

Los Cerritos Wetlands Authority

Date: August 1, 2019

To: Governing Board Members

From: Mark Stanley, Executive Officer

Subject: Item 9: Consideration of resolution authorizing staff to adopt the LCWA Budget Fiscal Year 2019/2020

RECOMMENDATION: Staff recommends adoption of the LCWA Budget Fiscal Year 2019/2020 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 2019/2020 (Exhibit A) includes three revenues and expenditure components: 1) Administration, 2) Operational, and 3) Capital Outlay. Total budgeted revenue for Fiscal Year (FY) 19/20 is **\$1,617,073** and expenditures are balanced with revenues. Total revenues for FY 19/20 have increased by \$44,120 from budgeted FY 18/19 revenues of \$1,572,953 primarily due to increased lease revenue and grant agreements scheduled to end during FY 19/20. Subsequently, the LCWA expects a year-to-year increase in Expenses, including incremental budget changes in grant and land management services and consultant services. 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 Conservancy, will allow public programming to continue as part of the LCWASP through December 2020. The Authority also benefits from bird walks led by the El Dorado Audubon that contributes the total hours of in-kind stewardship participation.

Administration expenses in the amount of \$10,191 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 19/20 total budget is \$104,133 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 major two 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 \$1,502,749 with approximately 66% of this budget category being allocated for the acquisition activities of the Bryant Properties.

FISCAL INFORMATION: The LCWA will adopt the FY 2019/2020 Budget with a balanced budget of \$1,617,073.

**LOS CERRITOS WETLANDS AUTHORITY
PROPOSED CONSOLIDATED BUDGET FISCAL YEAR 2019 - 2020**

	FY 18/19 Budget	As of 06/30/19	Additional Projected through 09/30/19	Projected FYE 18/19	Remaining Budget Balance	Remaining % Budget Balance	Actuals % FY2019 Budget Spent	Projected % of FY2019 Budget	Proposed FY 19/20 Budget	% Change FY20 over FY19
Revenues										
General Administrative & Operating Revenue										
JPA Contributions	20,000	10,000	10,000	20,000	-	0%	50%	100%	25,000	25.0%
Lease Revenue	56,920	62,040	7,030	69,070	(12,150)	-21%	109%	121%	72,447	27%
Contracts	10,780	-	12,730	12,730	(1,950)	-18%	0%	118%	22,135	105.3%
Fees	2,756	1,512	1,244	2,756	-	0%	55%	100%	89	-96.8%
Permits	10,000	10,000	-	10,000	-	0%	100%	100%	10,000	0.0%
Subtotal-General Administrative & Operating	100,456	83,552	31,004	114,556	(14,100)	-14%	83%	114%	129,671	29.1%
Grants and Special Projects Revenue										
Grant - State Coastal Conservancy	244,495	125,738	55,324	181,062	63,433	26%	51%	74%	225,368	-7.8%
Grant - LA Regional Parks & Open Space District	-	-	-	-	-	-	-	-	-	0.0%
Grant - Rivers & Mountains Conservancy	1,170,170	46,419	66,133	112,552	1,057,618	90%	4%	10%	1,248,364	6.7%
Grant - Other Federal, State, County & Local Funds	-	-	-	-	-	-	-	-	-	-
Mitigation Revenue	55,110	30,243	14,733	44,976	10,134	18%	55%	82%	5,948	-89.2%
Contracts - Other MOA	2,722	-	2,722	2,722	-	0%	0%	100%	2,722	0.0%
Other - Donations	-	-	-	-	-	-	-	-	-	0.0%
Other - Miscellaneous	-	-	3,489	3,489	(3,489)	-	-	-	5,000	0.0%
Subtotal-Grants and Special Projects	1,472,497	202,401	142,401	344,802	1,127,695	77%	14%	23%	1,487,402	1.0%
Total Revenue	1,572,953	285,953	173,405	459,358	1,113,595	71%	18%	29%	1,617,073	2.8%
Expenses										
Insurance - D & O Policy	3,168	2,563	-	2,563	605	19%	81%	81%	2,691	-15.0%
Audit Services	6,500	4,272	-	4,272	2,228	34%	66%	66%	5,000	-23.1%
Website	1,000	625	375	1,000	-	0%	63%	100%	1,000	0.0%
Miscellaneous Administrative Costs	1,000	-	500	500	500	50%	0%	50%	1,000	0.0%
Miscellaneous PM/Accounting Costs	500	-	500	500	-	0%	0%	100%	500	0.0%
Administration Expense Subtotal	12,168	7,460	1,375	8,835	3,333	27%	61%	73%	10,191	-16.2%
Grant & Land Management - General	35,000	23,710	11,290	35,000	-	0%	68%	100%	35,000	0.0%
Grant Management - Contracted Services	10,000	12,175	4,000	16,175	(6,175)	-62%	122%	162%	24,250	142.5%
Insurance - General Liability/Umbrella	10,229	10,174	-	10,174	55	1%	99%	99%	10,683	4.4%
Los Cerritos Wetlands Stewardship Program	15,000	-	15,000	15,000	-	0%	0%	100%	10,000	-33.3%
Security	8,700	-	8,700	8,700	-	0%	0%	100%	8,700	0.0%
Signage	3,000	-	3,000	3,000	-	0%	0%	100%	3,000	0.0%
OTD Security Deposits	-	-	-	-	-	-	-	-	-	0.0%
MOAs	18,000	8,234	9,766	18,000	-	0%	46%	-	10,000	-
Miscellaneous	2,500	2,400	100	2,500	-	0%	96%	100%	2,500	0.0%
Operational Expense Subtotal	102,429	56,693	51,856	108,549	(6,120)	-6%	55%	106%	104,133	1.7%
Consultant Services	4,000	2,013	3,489	5,502	(1,502)	-38%	50%	138%	5,000	25.0%
Grant - State Coastal Conservancy	263,076	118,437	58,500	176,937	86,139	33%	45%	67%	268,032	1.9%
Grant - LA Regional Parks & Open Space District	-	-	-	-	-	-	-	-	-	0.0%
Grant - Rivers & Mountains Conservancy	1,166,170	111,611	65,790	177,401	988,769	85%	10%	15%	1,223,769	4.9%
Grant - Other Federal, State, County & Local Projects	-	-	-	-	-	-	-	-	-	-
Other - Mitigation Projects	25,110	30,243	(5,133)	25,110	-	0%	120%	100%	5,948	-76.3%
Other - Miscellaneous	-	-	-	-	-	-	-	0%	-	0.0%
Capital Outlay Expense Subtotal	1,458,356	262,304	122,646	384,949	1,073,407	74%	18%	26%	1,502,749	3.0%
Total Expense	1,572,953	326,457	175,877	502,334	1,070,619	68%	21%	32%	1,617,073	2.8%
Ending Net Position	-	(40,504)	(2,472)	(42,976)	42,976				(0)	0.0%

August 1, 2019 Agenda Item 9
RESOLUTION 2019 – 08

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY (LCWA) AUTHORIZING
STAFF TO ADOPT THE LCWA BUDGET FISCAL YEAR 2019/2020

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 1, 2019.
4. ADOPTS FY 2019/2020 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 1, 2019.

Sam Schuchat,
LCWA Board Chair

ATTEST:

David Edsall, Jr.
Deputy Attorney General