ALPINE, AMADOR, BUTTE, CALAVERAS, COLUSA,

DEL NORTE, EL DORADO, GLENN, IMPERIAL, INYO, LASSEN

CHAIR – VERN MOSS, MADERA COUNTY

VICE CHAIR – RICHARD PLAND, TUOLUMNE COUNTY

EXECUTIVE DIRECTOR – GREG NORTON
COUNTY

MADERA, MARIPOSA, MODOC, MONO, NEVADA, PLUMAS,

SIERRA, SISKIYOU, TEHAMA, TRINITY, TUOLUMNE

PROGRAM MANAGER – MARY PITTO

TECHNICAL ADVISORY GROUP CHAIR – JIM MCHARGUE
AMADOR COUNTY
TAG VICE CHAIR – GRETCHEN OLSEN, TUOLUMNE COUNTY

MEMORANDUM

To: ESJPA Board of Directors

From: Mary Pitto, Program Manager

Date: December 8, 2009

RE: ESJPA Budget – CY 2010

The proposed ESJPA budget for the 2010 calendar year is shown on the following page based on the existing dues payment schedule.

In order to understand the budget, it is necessary to understand the inter-relationship between the ESJPA and RCRC. The ESJPA and RCRC are two separate legal entities, each with their own by-laws and Board of Directors. The RCRC is a non-profit, mutual benefit corporation with a Board of Directors consisting of County Supervisors who are representatives of the 31 participating counties. The ESJPA, however is a governmental agency with a Joint Powers Agreement. The Board of Directors of the ESJPA consists of delegates (or designated staff "alternates") from the 22 member counties. The ESJPA, itself, does not employ staff, but instead contracts with RCRC to provide the management, technical, and administrative services required to carry out direction from the ESJPA delegates. This contract is subject to annual review.

The current composition of staffing for ESJPA includes two RCRC employees, assigned wholly or partly, to ESJPA activities: the Program Manager (50%) and a Program Assistant (95%). The position of the Program Administrator was not filled in 2009 and instead, RCRC contracted for additional consulting services for specific issues or projects.

The ESJPA's 2010 revenue includes $118,800 in membership dues. Revenue from dues, the RCRC contribution, and miscellaneous income (such as interest earned and mileage reimbursement for the ESJPA truck) are used by the ESJPA to pay: (1) RCRC for Technical Services (including advocacy efforts and regulatory involvement in accordance with the Board approved ESJPA/RCRC Agreement; (2) the consulting services of Sweetser & Associates, and; (3) other miscellaneous expenses as listed in the budget.

Note that the budget on the following page shows a payment of $90,000 to RCRC for its Technical Support services to the ESJPA. This payment partially reimburses RCRC for the overall ESJPA costs, including personnel and overhead. The infrastructure support (i.e. office equipment, supplies, duplication costs, annual auditing, insurance, legal fees, postage, etc) are now included as expense line items.

In addition to income from membership dues, the ESJPA's CY 2010 revenue also includes grant reimbursements. As shown on the attached ESJPA Budget Summary, expense line items for Personnel (Direct Labor Grants and Overhead Grants) and Grant Reimbursed Costs are equal to the income line items similarly named. Grant related income is simply reimbursement for the actual grant eligible costs (to vendors, suppliers, contractors, etc) expended by the ESJPA. To cover its ESJPA-related personnel expenses, RCRC bills the ESJPA (in accordance with the ESJPA-RCRC Agreement) on an hourly basis for all grant-related work. The ESJPA then receives reimbursement from the granting agencies for these costs and uses grant reimbursement funds to pay the RCRC invoice.

The following is a list of current grant activities that are included in the CY 2010 budget.

> CIWMB Household Hazardous Waste Grant
> CIWMB Used Oil Block Grants (Alpine, Amador, Colusa and Mariposa)
> CIWMB Regional Tire Grant
> Department of Conservation City/County Payments

As you may recall, the ESJPA's 2009 revenue included a "Contribution from RCRC", in the amount of $92,880. RCRC's cost has generally exceeded the revenue from the ESJPA between $20,000 and $60,000 annually; however the Agency budget did not show it and it was absorbed by RCRC. Many of the RCRC expenses were shown only in the "Department" budget and were not reflected in the "Agency" budget. Last year the budget expenses included line items not previously shown in the ESJPA Agency budget, but which were included in the ESJPA Department budget and attributed to the cost differences. The 2009 contribution increased significantly, mostly due to the increased rent and offsite storage expenses. However, it is likely that this contribution will fall below the anticipated amount, largely due to the actual rental and off-site storage costs being lower than expected.

The RCRC contribution for CY 2010 is significantly lower than last year, at $39,669. Partially this is due to the actual lower rent and storage fees, but additionally is due to expecting the ESJPA using $26,000 in its reserves to cover expenses. The ESJPA has approximately $150,000 in reserves.

Recommendation:

It is recommended that the ESJPA Board adopt the 2010 ESJPA Budget as shown on the following page.

ESJPA Agency
2010 BUDGET

Description	2010 Budget	2009 Budget	Variance
INCOME			
Dues	118,800	118,800	-
Grant Reimbursed Costs	419,440	276,900	142,540
Contribution from RCRC	39,669	92,880	(53,211)
Interest Income	1		1
Misc. Income - ESJPA	1,000	2,000	(1,000)
TOTAL INCOME:	578,910	490,580	88,330
EXPENSES			
Technical Services	90,000	90,000	-
Grant Reimbursed Costs	419,440	276,900	142,540
Accounting & Auditing	5,920	9,900	(3,980)
Bank Fees	200	200	-
Community relations	400	400	-
Conferences Attended by Staff	2,000	2,000	-
Consultants	44,000	44,000	-
Delivery Services	100	100	-
Dues, Fees, & Subscriptions	3,000	3,000	-
Equipment & Furniture	500	500	-
Insurance	4,900	4,910	(10)
Legal Services	2,000	2,000	-
Meetings	3,300	3,000	300
Miscellaneous (Spec Proj/Trainings)	1,000	2,000	(1,000)
Office Expense	500	250	250
Offsite Storage	2,200	6,480	(4,280)
Rent	20,450	39,940	(19,490)
Travel	2,500	3,500	(1,000)
Ford F250	1,500	1,500	-
Contingency	0	0	-
TOTAL EXPENSES:	603,910	490,580	113,330
TOTAL REVENUE OVER EXPENSES:	(25,000)	-	(25,000)