

**AGENDA  
MEETING OF THE BOARD OF DIRECTORS  
HUMBOLDT BAY DEVELOPMENT ASSOCIATION, INC.**

**DATE:** May 24, 2018

**TIME:** 5:00 PM

**PLACE:** Woodley Island Marina Meeting Room

*The Meeting Room is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at 443-0801 at least 24 hours in advance of the meeting.*

**1. Call to Order Regular Session at 5:00 P.M. and Roll Call**

**2. Pledge of Allegiance**

**3. Public Comment**

*Note: This portion of the Agenda allows the public to speak to the Board on the various issues not itemized on this Agenda. A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on any item that does not appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public not appearing on the Agenda that are within the subject matter jurisdiction of the Board of Directors. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.*

**4. Consent Calendar**

**5. Non Agenda**

**6. Unfinished Business**

**7. New Business**

- a) Accept Financial Report ending March 31, 2018.
- b) Redwood Marine Terminal II Projects Update. Receive report of RMT II Goals, Revenues and Expenditures.
- c) HBDA FY2018-19 Draft Budget Review.
- d) Fill Board Vacancy. Receive report from Vacancy subcommittee and consider appointing new member.
- e) Consider drafting conflict of interest and whistleblower policies.

**8. Communications and Reports**

- a) Executive Director's Report
- b) Staff Reports
- c) Board Reports

**9. Adjournment**

2:59 PM

## Humboldt Bay Development Association, Inc.

## Balance Sheet

As of March 31, 2018

04/19/18

Accrual Basis

	<u>Mar 31, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Cash & Equivalents	
BBVA Compass (HBDA operating)	34,476.88
Total Cash & Equivalents	34,476.88
Restricted Cash	
Cash in Fee Reserve	318,400.57
Total Restricted Cash	318,400.57
Total Checking/Savings	352,877.45
Other Current Assets	
Deferred Asset-Operating Lease	
Defered Rent Asset	839,845.35
Total Deferred Asset-Operating Lease	839,845.35
Total Other Current Assets	839,845.35
Total Current Assets	1,192,722.80
Fixed Assets	
Building.	
Building	4,320,729.00
Capital asset - building	3,197,457.00
Total Building.	7,518,186.00
Depreciation Accum - Bldg	
Accumulated Depr	-196,512.41
Total Depreciation Accum - Bldg	-196,512.41
Land	
Capital asset - land	708,543.00
Total Land	708,543.00
Total Fixed Assets	8,030,216.59
Other Assets	
Deferred Charges, net	15,578.14
Total Other Assets	15,578.14
<b>TOTAL ASSETS</b>	<b><u>9,238,517.53</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	751.00
Total Accounts Payable	751.00
Other Current Liabilities	
Due to Related Parties	
Due to HBHRCD	23,948.00
Total Due to Related Parties	23,948.00
Total Other Current Liabilities	23,948.00
Total Current Liabilities	24,699.00
Long Term Liabilities	
Long Term Debt	
Debt Issuance Cost	-450,244.64

Humboldt Bay Development Association, Inc.  
**Balance Sheet**  
As of March 31, 2018

	<u>Mar 31, 18</u>
NewMarketsCommCap-Note A1	4,679,500.00
NewMarketsCommCap-Note B1	2,250,500.00
NMCSub-CDE69,LLC - Note A2	1,169,875.00
NMCSub-CDE69,LLC - NoteB2	580,125.00
Total Long Term Debt	<u>8,229,755.36</u>
Total Long Term Liabilities	<u>8,229,755.36</u>
Total Liabilities	8,254,454.36
Equity	
Retained Earnings	885,356.91
Net Income	98,706.26
Total Equity	<u>984,063.17</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>9,238,517.53</u></u></b>

# Humboldt Bay Development Association, Inc.

## Profit & Loss And Cash Flow

July 2017 through March 2018

	<u>Jul - Sep 17</u>	<u>Oct - Dec 17</u>	<u>Jan - Mar 18</u>	<u>TOTAL</u>
<b>Income</b>				
Interest Income	133.82	128.63	173.28	435.73
Rental Income	134,158.45	134,158.45	134,158.45	402,475.35
<b>Total Income</b>	<u>134,292.27</u>	<u>134,287.08</u>	<u>134,331.73</u>	<u>402,911.08</u>
<b>Expense</b>				
Amortization	60.62	60.62	60.62	181.86
Depreciation Expense	39,302.47	39,302.47	39,302.47	117,907.41
<b>Interest Expense</b>				
Cnmc Sub-Cde 69	10,948.03	10,948.03	10,948.03	32,844.09
Loan Amortization	4,068.12	4,068.12	4,068.12	12,204.36
New Markets Comm Cap Xvii	29,604.08	29,604.08	29,604.08	88,812.24
NMCC fee reserve	13,750.00	13,750.00	13,750.00	41,250.00
<b>Total Interest Expense</b>	<u>58,370.23</u>	<u>58,370.23</u>	<u>58,370.23</u>	<u>175,110.69</u>
<b>Operating Expenses</b>				
<b>General &amp; Admin</b>				
Bank Charges/Fees	57.81	57.78	58.27	173.86
Licenses & Fees	50.00	0.00	75.00	125.00
<b>Total General &amp; Admin</b>	<u>107.81</u>	<u>57.78</u>	<u>133.27</u>	<u>298.86</u>
<b>Legal &amp; other prof fees</b>				
Accounting Fees	3,335.00	3,378.75	2,741.25	9,455.00
Audit fees	0.00	0.00	500.00	500.00
Tax Preparation	0.00	0.00	751.00	751.00
<b>Total Legal &amp; other prof fees</b>	<u>3,335.00</u>	<u>3,378.75</u>	<u>3,992.25</u>	<u>10,706.00</u>
<b>Total Operating Expenses</b>	<u>3,442.81</u>	<u>3,436.53</u>	<u>4,125.52</u>	<u>11,004.86</u>
<b>Total Expense</b>	<u>101,176.13</u>	<u>101,169.85</u>	<u>101,858.84</u>	<u>304,204.82</u>
<b>Net Income</b>	<u>33,116.14</u>	<u>33,117.23</u>	<u>32,472.89</u>	<u>98,706.26</u>

### CASH FLOW SUMMARY FOR CURRENT QUARTER

LESS: NMTC rental income & interest to reserve	-134,331.73
LESS: 6/30/17 payables	(5,500.00)
PLUS: ACTUAL rent received	47,742.00
PLUS: Interest from fee reserve	13,750.00
PLUS: Loan Amortization	4,068.12
PLUS: Depreciation	39,302.47
PLUS: Amortization	60.62
PLUS: Pmts by District	2,741.25
PLUS: Accounts Payable @	751.00
<b>NET CHANGE FOR THE QUARTER</b>	<u>1,056.62</u>
<b>BEGINNING CASH - 1/1/2018</b>	<u>33,420.26</u>
<b>ENDING CASH - 3/31/2018</b>	<u>34,476.88</u>
	Agrees to balance sheet

## RMT II GOALS

- **Obtain a Coastal Development Permit for Uses**
  - **Phase I. Make all current uses allowable.**
  - **Phase II. Develop a master development plan for future Business Innovation Park uses and infrastructure.**
- **Complete the Brownfield cleanup.**
- **Improve the site access, signage, and layout based on the master development plan to set the stage for a true Business Innovation Park.**
- **Continue to target marketing efforts on the aquaculture and other water related uses while allowing non water related uses on an interim basis.**

## RMT II GOALS

- **Convert the existing ocean outfall lease to a tidelands lease similar to other Harbor District leases with the State Lands Commission that allow for broader use that serve the public interest.**
- **Continue to support the North Coast Water Quality Control Board's efforts to develop wastewater treatment facilities on the Samoa Peninsula by utilizing the RMT II property and ocean outfall.**
- **Improve exterior lighting for security and exterior working areas.**
- **Implement repair and maintenance of the fire suppression system to insure that it complies with insurance requirements.**

<b>RMT II Revenues</b>			
<b>RMT II</b>	<b>Building Rent</b>	<b>Utilities</b>	<b>GROSS ANNUAL INCOME</b>
<b>FY 2018-19</b>	590,435	2,500	<b>592,935</b>
<b>FY 2017-18</b>	298,698	1,800	<b>300,498</b>

<b>RMT II Expenses</b>		
<b>EXPENSES</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
Utilities	178,316	180,000
HBDA Lease	188,184	193,830
Supplies		18,400
Maintenance Building and Facility	3,661	15,500
Maintenance Vehicles & Equipment		7,400
Capital Improvements		177,500
<b>GROSS ANNUAL EXPENSE</b>	<b>370,161</b>	<b>592,630</b>

## RMT II Net Income

RMT II	Gross Annual Income	Gross Annual Expense	NET INCOME
<b>FY 2018-19</b>	592,935	592,630	<b>305</b>
<b>FY 2017-18</b>	300,498	370,161	<b>(69,663)</b>

## RMT II Capital Improvements

CAPITAL EXPENSES	
Auto key pad gate	25,000
Fire water upgrade	20,000
Road grading/rock	20,000
Interior walls	2,500
Roll up doors	15,000
Exterior lighting	10,000
Interior building Elec	25,000
Sewer system	20,000
Out building remodel	15,000
Black top	
Pier repairs	10,000
ADA bathroom	15,000
Dump truck	
<b>TOTAL</b>	<b>177,500</b>

**Humboldt Bay Development Association, Inc.  
2018.2019 Operating Budget and Cash Flow**

July1, 2018 through June 30,2019

<b>Income</b>	
Interest Income	575
Rental Income	536,634
<b>Total Income</b>	<u>537,215</u>
<b>Expense</b>	
Amortization	242
Building Depreciation Expense	157,210
Loan Costs Amortization	16,272
<b>Total Depreciation/Amortization</b>	<u>173,725</u>
<b>Interest Expense</b>	
Cnmc Sub-Cde 69	43,792
New Markets Comm Cap Xvii	118,416
NMCC fee reserve	55,000
<b>Total Interest Expense</b>	<u>217,208</u>
<b>Operating Expenses</b>	
General & Admin	-
Bank Charges/Fees	250
Licenses & Fees	175
<b>Total General &amp; Admin</b>	<u>398</u>
<b>Professional Services</b>	
Accounting Fees	13,000
Audit fees	7,600
Tax Preparation	2,300
<b>Total Professional Services</b>	<u>22,900</u>
<b>Total Operating Expenses</b>	<u>23,298</u>
<b>Total Expense</b>	<u>414,630</u>
<b>Net Income</b>	<u><u>122,585</u></u>

**CASH FLOW SUMMARY FOR 2018.2019**

**NOTES**

LESS: NMTC rental income	(536,634)	Based on NMTC, not cash
LESS: 6/30/17 payables	(9,250)	6/30/18 audit & tax return
PLUS: ACTUAL rent received	193,834	Actual rents rec'd + 3% in Jan 2019
PLUS: Interest from fee reserve	55,000	From Chase fee reserve acct
PLUS: Loan Amortization	16,272	Non-cash transaction
PLUS: Depreciation	157,210	Non-cash transaction
PLUS: Amortization	242	Non-cash transaction
PLUS: Pmts by District	-	Assumes HBDA paying all expenses
PLUS: Accounts Payable @	9,900	6/30/19 audit and tax return
<b>NET CHANGE FOR THE YEAR</b>	<u>9,160</u>	INCREASE to operating cash
<b>BEGINNING CASH - 7/1/2018 (ESTIMATED)</b>	<u>36,000</u>	
<b>ENDING CASH - 6/30/2019</b>	<u><u>45,160</u></u>	