



Consent Calendar Memo #1

DATE: April 10, 2015

TO: RMP Steering Committee

FROM: Philip Trowbridge, RMP Manager

RE: Set-Aside Fund for Monitoring Contingency

Recommendation

Approve the transfer of \$50,000 unused monitoring contingency funds from the 2014 budget to a Designated Set-Aside Fund for Monitoring Contingency.

Approve the purpose for and process by which these funds may be used.

Explanation

The 2014 RMP budget contained \$50,000 for monitoring contingencies. These funds were not used. Rather than releasing these funds to the Undesignated Funds pool, we are recommending that the \$50,000 be placed in a Dedicated Set-Aside Fund for Monitoring Contingencies for use in 2015 or future years. It is administratively easier to have money for monitoring contingencies in a Set-Aside Fund than to keep adding and subtracting it from yearly budgets.

The purpose and process for using these funds is outlined on the second page.

Proposed Purpose and Process for the Set-Aside Fund for Monitoring Contingency

Purpose

The Set-Aside Fund for Monitoring Contingency may only be used for unexpected monitoring costs or opportunities that arise during the course of the year after the RMP budget has been approved.

Process

Withdrawing Funds

For expenses greater than \$10,000, the RMP Manager must obtain prior approval from the Steering Committee.

For expenses up to \$10,000, the RMP Manager may act without prior approval from the Steering Committee, under the following circumstances:

- A strategically important sampling opportunity arises (e.g., due to rare weather events or a chance to leverage other monitoring efforts);
- A mechanical failure during field sampling necessitates rapid action to repair or replace equipment in order to maintain the sampling schedule; or
- An unexpected event that, in the judgment of the RMP Manager, requires immediate action.

Should the monitoring contingency funds be obligated by the RMP Manager under these circumstances, the RMP Manager would inform the Steering Committee via email and provide a justification. The Steering Committee would then provide feedback at the next scheduled meeting on the appropriateness of the decision to maintain clear expectations for use of these funds.

Depositing Funds

If Monitoring Contingency funds are used during a year, the RMP Manager will seek Steering Committee approval to replenish the Set-Aside Fund up to the \$50,000 balance when requesting approval for the following year's budget.



Consent Calendar Memo #2

DATE: April 10, 2015

TO: RMP Steering Committee

FROM: Philip Trowbridge, RMP Manager

RE: Consolidating the Existing Set-Aside Funds for Monitoring

Recommendation

Approve the merger of Designated Set-Aside Funds for water chemistry (\$110,700), bird egg monitoring (\$50,625), sediment benthos (\$30,900), and sediment toxicity (\$25,750) into a single Designated Set-Aside Fund for Status & Trends Monitoring with a balance of \$217,975.

Explanation

Over the years, the RMP has accumulated 17 different Set-Aside Funds. The purpose of these funds are to spread out the cost of large projects across multiple budget years. For example, sport fish monitoring is conducted every five years and typically costs \$150k for field and lab work. By contributing \$30k to the Set-Aside Fund for Sport Fish Monitoring each year, the cost of the program is spread across five budget cycles. The full list of set-aside funds and their current balances after the 2015 budget is shown in Table 1.

The past practice of maintaining separate set-aside funds for specific monitoring activities has become very difficult to administer. The current design for Status and Trends (S&T) monitoring calls for different monitoring activities to occur on different schedules. As a result, the RMP needs to both contribute to and withdraw from monitoring set-aside funds in any given budget year. For example, in 2014, the RMP used \$454k from certain set-aside funds to pay for 2014 monitoring and then contributed \$161k to other set-aside funds for future monitoring. It is not efficient to keep track of these cash flows into and out of set-aside funds in the same year.

The S&T Program was designed to be implemented as a whole, rather than separate pieces. S&T monitoring activities for water, sediment, bivalves, sport fish and avian eggs are planned through 2023. Smoothing out the cost of each separate piece of the S&T Program is unnecessarily complicated. The overall goal of smoothing out the yearly costs of Program could be more efficiently achieved using a single Set-Aside Fund for S&T Monitoring.

Table 2 shows how a single set-aside fund could be used to smooth out the costs of the whole program between 2015 and 2023. The RMP would need to save \$200,000, \$125,000, and \$225,000 in 2016, 2017, and 2020, respectively, in the Set-Aside Fund. These funds plus the starting balance would be used to partially offset S&T costs in the other years.

Table 1: RMP Set-Aside Funds Balances as of January 1, 2015

Set-Aside Fund	Balance
Aquatic Toxicity	\$0
Bivalve Monitoring	\$0
Causes of Sediment Toxicity	\$0
Cormorant Monitoring	\$0
Fish Contamination	\$0
Guadalupe Loads	\$0
Large Tributaries	\$0
NIST Archive	\$0
Program Review	\$88,179
S&T Data Management	\$0
S&T Fieldwork and Logistics	\$0
Sediment Benthos	\$30,900
Sediment Chemistry	\$0
Sediment Toxicity	\$25,750
Sport Fish Monitoring	\$0
Tern Monitoring	\$50,625
Water Chemistry	\$110,700

Table 2: Proposed Schedule for Using and Saving Set-Aside Funds for S&T Monitoring

Year	S&T Expense	Set-Aside Funds Used	Set-Aside Funds Saved	S&T Funds Needed	Set-Aside Funds Balance
2014 actl	\$993,352	\$416,700	\$161,100	\$737,752	\$297,050
2015 bdgt	\$861,000*	\$79,075	\$0	\$781,925	\$217,975
2016 fest	\$622,436	\$0	\$200,000	\$822,436	\$417,975
2017 fest	\$741,280	\$0	\$125,000	\$866,280	\$542,975
2018 fest	\$1,110,862	\$225,000	\$0	\$885,862	\$317,975
2019 fest	\$1,039,753	\$150,000	\$0	\$889,753	\$167,975
2020 fest	\$687,053	\$0	\$225,000	\$912,053	\$392,975
2021 fest	\$992,188	\$75,000	\$0	\$917,188	\$317,975
2022 fest	\$1,098,498	\$175,000	\$0	\$923,498	\$142,975
2023 fest	\$1,047,508	\$120,000	\$0	\$927,508	\$22,975

Notes:

*includes \$50k for CTR monitoring which was part of the 2014-2023 design but was not funded in the 2015 budget.

There is also \$88,179 in another Set-Aside Fund for the Program Review. These funds are not recommended to be merged with the others since they are for a fundamentally different purpose.



Consent Calendar Memo #3

DATE: April 10, 2015

TO: RMP Steering Committee

FROM: Philip Trowbridge, RMP Manager

RE: Process for Allocating Undesignated Funds

The RMP maintains a balance of Undesignated Funds. Currently, requests for these Undesignated Funds are brought before the Steering Committee on an individual, as-needed requested basis. There is concern that the Undesignated Funds are not being allocated strategically because each request is evaluated independently and without context. Therefore, the Steering Committee Chair requested RMP staff to develop a process to facilitate strategic decisions.

Proposed Process

1. Create a Set-Aside Fund for Monitoring Contingency that can be used for time-sensitive monitoring activities. (see memo #1 for details)
2. Reformat the Budget Update Report so that it includes both the current balance of the Undesignated Funds and a list of all deposits and withdrawals made in the preceding 12 months. This information will provide the Steering Committee with the context needed to make strategic decisions about requests for Undesignated Funds.

This process will streamline approvals of small requests for time-sensitive monitoring, while giving the Steering Committee sufficient context for reviewing larger requests for Undesignated Funds.

Summary of Consent Calendar Requests Regarding Reserve Funds

Reserve Type	Purpose	Current Balance	Proposed Balance	Comments
Dedicated Set-Aside Fund	Monitoring Contingency		\$50,000	Create with left-over 2014 funds
Dedicated Set-Aside Fund	S&T Monitoring		\$217,975	
Dedicated Set-Aside Fund	Sediment Benthos	\$30,900	\$0	Merge into S&T Monitoring Set-Aside
Dedicated Set-Aside Fund	Sediment Toxicity	\$25,750	\$0	Merge into S&T Monitoring Set-Aside
Dedicated Set-Aside Fund	Tern Monitoring	\$50,625	\$0	Merge into S&T Monitoring Set-Aside
Dedicated Set-Aside Fund	Water Chemistry	\$110,700	\$0	Merge into S&T Monitoring Set-Aside
Dedicated Set-Aside Fund	Program Review	\$88,179	\$88,179	
Designated Dredger Reserve	Designated Dredger Rese	\$0	\$0	
Undesignated Funds	Undesignated Funds	\$682,567	\$682,567	Approval process proposed
TOTAL		\$988,721	\$1,038,721	