



## **Headwaters Fund Meeting Agenda**

**Prosperity Center, 520 E Street, Eureka**

**A. 03-21-17 Headwaters Fund Board Agenda Packet**

Documents:

[HWF Agenda Web Packet 3-21-17.pdf](#)

**Headwaters Fund Board Meeting Agenda**  
**March 21, 2017 – 12:15-2:45**  
**Prosperity Center, 520 E Street, Eureka**

*The Headwaters Fund invests in projects through grants and loans with the goal of helping the citizens of Humboldt County achieve increased economic opportunity, prosperity, and quality-of-life.*

1. Opening (12:15)
  - a. Introductions if needed
  - b. Approval of February 21, 2017 Headwaters Fund Board minutes
  - c. Public comment on non-agenda items
  
2. Community Support for Projects (12:25)
  - a. Discussion
  - b. Public Comment
  
3. 2<sup>nd</sup> Quarter Financials (12:40)
  - a. Discussion
  - b. Public Comment
  
4. Proposed Budget for FY 2017-2018 (12:55)
  - a. Discussion
  - b. Public Comment
  - c. Action
  
5. Nominations for Chair and Vice-Chair for 2017 (1:30)
  - a. Nomination Committee recommendations
  - b. Public Comment
  - c. Action
  
6. Staff and Board Updates and Future Planning (1:40)
  - a. Discussion
  - b. Public Comment
  
7. Adjourn      Next Meeting:              April 25, 2017 ← NEW DATE!!!

## AGENDA DETAIL

### AGENDA ITEM 2

#### DISCUSSION

This is a board member initiated item regarding how to gauge community support for projects in the future, before grant funds are committed.

### AGENDA ITEM 3

#### DISCUSSION

Review and discuss the 2<sup>nd</sup> quarter financial provided by staff.

### AGENDA ITEM 4

#### DISCUSSION

The FY 17-18 operations budget is due to the CAO office on April 3. Staff to provide draft budget materials for discussion.

#### ACTION

Recommend the draft FY 17-18 operational budget.

### AGENDA ITEM 5

#### DISCUSSION

Cedar Reuben and Zach Zwerdling served as the nomination committee for Chair and Vice Chair for 2017. The committee recommends Dianna Rios be appointed as Chair for the 2017/2018 term. The nomination committee recommends Chuck Ellsworth be appointed as Vice Chair for the 2017/2018 term.

#### ACTION

Recommend approval of Dianna Rios as Chair and Chuck Ellsworth as Vice-Chair for 2017.

# Headwaters Fund 2016-17 Quarter Report

## page 1

Quarter ending: 12/31/2016

	Budget	Actual to Date
<b>FY 15-16 Interest Earned</b>	\$ 433,265	\$ 209,389
FY 16-17 Operating Budget	\$ (166,913)	\$ (88,471)
FY 16-17 Loan Loss Repayment	\$ -	\$ -
FY 16-17 LLR transfer		
FY 16-17 Grant Budget	\$ (20,000)	\$ -
<b>FY 16-17 Spending Plan</b>	<b>\$ (186,913)</b>	<b>\$ (88,471)</b>
<b>Contribution to Fund Balance*</b>	<b>\$ 246,352</b>	<b>\$ 120,918</b>

FY 2016-17 OPERATING BUDGET					
Fund Number	Description	Budget	Actual	% Fiscal Year Completed	% Funds Expended
1120-286	Operating Budget	\$ 166,913	\$79,318	50%	48%
FY 2015-16 LOAN LOSS RESERVE REPAYMENT OBLIGATION**					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3844	Loan Loss Reserve Repayment**	\$ -		50%	0%
FY 2016-17 AWARD BUDGET					
Fund Number	Description	Budget	Awarded/ Accrued	% Fiscal Year Completed	% Funds Obligated
3846	Community Investment Fund	\$ -	\$ -	50%	0%
3848	Grant Fund	\$ -	\$ -	50%	0%
3848	Mini Grant Fund	\$ 20,000	\$ -	50%	0%
3849	Initiative Fund	\$ -	\$ -	50%	0%
<b>TOTAL Award Budget</b>		<b>\$ 20,000</b>	<b>\$ -</b>		<b>0%</b>

\* Must be greater than "0"

\*\* From Previous Fiscal Year Loan Loss Experience

# Headwaters Fund 2016-17 Quarter Report

page 2

Quarter ending: 12/31/2016

FY 2015-16 INCOME/ FY 2016-17 PROJECTED BUDGET					
Fund Number	Description	Forecasted Earnings	Actual	% Fiscal Year Completed	% Funds Earned
<b>3847 &amp; 3849</b>	<b>County Pool Interest</b>	<b>65,000</b>	<b>\$ 27,013</b>	<b>50%</b>	<b>42%</b>
	Average Balance***		\$ 5,132,587		
	Yield		0.53%		
<b>3843 &amp; 3846</b>	<b>Lending Interest (RLF &amp; CIF)</b>	<b>225,000</b>	<b>\$ 108,072</b>	<b>50%</b>	<b>48%</b>
	Average Receivables Balance		\$ 5,156,544		
	Yield		2.10%		
<b>3852</b>	<b>Long Term Endowment</b>	<b>140,000</b>	<b>\$ 74,304</b>	<b>50%</b>	<b>53%</b>
	Average Receivables Balance		\$ 7,000,000		
	Yield		1.06%		
	<b>TOTAL INTEREST</b>	<b>\$ 430,000</b>	<b>\$ 209,389</b>	<b>50%</b>	<b>49%</b>

FY 2015-16 LOAN LOSSES**** / 2016-17 LOAN LOSS RESERVE REPAYMENT OBLIGATION					
Fund Number	Description	Budget	Actual	% Fiscal Year Completed	% Funds Obligated
<b>3844</b>	<b>Loan Losses****</b>	<b>\$ -</b>	<b>\$ -</b>	<b>50%</b>	

FY 2015-16 LOANS IN DEFAULT					
Fund Number	Description	Unresolved	Resolved	% Fiscal Year Completed	% Funds Obligated
	AEDC		0		
	RREDC	\$ -	\$ -		
	CIF	\$ -	\$ -		
	<b>Loans in Default</b>	<b>\$ -</b>	<b>\$ -</b>	<b>50%</b>	<b>0%</b>

\*\*\*\* Carries forward to Next Fiscal Year Loan Loss Reserve Repayment Budget/Spending



# Headwaters Fund 2016-17 Quarter Report

## Page 4

Quarter ending: 12/31/2016

FY 2014-15 AR/AP SHEET									
	3843	3844	3846	3847	3848	3848	3849	3852	
	Revolving	Reserve	Investment	Liquidity	Grant Fund	Mini Grant	Initiative	Endowment Fund	TOTAL
	Loan Fund	Fund	Fund	Fund		Fund	Fund		
<b>ASSETS</b>									
Cash	\$ 1,923,154	\$ 560,000	\$ 2,375,284	\$ 30,318	\$ 2,006	\$ -	\$ 35,366	\$ 7,206,459	\$ 12,132,587
Receivables									
AEDC	\$ 2,506,383								\$ 2,506,383
RREDC	\$ 2,650,160								\$ 2,650,160
CIF			\$ -						\$ -
									\$ -
<b>LIABILITIES</b>									
Grants			\$ (550,000)		\$ (187,017)	\$ -	\$ -		\$ (737,017)
Operating	\$ (58,831)			\$ (19,610)	\$ -				\$ (78,442)
<b>TOTAL</b>	<b>\$ 7,020,867</b>	<b>\$ 560,000</b>	<b>\$ 1,825,284</b>	<b>\$ 10,708</b>	<b>\$ (185,011)</b>	<b>\$ -</b>	<b>\$ 35,366</b>	<b>\$ 7,206,459</b>	<b>\$ 16,473,672</b>

Notes:

Loans in Default:	AEDC	
	RREDC	
	Total	\$ -

CIF Grant Liabilities

Decade Yrs 5-6	300,000	
MRG	250,000	Expires 2/25/17
Mariculture	-	Final paid 12/15/16

Grant Liabilities

HBC	-	project cancelled
Aquaculture	-	Final paid 2/5/15
Orick	37,017	Checking status
Decade Yr 7	150,000	
	<u>187,017</u>	

Receivables CIF

RCEA in 2017	300,000
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**County of Humboldt**  
**Fiscal year 2017-2018**

Department: 286 Headwaters  
1120 Economic Development

Budget item	Board Adopted 2016-2017	Adjusted Budget	Estimated Expenditures 2016-2017	Baseline Request 2017-18
<b>Revenue Description</b>				
70 Other Revenues				
705026 Grant Fund #3848	36,593.00	196,593.00	170,000.00	120,000.00
705027 Income/Liquidity Fund #3847	41,728.00	41,728.00	36,401.94	25,588.47
705028 Income/Revolving Loan #3843	125,185.00	125,185.00	109,205.82	76,765.42
705029 Community Investment Fund #3846	210,800.00	510,800.00	321,599.52	300,000.00
<b>TOTAL 70 Other Revenues</b>	<b>414,306.00</b>	<b>874,306.00</b>	<b>637,207.28</b>	<b>522,353.89</b>
Department Revenue for fund 1100	414,306.00	874,306.00	637,207.28	522,353.89
<b>Staffing (FTE's)</b>				
Regular	1.00			1.0 FROZEN
Extra Help				
<b>Expense Description</b>				
01 Salaries & Employee Benefits				
1100 Salaries And Wages	0.00	0.00	0.00	0.00
1400 Extra Help	8,000.00	13,848.00	10,340.36	
1450 Unemployment Insurance	0.00	0.00	33.31	0.00
1470 Health Insurance	4,000.00	4,000.00	6,458.13	0.00
1471 Life & Air Travel Insurance	0.00	0.00	0.00	0.00
1472 Dental Insurance	0.00	0.00	0.00	0.00
1475 Salaries Reimbursed	0.00	0.00	0.00	0.00
1500 Retirement	1,700.00	1,700.00	2,221.75	0.00
1600 FICA	0.00	0.00	494.21	0.00
1700 Workers Compensation	0.00	0.00	0.00	0.00
<b>TOTAL 01 Salaries &amp; Employee Benefits</b>	<b>13,700.00</b>	<b>19,548.00</b>	<b>19,547.76</b>	<b>0.00</b>
02 Services and Supplies				
2110 Insurance	12.00	12.00	12.00	12.00
2115 Memberships	200.00	200.00	285.00	200.00
2117 Office Supplies	250.00	250.00	250.00	250.00
2118 Professional & Special Services	10,000.00	10,000.00	10,000.00	10,000.00
2119 Publications & Legal Notices	200.00	200.00	200.00	200.00
2123 Special Departmental Expense	1,000.00	1,000.00	313.00	1,000.00
2125 Transportation & Travel	1,000.00	1,000.00	1,000.00	1,000.00
2225 Transportation-Out of County	500.00	500.00	500.00	500.00
2561 Mini Grants	10,000.00	20,000.00	20,000.00	20,000.00
2614 Staff Development & Training	1,000.00	1,000.00	1,000.00	1,000.00
2920 Audit Expense	1,500.00	1,500.00	1,500.00	1,500.00
<b>Total 02 Services &amp; Supplies</b>	<b>25,662.00</b>	<b>35,662.00</b>	<b>35,060.00</b>	<b>35,662.00</b>
03 Other Charges				
3109 Grant Fund Disbursements	26,593.00	176,593.00	150,000.00	100,000.00
3137 A-87 Overhead Charges	58,121.00	58,121.00	58,121.00	5,408.00
3244 Admin Charges from Econ Dev	10,700.00	10,700.00	9,000.00	9,000.00
3246 CIF Grants	210,800.00	510,800.00	321,599.52	300,000.00



**County of Humboldt**  
**Fiscal year 2017-2018**

Department: 286 Headwaters  
1120 Economic Development

Budget item	Board Adopted 2016-2017	Adjusted Budget	Estimated Expenditures 2016-2017	Baseline Request 2017-18
3591 Grant Fund Initiative Disbursements	0.00	0.00	0.00	0.00
3928 Expense Transfers	67,957.00	62,109.00	43,106.00	71,773.89
3940 Central Service Charges	773.00	773.00	773.00	510.00
<b>Total 03 Other Charges</b>	<b>374,944.00</b>	<b>819,096.00</b>	<b>582,599.52</b>	<b>486,691.89</b>
<b>Total Department Revenue</b>	<b>414,306.00</b>	<b>874,306.00</b>	<b>637,207.28</b>	<b>522,353.89</b>
<b>Department Expenses for fund 1100</b>	<b>414,306.00</b>	<b>874,306.00</b>	<b>637,207.28</b>	<b>522,353.89</b>
<b>Department net budget for fund 1100</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>