CONFERENCE CALL

Members:
N. Blackwood
J. Holland
C. Peterson
G. Spagna

Staff:
T. Eckhout, D. Fusco, M. Heeter

Dr. Spagna began the meeting at approximately 1:00PM.

Ms. Heeter reviewed the agenda for the call and the informational materials that were sent out in advance. She asked Ms. Eckhout to review the January 2020 financial statements.

Ms. Eckhout reviewed the financial statements and called attention to the new graphs that have been included to simplify some of the information presented.

Ms. Eckhout recognized Mr. Holland's previous request to display comparative fund balance data that would show improvements being made. She stated this is challenging because a different basis of accounting was used previously. Mr. Holland agreed the comparison could be made starting next year.

Mr. Peterson asked about the chart showing the percentage of salary being reimbursed on page 7. Ms. Eckhout confirmed the percentage noted is the amount of staff salary that can be charged to a program for reimbursement.

Mr. Blackwood asked if there is a benchmark used for salaries and Ms. Eckhout noted the primary goal is to stay within the budget. Ms. Heeter said the chart is a new tool that Ms. Eckhout developed and enables tracking of staff time spent in reimbursable programs.

Ms. Heeter noted this is what drives the indirect rate. Dr. Spagna agreed that this is a valuable tool and confirmed that YTD just under 59% of staff salary has been reimbursed and the rest is internal cost.

Ms. Eckhout moved on to page 8 and upcoming changes needed to recognize funds not yet reflected in the budget. Mr. Peterson asked which new projects this pertains to and Ms. Eckhout said budget resolutions are needed for the Chesapeake Bay Watershed grant, $10,000 from the Partnership for Housing Affordability, reimbursement from the Richmond Memorial Health Foundation, Analysis of Impediments to Housing Affordability, and interest income.

Mr. Holland asked how much interest income and Ms. Eckhout replied it is approximately $8,000.00. Ms. Heeter noted we have not included interest income in the budget previously and Mr. Holland said Chesterfield County does not include interest income in the operating budget.
Ms. Heeter noted that Ms. Eckhout has developed budget preparation guidelines and a process for implementing new funds during the year.

Mr. Peterson noted a correction needed on page 16 of the packet. It should state approval needed for payments greater than $3,000.00 not $300.00.

Dr. Spagna said he feels it is best to provide all the information from the call packet to the Commissioners for the March meeting. Ms. Heeter and Ms. Eckhout agreed to include the packet for the March meeting. The proposed procedures will be included on the agenda for the next Finance committee meeting for additional discussion.

Ms. Heeter confirmed the agency is running ahead of course for the year and January results reflect additional staff and the retirement of Sharon Robeson. She also said the tenant advisory services summary has been sent to the Executive Committee based on Dr. Spagna's request. This topic will be included on the next Executive Committee agenda to determine approach and a timeline for action.

Mr. Peterson asked if it is the Finance committee's responsibility to make recommendations regarding the upcoming lease expiration. Dr. Spagna said he thinks the committee can make a recommendation and does feel the agency will need external help.

Mr. Holland said he welcomes Ms. Heeter's input on firms. She said she feels all three would provide comparable services and fees are paid by the property owner, although compensation for CBRE remains unclear at this time.

Mr. Blackwood noted it is necessary to confirm the working relationship and Dr. Spagna pointed out the firm chosen will work primarily with staff so that should be considered as well. Ms. Heeter said Brian Berkey from Cushman & Wakefield / Thalhimer has been the easiest to work with so far. Mr. Holland agreed this is an important point to consider and ease of follow-up will be important.

Mr. Holland said this committee should make a recommendation and Mr. Peterson recommended ranking the firms and let the Executive Committee determine if an interview will be necessary.

The ranking was agreed to be Cushman & Wakefield, JLL and CBRE, respectively. This will be the recommendation to the Executive Committee and then staff will proceed as requested.

Mr. Holland confirmed internal control procedures will be reviewed at the next face to face meeting of the Finance committee.

Ms. Heeter and Dr. Spagna agreed the next face to face meeting will be in March prior to the April meeting. A doodle poll will be sent to determine the best date and time for the meeting at the PlanRVA office.

The call ended at approximately 1:40 PM.