

**DATE:** June 1, 2023

**TO:** WCA Governing Board

**FROM:** Nicole Law, Fiscal Manager

**THROUGH:** Mark Stanley, Executive Officer

**SUBJECT:** Item 11: Consideration of a resolution approving preliminary budget for Fiscal Year 2023/2024

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**RECOMMENDATION:** That the Watershed Conservation Authority (WCA) Governing Board approve a preliminary budget for Fiscal Year 2023/2024.

**BACKGROUND:** In accordance with the provisions of the Joint Powers Agreement, the adoption of the WCA budget by the WCA Governing Board is required. The attached budget, Exhibit A, includes four expenditure components: Administrative, Personnel, Operations, and Grants and Special Projects in the total amount of \$9,524,236.

### 1. ADMINISTRATIVE

WCA is requesting an increase in Annual JPA Contribution Revenue related to Administrative and Operational Expenses, which equals \$398,736 (\$159,495 RMC/\$239,241 LACFCD). Staff anticipates the increase in JPA annual contribution to the WCA is likely to be approved during Q1 2024 by RMC and Q2 2024 by LACFCD respectively; therefore, staff budgeted \$103,751 (\$78,251 RMC/\$25,500 LACFCD) for the administrative and \$81,244 for the operational expenses respectively. Note, that increased contributions from Los Angeles County Flood Control District are not reflected in the budget. There may potentially be a recommended mid-year update to the current fiscal year budget to reflect any significant changes.

Projected administrative expenditures total \$219,877. The difference of \$116,126 is anticipated to be funded by the WCA Billable Rate Structure Plan and overhead allocation charged against eligible grants, projects, and contracted funding in general. Should the preliminary budget for FY23/24 be approved, the Billable Rate Structure Plan will be updated and brought to the Governing Board for approval in July 2023.

Planned administrative expenditures for FY23/24 will increase by approximately 23.6% from the previous year. Budgeted FY23/24 General Administrative Expenditures are primarily related to the LA County Auditor- Controller Services and Audit (\$85,719), Funding Opportunities (\$38,066), Information Technology (\$23,960), and as-needed Legal Services (\$30,000).

### 2. PERSONNEL

Personnel expenses for FY23/24 are budgeted at \$846,553 which includes salaries, benefits, employer taxes, compensation plan adjustment, cost of living adjustment, and accruals for employee leave.

The Authority conducted a benchmark employee compensation study to achieve comparable equity in the Authority's salary structure to retain experienced and dedicated staff and ensure competitiveness in the

marketplace. The compensation plan is still under review and will be brought before the Governing Board prior to implementation.

### **3. OPERATIONS**

Revenue for operational uses is received from a variety of sources including property and commercial leases (\$319,993), filming and special use event permits (\$4,500), citations (\$17,705), annual RMC JPA property management contributions (\$81,244), indirect collected from eligible grants (\$476,947) and utilities reimbursements (\$2,400). The revenue budget total associated with operations is \$902,789 reflecting a projected increase of \$414,202 over FY22/23 budget level. It is primarily due to an increase in the lease revenue, annual RMC JPA property management contributions and indirect collected from eligible grants.

Lease revenue 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 Authority to locate a new tenant. It is important to note that the Authority relies heavily on its lease revenue to cover maintenance expenditure on all its properties. Revenue funds collected may also be transferred between properties to cover their respective expenditures as needed.

Operational expenditures for FY23/24 are \$395,937 reflecting a projected increase of \$79,241 over FY22/23 budget levels. It is primarily due to an increase in the ranger services budget cost. The planned operational expenditures for FY23/24 against the projected operational revenue, resulting in a surplus of \$506,852, will be utilized to partially offset administrative expenses and administrative overheads.

### **4. CAPITAL OUTLAY- GRANTS AND SPECIAL PROJECTS**

The Authority anticipates that it will utilize approximately \$8.53 million of its grants and special project funding in FY23/24, plus available funding on hand being carried from the previous fiscal year. WCA historically analyzes and separates grant and project funds into two categories: 1) funds utilized by staff for project management and administrative support, and 2) consultant and capital expenditures.

Budgeted revenue for FY23/24 from grants and special projects is expected to total \$8,532,823 with \$8,061,869 being allocated to capital activity. The remaining \$470,954 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.

**WATERSHED CONSERVATION AUTHORITY  
CONSOLIDATED BUDGET FISCAL YEAR 2023-2024**

	Mid Year Budget Update FYE 2023	Budget FYE 2024	\$ Change Budget '23 vs. Budget '24
<b>Revenues</b>			
<b>General Administrative &amp; Operating Revenue</b>			
JPA Contributions			
LA County Flood Control District	25,500	25,500	0
Rivers and Mountains Conservancy	10,000	78,251	68,251
Lease Revenue	306,852	319,993	13,141
Property Management Contribution - RMC	40,000	81,244	41,244
Fees-Citation	17,705	17,705	0
Fees- Filming/Permits	2,000	4,500	2,500
Indirect Collected from Eligible Grants	117,350	476,947	359,597
Utilities Reimbursements	4,680	2,400	(2,280)
Maintenance and Servicing Reimbursements	11,579	-	(11,579)
<b>Subtotal-General Administrative &amp; Operating</b>	<b>535,666</b>	<b>1,006,540</b>	<b>470,874</b>
<b>Grants and Special Projects Revenue</b>			
Grant-Rivers & Mountains Conservancy <sup>1,2,5,6,7</sup>	3,255,511	6,047,572	2,792,061
Grant-LA County Flood Control District <sup>1,3,5</sup>	214,000	371,636	157,636
Grant-SEP <sup>2,5</sup>	132,000	727,756	595,756
Grant-Federal Funds <sup>1,5,7</sup>	-	-	0
Grant-Other State Funds <sup>4,5</sup>	1,035,507	971,649	(63,858)
Grant-Other County & Local Funds <sup>2,5</sup>	32,000	414,210	382,210
<b>Subtotal-Grants and Special Projects</b>	<b>4,669,018</b>	<b>8,532,823</b>	<b>3,863,805</b>
<b>Total Revenue</b>	<b>5,204,684</b>	<b>9,539,363</b>	<b>4,334,679</b>
<b>Expenses</b>			
<b>General Administrative Expenses</b>			
Fiscal Services Auditor-Controller	70,000	80,000	10,000
Funding Opportunities	23,247	38,066	14,819
Legal Services	30,000	30,000	0
Information Technologies	17,600	23,960	6,360
Strategic Planning	2,500	2,500	0
Grant Writing	1,000	1,000	0
Travel	1,000	2,400	1,400
Financial Audit Services	5,719	5,719	0
Insurance/Insurance Bond	232	232	0
Training/Conferences	1,000	1,000	0
Meeting Supplies	500	500	0
Other/Not Classified	7,500	7,500	0
Wireless Phones	1,440	6,000	4,560
Personnel Services	5,187	6,000	813
Office Supplies	700	700	0
Postage & Delivery	1,210	600	(610)
Printer Supplies	250	250	0
Equipment & Software	8,302	13,000	4,698
Dues & Subscriptions	450	450	0
<b>Subtotal-General Administrative</b>	<b>177,837</b>	<b>219,877</b>	<b>42,040</b>

<b>Personnel</b>			
Salaries	462,484	581,339	118,855
Compensation Plan Adjustment	79,267	79,267	0
Benefits	126,384	127,987	1,603
Benefits Plan Provider Admin Cost	2,021	2,021	(0)
Employer Taxes	46,760	55,939	9,179
<b>Subtotal-Personnel</b>	<b>716,916</b>	<b>846,553</b>	<b>129,637</b>
<b>General Operational Expenses</b>			
Insurance	60,689	63,724	3,034
Security	2,319	2,319	0
Building Maintenance and Repair	15,000	25,000	10,000
Grounds Maintenance and Repair	2,500	5,000	2,500
Electricity	12,000	13,440	1,440
Propane	8,800	10,000	1,200
Other Utilities	973	983	9
Waste Removal	11,552	13,500	1,948
Water System Operation/Irrigation	48,140	46,880	(1,260)
Property Management	15,000	20,000	5,000
Deferred Maintenance Contingency	47,426	47,856	430
Janitorial Services	10,030	10,507	478
Ranger Services	75,538	133,000	57,462
Weed Abatement	6,000	3,000	(3,000)
Property Tax	729	729	0
<b>Subtotal-General Operational</b>	<b>316,696</b>	<b>395,937</b>	<b>79,241</b>
<b>Maintenance and Servicing Expenses</b>			
Insurance	-	-	0
Building Maintenance and Repair	-	-	0
Grounds Maintenance and Repair	-	-	0
Electricity	-	-	0
Waste Removal	-	-	0
Water System Operation/Irrigation	-	-	0
Ranger Services	10,339	-	(10,339)
Weed Abatement	-	-	0
<b>Subtotal-Maintenance and Servicing</b>	<b>10,339</b>	<b>-</b>	<b>(10,339)</b>
<b>Grants and Special Projects Total Expense-Capital Outlay</b>			
Grant-Rivers & Mountains Conservancy	3,033,511	5,645,376	2,611,865
Grant-LA County Flood Control District	184,000	326,978	142,978
Grant-SEP	120,000	722,796	602,796
Grant-Federal Funds	0	-	0
Grant-Other State Funds	1,035,507	957,569	(77,938)
Grant-Other County & Local Funds	20,000	409,150	389,150
<b>Subtotal-Grants and Special Projects</b>	<b>4,393,018</b>	<b>8,061,869</b>	<b>3,668,851</b>
<b>Total Expense</b>	<b>5,614,806</b>	<b>9,524,236</b>	<b>3,919,769</b>
<b>Change In Net Position Before Transfers</b>	<b>(410,122)</b>	<b>15,127</b>	

- 1 - Labor Eligible to be Reimbursed at Salary & EB Rate
- 2 - Labor Eligible to be Reimbursed at Admin & Billable Rate
- 3 - Labor Reimbursed at Consultant Rate
- 4 - Labor Reimbursed at Grantor Approved Compensation Rate
- 5 - Payment by Reimbursement
- 6 - Payment by Advance Request
- 7 - Eligible for additional 10% - 20% for Indirect Costs

**WATERSHED CONSERVATION AUTHORITY  
EXPANDED BUDGET FISCAL YEAR 2023-2024**

	General Fund	Operational River Park	Operational Mt. Baldy	Operational Citrus Heights	Operational El Encanto	Operational Parque Dos Rios	Operational Walnut Creek	Payroll and Accrued Leave	Grant & Special Project	Preliminary Budget FY 2023-2024
<b>Revenues</b>										
<b>General Administrative &amp; Operating Revenue</b>										
JPA Contributions	103,751	-	-	-	-	-	-	-	-	103,751
Lease Revenue	-	151,656	-	-	115,950	52,388	-	-	-	319,993
Property Management Contribution	-	14,882	19,498	51	40,323	4,294	2,196	-	-	81,244
Fees-Citation	-	-	17,705	-	-	-	-	-	-	17,705
Fees- Filming	-	-	-	-	4,500	-	-	-	-	4,500
Indirect Collected from Eligible Grants	476,947	-	-	-	-	-	-	-	-	476,947
Utilities Reimbursements	-	-	-	-	2,400	-	-	-	-	2,400
Other Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-
Maintenance and Servicing Reimbursements	-	-	-	-	-	-	-	-	-	-
<b>Subtotal-General Administrative &amp; Operating</b>	<b>580,698</b>	<b>166,537</b>	<b>37,203</b>	<b>51</b>	<b>163,173</b>	<b>56,682</b>	<b>2,196</b>	<b>-</b>	<b>-</b>	<b>1,006,540</b>
<b>Grants and Special Project Income</b>										
Grant-Rivers & Mountains Conservancy	-	-	-	-	-	-	-	-	6,047,572	6,047,572
Grant-LA County Flood Control District	-	-	-	-	-	-	-	-	371,636	371,636
Grant-SEP	-	-	-	-	-	-	-	-	727,756	727,756
Grant-Federal Funds	-	-	-	-	-	-	-	-	-	-
Grant-Other State Funds	-	-	-	-	-	-	-	-	971,649	971,649
Grant-Other County & Local Funds	-	-	-	-	-	-	-	-	414,210	414,210
<b>Subtotal-Grants and Special Projects</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,532,823</b>	<b>8,532,823</b>
<b>Total Revenue</b>	<b>580,698</b>	<b>166,537</b>	<b>37,203</b>	<b>51</b>	<b>163,173</b>	<b>56,682</b>	<b>2,196</b>	<b>-</b>	<b>8,532,823</b>	<b>9,539,363</b>
<b>Expenses</b>										
<b>General Administrative Expenses</b>										
Fiscal Services Auditor-Controller	80,000	-	-	-	-	-	-	-	-	80,000
Funding Opportunities	38,066	-	-	-	-	-	-	-	-	38,066
Legal Services	30,000	-	-	-	-	-	-	-	-	30,000
Information Technologies	23,960	-	-	-	-	-	-	-	-	23,960
Strategic Planning	2,500	-	-	-	-	-	-	-	-	2,500
Grant Writing	1,000	-	-	-	-	-	-	-	-	1,000
Travel	2,400	-	-	-	-	-	-	-	-	2,400
Financial Audit Services	5,719	-	-	-	-	-	-	-	-	5,719
Insurance/Insurance Bond	232	-	-	-	-	-	-	-	-	232
Training/Conferences	1,000	-	-	-	-	-	-	-	-	1,000
Meeting Supplies	500	-	-	-	-	-	-	-	-	500
Other/Not Classified	7,500	-	-	-	-	-	-	-	-	7,500
Wireless Phones	6,000	-	-	-	-	-	-	-	-	6,000
Personnel Services	6,000	-	-	-	-	-	-	-	-	6,000
Office Supplies	700	-	-	-	-	-	-	-	-	700
Postage	600	-	-	-	-	-	-	-	-	600
Printer Supplies	250	-	-	-	-	-	-	-	-	250
Equipment & Software	13,000	-	-	-	-	-	-	-	-	13,000
Dues & Subscriptions	450	-	-	-	-	-	-	-	-	450
<b>Subtotal-General Administrative</b>	<b>219,877</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,877</b>

**WATERSHED CONSERVATION AUTHORITY  
EXPANDED BUDGET FISCAL YEAR 2023-2024**

	General Fund	Operational River Park	Operational Mt. Baldy	Operational Citrus Heights	Operational El Encanto	Operational Parque Dos Rios	Operational Walnut Creek	Payroll and Accrued Leave	Grant & Special Project	Preliminary Budget FY 2023-2024
<b>Personnel</b>										
Salaries	-	-	-	-	-	-	-	581,339	-	581,339
Merit Pool	-	-	-	-	-	-	-	79,267	-	79,267
Benefits	-	-	-	-	-	-	-	127,987	-	127,987
Benefits Plan Provider Admin Cost	-	-	-	-	-	-	-	2,021	-	2,021
Employer Taxes	-	-	-	-	-	-	-	55,939	-	55,939
<b>Subtotal-Personnel</b>	-	-	-	-	-	-	-	846,553	-	846,553
<b>General Operational Expenses</b>										
Insurance	-	7,441	15,790	128	35,956	511	3,898	-	-	63,724
Security	-	-	-	-	2,319	-	-	-	-	2,319
Building Maintenance and Repair	-	-	-	-	25,000	-	-	-	-	25,000
Grounds Maintenance and Repair	-	-	2,350	-	2,350	-	300	-	-	5,000
Electricity	-	1,440	-	-	12,000	-	-	-	-	13,440
Propane	-	-	-	-	10,000	-	-	-	-	10,000
Other Utilities	-	-	-	-	983	-	-	-	-	983
Waste Removal	-	3,942	-	-	9,558	-	-	-	-	13,500
Water System Operation/Irrigation	-	-	-	-	46,880	-	-	-	-	46,880
Property Management	-	-	1,500	-	15,500	1,500	1,500	-	-	20,000
Deferred Maintenance Contingency	-	7,856	-	-	40,000	-	-	-	-	47,856
Janitorial Services	-	-	-	-	10,507	-	-	-	-	10,507
Ranger Services	-	40,975	45,372	-	30,386	14,077	2,190	-	-	133,000
Weed Abatement	-	-	-	-	3,000	-	-	-	-	3,000
Property Tax	-	-	729	-	-	-	-	-	-	729
<b>Subtotal-General Operational</b>	-	61,653	65,740	128	244,439	16,088	7,889	-	-	395,937
<b>Maintenance and Servicing Expenses</b>										
Security	-	-	-	-	-	-	-	-	-	-
Building Maintenance and Repair	-	-	-	-	-	-	-	-	-	-
Grounds Maintenance and Repair	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Waste Removal	-	-	-	-	-	-	-	-	-	-
Water System Operation/Irrigation	-	-	-	-	-	-	-	-	-	-
Ranger Services	-	-	-	-	-	-	-	-	-	-
Weed Abatement	-	-	-	-	-	-	-	-	-	-
<b>Subtotal-Maintenance and Servicing Expenses</b>	-	-	-	-	-	-	-	-	-	-
<b>Grants and Special Project Total Expense-Capital Outlay</b>										
Grant-Rivers & Mountains Conservancy (RMC)	-	-	-	-	-	-	-	-	5,645,376	5,645,376
Grant-LA County Flood Control District (LACFCD)	-	-	-	-	-	-	-	-	326,978	326,978
Grant-SEP	-	-	-	-	-	-	-	-	722,796	722,796
Grant-Federal Funds	-	-	-	-	-	-	-	-	-	-
Grant-Other State Funds	-	-	-	-	-	-	-	-	957,569	957,569
Grant-Other County & Local Funds	-	-	-	-	-	-	-	-	409,150	409,150
Grant-Public Foundations	-	-	-	-	-	-	-	-	-	-
Other-Consultant Contracts	-	-	-	-	-	-	-	-	-	-
<b>Subtotal-Grants and Special Projects</b>	-	-	-	-	-	-	-	-	8,061,869	8,061,869
<b>Total Expense</b>	<b>219,877</b>	<b>61,653</b>	<b>65,740</b>	<b>128</b>	<b>244,439</b>	<b>16,088</b>	<b>7,889</b>	<b>846,553</b>	<b>8,061,869</b>	<b>9,524,236</b>

**WATERSHED CONSERVATION AUTHORITY  
PERSONNEL BUDGET FISCAL YEAR 2023-2024**

	Mid Year Budget Update FYE 2023	Budget FYE 2024	\$ Change Budget '23 vs. Budget '24
<b>Expense Detail</b>			
Salaries	462,484	581,339	118,855
Compensation Plan Adjustment	79,267	79,267	-
Benefits	126,384	127,987	1,603
Fixed Fees	2,021	2,021	(0)
Employer Taxes	46,760	55,939	9,179
<b>Personnel Subtotal</b>	<b>716,916</b>	<b>846,553</b>	<b>129,637</b>
<b>Total Expense</b>	<b>716,916</b>	<b>846,553</b>	<b>129,637</b>

<b>Personnel Detail</b>									
Position	Status	Current FY22/23	Proposed FY23/24	Hrs	Proposed FY23/24	Benefits	Employer Taxes	Total Comp	
Fiscal Manager (FT)	Active	\$ 33.80	\$ 34.81	2080	\$ 72,405	\$ 14,313	\$ 7,319	\$ 94,036	
Fiscal Manager (FT)	Pending	\$ -	\$ 33.80	2080	\$ 70,304	\$ 17,984	\$ 6,995	\$ 95,283	
Project Manager III (FT)	Active	\$ 36.95	\$ 41.75	1560	\$ 65,130	\$ 19,716	\$ 6,912	\$ 91,759	
Project Manager II (FT)	Active	\$ 36.23	\$ 37.32	2080	\$ 77,626	\$ 24,144	\$ 7,808	\$ 109,578	
Project Manager II (FT)	Active	\$ 32.85	\$ 33.84	2080	\$ 70,387	\$ 13,988	\$ 7,130	\$ 91,506	
Project Manager II (FT) - Planning	Pending	\$ -	\$ 36.82	2080	\$ 76,586	\$ 18,921	\$ 7,572	\$ 103,079	
Project Manager II (FT) - Construction	Pending	\$ -	\$ 36.82	2080	\$ 76,586	\$ 18,921	\$ 7,572	\$ 103,079	
Facilities Assistant (PT)	Pending	\$ -	\$ 23.00	1248	\$ 28,704	\$ -	\$ 1,824	\$ 30,528	
Park Host / Property Assistant (PT)	Active	\$ 19.45	\$ 20.03	780	\$ 15,623	\$ -	\$ 2,806	\$ 18,430	
1099 Temp Accounting Assistant	Active	\$ 20.90	\$ 21.53	1300	\$ 27,989	\$ -	\$ -	\$ 27,989	
					<b>\$ 581,339</b>	<b>\$ 127,987</b>	<b>\$ 55,939</b>	<b>\$ 765,265</b>	

June 1, 2023 – Item 11

**RESOLUTION 2023-14**

**RESOLUTION OF THE WATERSHED CONSERVATION AUTHORITY APPROVING  
A PRELIMINARY BUDGET FOR FISCAL YEAR 2023/2024**

**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 approves a preliminary budget for Fiscal Year 2023/2024; 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 1, 2023.
4. **APPROVES** the Watershed Conservation Authority a preliminary budget for Fiscal Year 2023/2024.

*~ End of Resolution ~*

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Motion: \_\_\_\_\_ Second: \_\_\_\_\_

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_ Abstentions: \_\_\_\_\_



Resolution 2023-14

Passed and Adopted by the Board of the  
**WATERSHED CONSERVATION AUTHORITY**  
On June 1, 2023

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Victoria Paul  
Governing Board Vice Chair

ATTEST: \_\_\_\_\_  
Elizabeth St. John  
Deputy Attorney General