



FORT ORD REUSE AUTHORITY

REGULAR MEETING FORT ORD REUSE AUTHORITY (FORA) FINANCE COMMITTEE

Wednesday, May 2, 2018 at 11:00 a.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. April 24, 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. Fiscal Year 2018-2019 Budget Review

7. ITEMS FROM MEMBERS

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

8. ADJOURNMENT

NEXT MEETING: TBD

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., Tuesday, April 24, 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)

Andre Lewis (California State University Monterey Bay)

Councilmember Alan Haffa (City of Monterey)

Councilmember Cynthia Garfield (City of Pacific Grove)

Councilmember Gail Morton (City of Marina)

2. PLEDGE OF ALLEGIANCE led by City of Salinas Mayor Joe Gunter.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Executive Officer Michael Houlemard announced the Monterey County Business Council Infrastructure Summit on April 30, 2018 at 7:30 a.m., Monterey Bay Economic Partnership 4th Annual Regional Economic Summit on May 3, 2018 at 9:30 a.m. and the guided nature walks inside the Army's historic impact areas of the Fort Ord National Monument scheduled for May 5, 2018 at 9:00 a.m. These announcements are also available at www.fora.org.

4. PUBLIC COMMENT PERIOD

There were no comments received from the public.

5. APPROVAL OF MEETING MINUTES

a. January 10, 2018 Regular Meeting Minutes

MOTION: On motion by Committee member Gunter and second by Committee member Lewis and carried by the following vote the Finance Committee approved the minutes of January 10, 2018.

ABSTAIN: Committee Member Morton

MOTION PASSED

6. BUSINESS ITEMS

a. Fiscal Year 2018-2019 Budget

Controller Helen Rodriguez provided an overview of each of the budget items and responded to questions and comments from the Committee. Staff received direction to update items on the budget. The Committee will meet again on May 2, 2018.

7. ITEMS FROM MEMBERS

There were no items from members.

8. ADJOURNMENT at 3:30 p.m.

Minutes Prepared by:
Dominique Jones
Deputy Clerk

FORT ORD REUSE AUTHORITY - FY 18-19 PROPOSED ANNUAL 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	-	-	-	1,129,167	1,129,167
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	120,000	-	41,490	-	161,490
Other Income	-	-	-	-	-
Total Revenues	2,507,485	-	12,450,859	1,129,167	16,087,511
EXPENDITURES					
Salaries & Benefits	1,826,795	102,209	453,603	519,825	2,902,432
Supplies & Services	328,123	12,974	126,595	68,333	536,025
Contractual Services	1,107,589	25,690	438,062	541,009	2,112,350
Capital Projects	-	9,697,868	20,180,456	-	29,878,324
Total Expenditures	3,262,507	9,838,741	21,198,716	1,129,167	35,429,131
REVENUES OVER (UNDER) EXPENDITURES	(755,022)	(9,838,741)	(8,747,857)	-	(19,341,620)
OTHER FINANCING SOURCES (USES)					
Transfer In/(Out)	275,000	(1,325,000)	1,050,000	-	-
Total Other Financing Sources (Uses)	275,000	(1,325,000)	1,050,000	-	-
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES	(480,022)	(11,163,741)	(7,697,857)	-	(19,341,620)
FUND BALANCE-BEGINNING 7/1/18	11,904,456	11,185,029	24,844,821	-	47,934,306
FUND BALANCE-ENDING 6/30/18	11,424,434	21,288	17,146,964	-	28,592,686

Fund Balances

Committed/Assigned for:

CalPers Termination	\$ 6,700,000	\$ -	\$ -	\$ -	\$ 6,700,000
Operations	4,700,000	-	-	-	4,700,000
Habitat Management (HM/HCP)	-	-	17,113,239	-	17,113,239
Building Removal	-	-	-	-	-
CIP	-	21,288	33,725	-	55,013
Unassigned	24,434	-	-	-	24,434
Ending Fund Balance	11,424,434	21,288	17,146,964	-	28,592,686

FORT ORD REUSE AUTHORITY - FY 18-19 PROPOSED ANNUAL BUDGET - COMPARATIVE

CATEGORIES	FY 17-18 APPROVED MID-YEAR	FY 17-18 <u>Variations</u> <i>Projected thru 6/30/18</i>	FY 17-18 <u>PROJECTED</u>	FY 18-19 <u>PROPOSED</u>	NOTES
REVENUES					
Membership Dues	\$ 307,000	\$ 8,584	\$ 315,584	310,928	
Franchise Fees - MCWD	415,000	279,766	694,766	721,557	
Federal Grants	1,002,580	-	1,002,580	1,129,167	
Development Fees	6,118,763	-	6,118,763	10,734,756	
Land Sale Proceeds	-	-	-	-	
Rent Proceeds	50,000	-	50,000	50,000	
Property Taxes	2,310,835	-	2,310,835	2,974,613	
Reimbursement Agreements	5,000	-	5,000	5,000	
Investment/Interest Income	110,000	-	110,000	161,490	
TOTAL REVENUES	10,319,178	288,350	10,607,528	16,087,511	
EXPENDITURES					
Salaries & Benefits	3,845,250	-	3,845,250	2,902,432	
Supplies & Services	475,300	-	475,300	536,025	
Contractual Services	1,562,500	(107,000)	1,455,500	2,112,350	
Capital Projects (CIP)	13,043,796	(9,802,852)	3,240,944	29,878,324	
TOTAL EXPENDITURES	18,926,846	(9,909,852)	9,016,994	35,429,131	
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES	(8,607,668)	10,198,202	1,590,534	(19,341,620)	<i>Use of Fund Balance</i>
FUND BALANCES					
Beginning	46,343,772	-	46,343,772	47,934,306	
Ending	\$ 37,736,104	\$ 10,198,202	\$ 47,934,306	28,592,686	Ending Fund Balance
Fund Balances					
<i>Committed/Assigned for:</i>					
CalPers Termination	\$ 6,700,000		\$ 6,700,000	6,700,000	
Operations	4,700,000		4,700,000	4,700,000	
Habitat Management (HM/HCP)	13,829,853		13,829,853	17,113,239	
Building Removal	3,339,000	3,309,056	6,648,056	-	
CIP	9,058,145	6,493,796	15,551,941	55,013	
<i>Unassigned</i>	109,106	288,350	397,456	24,434	
Ending Fund Balance	\$ 37,736,104	\$ 10,091,202	\$ 47,827,306	28,592,686	

FORT ORD REUSE AUTHORITY - FY 18-19 PROPOSED ANNUAL BUDGET - EXPENDITURE DETAIL

EXPENDITURE CATEGORIES	FY 17-18 Approved Mid-Year	FY 17-18 Variance Projected thru 6/30/18	Projected 6/30/18	FY 18-19 Preliminary	Change from Prior Year	NOTES
	16 positions + 1 intern	16 positions + 1 intern	16 positions + 1 intern	17 positions + 1 intern		"N" indicates a new expense in FY 18-19budget
<u>SALARIES AND BENEFITS (S & B)</u>						
SALARIES	1,911,684	-	1,911,684	2,038,161	126,477	3.0% COLA and Step, reclassification, new position
BENEFITS/HEALTH, RETIREMENT, OTHER	672,406	-	672,406	714,271	41,865	0.5% CalPers Employer portion increase, new position Retention, add'l assignment resulting from attrition due to sunset
TEMP HELP/VACTION CASH OUT/STIPENDS	100,000	-	100,000	150,000	50,000	
<i>SUBTOTAL S & B</i>	2,684,090	-	2,684,090	2,902,432	218,342	
<u>CalPERS UNFUNDED LIABILITIES (UAL)</u>						
SHARE OF RISK POOL UAL - PARTIAL PAYMENT	1,161,160	-	1,161,160	-	(1,161,160)	UAL funded FY 17-18, pending 8/18 Actuarial report
<i>SUBTOTAL PERS UAL</i>	1,161,160	-	1,161,160	-	(1,161,160)	
TOTAL SALARIES , BENEFITS AND UAL	3,845,250	-	3,845,250	2,902,432	(942,818)	
<u>SUPPLIES AND SERVICES</u>						
PUBLIC & LEGAL NOTICES	8,000	-	8,000	8,000	-	
COMMUNICATIONS	8,000	-	8,000	8,000	-	
DUES & SUBSCRIPTIONS	25,000	-	25,000	25,000	-	
PRINTING & COPY	13,000	-	13,000	13,000	-	
SUPPLIES	16,000	-	16,000	16,000	-	
EQUIPMENT & FURNITURE	25,000	-	25,000	25,000	-	
N VEHICLE AND MAINTENANCE	-	-	-	28,600	28,600	CIP related, construction vehicle and expenses
TRAVEL & LODGING	33,000	-	33,000	35,000	2,000	Anticipated increase
CONFERENCE, TRAINING & SEMINARS	19,000	-	19,000	25,000	6,000	Training as projects progresses, employee transition
MEETING EXPENSES	15,000	-	15,000	15,750	750	Anticipated 5% rate increase
TELEVISED MEETINGS	7,000	-	7,000	7,000	-	
BUILDING MAINTENANCE & SECURITY	10,000	-	10,000	10,000	-	
FORA OFFICES RENTAL	180,000	-	180,000	180,000	-	
UTILITES	13,500	-	13,500	14,175	675	Anticipated 5% rate increase
INSURANCE	27,300	-	27,300	34,000	6,700	Anticipated 5% increase, liability for In house Counsel
PAYROLL/ACCOUNTING SERVICES	7,500	-	7,500	7,500	-	
IT/COMPUTER SUPPORT	29,000	-	29,000	35,000	6,000	CIP - Field computer and internet, AutoCAD
RECORD ARCHIVING	1,000	-	1,000	11,000	10,000	CIP - archiving of planning documents
PREVAILING WAGE TECH SUPPORT/SOFTWARE	10,000	-	10,000	10,000	-	
Community Outreach/Marketing	25,000	-	25,000	25,000	-	
OTHER (POSTAGE, BANK FEES, MISC)	3,000	-	3,000	3,000	-	
TOTAL SUPPLIES AND SERVICES	475,300	-	475,300	536,025	60,725	
<u>CONTRACTUAL SERVICES</u>						
AUTHORITY COUNSEL	200,000	-	200,000	250,000	50,000	CIP/Building Removal - Contract
LEGAL/LITIGATION FEES	125,000	-	125,000	185,000	60,000	Building Removal related
LEGAL FEES - SPECIAL PRACTICE	25,000	-	25,000	75,000	50,000	CIP CEQA Counsel, ROW & Easement, Real Estate Transfer
AUDITORS	24,000	(7,000)	17,000	18,850	1,850	Anticipated increase, amended grant
SPECIAL COUNSEL (EDC-ESCA)	100,000	-	100,000	100,000	-	
ESCA/REGULATORY RESPONSE/ QUALITY ASSURANCE	460,000	-	460,000	460,000	-	
FINANCIAL CONSULTANT	25,000	-	25,000	25,000	-	
LEGISLATIVE SERVICES CONSULTANT	43,000	-	43,000	43,000	-	
PUBLIC INFORMATION/OUTREACH	20,000	-	20,000	20,000	-	
HCP CONSULTANTS	150,000	-	150,000	150,000	-	
FORA Sunset/Transition	50,000	(25,000)	25,000	500,000	475,000	Career Counseling, Consultants, Application Fee, Indemnification Fund
REUSE PLAN IMPLEMENTATION	150,000	-	150,000	150,000	-	
ECONOMIC DEVELOPMENT	85,500	-	85,500	105,500	20,000	\$15K CSUMB and \$5K local support
PW WAGE CONSULTANTS	75,000	(75,000)	-	-	-	
OTHER CONSULTING/CONTRACTUAL EXP	30,000	-	30,000	30,000	-	
TOTAL CONTRACTUAL SERVICES	1,562,500	(107,000)	1,455,500	2,112,350	656,850	
<u>CAPITAL PROJECTS</u>						
TRANSPORTATION/OTHER CIP PROJECTS	9,293,796	(6,493,796)	2,800,000	20,180,456	17,380,456	CIP Budget
BUILDING REMOVAL	3,750,000	(3,309,056)	440,944	9,697,868	9,256,924	CIP Budget
TOTAL CAPITAL PROJECTS	13,043,796	(9,802,852)	3,240,944	29,878,324	26,637,380	
TOTAL EXPENDITURES	18,926,846	(9,909,852)	9,016,994	35,429,131	26,412,137	

STAFF COST OF LIVING ADJUSTMENT

Staff recommends the following:

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 3.00%

CPI SF-Oakland-SJ report (available data thru 2/18): 3.56%
Effective date: July 1, 2018
Eligibility: Must be full-time, employed with FORA for the past 12 months.

FY 18-19 BUDGET IMPACT

	68,595	
\$	59,364	Salary increase
\$	9,231	Benefits increase - impacts only CalPers and Wcomp
\$	2,833,837	Total S & B/No COLA
\$	2,902,432	Total S & B/With COLA
\$	68,595	Difference

COLA Proposed Budget by Jurisdictions FY 18-19

	%
City of Carmel	2.00
City of Del Rey Oaks	pending negotiations
City of Monterey	2.00
County of Monterey	3.00
City of Marina	2.50
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
LAFCO	3.00
CSUMB	3.00