

MARIN EMERGENCY RADIO AUTHORITY

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MEMORANDUM

DATE: March 8, 2017
TO: MERA Executive Board
FROM: Maureen Cassingham, Executive Officer
SUBJECT: AGENDA ITEM **B-1**: PROPOSED **PRELIMINARY** FY17-18 MERA
OPERATING, NEW PROJECT FINANCING AND
REVENUE BONDS BUDGETS

Recommended Action: Based on Finance Committee review and recommendation, approve the Proposed **PRELIMINARY** MERA FY17-18 Budgets for Operating, New Project Financing and Refunding Revenue Bonds for immediate distribution to Member agencies. On May 3 the Executive Board will review and recommend **FINAL** Proposed Budgets for Governing Board approval on May 10.

Background: Total Proposed Preliminary Operating Budget for FY17-18 is \$1,973,710 which represents a 4.5% 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
2015-16	1,811,251	+103,597	+6.0
2016-17	1,888,142	+ 76,891	+4.2
2017-18 PRELIM.	1,973,710	+ 85,568	+4.5

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.

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FINANCING AND REVENUE BONDS BUDGETS

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

Member agency contribution schedules, based on the Executive Board's approval of the Preliminary Operating Budget, will be distributed to the member agency by **March 17**.

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 10, member agency invoices will be sent, with applicable contribution schedules, to the designated financial recipients **AFTER JUNE 1**.

Operating Fund 70030 (Annual Operating Budget):

Budget FY 2016-17	Budget FY 2017-18
\$1,888,142	\$1,973,710 <u>proposed preliminary</u>

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

Budget FY 2016-17	Budget FY 2017-18
\$225,000	\$225,000

2010 Bond Fund 70035 (Payment of Annual Debt Service for 2010 Refunding Revenue Bonds):

Budget FY 2016-17	Budget FY 2017-18
\$2,124,625	\$2,123,200

ATTACHMENTS:

- B-1a Proposed Preliminary FY17-18 Operating Budget (Fund 70030)
with Exhibits 1 and 2
- B-1b **PRELIMINARY** Member Agency Contribution Schedules – FY17-18