

**BayRICS
JOINT POWERS AUTHORITY
BOARD OF DIRECTORS MEETING**

STAFF REPORT

MEETING DATE: Thursday June 13, 2013

AGENDA ITEM: Item 9, BayRICS Proposed Budget for Fiscal Year 2013-2014

RECOMMENDATIONS:

Review and Adopt.

SUMMARY/DISCUSSION

Section 2.04(e) of the BayRICS Joint Powers Authority Agreement provides that, before the beginning of each Fiscal Year, the Board is responsible for adopting either an annual or a multi-year budget for the Authority. At the April 11, 2013 Board meeting, staff presented a draft annual budget for Fiscal Year 2013-2014, based on projected annual member fee revenues. Staff has revised the budget detail by separating the grant funded activities and reserve fund from the operating budget. Staff also incorporated several changes proposed by Directors, added estimated costs for microwave frequency coordination and made updates to Salaries and Benefits. The Board may adopt the proposed budget or may request additional changes.

Revised Budget detail is provided in Table 1 on the following page.

Table 1: BayRICS Proposed Annual Budget FY 2013-2014

Operating Expenses		
Salaries and Benefits:		
1 FTE GM/Project Manager	\$218,438	
.5 FTE Admin Assist/Coordinator	\$43,689	
1 FTE BayWEB Project Coordinator	\$0	
1 FTE Interoperability Project Coordinator/ Planner	\$0	
Total Salaries and Benefits		\$262,122
Bookkeeping/Accounting		\$7,500
Legal Services:		
General Legal (12 months x \$2,500/m)		\$30,000
Telecom/Regulatory		\$30,000
Technical Consulting		\$0
Microwave Frequency Coord.		\$2,995
Insurance		\$10,000
Miscellaneous Expense		\$5,000
TOTAL Expenses		\$347,622
Operating Revenues		
Membership Fees		\$335,889
Draw on Reserve		\$11,733
Total Revenues		\$347,622

Reserve Fund		
Beginning Balance 7/1/2012		\$149,393
Projected carry forward from FY 2012-13		\$180,000
Total Reserve Fund 6/30/2013		\$329,393
Draw on Reserves		(\$11,733)
Projected Reserves 6/30/2014		\$317,660

Grant Funded Expenses		
BayLoop M&M (Grant Funded)		\$240,000
Total Grant Funded Expenses		\$240,000
Grant Funded Revenues		
UASI Grant		\$240,000
Total Grant Funded Revenues		\$240,000

Staff used the following assumptions when developing the proposed budget:

1. Memberships remain flat for FY 2013-2014, at 13 Directors and 1 Other Member.
2. Staff recommended that the Board increase annual member fees by the Consumer Price Index (CPI) rate of 1.1%. This increase was approved by the Board at the April meeting. Annual member fees set for Members with seats on the Board will increase to \$25,439 and annual fees for other Members will increase to \$5,191.
3. \$329,393 in unspent funds from current Fiscal Year will be available to carry forward to FY 2013-2014 to be used for future system costs, such as backhaul or system refresh, and to fund \$11,733 in staff salaries and benefits, if no other funding source is identified. Staff would return to the Board for additional approval to spend these funds at the time that a need is established.
4. Anticipated full recovery of BayLoop Maintenance contract costs through UASI sustainment grant.
5. Salaries and Benefits:
 - a. One FTE GM/PM for 12 months: \$218,438 (69.20 hourly salary + benefits calculated at 52%)
 - b. One .5 FTE Admin/Coordinator for 12 months: \$43,689 (salary and benefits calculated using mid-rate current salary average blend for City/County of San Francisco Administrative Secretary and IT Operations Support Admin. II Classifications);
6. No funding has been budgeted for technical consulting services.
7. Additional staff positions of 1 FTE for BayWEB project coordination and 1 FTE for interoperability communications coordination and planning remain unfunded, as they would require separate funding sources or voluntary contribution of in kind staff time by BayRICS members.