

Requested Action:

Consider Approval of the Authority budget for Authority-funded activities in fiscal year 2021, which occurs between January 1, 2021 and December 31, 2021.

Detailed Description/Background:

Staff has developed a set of working revenue and expense assumptions for use in developing a 2021 budget for the Authority. The budget by activity has been developed in Attachment A.

Revenue Assumptions:

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

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 2020 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' compensation, accounting, development of employee and office policies and procedures.
3. 3% escalation for contractor and vendor costs of services from 2020.
4. Fund 50% of strategic planner facilitation of plan of finance effort.
5. Fund approximately 60% of Service Area C – Outreach and Communications contract costs. Actual cost allocation will be based on specific tasks.
6. Fund 20% of accounting (CPA) costs.
7. Fund 50% of governmental advisor costs (state and federal).
8. Fund 20% of the board clerk costs.

9. Fund 50% of general counsel costs. Actual cost allocation will be based on specific tasks.
10. Fund office costs for the Maxwell office including office supplies, utilities, pest control, trash pickup, office equipment (e.g., computers, printers), IT services, etc. Rent is not included through July 2021 based on agreement with County of Colusa.
11. Fund 50% of ACWA membership.
12. Fund 100% of ACWA JPIA insurance.
13. A \$60,000 contingency to account for possible reductions in membership of one member and one associate member.

Prior Authority Board Action:

August 26, 2020: Approved a revised work plan (budget) with a period of performance of September 1, 2020 to December 31, 2021 (Amendment 2) and updated Exhibit B to the Second Amendment to 2019 Reservoir Project Agreement which included preliminary Authority Board cost allocations.

December 20, 2019: Approved a budget for Authority-funded activities in fiscal year 2020, which occurs between January 1, 2020 and December 31, 2020.

November 25, 2019: Discussed the Authority budget for Authority-funded activities in fiscal year 2020, which occurs between January 1, 2020 and December 31, 2020.

Fiscal Impact/Funding Source:

The proposed revenue requirement is based on 9 Authority Board seats with annual dues equal to \$55,000/seat plus 2 Associate Members (non-voting) with annual dues equal to \$5,000/position. The budget includes a 12% contingency that would be used should a reduction in membership occur.

Staff Contact:

Joe Trapasso

Attachments:

Attachment A: Authority Funded Activities for FY2021

	2020 Actuals Plus Forecast, Auth Board	Comments	2021 Auth Board Budget	Assumption
Revenue				
Membership	\$ 495,000	9 voting	\$ 495,000	9 voting
Associate Membership	\$ 10,000	2 non-voting	\$ 10,000	2 non-voting
Total Revenue	\$ 505,000		\$ 505,000	
Expenses				
Executive Director Services and Expenses	\$ 25,000	100%, Recruiter Only	\$ -	0% of costs
General Manager Services and Expenses	\$ 26,750	15% of costs	\$ -	NA
Organizational Assessment	\$ 31,000	100% of DarlingH2O	\$ -	NA
Strategic Planning	\$ -	NA	\$ 20,000	50% of Plan of Finance Facilitation
Real Estate and Public Affairs Manager Services and Expenses	\$ -		\$ -	0% of costs
Service Area C - Outreach and Communications	\$ 180,000	~60% of costs	\$ 135,000	Task allocation est.
Accounting (CPA)	\$ 6,500	20% of costs	\$ 6,700	20% of costs
Governmental Advisor (State)	\$ 48,000	50% of retainer costs	\$ 48,000	50% of retainer costs
Governmental Advisor (Federal)	\$ 90,000	50% of retainer costs	\$ 90,000	50% of retainer costs
Board Clerk Services and Expenses	\$ 12,300	20% of costs	\$ 13,600	20% of costs
General Counsel Services and Expenses	\$ 50,000	50% of costs	\$ 90,000	50% of WP costs
ACWA Membership	\$ 15,900	80% of costs	\$ 12,300	50% of costs
ACWA JPIA Insurance	\$ 2,700	100% of costs	\$ 2,800	100% of costs
Maxwell Office Expenses and Rent	\$ 15,180	Expenses Only	\$ 23,200	No rent in Maxwell through July 2021
Contingency	\$ -		\$ 60,000	
Total Expenses	\$ 503,330		\$ 501,600	
Balance:	\$ 1,670		\$ 3,400	