

MARIN EMERGENCY RADIO AUTHORITY

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MEMORANDUM

DATE: March 11, 2015
TO: MERA Executive Board
FROM: Maureen Cassingham, Executive Officer
SUBJECT: AGENDA ITEM **B-2**: PROPOSED **PRELIMINARY** FY15-16 MERA
OPERATING, NEW PROJECT FINANCING AND
REVENUE BONDS BUDGETS

Recommended Action: Based on Finance Committee review and recommendation, approve the Proposed **PRELIMINARY** MERA FY15-16 Budgets for Operating, New Project Financing and Refunding Revenue Bonds for immediate distribution to Member agencies. On May 6, the Executive Board will review and recommend the **FINAL** Proposed Budgets for Governing Board approval on May 13.

Background: Total Proposed Preliminary Operating Budget for FY15-16 is \$1,811,251 which represents a 6.0% increase over prior year's budget. A recent history of total annual operating budgets and percentage changes over prior years is as follows:

| <u>Fiscal Year</u> | <u>Annual Operating Budget</u> | <u>\$ Variance</u> | <u>% Variance</u> |
|--------------------|--------------------------------|--------------------|-------------------|
| 2007-08 | \$1,716,926 | | |
| 2008-09 | 1,647,000 | < 69,926> | -4.1 |
| 2009-10 | 1,642,000 | < 5,000> | - .3 |
| 2010-11 | 1,496,105 | <145,895> | -8.9 |
| 2011-12 | 1,499,630 | + 3,525 | + .2 |
| 2012-13 | 1,591,930 | + 92,300 | +6.2 |
| 2013-14 | 1,651,432 | + 59,502 | +3.7 |
| 2014-15 | 1,707,654 | + 56,222 | +3.4 |

The second budget is for the 2007 Citizen Bank Loan Note for supplemental capital borrowing. The Governing Board directed that this payment remain the same through the life of the Note.

The third budget is the annual debt service for the Refunding Revenue Bonds and there is no discretion in the payment amount.

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Member agency contribution schedules, based on the Executive Board's approval of the **PRELIMINARY** Operating Budget, will be distributed to the members on or about March 13.

Recipients of this information will include agency representatives designated to receive financial information and all Governing Board Members and Alternates and Executive Board Members.

Upon final Governing Board approval of the annual budgets on May 13, member agency invoices with applicable contribution schedules, will be distributed **AFTER JUNE 1** to the designated financial recipients.

Operating Fund 70030 (Annual Operating Budget):

| Budget FY 2014-15 | Budget FY 2015-16 |
|------------------------------|--|
| \$1,707,654 | \$1,811,251 <u>proposed preliminary</u> |

Project Fund 70032 (New Project Financing – 2007 Note):

| Budget FY 2014-15 | Budget FY 2015-16 |
|------------------------------|------------------------------|
| \$225,000 | \$225,000 |

2010 Bond Fund 70035 (Payment of annual debt service for 2010 Refunding Revenue Bonds):

| Budget FY 2014-15 | Budget FY 2015-16 |
|------------------------------|------------------------------|
| \$2,121,825 | \$2,122,025 |

ATTACHMENTS:

B-2a Proposed **PRELIMINARY** FY15-16 Operating Budget (Fund 70030) w/ Exhibits 1 & 2

B-2b **PRELIMINARY** Member Agency Contribution Schedules – FY15-16