

Los Cerritos Wetlands Authority**Date:** August 2, 2018**To:** Governing Board Members**From:** Salian Garcia, Fiscal Manager**Subject:** Item 10: Consideration of resolution authorizing staff to adopt the LCWA Budget Fiscal Year 2018/2019.

RECOMMENDATION: Staff recommends adoption of the LCWA Budget Fiscal Year 2018/2019 as submitted and detailed in the attached Exhibit A.

BACKGROUND: In accordance with the provisions of the Joint Powers Agreement, approval of the LCWA budget by the LCWA Board is required. The attached Consolidated Budget for Fiscal Year 2018-2019 (Exhibit A) includes three revenues and expenditure components: 1) Administration, 2) Operational, and 3) Capital Outlay. Total budgeted revenue for Fiscal Year (FY) 18/19 is **\$1,572,953** and expenditures are balanced with revenues. Total revenues for FY 18/19 have decreased by \$122,664 from budgeted FY 17/18 revenues of \$1,695,617 primarily due to contracts and grant agreements scheduled to end during FY 18/19. Subsequently, the LCWA expects a decrease in Expenses, including incremental budget changes in Website, Consultant Services such as law, and Miscellaneous expenses. The LCWA continues to work cooperatively to receive payments for the JPA Annual Contribution and continues to maintain tenants for the OTD Parcel in order to keep pace with increasing in expenditures.

The revenues, in combination with the three recent grants from the Rivers and Mountains Conservancy and the State Coastal Commission, will allow public programming to continue as part of the LCWASP through December 2019. At current staffing levels, implementation and management of the LCWASP will require consultant services to lead these public programs; therefore, Tidal Influence, LLC and Los Cerritos Wetlands Land Trust have partnered and have applied for and received several grants to support the LCWASP.

The Aquarium of the Pacific and Los Cerritos Wetlands Land Trust are great partners and have provided matching grant funds to the LCWASP in order to continue the monthly Habitat Restoration and Nature Walks and provide educational materials for FY 18/19. The authority also benefits from bird walks led by the El Dorado Audubon that contributes the total hours of in-kind stewardship participation.

In FY 17/18, Staff was successful in actively seeking grants to fund the LCWASP through the FY 18/19 and will continue to actively seek funding sources for sustainable revenues that deliver public programs in perpetuity. This included a grant from the United States Forest Service to funding additional summer environmental education programming at the property. Further, the LCWASP provides in-kind services from volunteers to help manage the LCWA properties through habitat restoration, trash cleanups, habitat assessments, and several other public programs. The LCWA has developed the Stewardship Program to promote community involvement with environmental education, maintenance, restoration and monitoring of the wetlands areas.

Administration expenses in the amount of \$22,168 are detailed by line item in the attached budget summary. The expenses under general administrative costs include website maintenance and annual audit services with the City of Long Beach.

Operational expenses consist of the Los Cerritos Wetlands Authority Stewardship Program (LCWASP) and Property Management expenditures. The FY 18/19 total budget is \$92,429 and is consistent with the annualized revenues and expenditures at a minimum to operate, manage, and maintain the LCWA properties. The current budget for the LCWASP includes expenses related to two major contracts – the Orange County Public Works to provide appropriate services wetland restoration services and a Memorandum of Agreement with Southern California Edison to accept compensatory mitigation funds. The Capital Outlay budget is in the amount of \$1,458,356 with approximately 69% of this budget category being allocated for the acquisition activities of the Bryant Properties.

FISCAL INFORMATION: The LCWA will adopt the FY 2018/2019 Budget with a balanced budget of \$1,572,953.

LOS CERRITOS WETLANDS AUTHORITY
PROPOSED CONSOLIDATED BUDGET FISCAL YEAR 2018 - 2019

	FY 17/18 Budget	Actual as of 07/15/18	Additional Projected through 09/30/18	Projected FYE 17/18	Remaining Budget Balance	Actuals % of FY2018 Budget	Projected % of FY2018 Budget	Proposed FY 18/19 Budget	% Change FY19 over FY18
Revenues									
General Administrative & Operating Revenue									
JPA Contributions	20,000	10,000	10,000	20,000	-	50%	100%	20,000	0.0%
Lease Revenue	68,120	45,900	9,880	55,780	12,340	67%	82%	56,920	-16%
Contracts	34,330	-	10,000	10,000	24,330	0%	29%	10,780	-68.6%
Fees	2,320	9,747	1,114	10,861	(8,541)	420%	468%	2,756	18.8%
Permits	10,000	10,000	-	10,000	-	100%	100%	10,000	0.0%
Carryover from FY2017	-	-	-	-	-	0%	-	-	-
<i>Subtotal-General Administrative & Operating</i>	134,770	75,647	30,994	106,641	28,129	56%	79%	100,456	-25.5%
Grants and Special Projects Revenue									
Grant - State Coastal Conservancy	204,453	38,328	154,008	192,336	12,117	19%	94%	244,495	19.6%
Grant - LA Regional Parks & Open Space District	-	-	-	-	-	0%	-	-	0.0%
Grant - Rivers & Mountains Conservancy	1,260,000	50,623	128,170	178,792	1,081,208	4%	14%	1,170,170	-7.1%
Grant - Other Federal, State, County & Local Funds	38,000	-	38,000	38,000	-	0%	100%	-	-100.0%
Mitigation Revenue	46,394	56,881	22,276	79,158	(32,764)	123%	171%	55,110	18.8%
Contracts - Other MOA	12,000	-	12,000	12,000	-	0%	100%	2,722	0.0%
Other - Donations	-	-	-	-	-	0%	-	-	0.0%
Other - Miscellaneous	-	-	-	-	-	0%	-	-	0.0%
<i>Subtotal-Grants and Special Projects</i>	1,560,847	145,832	354,454	500,286	1,060,561	9%	32%	1,472,497	-5.7%
Total Revenue	1,695,617	221,479	385,448	606,927	1,088,690	13%	36%	1,572,953	-7.2%
Expenses									
Insurance - D & O Policy	4,038	3,046	-	3,046	992	75%	75%	3,168	-21.5%
Audit Services	6,500	4,136	-	4,136	2,364	64%	64%	6,500	0.0%
Website	2,000	40	-	40	1,960	2%	2%	1,000	-50.0%
Miscellaneous Administrative Costs	5,000	-	-	-	5,000	0%	0%	5,000	0.0%
Miscellaneous PM/Accounting Costs	7,300	525	-	525	6,775	7%	7%	6,500	-11.0%
<i>Administration Expense Subtotal</i>	24,838	7,748	-	7,748	17,090	31%	31%	22,168	-10.7%
Grant & Land Management - General	35,000	26,600	8,400	35,000	-	76%	100%	35,000	0.0%
Grant Management - Contracted Services	34,330	21,339	11,500	32,839	1,491	62%	96%	8,000	-76.7%
Insurance - General Liability/Umbrella	10,432	9,742	-	9,742	690	93%	93%	10,229	-1.9%
Los Cerritos Wetlands Stewardship Program	15,500	-	-	-	15,500	0%	0%	15,000	-3.2%
Security	5,000	2,900	5,800	8,700	(3,700)	58%	174%	8,700	74.0%
Signage	3,000	2,817	-	2,817	183	94%	94%	3,000	0.0%
OTD Security Deposits	-	-	-	-	-	-	-	-	0.0%
MOAs	12,000	7,663	1,116	8,779	-	64%	-	10,000	-
Miscellaneous	7,000	265	-	265	6,735	4%	4%	2,500	-64.3%
<i>Operational Expense Subtotal</i>	122,262	71,326	26,816	98,142	24,120	58%	80%	92,429	-24.4%
Consultant Services	20,670	2,975	2,500	5,475	15,195	14%	26%	4,000	-80.6%
Grant - State Coastal Conservancy	135,000	62,916	22,276	85,193	49,807	47%	63%	263,076	94.9%
Grant - LA Regional Parks & Open Space District	-	-	-	-	-	-	-	-	0.0%
Grant - Rivers & Mountains Conservancy	1,308,453	57,927	128,170	186,096	1,122,357	4%	14%	1,166,170	-10.9%
Grant - Other Federal, State, County & Local Projects	38,000	7,782	30,218	38,000	0	20%	100%	-	-100.0%
Other - Mitigation Projects	46,394	66,228	74,008	140,236	(93,842)	143%	302%	25,110	-45.9%
Other - Miscellaneous	-	-	-	-	-	-	-	-	0.0%
<i>Capital Outlay Expense Subtotal</i>	1,548,517	197,828	257,172	455,000	1,093,517	13%	29%	1,458,356	-5.8%
Total Expense	1,695,617	276,901	283,988	560,889	1,134,728	16%	33%	1,572,953	-7.2%
Ending Net Position	-	(55,422)	101,460	46,038	(46,038)	-	-	-	0.0%

August 2, 2018 Agenda Item 10

RESOLUTION 2018 – 02

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY (LCWA) AUTHORIZING
STAFF TO ADOPT THE LCWA BUDGET FISCAL YEAR 2018/2019

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the LCWA has further been established to focus on projects which will provide open space, habitat restoration, and watershed improvement projects within the Los Cerritos Wetlands; and

WHEREAS, the joint powers agreement provides for the adoption of an annual budget; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); NOW

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. ADOPTS the staff report dated August 2, 2018.
4. ADOPTS LCWA Budget Fiscal Year 2018/2019 LCWA Budget and authorizes the Executive Officer to make budget amendments as necessary.

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY on August 2, 2018.

Suzie Price
Chair

ATTEST:

David Edsall
Deputy Attorney General