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## **EXECUTIVE COMMITTEE**

*The Executive Committee, consisting of the RCA Board Chairman, Vice-Chairman, Past Chairman, and four members of the RCA Board, makes recommendations regarding personnel, administrative and financial matters, as well as provide guidance on a broad range of issues including target areas or types of habitats needed to remain in rough step. In addition, the Executive Committee may schedule Funding Coordination Committee workshops to discuss funding and acquisition strategy.*

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### **EXECUTIVE COMMITTEE MEETING**

**May 18, 2016, Wednesday @ 12:00 p.m.**  
**Western Riverside County Regional Conservation Authority**  
**Riverside Centre, RCA Conference Room**  
**3403 Tenth Street, Suite 320**  
**Riverside, California 92501**

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### **EXECUTIVE COMMITTEE MEMBERS**

**Eugene Montanez, Chairman**  
*City of Corona*

**Marion Ashley, Vice Chairman**  
*County of Riverside, District 5*

**John Tavaglione, Past Chairman**  
*County of Riverside, District 2*

**Ben Benoit**  
*City of Wildomar*

**Jonathan Ingram**  
*City of Murrieta*

**Maryann Edwards**  
*City of Temecula*

**Natasha Johnson**  
*City of Lake Elsinore*

***Charles Landry, Executive Director***



# EXECUTIVE COMMITTEE AGENDA \*

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\* Action(s) may be taken on any item listed on the agenda. Non-exempt materials related to an item on this agenda submitted to the RCA Executive Committee after distribution of the agenda packet are available for public inspection at the RCA Offices, 3403 10th Street, Suite 320, Third Floor, Riverside, California, 92501, during normal business hours. Such documents are also available on the Western Riverside County Regional Conservation Authority website at [www.wrc-rca.org](http://www.wrc-rca.org) subject to staff's ability to post the documents before the meeting. Alternative formats are available upon request by contacting the Clerk of the Board at (951) 955-9700. Notification of at least 72 hours prior to meeting time will assist staff in accommodating such requests.

**Wednesday, May 18, 2016  
12:00 P.M.  
Riverside Centre, RCA Conference Room  
3403 Tenth Street, Suite 320  
Riverside, CA 92501**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in an Executive Committee meeting, please contact the Clerk of the Board at (951) 955-9700. Notification of at least 48 hours prior to

meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PUBLIC COMMENT**

At this time, members of the public can address the Executive Committee regarding any items within the subject matter jurisdiction of the RCA that are not separately listed on this agenda. Members of the public will have the opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Each individual speaker is limited to speak three (3) continuous minutes or less. Any person wishing to address the Executive Committee on any matter, whether or not it appears on this agenda, is requested to complete a Request to Speak form available from the Clerk of the Board. The completed form is to be submitted to the Clerk of the Board prior to an individual being heard. Whenever possible, lengthy testimony should be presented to the Executive Committee in writing and only pertinent points presented orally. Any written documents to be distributed or presented to the Executive Committee shall be submitted to the Clerk of the Board.

**4. COMMITTEE MEMBER ANNOUNCEMENTS**

**5. ADDITIONS/REVISIONS**

(The Committee may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Committee subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Committee. If there are less than 2/3 of the Committee Members present, adding an item requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.)

**6. APPROVAL OF MINUTES**

♦ RCA Executive Committee Meeting - [April 20, 2016](#)

**7. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) COLLECTION AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR APRIL 2016**

[Overview](#) - [Staff Report](#)

This item is for the RCA Executive Committee to:

- 1) Receive and file the MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for April 2016; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

## **8. FISCAL YEAR 2016 THIRD QUARTER FINANCIAL REPORT**

### **Overview - [Staff Report](#)**

This item is for the RCA Executive Committee to:

- 1) Receive and file the Fiscal Year 2016 Third Quarter Financial Report; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

## **9. DRAFT RESOLUTION NO. 2016-003, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY REVISING ITS FEE CREDIT AND WAIVER POLICY AND REPLACING RESOLUTION NO. 05-05**

### **Overview -**

This item is for the RCA Executive Committee to discuss revisions to and provide staff direction concerning the draft Fee Credit and Waiver Policy.

## **10. RESOLUTION NO. 2016-010, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING A FUND BALANCE POLICY**

### **Overview - [Staff Report](#)**

This item is for the RCA Executive Committee to review and provide staff direction concerning the draft tolling/waiver policy.

- 1) Recommend that the RCA Board of Directors adopt Resolution No. 2016-010, A Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting a Fund Balance Policy; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

**11. DRAFT RESOLUTION NO. 2016-XXX, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY IMPLEMENTING A POLICY REQUIRING A TOLLING/WAIVER AGREEMENT BY MEMBER AGENCIES DURING THE RESOLUTION OF CERTAIN FEE ISSUES**

**Overview - [Staff Report](#)**

This item is for the RCA Executive Committee to review and provide staff direction concerning the draft tolling/waiver policy.

**12. BOARD CALL BACK ITEMS: DISCUSSION AND POSSIBLE ACTION ON CITY OF CANYON LAKE'S REPRESENTATIVE'S REQUEST TO AGENDIZE THE CITY OF LAKE ELSINORE'S ANNEXATION OF PROPERTY IN THE COUNTY OF RIVERSIDE**

**13. EXECUTIVE DIRECTOR'S REPORT**

**13.1 Board Call Back Items**

**13.2 Identification Badges for RCA Board Members**

**13.3 Loan Program Update**

**14. FUTURE AGENDA ITEMS:**

*(Committee members are invited to suggest additional items to be brought forward for discussion.)*

**15. CLOSED SESSION ITEMS**

## **15.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

**Pursuant to Paragraph 1 of Subdivision (d) of Government Code Section 54956.9**

**A. RIC1600058 A. T. Paulek; Friends of the Northern San Jacinto Valley v. Western Riverside County Regional Conservation Authority; Coachella Valley Conservation Commission; California Department of Fish and Wildlife**

**B. RIC1605515 Albert Thomas Paulek; Friends of the Northern San Jacinto Valley; Center for Biological Diversity vs. County of Riverside; Castle & Cooke Commercial-CA, Inc.; Western Riverside County Regional Conservation Authority**

## **16. ADJOURNMENT**

The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, June 15, 2016, at 12:00 p.m., at the Riverside Centre, 3403 Tenth Street, Suite 320, Third Floor Conference Room, Riverside, California, 92501.

**[RCA Commonly Used Acronyms](#)**

# **AGENDA ITEM NO. 6**

## **MINUTES**

**April 20, 2016**



## EXECUTIVE COMMITTEE MINUTES

[www.wrc-rca.org](http://www.wrc-rca.org)

### 1. CALL TO ORDER

The meeting of the Western Riverside County Regional Conservation Authority Executive Committee was called to order by Chairman Montanez at 12:00 p.m., Wednesday, April 20, 2016, at the RCA Conference Room, 3403 Tenth Street, Suite 320, Riverside, California, 92501.

### 2. ROLL CALL – was taken by Kristin Staudenmaier.

COMMITTEE MEMBERS PRESENT	COMMITTEE MEMBERS ABSENT
Eugene Montanez, Chairman – City of Corona	Ben Benoit – City of Wildomar
Marion Ashley – Vice Chairman – County of Riverside District V	John Tavaglione- County of Riverside District II
Natasha Johnson - City of Lake Elsinore	
Jonathan Ingram - City of Murrieta	
Maryann Edwards - City of Temecula	

### 3. PUBLIC COMMENTS

There were no public comments.

### 4. COMMITTEE MEMBER ANNOUNCEMENTS

There were no member announcements.

### 5. ADDITIONS/REVISIONS

Kristin Staudenmaier stated there was one revision to the agenda. Agenda Item 7 Attachment 1 was missing two footnotes due to a printing error. A revised copy was provided to the Executive Committee members.



**6. APPROVAL OF MINUTES – March 16, 2016**

***M/S/C (INGRAM/JOHNSON) to approve the minutes of the March 16, 2016 meeting of the Executive Committee as submitted.***

***(5 Ayes, 0 Nays, 0 Abstain)***

**7. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) COLLECTION AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR MARCH 2016.**

Honey Bernas, Director of Administrative Services, presented the LDMF Collection and Civic/Infrastructure Contribution Report for March 2016. The RCA received fees in the amount of \$607,659 for 162 residential permits and 45.1 commercial acres. There were 49 reported exemptions totaling \$104,735 in the City of Lake Elsinore, City of Temecula and the County of Riverside. Contributions were received from the City of Temecula for a Civic/Infrastructure project in the amount of \$20,799 for a Park and Ride Facility.

**M/S/C (INGRAM/JOHNSON) that the RCA Executive Committee:**

- 1) Recommend that that RCA Board of Directors receive and file the Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for March 2016; and**
- 2) Authorized staff to agendize this matter for the May 2, 2016 meeting of the RCA Board of Directors.**

***(5 Ayes, 0 Nays, 0 Abstain)***

**8. RESOLUTION NO. 2016-008, [RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING THE FISCAL YEAR 2017 OPERATING AND CAPITAL BUDGET]**

Honey Bernas, Director of Administrative Services, gave an overview of RCA's Fiscal Year 2017 Operating and Capital Budget. She gave an overview of Exhibit A-1 which provided an overall summary of the budget and comparison to FY2015 Actual Revenues and Appropriations, FY2016 Adjusted Budget and Year-End Projections and the dollar and percentage change from the FY2016 Adjusted Budget. She reviewed the major sources of revenues, appropriations, cost allocation assumptions and the percentage of overall appropriations for each of RCA's programs, Operations, Land Management and Monitoring, and Land Acquisitions.

She advised that salaries and benefits reflect a 14% increase from the FY2016 budget as a result of a \$202 thousand increase in salaries which includes two new proposed positions: a Senior Real Property Agent and an Ecological Resources Specialist, and scheduled step increases for current employees who are not at the top of their set pay ranges. There is an \$86 increase to benefits as a result of the salary increases. There is a decrease of \$6 thousand in annual leave buy down payouts.

## RCA EXECUTIVE COMMITTEE MINUTES

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April 20, 2016

She advised that management was recommending the addition of two new positions for the purposes of cost savings and succession and due to increased workloads.

The Senior Real Property Agent would assist with the acquisitions. The hourly range for this position would be between \$27.90 and \$44.00 per hour, or a maximum of \$62.00 per hour including benefits. Honey Bernas stated that the Riverside County Economic Development Agency has always and continues to provide the RCA with excellent service and RCA would continue to need their services; however, staff recommends hiring one in-house real estate agent. The County's current hourly rate for Real Estate Services is \$142.30. Effective July 1, 2016, the rate will increase to \$157.60 per hour, or 10.8%. Staff has reduced EDA's budget in anticipation of the new position, which is expected to result in a reduction in EDA's billable hours.

The Ecological Resources Specialist II would assist Laurie Correa, Director of Reserve Monitoring and Management, in coordinating the Reserve Management and Biological Monitoring, as well as leading the Joint Project Review services currently handled by a consultant at a cost between \$100 and \$240 per hour. The number of Joint Project Reviews (JPRs) has doubled in the last year, and RCA has a 14 day review period for JPRs. Management believes it is important that RCA have its own biological staff member in house, and important to fill this position for succession purposes. The hourly range for the Ecological Resources Specialist is between \$28.30 and \$44.70, a maximum of \$63 per hours including benefits.

Board Member Ingram asked when the last time RCA hired an additional staff member was. He asked if the RCA has ever completed a Classification Compensation Index to determine if the Authority was offering comparable benefits to new staff members, as well as show the offset of sub-contracting verses having an in house employee. Honey Bernas replied that the RCA eliminated a contract last year, so that the RCA could fill one new position. Other than that, RCA has not added any positions for several years. As far as the comparable benefits, all of RCA's staff members are County employees and fall under the County's positions and salary ranges which are reviewed periodically.

Charles Landry, Executive Director, stated that since its inception, RCA has had a small staff and relied on contracts as much as possible so that RCA could weather economic downturns without having to layoff. Staff is of the opinion that the two new positions are absolutely necessary and inherent to RCA.

Board Member Edwards suggested that staff create two slides for the Board meeting presentation. One, outlining the duties of the new positions, and another slide showing the position cost vs. contract cost and how the cost of the position will be offset by the reduced contract.

Board Member Johnson suggested that staff show the average number of hours each contractor billed the RCA for the last several years. She said her City's preference is to contract for services rather than hire staff, which enables them to cut contracts rather than cut staff during difficult times.

Honey Bernas summarized the overall budget which includes \$27.8 million in revenue and appropriations. The proposed budget is a balanced budget with no draws on fund balances. The budget also includes a contingency of approximately \$2 million, \$500 in legal services and \$1.5 million for potential property acquisitions. The contingency represents approximately 7% of total appropriations. The RCA is projecting a fund balance of approximately \$30.6 million as of June 30, 2016, available to carry forward in FY 2017. Of this amount, \$17.7 million is unrestricted general funds and \$12.9 million is restricted fund balance for capital acquisitions purposes.

She then reviewed the proposed appropriations for each contract amount, the services provided, and changes compared to FY2016 contract amounts.

**M/S/C (INGRAM/JOHNSON) that the RCA Executive Committee:**

- 1) Recommend that the Board adopt Resolution No. 2016-008, [Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting the Fiscal Year 2017 Operating and Capital Budget]; and**
- 2) Authorize staff to agendize this matter for the May 2, 2016 meeting of the RCA Board of Directors.**

*(5 Ayes, 0 Nays, 0 Abstain)*

**9. RECURRING CONTRACTS FOR FISCAL YEAR 2017**

Honey Bernas, Director of Administrative Services, advised that staff is recommending seven recurring contracts for consultants that are providing unique or specialized services and working closely with RCA staff and the Board on long-term projects. She reviewed the scope of services and contract amounts for Fiscal Year 2017 for the following recurring contracts: 1) David Kennett - Capitol Alliance Consulting; 2) Dudek & Associates; 3) Geographics; 4) Riverside – Corona Resource Conservation District; 5) Santa Ana Watershed Association; 6) Vavrinek, Trine, Day & Co. LLP; and 7) Doug Wheeler. The proposed recurring contracts total \$1.75 million, which represents an approximate 1.8% decrease from last fiscal year.

**M/S/C (INGRAM/JOHNSON) that the RCA Executive Committee:**

- 1) Recommend that the RCA Board of Directors approve the Recurring Contracts for Fiscal Year 2017;**
- 2) Recommend that the RCA Board of Directors authorize the RCA Executive Director, upon legal counsel review and approval, to execute said agreements on behalf of the RCA; and**
- 3) Authorize staff to agendize this matter for the May 2, 2016 meeting of the RCA Board of Directors**

*(5 Ayes, 0 Nays, 0 Abstain)*

**10. EXECUTIVE DIRECTOR'S REPORT**

**Charles Landry reported on the following items:**

- 10.1 Loan Program – Monday Morning Group is currently in Washington. D.C. assisting with obtaining Section 6 funding, as well as continuing discussions with U.S. Senator Dianne Feinstein, U.S. Senator Barbara Boxer and Congressman Ken Calvert.
- 10.2 Acquisitions – To-date, RCA has conserved over 53,000 acres of Additional Reserve Land, which leaves a balance of approximately 100,000 acres to conserve in the future.
- 10.3 Lake Elsinore Alberhill Villages Initiative – Board Member Johnson reported that the City of Lake Elsinore's legal counsel filed a Judgement Settlement Summary and that the city remains optimistic.
- 10.4 Discussion Concerning Fee Credit and Waiver Policy – Staff is currently in the process of rewriting the policy and plans to bring the policy back to the Executive Committee at the May 18, 2016 meeting.

**11. FUTURE AGENDA ITEMS:** *(Committee members are invited to suggest additional items to be brought forward for future discussion.)*

There were no requests for future agenda items by the Executive Committee.


**12. ADJOURNMENT**

There being no other items before the Executive Committee, Chairman Montanez adjourned the meeting at 1:15 p.m. The next meeting of the Western Riverside County Regional Conservation Authority Executive Committee will be held on Wednesday, May 18, 2016, at 12:00 p.m., at the Riverside Centre, 3403 Tenth Street, Suite 320, Third Floor, RCA Conference Room, Riverside, California, 92501.

Prepared by:

  
Kristin Staudenmaier  
Secretary II

Respectfully submitted:

  
Honey Bernas  
Clerk of the Board

# **AGENDA ITEM NO. 7**

**WESTERN RIVERSIDE COUNTY  
MULTIPLE SPECIES HABITAT  
CONSERVATION PLAN (MSHCP)  
LOCAL DEVELOPMENT MITIGATION FEE  
(LDMF) COLLECTION  
AND CIVIC/INFRASTRUCTURE  
CONTRIBUTION REPORT FOR  
APRIL 2016**

*Regional Conservation Authority*

**WESTERN RIVERSIDE COUNTY  
MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP)  
LOCAL DEVELOPMENT MITIGATION FEE (LDMF) COLLECTION  
AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR  
APRIL 2016**

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**Staff Contact:**

**Honey Bernas  
Director of Administrative Services  
(951) 955-9700**

**Background:**

The RCA Executive Committee directed staff to report on Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contributions on a monthly basis.

Attached is the report for April 2016. The report was prepared on a cash basis and, therefore, reflects the cash received by RCA during that month.

**Staff Recommendation:**

That the RCA Executive Committee –

- 1) Recommend that the RCA Board of Directors receive and file the attached Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for April 2016; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

**Attachment**

Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for April 2016

**AGENDA ITEM NO. 7**  
**Attachment**

**WESTERN RIVERSIDE COUNTY MSHCP LDMF  
COLLECTION AND CIVIC/INFRASTRUCTURE  
CONTRIBUTION REPORT FOR APRIL 2016**

**MSHCP LDMF AND CIVIC/INFRASTRUCTURE CONTRIBUTION  
CASH RECEIPTS APRIL 2016  
CASH BASIS**

DEVELOPMENT FEES					
City/County by Month	REMITTED			EXEMPTIONS AND FEE CREDITS	
	Residential Permits	Commercial Acres	Amount Remitted	Residential Permits	Amount
City of Banning March - No Activity					
City of Beaumont February March	14 39	0.03	\$27,328 \$76,294		
City of Calimesa March		0.52	\$3,442		
City of Canyon Lake March	3		\$5,870		
City of Corona March - No Activity					
City of Eastvale March	25		\$48,800		
City of Hemet March	1		\$1,952		
City of Jurupa Valley March	87		\$169,824		
City of Lake Elsinore - March Summerly Project <sup>1</sup> Castle and Cook Alberhill Ranch LLC <sup>2</sup> Pardee-Grossman/Cottonwood Canyon <sup>3</sup>		4.88	\$32,428	11 16 3	\$21,472 \$31,232 \$5,856
City of Menifee March	10		\$19,520		
City of Moreno Valley March	8	6.37	\$57,945		
City of Murrieta March		4.85	\$32,228		
City of Norco March - No Activity					
City of Perris March	30		\$58,560		
City of Riverside February	25	2.09	\$57,774		
City of San Jacinto March	8	0.04	\$15,882		
City of Temecula March	11		\$13,750		
City of Wildomar December January & February - No Activity	8		\$15,616		
County of Riverside-April Starfield Sycamore Investors <sup>4</sup> Rancho Bella Vista <sup>5</sup>	44	3.80	\$111,353	5 8	\$9,690 \$15,504
<b>Total Cities and County</b>	<b>313</b>	<b>22.58</b>	<b>\$748,565</b>	<b>43</b>	<b>\$83,754</b>

CIVIC AND INFRASTRUCTURE PROJECTS	
No Activity	
<b>Total Civic/Infrastructure Remitted</b>	
	<b>\$0</b>

**TOTAL RECEIPTS - APRIL 2016 \$ 748,565**

- 1) Summerly Project - Development agreement dated 8/24/04. Expiration date 9/23/14. Under review.
- 2) Castle and Cook Alberhill Ranch LLC (formerly known as Murdock Alberhill Ranch Limited Partnership) project exempt from MSHCP by Settlement Agreement between the County and Castle & Cook dated 2/24/2004.
- 3) Pardee Grossman/Cottonwood Canyon Development Agreement - Development Agreement dated 7/9/1990. Expiration date 7/9/2010. Amended January 2010 extending term to 7/1/2030. Under review.
- 4) Starfield Sycamore Investors - Fee Credit Agreement with County of Riverside. Properly exempted at \$1,938 rate.
- 5) Rancho Bella Vista - Fee Credit Agreement with County of Riverside. Properly exempted at \$1,938 rate.



# **AGENDA ITEM NO. 8**

## **FISCAL YEAR 2016 THIRD QUARTER FINANCIAL REPORT**

*Regional Conservation Authority***FISCAL YEAR 2016 THIRD QUARTER  
FINANCIAL REPORT****Staff Contact:****Honey Bernas, Director of  
Administrative Services  
(951) 955-2842****Background:**

Attached is the Fiscal Year 2016 Third Quarter Financial Report, which includes an Executive Summary (cash balance summary and financial statement overview), detailed financial statements, and MSHCP Fee Collection Report.

As of March 31, 2016, the Authority acquired 16 properties totaling approximately 3,700 acres. Of the 16 properties, six were funded with Federal and State funds of \$4.8 million and \$2.1 million, respectively. The remaining properties were acquired with development mitigation fees and Measure A funds. In addition the RCA received two land donations and a conservation easement with a combined acreage of 121 and an estimated market value of \$1.5 million from Riverside County Transportation Commission, Soboba Band of Luiseno Indians, and a private developer.

As of March 31, 2016, development mitigation fee revenues collected by Member Agencies totaled \$7.9 million, which represents 73% of the budgeted development mitigation fee revenues for Fiscal Year 2016. The current fees collected represent a 22% increase in comparison to the prior year's nine month period ending March 31, 2015 of \$6.5. Staff projects development mitigation fee revenues of about \$10.6 million by the end of Fiscal Year 2016.

Staff projects that the RCA's General Fund balance could increase by approximately \$261 thousand (\$43 thousand from savings in Operations and \$218 thousand from savings in Land Management and Monitoring Program) to \$17.7 million by the end of the fiscal year ending June 30, 2016. The projected increase in the General Fund balance is directly attributable to an increase in tipping fee revenue without increasing appropriations.

The Capital Project Fund is expected to increase by about \$561 thousand as a result of savings in legal costs and land acquisitions. Staff anticipates a restricted Capital Projects Fund balance of approximately \$13.3 million by June 30, 2016.

**Staff Recommendation:**

That the RCA Executive Committee –

- 1) Recommend that the RCA Board of Directors receive and file the Fiscal Year 2016 Third Quarter Financial Report; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

**Attachments:**

- 1) Executive Summary (Cash Balance Summary and Financial Statement Overview)
- 2) Detailed Financial Statements
- 3) MSHCP Fee Collection Report

# **AGENDA ITEM NO. 8**

## **Attachment 1**

**Executive Summary  
(Cash Balance Summary and Financial  
Statement Overview)**

## **Fiscal Year 2016 Third Quarter Financial Report**

**July 1, 2015 – March 31, 2016**

*Preserving our open space heritage • Protecting our economy • Building our future*



# Cash Balance Summary

## July 1, 2015 – March 31, 2016

Rounded to the Nearest Thousand	
Balance as of 07-01-15	\$ 30,467,000
Cash Receipts 07-01-15 through 3-31-16	<u>22,890,000</u>
Cash Available	53,357,000
Cash Disbursements 07-01-15 through 3-31-16	<u>(16,455,000)</u>
Cash Balance as of 3-31-16	<u>\$ 36,902,000</u>

# Budget to Actual and FYE Projections

July 1, 2015 – March 31, 2016

<b>Operations (935100)</b>	<b>Budget</b>	<b>Actual</b>	<b>Year-End Projections</b>
<b>Revenue</b>	<b>\$ 498,840</b>	<b>\$ 459,059</b>	<b>\$ 527,953</b>
<b>Appropriations:</b>			
<b>Salaries &amp; Benefits</b>	<b>164,450</b>	<b>118,291</b>	<b>159,373</b>
<b>Supplies &amp; Services</b>	<b><u>334,390</u></b>	<b><u>231,844</u></b>	<b><u>324,751</u></b>
<b>Total Appropriations</b>	<b><u>\$ 498,840</u></b>	<b><u>\$ 350,135</u></b>	<b><u>\$ 484,124</u></b>
<b>Net Operating Position</b>	<b><u>\$ 0</u></b>	<b><u>\$ 108,924</u></b>	<b><u>\$ 43,829</u></b>

# Budget to Actual and FYE Projections

July 1, 2015 – March 31, 2016

<b>Management &amp; Monitoring (935300)</b>	<b>Budget</b>	<b>Actual</b>	<b>Year-End Projections</b>
<b>Revenue</b>	<b>\$ 2,714,200</b>	<b>\$ 2,369,485</b>	<b>\$ 2,807,913</b>
<b>Appropriations:</b>			
<b>Salaries &amp; Benefits</b>	<b>375,885</b>	<b>255,350</b>	<b>345,107</b>
<b>Supplies and Services</b>	<b>2,302,815</b>	<b>1,508,859</b>	<b>2,210,069</b>
<b>Other Charges</b>	<b>35,500</b>	<b>35,217</b>	<b>35,217</b>
<b>Total Appropriations</b>	<b>\$ 2,714,200</b>	<b>\$ 1,799,426</b>	<b>\$ 2,590,393</b>
<b>Net Operating Position</b>	<b>\$ 0</b>	<b>\$ 570,059</b>	<b>\$ 217,520</b>



# Budget to Actual and FYE Projections

July 1, 2015 – March 31, 2016

Land Acquisition (935201)	Budget	Actual	Year-End Projections
<b>Revenue</b>	<b>\$ 24,352,960</b>	<b>\$ 19,934,680</b>	<b>\$ 23,366,353</b>
<b>Appropriations:</b>			
Salaries & Benefits	1,440,665	1,028,968	1,385,017
Supplies & Services	2,221,895	1,037,168	1,667,041
Interest-Notes	33,000	23,000	23,000
Capital Assets	<u>21,345,400</u>	<u>13,974,044</u>	<u>19,730,000</u>
Total Appropriations	<b>\$ 25,040,960</b>	<b>\$ 16,063,180</b>	<b>\$ 22,805,058</b>
Net Operating Position	<b>\$ (688,000)</b>	<b>\$ 3,871,500</b>	<b>\$ 561,295</b>

# Staff Recommendation

That the RCA Executive Committee –

- 1) Recommend that the RCA Board of Directors receive and file the Fiscal Year 2016 Third Quarter Financial Report; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

# **AGENDA ITEM NO. 8**

## **Attachment 2**

### **Detailed Financial Statements**

**Regional Conservation Authority  
Budget vs. Actual Comparison as of March 31, 2016  
General Fund - 935100 Operations**

**REVENUE**

Account	Account Description	Budget	Actual	% of Actual to Budget	Note No.	Projection through 6/30/16	Positive (Negative) Variance with Budget
722000	Participating Special Entities	\$ 50,000	\$ -	0%		\$ 10,000	\$ (40,000)
740020	Interest-Invested Funds	27,470	24,529	89%	1	32,705	5,235
740040	Interest-Other	-	1,611	N/A		1,611	1,611
769240	Other Gov MSHCP Infrastructure	100,000	36,400	36%	5	50,000	(50,000)
769260	Other Gov MSHCP Civic Projects	75,000	22,527	30%	6	50,000	(25,000)
771410	Flood Control District	156,370	285,056	182%	7	285,056	128,686
777860	Joint Project Review	90,000	88,936	99%		98,581	8,581
<b>Total Revenue</b>		<b>\$ 498,840</b>	<b>\$ 459,059</b>	<b>92%</b>		<b>\$ 527,953</b>	<b>\$ 29,113</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 116,100	\$ 84,455	73%		\$ 112,607	\$ 3,493
510440	Annual Leave Buydown	5,420	2,477	46%		4,954	466
515200	Retiree Health Insurance	790	237	30%		316	474
518100	Budgeted Benefits	42,140	31,122	74%		41,496	644
<b>Total Appropriation 1</b>		<b>164,450</b>	<b>118,291</b>	<b>72%</b>		<b>159,373</b>	<b>5,077</b>
520200	Communications	250	131	52%		175	75
520270	County Delivery Services	10	-	0%		10	-
520320	Telephone Service	150	92	61%		123	27
520350	IT Core Services	900	569	63%	11	759	141
520940	Insurance-Other	4,130	2,614	63%	12	3,485	645
521340	Maint-Communications Equipment	150	115	77%		153	(3)
521360	Maint-Computer Equipment	3,370	1,805	54%	13	2,407	963
521540	Maint-Office Equipment	735	292	40%		389	346
521640	Maint-Software	2,040	1,106	54%	14	1,475	565
523100	Memberships	665	658	99%		658	7
523230	Miscellaneous Expense	3,390	2,010	59%		2,680	710
523620	Books/Publications	100	-	0%		-	100
523640	Computer Equip-Non Fixed Asset	1,410	608	43%		1,410	0
523660	Computer Supplies	400	-	0%		200	200
523680	Office Equip Non Fixed Assets	100	21	21%		28	72
523700	Office Supplies	1,000	252	25%		536	464
523760	Postage-Mailing	580	373	64%		497	83
523800	Printing/Binding	500	4	1%		450	50
523840	Computer Equipment-Software	1,025	112	11%		449	576
524560	Auditing and Accounting	16,130	7,588	47%	15	16,117	13
524900	GIS Services	1,200	1,318	110%		1,318	(118)
525020	Legal Services	66,600	45,824	69%	16	64,099	2,501
525140	Personnel Services	1,050	789	75%	17	1,052	(2)
525300	OASIS Processing-Financials	1,715	1,288	75%	18	1,717	(2)
525310	OASIS Processing- HRMS	480	312	65%	18	416	64
526700	Rent-Lease Bldgs	19,470	14,603	75%	19	19,471	(1)
527780	Special Program Expense	900	900	100%		900	-
527840	Training-Education/ Tuition	300	83	28%		111	189
527980	Contracts	199,260	144,444	72%	20	198,592	668
528120	Board/Commission Expense	4,170	2,543	61%		3,391	779
528140	Conference/Registration Fees	200	67	34%		67	133
528900	Air Transportation	180	256	142%		256	(76)
528960	Lodging	300	92	31%		92	208
528980	Meals	810	392	48%		523	287
529000	Miscellaneous Travel Expense	30	36	120%		36	(6)
529040	Private Mileage Reimbursement	690	547	79%		709	(19)
<b>Total Appropriation 2</b>		<b>334,390</b>	<b>231,844</b>	<b>69%</b>		<b>324,751</b>	<b>9,639</b>
546140	Equipment-Office	-	-	0%		-	-
<b>Total Appropriation 4</b>		<b>-</b>	<b>-</b>	<b>0%</b>		<b>-</b>	<b>-</b>
<b>Total Expenditures</b>		<b>\$ 498,840</b>	<b>\$ 350,135</b>	<b>70%</b>		<b>\$ 484,124</b>	<b>\$ 14,716</b>
<b>Net Operating Position</b>		<b>\$ -</b>	<b>\$ 108,924</b>			<b>\$ 43,829</b>	<b>\$ 43,829</b>

**Regional Conservation Authority**  
**Budget vs. Actual Comparison as of March 31, 2016**  
**General Fund - 935300 Land Management and Monitoring**

**REVENUE**

Account	Account Description	Budget	Actual	% of Actual to Budget	Note No.	Projection through 06/30/16	Positive (Negative) Variance with Budget
722000	Participating Special Entities	\$ 50,000	\$ -	0%		\$ -	\$ (50,000)
740020	Interest-Invested Funds	27,750	24,755	89%	1	33,007	5,257
741000	Rents	69,250	55,951	81%	2	74,601	5,351
751680	CA-Grant Revenue	64,000	54,763	86%	3	54,763	(9,237)
771410	Flood Contrl District	163,200	189,238	116%	7	189,238	26,038
781360	Other Misc. Revenue	40,000	7,550	19%	9	20,000	(20,000)
781520	Tipping Fees	2,300,000	2,037,228	89%	10	2,436,304	136,304
<b>Total Revenue</b>		<b>\$ 2,714,200</b>	<b>\$ 2,369,485</b>	<b>87%</b>		<b>\$ 2,807,913</b>	<b>\$ 93,713</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 262,270	\$ 185,537	71%		\$ 247,383	\$ 14,887
510440	Annual Leave Buydown	17,555	5,354	30%		11,779	5,776
515200	Retiree Health Insurance	1,910	573	30%		764	1,146
518100	Budgeted Benefits	94,150	63,886	68%		85,181	8,969
<b>Total Appropriation 1</b>		<b>375,885</b>	<b>255,350</b>	<b>68%</b>		<b>345,107</b>	<b>30,778</b>
520200	Communications	7,250	5,497	76%		7,239	11
520270	County Delivery Services	15	-	0%		15	-
520320	Telephone Service	150	92	61%		123	27
520350	IT Core Services	900	569	63%	11	759	141
520940	Insurance-Other	12,100	7,708	64%	12	10,277	1,823
521340	Maint-Communications Equipment	150	115	77%		143	7
521360	Maint-Computer Equipment	8,410	1,804	21%	13	7,905	505
521500	Maint-Motor Vehicles	5,000	2,612	52%		3,983	1,017
521540	Maint-Office Equipment	735	318	43%		624	111
521640	Maint-Software	2,640	1,106	42%	14	2,475	165
523100	Memberships	665	658	99%		658	7
523230	Miscellaneous Expense	1,090	429	39%		772	318
523620	Books/Publications	100	-	0%		-	100
523640	Computer Equip-Non Fixed Asset	6,320	1,916	30%		6,055	265
523660	Computer Supplies	400	-	0%		300	100
523680	Office Equip Non Fixed Assets	100	21	21%		28	72
523700	Office Supplies	4,900	2,066	42%		3,955	945
523760	Postage-Mailing	680	252	37%		386	294
523800	Printing/Binding	400	4	1%		350	50
523840	Computer Equipment-Software	4,790	420	9%		4,260	530
524560	Auditing and Accounting	2,675	1,540	58%	15	2,053	622
524900	GIS Services	1,200	1,318	110%		1,318	(118)
525020	Legal Services	59,000	39,131	66%	16	55,175	3,825
525140	Personnel Services	1,050	789	75%	17	1,052	(2)
525300	OASIS Processing-Financials	1,715	1,288	75%	18	1,717	(2)
525310	OASIS Processing- HRMS	480	312	65%	18	416	64
526700	Rent-Lease Bldgs	103,255	77,438	75%	19	103,251	4
526910	Field Equipment-Non Assets	68,000	58,127	85%		59,000	9,000
527100	Fuel	20,000	6,351	32%		14,468	5,532
527780	Special Program Expense	2,500	900	36%		900	1,600
527840	Training-Education/ Tuition	300	83	28%		111	189
527880	Training-Other	4,000	-	0%		2,000	2,000
527980	Contracts	1,974,985	1,291,912	65%	20	1,912,549	62,436
528120	Board/Commission Expense	4,170	2,543	61%		3,791	379
528140	Conference/Registration Fees	200	67	34%		67	133
528900	Air Transportation	180	80	44%		80	100
528960	Lodging	300	92	31%		92	208
528980	Meals	360	108	30%		144	216
529000	Miscellaneous Travel Expense	30	36	120%		36	(6)
529040	Private Mileage Reimbursement	690	484	70%		645	45
529500	Electricity	930	673	72%		897	33
<b>Total Appropriation 2</b>		<b>2,302,815</b>	<b>1,508,859</b>	<b>66%</b>		<b>2,210,069</b>	<b>92,746</b>
535220	Assessments & HOA	35,500	35,217	99%		35,217	283
<b>Total Appropriation 3</b>		<b>35,500</b>	<b>35,217</b>	<b>99%</b>		<b>35,217</b>	<b>283</b>
<b>Total Expenditures</b>		<b>2,714,200</b>	<b>1,799,426</b>	<b>66%</b>		<b>\$ 2,590,393</b>	<b>\$ 123,807</b>
<b>Net Operating Position</b>		<b>\$ -</b>	<b>\$ 570,059</b>			<b>\$ 217,520</b>	<b>\$ 217,520</b>

**Regional Conservation Authority**  
**Budget vs. Actual Comparison as of March 31, 2016**  
**Capital Projects Fund - 935201 Land Acquisition**

**REVENUE**

Account	Account Description	Budget	Actual	% of Actual to Budget	Note No.	Projection through 6/30/16	Positive (Negative) Variance with Budget
711040	Measure A-Local St & Rds	\$ 3,000,000	\$ 3,000,000	100%		\$ 3,000,000	\$ -
722000	Participating Special Entities	100,000	-	N/A		-	(100,000)
740020	Interest-Invested Funds	44,780	51,424	115%	1	68,565	23,785
740040	Interest-Other	-	39	N/A		39	39
751680	CA-Grant Revenue	2,148,950	2,057,825	96%	3	2,057,825	(91,125)
766600	Fed-Capital Grants and Contrib	4,918,800	4,838,175	98%	4	4,838,175	(80,625)
771410	Flood Control District	290,430	290,430	100%	7	290,430	-
777170	Development Mitigation Fees	10,800,000	7,927,468	73%	8	10,622,000	(178,000)
777600	TUMF Revenue-Developer Fees	500,000	250,000	50%		500,000	-
781220	Capital Contributions & Donations	2,540,000	1,460,000	57%	22	1,930,000	(610,000)
781360	Other Miscellaneous Revenue	10,000	59,319	593%	9	59,319	49,319
<b>Total Revenue</b>		<b>\$ 24,352,960</b>	<b>\$ 19,934,680</b>	<b>82%</b>		<b>\$ 23,366,353</b>	<b>\$ (986,607)</b>

**EXPENDITURES**

510040	Regular Salaries	\$ 993,630	\$ 729,945	73%		\$ 977,260	\$ 16,370
510440	Annual Leave Buydown	54,025	30,450	56%		44,660	9,365
515200	Retiree Health Insurance	7,300	2,190	30%		2,920	4,380
518100	Budgeted Benefits	385,710	266,383	69%		360,177	25,533
<b>Total Appropriation 1</b>		<b>1,440,665</b>	<b>1,028,968</b>	<b>71%</b>		<b>1,385,017</b>	<b>55,648</b>
520200	Communications	2,000	955	48%		1,673	327
520270	County Delivery Services	75	-	0%		75	-
520320	Telephone Service	1,200	736	61%		981	219
520350	IT Core Services	7,200	4,550	63%	11	6,067	1,133
520940	Insurance-Other	31,900	21,901	69%	12	29,201	2,699
521340	Maint-Communications Equipment	1,200	923	77%		1,196	4
521360	Maint-Computer Equip	26,970	14,438	54%	13	25,251	1,719
521540	Maint-Office Equipment	5,880	2,311	39%		5,581	299
521640	Maint-Software	16,320	8,846	54%	14	14,995	1,325
523100	Memberships	5,320	5,261	99%		5,261	59
523230	Miscellaneous Expense	10,320	3,219	31%		7,292	3,028
523620	Books/Publications	800	-	0%		-	800
523640	Computer Equip-Non Fixed Asset	11,220	4,447	40%		10,429	791
523660	Computer Supplies	3,200	-	0%		3,000	200
523680	Office Equip Non Fixed Assets	800	164	21%		219	581
523700	Office Supplies	8,000	1,999	25%		7,165	835
523760	Postage-Mailing	4,640	1,775	38%		2,867	1,773
523800	Printing/Binding	4,000	30	1%		3,540	460
523840	Computer Equipment-Software	8,185	895	11%		7,593	592
524560	Auditing and Accounting	142,880	66,119	46%	15	128,159	14,721
524900	GIS Services	10,600	10,542	99%		10,542	58
525020	Legal Services	1,144,400	405,775	35%	16	691,033	453,367
525140	Personnel Services	8,420	6,310	75%	17	8,413	7
525300	OASIS Processing-Financials	13,730	10,300	75%	18	13,733	(3)
525310	OASIS Processing- HRMS	3,780	2,496	66%	18	3,328	452
526410	Legally Required Notices	300	-	0%		-	300
526700	Rent-Lease Bldgs	155,765	116,820	75%	19	155,760	5
527780	Special Program Expense	9,600	7,200	75%		7,200	2,400
527840	Training-Education/Tuition	2,400	665	28%		665	1,735
527980	Contracts	513,600	303,803	59%	20	465,071	48,529
528120	Board/Commission Expense	33,360	20,346	61%		27,128	6,232
528140	Conference/Registration Fees	1,600	536	34%		715	885
528280	Imaging Supplies	4,000	2,410	60%		3,213	787
528900	Air Transportation	7,140	2,388	33%		5,184	1,956
528920	Car Pool Expense	500	63	13%		84	416
528960	Lodging	7,400	2,907	39%		5,876	1,524
528980	Meals	5,730	1,409	25%		1,879	3,851
529000	Miscellaneous Travel Expense	1,140	459	40%		1,112	28
529040	Private Mileage Reimbursement	5,920	4,170	70%		5,560	360
529080	Rental Vehicles	400	-	0%		-	400
<b>Total Appropriation 2</b>		<b>2,221,895</b>	<b>1,037,168</b>	<b>47%</b>		<b>1,667,041</b>	<b>554,854</b>
534000	Interest Notes-Warrants	33,000	23,000	70%	21	23,000	10,000
<b>Total Appropriation 3</b>		<b>33,000</b>	<b>23,000</b>	<b>70%</b>		<b>23,000</b>	<b>10,000</b>
540040	Land	21,255,400	13,958,641	66%	22	19,680,000	1,575,400
540060	Improvements-Land	90,000	15,403	17%		50,000	40,000
<b>Total Appropriation 4</b>		<b>21,345,400</b>	<b>13,974,044</b>	<b>65%</b>		<b>19,730,000</b>	<b>1,615,400</b>
<b>Total Expenditures</b>		<b>\$ 25,040,960</b>	<b>\$ 16,063,180</b>	<b>64%</b>		<b>\$ 22,805,058</b>	<b>\$ 2,235,902</b>
<b>Net Operating Position</b>		<b>\$ (688,000)</b>	<b>\$ 3,871,500</b>			<b>\$ 561,295</b>	<b>\$ 1,249,295</b>

**Regional Conservation Authority**  
**Notes to Financial Reports**  
**as of March 31, 2016**

	Operations	Land Management & Monitoring	Land Acquisition	Total RCA
<b>REVENUES:</b>				
1) Interest from Riverside County Treasurer Pool Investment Fund:				
1st quarter interest at 0.46%	\$8,025	\$8,099	\$15,526	\$31,650
2nd quarter interest at 0.55%	8,252	8,328	17,949	34,529
3rd quarter interest (Estimated)	8,252	8,328	17,949	34,529
Total Interest	<b>\$24,529</b>	<b>\$24,755</b>	<b>\$51,424</b>	<b>\$100,708</b>
2) Rent revenues from the following sources:				
Goodhart		\$4,198		
KCAA Radio, Cordova		4,500		
Archery Club		2,250		
T-Mobile cell tower lease		39,152		
Lockheed lease		750		
Beekeepers		5,100		
Total Rent		<b>\$55,951</b>		
3) State revenues were received for the following purposes:				
NCCP Local Assistance Grant -Tricolor Blackbird Grant		\$54,763		\$54,763
Kaelin #2 - State 35% Match			873,675	873,675
Lloyd, James - State 35% Match			113,750	113,750
McCormick - State 30% Match			63,000	63,000
Dyer/Wynn - State 30% Match			121,200	121,200
Bautista - State 22% Match			841,200	841,200
TNC Caramello -State 30% Match			45,000	45,000
Total State		<b>\$54,763</b>	<b>\$2,057,825</b>	<b>\$2,112,588</b>
4) Federal funds were received for the following property acquisitions:				
Kaelin #2 - Federal 65%			\$1,601,325	
Lloyd, James Federal 65%			211,250	
McCormick - Federal 70%			147,000	
Dyer/Wynn -Federal 70%			282,800	
Bautista - Federal 65%			2,490,800	
TNC Caramello -Federal 70%			105,000	
Total Federal			<b>\$4,838,175</b>	
5) Infrastructure contributions from Member Agencies:				
City of Moreno Valley-Veteran's Way Widening	\$5,680			
City of Beaumont-Brookside Bridge	6,961			
City of Norco -Hamner Storm Drain Imprv	23,760			
Total Infrastructure	<b>\$36,400</b>			
6) Civic contributions from Member Agencies:				
City of Lake Elsinore-Whiskers Beach Parking Lot	\$1,728			
City of Temecula -Park & Ride Facility	20,799			
Total Civic	<b>\$22,527</b>			
7) Contributions from Riverside County Flood Control:				
Hemet MDP Line C, Stage 4	\$145,152			\$145,152
Homeland MDP Line 1, Stage 1	139,903		290,430	430,333
Santa Ana Canyon-Prado Inland Empire Brine Line		189,238		189,238
Total Flood Control	<b>\$285,056</b>	<b>\$189,238</b>	<b>\$290,430</b>	<b>\$764,724</b>

**Regional Conservation Authority**  
**Notes to Financial Reports**  
**as of March 31, 2016**

Operations	Land Management & Monitoring	Land Acquisition	Total RCA
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**REVENUES (Continued):**

8) Mitigation fees through 03/31/16 are as follows:

City of Banning	\$0
City of Beaumont	481,687
City of Calimesa	147,890
City of Canyon Lake	17,568
City of Corona	380,779
City of Eastvale	1,576,168
City of Hemet	103,456
City of Jurupa Valley	782,691
City of Lake Elsinore	55,685
City of Menifee	576,114
City of Moreno Valley	302,009
City of Murrieta	644,644
City of Norco	22,739
City of Perris	1,157,912
City of Riverside	483,801
City of San Jacinto	83,197
City of Temecula	139,617
City of Wildomar	75,701
County of Riverside	895,810
Total Mitigation	\$7,927,468

9) Miscellaneous Revenues were received as follows:

Deposit Agreements	\$59,319	\$59,319
Burrowing Owl Donation	7,550	7,550
Total Miscellaneous Revenues	\$7,550	\$66,869

10) RCA receives \$1.50 per ton for the out-of-county tonnage. In addition, RCA receives a maximum of \$400,000 annually for the in-county tonnage.

	Out-of-County Tonnage	Revenue at \$1.50 per ton
July 2015	151,281	\$226,921
August 2015	148,312	222,468
September 2015	143,153	214,729
October 2015	147,404	221,106
November 2015	133,720	200,580
December 2015	161,894	242,841
January 2016	144,389	216,583
February 2016	136,085	204,128
March 2016 (Estimated)	145,780	218,669
Prior Year Estimate Adjusted	12,802	19,202
In-County Contribution		50,000
	1,324,818	\$2,037,228

11) RCIT Core Services

Twelve months at \$632 per month	\$569	\$569	\$4,550	\$5,688
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**Regional Conservation Authority**  
**Notes to Financial Reports**  
**as of March 31, 2016**

	Operations	Land Management & Monitoring	Land Acquisition	Total RCA
<b>EXPENDITURES:</b>				
12) Insurance provided by SDRMA:				
General & Property	\$2,614	\$2,608	\$21,901	\$27,123
Vehicle Insurance		5,099		5,099
Total Insurance- six months	<b>\$2,614</b>	<b>\$7,708</b>	<b>\$21,901</b>	<b>\$32,223</b>
13) Computer equipment maintenance:				
RCIT monthly charges of approx. \$2,005/month	\$1,805	\$1,804	\$14,438	\$18,046
Total Computer Equipment and Maintenance	<b>\$1,805</b>	<b>\$1,804</b>	<b>\$14,438</b>	<b>\$18,046</b>
14) Software maintenance is as follows:				
ESRI Annual Software Maintenance	\$683	\$683	\$5,460	\$6,825
RCIT-Microsoft Enterprise	270	270	2,160	2,700
RCIT-Outlook monthly charge \$170	153	153	1,226	1,533
Total Charges	<b>\$1,106</b>	<b>\$1,106</b>	<b>\$8,846</b>	<b>\$11,058</b>
15) Auditing and Accounting consists of the following:				
Vavrinek, Trine, Day & Co.	\$6,919	\$1,266	\$63,701	\$71,886
County Auditor-Controller's Office	669	274	2,418	3,362
Total Auditing and Accounting	<b>7,588</b>	<b>\$1,540</b>	<b>\$66,119</b>	<b>\$75,248</b>
16) Legal Services as follows:				
Best, Best and Krieger	\$45,824	\$39,131	\$269,025	\$353,980
Legal Settlement			136,750	136,750
Total Legal Services	<b>\$45,824</b>	<b>\$39,131</b>	<b>\$405,775</b>	<b>\$490,730</b>
17) Personnel services by County Human Resources:				
Approx. \$956 per employee annually	<b>\$789</b>	<b>\$789</b>	<b>\$6,310</b>	<b>\$7,887</b>
18) RCIT-Financial System fee charge:				
Financial Software \$1,430 monthly	1,288	1,288	10,300	\$12,875
HRMS-Payroll \$347 monthly	312	312	2,496	3,120
Total paid for Financial System	<b>\$1,600</b>	<b>\$1,600</b>	<b>\$12,796</b>	<b>\$15,995</b>
19) Rent & lease building cost:				
RCA office monthly rent \$16,225	\$14,603	\$14,603	\$116,820	\$146,026
Monitoring office monthly rent \$6,982		62,835		62,835
Total Rent	<b>\$14,603</b>	<b>\$77,438</b>	<b>\$116,820</b>	<b>\$208,861</b>
20) Contract services are as follows:				
Capitol Alliance Consulting			\$50,625	\$50,625
Dudek	140,462	23,881	49,423	213,766
Economic & Planning Systems*	691	691	5,528	6,910
Facilities Management		1,618	41,730	43,349
Geographics	991	855	6,838	8,683
Hogan Lovells - Wheeler Lobbying			112,500	112,500
Kidd Biological*		4,700		4,700
Parks & Open-Space Dist.-Land Mgt.		597,861	16,726	614,588
SAWA		660,006		660,006
Tom Mullen (reimbursable expenditures only)			2,033	2,033
William P. Egetter*	2,300	2,300	18,400	23,000
Total Contracts	<b>\$144,444</b>	<b>\$1,291,912</b>	<b>\$303,803</b>	<b>\$1,740,159</b>

\* Contracts approved under Executive Director Authority.

**Regional Conservation Authority**  
**Notes to Financial Reports**  
**as of March 31, 2016**

Operations	Land Management & Monitoring	Land Acquisition	Total RCA
------------	------------------------------------	---------------------	-----------

**EXPENDITURES (Continued):**

21)	Interest to Riverside County on Loan	
	Interest rate at average 2015 Treasurer Pool Investment rate of 0.46%	\$23,000
22)	Land acquisition costs are as follows:	
	Land and Conservation Easements donated to the Authority:	
	RCTC Donation	\$675,000
	Soboba Donation Ph 3	120,000
	Temecula Escarpment Donation	665,000
	Subtotal Donated Properties	\$1,460,000
	Properties Acquired:	
	Kaelin #2 Property	\$2,482,673
	Constanzo Property	33,188
	Tax Sale Parcels 2013	288,832
	Tax Sale Parcels 2014	30,316
	Inland Premier Phase II	455,664
	Sheffield Property	158,536
	McCormick property	211,754
	Stearns/Estudillo Property	131,789
	Dyer/Wynn Project	408,616
	Lloyd Property	327,052
	Parry Property	51,000
	O'Connor Ph V	300,754
	Anheuser Busch Ph V	3,001,225
	Bautista Canyon	3,839,664
	TNC/Caramello Property	151,525
	Shoppe Property	231,809
	Consultants Costs:	
	Facilities Management	347,019
	Parks & Open-Space Dist.	4,881
	BBK - Third Party Appraisals	20,000
	EEI*	2,250
	Escrow Charges	20,095
	Total Land Acquisition Costs	\$13,958,641

# **AGENDA ITEM NO. 8**

## **Attachment 3**

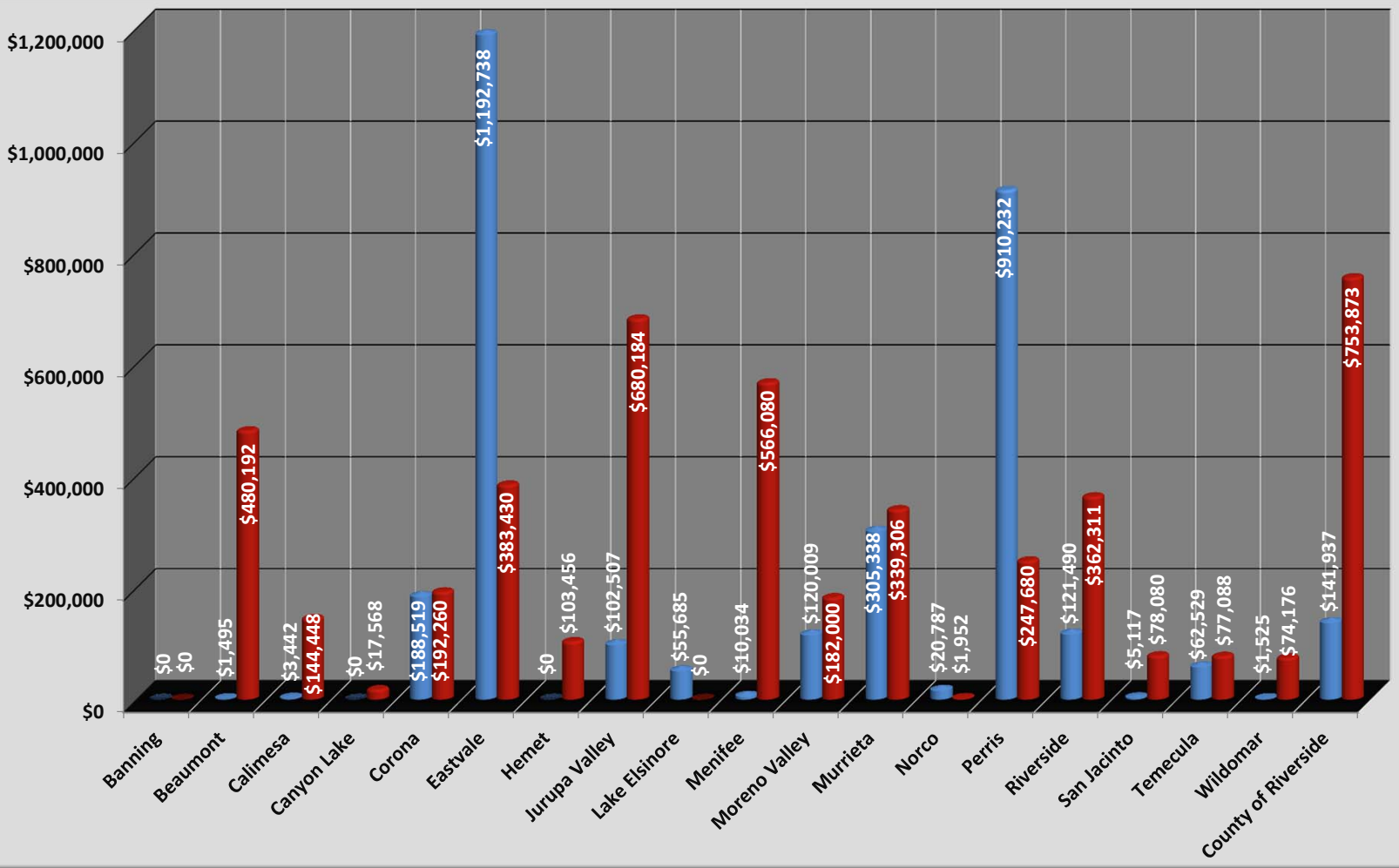
### **MSHCP Fee Collection Report**

**REGIONAL CONSERVATION AUTHORITY**  
**MSHCP MITIGATION FEE COLLECTIONS BY MEMBER AGENCY**  
**FISCAL YEAR 2016**

BASED ON ACCRUAL BASIS (Month reported by City)

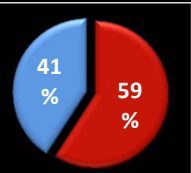
<b>COUNTY AND CITIES:</b>	<b>JUL 2015</b>	<b>AUG 2015</b>	<b>SEP 2015</b>	<b>OCT 2015</b>	<b>NOV 2015</b>	<b>DEC 2015</b>	<b>JAN 2016</b>	<b>FEB 2016</b>	<b>MAR 2016</b>	<b>TOTALS FY 2016</b>	<b>PERCENT OF TOTAL</b>
<b>CITY OF BANNING</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	<b>0.0%</b>
<b>CITY OF BEAUMONT</b>	19,520	40,992	60,512	81,984	98,929	39,040	37,088	27,328	76,294	481,687	<b>6.1%</b>
<b>CITY OF CALIMESA</b>	-	31,232	-	-	-	74,176	-	39,040	3,442	147,890	<b>1.9%</b>
<b>CITY OF CANYON LAKE</b>	-	3,904	1,952	-	-	-	1,938	3,904	5,870	17,568	<b>0.2%</b>
<b>CITY OF CORONA</b>	185,357	-	165,926	3,904	5,856	-	19,736	-	-	380,779	<b>4.8%</b>
<b>CITY OF EASTVALE</b>	1,250,967	23,033	77,013	25,376	38,935	29,280	15,616	67,148	48,800	1,576,168	<b>19.9%</b>
<b>CITY OF HEMET</b>	19,520	-	23,424	7,808	15,616	-	19,520	15,616	1,952	103,456	<b>1.3%</b>
<b>CITY OF JURUPA VALLEY</b>	150,784	154,015	70,272	31,856	39,040	37,088	101,504	28,308	169,824	782,691	<b>9.9%</b>
<b>CITY OF LAKE ELSINORE</b>	-	-	-	-	-	-	23,258	-	32,428	55,685	<b>0.7%</b>
<b>CITY OF MENIFEE</b>	101,454	54,656	124,928	47,172	17,568	42,944	148,352	19,520	19,520	576,114	<b>7.3%</b>
<b>CITY OF MORENO VALLEY</b>	-	-	1,952	18,972	95,315	-	113,680	14,146	57,945	302,009	<b>3.8%</b>
<b>CITY OF MURRIETA</b>	1,938	-	25,888	1,952	333,450	-	249,188	-	32,228	644,644	<b>8.1%</b>
<b>CITY OF NORCO</b>	-	-	10,753	-	-	-	10,034	1,952	-	22,739	<b>0.3%</b>
<b>CITY OF PERRIS</b>	27,132	74,453	52,172	201,153	422,209	25,376	27,328	269,530	58,560	1,157,912	<b>14.6%</b>
<b>CITY OF RIVERSIDE</b>	8,374	142,043	8,840	12,092	207,512	31,858	5,856	57,774	9,452	483,801	<b>6.1%</b>
<b>CITY OF SAN JACINTO</b>	-	-	33,184	4,851	11,712	17,568	-	-	15,882	83,197	<b>1.0%</b>
<b>CITY OF TEMECULA</b>	-	15,504	9,564	19,603	42,595	17,900	1,952	18,750	13,750	139,617	<b>1.8%</b>
<b>CITY OF WILDOMAR</b>	24,949	9,760	-	-	23,424	15,616	-	-	1,952	75,701	<b>1.0%</b>
<b>COUNTY OF RIVERSIDE (LMS)</b>	169,810	95,803	124,341	145,527	100,105	62,372	27,254	77,542	93,057	895,810	<b>11.3%</b>
<b>TOTAL COUNTY AND CITIES</b>	<b>\$ 1,959,806</b>	<b>\$ 645,394</b>	<b>\$ 790,721</b>	<b>\$ 602,248</b>	<b>\$ 1,452,265</b>	<b>\$ 393,218</b>	<b>\$ 802,303</b>	<b>\$ 640,557</b>	<b>\$ 640,955</b>	<b>\$ 7,927,468</b>	<b>100.0%</b>
<b>OTHER</b>											
<b>FLOOD CONTROL</b>	\$ -	\$ 145,152	\$ 189,238	\$ -	\$ -	\$ 430,333	\$ -	\$ -	\$ -	\$ 764,724	<b>92.8%</b>
<b>OTHER GOV MSHCP INFRASTRUCTURE</b>	-	-	5,680	-	-	-	30,721	-	-	36,400	<b>4.4%</b>
<b>OTHER GOV MSHCP CIVIC PROJECTS</b>	-	-	-	-	-	1,728	-	20,799	-	22,527	<b>2.7%</b>
<b>TOTAL OTHER</b>	<b>\$ -</b>	<b>\$ 145,152</b>	<b>\$ 194,918</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 432,061</b>	<b>\$ 30,721</b>	<b>\$ 20,799</b>	<b>\$ -</b>	<b>\$ 823,651</b>	<b>100.0%</b>
<b>GRAND TOTAL</b>	<b>\$ 1,959,806</b>	<b>\$ 790,547</b>	<b>\$ 985,639</b>	<b>\$ 602,248</b>	<b>\$ 1,452,265</b>	<b>\$ 825,279</b>	<b>\$ 833,023</b>	<b>\$ 661,356</b>	<b>\$ 640,955</b>	<b>\$ 8,751,119</b>	

**Fiscal Year 2016  
MSHCP Development Mitigation Fee Revenues  
July 1, 2015 through March 31, 2016**



**Commercial**  
\$3,243,384

**Residential**  
\$4,684,084



# **AGENDA ITEM NO. 10**

**RESOLUTION NO. 2016-010,  
*RESOLUTION OF THE BOARD  
OF DIRECTORS OF THE WESTERN  
RIVERSIDE COUNTY  
REGIONAL CONSERVATION AUTHORITY  
(RCA) ADOPTING A FUND BALANCE POLICY***

*Regional Conservation Authority***RESOLUTION NO. 2016-010, RESOLUTION OF THE BOARD  
OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY  
REGIONAL CONSERVATION AUTHORITY (RCA)  
ADOPTING A FUND BALANCE POLICY****Staff Contact:****Honey Bernas  
Director of Administrative Services  
(951) 955-2842****Background:**

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*, with the intent of enhancing the usefulness of fund balance information by providing clearer fund balance classifications to be consistently applied by governmental funds. This statement was applicable to all governments effective June 30, 2011. This standard did not change the total amount of a given fund balance, but it created new categories and terminology used to describe the components that make up the fund balance. The RCA implemented this statement during Fiscal Year 2011 and fund balances were reclassified in accordance with the statement at implementation.

Since its implementation in FY2011, the RCA has adhered to the Government Finance Officers Association (GFOA) recommended best practices on fund balance. In an effort to formalize the practices, the attached Fund Balance Policy is presented for consideration. The policy explains the five components of fund balance (Nonspendable, Restricted, Committed, Assigned, Unassigned) as defined by GASB 54.

Committed Fund Balance is defined by GASB 54 as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (i.e., a resolution) it employed to previously commit those amounts. This policy provides that only the RCA's Board of Directors has the authority to *commit* fund balance for specific purposes, as deemed necessary through the adoption of a resolution.

Assigned Fund Balance is defined by GASB as amounts that are constrained by the entity's intent to be used for specific purposes, but are neither restricted nor committed. This policy delegates the authority to *assign* unassigned fund balance to the RCA's Executive Director for inclusion in the annual financial reports.

GASB 54 does not require, but recommends, a minimum fund balance policy. The GFOA recommends that governments implement a minimum General Fund unrestricted fund balance of no less than two months of regular General Fund operating revenues or regular General Fund operating expenditures. In a conservative approach, RCA staff recommends adopting a policy to maintain a minimum of 12 months (100%) of the next year's General Fund annual budgeted expenditures in unrestricted (i.e., committed, assigned and unassigned) fund balance. On May 2, 2016, the RCA Board of Directors approved the Fiscal Year 2017 Operating and Capital Budget which included the General Fund operating expenditures at \$3.4 million. The General Fund's unrestricted fund balance as of June 30, 2015, the most recent audited financial statements, was \$17.3 million. Staff projects the June 30, 2016 General Fund's unrestricted fund balance at \$17.6 million, which surpasses the proposed minimum unrestricted fund balance.

**Staff Recommendations:**

That the RCA Executive Committee:

- 1) Recommend that the RCA Board Directors adopt Resolution No. 2016-010 adopting a Fund Balance Policy; and
- 2) Authorize staff to agendize this matter for the June 6, 2016 meeting of the RCA Board of Directors.

**Attachments:**

1. Resolution No. 2016-010
2. Fund Balance Policy



# **AGENDA ITEM NO. 10**

## **Attachment 1 Resolution No. 2016-10**

## RESOLUTION NO. 2016-010

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY APPROVING THE FUND BALANCE POLICY

**WHEREAS**, the Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed the terminology used for fund balance reporting on balance sheets of Governmental Funds; and

**WHEREAS**, the RCA has considered Fund Balance Policy RCA-GA-004 which outlines the RCA's policy and procedures in relation to governmental fund balances; and

**WHEREAS**, the GASB Statement defines *restricted* amounts as resources that are subject to externally enforceable legal restrictions for a specific purpose; and

**WHEREAS**, the GASB Statement defines *committed* amounts as those resources that are constrained to specific purposes by a formal action of the government's highest level of decision-making authority. This policy provides that only the RCA's Board of Directors has the authority to commit fund balance by adoption of a formal resolution; and

**WHEREAS**, for financial statement reporting purposes, the GASB Statement defines *assigned* amounts as those the government intends to use for a specific purpose. This policy delegates to the RCA Executive Director the authority to *assign* unassigned fund balance amounts; and

**WHEREAS**, the GASB Statement defines *unassigned* amounts as the residual fund balance in the General Fund that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes.

**WHEREAS**, when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the RCA's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the RCA's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance; and

**WHEREAS**, the RCA has established a General Fund minimum fund balance policy. At the end of each fiscal year, the General Fund should have a minimum unrestricted fund balance of 100% of the next fiscal year's General Fund annual budgeted operating expenditures. This target amount has been established in order to provide a reasonable level of assurance that the RCA's day-to-day operations will be able to continue even if circumstances occur where revenues are insufficient to cover expenditures. The minimum fund balance is shown in the annual financial statements as unassigned fund balance.

**NOW, THEREFORE, BE IT RESOLVED** that the RCA Board of Directors hereby approves the attached Fund Balance Policy.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Western Riverside County Regional Conservation Authority held the 6<sup>th</sup> day of June, 2016.

BY: \_\_\_\_\_  
Eugene Montanez, Chairman  
Western Riverside County  
Regional Conservation Authority

ATTEST:

BY: \_\_\_\_\_  
Honey Bernas, Clerk of the Board  
Western Riverside County  
Regional Conservation Authority

# **AGENDA ITEM NO. 10**

## **Attachment 2 Fund Balance Policy**



<b>SECTION:</b>	<b>2C</b>	<b>CATEGORY:</b> General Accounting – Fund Balance Policy
<b>RESOLUTION NO:</b> <b>POLICY NO:</b>	2016-010 RCA-GA 004	<b>APPROVED BY:</b>
<b>DATE APPROVED:</b>	6-6-16 (tentative)	<b>AGENDA ITEM:</b>

**PURPOSE:** To establish guidelines for reporting fund balance within the annual financial statements of the Western Riverside County Regional Conservation Authority (RCA).

**SCOPE:** This policy applies to all governmental funds of the RCA: General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. As of the implementation of this policy, the RCA only has a General Fund and a Capital Project Fund.

**DEFINITIONS:**

**Fund balance** is essentially the difference between the assets and liabilities reported in the RCA's governmental funds. There are five separate components of fund balance (i.e., nonspendable, restricted, committed, assigned and unassigned), each of which identifies the extent to which a government is bound to honor constraints on the specific purposes for which amounts can be spent. The five components of fund balance are as follows:

**Restricted:**

***Nonspendable Fund Balance*** – Resources that are a) not in spendable form (such as inventories, prepaids, long-term receivables, or property held for resale), or b) legally or contractually required to be maintained intact (such as an endowment's principal amount).

***Restricted Fund Balance*** – Resources that are subject to externally enforceable legal restrictions. These restrictions would be either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation.

**Unrestricted:**

***Committed Fund Balance*** – Resources that are constrained to specific purposes by a formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously

commit those amounts. The formal action to commit fund balance must occur prior to the end of the reporting period, but the amount which will be subject to the constraint, may be determined in the subsequent period.

**Assigned Fund Balance** – Resources that are constrained by the government’s intent to be used for specific purposes, but that are neither restricted nor committed.

**Unassigned Fund Balance** – In the General Fund, the residual fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes. In other Governmental Funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned for those purposes, it may be necessary to report a negative unassigned fund balance.

**POLICY:**

1. With regard to **Committed Fund Balance**, the RCA’s highest level of decision-making authority is the RCA’s Board of Directors. Only the RCA Board of Directors may *commit* fund balances through adoption of a formal resolution. Those committed amounts cannot be used for any other purpose unless the RCA Board of Directors removes or changes the specified use by adoption of a resolution.
2. With regard to **Assigned Fund Balance**, this policy delegates to the RCA Executive Director the authority to *assign* unassigned fund balance amounts where the RCA’s intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.
3. When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the RCA’s policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the RCA’s policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance.
4. The RCA has established a General Fund minimum fund balance policy. At the end of each fiscal year, the General Fund should have a minimum unrestricted (committed, assigned or unassigned) fund balance of 100% of the next year’s General Fund annual budgeted operating expenditures. This target amount has been established in order to provide a reasonable level of assurance that the RCA’s day-to-day operations will be able to continue even if circumstances occur where revenues are insufficient to cover expenditures. The General Fund’s minimum fund balance policy is to be reported in the notes to the annual financial statements. The minimum fund balance is shown in the annual financial statements as unassigned fund balance.

This policy has been prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.

# **AGENDA ITEM NO. 11**

**DRAFT RESOLUTION NO. 2016-XXX  
RESOLUTION OF THE BOARD OF  
DIRECTORS OF THE  
WESTERN RIVERSIDE COUNTY  
REGIONAL CONSERVATION  
AUTHORITY IMPLEMENTING  
A POLICY REQUIRING A  
TOLLING/WAIVER AGREEMENT  
BY MEMBER AGENCIES  
DURING THE RESOLUTION  
OF CERTAIN FEE ISSUES**



*Regional Conservation Authority*

**DRAFT RESOLUTION NO. 2016-XXX  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION  
AUTHORITY IMPLEMENTING A POLICY REQUIRING A  
TOLLING/WAIVER AGREEMENT BY MEMBER AGENCIES  
DURING THE RESOLUTION OF CERTAIN FEE ISSUES**

**Staff Contact:**

**Steven DeBaun, General Counsel  
(951) 686-1450**

**Background:**

The RCA audits the Member Agencies' fee collection and remittance on an annual basis. When questions or discrepancies arise, the RCA and Member Agencies work to amicably resolve any issues which may arise. The discussions to resolve audit discrepancies between the RCA and a Member Agency often involve a lengthy time period due to discussion with the Executive Committee, staff, supervisors, directors, boards and city councils. In an effort to allow the RCA and its Member Agencies time for discussion and resolution of any audit findings or disputes without the pressure of statute of limitations, the RCA Executive Committee directed legal counsel to draft a policy requiring Member Agencies who have outstanding audit findings to enter into a tolling agreement and waiving certain procedural defenses.

Attached for the Executive Committee's review and discussion is a draft policy requiring a tolling/waiver agreement by Member Agencies during the resolution of certain fee issues. Under the policy, Member Agencies will be required to sign a tolling agreement within 90 days of receiving notice of fee discrepancies identified in future audits. For existing audit findings for which the Member Agency was notified prior to the adoption of the Resolution and after July 1, 2013, the Member Agency must sign the tolling agreement within 90 days of the effective date of the Resolution.

If the Member Agency fails to sign the tolling agreement within the time frames set forth above, the Resolution provides that the RCA Board of Directors may withdraw Measure A certification of such agency.

The policy does not forgive fee disputes arising prior to July 1, 2013. The policy expressly states that it does not excuse the payment of any outstanding fees and that all Member Agencies with existing fee disputes must continue to work in good faith to resolve them.

Because the nature of this policy deals with MSHCP compliance rather than establishing Member Agency procedures, RCA has not circulated this policy to Member Agencies for review and comment.

**Agenda Item No. 11 Staff Report**

**Page 2**

**May 18, 2016**

**Staff Recommendation:**

That the RCA Executive Committee review and provide staff direction concerning the draft tolling/waiver policy.

**Attachment:**

Draft Resolution No. 2016-XXX, *Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Requiring a Tolling/Waiver Agreement by Member Agencies During the Resolution of Certain Fee Issues*

# **AGENDA ITEM NO. 11**

## **Attachment**

***Draft Resolution No. 2016-XXX, Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Requiring a Tolling/Waiver Agreement by Member Agencies During the Resolution of Certain Fee Issues***

**DRAFT**

**RESOLUTION NO. 2016-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WESTERN RIVERSIDE COUNTY REGIONAL  
CONSERVATION AUTHORITY IMPLEMENTING  
A POLICY REQUIRING A TOLLING/WAIVER  
AGREEMENT BY MEMBER AGENCIES DURING THE  
RESOLUTION OF CERTAIN FEE ISSUES**

**WHEREAS**, the Western Riverside County Regional Conservation Authority (the "RCA") is a public agency of the State of California formed by a Joint Exercise of Powers Agreement ("JPA"); and

**WHEREAS**, the RCA is composed of the County of Riverside and the 18 cities in western Riverside County ("Member Agencies");

**WHEREAS**, pursuant to Section 17 of the JPA, the RCA has the power to adopt such rules and regulations as the Board may deem necessary for the conduct of the RCA's affairs; and

**WHEREAS**, the RCA desires to ensure a consistent and adequate flow of fee revenues to support its operations, consistent with the intent of the Western Riverside County Multiple Species Habitat Conservation Plan ("MSHCP"), the MSHCP Implementing Agreement ("IA"), and the JPA; and

**WHEREAS**, the Member Agencies have adopted a fee ordinance ("Fee Ordinance") requiring each Member Agency to collect and remit the Local Development Mitigation Fee ("LDMF") to the RCA; and

**WHEREAS**, Resolution No. 07-04 requires the remittance of LDMF on a monthly basis; and

**WHEREAS**, Resolution No. 07-04 requires that Member Agencies remit contributions for qualified infrastructure and civic projects within 90 days of the contract being issued for such projects;

**WHEREAS**, Section 6.6.2(C) of the MSHCP requires the RCA to ensure the transmission of the LDMF from each Member Agency to the RCA; and

**WHEREAS**, Member Agency fee audits will occasionally identify LDMFs and contributions for qualified infrastructure and civic projects owed to the RCA by a Member Agency; and

**WHEREAS**, the audit process necessarily reviews past fiscal years and also may be delayed during the information gathering process; and

**WHEREAS**, the discussions to resolve audit discrepancies between the RCA and a Member Agency usually involves a lengthy time period due to discussions with executive committees, staff, supervisors, directors, boards and city councils; and

**WHEREAS**, in order to allow time for discussion and resolution of any audit disputes without prejudice to Member Agencies or the RCA, the RCA has determined that such a Member Agency should be required to enter into an agreement tolling and waiving certain procedural defenses; and

**WHEREAS**, the Measure A sales tax ordinance adopted by the Riverside County Transportation Commission requires the Member Agencies to participate in the MSHCP as a condition of receiving Measure A local street and roads funds; and

**WHEREAS**, to comply with Measure A, the RCA is required to certify on an annual basis that the Member Agencies are properly participating in the MSHCP, which includes the collection and remittance of LDMFs and civic/infrastructure contributions; and

**WHEREAS**, the RCA and the Member Agencies wish to amicably resolve all issues related to LDMFs and civic/infrastructure contributions.

**NOW, THEREFORE, BE IT RESOLVED** by the Western Riverside County Regional Conservation Authority Board of Directors that:

I. TOLLING/WAIVER AGREEMENT.

- A. Within ninety (90) days after 1) the date the draft audit report is issued by the auditor to a Member Agency which indicates the potential for a delinquency in the payment of LDMFs or civic/infrastructure contributions by that Member Agency or 2) the date that RCA staff first notifies the Member Agency in writing of a delinquency in the payment of LDMF or civic/infrastructure contributions by the Member Agency, the Member Agency shall enter into a tolling/waiver agreement in substantial compliance with the sample tolling/waiver agreement attached to this Resolution as Exhibit "A."
- B. If the Member Agency has first received a draft audit or other notification from RCA dated prior to the Effective Date of this Resolution and on or after July 1, 2013 regarding delinquency(ies) in the payment of LDMF or civic/infrastructure contributions by the Member Agency (the "Delinquency Notice"), the tolling/waiver agreement must be entered within ninety (90) days of the effective date of this Resolution. As part of the tolling/waiver agreement the Member Agency shall agree to tolling the statute of limitations and to waive certain procedure defenses regarding the disputed LDMF or civic/infrastructure payments related to the Delinquency Notice. The tolling/waiver agreement shall be in substantial compliance with the sample tolling/waiver agreement attached to the Resolution as Exhibit "A."

- C. Failure to enter into a tolling/waiver agreement as required in this Section I or to otherwise resolve the payment of delinquent LDMFs or civic/infrastructure contributions by a Member Agency may result in the loss of Measure A certification to the Member Agency as determined by RCA Board of Directors.
  - D. This resolution shall not be read to excuse the payment of any delinquent LDMF or civic/infrastructure contributions by a Member Agency. All Member Agencies are expected to continue a good faith negotiation with RCA to resolve any outstanding disputes regarding delinquent LDMF or civic/infrastructure contributions regardless of when they were originally due.
- II. REPORTING. The Executive Director shall provide periodic reports to the Executive Committee of the progress, if any, concerning the payment of delinquent LDMFs.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of the Western Riverside County Regional Conservation Authority held this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

By: \_\_\_\_\_  
Eugene Montanez, Chairman  
Western Riverside County  
Regional Conservation Authority

ATTEST:

By: \_\_\_\_\_  
Honey Bernas, Clerk of the Board  
Western Riverside County  
Regional Conservation Authority

## **EXHIBIT A**

### **Attachment to Resolution 2016-XXX**

#### **TOLLING AGREEMENT**

This Tolling Agreement (“Agreement”) is made effective as of the \_\_\_\_ day of \_\_\_\_\_, 2016 by and between the Western Riverside County Regional Conservation Authority (“RCA”) and the City/County of \_\_\_\_ (“City/County”). RCA and the City/County may be referred to collectively as “Parties” and individually as “Party.”

#### **RECITALS**

- A. The RCA is a governmental agency, created pursuant to the provisions of the California Government Code section 6500 et seq.;
- B. The City/County is a California municipal corporation located within western Riverside County;
- C. The City/County adopted a fee ordinance (“Fee Ordinance”) requiring the City/County to collect and remit the Local Development Mitigation Fee (“LDMF”) to the RCA;
- D. Resolution No. 07-04 requires the RCA to ensure the transmission of the LDMF from each Member Agency to the RCA on a monthly basis;
- E. The Parties desire that the City/County and RCA defer or avoid litigation at this time regarding any and all petitions, rights, causes of action, counter claims, cross claims, claims and defenses arising from the alleged failure to pay the amounts legally due under the MSHCP adopted by the City/County, if any, that the City/County has collected and withheld, or should have collected, under any City Fee Ordinance imposing the LDMF within its city limits. The City/County was notified of certain disputed LDMF and/or civic/infrastructure payment deficiency [identified in an audit of the City’s/County’s LDMF and/or civic/infrastructure payments dated [DATE OF DRAFT AUDIT]] [or notification from RCA staff on XXXXX], but the scope of this dispute includes any or all LDMF and/or civic/infrastructure contributions that the City/County has collected and withheld, or should have collected within the tolling period identified herein. The City/County contends that it has complied with the provisions of City’s/County’s MSHCP Fee Ordinance and the MSHCP or Resolution No. 07-04 (collectively, the “Dispute”);
- F. The Parties acknowledge that there may be disputes as to the amount of LDMFs and/or civic/infrastructure contributions the City/County should pay the RCA;
- G. The Parties now desire to enter into this Agreement, to waive certain defenses and to toll the time the RCA would have to bring an action regarding any dispute as to the payment of LDMF and/or civic/infrastructure contributions by the City/County.

## TERMS

The Parties, incorporating the above recitals as part of their Agreement, in consideration of the mutual promises and obligations as contained herein, do memorialize their Agreement as follows:

1. For good and valuable consideration, the receipt of which is acknowledged, the Parties agree that the period from the Effective Date of this Agreement until the Effective Termination of this Agreement (the "Tolling Period") shall be excluded from, and not be counted in, the computation of time for the purposes of any statute of limitations, time to sue provisions, or any other time-based limitations or defenses, including, without limitation, laches, estoppel, or waiver, whether at law or in equity, under statute, contract, tort or otherwise, that might be asserted as a bar, limitation, or defense to any suit, action, cause of action, or claim by RCA against any City arising out of or relating to the Dispute. The Parties agree that the Dispute shall include any and all claims by RCA related to the City's payment of LDMF and/or civic/infrastructure contributions to RCA as of the [ENTER DATE] [Member Agency Draft Audit] ("Discovery Date"). The Parties hereby further agree that the Dispute shall include any and all claims encompassed within Code of Civil Procedure section 338 as of the Discovery Date.
2. The Parties further agree that RCA shall not need to comply, to the extent it is required, with the claims presentation requirement pursuant to Government Code section 900 et seq. ("Government Code Claim"). The Parties agree that they shall not raise as a procedural defense or bar in any judicial action, arbitration, mediation, or any combination of the three, any failure to comply with any Government Code Claim.
3. This Agreement is intended to satisfy California Code of Civil Procedure section 360.5 and any other provision of law necessary to extend any statute of limitations or statute of repose. As such, California Code of Civil Procedure section 360.5 requires that no waiver executed prior to the expiration of the time limited for the commencement of the action by this title shall be effective for a period exceeding four years from the date of expiration of the time limited for commencement of the action by this title and no waiver executed after the expiration of such time shall be effective for a period exceeding four years from the date thereof, but any such waiver may be renewed for a further period of not exceeding four years from the expiration of the immediately preceding waiver. Such waivers may be made successively. Furthermore, either Party may terminate this Agreement after giving a ninety (90) day written notice to the other Party ("Effective Date of Termination") provided, however, that Sections 1 and 2 shall survive the termination of this Agreement for the purposes of any judicial action, arbitration, mediation, or any combination of the three, concerning the Dispute filed prior to the Effective Date of the Termination. The Agreement shall automatically terminate upon the execution of an agreement, memorandum of agreement or understanding or other binding document between the Parties settling the Dispute.
4. As used in this Agreement, notice includes but is not limited to, the communication of any notice, request, demand, approval, statement, report, acceptance, consent, waiver and appointment. All notices must be in writing. Notice is given either (i) when delivered in person to the person or company intended named below, (ii) when delivered via facsimile with confirmation from the receiving party via return fax; or (iii) when sent via reputable



overnight courier (such as Federal Express), addressed by name and addressed to the party or persons intended, as follows:

To RCA: Western Riverside County Regional  
Conservation Authority  
3403 Tenth Street, Suite 320  
Riverside, CA 92501  
Phone: (951) 955-9700  
Fax: (951) 955-8873  
Attention: Executive Director

With copy to: Best Best & Krieger LLP  
P.O. Box 1028  
Riverside, CA 92501  
Phone: (951) 686-1450  
Fax: (951) 686-3083  
Attention: Steven C. DeBaun

To City/County: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: () \_\_\_\_\_  
Fax: () \_\_\_\_\_

until such time as a party gives notice of the change of address in accordance with the terms of this section.

5. The Parties have discussed this Agreement with their respective counsel and governing bodies and understand its terms and implications.
6. This Agreement may be signed in counterparts by one or more of the Parties, and those counterparts, when taken together, will have the same force and effect as if a single, original document had been signed by all of the Parties.
7. By entering into this Agreement, the Parties do not admit any fact or assume any liability of any kind.
8. This Agreement does not form a joint venture or partnership by or among the Parties.
9. This Agreement will be interpreted and enforced pursuant to the laws of the State of California.
10. If any provision of this Agreement is found invalid or unenforceable, the balance of the Agreement will remain in full force and effect.
11. Each signatory of this Agreement represents that he or she is authorized to execute this Agreement on behalf of the Party for which he or she signs. Each Party represents that it has the legal authority to enter into this Agreement and to perform all obligations under this Agreement.

12. This Agreement has been arrived at through negotiations and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party do not apply in the construction or interpretation of this Agreement.
13. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.
14. Any modifications to this Agreement must be in writing only.
15. This Agreement is effective as of the date first noted herein.

**WESTERN RIVERSIDE COUNTY  
REGIONAL CONSERVATION AUTHORITY**

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Charles Landry  
Executive Director

*Approved as to form:*

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Name: \_\_\_\_\_

Best Best & Krieger LLP

**CITY/COUNTY OF \_\_\_\_\_**

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Name: \_\_\_\_\_

Mayor

*Approved as to form:*

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Name: \_\_\_\_\_

City Attorney/County Counsel

**2016 RCA**  
**Commonly Used Acronyms**

ARL	Additional Reserve Lands
BUOW	Burrowing Owl
CALFIRE	California Department of Forestry and Fire Protection
CALTRANS	California Department of Transportation
CD	Consistency Determination
CDFG	California Department of Fish and Game
CDFW	California Department of Fish and Wildlife ( <i>formerly CDFG</i> )
CEQA	California Environmental Quality Act
CETAP	Community and Environmental Transportation Acceptability Process
CHD	Critical Habitat Designation
CIP	Capital Improvement Program
CNLM	Center for Natural Lands Management
EMWD	Eastern Municipal Water District
EPD	Environmental Programs Department ( <i>Riverside County</i> )
ERP	Expedited Review Process
FY	Fiscal Year
HANS	Habitat Evaluation and Acquisition Negotiation Strategy
HMU	Habitat Management Unit
IC	Interchange
JPR	Joint Project Review
LDMF	Local Development Mitigation Fee
MOU	Memorandum of Understanding
MSHCP	Multiple Species Habitat Conservation Plan
OHV	Off-Highway Vehicle
PCL	Proposed Constrained Linkage
PQP	Public/Quasi-Public
PSE	Participating Special Entities
RCA	Regional Conservation Authority
RCD	Resource Conservation Districts
RCRCD	Riverside-Corona Resource Conservation District
RCOE	Riverside County Office of Education
RCTC	Riverside County Transportation Commission
RCTD	Riverside County Transportation Department
RMOC	Reserve Management Oversight Committee
ROVE	Recreation Off-Highway Vehicle Enforcement
SAWA	Santa Ana Watershed Association
SB	San Bernardino
SR	State Route
SWG	State Wildlife Grant
TAC	Technical Advisory Committee
TIFIA	Transportation Infrastructure Finance and Innovation Act
TUMF	Transportation Uniform Mitigation Fee
USFWS	United States Fish and Wildlife Service
UTM Nad 83 Zone 11	Meter Coordinate System for Maps
WIFIA	Water Infrastructure Finance and Innovation Act
WA	Wildlife Agencies ( <i>USFWS &amp; CDFG</i> )
WCB	Wildlife Conservation Board
WPT	Western Pond Turtle
WRDA	Water Resources Development Act