



Requested Action:

No action requested. Discussion and possible direction to staff regarding the Authority budget for Authority-funded activities in fiscal year 2020, which occurs between January 1, 2020 and December 31, 2020.

Detailed Description/Background:

Staff has developed a set of working revenue and expense assumptions for use in developing a 2020 budget for the Authority. Feedback is requested from the Authority Board so a final budget can be considered for approval in December 2019.

Revenue Assumptions:

Authority revenue consists entirely of Authority Board dues. The following assumptions will be used to develop a work plan.

1. Membership dues remain unchanged from 2019: \$55,000 per year for a seat and \$5,000 per year for an associate membership
2. Membership levels remain unchanged from 2019: 9 Seats and 2 Associate Member positions
3. Carryover funds from 2019 are excluded

Expense Assumptions:

Authority Board expenses are based on direct expenses and shared expenses with the Reservoir Committee according to the following assumptions:

1. Staff, including Authority's Agents, remain as contractors to the Authority, not employees.
2. Employer costs for the Authority are not included. Ex: salary and wages, benefits, HR services, training, payroll, workers' comp, accounting, development of employee and office policies and procedures.
3. 3% escalation for contractor and vendor costs of services from 2019.
4. Fund 60% of Service Area C – Outreach and Communications contract costs.
5. Fund 15% of General Manager costs.
6. Fund 10% of Real Estate and Public Affairs Manager costs.
7. Fund 20% of accounting (CPA) costs.

8. Fund 50% of governmental advisor costs (state and federal).
9. Fund 20% of the board clerk costs.
10. Fund 60% of general counsel costs.
11. Fund office costs for the Maxwell office including rent, office supplies, utilities, pest control, trash pickup, office equipment (e.g., computers, printers), IT services, etc.
12. Fund 50% of ACWA membership and ACWA JPIA insurance.
13. Fund the annual financial audit.
14. A 10% contingency to account for possible reductions in membership.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

None.

Staff Contact:

Jim Watson/Joe Trapasso

Attachments:

None.