



June 30, 2014

Mr. Dan Timberlake, Director
Virginia Department of Planning and Budget
1111 East Broad Street, Room 5040
Richmond, Virginia 23219-3418

RE: Fort Monroe Authority (FMA)

Dear Mr. Timberlake,

In accordance with the Fort Monroe Authority Act, we are enclosing with this letter copies of the FMA's FY15 and FY16 governmental fund and enterprise activity budgets. These budgets were approved by the FMA Board of Trustees at its meeting on June 19, 2014. We are also enclosing a narrative explanation of budget categories that provides background information on each budget line item.

Since the transfer of 312.75 acres of property to Commonwealth ownership in June 2013, the FMA has been working to fulfill the preservation requirements established in the governing documents, including the Programmatic Agreement and Statewide Memorandum of Understanding, while positioning the property for land sales in the approved areas and long-term ground leases in areas where fee simple sales are restricted. After a two-year process with a great deal of public involvement, the Land Use Master Plan was adopted by the FMA Board of Trustees in October 2013 and Governor McDonnell approved the plan in December 2013. The FMA is currently working with the City of Hampton to incorporate the Land Use Master Plan into the City's comprehensive plan. The two parties are also working to develop a zoning ordinance to govern the future use of land parcels sold or ground leased to private parties. These two steps are critical to ensure that private property at Fort Monroe is developed in accordance with the Land Use Master Plan. The FMA expects to complete this process during FY15.

The FMA, in cooperation with the Virginia Department of Environmental Quality, continues to work with Army environmental counsel to agree on the need for and process for remediating environmental issues on four additional reversionary parcels collectively encompassing 43+ acres. These parcels and the accompanying structures, infrastructure and utility systems will transfer to the Commonwealth by reversion once the Army completes investigation and any remediation required by the CERCLA environmental laws. This process is expected to continue through FY16.

The FMA continues to negotiate with the Army for two additional parcels of land at Fort Monroe with disputed title. In order to avoid a protracted legal process in federal courts, the FMA is working with the Army to negotiate an Economic Development Conveyance (EDC) that would resolve the title dispute and result in the transfer of approximately 83.2



acres together with the buildings, infrastructure and utility systems to the Commonwealth. During FY15 the FMA and Army will complete separate appraisals of the disputed property to determine the market value of the disputed parcels.

In brief, the governmental fund budget includes the approved appropriation from the Commonwealth's General Fund of approximately \$6.7 million for FY15 and \$5.5 million for FY16 and a large carryover of funds from FY14. The carryover results from the delay in electric utility transfer that was budgeted to transfer in October 2013 combined with the FMA strategy to delay non-critical projects to preserve working capital in the event that a budget was not approved by July 1, 2014. The surplus will be used to fund delayed projects in FY15 and FY16. The budget reflects continued support from the DOD Office of Economic Adjustment of approximately \$225 thousand from an extension of the FY14 grant and \$550 thousand from new grant requests for FY15 and FY16, although the grants have not been approved at the time of this letter. The expenses reflected in the governmental budget are related to the evaluation, analysis and planning for the reuse of Fort Monroe; the operation of utility systems and common areas; the historic preservation of nearly 200 structures; and the continuation of tourism and educational activities for residents, tenants and visitors as mandated from the FMA Act. Expenses reflected in the government fund budget include personnel and benefits for the majority of the FMA staff. The governmental fund also includes deficit funding for the enterprise activity fund for both FY15 and FY16. More information can be found in the attached government fund budget narrative.

The governmental fund budget was adjusted to remove the majority of the capital projects that were originally proposed to be funded by appropriated general funds. Since the General Assembly approved a \$22.5 million bond allocation for capital projects at Fort Monroe, to be managed by the Department of General Services, the FMA will work with DGS and the Virginia Public Building Authority to develop a capital spending plan that will be presented to the FMA Board for approval prior to the commencement of any projects through VPBA.

The enterprise activity fund reflects the Authority's residential and commercial leasing activities at Fort Monroe. During FY14, the FMA took control of the natural gas, water and sewer master-metered accounts from the Army. FMA began billing third-party tenants for metered and non-metered utility consumption for these 3 commodities in October 2013. As a result, the FMA has established a Utility Fund budget to reflect the portion of utility bills paid by the FMA but not billed to residential or commercial tenants. The FMA continues to lease and manage the 176 residential housing units, a portion of which require significant renovations to bring the units to leasable condition. Using funds from the supplemental FY14 appropriation, the FMA has begun a process to renovate eight residential units. Approximately half of the units were completed in FY14 with the balance to be completed using carryover funds in early FY15. The FMA is also evaluating the conversion of the former 9-unit inn into a 10-unit apartment building. The FMA, working



with its commercial leasing and management contractor, maintains over 1.1 million square feet of non-residential properties. As of the end of FY14 approximately 237 thousand square feet has been leased to state and local governmental entities and private businesses. Given the large inventory of vacant historic buildings the FMA expects the enterprise fund to operate in a large deficit until such time as property can be leased or sold to private parties. More information can be found in the attached enterprise fund budget narrative.

The Fort Monroe Authority greatly appreciates the support we receive from the Department of Planning and Budget through the appropriated funds and bond allocations. Please let us know if you have any questions.

Respectfully submitted,

A handwritten signature in blue ink, reading "John K. Hutcheson". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

John K. Hutcheson
Deputy Executive Director and Treasurer
Fort Monroe Authority

cc: G. Glenn Oder
The Honorable Richard Brown
Toni Walker

Enclosures (4)

GOVERNMENT FUND		FY14-15 BUDGET				FY15-16 BUDGET		
		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14		
		FY14 OEA Carryover Approved	FY15 OEA Grant PROJECTED	FY15 COVA GOVT FUND	FY14-15 TOTAL ALL FUNDS	FY16 OEA Grant PROJECTED	FY16 COVA GOVT FUND	FY15-16 TOTAL ALL FUNDS
Personnel Services								
36	Salaries, Wages and Contract Cost	-	360,359	903,342	1,263,701	360,359	924,068	1,284,427
37	Bonus Program (2-3% based on reviews)			31,593	31,593		32,111	32,111
38	Fringe Benefits		125,294	360,361	485,655	125,294	368,778	494,072
	Total Personnel Services	-	485,653	1,295,296	1,780,949	485,653	1,324,957	1,810,610
40	Full-Time				20			20
41	Contractors				1			1
42	Part-Time/Seasonal				2			2
Other Supplemental Labor								
46	Communications Seasonal Intern		-	3,480	3,480	-	3,480	3,480
47	Other Temps & Interns		-	1,000	1,000	-	1,000	1,000
	Total Other Supplemental Labor	-	-	4,480	4,480	-	4,480	4,480
Management Services								
51	Bay Area Economics		-	50,000	50,000	-	35,000	35,000
52	Historic Tax Credit Advisors		-	8,000	8,000	-	12,000	12,000
53	John Reynolds, NPS Advisor		-	6,000	6,000	-	6,000	6,000
54	Supplemental Security Services Contract		-	252,000	252,000	-	252,000	252,000
	Total Management Services	-	-	316,000	316,000	-	305,000	305,000
Public Program Costs								
58	Casemate Museum Operating Costs							
59	Utilities		-	15,035	15,035	-	15,035	15,035
60	Security		-	71,521	71,521	-	71,521	71,521
61	PILOT (Museum has been declared exempt)		-	-	-	-	-	-
62	Repairs, Maint & Custodial		-	56,930	56,930	-	56,930	56,930
63	Contracts		-	-	-	-	-	-
64	Publ Rel/Marketing		-	450	450	-	450	450
65	Gen & Admin		-	84,022	84,022	-	84,022	84,022
66	Special Events Costs FDN OFFSET REVENUE		-	-	-	-	-	-
	Total Public Program Costs	-	-	227,958	227,958	-	227,958	227,958
Utility Operating Costs								
70	Electric Utility Facility Charge		-	720,000	720,000	-	720,000	720,000
71	Utility Marking Fees (Miss Utility/VUPS)		-	12,000	12,000	-	12,000	12,000
72	PPEA Operator for Water/Sewer/Stormwater/Gas		-	1,240,576	1,240,576	-	1,278,599	1,278,599
	Total Utility Operating Costs	-	-	1,972,576	1,972,576	-	2,010,599	2,010,599
Public Information, P/R and Marketing								
76	Public Notices		-	5,000	5,000	-	5,000	5,000
77	Marketing Consultant		-	57,000	57,000	-	57,000	57,000
78	Public Relations Consultant		-	33,000	33,000	-	33,000	33,000
79	Marketing - Graphics and Design		-	2,500	2,500	-	2,500	2,500
80	Marketing - Advertising		-	30,000	30,000	-	30,000	30,000
81	Tradeshows		-	1,500	1,500	-	1,500	1,500
82	Web Site Hosting		-	12,800	12,800	-	12,800	12,800
83	Domain Name Registrations		-	1,000	1,000	-	1,000	1,000
	Total Public Information, P/R and Marketing	-	-	142,800	142,800	-	142,800	142,800
Architectural, Engineering and Market Research								
87	Kimley-Horn		40,998	31,002	72,000	40,998	19,002	60,000
88	Property Survey Fees		-	25,000	25,000	-	25,000	25,000
89	GIS Project Phase I and II		-	-	-	-	-	-
90	Historic Structure Report (Casemate)	168,300	-	18,700	187,000	-	-	-
91	Master Plan Project		-	50,000	50,000	-	25,000	25,000
92	Matrix Environmental		-	50,000	50,000	-	25,000	25,000
93	Property Physical Condition Assessment Phase 1		-	-	-	-	-	-
94	Property Physical Condition Assessment Phase 2	57,000	-	5,700	62,700	-	-	-
95	Mill Creek Dock/Launch (Phase 1 FY14 /Phase 2 FY15)		-	94,000	94,000	-	-	-
96	Commercial Appraisals		-	12,000	12,000	-	12,000	12,000
97	Disputed Property Appraisals		-	50,000	50,000	-	-	-
98	Residential Appraisals		-	12,000	12,000	-	12,000	12,000
	Total Arch & Eng and Market Research	225,300	40,998	348,402	614,700	40,998	118,002	159,000
General and Administrative								
102	Postal & Express Services		-	1,000	1,000	-	1,000	1,000
103	Printing Services		-	20,000	20,000	-	20,000	20,000
104	Local Exchange Services		-	12,600	12,600	-	12,600	12,600
105	Wireless Services		-	8,600	8,600	-	8,600	8,600
106	Skilled Services		-	2,500	2,500	-	2,500	2,500
107	Organization Memberships		-	5,000	5,000	-	5,000	5,000
108	Publication Subscriptions		-	1,000	1,000	-	1,000	1,000

GOVERNMENT FUND		FY14-15 BUDGET				FY15-16 BUDGET		
		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14		
		FY14 OEA Carryover Approved	FY15 OEA OEA Grant PROJECTED	FY15 COVA GOVT FUND	FY14-15 TOTAL ALL FUNDS	FY16 OEA OEA Grant PROJECTED	FY16 COVA GOVT FUND	FY15-16 TOTAL ALL FUNDS
109	Employee Workshops and Conferences		-	31,500	31,500	-	31,500	31,500
110	Employee Education and Development		-	10,000	10,000	-	10,000	10,000
111	Audit Fees		8,600	8,600	17,200	8,600	8,600	17,200
112	BRAC Attorney Fees		-	103,000	103,000	-	25,000	25,000
113	Other Attorney Fees		-	200,000	200,000	-	75,000	75,000
114	Payroll Fees		-	7,000	7,000	-	7,000	7,000
115	Reference Checks for HR		-	100	100	-	100	100
116	Bank Service Fees		-	1,200	1,200	-	1,200	1,200
117	Line of Credit Charges		-	1,000	1,000	-	1,000	1,000
118	Custodial Services		-	7,200	7,200	-	7,200	7,200
119	Grounds Maintenance		-	6,000	6,000	-	6,000	6,000
120	Building Maintenance and Repair		-	2,000	2,000	-	2,000	2,000
121	Equipment Maintenance and Repair		-	10,000	10,000	-	10,000	10,000
122	Moving and Relocation Services		-	30,000	30,000	-	5,000	5,000
123	Meeting Cost/Supplies		-	7,500	7,500	-	7,500	7,500
124	Computer IT maintenance and cabling		12,900	13,900	26,800	12,900	15,100	28,000
125	Data Backup Services		-	1,200	1,200	-	1,200	1,200
126	Travel, Subsistence and Lodging		-	9,900	9,900	-	9,900	9,900
127	Auto Gas and Maintenance		-	1,000	1,000	-	1,000	1,000
128	Office Supplies		-	22,602	22,602	-	23,713	23,713
129	Research Materials		-	1,000	1,000	-	1,000	1,000
130	BCOM Cooperative Service Cost		-	20,000	20,000	-	20,000	20,000
131	Archeologist Service Cost		-	15,000	15,000	-	15,000	15,000
132	VDEQ Cooperative Service Cost		-	10,000	10,000	-	10,000	10,000
133	PILOT Fee to Hampton		-	4,000	4,000	-	4,000	4,000
134	Refuse Service Charges		-	2,500	2,500	-	2,500	2,500
135	Utilities		-	20,000	20,000	-	20,000	20,000
136	Equipment Rentals		-	7,500	7,500	-	7,500	7,500
137	Building Rentals		-	5,000	5,000	-	5,000	5,000
138	Property Insurance		-	2,000	2,000	-	2,000	2,000
139	Workers Comp Insurance		-	2,200	2,200	-	2,200	2,200
140	D&O Insurance / Bonding		-	8,250	8,250	-	8,250	8,250
141	Auto Insurance		-	120	120	-	120	120
	Total G&A	-	21,500	621,972	643,472	21,500	396,283	417,783
	Furniture, Fixtures and Equipment							
145	Desktop Computer Systems		2,400	17,600	20,000	2,400	14,600	17,000
146	Mobile Computers		-	1,500	1,500	-	1,500	1,500
147	Computer Hardware/server		-	43,000	43,000	-	9,500	9,500
148	Copper/Fiber Network Equipment		-	10,000	10,000	-	10,000	10,000
149	Computer Software		-	9,000	9,000	-	9,000	9,000
150	Accounting Software Upgrade		-	-	-	-	-	-
151	Utility Billing Software		-	5,000	5,000	-	-	-
152	Front Gate Security Cameras		-	25,000	25,000	-	-	-
153	Office Furniture and Appurtenances		-	5,000	5,000	-	12,929	12,929
154	Casemate - Water Diverter Shields		-	19,000	19,000	-	-	-
155	Casemate - Collections Management Software		-	1,000	1,000	-	1,000	1,000
156	Casemate - Door Replacement Phased Project		-	12,000	12,000	-	12,000	12,000
157	Casemate - Electrical System Study and Upgrade		-	10,000	10,000	-	50,000	50,000
158	Casemate - HVAC Replacements		-	10,000	10,000	-	10,000	10,000
	Total FF&E	-	2,400	168,100	170,500	2,400	130,529	132,929
161	TOTAL COSTS	225,300	550,551	5,097,584	5,873,435	550,551	4,660,608	5,211,159
	Property and Improvements							
165	VDOT - Sign and Pavement Marking		-	55,000	55,000	-	55,000	55,000
166	- ADA ramps/sidewalks/curb replace		-	220,000	220,000	-	220,000	220,000
167	- Minor Bridge Repairs		-	25,000	25,000	-	25,000	25,000
168	Engineering (Kimley-Horn)		-	23,000	23,000	-	23,000	23,000
169	Street Sweeping (Veolia)		-	27,000	27,000	-	27,000	27,000
		-	-	350,000	350,000	-	350,000	350,000
	DGS - Active Projects							
172	Building 100 Repairs (mortar repointing & others)							
173	Building 141/142 Repairs Study							
174	Residential Basement Flood Proofing							
175	Elevated Water Heaters							
176	Electrical Systems in Basements							
177	Install Backflow Preventor Valves							
178	Building 83 Repairs (mortar repointing)							
179	Pump Station Upgrades							
180	Pump Station 180 Replacement Design Study							

GOVERNMENT FUND		FY14-15 BUDGET				FY15-16 BUDGET		
		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14		
		FY14 OEA Carryover Approved	FY15 OEA OEA Grant PROJECTED	FY15 COVA GOVT FUND	FY14-15 TOTAL ALL FUNDS	FY16 OEA OEA Grant PROJECTED	FY16 COVA GOVT FUND	FY15-16 TOTAL ALL FUNDS
181	Manhole Repair and Sewer Lining - Phase 1							
182	Fire Hydrants Replacement							
183	Fire Alarm Project							
184	Pump Station 180 Replacement							
185	DGS Administrative Charges							
186	FY12 DGS Maintenance Reserve Funds							
187	FY13 DGS Maintenance Reserve Funds							
188	FY14 DGS Maintenance Reserve Funds							
189	Over/(Underfunded) on Active CIP Projects							
	Other Capital Projects (from CIP not listed above)							
191	Fire and Communication Building Updates							
192	Install Building Electric Meters (on-going)							
193	Install Building Water Meters (on-going)							
194	Stormwater Outfall Backflow Preventers							
195	Butler Buildings - Windows and Doors							
196	Fire Monitoring System (move to EF)							
197	Gutter Cleaning/Repairs (move to EF)							
198	Replace Soffit/Fascia (move to EF)							
199	Replace Roofs (FY14 B96 FY15 210 FY16 B5)							
200	Replace Roofs (Commercial on-going)							
201	Replace Roofs (Residential on-going)							
202	Replace Porches (Residential on-going)							
203	HVAC Replacements (Commercial)							
204	Energy Management Control Software and Hardware							
205	Residential Repairs to down units (Move to EF)							
206	Elevator Repairs (Move to EF)							
207	Water Valve Replacement & Insertion							
208	Eustis Lane & Pratt Street Infrastructure Improvements							
209	Mercury Boulevard Water Improvements							
210	Pump Station 184 Replacement							
211	Remedial Masonry Repairs							
212	Fenwick Road Infrastructure Improvements							
213	Griffith Road & Buckner Infrastructure Improvements							
214	Inner Moat Improvements							
215	Pump Station 58 Replacement							
216	Storm Sewer Replacement (Phase 1)							
217	Total Other Capital Projects	-	-	-	-			
219	Tenant Improvements (to Enterprise Fund Budget)		-	-	-	-	-	-
220	Tenant Improvement for FMA Office Building		-	300,000	300,000	-	-	-
		-	-	300,000	300,000	-	-	-
223	Total Property and Improvements	-	-	650,000	650,000	-	350,000	350,000

GOVERNMENT FUND		FY14-15 BUDGET				FY15-16 BUDGET		
		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14		
		FY14 OEA Carryover Approved	FY15 OEA OEA Grant PROJECTED	FY15 COVA GOVT FUND	FY14-15 TOTAL ALL FUNDS	FY16 OEA OEA Grant PROJECTED	FY16 COVA GOVT FUND	FY15-16 TOTAL ALL FUNDS
CASH REQUIRED								
226	Personnel Services	-	485,653	1,295,296	1,780,949	485,653	1,324,957	1,810,610
227	Other Supplemental Labor	-	-	4,480	4,480	-	4,480	4,480
228	Management Services	-	-	316,000	316,000	-	305,000	305,000
229	Public Program Costs (Casemate)	-	-	227,958	227,958	-	227,958	227,958
230	Utility Operating Costs	-	-	1,972,576	1,972,576	-	2,010,599	2,010,599
231	Public Information, PR & Marketing	-	-	142,800	142,800	-	142,800	142,800
232	Architectural & Engineering	225,300	40,998	348,402	614,700	40,998	118,002	159,000
233	General & Administrative	-	21,500	621,972	643,472	21,500	396,283	417,783
234	Furniture & Equipment	-	2,400	168,100	170,500	2,400	130,529	132,929
235	Property & Improvements	-	-	650,000	650,000	-	350,000	350,000
236	TOTAL COSTS	225,300	550,551	5,747,584	6,523,435	550,551	5,010,608	5,561,159
CASH AVAILABLE								
Revenues								
240	Funds Carryover from prior FY		-	2,021,594	2,021,594	-	821,726	821,726
241	Carryover to next FY		-	(821,726)	(821,726)	-	-	-
242	Casemate Fees for Tours and Admissions			4,000	4,000		5,000	5,000
243	Funding (to)/from Enterprise Fund			(2,572,439)	(2,572,439)		(1,655,151)	(1,655,151)
244	Total Revenues	-	-	(1,368,571)	(1,368,571)	-	(828,425)	(828,425)
Appropriations and Grants								
247	OEA Reimbursement Grant	225,300	550,551	-	775,851	550,551	-	550,551
248	Fort Monroe Foundation		-	-	-	-	-	-
249	VDOT Urban Maintenance Grant		-	350,000	350,000		350,000	350,000
250	Mill Creek Grant		-	48,000	48,000		-	-
251	National Park Service		-	-	-		-	-
252	State Appropriation, General Fund		-	6,718,155	6,718,155		5,489,033	5,489,033
253	Supplemental FY14 Appropriation		-	-	-		-	-
254	USACE Backflow Preventer Grant (75% Share)		-	-	-		-	-
255	Total Appropriations and Grants	225,300	550,551	7,116,155	7,892,006	550,551	5,839,033	6,389,584
257	TOTAL REVENUE & GRANTS	225,300	550,551	5,747,584	6,523,435	550,551	5,010,608	5,561,159
259	Change in Net Position	-	-	0	0	-	0	0

		FY14-15 BUDGET				FY15-16 BUDGET			
ENTERPRISE FUND		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14			
		Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		Residential	Commercial	Utility Fund	TOTAL	Residential	Commercial	Utility Fund	TOTAL
Personnel Services									
12	Salaries, Wages Cost	209,743	-	-	209,743	225,823	-	-	225,823
13	Bonus Program (2-3% based on reviews)	5,244	-	-	5,244	5,646	-	-	5,646
14	Fringe Benefits	72,493	-	-	72,493	91,232	-	-	91,232
15	Total Payroll and Fringe	287,480	-	-	287,480	322,701	-	-	322,701
	Full -Time				3				4
	Contractors				-				-
	Part-Time				2				1
Administrative									
24	Labor-Administration (Includes Office Temps)	-	50,017	-	50,017	-	51,518	-	51,518
25	Advertising	5,000	-	-	5,000	7,500	-	-	7,500
26	Miscellaneous- Bldg 73 Ofc UTILITIES	2,328	-	-	2,328	2,398	-	-	2,398
27	Bank Fees & Finance Charges	-	-	-	-	-	-	-	-
28	Training	7,500	-	-	7,500	19,000	-	-	19,000
29	Prof. Svcs-Court\Collection (+BAD DEBT EXP)	3,980	-	-	3,980	4,099	-	-	4,099
30	Leasing Commission (Non CAM)	-	60,000	-	60,000	-	61,800	-	61,800
31	Leasing Expense	-	-	-	-	-	-	-	-
32	Office Supplies	10,624	1,200	-	11,824	10,943	1,236	-	12,179
33	FF&E Exp-Computers\Software (+Onesite Fees)	13,500	-	-	13,500	13,905	-	-	13,905
34	FF&E Exp-Copier\Fax	2,815	-	-	2,815	2,899	-	-	2,899
35	Pagers\Cell Phones	4,913	3,600	-	8,513	5,060	3,708	-	8,768
36	Postage\Courier	250	-	-	250	258	-	-	258
37	On Line Fees	-	7,680	-	7,680	-	7,910	-	7,910
38	Telephone-Mgmt Office	4,572	3,000	-	7,572	4,709	3,090	-	7,799
39	Meals\Lodging\Travel	-	8,580	-	8,580	-	8,837	-	8,837
40	Conference/Training Fees	-	-	-	-	-	-	-	-
41	Uniforms	1,000	800	-	1,800	1,000	824	-	1,824
42	Total Administrative	56,482	134,877	-	191,359	71,771	138,923	-	210,695
Management Fees									
45	Management Fee	-	150,000	-	150,000	-	150,000	-	150,000
46	Total Management Fees	-	150,000	-	150,000	-	150,000	-	150,000
Insurance									
49	Vehicle Insurance	250	250	-	500	250	500	-	750
50	Property Insurance	65,520	15,750	-	81,270	68,796	16,538	-	85,334
51	Total Insurance	65,770	16,000	-	81,770	69,046	17,038	-	86,084
Cleaning									
54	Cleaning - Office Building 73 (Admin)	1,439	3,000	-	4,439	1,482	3,090	-	4,572
55	Cleaning Contract	21,415	56,000	-	77,415	22,057	73,680	-	95,737
56	Cleaning Supplies	527	-	-	527	543	-	-	543
57	Total Cleaning	23,381	59,000	-	82,381	24,082	76,770	-	100,852
Service Contracts									
60	HVAC Contract	15,029	208,149	-	223,178	15,480	194,393	-	209,873
61	Extermination Contract	6,495	6,000	-	12,495	6,690	7,380	-	14,070
62	Emergency Generator Contract	-	9,780	-	9,780	-	9,473	-	9,473
63	Equipment Service Contract/Lease	-	5,245	-	5,245	-	5,402	-	5,402
64	Fire/Life Safety	-	32,668	-	32,668	-	33,648	-	33,648
65	Landscaping Contract BRICKMAN	88,704	367,422	-	456,126	91,365	361,445	-	452,810
66	Landscaping-Plants/Flowers/Mulch BRICKMAN	39,600	15,000	-	54,600	40,788	15,450	-	56,238
67	Trash Removal\Recycling Contract	-	5,640	-	5,640	-	5,809	-	5,809
68	Alarm Services Contract	-	4,200	-	4,200	-	4,326	-	4,326
69	Elevator R&M Contract	-	53,440	-	53,440	-	53,440	-	53,440
70	Water Treatment Contract	-	14,204	-	14,204	-	14,630	-	14,630
71	Total Service Contracts	149,828	721,748	-	871,576	154,323	705,397	-	859,720
Repairs & Maintenance PROP & MAINT DIV									
74	Labor-R & M (includes Maint Temps)	186,160	177,160	-	363,320	191,745	182,475	-	374,220
75	Labor-Building Manager	-	100,727	-	100,727	-	103,749	-	103,749
76	Building Interior CARPENTRY	3,333	20,000	-	23,333	3,433	20,600	-	24,033
77	Consulting - Arch/Engr	-	-	-	-	-	-	-	-
78	Lead-Based Dust Remediation	150,000	-	-	150,000	150,000	-	-	150,000
79	Door & Glass Repair\Replacement	-	2,400	-	2,400	-	2,472	-	2,472
80	Electrical R & M CONTRACT	5,255	3,000	-	8,255	5,413	3,090	-	8,503
81	Light Bulbs	-	3,000	-	3,000	-	3,090	-	3,090
82	Generator Repairs CONTRACT	-	9,126	-	9,126	-	9,400	-	9,400
83	Equipment R & M	-	1,200	-	1,200	-	1,236	-	1,236
84	Maintenance Equipment Rental	30,000	30,000	-	60,000	30,000	30,900	-	60,900
85	Landscaping R & M	-	19,400	-	19,400	-	19,982	-	19,982
86	Locks and Keys	8,380	12,280	-	20,660	8,631	12,648	-	21,280

ENTERPRISE FUND		FY14-15 BUDGET				FY15-16 BUDGET			
		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14			
		Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	Residential	Commercial	Utility Fund	TOTAL	Residential	Commercial	Utility Fund	TOTAL	
87	Painting	87,803	53,000	-	140,803	90,437	54,590	-	145,027
88	Flooring R & M-Interior	46,907	-	-	46,907	48,314	-	-	48,314
89	Painting R & M-Exterior	50,000	50,000	-	100,000	51,500	51,500	-	103,000
90	Irrigation R & M	-	1,250	-	1,250	-	1,288	-	1,288
91	Contracts - Other	15,442	-	-	15,442	15,905	-	-	15,905
92	Plumbing	12,943	1,800	-	14,743	13,331	1,854	-	15,185
93	Fire/Security Equipment R & M	-	12,500	-	12,500	-	12,875	-	12,875
94	Signage	-	-	-	-	-	-	-	-
95	Small Tools	2,781	3,700	-	6,481	2,864	3,811	-	6,675
96	FF&E Exp-Appliances	4,912	-	-	4,912	5,059	-	-	5,059
97	FF&E Exp - trash/recycle bins, generators etc	20,224	-	-	20,224	20,831	-	-	20,831
98	Supplies R & M (other)	8,579	4,000	-	12,579	8,836	4,120	-	12,956
99	Supplies-Electrical	16,927	-	-	16,927	17,435	-	-	17,435
100	Supplies-Landscaping	12	-	-	12	12	-	-	12
101	Supplies-HVAC	9,344	6,000	-	15,344	9,624	6,180	-	15,804
102	Supplies-Painting	384	28,000	-	28,384	396	28,840	-	29,236
103	Supplies-Plumbing	8,909	-	-	8,909	9,176	-	-	9,176
104	Vehicle-Fuel (truck-carts-maint trvl)	2,400	1,200	-	3,600	2,472	1,236	-	3,708
105	Vehicle R & M	400	1,200	-	1,600	412	1,236	-	1,648
106	Tenant Improvements (non-capital)	-	253,000	-	253,000	-	253,090	-	253,090
107	Building renovations for leasing make-ready	125,000	-	-	125,000	-	-	-	-
108	HVAC Repairs not in contract	-	60,000	-	60,000	-	60,000	-	60,000
109	Roof R & M Contract + Supplies	50,000	20,000	-	70,000	50,000	25,000	-	75,000
110	Gutter Cleaning/Repair	50,000	25,000	-	75,000	50,000	25,000	-	75,000
111	Tree Maintenance	-	50,000	-	50,000	-	50,000	-	50,000
112	Fascia/Soffitt Repairs	25,000	25,000	-	50,000	25,000	25,000	-	50,000
113	Parking Lot Repairs & Striping	-	50,000	-	50,000	-	50,000	-	50,000
114	Total Repairs & Maintenance	921,095	1,023,943	-	1,945,038	810,828	1,045,261	-	1,856,089
Taxes and Licenses									
117	Real Estate Taxes - PILOT	342,115	638,190	-	980,305	342,115	638,190	-	980,305
118	Total Taxes and Licenses	342,115	638,190	-	980,305	342,115	638,190	-	980,305
Utilities									
121	Electricity	225,031	516,727	-	741,758	231,782	580,458	-	812,240
122	Electricity (Non CAM)	-	-	-	-	-	-	-	-
123	Trash Removal/Recycling Contract CITYHPT	6,861	2,874	-	9,735	7,067	2,960	-	10,027
124	Water & Sewer	126,360	30,952	450,000	607,312	130,151	31,880	450,000	612,032
125	Fuel & Oil	-	12,615	-	12,615	-	12,994	-	12,994
126	Natural Gas	72,227	37,886	350,000	460,112	74,393	39,022	350,000	463,416
127	Total Utilities	430,479	601,054	800,000	1,831,533	443,394	667,315	800,000	1,910,708
Furniture, Fixtures and Equipment (non-Capital)									
130	Moisture Control Equipment (Fans & Dehumidifiers)	-	-	-	-	-	-	-	-
131	Computer Equipment for Leasing/Maintenance Office	1,500	-	-	1,500	1,500	-	-	1,500
133	Total Furniture, Fixtures and Equipment (non-Capital)	1,500	-	-	1,500	1,500	-	-	1,500
TOTAL COSTS		2,278,130	3,344,812	800,000	6,422,942	2,239,760	3,438,894	800,000	6,478,654
BALANCE SHEET BUDGET (uses Cash)									
138	Tenant Improvements (non-capital in R&M above)	-	-	-	-	-	-	-	-
139	FF&E - Vehicles	-	-	-	-	-	17,000	-	17,000
140	Repair residential units (moved to R&M section)	-	-	-	-	-	-	-	-
141	Convert Building 80 to residential	-	350,000	-	-	-	-	-	-
142	Total Balance Sheet Budget	-	350,000	-	-	-	17,000	-	17,000

		FY14-15 BUDGET				FY15-16 BUDGET			
ENTERPRISE FUND		Approved by FMA Board on 6/19/14				Approved by FMA Board on 6/19/14			
		Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		Residential	Commercial	Utility Fund	TOTAL	Residential	Commercial	Utility Fund	TOTAL
SUMMARY - Enterprise Fund									
Category Totals									
147	Personnel	287,480	-	-	287,480	322,701	-	-	322,701
148	Administrative	56,482	134,877	-	191,359	71,771	138,923	-	210,695
149	Management Fees	-	150,000	-	150,000	-	150,000	-	150,000
150	Insurance	65,770	16,000	-	81,770	69,046	17,038	-	86,084
151	Cleaning	23,381	59,000	-	82,381	24,082	76,770	-	100,852
152	Service Contracts	149,828	721,748	-	871,576	154,323	705,397	-	859,720
153	Repairs and Maintenance	921,095	1,023,943	-	1,945,038	810,828	1,045,261	-	1,856,089
154	Taxes and Licenses	342,115	638,190	-	980,305	342,115	638,190	-	980,305
155	Utilities	430,479	601,054	800,000	1,831,533	443,394	667,315	800,000	1,910,708
156	Furniture, Fixtures and Equipment	1,500	-	-	1,500	1,500	-	-	1,500
157	Balance Sheet Items (require cash)	-	350,000	-	350,000	-	17,000	-	17,000
158	TOTAL COSTS	2,278,130	3,694,812	800,000	6,772,942	2,239,760	3,455,894	800,000	6,495,654
Revenues									
162	Chamberlin Ground Lease	-	-	-	-	-	-	-	-
163	Apt Demolition (committed funds from FY12)	-	-	-	-	-	-	-	-
164	Residential Leases - Homes	2,709,942	-	-	2,709,942	2,959,942	-	-	2,959,942
165	Rent Concessions	(250,000)	-	-	(250,000)	(150,000)	-	-	(150,000)
166	Residential - Garages	4,500	-	-	4,500	4,500	-	-	4,500
167	Residential Leases - Apartments	-	-	-	-	-	-	-	-
168	Commercial - Office/Warehouse	-	879,950	-	879,950	-	1,119,950	-	1,119,950
169	Event Rentals	-	-	-	-	-	-	-	-
170	CAM Recoveries	-	43,267	-	43,267	-	43,267	-	43,267
171	Utility Reimbursement	-	362,844	-	362,844	-	412,844	-	412,844
172	Construction Loan	-	-	-	-	-	-	-	-
173	Revenue - Utility Fund	-	-	430,000	430,000	-	-	430,000	430,000
174	Other Income	20,000	-	-	20,000	20,000	-	-	20,000
175	TOTAL REVENUES	2,484,442	1,286,061	430,000	4,200,503	2,834,442	1,576,061	430,000	4,840,503
177	Funding (to)/from Government Fund	206,312	(2,408,751)	(370,000)	(2,572,439)	594,682	(1,879,833)	(370,000)	(1,655,151)

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Personnel Services	
36	Salaries, Wages and Contract Cost: During FY15 the FMA will continue to hire staff to complete the transfer of the Casemate Museum to the FMA. On July 1, 2014 the new Museum Historian position will be filled. A part-time administrative assistant is scheduled to be hired in FY15 will complete the Museum staffing. The FMA expects to hire a student pursuing an engineering or GIS degree from a local university to work part-time to assist the FMA with field measurements, GIS mapping and CAD drawings for projects and events at Fort Monroe. There are no new hires reflected in the FY16 budget on the Government Fund.
37	Bonus Program: The amounts budgeted for FY15/16 are based on the bonus plan proposed in the budgets originally approved by the House of Delegates and Senate during the 2014 Special Session. Any budgets payments must be approved by the FMA Board prior to payment to employees.
38	Fringe Benefits: FMA employees are eligible for all benefits available to state employees. The amounts for FY15/16 include costs projections based on information received from the Department of Human Resource Management and Department of Planning and Budget. Fringe benefit costs have been estimated for the two new positions based on average fringe costs since health care costs, the largest component of fringe benefit costs, are based on family status and cannot be determined until both new positions are filled.
40-42	Employee Counts: The projected staffing for the Government Fund for both FY15 and FY16 is 20 full-time positions, 1 contract employee position and 2 part-time positions.
Other Supplemental Labor	
46	Communications Summer Intern: The FMA hires a local university student to assist the communications and special events departments with a number of projects during the months of June to August including weddings at the Gazebo, picnic shelter rentals, Thursday night Music by the Bay concert series, the Fourth at the Fort concert/fireworks and the Virginia Symphony Orchestra concert.
47	Other Temps & Interns: The FMA has a Memorandum of Agreement (MOA) with the OAG for a paralegal assistant. This paralegal is law school student who has completed law school but has not passed the bar exam. The FMA reimburses the OAG for the costs under the terms of the MOA. FMA was informed that the OAG will no longer bill for the cost of this paralegal. The balance of this line item is for temporary labor.
Management Services	
51	Bay Area Economics (BAE): BAE is the FMA's economic modeling consultant. BAE is working in conjunction with the FMA, OAG and BRAC attorney, to refine and revise FMA's EDC application, business plan and financial model. This is a continuing contract and includes revisions to draft EDC Application and revisions to comprehensive financial model and business plans based on the outcome of the Master Plan project and in response to the DoD review of the EDC Application. This contract has been extended due to the delay in the transfer of the two disputed land parcels from the Army.
52	Historic Tax Credit Advisors: The Fort Monroe property includes over 100 historic buildings. The FMA expects to receive proposals from tenants and/or developers to utilize federal and

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	state historic tax credits to fund adaptive reuse projects (offices buildings converted to residential units). The FMA budgets for advice from a historic tax credit advisory firm in expectation that historic tax credit advice may be needed to successfully reuse historic buildings on long-term ground leases.
53	John Reynolds, NPS Advisor: John Reynolds assisted with the preparation of written material leading to a legislative proposal for National Park Service establishment through Congressional actions. The FMA believes it may benefit from Reynolds' advice during the negotiating of the deed and overlay easement on the Inner Fort area as well as the process of transferring ownership of Commonwealth property to the NPS.
54	Supplemental Security Services Contract: The FMA issued an RFP for unarmed security patrols on Commonwealth property. The Hampton Police Division (HPD) submitted an unsolicited proposal to FMA's Executive Director to provide supplemental security through the use of extra-duty officers (EDO). After reviewing the proposals from the private security firms the selection panel determined that using armed HPD extra-duty officers (EDO) to patrol the property would be more effective due to the EDO ability to exercise all authority granted to a sworn officer of the law. The EDOs patrol the property 4-hour shifts around the clock. The HPD will provide supplemental EDOs for special events as requested by the FMA.
Public Program Costs	
58	Casemate Museum Operating Costs: Under the Programmatic Agreement, the Casemate Museum must remain open and available to the public. Until such time as the museum can become self-sustaining, it will be funded by the FMA government fund. During FY14 the FMA received a donation of over 800 artifacts from the Army Center for Military History.
59	Utilities: There are no functioning individual meters for utilities at Fort Monroe. The FMA took control of the utility accounts in FY14 and continues to bill on the same square footage basis used by the Army until the utility meters can be installed in the Museum at which point the FMA will bill the Museum for actual consumption.
60	Security: The Museum has a contract with a local security firm to provide a security guard during the hours that the Museum is open to the public.
61	PILOT Fee: During FY13 the City of Hampton granted an exemption from the PILOT fee for the Museum property.
62	Repairs, Maintenance and Custodial includes the cost of non-capital repairs and maintenance at the Museum including the cost of the weekly cleaning service.
63	Contracts: All current contracts are reflected in other line items.
64	Public Relations and Marketing includes the cost for advertising special events at the Museum. The majority of advertising is done on social media sites.
65	General and Administration includes the cost for general and administrative expenses including training, professional memberships and printing. This line item has increased over prior years related to the introduction of the education programming for school and tour groups.
66	Special Events Costs: No costs have been reflected for special events. The FMA is expecting the Fort Monroe Foundation to provide direct grants to pay for special event costs.

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Utility Operating Costs	
70	<p>Electric Utility Facility Charge: The electric service at Fort Monroe is currently operated under a privatized agreement between the Army and Dominion Virginia Power (DVP). The Army and DVP are currently negotiating for the termination of this privatized agreement. DVP believes the Army owes a termination fee under the contract. The Army disputes this claim. Upon transfer, DVP has proposed that the FMA operate under a facility contract similar to a state university. DVP's rate agreement with the Commonwealth for state entities allows DVP to charge facility customers a return on invested capital as part of the rate base. The rate for excess facility construction costs paid for by the state entity is .54% per month. The rate for excess facility construction costs paid for by DVP is 1.46%. Based on the \$10+ million invested capital amount provided by DVP, the monthly facility charge is estimated at \$60,000-\$150,000 per month or approximately \$720,000-\$1,800,000 per year. The budgets for FY15/16 reflect the electric contract transfer in July of 2014 at the \$60,000 per month facility charge. If the DVP/Army result in a less favorable outcome, the FMA may have a large budget issue that would require a request for supplemental appropriation.</p>
71	<p>Utility Marking Fees: Veolia will coordinate the utility marking but the FMA is responsible for the cost of the marking for water, sewer, natural gas, and telecommunication lines as part of the Miss Utility dig permit process.</p>
72	<p>PPEA Operator for Water/Sewer/Stormwater: The public works contractor began operations in April 2012 based on the expected transfer date of reversionary property from the Army. The annual cost of the contract is approximately \$1.2 million dollars with an annual CPI-based increase. The base contract was revised in FY14 to include natural gas system maintenance and utility marking for ground disturbing activity that were not part of the original PPEA proposal.</p>
Public Information, P/R and Marketing	
76	<p>Public Notices includes the cost of posting public notices for Board and committee meetings, recruitment activities and RFP's. This item also includes advertising in the local newspaper and on specialized web sites to attract qualified candidates. The average cost for a three day ad in the local newspaper exceeds \$300. Cost for specialized web sites range from \$50 to \$100 per posting.</p>
77	<p>Marketing Consultant: The FMA works with a marketing consultant to develop branding and advertising materials for Fort Monroe.</p>
78	<p>Public Relations Consultant: FMA engages the services for a public relations firm to provide public relations planning, coordination and implementation at the local, regional and national levels.</p>
79	<p>Marketing – Graphics and Design includes the cost of graphic design for brochures, videos, event advertising media and small-space ads in appropriate media outlets.</p>
80	<p>Marketing – Advertising includes the cost of producing and distributing brochures, videos, event advertising as well as interaction on open houses, commercial trade events, residential home events and small-space ads in appropriate media outlets.</p>

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81	Tradeshows: The FMA attends local tradeshows to market the Fort Monroe Reuse Plan and to attract potential tenants and residents. These costs include registration, advertising and supplies for attending tradeshows to showcase Fort Monroe properties and events.
82	Web Site Hosting: The FMA uses an outside web service to host its public website. This line item includes the cost of monthly services for Website hosting and periodic maintenance of website content.
83	Domain Name Registrations: FMA has registered a list of domain names for its current and future use. This line item reflects the annual fees for maintaining the registration of those web domain names.
Architectural, Engineering and Market Research	
87	Kimley-Horn: Kimley-Horn continues to serve as the FMA's civil engineering consultant, providing advisory services with regard to the utility infrastructure and the provisions of municipal and private utility services including the municipal services meetings, private utility coordination meetings and support documents, EDC support and document preparation, Board meeting and briefing packet presentations and documents as well as participation in real estate meetings, planning and development technical and design support.
88	Property Survey Fees: The future ownership of certain parcels by the NPS and the need for compiled plats as exhibits for deed and documents will require the FMA to periodically engage the services of a professional property survey firm.
89	GIS Project: The majority of this multi-phase project was funded by OEA and completed in FY14.
90	Historic Structure Report: This study will be focused on the condition of the Casemate Museum and adjacent spaces. The report will document the condition of the physical and mechanical systems of the casemate. This information will be used to plan proactive maintenance and rehabilitation of the structure. The project is 90% funded by OEA as a carry-over of the FY14 OEA grant.
91	Master Plan Project: The Master Plan Project was fully funded by OEA until FY14 when the FMA used general fund dollars to complete the \$500k+ project. The Master Plan was approved by the FMA Board of Trustees in October 2013 and approved by Governor McDonnell in December 2013. The FMA is currently working with the City of Hampton to incorporate the Master Plan into the City's comprehensive plan and zoning ordinances. Once completed, the Master Plan contractor will complete the final documents. It is expected that the FMA will continue to engage the services of the Master Plan contractor to assist in the evaluation of proposals for development and re-development to ensure the proposals are consistent with the Master Plan.
92	Matrix Environmental: Matrix Environmental, the FMA's environmental engineering consultant, continues to provide review and recommendations for environmental remediation during the BRAC property transfer and disposition process to ensure FMA's interest are represented with respect to actions and decisions that are under consideration by the U.S. Army and the VDEQ related to U.S. Army's Installation Restoration Program (IRP), Military Munitions Response Program (MMRP) and the federal Comprehensive Response,

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	Compensation, and Liability Act (CERCLA) required actions as well as providing consulting and advisory services on environmental issues with the potential to affect the redevelopment planning and property transfer initiatives. The FMA expects that environmental cleanup activities will continue through FY16.
93	Property Physical Condition Assessment Phase 1: The FMA engaged a roof specialist to inspect all the roofs and roofing systems at Fort Monroe. The roofing specialist performed a visual and physical inspection of each building roofing system to determine its approximate age, roof type and condition. The report made recommendations on the remaining age and time for roof replacement and an estimate for the replacement roof. This report is being used to identify critical needs for roof replacements and to develop a schedule of roof repair, maintenance or replacement for the future protection of the roofing systems. This project was completed in FY14.
94	Property Physical Condition Assessment Phase 2: Once the roofing inspection report was completed, the FMA realized that a physical analysis of the remaining building systems was needed. The condition assessment will serve as an invaluable tool for determining the total cost of ownership of the property, what safety conditions must be corrected and what maintenance problems should be resolved to protect Fort Monroe’s historic assets. The project is 90% funded by OEA and was partially completed in FY14. The balance of the project will be completed in FY15.
95	Mill Creek Dock/Launch: The former floating car-top watercraft launch in Mill Creek was destroyed by Hurricane Irene. Working with the NPS Captain John Smith Water Trails program office the FMA replaced the missing kayak/canoe launch with a handicap-accessible launch. The first phase of the grant includes 50% cost sharing for the launch and improvements to the pier as well as design fees for Phase 2. The second phase of the project which will focus on parking lot and crosswalk improvements and a handicap-accessible ramp or stairs to the adjacent sandy beach. It is expected that Phase 2 of the grant will also with 50% funded by the NPS grant.
96	Commercial Appraisals: Professional commercial appraisers will be needed to provide appraisals of commercial properties including the disputed parcels. These appraisals will be used for determination of property values, rehabilitation tax credit basis, to establish the ground rent for long-term ground leases, to verify City assessments, for development planning and in negotiations with potential lessees or buyers.
97	Disputed Property Appraisals: The FMA and Army have agreed to have appraisals done on the two disputed parcels to determine the fair market value of the property. Once completed in FY15, the appraisals will be used as part of the EDC negotiations with the Army.
98	Residential Appraisals: Professional residential appraisers will be needed to provide appraisals of residential properties. These appraisals will be used for determination of rehabilitation tax credit basis, to establish the ground rent for long-term ground leases, to verify City assessments, for development planning and in negotiations with potential lessees or buyers.
General and Administrative	

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102	Postal & Express Services includes the cost for express delivery services and postage for documents sent to Board members, vendors, employees, OEA, the State of VA and others as required by the operations of the FMA. Cost is based on actual expenditures during previous years adjusted for expected changes in rates or levels of activity.
103	Printing Services includes the cost of printing documents for distribution such as the Historic Preservation Manual and Design Standards, Programmatic Agreement and Interpretive Master Plan as needed. This line item also includes the printing costs for flyers and communication material related to management and leasing of residential and commercial properties as well as public information and safety pamphlets for residents, visitors and employees of tenants. These documents must be updated as changes to operational hours of public areas and safety guidelines must be conveyed to all visitors during and after the transition. Large-size documents and high-volume printing are sent to local printing service for cost-savings.
104	Local Exchange Services: Cox Communications provides telephone and internet service to FMA offices.
105	Wireless Services: Verizon Wireless provides cellular phones and service to key staff members. The FMA provides for these services to ensure that key staff members are available when traveling out of the office and after hours.
106	Skilled Services reflects the cost for specialized services such as photography used for real estate brochures and websites.
107	Organization Memberships: The FMA maintains membership in various organizations such as the Association of Defense Communities (ADC), Virginia Municipal League, National Association for Interpreters, National Housing & Rehabilitation Association (NH&RA), American Planning Association, Virginia Association of Museums, National Trust for Historic Preservation, Preservation League, Urban Land Institute (ULI) and the Society for Human Resource Management (SHRM). These national, regional and local organizations all benefit the staff or operation of the FMA. Some benefits include free public notices & new-hire advertisements as well as conferences and tradeshow for information sharing, idea exchange and marketing of Fort Monroe properties.
108	Publication Subscriptions: The FMA receives daily copies of the local newspaper, the Daily Press. The FMA also subscribes to the Egnyte file sharing & large-file backup system which provides for the distribution and sharing of files and attachments too large for email distribution.
109	Employee Workshops and Conferences include registration fees for conferences & workshops such as ADC, ULI and NH&RA conferences and local ULI and SHRM seminars.
110	Employee Education and Development: The FMA provides tuition reimbursement for employees pursuing relevant undergraduate and graduate degrees pursuant to the Employee Handbook. The FMA supports continuing employee development and expects to fund these costs in the future.
111	Audit Fees: The costs for the FMA's annual external audit pursuant to Auditor for Public Accounts requirement in the Fort Monroe Authority Act. These costs include the single audit

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	required by OEA grant funding and special reports required by Virginia Department of Accounts Component Unit Directive reporting.
112	BRAC Attorney Fees: Due to the partial transfer of property in FY13 and the delay in negotiations for the disputed property, Garrity Knisely attorney David Knisely continues to provide legal services to support the implementation of the Base Closure and Realignment (“BRAC”) process for Fort Monroe. His services include participation in the EDC negotiations, preparation of EDC application, and participation in numerous meetings, conference calls and document reviews. Knisely coordinates with the Attorney General’s Office regarding environmental covenant options regarding reversionary property. Knisely provided review of National Park Service proposal and coordination with EDC and environmental cleanup requirements, and assistance with the preparation of the quitclaim deed and related covenants for reversionary and federal surplus property. Knisely will coordinate with the OAG regarding the review and preparation of environmental deed covenants for reversionary property, assist in the structuring of environmental privatization efforts as components of the EDC and assist the Authority in the negotiation of the final content of the Finding of Suitability to Transfer in support of conveyances of federal surplus and reversionary property. The EDC negotiations are ongoing.
113	Other Attorney Fees: The FMA requires support from the Office of the Attorney General and other attorneys with subject matter expertise. The OAG bills FMA for OAG legal services. Other outside counsel, approved by OAG, is contracted for specific legal expertise. The FMA expects to require counsel for specific legal issues such as zoning, appraisals and utility agreements. The FMA was directed to engage outside counsel to provide these services.
114	Payroll Fees: FMA payroll is processed by an outside vendor who charges for processing semi-monthly payroll, preparing quarterly and annual tax reports as well as preparing W-2’s. The service cost for the monthly processing of flexible-saving accounts is also included in this line item.
115	Reference Checks for HR: As part of hiring process, FMA contracts with an outside agency to perform new-employee background checks.
116	Bank Service Fees include monthly account charges for the Authority’s bank accounts including charges for the receipt and processing of wire transactions and transfers of funds between various payroll, flex saving and operating accounts.
117	Line of Credit Charges: The FMA has established a line-of-credit (LOC) for emergency cash flow coverage.
118	Custodial Services includes the cost for custodial services for weekly cleaning of FMA office.
119	Grounds Maintenance includes the cost for grounds-keeping for the FMA office.
120	Building Maintenance and Repair includes the cost for non-capital building maintenance and small repairs for FMA office space.
121	Equipment Maintenance and Repair includes the cost for repair and maintenance for FMA office equipment.
122	Moving and Relocation Services includes the purchase of moving supplies; moving service to dismantle, move and reassemble furniture and file cabinets; dismantle, move and

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	reassemble server, computers and phone system; relocate rented copier; dismantle, move and reassemble large format plotter as necessary. The large amount in FY15 reflects the FMA's move of its main office to Building 83 so that Building 1 can be donated to the NPS.
123	Meeting Cost/Supplies is for meeting supplies such as folders and inserts, labels and bottled water.
124	Computer IT maintenance and cabling: The FMA contracts for IT maintenance and cabling services with Vicom. The contractor ensures system integration, data integrity and provides network services to integrate the phone system, email system and wireless communication devices including cell phones, laptops and iPads. The cost includes server and phone support contracts.
125	Data Backup Services: The FMA uses a Barracuda backup appliance to back up server data. The data is copied to a secure off-site location for additional redundancy.
126	Travel, Subsistence and Lodging includes travel costs including personal vehicle mileage, rental vehicles, lodging and subsistence for overnight trips.
127	Auto Gas and Maintenance: The FMA owns a passenger van for property tours and transportation. This line items includes gasoline, repair and maintenance costs.
128	Office Supplies includes the costs of office supplies including paper, pens, staples, files folders, hanging folders, post-it notes, ink cartridges, tape, steno pads and other office supplies for FMA staff.
129	Research Materials: The FMA occasionally obtains reference books, article reprints, maps and other reference materials for FMA library or departmental use.
130	BCOM Cooperative Service Cost: FMA will rely on the Department of General Services Bureau of Capital Outlay Management to enforce the Virginia Uniform Statewide Building Code to assure compliance with life safety and code requirements in design and construction. FMA will reimburse BCOM for building inspections and plan reviews.
131	Archeologist Service Cost: As part of its requirements under the Programmatic Agreement and Land Use Control Implementation Programs the FMA must engage the services of a qualified archeologist when performing ground disturbing activities such as utility repairs in archeologically sensitive area or when uncovering artifacts during any activities.
132	VDEQ Cooperative Service Cost: FMA will rely on the Department of Environmental Quality for technical review and advice related to environmental operations or management of remediation activities at Fort Monroe.
133	PILOT Fee to Hampton: This line item includes the cost of the PILOT fee for the FMA office building and other community facilities. This line and the associated line in the Enterprise Fund are subject to an annual cap for FY15 and FY16.
134	Refuse Service Charges includes the cost for trash and recycle collection for the FMA office building.
135	Utilities includes the cost of utilities for FMA office space calculated by the FMA Utility Fund on a per square foot basis for Electric, Water, Sewage and Gas.
136	Equipment Rentals: The FMA leases a Sharp multi-function copier/printer/scanner. The costs include the annual maintenance agreement and estimated copy charges.

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137	Building Rentals includes the cost to rent a suitable space for meetings, cost of AV equipment and an individual to operate it plus cost to rent tables, chairs and podiums.
138	Property Insurance includes the cost of insurance on FMA office building and equipment..
139	Workers Comp Insurance includes the cost of Workers' Compensation Insurance for FMA employees.
136	D&O Insurance includes the cost of liability insurance for FMA directors and officers.
137	Auto Insurance includes the cost for vehicle insurance for the FMA van.
Furniture and Equipment	
145	Desktop Computer Systems includes the replacement cost for outdated desktop computer systems and new computers for additional employees. FMA attempts to replace desktop systems every 4 years to ensure that employees have reliable equipment and current software versions.
146	Mobile Computers includes the replacement costs for outdated laptop computers and tablets.
147	Computer Hardware: As part of complying with various GASB requirements the FMA relocated its central network and accounting servers to the central telecommunications building in FY14. In FY15 the FMA will upgrade its server to replace an older version that is no longer supported by Microsoft.
148	Copper/Fiber Network Equipment: In FY14 the FMA reactivated the existing fiber network by installing fiber switches removed by the Army in 4 key buildings and 3 FMA office locations (headquarters, Casemate Museum and leasing office). As new demand is created for access to the fiber network (security cameras, remote building access, etc.) the FMA will need to purchase additional fiber switches to extend access to the central network resources.
149	Computer Software includes the cost of software for new computers including Windows 7, Office Professional, Adobe Professional and annual renewal of virus protection and other specialty user software such as GIS and project management software.
150	Accounting Software Upgrade: This project was completed in FY14.
151	Utility Billing Software: Now that the utility infrastructure has transferred to the Commonwealth, the FMA is responsible for billing non-regulated utility charges to residents and tenants. Once individual meters are installed the FMA will acquire a specialized software package designed to bill natural gas, water, sewer and stormwater fees.
152	Front Gate Security Camera: In FY14 the FMA installed security cameras at the front gate to record traffic entering and exiting the property as a deterrent to crime and to provide investigative support to the Hampton Police Division. The images are stored on a stand-alone storage device in the security building. During FY15 the FMA intends connect the security camera to the fiber network to facilitate remote monitoring and access to the recorded images.
153	Office Furniture and Accessories: The FMA intends to relocate its main office to Building 83 during FY15. The FMA expects to reuse furniture and fixtures in its existing office or

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	abandoned in other buildings. The FMA made need to purchase small specialty items to supplement the existing furniture.
154	Casemate Museum – Water Diverters includes the fabrication and installation costs for diverter shields to collect water dripping from vaulted arches in Casemate 20, the location of the Casemate Museum.
155	Casemate Museum – Collections Management Software: In FY14 the FMA acquired its own collections management software. The software requires an annual maintenance contract which is reflected in this account.
156	Casemate Museum – Door Replacement: The Museum has 21 doors to the individual casemates. The majority of the doors are in need of replacement. The FMA will start a replacement program in FY15 with the entrance, exit and emergency exit doors. The remaining doors will be replaced at approximately 4 per year.
157	Casemate Museum – Electrical System Study and Upgrade: The FMA desires to investigate the electrical system in the Museum to determine the condition of the electrical system in FY15. It is expected that any recommended upgrades will be completed in FY16.
158	Casemate Museum – HVAC Replacements: The Casemate Museum is conditioned by HVAC units placed on top of the Fortress ramparts. There are several units that will need to be replaced in the near future. In FY15 the FMA will commence a multi-year program to replace the worst of the HVAC units.
Property and Improvements	
165-169	VDOT Urban Maintenance Funds: The FMA receives pass-thru VDOT funds from the City of Hampton. The funds will be used for a variety of VDOT eligible projects including traffic signs, street marking, ADA ramps, sidewalk repairs, bridge repairs and other eligible repairs.
172-217	Capital Projects: The Department of General Services currently manages the \$6.5 million in Maintenance Reserve Funds (MRF) appropriated in FY12, FY13 and FY14. These costs are managed and paid by DGS and are never reflected on the FMA accounting records. The approved FY15/16 biennial budget includes \$22.5 million in bond proceeds from the Virginia Public Building Authority (VPBA) for capital projects at Fort Monroe to be managed by DGS as the agent for the FMA. It is expected that these funds will be accounted for on the Commonwealth’s accounting system so the cost of capital projects using MRG and VBPA are not reflected in this budget. It is expected that the FMA will prepare a revised Capital Improvement Plan to determine which projects should be completed using the VPBA funding. The plan will be submitted to the FMA Board for approval during FY15.
213	Tenant Improvements: Tenant improvements on revenue-producing buildings have been moved to the Enterprise Funds.
214	Tenant Improvements to FMA Office Building: The Authority currently uses Old Quarters 1 for their office. Old Quarters 1 will be donated to the National Park Service. The FMA will move its office to the former Post Office, Building 83. Plans have been drawn and submitted to BCOM for review. The FMA Board of Trustees has approved a total expenditure of \$350,000 for the design and construction of the required improvements necessary for the FMA to utilize the building.

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Revenue Categories	
240	Funds Carryover from prior FY: Beginning in March of 2014 the FMA became concerned about the deadlock in approving the budget bill. The FMA began delaying projects and activities that weren't required or critical or funded by outside grant funds in order to build a cash reserve in the event that a budget wasn't passed before the beginning of FY15. This will result in approximately \$2.0 million in surplus funds carried at the end of FY14. Now that the budget has been approved the FMA will commence the delayed projects and activities.
241	Carryover to next FY: The FMA expects to utilize approximately \$1.2 million of the surplus during FY15 resulting in approximately \$820,000 in surplus funds to be carried into FY16. The FMA expects to fully utilize the carryover funds in FY16.
242	Casemate Fees for Tours and Admissions: Beginning in FY14 the FMA started charging tour groups for guided tours of the Casemate Museum. The Casemate Museum also receives some grant reimbursement funding from the Fort Monroe Foundation.
243	Funding (to)/from Enterprise Fund: Any surplus of funds from business type activities are returned to the government fund as a revenue item. However, any shortage in net cashflow in the enterprise fund must be funded from government funds. Since receiving the 312.75 acres in June 2013 and the associated utility systems the Authority has revised its Enterprise Fund income and expenses to reflect the funding shortfall. While rental revenue is expected to increase, the large inventory of vacant historic buildings that must be heated, cooled and repaired is expected to result in an enterprise fund deficit until such time as the FMA can begin to transfer property to third-parties through fee simple sales or long-term ground leases.
Appropriations and Grants	
247	OEA Reimbursement Grant: The OEA grant provides for reimbursement of certain eligible expenses related to the planning for the reuse of former military properties. The FY14 grant has been extended to allow the FMA time to complete the Historic Structure Report and the Property Condition Assessment Phase 2. During the FY14 application process the OEA informed the FMA that all 2005 BRAC bases have been placed on a 3-year step down program to reduce and eliminate future OEA grants. The FY15 grant will not be less than \$550,551. For FY16 the OEA support will be capped at \$550,551. The OEA grant requires a 10% non-federal match which is funded from state appropriations.
248	Fort Monroe Foundation: The FMA expects the Fort Monroe Foundation to pay for expenses directly in lieu of providing grants to the FMA for public programs. Instead of reflecting Foundation support equal to the special event costs (line 64) the FMA has requested that the Foundation pay the expenses directly.
249	VDOT Urban Maintenance Grant: The FMA entered into a Memorandum of Agreement with the City of Hampton to allow the City to pass through the VDOT Urban Maintenance Funds for the VDOT eligible roads at Fort Monroe. In exchange the FMA will be responsible for the maintenance of roads at Fort Monroe.
250	Mill Creek Grant: The National Park Service Captain John Smith Water Trails office has approved a 50/50 grant to assist with public access to the Chesapeake Bay and its tributaries

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	explored by Captain John Smith. The project is described on line 95 above and this line reflects the 50% reimbursement from the NPS for the 2 phases of the project.
251	National Park Service: Other than the Mill Creek grant above, all other NPS grants have been completed. As part of the property donation to the NPS to support the creation of the National Monument, the FMA expects that a Cooperative Management Agreement will be developed to reimburse the FMA for providing services such as grounds and utility maintenance on NPS-owned property.
252	State Appropriation, General Fund: For FY15 the General Assembly approved the FMA request for operational support of \$6,718,155. For FY16 the General Assembly approved the FMA request for operational support of \$5,489,033.
253	Supplemental State Appropriation, General Fund: The FMA received a supplemental appropriation for FY14. The FMA currently has no need for a supplemental appropriation for FY15.

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Personnel Services	
12	Salaries, Wages and Contract Cost: Since bringing the residential leasing and management responsibility in-house during FY13 the Authority has employed an asset manager, 3 administrative employees and a part-time accounts payable assistant. In order to improve the performance of the maintenance contractor the Authority converted one of the administrative positions to fund the Residential Maintenance Supervisor. During FY15 the FMA expects to fill one administrative position with a part-time employee. It is expected that this candidate will eventually transition into a full-time employee in FY16.
13	Bonus Program: The amounts budgeted for FY15/16 are based on the bonus plan proposed in the budgets originally approved by the House of Delegates and Senate during the 2014 Special Session. Any budgets payments must be approved by the FMA Board prior to payment to employees.
14	Fringe Benefits: Fringe benefits are included for state employee positions only. The fringe benefits amounts reflected for FY15 and FY16 are based on the guidance provided by DHRM and are based on the current benefit levels for health care and other benefits.
Administrative	
24	Labor-Administration: The Authority's contract with its commercial leasing and management company (OPCRES) requires the Authority to reimburse the contractor for salary and benefits for contractor employees dedicated to the Authority's portfolio. This line item contains the salary and benefit reimbursement for the assistant commercial property manager.
25	Advertising includes the cost of advertising rental properties, typically residential properties. The FMA/OPCRES attempt to utilize free or low cost services whenever possible.
26	Building 73 Office Utilities includes the cost of utilities for the Authority's leasing office in building 73. Since there are no individual meters, the FMA Utility Fund bills utilities on a per square footage basis and this line reflects the estimated cost for utility billing.
27	Bank Fees & Finance Charges: No charges are expected.
28	Training include the cost of keeping FMA employees trained on property issues including tenant/landlord laws and lead-based paint remediation and maintenance.
29	Professional Services – Courts/Collections includes the cost of filing any landlord actions such as delinquent rent collections or evictions.
30	Leasing Commissions: (non-CAM): The OPCRES contract includes a consulting fee for the contractor advising the Authority on non-lease related matters.
31	Leasing Commissions: The FMA/OPCRES contract includes the payment of leasing commissions to OPCRES. It is expected that these commissions will be capitalized with the lease.
32	Office Supplies includes the cost of office supplies including paper, toner and ink cartridges, and includes more durable items such as calculators, clipboards and notebooks used in the rental office.

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33	Furniture, Fixtures and Equipment Expense – Computers/Software: The cost of computers and software below the level to be capitalized. The FMA also pays maintenance and support fees for its property management software (OneSite).
34	Furniture, Fixtures and Equipment Expense – Copier/Fax: The FMA has elected to lease its copier to ensure that it can replace and upgrade its equipment every 3 years. The lease payment includes maintenance so the FMA believes that leasing is the best option for copiers.
35	Pagers/Cell Phones includes the cost of cell phones and cell phone service for the FMA leasing and maintenance staff.
36	Postage/Courier includes the cost of postage for mailing invoices and notices.
37	On-Line Fees includes the cost of any internet connectivity service and any other internet-based services such as credit bureaus.
38	Telephone – Management Office includes the cost of telephone service leasing and maintenance offices.
39	Meals/Lodging/Travel includes the cost of mileage reimbursements when employees use their personal vehicles for business purposes.
40	Conference/Training Fees includes the cost of registrations for conference attendance.
41	Uniforms: The FMA/OPCRES provides uniforms for its maintenance employees so they present a uniform image and are identifiable to the tenants.
Management Fees	
45	Management Fees: The FMA/OPCRES contract includes a provision for the payment of a management fee to cover the cost of OPCRES non-reimbursable expense, typically the area manager and accounting functions. The fee is based on receipts from commercial rent receipts. The contract contains a cap of \$150,000 in management fee which was reached with the transfer of the 312.75-acre parcel and 85 commercial properties on June 4, 2013.
Insurance	
49	Vehicle Insurance includes the cost of insurance for the Authority's maintenance vehicles.
50	Property Insurance includes the cost of insuring all Commonwealth property at Fort Monroe and the federal properties currently under lease from the Army. The properties are insured through the state's Department of Risk Management (DRM). The DRM establishes the premium rates that the FMA pays. These premiums are allocated to the properties on a per square footage basis.
Cleaning	
54	Cleaning – Office Building: The cost for cleaning service for the FMA/OPCRES leasing office.
55	Cleaning Contract: Some of the commercial contracts require OPCRES to provide nightly cleaning services during the business week. OPCRES will contract with a cleaning company to provide these services. The cost of that contract is recorded in this line item. These expenses are expected to increase as the FMA leases buildings to third-party tenants on a gross lease basis.
56	Cleaning Supplies includes the cost of purchasing any cleaning supplies to be used in cleaning the properties.

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Service Contracts	
60	HVAC Contract: OPCRES has engaged a qualified HVAC company to service the large commercial HVAC systems. These systems will be inspected on a regular basis as a part of the contract.
61	Extermination Contract includes the cost of a managed pest control program as well as individual rodent trapping for squirrels and raccoons.
62	Emergency Generator Contract: A small number of the commercial properties are equipped with emergency generators. These generators must be inspected and operated on a regular basis to ensure they remain in operating condition. OPCRES contracts with a company to perform the regular inspection and testing program.
63	Equipment Service Contract/Lease includes the cost of service contracts on copier/fax.
64	Fire/Life Safety: Most of the commercial buildings have sprinkler systems installed. These systems must be inspected and tested on a regular basis. OPCRES contracts with third-party company to perform these services.
65	Landscaping – Contract: OPCRES contracts with a grounds maintenance company to cut the grass in the open areas and around commercial buildings and apartment buildings.
66	Landscaping – Plants/Flowers/Mulch: The grounds maintenance contractor also provides bi-annual services such as mulching and planting in visible public areas such as the entry gate and Cannon Park.
67	Trash Removal/Recycling Contract: OPCRES contracts for trash collection for commercial properties through a bulk waste trash company.
68	Alarm Services Contract: Fire alarm systems and fire extinguishers in the commercial buildings must be inspected annually. The fire alarms are monitored by a third-party monitoring company.
69	Elevator Contract: A small number of the commercial buildings have elevators. These elevators must be inspected on a regular basis. Preventive maintenance and repair services will also be a part of this contract with a third-party elevator service company.
70	Water Treatment Contract: OPCRES contracts with company to inspect the cooling towers and to provide water treatment chemicals for the cooling towers to prevent scale and rust.
Repairs and Maintenance	
74	Labor – Maintenance includes the cost of the on-site maintenance personnel that work for OPCRES exclusively on the Fort Monroe properties. Beginning in FY14 the Authority contracted residential maintenance to a third-party to provide dedicated residential maintenance employees.
75	Labor – Building Manager: This line item includes the cost of the OPCRES employee that serves as the commercial property manager and who also supervises the commercial maintenance team. The FMA/OPCRES contract provides for the FMA to reimburse OPCRES for the cost of this employee.
76	Building Interior includes the cost of general repairs made to interior features on the building not reflected in the other maintenance categories below.

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77	Consulting – Architectural/Engineer includes the cost of consultation from a licensed architect or engineer.
78	Lead-Based Dust Remediation: The environmental inspection report indicated the presence of lead-based dust in residential units. This line includes the cost for FMA to implement an ongoing cleaning program for homes occupied by children under 6 and women of child-bearing age and to develop an inspection and testing protocol for the future. This project includes the contract cost of cleaning and the consulting industrial hygienist.
79	Door & Glass Repair/Replacement includes cost of repairing interior and exterior doors including screen doors. This line item also includes the cost of replacing broken window and door glass.
80	Electrical Repair & Maintenance includes the cost of electrical repairs that require contracting with a licensed electrician.
81	Light Bulbs includes the cost of replacing light bulbs in common areas and commercial buildings.
82	Generator Repairs includes the cost of any repairs to building generators that are outside of the generator service contracts. This may include the fuel tanks that supply fuel to the emergency generators.
83	Equipment R&M includes the cost of maintenance contracts and repair supplies for non-HVAC building equipment.
84	Maintenance Equipment Rental includes the cost for equipment rentals such as hydraulic lifts necessary for the maintenance of the property.
85	Landscaping R&M includes the cost for repairs and maintenance on landscaping systems.
86	Locks and Keys includes the cost of repairing and/or replacing door locks and keys. It also includes the cost of replacing lock cores that the Army requires that we return as part of the property transfer.
87	Painting includes the cost of contracted painting jobs. Typically the residential and commercial units will require some level of painting prior to occupancy. The cost of commercial painting may be recorded as a tenant improvement if it is part of a larger project.
88	Flooring R&M – Interior includes the cost of sanding and coating residential hardwood floors prior to re-leasing a residential unit.
89	Painting R&M – Exterior: In FY15 the FMA will commence an exterior painting program to replace deteriorating paint coatings on residential and commercial buildings. The loss of protective paint has resulted in damage to wooden structures. The FMA will begin by painting the worst buildings first and working through the entire inventory. The project is expected to be continuous due to the number of buildings and the limited amount of funding.
90	Irrigation R&M: A small number of commercial buildings and public areas have irrigation systems. OPCRES has engaged a third-party company to provide irrigation repair services on an as-needed basis for items that cannot be repaired by the maintenance team.
91	Contracts – Other includes the cost of miscellaneous contracts not reflected elsewhere.

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92	Plumbing includes the cost of engaging third-party plumbing contractors to fix problems that cannot be repaired by the maintenance team or Veolia.
93	Fire/Security Equipment R&M includes the cost of repairing any of the fire alarm systems in the buildings that is outside of the maintenance contract.
94	Signage includes the cost of installing signage at commercial properties.
95	Small Tools includes the cost of small tools that are below the level to be recorded as capital assets such as hammers, wrenches, screwdrivers, chainsaws and drain snakes.
96	FF&E – Appliances includes the cost of replacing appliances in residential units.
97	FF&E – Other includes the cost for trash and recycling bins for new residential leases and portable generators.
98	Supplies – R&M includes the cost of general maintenance supplies such as nails, screws, bolts, nuts, etc.
99	Supplies – Electrical includes the cost of supplies used for electrical repair items such as switches, outlets and light fixtures.
100	Supplies – Landscaping includes the cost of supplies used for landscaping such as irrigation heads.
101	Supplies – HVAC includes the cost of supplies for HVAC repairs such as Freon, filters and replacement thermostats.
102	Supplies – Painting includes the cost of supplies for painting repairs such as paint, brushes, rollers, trays, tarps, etc.
103	Supplies – Plumbing includes the cost of supplies for plumbing repairs such as flapper valves, stem washers, p-traps, water supply hoses, etc.
104	Vehicle – Fuel includes the cost of purchasing fuel for the maintenance vehicles and golf carts.
105	Vehicle – R&M includes the cost of any repairs or maintenance on the maintenance vehicles and golf carts such as tires and oil changes.
106	Tenant Improvements: The Authority expects to lease 20,000 square feet of commercial space per year. The Authority budgets \$12.50 per square foot for tenant improvements. Since the majority of this cost is painting and carpet it falls below the level for capitalized asset treatment.
107	Building Renovations for leasing: As part of the FY14 supplemental appropriation the FMA requested funds to make repairs to buildings that were not suitable to lease to residential tenants. Because of the timing of the supplement FY14 appropriation only half of the repairs will be completed in FY14. The balance of the repairs will be completed in FY15.
108	HVAC Repairs includes the cost of an on-going program to replace malfunctioning or inefficient HVAC systems to compensate for the deferred maintenance during the BRAC period. Any major capital repairs will be completed under the capital improvement plan.
109	Roof R&M: The preliminary results of the roof condition assessment project indicate a large number of buildings in need of roof repairs. The major roof repairs are reflected as capital projects. The cost of non-capital repairs will be reflected in this account.

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110	Gutter Cleaning/Repair: The FMA has been repairing a significant amount of damaged soffit and fascia boards. Investigation has revealed downspouts and gutters clogged with leaves and pine needles. The FMA needs to implement a gutter cleaning program to keep the gutters and downspouts open in order to reduce the damage to soffit and fascia boards.
111	Tree Maintenance: The Fort Monroe property has a large inventory of trees including the 500-year old Algernoune Oak. Since the property transferred to the Commonwealth in June 2013 the FMA has realized the need to provide funding for an ongoing tree maintenance program. This account will include lightening protection, root fertilization, tree pruning and dead tree removal.
112	Fascia/Soffit Repairs: In combination with the gutter cleaning and painting programs mentioned above this account reflects the cost to repair the damaged soffit and fascia boards discovered during the gutter cleaning or exterior painting program.
113	Parking Lot Repairs & Striping: The need for parking lot maintenance is defined and recommended in the roadway section of the Fort Monroe Infrastructure Condition Assessment Report prepared by Kimley-Horn and Associates dated June 2010. The Authority will begin a program for parking lot repair and/or restriping to improve the look of parking lots to support the leasing of commercial properties.
Taxes and Licenses	
114	PILOT Fee to City of Hampton: The cost of the PILOT paid to the City of Hampton for any properties available for lease to residential or commercial tenants not exempted by use. These fees are billed semi-annually by the City of Hampton and are based on the assessed value of property at Fort Monroe as if the property were privately-owned property within the boundary of Hampton. The FMA has the right to contest the assessments of property value just like any other private landowner in the City of Hampton. The FY15 and FY16 budgets reflect the cap on PILOT payments reflected in the state biennial budget.
Utilities	
121	Electricity includes the cost of electrical usage. Since no individual meters exist, these charges are billed on a square footage basis. The Authority is beginning to take responsibility for the utility master meter accounts. The Army has turned over utility bill amounts for the prior year. The bills revealed that the Authority had not budgeted amounts sufficient to cover the actual bills. The amounts in FY15 and FY16 have been adjusted based on this new information. Some of these charges are recoverable from residential tenants as part of the monthly rent and from commercial tenants as part of the CAM recovery.
122	Electricity (Non-CAM) includes the cost of electrical service that is not recoverable from commercial tenants such as public street lighting.
123	Trash Removal/Recycling Contract includes the cost of trash removal contracts for commercial and residential properties.
124	Water and Sewer includes the consumption charges for water and sanitary sewer. Since the FMA took over the utility accounts the monthly bills revealed that the FMA had not budgeted amounts sufficient to cover the actual bills. The amounts in FY15 and FY16 have been adjusted based on this new information.

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122	Fuel and Oil includes the cost of purchasing diesel fuel and oil to be used for emergency generators and fuel-oil fired boilers/heaters.
123	Natural Gas includes the cost of natural gas consumption based on the master meter readings. As with the other utilities the bills revealed that the FMA had not budgeted amounts sufficient to cover the actual bills. The amounts in FY15 and Fy16 have been adjusted based on this new information.
Furniture, Fixtures and Equipment (non-Capital)	
130	Moisture Control Equipment: No expense are budgeted in that area for the biennial period.
131	Computer Equipment for Leasing Office: The leasing office got new computers when the Authority took over leasing of the residential properties. These computers will begin to reach the end of their functional life starting in FY15 and will be replaced.
Capital	
138	Tenant Improvements are expected to be recorded as described in line 106 above.
139	FF&E - Vehicles: As the FMA/OPCRES maintenance staff increases the Authority will need to purchase additional maintenance trucks and carts. The FY16 amount budget reflects either one truck or two maintenance golf carts.
141	Convert Building 80 to Residential: Building 80 is a 9-unit historic inn. The FMA issued an EFP for an operator for the Inn. We received no qualified proposals. Since the FMA has a waiting list for one-bedroom units the FMA Board authorized the FMA staff to develop plans to convert the building into apartment units. Based on preliminary estimates the cost to complete the renovations is approximately \$350,000. Once completed the renovation will add eight 1-bedroom, 1-bath units and two 2-bedroom, 2-bath units to the available inventory.
Revenue Categories	
162	Chamberlin Ground Lease: The Chamberlin ground lessee currently pays the Army approximately \$75,000 in annual ground rent. Despite the Chamberlin being on reversionary property, the parcel and ground lease did not transfer with the 312.75-acre parcel.
164-165	Residential Leases – Homes: The Authority has leased over 90% of the available residential units by the end of FY14. As part of the lease-up the Authority had to offer significant rent incentives to entice new residents to Fort Monroe. With the supplemental appropriation provided to repair the “down” units, the Authority expected to increase residential revenue through additional leases and a phase-out of most of the in rental incentives.
166	Residential Leases – Garages: The Authority leases surplus garage units to residents or private citizens.
167	Residential Leases – Apartments: Due to the damage to the apartments resulting from Hurricane Irene the FMA deconstructed the Apartments in FY13. Thirty of the 31 structures were removed. Building 300 was retained for future conversion to public restrooms.

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168	Commercial – Office/Warehouse: The Authority has been working on several new commercial tenants during FY14 and is working with several new prospects. Based on a new market study completed as part of the Master Plan project the Authority can reasonably expect to lease 20,000 square feet of office space at \$12 per square foot on an annual basis. The projections are reflected in the current budgets.
169	Event Rentals: The FMA will rent the large picnic shelter north of the Bay Breeze club until it is transferred to the NPS. The FMA also rents the Gazebo for weddings. The Authority expects these expenses to cover the expenses of the rental and has chosen to eliminate both the minimal revenue and expense for simplicity.
170	CAM Recoveries: Some of the commercial leases include provisions for the FMA to recover certain common area maintenance (CAM) charges such as the water/sewer contract charges, security and grounds maintenance. These are billed to tenants based on a ratio of rentable square footage as a percentage of the entire portfolio.
171	Utility Reimbursement: Some of the commercial leases include provisions for expense recoveries for increases over the base year rate. This protects the FMA if non-controllable expenses such as PILOT or utility rates increase significantly. Any amounts over an established base year rate per square foot are recoverable from tenants. The account also includes the portion of residential rent.
172	Construction Loan: The FMA has originally intended to use bank financing to renovation Building 80 (as mentioned on line 141 above). However, due to the surplus of funds from FY14 the FMA now believes it can fund the renovations without the need for a bank loan.
173	Revenue – Utility Fund: The FMA now bills third-party tenants for natural gas, water and sewer usage. These tenants include the Chamberlin, St. Mary’s Catholic Church and the Army Caretaker. Following GASB and GAAP guidance the FMA has established the FMA utility fund to track revenue and expenses related to the operation of these utilities.
174	Other Income: This line item includes miscellaneous income such as late fees, NSF charges and forfeited security deposits.
Interfund Activity	
177	Funding (to)/from Government Fund: Any surplus of funds from business type activities are returned to the government fund as a revenue item. However, any shortage in net cashflow in the enterprise fund must be funded from government funds. Based on the property condition assessments and a number of expense adjustments including gutter/fascia and parking lots repairs, the lead-based dust cleaning and maintenance program and the significant change in utility expenses the Authority projects large shortage of operating revenue for the enterprise fund that will require funding from the Government Fund.