



Fort Monroe Authority Board of Trustees
Finance Committee Meeting
December 10, 2015 – 1:00pm
Meeting Minutes

The Fort Monroe Authority (FMA) Board of Trustees Finance Committee met on December 10, 2015 at 1:00pm at 20 Ingalls Road, Fort Monroe, Virginia.

Call to Order

1. Organizational Discussion – Glenn Oder, Executive Director

2. Roll Call – Jessica Turner, Assistant Secretary

Present: Jay Joseph, Senator Mamie Locke, Rob Shuford

Absent: Secretary Rick Brown,

A quorum is not present.

3. Approval of Minutes from June 11, 2015

Approval of minutes (APPENDIX I) will be deferred until the next meeting.

Reports and Briefings

4. FY15 Audit Presentation – Krista Edoff, Cherry Bekaert

Ms. Edoff presented the FY15 Audit (APPENDIX II) for the Fort Monroe Authority and its component unit, the Fort Monroe Foundation. This audit includes a financial audit, compliance with laws and regulations, and compliance with federal grants. On all three issues, Cherry Bekaert has issued a clean opinion.

Ms. Edoff reported that new accounting standards regarding pension liability has gone into effect and is reflected in the documents. Additional new standards will be implemented in the coming years and that will be reflected on future audits.

Executive Director Glenn Oder stated that typically the Finance Committee would take action on the audit but since there is no quorum, the Board will need to take action at its next meeting. The Committee agreed that it was not necessary to have Ms. Edoff return for the Board meeting and Deputy Executive Director John Hutcheson could provide an overview of what was reported to the Committee.

5. Financial Report – John Hutcheson, Deputy Executive Director

Mr. Hutcheson reviewed the Financial Report included in the Board package (APPENDIX III). As of October 31, 2015, the Authority government fund had \$3,954,855 in cash on deposit in public fund accounts at Old Point National Bank (OPNB). The government fund net position as of October 31, 2015 was \$11,690,087 compared to \$8,949,251 as of October 31, 2014.

As of October 31, 2015, the Authority enterprise fund had \$425,228 in cash on deposit as well as \$275,308 in restricted security deposits in public fund accounts at OPNB and \$500 in petty cash. The enterprise fund net equity position as of October 31, 2015 is a deficit of \$5,349,617 compared to a deficit of \$3,612,400 for the prior year.

Mr. Hutcheson reviewed the revised FY16 budget included in the Financial Report. Changes to the budget result from personnel changes relating to the departure of the Director of Real Estate and Asset Manager and the change of status for the Senior Accountant from contractor to part-time employee; the delay in the transfer of the Dominion Virginia Power facility agreement; the increase in grant funding from the Office of Economic Adjustment; the expected reimbursement funding from the National Park Service for the public works operation utility systems on NPS-owned property together with reimbursement for grounds maintenance, building maintenance and utility costs for NPS owned property; and the award of a task agreement for \$250,000 in funding from the National Park Service.

Director Oder reported that the budget will be presented to the Board for approval at its next meeting.

6. Executive Director's Report – Glenn Oder, Executive Director

Director Oder reported that residential real estate continues to operate at high occupancy. Director Oder stated that FMA staff is working on the language for the easement to the NPS. The transfer of property from the Army is also working its way through the process.

Director Oder reported that the FMA is working to update the sewer study, which will help to create a strategic project priority for the Capital Improvement Plan (CIP). The Special Events Department will host the Mistletoe Holiday Home Tours on Saturday. The FMA also continues to participate in meetings and conversations regarding the 2019 Commemoration events.

Old Business

7. Zoning Progress Report – Chip Dicks, FutureLaw

Mr. Dicks reported that meetings with City staff are ongoing and that the next steps are for the City staff to present to the Board and then go to the Planning Commission and City Council for approval. Director Oder reported that long-term leases do not trigger zoning regulations. Mr. Joseph stated that he is under the impression that the City will not seek approval on the plan from the FMA Board.

New Business

Director Oder reported that David Shiver will be attending the upcoming Board meeting to provide an update on the economic model in preparation for the March Board retreat.

General Public Comment

A. Mark Perreault, Citizens for a Fort Monroe National Park – bringing all residential and commercial units up to standard to be able to rent is very important, concern about delay in negotiations with NPS regarding the easement as the FMA is resisting the NPS terms, hopes the FMA will urge transfer of Area 4 from the Army to the NPS, and zoning needs to provide maximum flexibility.

Mr. Joseph asked about the process to close out the books on each project as they are completed. Mr. Hutcheson confirmed that there would be a complete accounting for each project as it finishes. Mr. Joseph asked that this information be sent out as projects are completed.

Adjourn

9. The next Committee meeting is Thursday, March 10, 2016 at 1:00pm.

Director Oder adjourned the meeting at approximately 3:00pm.

Respectfully submitted,

Jesica Turner, Assistant Secretary

APPENDIX

APPENDIX I – Minutes from June 11, 2015

APPENDIX II – FY15 Audit

APPENDIX III – Financial Report