

Agenda Item D

MARIN EMERGENCY RADIO AUTHORITY

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DATE: July 10, 2019

TO: MERA Finance Committee

FROM: Maureen Cassingham, Executive Officer

SUBJECT: AGENDA ITEM **D**: REPORT ON RETIREMENT OF
2010 REFUNDING REVENUE BONDS AND
FUTURE PAYMENT OPTIONS

Recommended Action: Discuss and provide direction on Retirement of 2010 Refunding Revenue Bonds and Future Member Payment Options.

Background: As you know, the Finance Committee has discussed over the last few years the early retirement of MERA's 2010 Refunding Revenue Bonds to achieve \$81,600 in 2021 interest savings. Attached for your review is Bond Counsel Reyes' opinion on that process, along with confirmation of final Member Service Payment dates and member prepayment steps. It is proposed that Trustee U.S. Bank be directed to use the 2010 Bonds Member payments for the Early Bond Call.

In addition, the Committee has also discussed continuation of Member Service Payments after the 2010 Bonds retirement to help fund a Gen 3 System and/or be set aside to offset increased member Operating costs for the Next Gen System. The intention of these discussions was to pose options for Governing Board Member agency consideration prior to final Member payments for the 2010 Bonds and to assist with future Member Agency budget development. Prior estimates of a likely 14 to 20 percent increase in Operating expenses is mostly due to additional Next Gen Sites.

ATTACHMENT:

D-1 Bond Counsel Opinion – Request for Clarification:
Marin Emergency Radio Authority (2010 Refunding Revenue Bonds)
dated April 10, 2019