

A large, faint, light-green silhouette of the state of California is positioned in the background on the left side of the slide. It serves as a backdrop for the main title text.

# FY 2015-16 Annual Budget

May 8, 2015 Board Presentation

*Michael A. Houlemard, Jr. Executive Officer*



# HIGHLIGHTS

This fiscal year budget assumes Preston Park acquisition by the City of Marina by June 2015. The net sale proceeds (after retiring the Rabobank loan and other Preston Park litigation obligations) are presented in the budget as part of the Fund beginning balance (7/1/15 balance).

## **The proposed FY 15-16 Budget:**

- Sets-up a Reserve designating funds for California Public Employees Retirement System (CalPERS) pension liabilities and operating obligations through FORA sunset
- Includes extra payments to CalPERS to reduce current liabilities
- Designates sufficient funds in FY 15-16 plus a set-aside to complete building removal responsibilities

# SUMMARY

FY 15-16 ANNUAL BUDGET



## ***BUDGET ASSUMES PRESTON PARK SALE BY JUNE 30, 2015***

CATEGORIES	FY 15-16 PRELIMINARY
<b>ANNUAL REVENUES AND EXPENDITURES</b>	
TOTAL REVENUES	\$ 13,077,531
TOTAL EXPENDITURES	16,632,419
NET REVENUES Surplus (Deficit)	(3,554,888)
<b>FUND BALANCES</b>	
BEGINNING 7/1/15 <i>(Includes Preston Park Net Proceeds)</i>	26,132,159
ENDING 6/30/16	\$ 22,577,272

# REVENUES

FY 15-16 ANNUAL BUDGET



CATEGORY	SPECIAL REVENUE FUNDS					TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	EDA BR Plan	ARMY ESCA	
REVENUES						
Membership Dues	261,000					261,000
Franchise Fees - MCWD	265,000					265,000
Federal Grants				224,000	850,063	1,074,063
In-kind Local Match	28,000					28,000
PLL Insurance Payments	360,000					360,000
Development Fees			5,585,000			5,585,000
Land Sale Proceeds		485,000				485,000
Rental/Lease Revenues	45,000					45,000
Property Tax Payments	1,300,000		379,468			1,679,468
Reimbursement Agreements	25,000					25,000
Loan Proceeds (I-Bank)		3,000,000				3,000,000
Investment/Interest Income	200,000		70,000			270,000
Other Income	-	-	-	-	-	-
<b>Total Revenues</b>	<b>2,484,000</b>	<b>3,485,000</b>	<b>6,034,468</b>	<b>224,000</b>	<b>850,063</b>	<b>13,077,531</b>

### Highlighted items

Federal Grants                      **EDA Grant (plus local match) to finance Building Removal Business Plan**  
 Loan Proceeds (I-Bank)           **Bridge financing to complete Building Removal obligation**

# EXPENDITURES



CATEGORY	SPECIAL REVENUE FUNDS					TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	EDA BR Plan	ARMY ESCA	
EXPENDITURES						
Salaries & Benefits	2,240,990	-	316,536		344,643	2,902,169
Supplies & Services	174,864	-	25,417		25,419	225,700
Contractual Services	1,285,000	2,000	171,947		480,000	1,938,947
Capital Projects	-	6,500,000	4,678,103	320,000	-	11,498,103
Debt Service	-	67,500	-	-	-	67,500
<b>Total Expenditures</b>	<b>3,700,854</b>	<b>6,569,500</b>	<b>5,192,002</b>	<b>320,000</b>	<b>850,063</b>	<b>16,632,419</b>

**Highlighted items**

- Salaries & Benefits **Payments to CalPERS to reduce liabilities; 2.5% COLA for staff**
- Capital Projects **Remaining Building Removal obligations met in FY 15-16**  
**Building Removal Business Plan development in FY 15-16**

# FUND BALANCE-RESERVE



CATEGORY	SPECIAL REVENUE FUNDS					TOTAL ANNUAL BUDGET
	GENERAL FUND	LEASES LAND SALE	CFD/Tax Developer Fees	EDA BR Plan	ARMY ESCA	
FUND BALANCE-BEGINNING 7/1/15	7,802,602	18,329,557	-	-	-	26,132,159
FUND BALANCE-ENDING 6/30/16	<u>16,489,749</u>	<u>5,245,057</u>	<u>842,466</u>	-	-	<u>22,577,272</u>

**\$ 22,577,272** Ending Fund Balance/FORA Reserve

<u>10,000,000</u>	<b>FORA RESERVE ACCOUNT (recommended by Finance Committee )</b> <i>To be invested in a separate, interest bearing account</i>
<b>5,300,000</b>	<b>Designated:</b> CalPERS pension liability (Including termination liability at 2020)
<b>4,700,000</b>	<b>Undesignated:</b> Operating obligations through 2020 ( <i>future designations are subject to Board's approval</i> )



**1) Approve 2.5% COLA**

*(recommended by Executive Committee)*

**2) Adopt FY 2015-16 Annual Budget**

*(recommended by Finance Committee)*

**Q & A**