



Finance Report for
Fort Monroe Authority Finance Committee
Building 83
October 13, 2016

Financial Statements

The Fort Monroe Authority's (FMA) Senior Accountant departed during the field work for the FY16 audit. The remaining staff has stepped in to fill the void and assist the auditors to complete the field work. Unfortunately, in the absence of the Senior Accountant and with the other Finance Department members engrossed in the audit, the final adjusting entries for FY16 have not been made and the month-end closing activities have not been completed in time to produce financial statements for these meetings.

Cash on Deposit

As of the close of business on October 5, 2016, the FMA had on deposit at Old Point National Bank the following account balances:

Government Fund Operating Account	\$ 3,712,683
Government Fund Restricted Accounts	0
Flexible Spending Employee Account Balances	7,621
Enterprise Fund Residential Operating Account	560,626
Enterprise Fund Residential Security Deposit Account	273,206
Enterprise Fund Utility Operating Account	204,449
Enterprise Fund Special Events Account	85,771

The finance department believes that the current cash balance, together with the remaining general fund transfers and business revenue, will provide enough funding to meet the near-term operating requirements of the FMA.

FY17 Budget Savings Directive

In response to the Commonwealth's revenue shortfall, on August 26th the Governor's Chief of Staff sent a memorandum to all executive branch agencies requiring that all agencies other than higher-education "must prepare savings strategies for FY 2017 equal to five (5) percent of your agency's adjusted legislative appropriation." This directive applied to the FMA, since the FMA is funded through the Department of Commerce and Trade budget. The FMA's approved FY17 appropriation was \$5,298,368. The Department of Planning and Budget allowed an exemption for the \$983,960 PILOT fee payment to the City of Hampton resulting in an adjusted appropriation of \$4,314,408 and a saving strategy target of \$215,720. The budget saving strategy has to be presented to and approved by the responsible agency Secretary by September 20th.

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The Authority submitted two savings strategy plans to Secretary Todd Haymore and Deputy Secretary Hayes Framme for consideration. One of the savings strategies was accepted by the Secretary. The accepted saving strategies are described in the separate budget revision document.

FY18 Budget Savings Directive

The August 26th memorandum from the Governor's Chief of Staff also notified executive branch agencies requiring that budget savings strategies will likely be required. Targets for the FY18 saving strategies will likely be issued once the FY17 recommendations from all agencies are submitted for the Governor's review.

OEA Grant Status

All the paperwork has been completed for the FMA's FY17 grant funding of \$1,021,508. The revised budget reflects the increase in funding above the \$550,551 reflected in the original FY17 budget. The budget adjustments are presented in the separate budget revision document.