



May 2, 2013

TO: Marin Energy Authority Board
FROM: Emily Goodwin, Internal Operations Coordinator
RE: Budget Amendments (Agenda Item #4 - C.5)
ATTACHMENT: A. Proposed Retroactive Amendment to FY13 Budget
B. Proposed Amendment to FY14 Budget

Dear Board Members:

SUMMARY:

Regarding Proposed Retroactive Amendment to FY13 Budget

On March 1, 2013 your Board approved the Fiscal Year 2012-13 Budget. Due to the growth in MEA staff and rapid recruitment within Q3/Q4 of FY13 (hiring 6 additional full time staff), numerous related expenses were incurred to ensure new staff were fully operational. Expenses were associated with expanding, furnishing and wiring the office space as well as providing software and hardware for new work stations. .

Costs accrued while equipping newly hired staff includes:

- Moving office furniture into expanded office space
- Hard/software for new work stations
- Related IT support to activate phone/computer systems and set up log in details for numerous web and internal work systems
- Miscellaneous office supplies

2012-13 Budget Adjustments include:

- a. "Capital outlay" needs to be increased by \$39,000. This is due to the accounting for \$20,000 of contributed furniture as well as \$19,000 of increased equipment purchases for new employees and the office expansion.
- b. Related to the above, "Contributions" revenue needs to be increased by \$20,000 due to the accounting for contributed furniture.
- c. "Other Services" needs to be increased by \$15,000. Preliminary numbers indicate a \$5,000 overage, but there is a need to increase by \$15,000 to allow for late invoices coming in as we hold the books open for the close of the fiscal year.

- d. "General and Administration" needs to be increased by \$5,000. Preliminary numbers show this account under budget currently, but only slightly, so we request an increase of \$5,000 to allow for late invoices that may come in as we hold the books open.

The intention is that these adjustments result in no change to available fund balance (bottom line). A \$39,000 decrease to "Service Fees – PGE" coupled with the \$20,000 "Contributions" revenue mentioned above will achieve this result.

Regarding Proposed Amendment to FY14 Budget

On March 7, 2013 your Board approved the Fiscal year 2013-14 Budget. In response to recommendations from our accountants, we propose re-formatting the budget structure to better display MEA activity by "function" and utilizing this format moving forward. As such, we essentially created "Funds" for three functions: Operating, EE, and Local Renewable Energy Development. The following amendments to the budgets are in response to recommendations by staff and Executive Office and include:

- a. An expense line for "Local Renewable Energy Development" related to Deep Green Revenue.
- b. EE related Revenue and Expense leaving the Operating Budget and going to the EE budget.
- c. A transfer from Operating Budget for the Local Renewable Energy Development budget.

Recommendation: Approve Proposed Retroactive Amendment to FY13 Budget and Proposed Amendment to FY14 Budget.