

DATE: June 21, 2018

TO: Watershed Conservation Authority Governing Board

FROM: Salian Garcia, Fiscal Manager

THROUGH: Mark Stanley, Executive Officer

SUBJECT: Item 15: Consideration of a resolution approving the final budget for FY 18/19.

RECOMMENDATION: That the WCA Governing Board approve the final budget for Fiscal Year 2018/2019.

BACKGROUND: In accordance with the provisions of the Joint Powers Agreement, adoption of the WCA budget by the WCA Governing Board is required. The budget is separated into four revenue and expenditure components: Administrative, Personnel, Operations, and Grants and Special Projects with revenue totaling \$10,804,618 and expenditures balancing the budget with a total amount of \$10,804,618.

Attached as Exhibit A is the Fiscal Year 2018/2019 budgetary presentation with the final budget data included as an appendix to the presentation.

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Watershed Conservation Authority

Fiscal Year 2018 - 2019 Budget



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On behalf of the Watershed Conservation Authority and its employees, we are pleased to present a budget for Fiscal Year 2018 - 2019 that provides a detailed explanation of anticipated revenue and expenditures for the upcoming year.

This budget demonstrates how resources will be utilized and allocated based on the Watershed Conservation Authority's Vision of

Connecting Communities through Nature

And was developed utilizing a conservative approach to revenue forecasting and incorporates prudent expenditure adjustments to achieve a balanced operating budget.

A Message from

Mark Stanley

Executive Officer

The Watershed Conservation Authority is approaching its 16th year of operation, and I cannot help but reflect on the amount of support we've received from our partners and communities during this past year. The Authority was awarded over \$1.76 million in grants and contracts, including additional funding for River Wilderness Park and the Duck Farm. I'm excited these two major projects will begin construction next Fall!

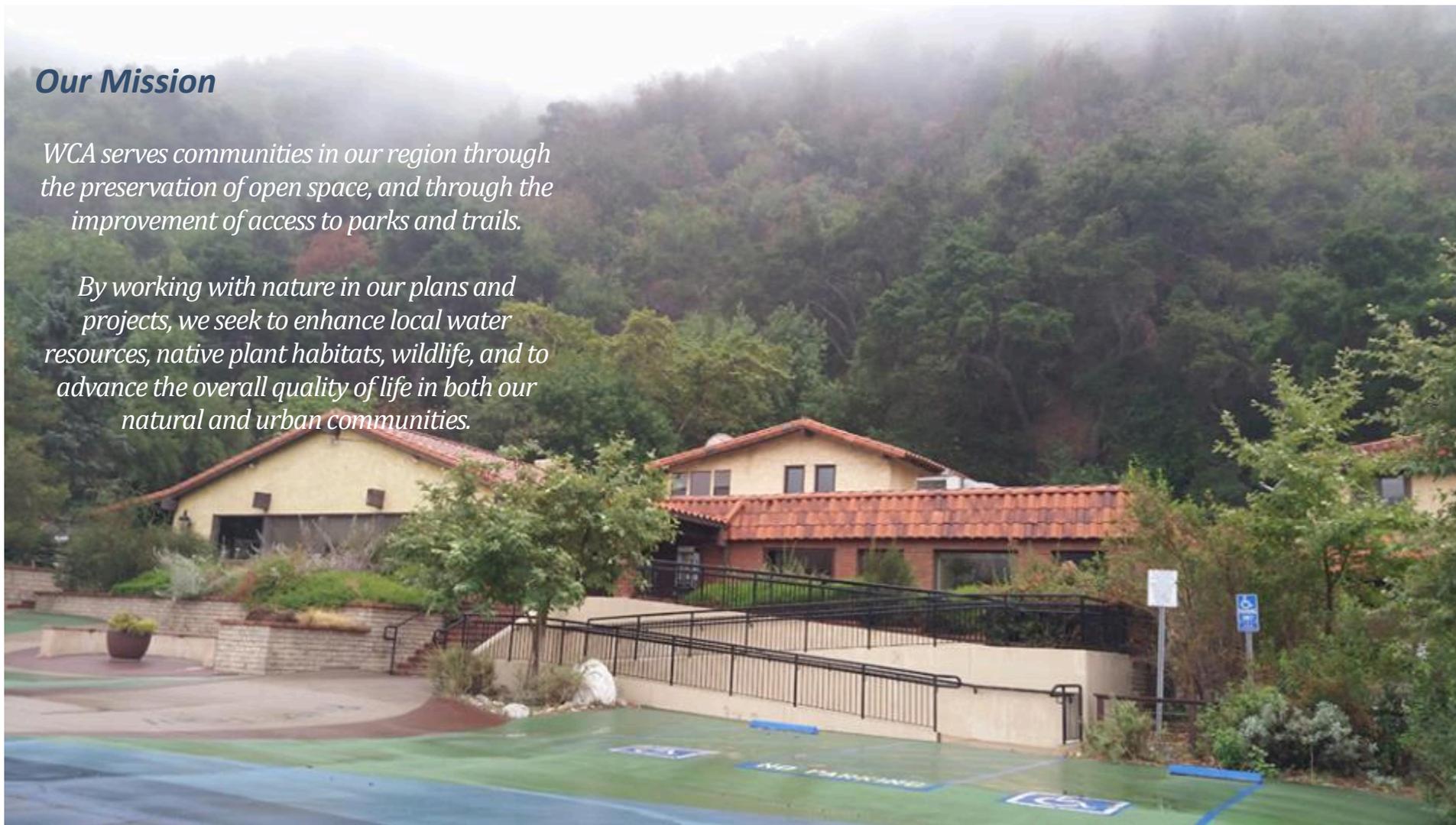
As we ambitiously push our mission to connect urban life with nature, increase access to open space, and achieve to protect our most precious resources here in the San Gabriel and Lower Los Angeles Rivers watershed, thank you for your continuing support into the new fiscal year.



Our Mission

WCA serves communities in our region through the preservation of open space, and through the improvement of access to parks and trails.

By working with nature in our plans and projects, we seek to enhance local water resources, native plant habitats, wildlife, and to advance the overall quality of life in both our natural and urban communities.





Watershed Conservation Authority Background

The Watershed Conservation Authority (WCA) was formed in 2003 as a Joint Powers Authority pursuant to the Joint Exercise of Powers Act of the San Gabriel and Lower Los Angeles Rivers & Mountains Conservancy (RMC), one of ten State of California conservancies, and the Los Angeles County Flood Control District (District) for the purpose of providing a comprehensive program to expand and improve the open space and recreational opportunities for the conservation, restoration, and environmental enhancement of the San Gabriel and Lower Los Angeles Rivers Watershed area consistent with the goals of flood protection, water supply, groundwater recharge, and water conservation.

Since its creation, the WCA has acquired six properties totaling approximately 457 acres, all of which are at various stages of being established as protected open space or parkland. Funding is primarily provided by grants from other governmental and/or private agencies with other limited funding from JPA Partner contributions and lease revenues generated from WCA-owned properties.

Fiscal Year 2017 - 2018 Accomplishments

While the WCA continues to look forward and strategically plan expansion of projects and development of open space in the San Gabriel and Lower Los Angeles River Watersheds, it is important to recap some of the accomplishments made during the year.

The following are a select number of project accomplishment highlights achieved during Fiscal Year 2017 - 2018:

Administrative and Accounting

- Staffing – the addition of a Project Manager II, Project Manager I, two Associate Project Managers, and a Fiscal Analyst to allow the WCA to redistribute workload and increase efficiency
- Contracted Personnel – recruited a Construction Manager for the Duck Farm and River Wilderness Park projects
- Billable Rate and Employee handbook updates
- Employer benefit liability obligations fully funded
- Fiscal Year 2016-2017 audit conducted in 2018 reported no significant deficiencies were identified

Acquisition of Property, Easements and Conservation Easements

- The WCA is continuing pre-acquisition efforts for the Easley Canyon Preserve, Colby Trail/Glendora Mountain Road Vernal Pool and Brodea Reserve, and the Bluebird Ranch Mountain Preserve, all of which are currently held by the Glendora Community Conservancy (GCC). These properties totaling approximately 609 acres offer watershed benefits and opportunities for restoration, conservation, and trail connectivity projects as well as improvements to habitat integrity.

Grant & Contract Awards**Grants**

- \$250,000 grant (Prop 84) from the Rivers and Mountains Conservancy for establishing a coordinated open space conservation program to create a priority acquisition plan and propose a land resource management structure master plan to potentially acquire 100 foothill and mountain properties.
- \$1,000,000 grant (Prop 1) from the Rivers and Mountains Conservancy for the creation of two functioning arroyos to reestablish degraded historical ephemeral streambeds.
- \$891,200 grant (Prop 1) from the Rivers and Mountains Conservancy to provide access to a currently underutilized community parcel and transform a building into a resilient Water Resource Center located at the Duck Farm.
- \$500,000 grant from the United States Forest Service for facility upgrades, such as picnic tables, fire rings, and signage, at the Crystal Lake Recreation Area

Contracts

- \$26,875 contract with the Metropolitan Water District of Southern California to study the water and energy savings of the cocoon technology at the Walnut Creek property.
- Active contracts carrying over into FY 2018 - 2019 include:
 - \$200,000 Professional Service Contract with North East Tree for identifying greening opportunities and strategies, collecting and integrating a data inventory, and for collaboration to develop a launch a plan to be shared in an online platform for the Gateway Cities and Rivers Urban Greening Master Plan Project

Fiscal Year 2017-2018 Strategic Plan, Organizational Priorities & Challenges

Strategic Plan

In April 2017, WCA contracted with Latino Consultants to prepare and facilitate a retreat for Staff and Board members, including staff sessions leading up to the Board Retreat on April 28, 2017. From these meetings, the Strategic Plan has been updated with the following goals and their respective objectives. The Authority continues to actively work on these goals and objectives, and remedy any issues as they arise.

OBTAIN SUSTAINABLE FUNDING

- Facilitate meetings to address fiscal and budgetary challenges with LACBOS Districts and Los Angeles Auditor-Controller
- WCA Staff to prepare sustainability requirements and budgets for meetings with LACBOS and Los Angeles Auditor-Controller staff
- Expand collaborative partnerships to support WCA parks, projects, and programs

REEVALUATE JOINT POWERS AUTHORITY AGREEMENTS & ADOPTION OF STRATEGIC PLAN

- Document current process for project evaluation, selection, and implementation.
- Create a draft of processing recommendations more efficiently for project evaluation and implementation
- Evaluate and determine whether updates to JPA are recommended

BUILDING A RECOGNIZABLE PRESENCE

- Identify short-term and long-term goals for increasing the WCA's presence and brand
- Explore an internship program
- Build regional awareness for WCA parks, plans, programs and services

Organizational Priorities and Challenges

Additionally, goals and objectives to support long-term financial sustainability from the 2014 Draft Strategic Plan echoed during this year's planning sessions and retreat, including the biannual and annual evaluation of our current Billable Rates Structure Plan to appropriately capture overhead and administrative costs. It was also identified that current State funding sources only allow reimbursement of salary and benefit expenditures. Subsequently, WCA acknowledges the need to actively pursue funding sources that allow for distribution of operational and administration costs. Staff has been diligent in seeking contracts for services and partnerships that will provide more stability and long term programs that will also provide additional stability in revenue

generation. The operation and maintenance of our properties and parks when they are open to the public is an on-going concern for the Authority and mechanisms to fund this component are still required.

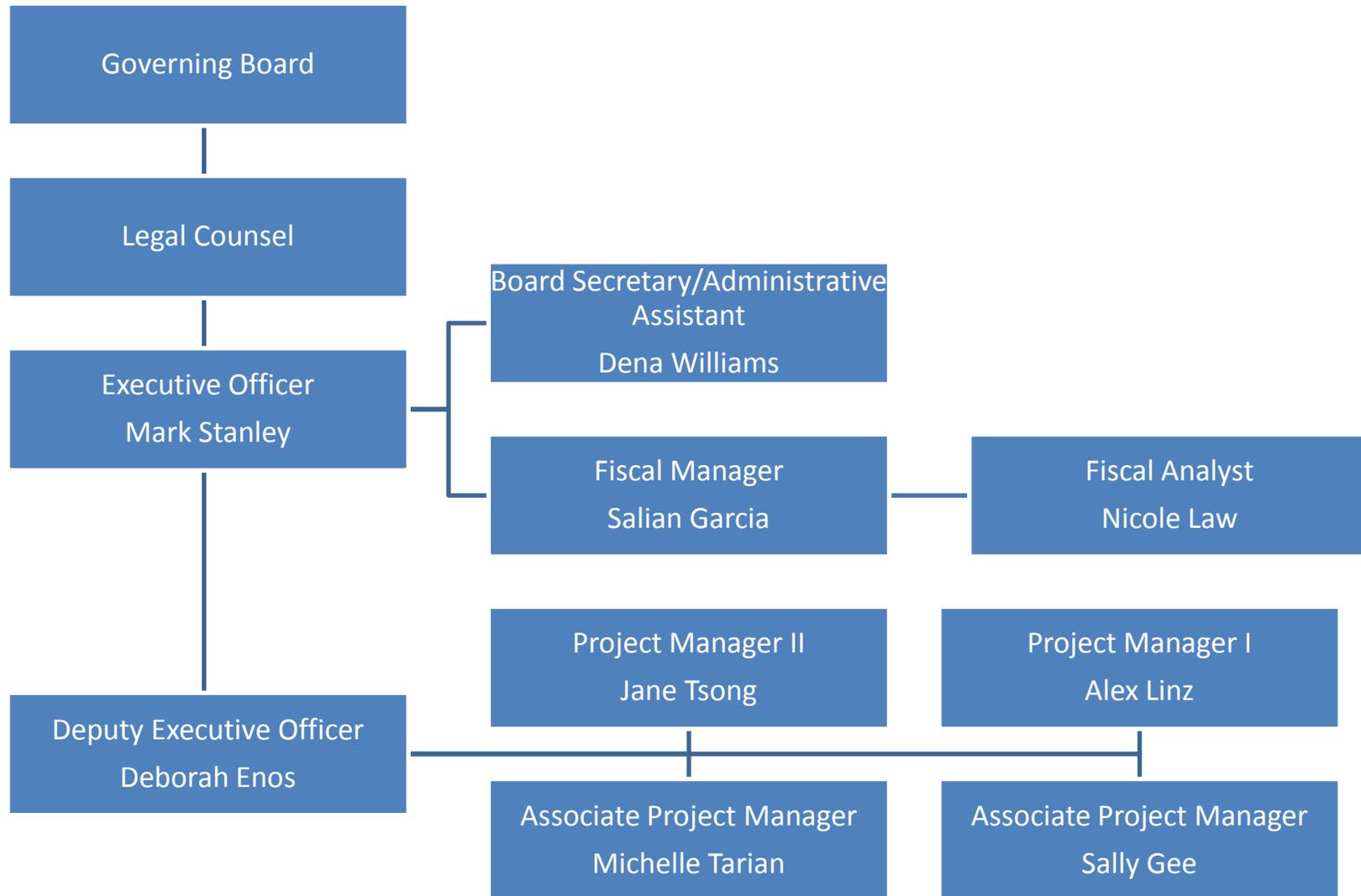
To ensure the transparency of our internal processes, financial and accounting policies and practices are reviewed periodically and updated, as necessary, with the goal of strengthening internal controls and improving organizational practices. The WCA periodically evaluates its organizational structure to ensure the current staff is efficiently utilized for project management and other important processes. Lastly, the WCA has plans for an external evaluation on current employee compensation plan and merit increase procedures to retain and reward employee performance, as well as, to sustain the organization's competitiveness in the governmental job market.

Fiscal Year 2018 - 2019 Program Highlights & Opportunities

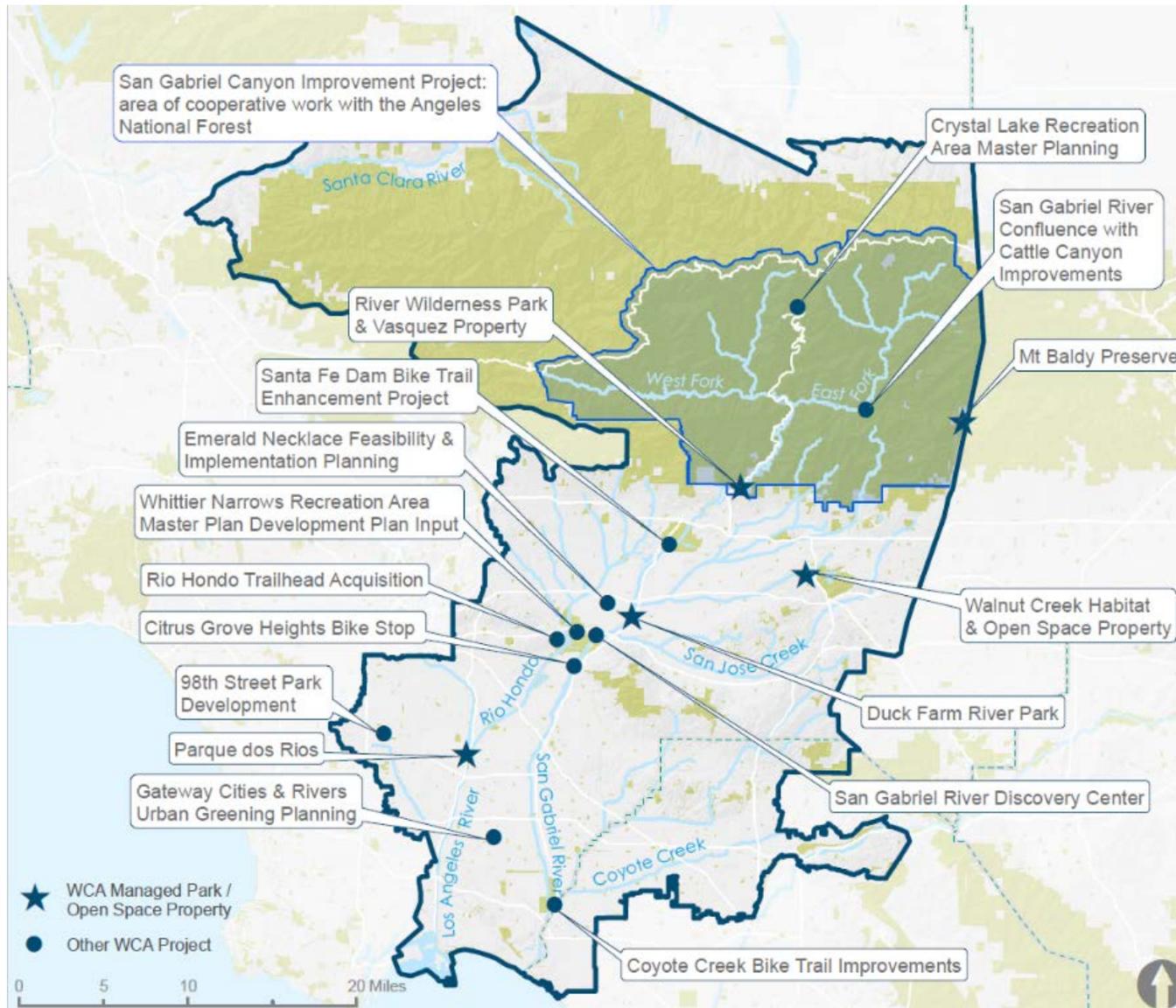
The WCA anticipates that this upcoming fiscal year will be very busy and will result in the achievement of a variety of high-profile milestones being reached, a few of which are highlighted below.

- The acquisition of approximately 609 acres of open space and potential partnership on future projects related to the restoration and conservation opportunities on the land with the Glendora Community Conservancy
- The acquisition of approximately 130 acres of open space (Roberts Canyon Foothill Area), located northwest of the Mountain Cove community, from CalAtlantic Homes
- In a collaborative effort with the Supervisorial First District and LA County Public Works, the WCA will develop the San Gabriel Valley Greenway Network Management Team which works on the implementation of greenway projects that will connect communities throughout the SGV
- In partnership with North East Trees, the Gateway Greening Master Plan is progressing. The Plan seeks to identify project opportunities, improve the quality of life and watershed health, and inspire and engage communities and funders to implement green projects. The Gateway Greening Portal is expected to launch in December 2017 and the Plan to be completed in June 2018
- Duck Farm River Park, Cattle Canyon Oaks Picnic Area, and the River Wilderness Park are all scheduled to begin construction activities in the new fiscal year
- The Parque dos Rios/South Gate Riparian Project along the Lower Los Angeles River have received ACOE approval on the overlook modification. The permit approval process was delayed, but the project is expected to be complete by or near the end of the next fiscal year
- The WCA is a participant in the Lower Los Angeles River Working Group (AB530). As such, the Authority is committed to actively engaging with other stakeholders, experts, local government, and communities to advance the missions of the RMC, Flood Control District, and WCA to realize the many potential benefits the Lower LA River represents; such as, increasing access to more park and open space recreational opportunities while addressing critical regional needs of water reliability, air quality improvements, community health and wellbeing, and safety and security.
- The participation in the implementation of AB1558, Los Angeles River Ranger Study, with the Rivers and Mountains Conservancy, the Santa Monica Mountains Conservancy, and its JPA partner Mountains Recreation and Conservation Authority.

Watershed Conservation Authority Organizational Chart



Watershed Conservation Authority Territory Map



Budgeting and Financial Processes

Budget Requirements and Processes

The Watershed Conservation Authority is a Joint Powers Authority established to serve the interest of its partners, the San Gabriel and Lower Los Angeles Rivers & Mountains Conservancy (RMC) and the Los Angeles County Flood Control District (District) and is governed by a Joint Powers Authority Agreement, which requires the WCA to adopt a budget each fiscal year that is approved by its Governing Board as well as the Governing Boards of the RMC and the District. Public funds approved in the adopted budget may be expended. However, budgetary amendments may occur, through Governing Board approval on each fiscal item, through the revenue and expenditure report, as necessary for changes in revenue and/or expenditures. The intention is for a budgetary amendment process to be developed in the coming fiscal year to address the nature, timing, and magnitude as to when budgetary amendments will occur in any one fiscal year and as establishment between an administrative budget amendment and those requiring Governing Board approval.

The WCA's annual budget process involves a continual assessment of the needs required to maintain all owned properties. In the winter of each year, a cost to date analysis is completed to view areas where there is potential for cost savings or cost increases passed along from vendors. An analysis of funding sources on hand is completed as well as an assessment of available funding that can be carried into the next fiscal year. Of particular importance is a resource planning and indirect cost assessment to determine the diversity of funding available and how that funding can be utilized to both capture direct and indirect labor expenses. This assessment allows the WCA to determine the level of growth including staffing that the Authority can sustain to ensure timely project delivery and maximized organizational efficiency.

Ongoing review of budgeted figures to actual revenues and expenditures is the responsibility of staff and is completed and presented to the Governing Board at each meeting.

A preliminary and final budget is presented to the Governing Board in May and June, respectively, of each year and submitted for adoption by the RMC Board and the Los Angeles County Board of Supervisors.

Fiscal Controls and Processes

The WCA, as required by its JPA Agreement, utilizes the District's accounting department, also referred to as the Los Angeles County Auditor-Controller, as its custodian and controller over the majority of WCA funds. Any receipts and expenditures are processed through the District/County's accounting system. The following establishes the responsibilities held by both parties concerning the accounting process and budgeting process:

WCA is responsible for:

- Development and adoption of an annual budget with continuous monitoring of budget vs. actual progress throughout the fiscal year
- Reporting and control of financial operations and accountability for WCA's operations, contracts, and grant programs and projects
- Establishing a framework of internal controls to safeguard against fraud and error

- Ensuring the validity of all requests for payment of obligations or deposit of receipts according to the WCA's supporting documents such as contractual payments, invoices, etc.
- Executing all managerial and financial decisions for the agency.

Los Angeles County Auditor-Controller is responsible for:

- Depositing and acting as custodian to WCA funds which are held in County's Treasury Pool for purposes of accruing interest.
- Verifying and reporting on a quarterly basis to the Authority the activity in each fund.
- Performing activities as the auditor and controller of the funds.

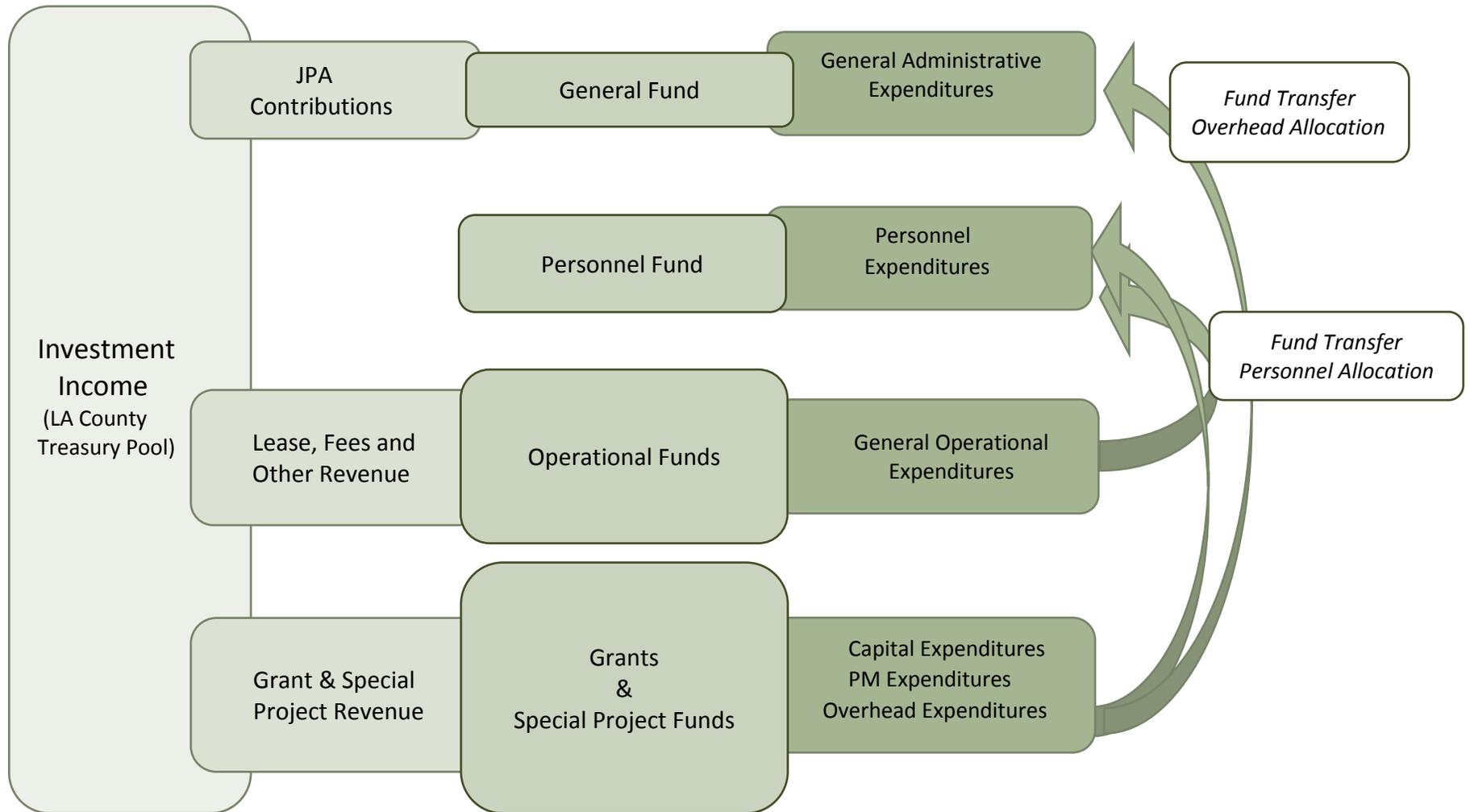
The financial statements are prepared in conformity with generally accepted accounting principles and are governed by accounting and financial reporting principles as established by the Governmental Accounting Standards Board. The fiscal year of the WCA is established as July 1st through June 30th. The WCA uses the modified accrual basis of accounting, where the WCA recognize revenues as cash is received during or soon after the end of the year and when it is earned and both measurable and available (generally expected within 60 days), and expenditures are recognized when the liability is incurred. The WCA's funds are categorized as enterprise/proprietary funds, which distinguishes operating revenues and expenses from non-operating items.

In 2014, the WCA hired a consultant to establish a formal Billable Rate Structure Plan that was intended to be a model that could be updated on a regular basis as approved by the Governing Board to allocate indirect costs among the agency's available funding sources. The model established four hourly rates, three of which are OMB compliant for each employee classification that could be allocated against various grant and contracts dependent on the varying degrees of allowable indirect costs. Indirect costs captured are utilized towards covering costs related to WCA general operating expenses, including administrative employees' wages and benefits. The Billable Rate Structure is updated as part of the budgeting process and may be updated during the year if a significant change in the budget occurs.

Policy Adoption

A Purchasing and Contracting Policy was adopted alongside the Joint Powers Authority Agreement adoption in 2003, to establish rules and limitations to how the WCA would purchase goods and services and ensure a competitive and fair process for its contractual agreements. As the WCA expands, there exists the need to review and modify existing policies as well as introduce policies over additional WCA processes. The WCA continues to strategically plan and develop critical success factors that will guide the sustainability, growth, and realistic performance measures by which the agency is evaluated.

Schematic of Fund Structure



Description of Major Funds

General Fund – The purpose of this fund is to account for the annual JPA contributions and general administrative expenses.

Duck Farm Operational Fund – The purpose of this fund is to account for lease and/or other revenue and O&M expenditures for the Duck Farm as well as those incurred on the Citrus Heights property.

El Encanto Operational Fund – The purpose of this fund is to account for lease and/or other revenue and O&M expenditures for the El Encanto/River Wilderness Park where the WCA offices are currently housed.

Southgate Riparian Habitat Operational Fund – The purpose of this fund is to account for lease and/or other revenue and O&M expenditures for the South Gate/Parque Dos Rios property.

Walnut Creek Operational Fund – The purpose of this fund is to account for lease and/or other revenue and O&M expenditures for the Walnut Creek property.

Personnel Funds – The purpose of these funds is to hold funds for the purposes of expending payroll and creating a reserve for accrued employee leave.

San Gabriel River Confluence Cattle Canyon Fund – The purpose of this fund is to record funds granted to the Authority for the Phase I Planning for portions of the confluence of the East Form of the San Gabriel River.

Cattle Canyon Oaks Improvement Fund – The purpose of this fund is to record funds from the National Forest Foundation granted to the Authority for the Oaks Picnic Area Improvement Project.

Duck Farm Phase 1A Implementation Fund – The purpose of this fund is to record funds granted to the Authority for the Duck Farm Phase 1A Implementation project.

Duck Farm Supplemental Environmental Project Fund – The purpose of this fund is to record SEP funds granted to the Authority for the Duck Farm Phase 1A Implementation project.

Emerald Necklace Feasibility and Implementation Plan Fund – The purpose of this fund is to record funds granted from LACFCD, SCE, and California Community Foundation to the Authority for the Emerald Necklace Feasibility and Implementation Plan.

Duck Farm EEMP Fund – The purpose of this fund is to record Environmental Enhancement Mitigation Program funds granted to the Authority for the Duck Farm Implementation project.

U.S.F.S. Project Fund – The purpose of this fund is to record U.S. Forest Service Urban and Community Forestry program funds to conduct development, implementation, & monitoring activities for the Los Cerritos Wetlands Authority environmental education program.

Duck Farm Phase 1A Prop A Fund – The purpose of this fund is to record Prop A funds granted to the Authority for the Duck Farm Implementation project.

South Gate Riparian/Parque Dos Rios Prop A Fund – The purpose of this fund is to record Prop A funds granted to the Authority for the Parque Dos Rios Implementation project.

Santa Fe Dam SGR Bike Trail Gateway Enhancement Prop A Fund – The purpose of this fund is to record Prop A funds granted to the Authority for the San Gabriel River Bike Trail Gateway Enhancement project.

Duck Farm Tree Planting Enhancement Prop A Fund – The purpose of this fund is to record Prop A funds granted to the Authority to facilitate tree planting as part of the Duck Farm Implementation Project.

LACFCD Duck Farm River Overlook Fund – The purpose of this fund is to record funds granted to the Authority from the LACFCD for use on the Duck Farm River Overlook project.

Discovery Center Escrow Fund – The purpose of this fund is to account for SEP funds granted to the Authority for the construction of the San Gabriel River Discovery Center. This fund is being held in an escrow account by the Sanitation Districts of Los Angeles County, outside of the LA County’s Treasury Pool.

River Wilderness Park Entry Project Fund – The purpose of this fund is to record funds granted to the Authority for the design of the River Wilderness Park Front Entry improvements.

River Parkway Duck Farm Project Fund – The purpose of this fund is to record River Parkway funds granted to the Authority for the Duck Farm Implementation project.

Roberts Canyon Foothill Area Acquisition Fund – The purpose of this fund is used to record funds granted to the Authority for pre-acquisition activities for the foothill open space area termed the Roberts Canyon Foothill Area.

Gateway Cities & River Urban Greening Plan Fund – The purpose of this fund is used to record California Resource Agency funds granted to the Authority to develop a plan to create inventory of greening opportunities, storm-water filtration and pedestrian linkages along gateway cities termed the Urban Greening Plan project.

Conservation Easement Monitoring Fund – The purpose of this fund is used to record all funds granted to the Authority to be utilized for conservation easement monitoring for the Puente Hills Habitat Authority.

Azusa Foothills Acquisition Project Fund – The purpose of this fund is used to record funds granted to the Authority for the pre-acquisition activities for underdeveloped land in the Azusa Foothills area above the City of Azusa

GREEN Project Fund - The purpose of this fund is used to record funds granted to the Authority for collaborative planning and implementation of watershed-based greening efforts for the Green Regional Environmental Enhancement Network Project

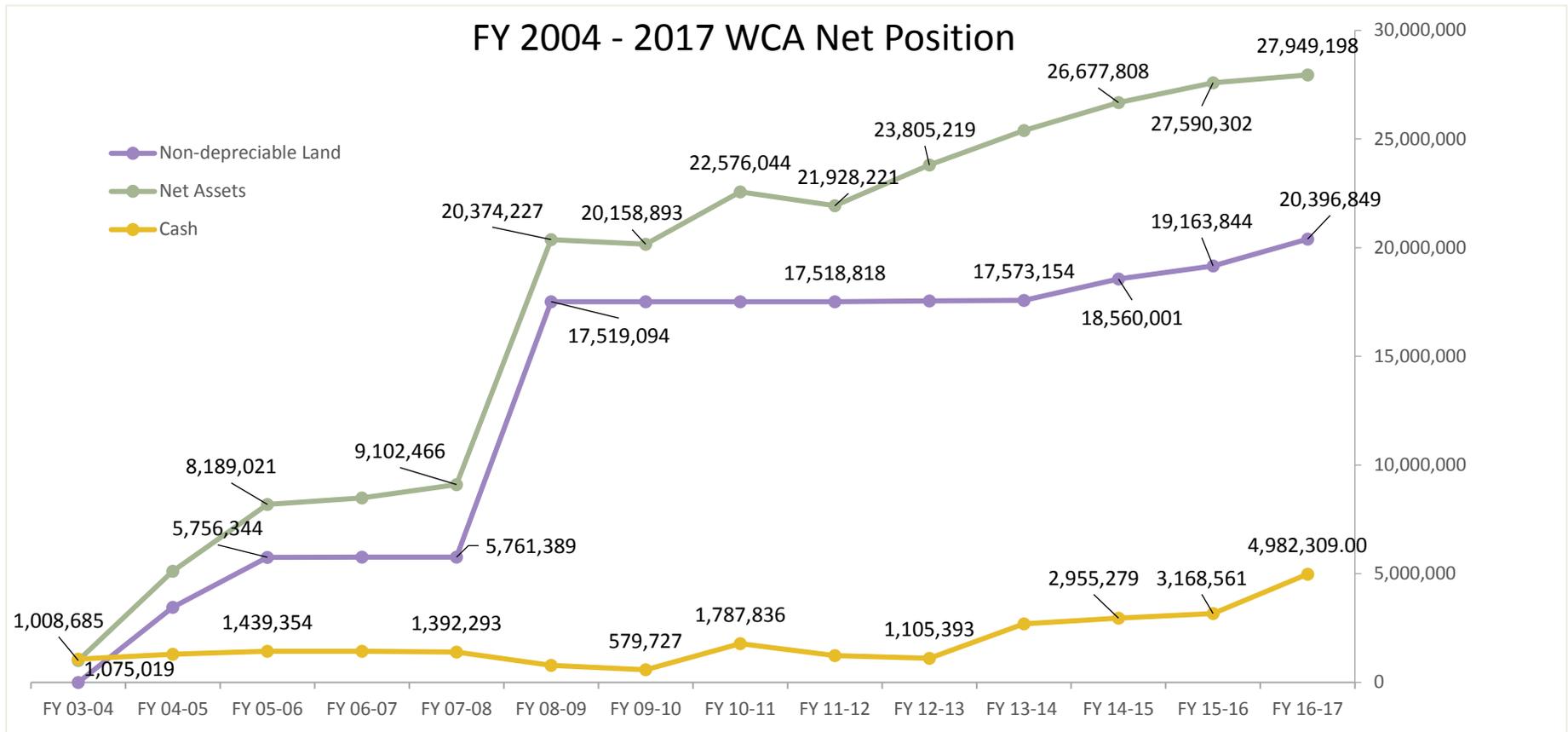
Vasquez Property Acquisition Fund – The purpose of this fund is used to record funds granted to the Authority for acquisition activities for the underdeveloped land in the Azusa Foothills area above the City of Azusa

Rio Hondo Trailhead Acquisition Project – The purpose of this fund will be used to record funds granted to the Authority for the acquisition of natural open space in the Montebello Foothills.

Note: All other funds set up with the LA County Auditor Controller’s office are either inactive, in the process of being closed, or have projects that have been completed and are not being disclosed here.

Analysis of Net Position

Net position measures the growth of an agency’s book value and is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. An analysis of an agency’s net position will show the agency’s growth and ability to manage its assets and liabilities diligently and efficiently and paints a picture of the financial stability of the agency. A majority of the Authority’s net assets are the result of an increase in the acquisitions of property since the agency’s inception and other capitalized construction in progress (CIP), buildings & improvements. The following chart analyzes the growth of the Authority’s net position since its inception through FY 15/16, the date of the last audited financials. Classification of the Authority’s net position is determined in accordance with GASB No. 34 and 63, which requires the classification of net position into three components: net investment in capital assets, restricted; and unrestricted. Net position is being presented in this chart as a total of all three components.



Budget Overview

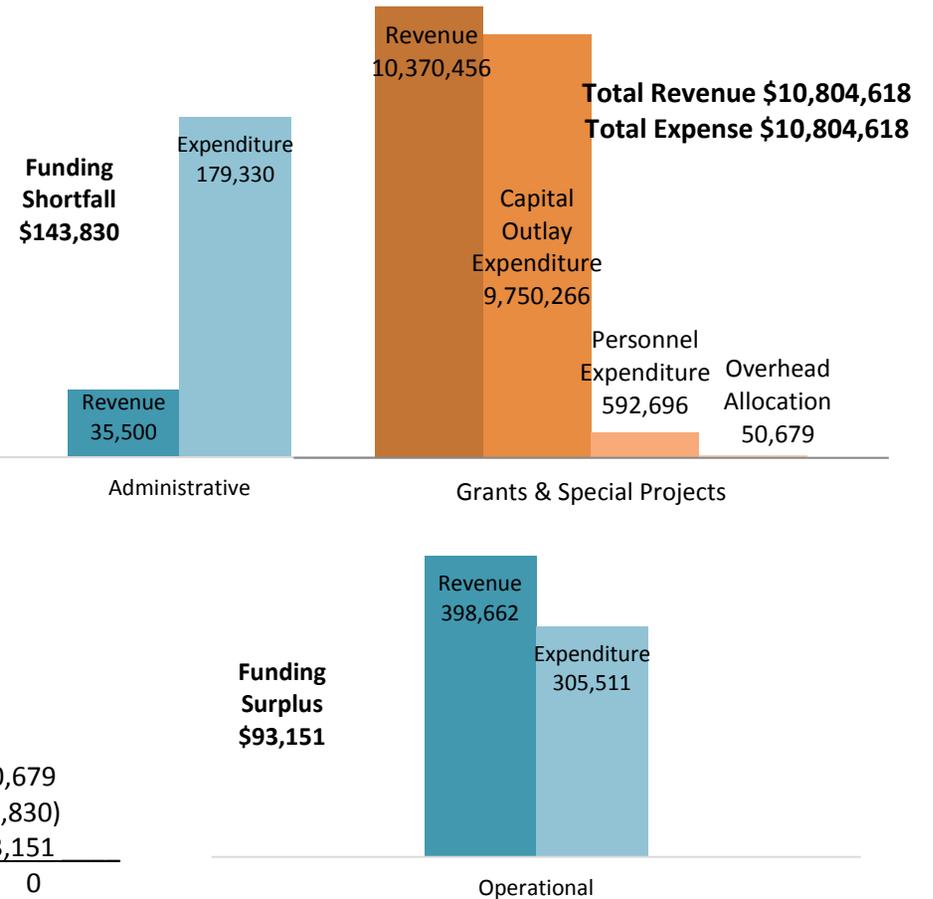
REVENUE/EXPENDITURE COMPARISON BY CATEGORY

CONSOLIDATED BUDGET FISCAL YEAR 2018-2019

	Budget FYE 2019 ¹
General Administrative Revenue	35,500
General Operational Revenue	398,662
Grants and Special Projects Revenue	10,370,456
Total Revenue	10,804,618
General Administrative Expenses	179,330
Personnel	592,696
General Operational Expenses	305,511
Grants and Special Projects Total Expense-Capital Outlay	9,727,081
Total Expense	10,804,618
Change in Net Position Before Transfers	0
Transfers In	0
Transfers Out	0
Change in Net Position ¹	-

Schedule of Allocation of Overhead

Overhead Allocation ²	\$ 50,679
Administrative Shortfall	\$ (143,830)
Operational Surplus	\$ 93,151
	\$ 0



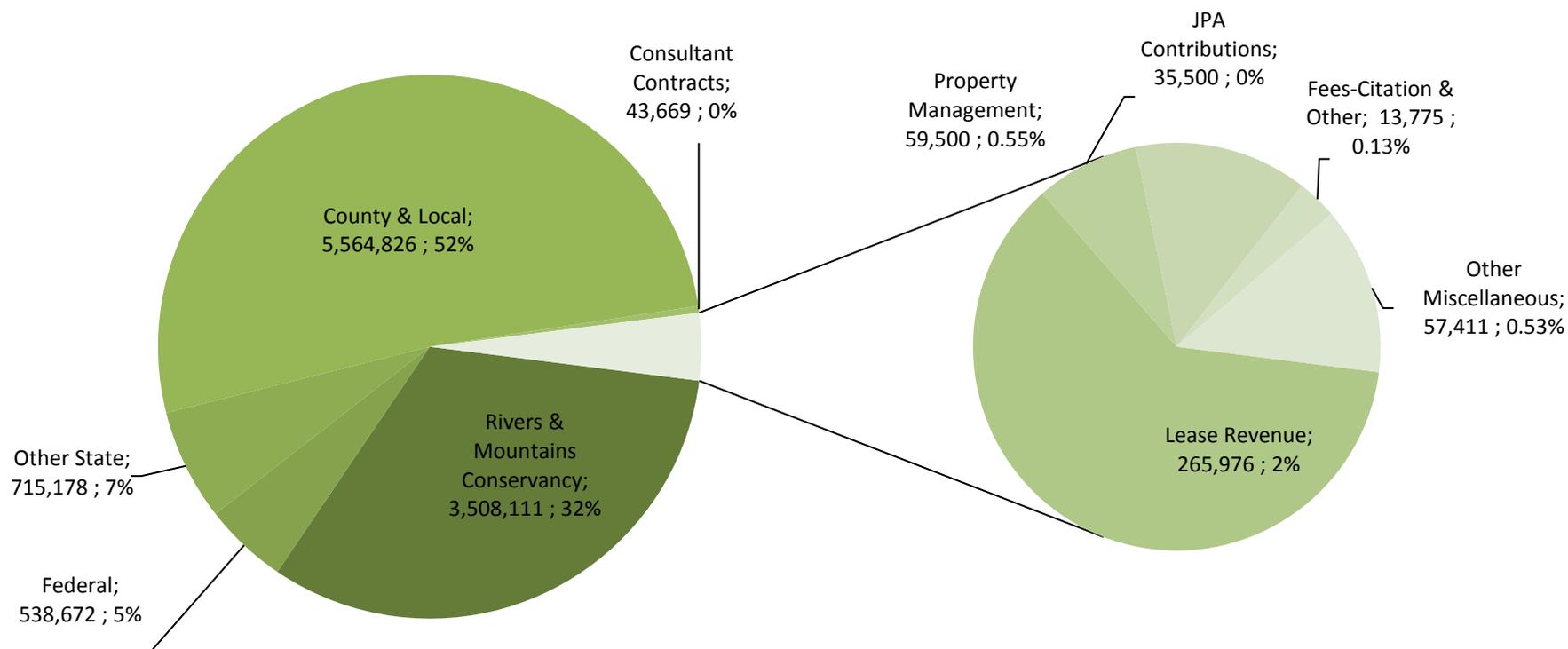
¹ – Budgeted figures do not include interest that might be accrued on funds held in the LA County Treasury Pool or Escrow funds or annual depreciation. The Authority presents a balanced budget in which revenue equals the Authority’s obligations including any budgeted reserves, if applicable. Any change in net assets comes primarily from acquisition of property and other capitalized buildings and improvements.

² – The overhead allocation is intended to cover those categories that are “underfunded” in which administrative/operational expenditures are less than anticipated revenue. Overhead Allocation is calculated based on an assumption of a precise level of chargeable staff completing work on a number of projects with a portion that allow overhead to be retained.

Revenue Overview

Fiscal Year 2018-19 revenues are projected to total \$10,804,618. Revenue available for general administrative and operational expenditures totals \$434,162 or 4% of all revenue. Of the general administrative and operational revenue, 61% or \$265,976 is received from lease revenue generated on WCA owned properties. Revenue expecting to be available and utilized for grant and special projects during the fiscal year totals \$10,370,456, of which \$6,862,345 or 66% is expected to be derived from federal, state, county, local funds, consultant contracts and other project revenue and 34% or \$3,508,111 is expected to be derived from grants from the Rivers & Mountains Conservancy. In prior year fiscal budgets, Rivers & Mountains Conservancy revenue accounted for approximately 23% (FY 15/16), 29% (FY 16/17), and 20% (FY 17/18) of the total grant and special project revenue. The WCA continues to strive for a diversified funding portfolio to allow for greater flexibility and allow for increased growth and sustainability and is continuing to achieve this goal with each fiscal year.

FY 2018 - 2019 Total Revenue



Administrative & Operational Revenue

When the RMC and the District established the WCA as a Joint Powers Authority the parties agreed to contribute annually to the Authority a value not to exceed \$50,000 and \$25,000, respectively, plus an additional \$500 annually to cover postage expenditures.

Administrative

Of the annual JPA contributions, the revenue for administrative expenditures totals \$35,500, consisting of member contributions of \$25,500 from the District and \$10,000 from RMC. These revenues have remained the same since 2010.

Operational

Revenue available for operational expenditures totals \$344,751 which includes lease revenue generated from WCA owned properties (\$265,976), the annual property management contribution and a one-time contribution for ADA/seismic upgrade support from the RMC (\$40,000/\$19,500), citation fees (\$13,775), filming and park use permits (\$2,000), and miscellaneous/utility fee revenue (\$57,411). Lease revenue is expected to remain fairly constant with slight anticipated increases being passed along to tenants/residences who had or will have a lease renewal during the upcoming fiscal year. Lease revenue, with the exception of revenue generated from freeway billboard contracts, has historically been budgeted at 95% of the total lease revenue to allow for potential tenant turnover and the cost and time needed for the WCA to locate a new tenant. The budgeted revenue for the Nursery at the Duck Farm property is also budgeted at 95% rather than 65% in former years as the lease was turned over to another commercial nursery entity. Citation and filming revenue generally is difficult to anticipate. However, the MRCA was able to project an approximate citation receivable of \$13,775. Both the Duck Farm and South Gate properties produce more revenue than is needed to cover their current expenditures, which allow funds to be transferred and used at other properties that generate little to no revenue and for those properties that do not generate enough revenue to have expenditures covered.

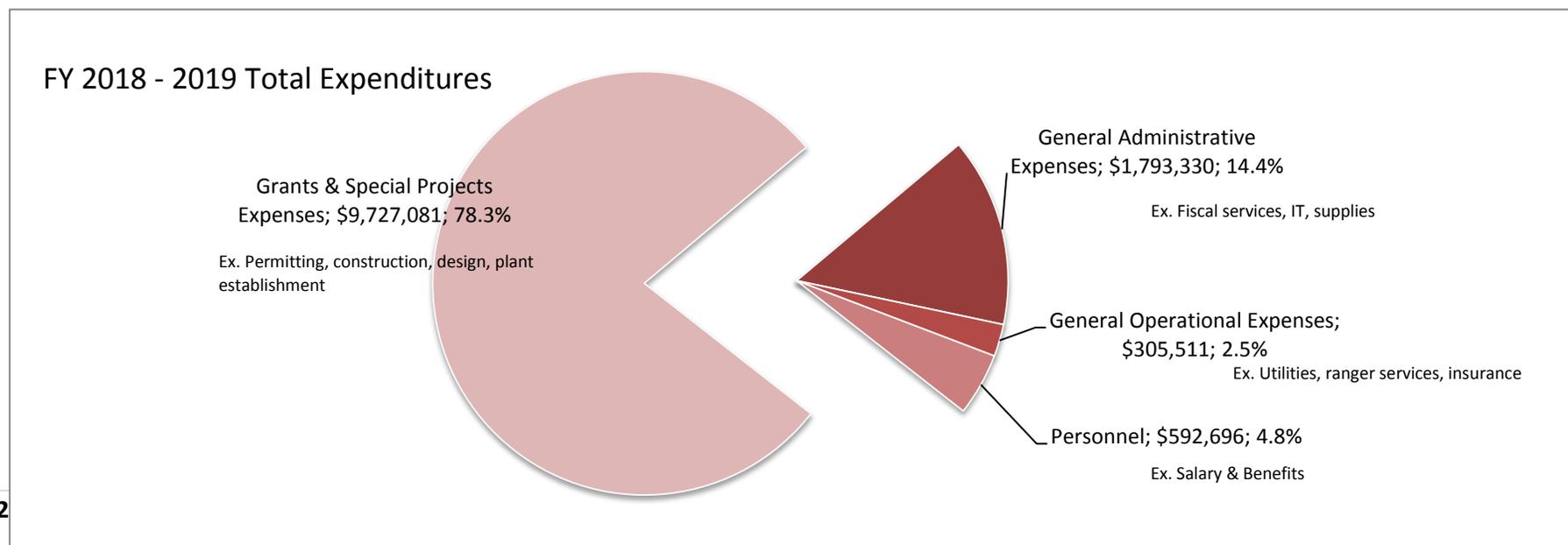
<i>Lease Revenue Detail</i>		Total Annual	Total Budgeted
Duck Farm			
451 S. Rall ¹	Equestrian	\$15,300	\$14,535
455 S. Rall Ave.	Residential	\$26,316	\$25,000
Nursery	Commercial	\$55,224	\$52,463
Freeway Billboard	Commercial	\$44,000	\$44,000
El Encanto			
Unit 98	Residential	\$18,896	\$17,951
Unit 100a	Residential	\$18,266	\$17,353
Rainbow Ranch ²	Commercial	\$4,308	\$4,092
Unit 100-RMC	Commercial	\$49,560	\$47,082
South Gate			
Freeway Billboard	Commercial	\$ 43,500	\$43,500
TOTAL		\$275,370	\$265,976

Grants & Special Projects Revenue

One of the goals highlighted during the strategic planning process has been to expand and diversify the Authority's resources to allow the agency to become more financially sustainable and independent as well as support goals for growth into identified and targeted specialized industry areas. The Authority has successfully been awarded numerous grants in the previous fiscal year that support those goals and it continues to apply for grants that allow the agency to move forward with the completion of all planned phases of a project. Income from grants and other sources vary annually based on the number of active grants as identified in the Description of Major Funds, the timing for completion of those grants, agency staffing levels to complete the work required, and the estimated funding to be utilized in that particular fiscal year. In FY 2018-2019, there is an anticipated \$10,370,456 in revenue from grants and special projects. The proposed budget does not include revenues from projects and/or grants applied for and not yet awarded nor does it include grants in which a grant agreement and timeline has not been executed and established. After each Board meeting during the fiscal year, staff will review activity and changes that will require an amendment/modification and will recommend changes to projected revenues to the Board in accordance with an established budget amendment policy.

Expenditure Overview

For FY 2018-2019, expenditures are projected to total \$10,804,618. This total reflects 3% or \$391,677 decrease from FY 2017-2018 budgeted expenses. The decrease is primarily due several factors, including a decrease in Personnel, incremental decreases to General Administrative line items, and an anticipated decrease in capital outlay projects and costs from awarded grants and contracts for the agency's grants and special projects. The expenditure components are as follows: 1) General Administrative Expenses, \$179,330 or 2%, 2) General Operational Expenses, \$305,511 or 3%, 3) Personnel, \$592,696 or 5%, and 4) Grant & Special Projects Capital Outlay Expenses, \$9,727,081 or 90%.



Personnel Expenditure

Personnel Budget Explanation

Fiscal Year 2018-2019 budgeted expenditures for personnel are expected to total \$592,696, which includes salaries, benefits, employer taxes, and accruals for employee leave. Expenditures for personnel come solely from grant and special project revenue. Currently, the WCA staff comprises of seven full time employees and one part time employee. The final FY 17/18 budget included filling the Project Manager III vacancy; however, the vacancy was instead filled with a Project Manager II. Also, there was a Project Manager I vacancy which was filled with an Associate Project Manager, subsequently increasing the staff to eight employees (seven full-time and one part-time). Additionally, the new employees were hired at a lower entry compensation rate.

Salaries reflect a year-to-year budgetary decrease of \$20,957 for the aforementioned reasons. The employee handbook allows for an up to 2% merit increase for new hires upon completion of six months of full-time employment and upon a satisfactory employee evaluation of performance. All other positions have been budgeted for a Cost of Living Adjustment (COLA) of 2%, which is based on the Consumer Price Index (CPI) change for the Los Angeles Metropolitan Area between December 2016 and December 2017.

Benefits reflect a decrease of \$18,601 from year-to-year because the Authority did not switch to the CalPERS health program during FY 17/18 due to the lower plan rates offered under the existing provider. Should the rates and benefits become more desirable than those with the current provider in the new year, the Authority budgeted for the CalPERS health program and its respective monthly employer contributions. As a participant, the Authority is mandated to provide a monthly employer contribution of at minimum \$128 per active employee for their health plans after retirement. WCA has budgeted a 9% increase for dental and 3% increase for vision for FY 18/19, and it has budgeted for a 10% increase in its health coverage for potential increases during the renewal period mid-year. No other changes have been made to employee benefits.

Employee Benefit Summary

In February 2010, the WCA became an employer entity and worked with an outside consultant to develop employee policies that would become part of an employee handbook and to establish competitive employee benefits and salaries to establish the WCA as a viable employer in the marketplace. Since that time, staff has implemented numerous policies on how its benefits are applied as part of an employee's benefit package. Each fiscal year during the budgeting process, WCA's benefits are reevaluated to ensure that its benefit packages remain reasonable and competitive in comparison to similarly operated agencies. When benefits such as health and dental insurance renew each year, staff recommends plan changes that may result in cost savings or increased costs and resulting additional or reduced benefits to employees. Any plan changes or overall budget reductions require WCA to evaluate the level of benefits provided to employees and determine the amount of costs that might be passed along to employees if the WCA is unable to cover the increases. The Employee Handbook is also reviewed annually to ensure its compliance with any new federal or state legal requirements and the resulting budgetary impact, if any. An updated Employee Handbook will be presented to Board at the next meeting.

Employee Benefits	Standard Employer Contribution
Health Insurance	100% employee \$0 dependent
Dental Insurance	100% employee \$0 dependent
Vision Insurance	100% employee \$0 dependent
Life Insurance	\$25,000 employer paid optional addt'l amount paid by employee
Retirement (457b)	8% gross wage contribution optional addt'l deferral paid by employee
Accrued Vacation/Sick or Annual Leave	Accrual based on years of service, max. accrual 250 hours
Holidays	12 per year
<p>Note: Certain employment stipulations dictate whether the WCA pays 100% of the benefit such as FT or PT designation. Most benefits also have varying waiting periods. Any dependent coverage added is the responsibility of the employee.</p>	

Billable Rate Model and Overhead Cost Allocation

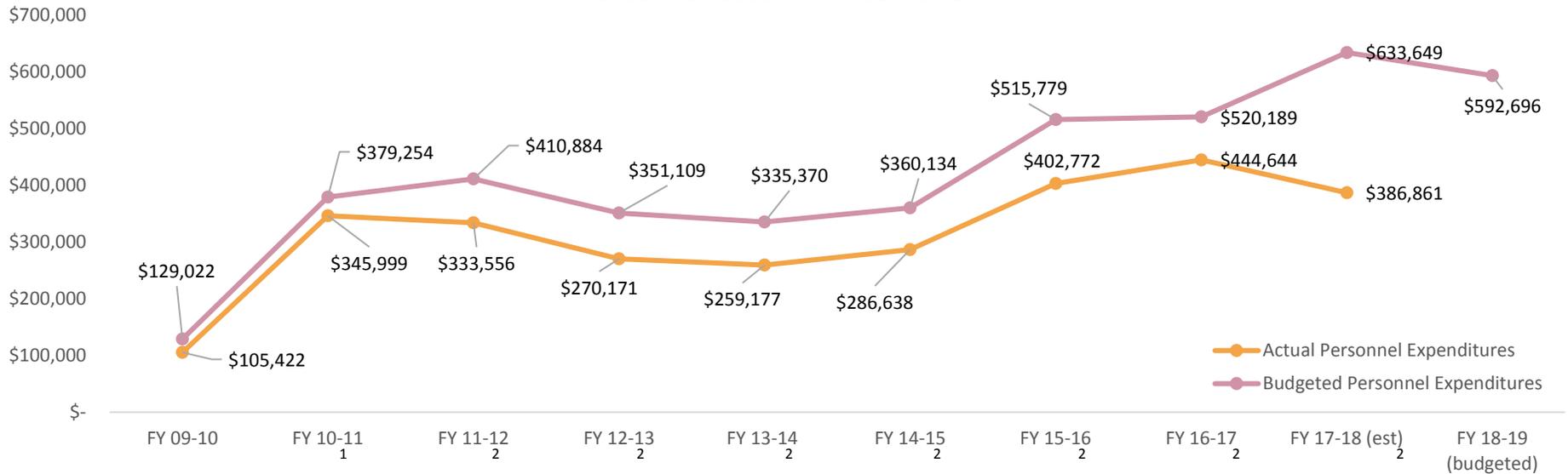
As intended by the Billable Rate Structure Plan developed in FY 13/14, all of the personnel costs (\$592,696) are expected to be offset by grant and special project revenue. In prior fiscal years, the WCA had employed a consultant to implement an indirect standard rate plan to allocate indirect costs to programs, grants, contracts, and agreements. The plan was limited in its application given the progress the Agency had made in program development and diversification of funding. The Standard Rate Plan was prepared using the WCA’s current fiscal budget. The evaluation and resulting rate schedule model provides an accountable means to allocate labor, overhead and administrative costs as allowed within the confines of the work program and according to the stipulations governing the WCA’s various funding mechanisms and is implemented in accordance with guidelines under federal OMB Circular A-87. It is essential for the WCA to continue to diversify its funding streams to ensure that an acceptable mix of programs, grants, contracts, and agreements allow enough overhead to be captured to cover personnel costs for the agency’s administrative positions and administrative/operational costs incurred in running the agency’s main office, El Encanto.

Analysis of Historic Personnel Costs

The following analysis provides a means of correlation between average number of employees and fiscal year audited salaries and benefits costs. Staff levels are expected to remain at seven full time employees and one part time employee, and personnel costs are expected to total \$592,696 in FY 18/19, the largest number of full time employees and second highest personnel cost that the WCA has incurred since it became an employer in 2010.

Budget FY 2019		
Expense Detail		
Salaries	\$	400,074
Merit Pool	\$	31,388
Benefits	\$	115,424
Fixed Fees	\$	1,066
Employer Taxes	\$	44,544
Personnel Subtotal	\$	592,696

Personnel Costs FY 2009-2018

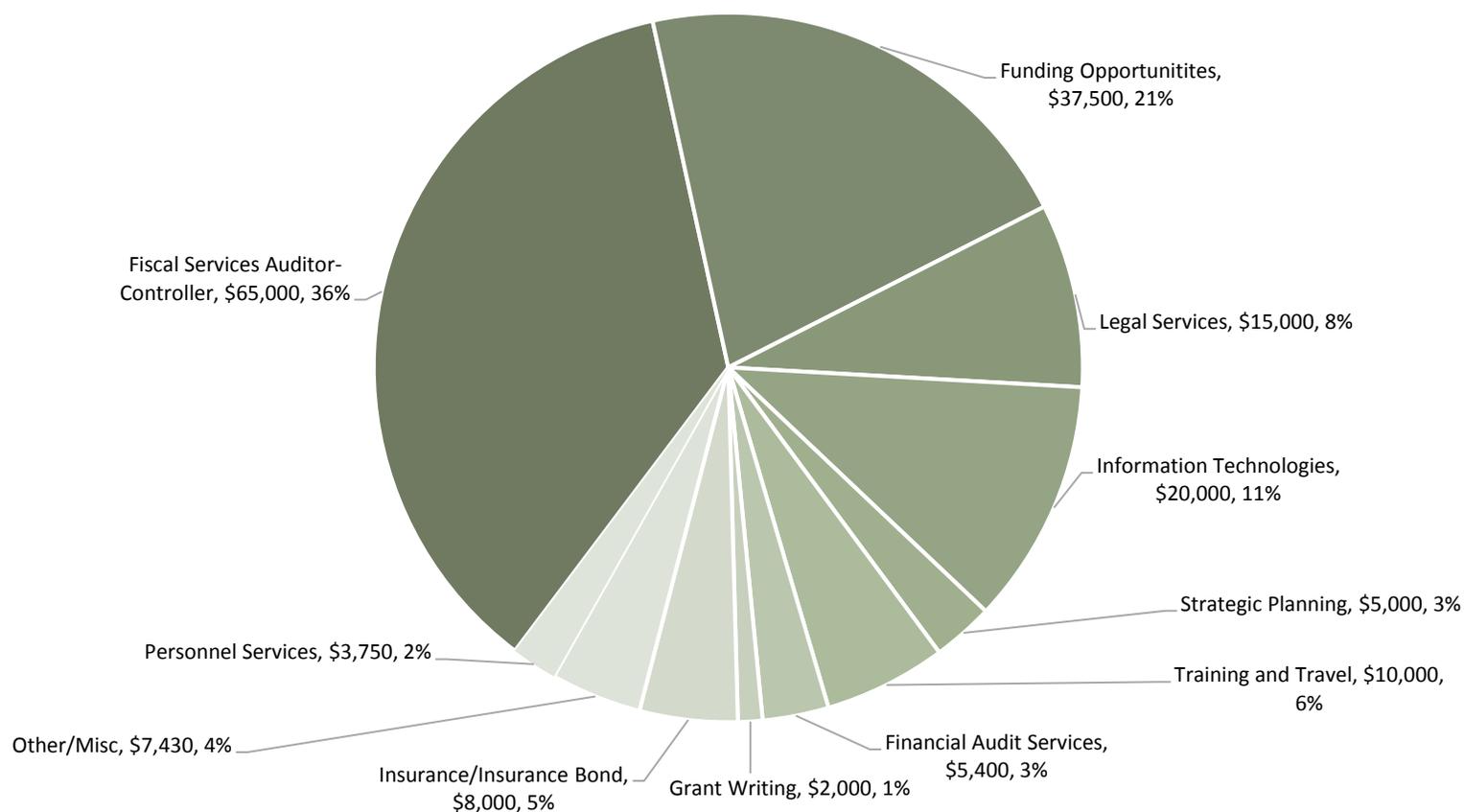


¹ WCA became an employer entity in February 2010; as such, FY 09-10 personnel costs are significantly low as they represent only 42% (or, 5 of 12 months) of that FY.² Actual personnel expenditures appear less than budgeted personnel expenditures every fiscal year primarily due to two factors: 1) the number of staff the agency expected and budgeted to hire was more than the number of employees hired during the fiscal year and 2) staff turnover resulting in less employees/personnel costs than anticipated due to the position's vacancy or hiring new employees with lower entry compensation rates.

General Administrative Expenditure

General Administrative expenditures total \$179,330. Though revenue available for administrative costs total only \$35,500, the difference of \$143,380 is expected to be funded by the WCA Billable Rate Structure Plan and overhead allocation charged against eligible grants and project funds. Planned administrative expenditures for FY 18/19 will decrease by \$1,819 or 1% from the previous year due to a combination of decreased line items for Legal Services, Strategic Planning, and Grant Writing. Budgeted expenditures for general legal services are utilized on an as needed basis as has been historically done through the services provided by the Law Office of Laurie Collins.

FY 2018 - 2019 General Administrative Expenditures



Note- Other/Misc. category includes budgeted expenditures for office supplies, postage, printer supplies, non-capital equipment & software, dues & subscriptions, meeting supplies, and wireless phones combined.

General Operational expenditures total \$305,511 and the revenue available for operational costs total \$398,662. The difference of \$93,151 is expected to provide some temporary cash flow for the administrative shortfall of \$143,380 while the Authority awaits grant reimbursement and contract payments. Planned operational expenditures for FY 18/19 will increase by \$10,637 or 4% from the previous year due to a combination of cost savings and higher anticipated expenditures in several categories.

Below is an explanation of categories with larger anticipated increases from year-to-year:

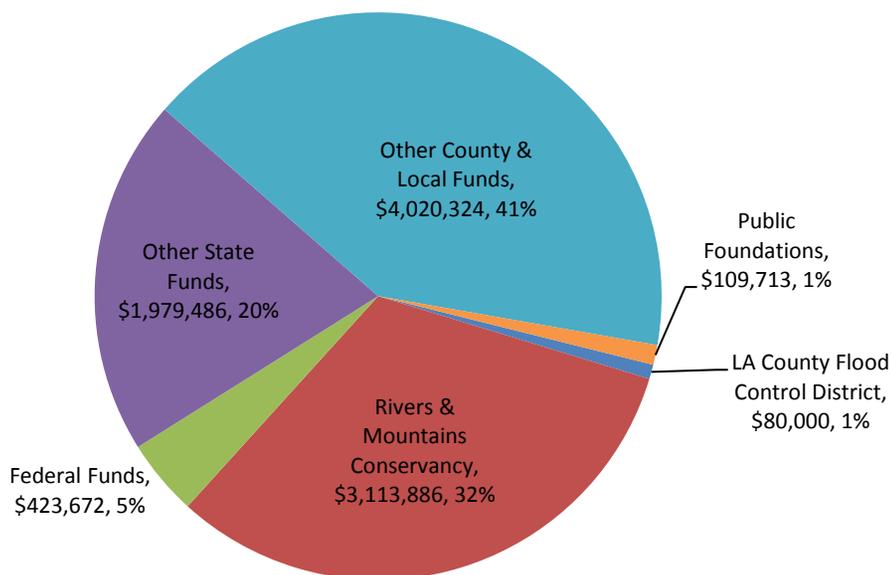
- Due to the Fair Wage Act of 2016, WCA budgeted for scheduled increase in minimum wage for certain contracted services, such as janitorial services.
- Deferred maintenance contingency has historically been budgeted at 5% of lease revenue that allows the WCA to expend these funds on potential unplanned maintenance repairs that may need to be completed on tenant leased properties. However, the WCA expects to perform major maintenance and improvements to the El Encanto property, including ADA improvements, asbestos and seismic testing, and any repairs/improvements to remedy any associated recommended repairs. Therefore, this category is budgeted at approximately 12% of lease revenue.
- The water tanks at El Encanto are being evaluated by the Authority's contracted water system operator. The tanks may potentially be replaced but dependent on the condition of the tanks, the liners may only need to be replaced. WCA increased its budget by \$15,186 or nearly 45% for the Water System Operation/Irrigation line item should it find the replacement of the tanks is most valuable.
- A small section of the Mt. Baldy property is located in San Bernardino County, which is subject to taxation. The remainder of this property, as well as other WCA-owned properties, are located within LA County. LA County exempts property tax assessments for government agencies.
- Little to no budgetary changes are expected in the categories of Security, Grounds Maintenance and Repair, Ranger Services, and Weed Abatement. Weed Abatement line item is recued as the Authority continues the services of community service workers. Ranger services is expected to remain constant with these specialty services continuing to be provided by the MRCA. MRCA provides support services that allows the rangers to patrol WCA-owned properties and provide on-call support for emergencies and events.

Fiscal Year 2018 – 2019 Projected Operational Expenditures	Operational Duck Farm	Operational Mt. Baldy	Operational Citrus Heights	Operational El Encanto	Operational South Gate	Operational Walnut Creek	Budget FY 18/19	Budget FY 17/18
Insurance	4,025	1,421	12	13,489	50	10	19,007	19,002
Security	1,692	0	0	1,800	0	0	3,492	3,400
Building Maintenance and Repair	5,500	0	0	15,000	0	0	20,500	20,500
Grounds Maintenance and Repair	2,000	4,000	0	2,000	2,000	300	10,300	10,300
Electricity	840	0	0	15,000	0	0	15,840	15,720
Propane	0	0	0	6,000	0	0	6,000	5,800
Other Utilities	0	0	0	900	0	0	900	900
Waste Removal	2,232	0	0	5,885	0	0	8,117	7,723
Water System Operation/Irrigation	7,000	0	0	48,958	0	0	55,958	39,772
Property Management	6,000	4,000	250	6,700	1,500	1,000	19,450	19,544
Deferred Maintenance Contingency	7,042	0	0	24,551	0	0	31,593	31,052
Janitorial Services	0	0	0	9,792	0	0	9,792	9,600
Ranger Services	17,000	25,000	0	40,000	5,000	5,000	92,000	92,000
Weed Abatement	6,000	0	0	4,000	0	2,000	12,000	19,000
Property Tax	0	561	0	0	0	0	561	561
General Operational Expenditures	59,331	34,982	262	194,075	8,550	8,310	305,510	294,874

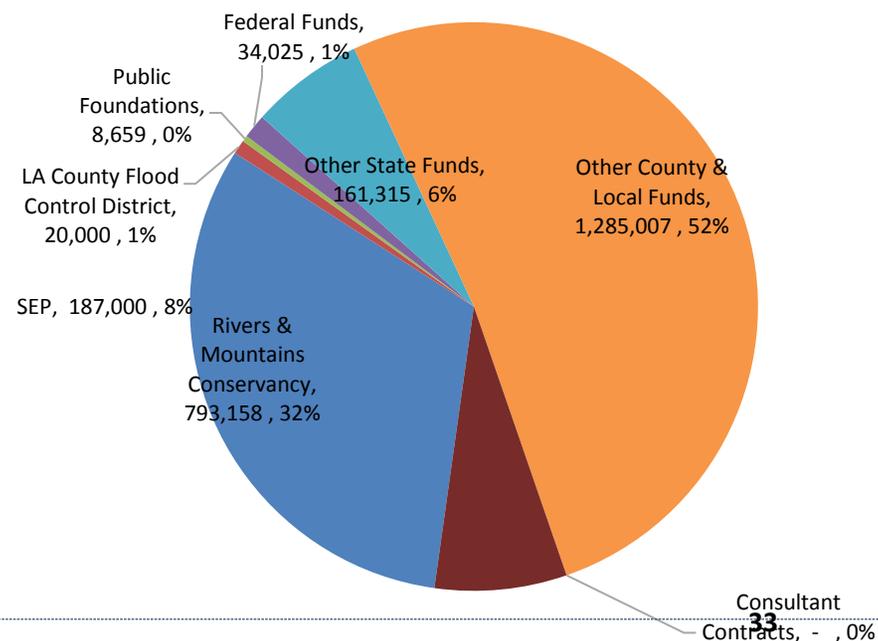
Grants & Special Projects Expenditure

The WCA anticipates that it will utilize \$10,370,456 of its grants and special project funding in FY 18/19, with a portion on hand being carried from the previous fiscal year. The WCA currently has over 30 grants or contracts from a variety of agencies including the RMC, the San Gabriel River Discovery Center, County of Los Angeles, United States Forest Service, and other local city and non-profit agencies and a myriad of programs and revenue pools from which those projects are funded. Some of its grants are being utilized towards the completion of one project such as in the case of the River Wilderness project. The timeline and stipulations as to how the funds are spent are dictated by the granting agency. Staff is responsible for ensuring the timeliness of delivery of the project in accordance with the established timeline, and ensuring that budgeted targets have been met and are in accordance with allowable costs. Though the totality of grants and project funds granted exceed what is budgeted for in this fiscal year, WCA projects revenue and expenditures based on the aforementioned criteria on how much is expected to be received and utilized during the fiscal year. WCA historically analyzes and separates grant and projects funds into two categories: funds allocated for the administration or completion of the project by staff and those allocated to capital associated activity. Expenditures allocated to capital activity is expected to total \$9,727,081. Capital activity accounts for all project expenditures with the exception of personnel expenses and administrative overhead. Capital activity varies with each grant or project and is expended in accordance with the grant agreement and/or contract specific budget. These costs are monitored on a continuous basis in totality as part of this budget process but are additionally monitored as part of the requirements for each grant or project. The remaining \$2,489,164 is allocated to cover personnel expenses and administrative overhead as permitted by the grant and project agreements and in accordance with the WCA's Billable Rate Plan.

**FY 2018-2019 Grant & Special Project Expenditure
Capital Outlay**



**FY 2018-2019 Grant & Special Project Expenditure
Allocated Personnel & Overhead**



Appendix

**WATERSHED CONSERVATION AUTHORITY
CONSOLIDATED BUDGET FISCAL YEAR 2018 - 2019**

	Budget FYE 2018	Actual as of 06/12/18	Additional Projected through 06/30/18	Forecasted FYE 2018	Budget FYE 2019	\$ Change Budget '18 vs. Budget '19
Revenues						
General Administrative & Operating Revenue						
JPA Contributions						
LA County Flood Control District	25,500	25,500	-	25,500	25,500	0
Rivers and Mountains Conservancy	10,000	9,999	-	9,999	10,000	0
Lease Revenue	251,481	238,460	18,466	256,926	265,976	14,495
Property Management Contribution	40,000	40,000	-	40,000	59,500	19,500
Fees-Citation	23,681	36,611	-	36,611	13,775	(9,906)
Fees- Filming/Permits	2,000	2,375	-	2,375	2,000	0
Other Miscellaneous Revenue	23,000	26,438	400	26,838	57,411	34,411
Subtotal-General Administrative & Operating	375,662	379,383	18,866	398,249	434,162	58,500
Grants and Special Projects Revenue						
Grant-Rivers & Mountains Conservancy ^{1,5}	2,192,629	269,788	82,274	352,062	3,508,111	1,315,482
Grant-LA County Flood Control District ^{1,6}	280,000	-	-	-	-	(280,000)
Grant-SEP ^{2,6}	7,625	3,397	500	3,897	-	(7,625)
Grant-Federal Funds ^{1,6,7}	3,810,937	227,904	17,968	245,872	538,672	(3,272,265)
Grant-Other State Funds ^{4,6}	2,159,143	-	86,757	86,757	715,178	(1,443,965)
Grant-Other County & Local Funds ^{2,6}	1,814,863	15,252	48,415	63,667	5,564,826	3,749,963
Grant-Public Foundations ^{3,6}	131,451	-	-	-	-	(131,451)
Other-Consultant Contracts ^{3,6,8}	382,637	132,719	102,825	235,544	43,669	(338,968)
Subtotal-Grants and Special Projects	10,779,285	649,060	338,739	987,799	10,370,456	(408,829)
Total Revenue	11,154,947	1,028,443	357,605	1,386,048	10,804,618	(350,330)
Expenses						
General Administrative Expenses						
Fiscal Services Auditor-Controller	65,000	52,146	12,854	65,000	65,000	-
Funding Opportunities	35,949	27,460	5,492	32,952	37,500	1,551
Legal Services	20,000	700	-	700	15,000	(5,000)
Information Technologies	15,000	16,050	1,045	17,095	20,000	5,000
Strategic Planning	10,000	500	-	500	5,000	(5,000)
Grant Writing	4,000	-	-	-	2,000	(2,000)
Travel	5,000	956	600	1,556	5,000	-
Financial Audit Services	5,400	-	5,400	5,400	5,400	-
Insurance/Insurance Bond	6,000	7,487	-	7,487	8,000	2,000
Training/Conferences	5,000	2,226	-	2,226	5,000	-
Meeting Supplies	500	86	100	186	500	-
Other/Not Classified	2,000	2,037	-	2,037	2,000	-
Wireless Phones	750	1,165	200	1,365	1,080	330
Personnel Services	3,750	3,540	232	3,772	3,750	-
Office Supplies	500	734	-	734	500	-
Postage	500	42	-	42	500	-
Printer Supplies	500	-	-	-	500	-
Equipment & Software	500	1,821	-	1,821	1,500	1,000
Dues & Subscriptions	600	1,005	-	1,005	1,100	500
Subtotal-General Administrative	180,949	117,955	25,923	143,878	179,330	(1,619)
Personnel						
Salaries	421,031	283,778	14,000	297,778	400,074	(20,957)
Merit Pool	30,123	951	-	951	31,588	
Benefits	134,025	54,442	5,000	59,442	115,424	(18,601)
Benefits Plan Provider Admin Cost	1,066	757	253	1,010	1,066	-
Employer Taxes	47,404	26,539	1,141	27,680	44,544	(2,860)
Subtotal-Personnel	633,649	366,467	20,394	386,861	592,696	(42,418)
General Operational Expenses						
Insurance	19,002	15,408	-	15,408	19,007	5
Security	3,400	3,615	-	3,615	3,492	92
Building Maintenance and Repair	20,500	7,435	528	7,963	20,500	-
Grounds Maintenance and Repair	10,300	3,091	2,000	5,091	10,300	-
Electricity	15,720	13,734	1,104	14,838	15,840	120
Propane	5,800	6,116	-	6,116	6,000	200
Other Utilities	900	908	-	908	900	-
Waste Removal	7,723	8,074	-	8,074	8,117	394
Water System Operation/Irrigation	39,772	29,852	5,714	35,566	55,958	16,186
Property Management	19,544	11,163	1,850	13,013	19,450	(94)
Deferred Maintenance Contingency	31,052	-	13,375	13,375	31,594	542
Janitorial Services	9,600	8,740	795	9,535	9,792	192
Ranger Services	92,000	46,023	26,413	72,436	92,000	-
Weed Abatement	19,000	-	3,000	3,000	12,000	(7,000)
Property Tax	561	500	-	500	561	-
Legal Services	-	-	-	-	-	-
Subtotal-General Operational	294,874	154,660	54,778	209,438	305,511	10,637
Grants and Special Projects Total Expense-Capital Outlay						
Grant-Rivers & Mountains Conservancy	2,021,799	194,413	121,625	316,038	3,113,886	1,092,087
Grant-LA County Flood Control District	264,039	-	-	-	80,000	(184,039)
Grant-SEP	-	263	-	263	-	-
Grant-Federal Funds	3,883,134	176,930	500	177,430	423,672	(3,459,462)
Grant-Other State Funds	2,019,084	38,044	17,100	55,144	1,979,486	(39,598)
Grant-Other County & Local Funds	1,653,670	84,264	25,099	109,363	4,020,324	2,366,654
Grant-Public Foundations	119,851	31	60,868	60,899	109,713	(10,138)
Other-Consultant Contracts	123,781	4,305	94,584	98,889	-	(123,781)
Other-Mitigation Revenue	-	-	-	-	-	0
Other-Donations	-	-	-	-	-	0
Other-Miscellaneous	-	-	-	-	-	0
Carryover	-	-	-	-	-	0
Subtotal-Grants and Special Projects	10,085,358	498,250	319,776	818,026	9,727,081	(358,277)
Total Expense	11,194,830	1,137,332	420,871	1,558,202	10,804,618	(391,677)
Change In Net Position Before Transfers	(39,883)	(108,888)	(63,265)	(172,154)	0	
Transfers In	44,884	108,888	63,265	172,154	0	
Transfers Out						
Change In Net Position	5,001	(0)	(0)	0	-	

¹Labor Reimbursed at Salary & EB Only

²Labor Eligible to be Reimbursed at Admin & Billable Rate

³Labor Reimbursed at Consultant Rate

⁴Labor Reimbursed at Grantor Approved Compensation Rate

⁵Eligible for Advances

⁶Payment by Reimbursement Only

⁷Eligible for additional 10% for Indirect Costs

⁸Primarily SGRDCA, NET, & Los Alamitos

**WATERSHED CONSERVATION AUTHORITY
EXPANDED BUDGET FISCAL YEAR 2018 - 2019**

Item 15
Preliminary

	General Fund	Operational Duck Farm	Operational Mt. Baldy	Operational Citrus Heights	Operational El Encanto	Operational Parque Dos Rios	Operational Walnut Creek	Payroll and Accrued Leave	Grant & Special Project	Budget FY 2018-2019
Revenues										
General Administrative & Operating Revenue										
JPA Contributions	89,411	-	-	-	-	-	-	-	-	89,411
Lease Revenue	-	135,998	-	-	86,478	43,500	-	-	-	265,976
Property Management Contribution	-	12,000	7,500	500	31,500	1,500	6,500	-	-	59,500
Fees-Citation	-	1,000	4,775	-	8,000	-	-	-	-	13,775
Fees- Filming	-	-	500	-	1,500	-	-	-	-	2,000
Other Miscellaneous Revenue	-	1,000	-	-	2,500	-	-	-	-	3,500
Subtotal-General Administrative & Operating	89,411	149,998	12,775	500	129,978	45,000	6,500	-	-	434,162
Grants and Special Project Income										
Grant-Rivers & Mountains Conservancy	-	-	-	-	-	-	-	-	3,508,111	3,508,111
Grant-LA County Flood Control District	-	-	-	-	-	-	-	-	-	-
Grant-SEP	-	-	-	-	-	-	-	-	-	-
Grant-Federal Funds	-	-	-	-	-	-	-	-	538,672	538,672
Grant-Other State Funds	-	-	-	-	-	-	-	-	715,178	715,178
Grant-Other County & Local Funds	-	-	-	-	-	-	-	-	5,564,826	5,564,826
Grant-Public Foundations	-	-	-	-	-	-	-	-	-	-
Other-Consultant Contracts	-	-	-	-	-	-	-	-	43,669	43,669
Subtotal-Grants and Special Projects	-	-	-	-	-	-	-	-	10,370,456	10,370,456
Total Revenue	89,411	149,998	12,775	500	129,978	45,000	6,500	-	10,370,456	10,804,618
Expenses										
General Administrative Expenses										
Fiscal Services Auditor-Controller	65,000	-	-	-	-	-	-	-	-	65,000
Funding Opportunities	37,500	-	-	-	-	-	-	-	-	37,500
Legal Services	15,000	-	-	-	-	-	-	-	-	15,000
Information Technologies	20,000	-	-	-	-	-	-	-	-	20,000
Strategic Planning	5,000	-	-	-	-	-	-	-	-	5,000
Grant Writing	2,000	-	-	-	-	-	-	-	-	2,000
Travel	5,000	-	-	-	-	-	-	-	-	5,000
Financial Audit Services	5,400	-	-	-	-	-	-	-	-	5,400
Insurance/Insurance Bond	8,000	-	-	-	-	-	-	-	-	8,000
Training/Conferences	5,000	-	-	-	-	-	-	-	-	5,000
Meeting Supplies	500	-	-	-	-	-	-	-	-	500
Other/Not Classified	2,000	-	-	-	-	-	-	-	-	2,000
Wireless Phones	1,080	-	-	-	-	-	-	-	-	1,080
Personnel Services	3,750	-	-	-	-	-	-	-	-	3,750
Office Supplies	500	-	-	-	-	-	-	-	-	500
Postage	500	-	-	-	-	-	-	-	-	500
Printer Supplies	500	-	-	-	-	-	-	-	-	500
Equipment & Software	1,500	-	-	-	-	-	-	-	-	1,500
Dues & Subscriptions	1,100	-	-	-	-	-	-	-	-	1,100
Subtotal-General Administrative	179,330	-	-	-	-	-	-	-	-	179,330
Personnel										
Salaries	-	-	-	-	-	-	-	400,074	-	400,074
Merit Pool	-	-	-	-	-	-	-	31,588	-	31,588
Benefits	-	-	-	-	-	-	-	115,424	-	115,424
Benefits Plan Provider Admin Cost	-	-	-	-	-	-	-	1,066	-	1,066
Employer Taxes	-	-	-	-	-	-	-	44,544	-	44,544
Subtotal-Personnel	-	-	-	-	-	-	-	592,696	-	592,696

**WATERSHED CONSERVATION AUTHORITY
EXPANDED BUDGET FISCAL YEAR 2018 - 2019**

Item 15
Preliminary

	General Fund	Operational Duck Farm	Operational Mt. Baldy	Operational Citrus Heights	Operational El Encanto	Operational Parque Dos Rios	Operational Walnut Creek	Payroll and Accrued Leave	Grant & Special Project	Budget FY 2018-2019
General Operational Expenses										
Insurance	-	4,025	1,421	12	13,489	50	10	-	-	19,007
Security	-	1,692	-	-	1,800	-	-	-	-	3,492
Building Maintenance and Repair	-	5,500	-	-	15,000	-	-	-	-	20,500
Grounds Maintenance and Repair	-	2,000	4,000	-	2,000	2,000	300	-	-	10,300
Electricity	-	840	-	-	15,000	-	-	-	-	15,840
Propane	-	-	-	-	6,000	-	-	-	-	6,000
Other Utilities	-	-	-	-	900	-	-	-	-	900
Waste Removal	-	2,232	-	-	5,885	-	-	-	-	8,117
Water System Operation/Irrigation	-	7,000	-	-	48,958	-	-	-	-	55,958
Property Management	-	6,000	4,000	250	6,700	1,500	1,000	-	-	19,450
Deferred Maintenance Contingency	-	7,042	-	-	24,552	-	-	-	-	31,594
Janitorial Services	-	-	-	-	9,792	-	-	-	-	9,792
Ranger Services	-	17,000	25,000	-	40,000	5,000	5,000	-	-	92,000
Weed Abatement	-	6,000	-	-	4,000	-	2,000	-	-	12,000
Property Tax	-	-	561	-	-	-	-	-	-	561
Legal Services	-	-	-	-	-	-	-	-	-	-
Subtotal-General Operational	-	59,331	34,982	262	194,076	8,550	8,310	-	-	305,511
Grants and Special Project Total Expense-Capital Outlay										
Grant-Rivers & Mountains Conservancy	-	-	-	-	-	-	-	-	3,113,886	3,113,886
Grant-LA County Flood Control District	-	-	-	-	-	-	-	-	80,000	80,000
Grant-SEP	-	-	-	-	-	-	-	-	-	-
Grant-Federal Funds	-	-	-	-	-	-	-	-	423,672	423,672
Grant-Other State Funds	-	-	-	-	-	-	-	-	1,979,486	1,979,486
Grant-Other County & Local Funds	-	-	-	-	-	-	-	-	4,020,324	4,020,324
Grant-Public Foundations	-	-	-	-	-	-	-	-	109,713	109,713
Other-Consultant Contracts	-	-	-	-	-	-	-	-	-	-
Subtotal-Grants and Special Projects	-	-	-	-	-	-	-	-	9,727,081	9,727,081
Total Expense	179,330	59,331	34,982	262	194,076	8,550	8,310	592,696	9,727,081	10,804,618

**WATERSHED CONSERVATION AUTHORITY
PERSONNEL BUDGET FISCAL YEAR 2018 - 2019**

	Budget FYE 2018	Actual as of 06/12/18	Additional Projected through 06/30/18	Forecasted FYE 2018	Budget FYE 2019	\$ Change Budget '18 vs. Budget '19
Expense Detail						
Salaries	\$421,031	\$283,778	\$14,000	\$297,778	\$ 400,074	(\$20,957)
Merit Pool	\$30,123	\$951	\$0	\$951	\$31,588	\$1,465
Benefits	\$134,025	\$54,442	\$5,000	\$59,442	\$115,424	(\$18,601)
Fixed Fees	\$1,066	\$757	\$253	\$1,010	\$1,066	\$0
Employer Taxes	\$47,404	\$26,539	\$1,141	\$27,680	\$ 44,544	(\$2,860)
Personnel Subtotal	\$633,649	\$366,467	\$20,394	\$386,861	\$592,696	(\$40,953)
Total Expense	\$633,649	\$366,467	\$20,394	\$386,861	\$592,696	(\$40,953)

Personnel Detail		FY 17/18	FY 18/19	Hrs	Proposed FY18/19 Salary		Benefits	Employer Taxes	Total Comp
Deputy Executive Director (FT) 1	Active	37.33	38.08	2080	\$ 79,199	\$ 22,442	\$ 8,554	\$ 110,195	
Fiscal Manager (PT) 1	Active	28.05	28.61	520	\$ 14,878	\$ -	\$ 1,893	\$ 16,770	
Project Manager III (FT)	Inactive	0.00	0.00	2080	\$ -	\$ -	\$ -	\$ -	
Project Manager II (FT) 1,2	Active	28.85	30.00	2080	\$ 62,400	\$ 19,020	\$ 6,751	\$ 88,171	
Project Manager I (FT) 1,2	Active	24.11	25.07	2080	\$ 52,155	\$ 17,476	\$ 5,738	\$ 75,369	
Associate PM (FT) 1,2	Active	20.50	21.32	2080	\$ 44,346	\$ 16,312	\$ 4,966	\$ 65,624	
Associate PM (FT) 1,2	Active	20.00	20.80	2080	\$ 43,264	\$ 16,150	\$ 4,859	\$ 64,274	
Fiscal Analyst I (FT) 1,2	Active	21.25	22.10	2080	\$ 45,968	\$ 7,003	\$ 5,127	\$ 58,097	
Admin Assistant (FT) 1	Active	14.82	15.12	2080	\$ 31,442	\$ 14,764	\$ 3,748	\$ 49,954	
TOTAL					\$ 373,652	\$ 113,167	\$ 41,636	\$ 528,454	

Notes:

1 - A 2% COLA adjustment is added to active employee salaries. Increase based on CPI U Dec 2016/17 change (3.6%), max 2%

2 - Eligible for up to 2% increase pending satisfactory completion of six-month review.

June 21, 2018 – Item 15

RESOLUTION 2018-16

RESOLUTION OF THE WATERSHED CONSERVATION AUTHORITY APPROVING THE FINAL BUDGET FOR FISCAL YEAR 2018/2019.

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 approve the final budget for Fiscal Year 2018/2019; 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 this action is consistent with the purposes and objectives of the WCA.
2. **FINDS** that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA).
3. **ADOPTS** the staff report dated June 21, 2018.
4. **APPROVES** the Watershed Conservation Authority final budget for Fiscal Year 2018/2019.

~ End of Resolution ~

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Motion _____ Second: _____

Ayes: _____ Nays: _____ Abstentions: _____

Resolution 2018-16

Passed and Adopted by the Board of the
WATERSHED CONSERVATION
AUTHORITY On June 21, 2018

M. Janet Chin, Governing Board Chair

ATTEST: _____
David Edsall, Jr.
Deputy Attorney General