,000	Based on FY 12-13 level of legal representation/initiative
LEGAL FEES - SPECIAL PRACTICE	15,000	15,000	15,000	10,000	CEQA/land use specialist
OTHER LEGAL FEES - REFERENDA, POOLS	-	-	-	600,000	Anticipated initiative election (cost per one petition)
AUDITOR	37,500	57,500	48,000	20,000	Annual Auditor
SPECIAL COUNSEL (EDC-ESCA)	70,000	135,000	135,000	200,000	ESCA property transfer, potential litigation, jurisdiction training
ESCA PROPERTY CARETAKING				50,000	Maintenance/insurance costs during transfer period
ESCA/REGULATORY RESPONSE/QUALITY ASSURANCE	420,000	420,000	317,000	420,000	Increased services due to upcoming ESCA property transfer
VETERANS CEMETERY CONSULTANTS	-	56,000	60,000	TBD	CCCVC CDVA preliminary plans and fees to be reimbursed
FINANCIAL CONSULTANT	60,000	60,000	87,500	50,000	Development fee formula/HCP endowment requirements
LEGISLATIVE SERVICES CONSULTANT	40,000	43,000	43,000	43,000	Legislative/agency interaction - CCCVC, HCP, etc.
PUBLIC INFORMATION/OUTREACH	25,000	25,000	25,000	25,000	Print, internet, broadcast PI/media support
HCP CONSULTANTS	270,000	160,000	160,000	260,000	Final HCP/EIR/EIS document preparation
BASE REUSE PLAN (BRP) POST-REASSESSMENT	325,000	325,000	325,000	450,000	Potential BRP actions and/or additional environmental review
OTHER CONSULTING/CONTRACTUAL EXP	30,000	30,000	30,000	25,000	HR/miscellaneous consulting
TOTAL CONTRACTUAL SERVICES	1,548,750	1,957,750	1,876,750	2,865,344	
<u>CAPITAL PROJECTS</u>					
TRANSPORTATION/OTHER CIP PROJECTS	3,000,000	804,795	691,129	945,030	Refer to CIP 13-14 for project detail
HCP ENDOWMENT	1,584,000	982,747	1,051,751	2,772,611	CFD Fee 25% set aside, current endowment fund balance \$5.65M
TOTAL CAPITAL PROJECTS	4,584,000	1,787,542	1,742,879	3,717,641	
<u>DEBT SERVICE (Principal and Interest)</u>					
PRESTON PARK LOAN DEBT SERVICE	682,440	1,364,880	1,364,880	1,364,880	Preston Park loan payments thru 6/15/14 (maturity date)
PRESTON PARK LOAN - PAY OFF	18,325,900	-	-	-	PP sale delayed due to litigation
FIRE TRUCK LEASE	116,000	116,000	116,000	116,000	Final payment in FY 13-14
TOTAL DEBT SERVICE	19,124,340	1,480,880	1,480,880	1,480,880	
TOTAL EXPENDITURES	27,409,718	7,405,266	7,205,053	10,315,589	

PRELIMINARY FY 13-14 BUDGET

ET/ESCA

CATEGORY		REVENUES <u>3/2007 - 6/2009</u>	EXPENDITURES <u>3/2007 - 6/2013</u>	AVAILABLE FUNDS <u>FOR FY 13-14</u>	EXPENDITURES <u>FY 13-14</u>	AVAILABLE FUNDS <u>FOR FY 14-15</u>
Federal Grant Award March 2007	*	99,316,187				
Credit to Army for early payments		<u>(1,587,578)</u>				
TOTAL REVENUES		97,728,609	(94,134,678)	3,593,932	(970,325)	2,623,607
<u>GRANT FUNDS ALLOCATION</u>						
FORA/Program Management		3,392,656	(2,169,727)	1,222,930	(550,325)	672,605
EPA/DTSC/ERRG Regulatory Response Cost		4,725,000	(2,353,998)	2,371,002	(420,000)	1,951,002
FORA/Future PLL coverage		916,056	(916,056)	-	-	-
LFR/AIG commutation account	**	<u>88,694,897</u>	<u>(88,694,897)</u>	-	-	-
TOTAL		97,728,609	(94,134,678)	3,593,932	(970,325)	2,623,607

* The \$99.3M Federal Grant was paid in three phases: \$40M in FY 06-07, \$30M in FY 07-08, and \$27.7M in FY 08-09. The Army made payments ahead of schedule securing a \$1.6M credit; FORA collected the last payment on 12/17/2008.

** FORA made the last payment to LFR (now Arcadis)/AIG (now Chartis) commutation account upon receipt of the final grant payment. The commutation account will continue to pay for ESCA remediation through 2014.

The preliminary FY 13-14 budget includes \$970K of the \$3.6M available balance prorated to cover FY 13-14 expenditures.