



Fort Dupont Redevelopment and Preservation Corporation

Meeting 11/13/23



Meeting Agenda 11/3/23

- **I. Call to Order**
 - Welcome and Introductions- Chair
 - Confirmation of Quorum
- **II. Approval of Previous Meeting Minutes**
 - Review and approval of minutes from the previous committee meeting
- **III. Financial Reports**
 - Presentation of the September financial statements (income statement) and upcoming expenses.
 - Update on budget vs. actuals
- **IV. Internal Audit Report**
 - Discussion on the implementation of previous audit recommendations
- **V. Compliance and Risk Management**
 - Overview of compliance and risk management relevant to the organization
- **VI. Investment Review (if applicable)**
 - Overview of Appraisals completed
 - Discussion of our best use options
 - Discussion on the investment strategy and any proposed changes
 - Introduction of one of our banking partners- Applied bank guest
- **VII. Other Business**
 - Any other items that require the committee's attention
 - Open floor for committee members to raise concerns or ask questions
- **IX. Next Meeting Date and Agenda Items**
 - Agreement on the date, time, and location of the next finance and audit committee meeting
- **X. Adjournment**
 - Official closing of the meeting



Talking points 11/13/23

- **Appraisals and current costs for sale or rentals in process**
 - Values for 2 properties in
 - Old Elm
 - 1605 Maple blvd
 - 5 lots on Old Elm road
 - 9 duplex (4 next to the PX building 5 next to the Battery lane Duplexes)
- **Subdivision of the campus**
 - Battery Lane- subdivision is complete
 - Old Elm and 1605 maple in progress
 - Pending all other lots
- **Financing options- introduce guest from Applied card to go over potential financing options available to the fort for current projects**
- **September Financials and upcoming expenses and any other questions**
- **Collections procedures- internal controls updates.**
- **Takeaways 10/9/23**
 - Compare rental amounts vs Sale of properties and lots
 - Add Bert to discussion
 - Consider online banks- Discover
 - Battery Duplex- pending DENREC approval
 - Next step after that would be bid to get artesian and Delmarva to the rentals
 - Send out the charter to the members for sign off
 - Next meeting tentative- Courtney and Ruth Ann



Agenda 10/9/23

- **Monetizing assets to create working capital**

1. 260 Old Elm Ave- Main office
 2. 1605 Maple Blvd- leased out for \$1,440
- One thing to note- we would need an appraisal for the correct value of the Old elm site roughly costs \$600.

- **New construction**

- 1307 Officers row- lot value 112,500
- Should Fort DuPont build the new home
- Available lots
 - Duplexes on Maple Blvd and
 - OBL
 - Options to consider
 1. Sell as improved lots
 2. Build and sell
 3. Build and lease

- **Banking and lending Partners**

- WSFS- current bank
 1. Checking account
 2. Retired auto loan
- Applied Bank currently have 2 loans totaling 1.5mil
 - 850K reduced to 650 but we are still on interest only payments
 - 850K
- Parke Bank- PPP loan that was cleared in 2021 . Amount borrowed was \$93,500 to protect the employees paychecks during covid issued 5/5/2020

- **Taking in more debt**

- Exploring new relationships
- MIT bank, other

- **Charter approval form Board members**



Minutes from 9/11/23 meeting

- **Agenda 9/11/23**

- New Business- Committee charter read to members of the committee
- Audit findings- Significant audit matters
 1. 2022-001 Financial close process
 2. 2022-002 Allocation of costs; cost of properties sold
 3. 2022-003 Cash Disbursement Documentation and approval
- Budget discussion
 - FY 24 budget numbers were raised with the committee.
- No further action on both audit and budget numbers

- **Takeaways from 9/11/23 meeting**

- We need to see the Rental income numbers- Emory's - Management fee of 10% per property
- A visual representation of the Dip- before and After
 - Legal services RFP- TBD
 - Insurance services RFP- started will provide updates once a decision is made 2-3rd quarter
- 501c3 Setup- and foundational information
 - Initial discussion- pending further conversations
- To be discussed at a future date -Investment Policy statements and setup- Mike Gracy.

Management responses to Audit findings

- Finding 2022 – 001
 - Management agrees with the finding and appreciates the importance of providing closing journal entries to present accurate financial statements. The Corporation has recently hired a Deputy Director with overall responsibility for ensuring proper accounting of the Corporation's finances. Management expects closing journal entries for Fiscal Year 2023 to be completed no later than July 30, 2023.
- Finding 2022-002
 - Management agrees with the finding. Utilizing financial best practices, the Corporation will develop property development cost capitalization policy and procedures that will allocate costs for preconstruction, construction and overhead for property development and preservation projects. The policy will be presented to the Board for review and approval no later than the fall of 2023.
- Finding 2022 – 003
 - Management agrees with this finding. We believe the term "cash disbursement" as used in the finding refers to any payment by the Corporation in exchange for the provision of goods or services. Practically, this would mean payments made by the Corporation via check or through payroll, as the Corporation does not use cash as a means of payment. Current policies pertaining to the approval and coding of expenditures will be reviewed and, where necessary, revised consistent with the recommendation. Procedures for the administration of credit card use have already been implemented, and the formal policy will be revised to reflect such. Finally, the Corporation has already begun to redesign procedures and systems for the storage of financial documents.



Dip before pictures

- Project number FY24-001
- Project name Dip And Old Elm Ave
- Estimated cost- 300,000
- Work to commence on 10/9/23





August Financials

