

Funding Options Update Recreation Commission

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Updates on Financing Options



Interest Rate: Interest Rate estimate reduced from 4% to 3.5%, saving \$15,248 per annual payment or \$152,478 in interest over the life of the loan.



Trails - Request of \$500,000 was fully funded at last MLR board meeting from Measure R fund Balance



MACC Ownership - The ownership structure of this facility makes it challenging from funding perspective. This would require us to fully fund any MACC contribution from Measure U fund balance



Multi - Use Facility - This facility would be the primary funding opportunity. That means the payment would come from one funding source, Measure R which requires the debt payment comes from that account. This may require Measure U support of some ongoing expenses

Financing Details

Measure R Financing

Amount Financed	\$5,000,000
Annual Payment	
Interest Rate	3.5%
Term (Years)	10

Principal	Interest	Payment	Year
\$426,207	\$175,000	\$601,207	1
\$441,124	\$160,083	\$601,207	2
\$456,563	\$144,643	\$601,207	3
\$472,543	\$128,664	\$601,207	4
\$489,082	\$112,125	\$601,207	5
\$506,200	\$95,007	\$601,207	6
\$523,917	\$77,290	\$601,207	7
\$542,254	\$58,953	\$601,207	8
\$561,233	\$39,974	\$601,207	9
\$580,876	\$20,331	\$601,207	10
\$5,000,000	\$1,012,068	\$6,012,068	

Note:

\$100,000 in Closing Costs leaves \$4.9 million in funds available for Multi-Use Facility



Proposed Projects – Financing

Multi-Use Facility Details

Projected Construction Costs	\$ 9,500,000
Financing Contribution	(4,900,000)
Remaining required funds	4,600,000
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Measure R Fund Balance - Contribution	(2,600,000)
Measure U Fund Balance - Contribution	(500,000)
Funding Raising - Required - Flexibility between projects	(1,500,000)
Remaining Balance	-
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MACC Facility - Details

Requested Contribution	\$ 2,500,000
Measure U Fund Balance Contribution	(2,500,000)
Remaining Balance	-
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Community Project - TBD Details

Requested Contribution	\$ 1,000,000
Measure R Fund Balance - Contribution	(650,000)
Measure U Fund Balance - Contribution	(350,000)
Remaining Balance	-
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Measure R – Fund Balance Details

Measure R - Details

Projected Ending Balance 6/30/2017	\$	3,220,888
One Time Commitments - Trails Capital	\$	500,000
Available Ending Balance 6/30/2017	\$	2,720,888
Projected Income	\$	1,250,000
Annual On-Going Costs	\$	570,000
Projected Balance close FY2017-18	\$	3,400,888
Funding Contribution - Multi Use Facility	\$	2,600,000
Funding Contribution - Community Project	\$	650,000
Funds Available - Close FY2017-18	\$	150,888

Measure R - Annual Ongoing

ML Trails System	\$	300,000
MLR Town Agreement - Administration	\$	200,000
Special Projects	\$	25,000
TOML Trails End Park Maintenance	\$	12,000
TOML Whitmore Park Maintenance	\$	25,000
TOML Equipment Replacement	\$	2,000
TOML Equipment Maintenance	\$	2,000
TOML Audit Services	\$	4,000
Annual On-Going Costs	\$	570,000

Measure U – Fund Balance Details

Measure U - Details

Projected Ending Balance 6/30/2017	\$	3,085,274
One Time Commitments - Aquatic Feasibility Study	\$	50,600
Available Ending Balance 6/30/2017	\$	3,034,674
Projected Income	\$	900,000
Annual On-Going Costs	\$	171,220
Projected Balance close FY2017-18	\$	3,763,454
Funding Contribution - MACC	\$	2,500,000
Funding Contribution - Multi Use Facility	\$	500,000
Funding Contribution - Community Project	\$	350,000
Funds Available - Close FY2017-18	\$	413,454

Measure U - Annual Ongoing

Programming	\$	115,000
Special Projects	\$	25,000
TOML Transit Services	\$	18,000
TOML Event Contracts Processing	\$	7,220
TOML Equipment Replacement	\$	2,000
TOML Audit Services	\$	4,000
Annual On-Going Costs	\$	171,220

Measure R & U – Annual Budget FY2018-19 - Beyond

Measure R - FY2018-19

Projected Ending Balance 6/30/2018	\$	150,888
Projected Income	\$	1,250,000
Annual On-Going Costs	\$	570,000
Multi-Use Facility Staffing Support - New	\$	75,000
Annual Debt Payment	\$	601,207

Projected Balance close FY2018-19 \$ **154,681**

Annual Funds Available from Measure R \$ **3,793**

Measure U - FY2018-19

Projected Ending Balance 6/30/2018	\$	413,454
Projected Income	\$	900,000
Annual On-Going Costs	\$	171,220
MIACC - Ongoing Support - New	\$	300,000
Annual Debt Payment	\$	-

Projected Balance close FY2018-19 \$ **842,234**

Annual Funds Available from Measure U \$ **428,780**

Combined R and U - Annual Funds Available \$ **432,573**

Note:

Small excess funds in Measure R may require Measure U to supplement Measure R funding commitments



Option #2 – Pay as You Go

a.k.a – One and Done

Measure R	
Projected Ending Balance 6/30/2017	\$ 3,220,888
Projected Income	\$ 1,250,000
One-Time Trails Capital	\$ 500,000
Annual On-Going Costs	\$ 570,000
Projected Working Capital FY2017-18	\$ 3,400,888
Combined Measure R & U Funding	\$ 7,164,342
Multi-Use Facility Phase I	\$ 6,500,000
MACC	\$ 2,500,000

Measure U	
Projected Ending Balance 6/30/2017	\$ 3,085,274
Projected Income	\$ 900,000
One-Time Aquatic Feasibility Study	\$ 50,600
Annual On-Going Costs	\$ 171,220
Projected Working Capital FY2017-18	\$ 3,763,454