

DATE: July 28, 2011

TO: WCA Governing Board

FROM: Jane Beesley, Acting Executive Officer

SUBJECT: Item 9: Consideration of resolution approving the final FY 2011/12 Budget.

STAFF RECOMMENDATION: That the WCA approve the Authority's final budget for Fiscal Year 2011/12.

BACKGROUND: In accordance with the provisions of the Joint Powers Agreement, approval of the WCA budget by the WCA Board is required. The attached budget (Exhibit A) includes four expenditure components: Administration, Personnel, Operations, and Capital totaling \$5,038,210.

The Administrative expenditure budget in the amount of \$150,225 is shown by line item detail in the attached budget summary. The major expenses in this portion of the budget are for professional services. This category includes services for strategic planning, grant writing, lobbying services/funding opportunities, and fiscal support provided by the Auditor-Controller's Office. Ongoing financial compliance audit expenses are expected to be less significant than the prior fiscal year when financials for several years were audited. A small contingency budget for administrative expenses has been added to the budget to cover any new expenses that may arise such as additional audit costs, the need for office equipment rental, additional Auditor-Controller fees, etc. All general administrative expenses are funded by the JPA member contributions and capital funding (as permitted by the grant agreements and in accordance with the WCA's approved Cost Allocation Plan).

Personnel expenses in the amount of \$410,884 include salaries, benefits, and third-party administrative support (e.g., human resources, payroll, and retirement plan administration). The WCA employs five full-time employees, one part-time employee, and 1 limited term employee. No salary increases have been budgeted for FY 2011/12. Benefits were modeled based on 30 percent of salaries. Insurance policies have been renewed with premium increases of less than 10 percent. Personnel expenses will be covered by grant funds in accordance with the grant agreements and the WCA's approved Cost Allocation Plan. Additionally, the WCA has contracted with the San Gabriel River Discovery Center Authority for project management support at 10 hours per month.

The Operations expenditure budget in the amount of \$292,997 is consistent with the annualized revenues and expenditures necessary to operate Citrus Heights (Pico Rivera), Duck Farm, River Wilderness Park, South Gate, and Walnut Creek properties. Expenditures at South Gate, Citrus Heights, and Walnut Creek are minimal. In order to cover the minimum required expenditures for Citrus Heights, River Wilderness Park, and Walnut Creek, a transfer of revenues is necessary from the Duck Farm and South Gate properties. The following is a discussion of the operations activities at each of these properties.

CITRUS HEIGHTS (page 12)

Total expenditures for the Citrus Heights property are \$3,100 (vacant land insurance and weed abatement). Currently, Citrus Heights does not generate revenue. WCA staff will utilize the CCC's for property maintenance (RMC contribution) and will transfer funds from South Gate operations to fill gaps as needed.

DUCK FARM (page 13)

The operations budget for the Duck Farm addresses the minimum requirements needed to maintain the property. The FY 2011/12 budget includes anticipated expenditures of liability insurance and fire insurance for the dwellings, ranger patrol services, utilities, structure maintenance, and property maintenance such as weed abatement. The projected amount of expenditures for FY 2011/12 is \$123,194. In determining the expenditures for the upcoming fiscal year, staff used the following:

- Insurance Estimates - Fixed cost
- Ranger Services - Based on a minimum number of hours needed to patrol the property and provide on call support for emergencies and events.
- Deferred Maintenance Contingency - Calculated as a percentage of lease revenues to cover the cost of deferred maintenance expenses.
- Property Maintenance/Minor Repairs - This cost includes weed abatement activities and other property maintenance requirements.

Revenue for the Duck Farm is generated from leases and ranger issued citations. These revenues include \$61,019 rental income from four dwellings, \$50,000 lease income from the nursery, and \$31,000 lease income from freeway billboards. The WCA will be actively managing the timeliness of lease payments to collect late fees as applicable. Anticipated revenue from citations is \$3,000. Total projected revenue for the Duck Farm is \$130,832. Because of tenant turnover, revenue to cover Duck Farm operation expenses is budgeted at 90 percent of annual lease income. Additionally, revenues were only projected for three quarters of the fiscal year for the three dwellings on San Fidel. With the ongoing development of the Duck Farm project, these dwellings will be demolished late in the fiscal year. WCA staff will utilize the CCC's for weed abatement (RMC contribution). To cover expenses for the River Wilderness Park, staff will transfer revenues from the Duck Farm to fill gaps as needed.

Staff anticipates that it will conduct community outreach and advisement regarding the type of future equestrian operations desired at the currently closed Equestrian Center. Once this process is complete, staff will issue requests for qualifications to create a list of qualified potential operators, followed by requests for proposals, based upon a sound fiscal plan for long term establishment and operation of the equestrian center. It is projected that this part of the process will take about 12 months.

RIVER WILDERNESS PARK (page 14)

The operations budget for the River Wilderness Park addresses the minimum requirements needed to maintain the property. The FY 2011/12 budget includes anticipated expenditures for liability insurance, ranger patrol services, structure

maintenance, and property maintenance such as weed abatement. The total amount of expenditures for FY 2011/12 is \$140,973. In determining the expenditures for the upcoming fiscal year, staff used the following:

- Insurance Estimates - Fixed cost
- Ranger Services - Based on a minimum number of hours needed to patrol the property and provide on call support for emergencies and events.
- Deferred Maintenance Contingency – Calculated as a percentage of lease revenues to cover the cost of deferred maintenance expenses.
- Property Maintenance/Minor Repairs – This cost includes weed abatement activities and other property maintenance requirements.

Revenue for the River Wilderness Park includes funding from leases and ranger issued citations. Lease revenues include two tenants living at the River Wilderness Park property, a lease that the WCA has with the Rainbow Ranch (equestrian facility), and an office lease the WCA has with the Rivers and Mountains Conservancy for a total of \$81,732. The lease with the San Gabriel River Discovery Center Authority terminated with the close of Fiscal Year 2010/11. The WCA will be actively managing the timeliness of lease payments to collect late fees as applicable. Additionally, the WCA plans to analyze current tenant leases to determine if changes to lease amounts or terms are appropriate. Anticipated revenue from citations is \$10,000. Total projected revenue for the River Wilderness Park is \$91,732. WCA staff will utilize the CCC's for weed abatement (RMC contribution). Since projected revenue is less than expenses, staff will transfer funds from Duck Farm and South Gate operations to fill gaps as needed.

SOUTH GATE RIPARIAN PROPERTY (page 15)

The WCA acquired this property in August 2008 and is working with NorthEast Trees to develop a site plan to develop it into an LA River Bike Trail Mini Park and a riparian restoration project. At this time, the property is vacant and is not easily accessible to the public; therefore, there are minimal costs associated with its operation and maintenance. Total expenditures for the South Gate Property are \$5,100 (vacant land insurance, weed abatement, and ranger patrol services). Revenue for the property comes from a billboard located on the site with CBS Outdoor of \$32,000. WCA staff will utilize the CCC's for weed abatement (RMC contribution). To cover operational expenses for the other properties, staff will transfer funds from South Gate to fill gaps as needed.

WALNUT CREEK (page 16)

Walnut Creek Open Space was acquired in October 2008, and the process of initiating a long-term management and planning document for recreational uses, and habitat conservation was stopped due to the state bond freeze. Currently, Walnut Creek Open Space does not generate revenue; therefore, until the planning process is completed, and land use is defined, the property will remain closed to the public. The RMC contract with the California Conservation Corps will ensure that the weed abatement is complete. The planning efforts will be completed by FY 2011/12. Total expenditures for the Walnut Creek Property are \$5,100, which includes vacant land insurance,

weed abatement and ranger patrol services. WCA staff will utilize the CCC's for weed abatement (RMC contribution). Currently, Walnut Creek does not generate revenues; staff will transfer funds from South Gate operations to fill gaps as needed.

CAPITAL OUTLAY

The Capital budget in the amount of \$4,712,446 reflects grants that had a carryover balance as of June 30, 2011. The Capital funds include funding from multiple sources such as the RMC, Prop A, the State, and Los Angeles County. These funds have been allocated to support project planning and development. A portion of the Capital budget will be allocated to cover personnel expenses and administrative overhead as permitted by the grant agreements and in accordance with the WCA's approved Cost Allocation Plan.

The budget for FY 2011/12 reflects only grant dollars expected to be used during the fiscal year. Historically, the budget reflected total grant dollars awarded which might span multiple fiscal years. As a result of the WCA's Cost Allocation Plan, the budget is now specific to one single fiscal year of projected revenues and expenses.

Exhibit A
WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET

Date of Report: July 18, 2011
Report: Total Revenues & Expenses

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
REVENUES				
<i>Administration</i>				
LA County Flood Control District	\$ 25,000	\$ -	\$ 25,000	JPA contribution
RMC	\$ 10,000	\$ -	\$ 10,000	JPA contribution
Carryover	\$ 16,741	\$ (14,741)	\$ 2,000	
Administration Subtotal	\$ 51,741	\$ (14,741)	\$ 37,000	
<i>Operations</i>				
Duck Farm Leases	\$ 142,340	\$ (14,508)	\$ 127,832	@90% due to tenant turnover; less lease revenue last qtr
River Wilderness Park Leases	\$ 83,503	\$ (1,771)	\$ 81,732	Includes RMC lease; eliminated SGRDCA lease
South Gate Riparian Park Lease	\$ 23,500	\$ 8,500	\$ 32,000	Increased per lease agreement terms
Citations	\$ 13,000	\$ -	\$ 13,000	
Carryover	\$ 8,259	\$ (4,059)	\$ 4,200	
RMC/CCC interagency agreement	\$ 40,000	\$ (10,000)	\$ 30,000	RMC contribution to WCA for weed abatement services
Operations Subtotal	\$ 310,602	\$ (21,838)	\$ 288,764	
<i>Capital Outlay</i>				
RMC	\$ 3,721,090	\$ (1,040,727)	\$ 2,680,362	
LACFCD	\$ 31,929	\$ 168,071	\$ 200,000	
SEP Funds	\$ 30,661	\$ (30,661)	\$ -	
Local Funds	\$ 160,320	\$ 1,639,680	\$ 1,800,000	
Other	\$ 66,210	\$ (34,126)	\$ 32,084	SGRDCA contract for PM support (reduced to 10 hrs/week)
Capital Outlay Subtotal	\$ 4,010,210	\$ 702,236	\$ 4,712,446	
TOTAL REVENUES	\$ 4,372,553	\$ 665,657	\$ 5,038,210	
EXPENSES				
<i>Administration</i>				
Insurance - Board of Directors	\$ 2,500	\$ 2,500	\$ 5,000	Increased due to EPLI coverage added FY 10/11
Office Supplies	\$ 526	\$ (176)	\$ 350	
Postage	\$ 700	\$ (200)	\$ 500	
Printer Supplies	\$ 500	\$ -	\$ 500	
Professional Services				
Cost Allocation Plan Consulting	\$ -	\$ 10,000	\$ 10,000	Estimated cost to update CAP based on FY 10/11 actuals
Financial Compliance Audit	\$ 75,000	\$ (70,892)	\$ 4,109	Per the Auditor-Controller's Office
Fiscal Services Auditor-Controller	\$ -	\$ 60,000	\$ 60,000	A/C estimated \$57,000 plus \$3,000 for required reporting
Funding Opportunities	\$ -	\$ 24,000	\$ 24,000	
Insurance Bond	\$ 250	\$ -	\$ 250	
Information Technologies	\$ 1,587	\$ 3,413	\$ 5,000	
Legal	\$ -	\$ -	\$ -	
Strategic Planning	\$ 24,000	\$ -	\$ 24,000	
Grant Writing	\$ 4,995	\$ 5,005	\$ 10,000	
Wireless Phones	\$ 4,800	\$ (1,800)	\$ 3,000	
Other/Not Classified	\$ -	\$ 3,517	\$ 3,517	
Administration Subtotal	\$ 114,858	\$ 35,367	\$ 150,225	
<i>Personnel</i>				
Salaries	\$ 277,545	\$ 26,050	\$ 303,595	5 FT Employees, 1 PT Employee, 1 Limited Term Employee
Benefits	\$ 83,263	\$ 7,815	\$ 91,078	Health & Life Insurance, 457(b) contributions & fees, WC
Personnel Services	\$ 1,447	\$ 164	\$ 1,610	HR & Payroll Administration
Travel	\$ 12,000	\$ (2,400)	\$ 9,600	
Miscellaneous (Training, etc.)	\$ 5,000	\$ -	\$ 5,000	
Personnel Subtotal	\$ 379,254	\$ 31,629	\$ 410,884	
<i>Operations</i>				
Alarm Services	\$ 2,000	\$ 1,500	\$ 3,500	
Insurance - Liability & Structure	\$ 16,300	\$ (1,000)	\$ 15,300	
Insurance - Umbrella Policy	\$ 5,000	\$ (1,000)	\$ 4,000	
Janitorial Services	\$ 16,800	\$ -	\$ 16,800	
Minor Repairs	\$ 17,825	\$ 675	\$ 18,500	

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011
Report: Total Revenues & Expenses

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
Misc. Lease Services	\$ 5,000	\$ (2,000)	\$ 3,000	
Ranger Patrol Services	\$ 79,400	\$ 11,600	\$ 91,000	
Utilities	\$ 40,523	\$ 8,477	\$ 49,000	
Weed Abatement	\$ 50,000	\$ (20,000)	\$ 30,000	
Deferred Maintenance Contingency	\$ 22,584	\$ (1,628)	\$ 20,956	
Transfer to Other Properties	\$ 17,047	\$ 23,894	\$ 40,941	
<i>Operations Subtotal</i>	<i>\$ 272,479</i>	<i>\$ 20,518</i>	<i>\$ 292,997</i>	
<i>Capital Carryover</i>				
RMC Grants	\$ 3,383,051	\$ (1,129,945)	\$ 2,253,106	After Personnel & Eligible Overhead Expenses
LACFCD	\$ 31,929	\$ 168,071	\$ 200,000	
SEP Funds	\$ 30,661	\$ (30,661)	\$ -	
Local Funds	\$ 160,320	\$ 1,570,679	\$ 1,730,999	
Other	\$ -	\$ -	\$ -	
<i>Capital Carryover Subtotal</i>	<i>\$ 3,605,961</i>	<i>\$ 578,143</i>	<i>\$ 4,184,104</i>	
TOTAL EXPENSES	\$ 4,372,553	\$ 665,657	\$ 5,038,210	

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Revenues

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget
REVENUES			
<i>Administration</i>			
LA County Flood Control District	\$ 25,000		\$ 25,000
RMC ¹	\$ 10,000		\$ 10,000
Carryover ²	\$ 16,741	\$ (14,741)	\$ 2,000
Administration Subtotal	\$ 51,741	\$ (14,741)	\$ 37,000
<i>Operations</i>			
Duck Farm Leases ³	\$ 142,340	\$ (14,508)	\$ 127,832
River Wilderness Park Leases	\$ 83,503	\$ (1,771)	\$ 81,732
South Gate Riparian Park Lease	\$ 23,500	\$ 8,500	\$ 32,000
Citations	\$ 13,000	\$ -	\$ 13,000
Carryover ⁴	\$ 8,259	\$ (4,059)	\$ 4,200
RMC/CCC interagency agreement ⁵	\$ 40,000	\$ (10,000)	\$ 30,000
Operations Subtotal	\$ 310,602	\$ (21,838)	\$ 288,764
<i>Capital Outlay</i>			
RMC	\$ 3,721,090	\$ (1,040,727)	\$ 2,680,362
LACFCD	\$ 31,929	\$ 168,071	\$ 200,000
SEP Funds	\$ 30,661	\$ (30,661)	\$ -
Local Funds	\$ 160,320	\$ 1,639,680	\$ 1,800,000
Other	\$ 66,210	\$ (34,126)	\$ 32,084
Capital Outlay Subtotal	\$ 4,010,210	\$ 702,236	\$ 4,712,446
TOTAL REVENUES	\$ 4,372,553	\$ 665,657	\$ 5,038,210

NOTES:¹FY10/11 \$10,000 JPA contribution plus \$40,000 interagency agreement with CCC's (see Note 5 below)²Carryover revenue from JPA-WCA³90% of estimated annual leases due to tenant turnover; assumed no lease revenue for the last quarter FY 11/12 for three (3) dwellings on San Fidel (planned demolition)⁴Carryover revenue from Southgate Riparian Operations⁵Value of RMC contribution to WCA for weed abatement/property maintenance from RMC/California Conservation Corps (CCC) interagency agreement

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Administration

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget
<i>Administration</i>			
Insurance - Board of Directors ¹	\$ 2,500	\$ 2,500	\$ 5,000
Office Supplies	\$ 526	\$ (176)	\$ 350
Postage	\$ 700	\$ (200)	\$ 500
Printer Supplies	\$ 500	\$ -	\$ 500
Professional Services			
Cost Allocation Plan Consulting ²	\$ -	\$ 10,000	\$ 10,000
Financial Compliance Audit ³	\$ 75,000	\$ (70,892)	\$ 4,109
Fiscal Services Auditor-Controller ⁴	\$ -	\$ 60,000	\$ 60,000
Funding Opportunities	\$ -	\$ 24,000	\$ 24,000
Insurance Bond	\$ 250	\$ -	\$ 250
Information Technologies	\$ 1,587	\$ 3,413	\$ 5,000
Legal	\$ -	\$ -	\$ -
Strategic Planning	\$ 24,000	\$ -	\$ 24,000
Grant Writing	\$ 4,995	\$ 5,005	\$ 10,000
Wireless Phones ⁵	\$ 4,800	\$ (1,800)	\$ 3,000
Other/Not Classified ⁶	\$ -	\$ 3,517	\$ 3,517
<i>Administration Subtotal</i>		\$ 31,850	\$ 146,709

NOTES:

¹Increased from \$2,500 for EPLI coverage added FY10/11

²Estimated cost to update the Cost Allocation Plan using FY10/11 budget actuals

³Modeled audit costs of \$3,735 plus 10% admin fee per the Auditor-Controller's Office

⁴Auditor-Controller estimated \$57,000 plus \$3,000 for annual State Financial Transactions Report

⁵Three (3) Verizon Wireless Blackberries @ \$250 per month

⁶Contingency for other administrative expenses (e.g., courier services, office equipment rental, additional audit costs, etc.)

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Personnel

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget
<i>Personnel</i>			
Salaries	\$ 277,545	\$ 26,050	\$ 303,595
Benefits	\$ 83,263	\$ 7,815	\$ 91,078
Personnel Services	\$ 1,447	\$ 164	\$ 1,610
Travel	\$ 12,000	\$ (2,400)	\$ 9,600
Miscellaneous (Training, etc.)	\$ 5,000	\$ -	\$ 5,000
Personnel Subtotal	\$ 379,254	\$ 31,629	\$ 410,884

NOTES:

Set annual review cycle for July with prorated reviews and salary increases, as applicable, beginning 7/1/2010

Benefits are calculated at 30% of pay to cover payroll taxes, health and life insurance, retirement contribution & fees, and WC fees

Personnel Services includes HR and Payroll administration fees

Travel is based on \$200 per ee per month for 4 ee's

Personnel Detail	Wage	Salary increase	Hrs	Total Annual	Benefits	Total Comp
					0.30	
Deputy Executive Officer	33.82	0%	2080	\$ 70,346	\$ 21,104	\$ 91,449
Construction Manager (Limited Term)	41.00	0%	610	\$ 25,010	\$ 7,503	\$ 32,513
Project Manager III	29.24	0%	2080	\$ 60,819	\$ 18,246	\$ 79,065
Project Manager II	27.28	0%	2080	\$ 56,742	\$ 17,023	\$ 73,765
Project Manager I	16.47	0%	2080	\$ 34,258	\$ 10,277	\$ 44,535
Fiscal Manager (1/2 FTE)	31.25	0%	1040	\$ 32,500	\$ 9,750	\$ 42,250
Administrative Assistant	11.50	0%	2080	\$ 23,920	\$ 7,176	\$ 31,096
TOTAL				\$ 303,595	\$ 91,078	\$ 394,673

Assumptions:

No salary increases

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

**Date of Report: July 18, 2011
Report: Capital Outlay**

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget
<i>Capital Carryover</i>			
RMC Grants	\$ 3,696,095	\$ (1,015,732)	\$ 2,680,362
LACFCD	\$ 31,929	\$ 168,071	\$ 200,000
SEP Funds	\$ 30,661	\$ (30,661)	\$ -
Local Funds	\$ 160,320	\$ 1,639,680	\$ 1,800,000
Other	\$ 66,210	\$ (34,126)	\$ 32,084
Capital Carryover Subtotal	\$ 3,985,215	\$ 727,231	\$ 4,712,446

Capital Outlay Detail								
Project	Funding Source	RMC	LACFCD	SEP	Local	Other	Total	Notes
98th Street	RMC10007	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	
ARWP Theological Property Acquisition	RMC3615	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 45,000	Requesting amendment
Azusa Springs Water System	RMC10011	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
Duck Farm Phase 1A Development	RMC3609	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
Duck Farm - EEMP		\$ -	\$ -	\$ -			\$ -	
Duck Farm - Prop A	PROPADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Duck Farm - SEP	SEPDF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Emerald Necklace Feasibility & Implementation Plan (LACFCD)		\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000	No funds for staffing
Emerald Necklace Feasibility & Implementation Plan (CCF)		\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ 300,000	
Emerald Necklace - San Jose Creek	RMC3618	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000	No funds remaining for staffing
San Gabriel River Discovery Center Authority		\$ -	\$ -	\$ -	\$ -	\$ 32,084	\$ 32,084	SGRDCA contract to be applied to personnel expenses
SGR Cattle Canyon Improvement Project	RMC09105	\$ 296,584	\$ -	\$ -	\$ -	\$ -	\$ 296,584	
South Gate Riparian	PROPASGR	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	Prop A Funds
Tax Defaulted Properties	RMC3640	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	No funds for staffing
Walnut Creek Property	RMC3522	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
Watershed Coordinator Grant(s)	RMC09103	\$ 155,778	\$ -	\$ -	\$ -	\$ -	\$ 155,778	
Watershed Coordinator Grant (SGVCOG)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Requested extension. TBD.
Capital Outlay Subtotal		\$ 2,680,362	\$ 200,000	\$ -	\$ 1,800,000	\$ 32,084	\$ 4,712,446	

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Operations

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget
<i>Operations</i>			
Alarm Services	\$ 2,000	\$ 1,500	\$ 3,500
Insurance - Liability & Structure	\$ 16,300	\$ (1,000)	\$ 15,300
Insurance - Umbrella Policy	\$ 5,000	\$ (1,000)	\$ 4,000
Janitorial Services	\$ 16,800	\$ -	\$ 16,800
Minor Repairs	\$ 17,825	\$ 675	\$ 18,500
Misc. Lease Services	\$ 5,000	\$ (2,000)	\$ 3,000
Ranger Patrol Services	\$ 79,400	\$ 11,600	\$ 91,000
Utilities	\$ 40,523	\$ 8,477	\$ 49,000
Weed Abatement	\$ 50,000	\$ (20,000)	\$ 30,000
Deferred Maintenance Contingency	\$ 22,584	\$ (1,628)	\$ 20,956
Transfer to Other Properties	\$ 17,047	\$ 23,894	\$ 40,941
Operations Subtotal	\$ 272,479	\$ 20,518	\$ 292,997

Operations Expense Detail - Budgeted						
Item	CITRUS HEIGHTS	DUCK FARM	RWP	SOUTH GATE	WALNUT CREEK	TOTAL
Alarm Services	\$ -	\$ 2,000	\$ 1,500	\$ -	\$ -	\$ 3,500
Insurance - Liability & Structure Insurance	\$ 100	\$ 8,000	\$ 7,000	\$ 100	\$ 100	\$ 15,300
Insurance - Umbrella Policy	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ 4,000
Janitorial Services	\$ -	\$ -	\$ 16,800	\$ -	\$ -	\$ 16,800
Minor Repairs	\$ -	\$ 10,000	\$ 8,500	\$ -	\$ -	\$ 18,500
Misc. Lease Services	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ -	\$ 3,000
Ranger Patrol Services	\$ -	\$ 47,000	\$ 41,000	\$ 1,500	\$ 1,500	\$ 91,000
Utilities	\$ -	\$ 4,000	\$ 45,000	\$ -	\$ -	\$ 49,000
Weed Abatement	\$ 3,000	\$ 10,000	\$ 10,000	\$ 3,500	\$ 3,500	\$ 30,000
Deferred Maintenance Contingency	\$ -	\$ 12,783	\$ 8,173	\$ -	\$ -	\$ 20,956
Transfers to Other Properties*	\$ -	\$ 25,411	\$ -	\$ 15,530	\$ -	\$ 40,941
Operations Expense Subtotal	\$ 3,100	\$ 123,194	\$ 140,973	\$ 20,630	\$ 5,100	\$ 292,997
Revenue (Leases plus Citations)	\$ -	\$ 130,832	\$ 91,732	\$ 32,000	\$ -	\$ 254,564
Weed abatement (RMC/CCC agreement)	\$ 3,000	\$ 10,000	\$ 10,000	\$ 3,500	\$ 3,500	\$ 30,000
Carryover from prior Fiscal Year	\$ -	\$ -	\$ -	\$ 4,200	\$ -	\$ 4,200
Balance	\$ (100)	\$ 17,638	\$ (39,241)	\$ 19,070	\$ (1,600)	\$ (4,233)
*Transfers from Other Properties	\$ 100	\$ -	\$ 39,241	\$ -	\$ 1,600	\$ 40,941

Notes:

Weed abatement expenses covered by RMC interagency agreement with CCC's \$30,000

Excess operations or administrative revenues may be needed to cover expenses in these categories

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Citrus Heights

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
<i>Operations</i>				
Alarm Services	\$ -	\$ -	\$ -	
Insurance - Liability & Structure	\$ 100	\$ -	\$ 100	Vacant land
Insurance - Umbrella Policy	\$ -	\$ -	\$ -	
Janitorial Services	\$ -	\$ -	\$ -	
Minor Repairs	\$ -	\$ -	\$ -	
Misc. Lease Services	\$ -	\$ -	\$ -	
Ranger Patrol Services	\$ -	\$ -	\$ -	
Utilities	\$ -	\$ -	\$ -	
Weed Abatement ¹	\$ -	\$ 3,000	\$ 3,000	CCC's
Deferred Maintenance Contingency	\$ -	\$ -	\$ -	
Transfer to Other Properties	\$ -	\$ -	\$ -	
Operations Subtotal	\$ 100	\$ 3,000	\$ 3,100	

Revenue Detail	Monthly	Annual	Balance
Citations			\$ -
Citations Revenue Subtotal	\$ -	\$ -	\$ -

NOTES:

¹RMC contribution via interagency agreement with CCC's

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: Duck Farm Operations

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
<i>Operations</i>				
Alarm Services	\$ 2,000	\$ -	\$ 2,000	
Insurance - Liability & Structure	\$ 8,000	\$ -	\$ 8,000	Includes Fire Insurance - Residences (4)
Insurance - Umbrella Policy	\$ 2,000	\$ -	\$ 2,000	\$5M split with El Encanto
Janitorial Services	\$ -	\$ -	\$ -	Not applicable
Minor Repairs	\$ 10,000	\$ -	\$ 10,000	
Misc. Lease Services	\$ 4,000	\$ (2,000)	\$ 2,000	Credit & legal
Ranger Patrol Services	\$ 45,200	\$ 1,800	\$ 47,000	Salaries, vehicle, overhead;
Utilities	\$ 5,523	\$ (1,523)	\$ 4,000	455 Rall (water, trash, electric, natural gas, pool)
Weed Abatement ¹	\$ 10,000	\$ -	\$ 10,000	Spring/Fall - CCC's
Deferred Maintenance Contingency	\$ 14,234	\$ (1,451)	\$ 12,783	10% of lease revenue
Transfer to Other Properties	\$ 12,047	\$ 13,364	\$ 25,411	
Operations Subtotal	\$ 113,004	\$ 10,190	\$ 123,194	

Revenue Detail	Monthly	Annual ²	Balance
Lease 255 San Fidel	\$ 1,250	\$ 11,250	\$ 11,250
Lease 263 San Fidel	\$ 1,250	\$ 11,254	\$ 11,254
Lease 303 San Fidel	\$ 1,146	\$ 10,316	\$ 10,316
Lease 455 Rall	\$ 2,350	\$ 28,200	\$ 28,200
Lease Freeway Billboard ³	\$ 2,583	\$ 31,000	\$ 31,000
Lease Nursery	\$ 4,168	\$ 50,016	\$ 50,016
Lease Revenue Subtotal	\$ 12,748	\$ 142,035	\$ 142,035
Lease Revenue Subtotal @90%⁴		\$ 127,832	\$ 127,832
Citations		\$ 3,000	\$ 3,000
Citations Revenue Subtotal	\$ -	\$ 3,000	\$ 3,000
Revenue Total	\$ 12,748	\$ 130,832	\$ 130,832

NOTES:

¹RMC contribution via interagency agreement with CCC's

²Assumed no lease revenue for the last quarter of FY 11/12 for three (3) dwellings on San Fidel (planned demolition)

³Decreased Freeway Billboard lease per negotiated rent reduction terms

⁴Lease Revenue is estimated at 90% of projected annual leases due to tenant turnover

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011

Report: River Wilderness Park Operations

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
<i>Operations</i>				
Alarm Services	\$ -	\$ 1,500	\$ 1,500	El Encanto
Insurance - Liability & Structure	\$ 8,000	\$ (1,000)	\$ 7,000	Includes Fire Insurance
Insurance - Umbrella Policy	\$ 2,500	\$ (500)	\$ 2,000	\$5M split with Duck Farm
Janitorial Services	\$ 16,800	\$ -	\$ 16,800	
Minor Repairs	\$ 6,000	\$ 2,500	\$ 8,500	
Misc. Lease Services	\$ 1,000	\$ -	\$ 1,000	Credit & legal
Ranger Patrol Services	\$ 31,200	\$ 9,800	\$ 41,000	Salaries, vehicle, overhead
Utilities	\$ 35,000	\$ 10,000	\$ 45,000	
Weed Abatement ¹	\$ -	\$ 10,000	\$ 10,000	Spring/Fall - CCC's
Deferred Maintenance Contingency	\$ 8,350	\$ (177)	\$ 8,173	10% of lease revenue
Transfer to Other Properties	\$ -	\$ -	\$ -	
Operations Subtotal	\$ 108,850	\$ 32,123	\$ 140,973	

Revenue Detail	Monthly	Annual	Comments
Lease Revenue - Tenant #98	\$ 1,459	\$ 17,506	
Lease Revenue - Tenant #100	\$ 1,146	\$ 13,754	
Lease Revenue - Rainbow Ranch		\$ 3,751	
Lease Revenue - RMC	\$ 3,893	\$ 46,721	Increased from \$3,780 according to the lease agreement
Lease Revenue Subtotal	\$ 6,498	\$ 81,732	
Citations		\$ 10,000	
Citations Revenue Subtotal	\$ -	\$ 10,000	
Revenue Total	\$ 6,498	\$ 91,732	

NOTES:

¹RMC contribution via interagency agreement with CCC's

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

**Date of Report: July 18, 2011
Report: South Gate Operations**

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
<i>Operations</i>				
Alarm Services	\$ -	\$ -	\$ -	
Insurance - Liability & Structure	\$ 100	\$ -	\$ 100	Vacant land
Insurance - Umbrella Policy	\$ -	\$ -	\$ -	
Janitorial Services	\$ -	\$ -	\$ -	
Minor Repairs	\$ -	\$ -	\$ -	
Misc. Lease Services	\$ -	\$ -	\$ -	
Ranger Patrol Services	\$ 1,500	\$ -	\$ 1,500	
Utilities	\$ -	\$ -	\$ -	
Weed Abatement ¹	\$ -	\$ 3,500	\$ 3,500	CCC's
Deferred Maintenance Contingency	\$ -	\$ -	\$ -	
Transfer to Other Properties	\$ 5,000	\$ 10,530	\$ 15,530	
<i>Operations Subtotal</i>	\$ 6,600	\$ 14,030	\$ 20,630	

Revenue Detail	Monthly	Annual	Balance
Lease Freeway Billboard ²		\$ 32,000	\$ 32,000
Lease Revenue Subtotal	\$ -	\$ 32,000	\$ 32,000
Citations			\$ -
Citations Revenue Subtotal	\$ -	\$ -	\$ -
Revenue Total	\$ -	\$ 32,000	\$ 32,000

NOTES:

¹RMC contribution via interagency agreement with CCC's

²Increased Billboard revenue according to the lease agreement

**WATERSHED CONSERVATION AUTHORITY
FINAL FY 2011/2012 BUDGET**

Date of Report: July 18, 2011
Report: Walnut Creek Operations

Item	FY 10/11 Budget	Changes	Final FY 11/12 Budget	Comments
<i>Operations</i>				
Alarm Services	\$ -	\$ -	\$ -	
Insurance - Liability & Structure	\$ 100	\$ -	\$ 100	Vacant land
Insurance - Umbrella Policy	\$ -	\$ -	\$ -	
Janitorial Services	\$ -	\$ -	\$ -	
Minor Repairs	\$ -	\$ -	\$ -	
Misc. Lease Services	\$ -	\$ -	\$ -	
Ranger Patrol Services	\$ 1,500	\$ -	\$ 1,500	Includes oversight of cab crews
Utilities	\$ -	\$ -	\$ -	
Weed Abatement ¹	\$ -	\$ 3,500	\$ 3,500	CCC's
Deferred Maintenance Contingency	\$ -	\$ -	\$ -	
Transfer to Other Properties	\$ -	\$ -	\$ -	
Operations Subtotal	\$ 1,600	\$ 3,500	\$ 5,100	

Revenue Detail	Monthly	Annual	Balance
Citations			\$ -
Citations Revenue Subtotal	\$ -	\$ -	\$ -

NOTES:

¹RMC contribution via interagency agreement with CCC's

July 28, 2011 - Item 9

RESOLUTION 2011- 21

RESOLUTION OF THE WATERSHED CONSERVATION
AUTHORITY APPROVING THE FINAL BUDGET FOR FISCAL YEAR
2011/12.

WHEREAS, The Watershed Conservation Authority has been established as a joint powers agency between the Rivers and Mountains Conservancy (RMC) and the Los Angeles County Flood Control District (District); and

WHEREAS, the Watershed Conservation Authority (WCA) has further been established to focus on projects which will provide open space, habitat restoration, and watershed improvement projects in both the San Gabriel and Lower Los Angeles Rivers watershed; and

WHEREAS, this action will authorize approval of the Watershed Conservation Authority final budget Fiscal Year 2011/12; and

WHEREAS, the proposed action is exempt from the provisions of the California Environmental Quality Act; NOW

Therefore be it resolved that the WCA hereby:

1. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA).
2. ADOPTS the staff report dated July 28, 2011.
3. APPROVES the Watershed Conservation Authority final budget FY 2011/12.

~ End of Resolution ~

Passed and Adopted by the Board of the
WATERSHED CONSERVATION AUTHORITY
On July 28, 2011

Teresa Villegas, Chair

ATTEST:

Terry Fujimoto
Deputy Attorney General

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