

The Natomas Basin Conservancy

Draft FY 2023 Budget

Budget line item information

I. TNBC Revenue

Line item	Discussion	Est YE 2022	Proposed 2023 Budget
Mitigation fees	Estimate 105 acre for City of Sacramento mitigation in 2023.	\$0	\$2,910,390
Mitigation fees	Estimate 0 acres for Sutter County mitigation in 2023.	\$11,360,222	\$0
Mitigation fees	Estimate 50 acres for Metro Air Park mitigation in 2023.	\$4,357,925	\$1,385,900
Mitigation fee - other	Additional one-time projects surface from time-to-time and this is a budgeted project placeholder. One such project could exceed this amount or no such funds could be received.	\$0	\$50,000
Investment income - Restricted	Investment and interest income expected from Endowment and Supplemental funds, based on 3% projected real rate of return. <i>Endowment Fund \$1,193,000</i> <i>Supplemental Fund \$27,000</i>	\$0	\$1,220,000
Investment income - Unrestricted Funds	Interest is accrued on account balances. The total investment income varies depending on the date available funds are used for various expenditures as well as interest rate changes. Allocation to each of the Conservancy's unrestricted funds is based on the fund balance at the time interest is accrued. Based on 1% projected real rate of return. <i>Administration Fund \$276,000</i> <i>Restoration & Enhancement Fund \$98,000</i> <i>Land Acquisition Fund \$57,000</i>	\$0	\$431,000
Rent	Gross rent from farmable acres under contract. This assumes 2023 will be a drought year with reduced farmable acres, similar to 2022. This item also includes hunting revenue.	\$550,347	\$550,347
Miscellaneous income	Participation in the Natomas Central Mutual Water Company (NCMWC) groundwater exchange program and various reimbursements.	\$623,123	\$500,000
Total revenue		\$16,891,617	\$7,047,637

II. TNBC Expenditures

Line item	Discussion	Est YE 2022	Proposed 2023 Budget
Program Expenditures			
Biological monitoring	Pertains exclusively to biological monitoring as required by the 2003 NBHCP.	\$387,239	\$387,239
Habitat Land Management	This is based on the land management contract approved by the Board, including a 10 percent contingency.	\$407,393	\$420,000
SSMP Preparation and Revision	Estimated amount for SSMP revision for five new properties and finalizing overall updates.	\$56,304	\$46,000

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II. TNBC Expenditures (cont.)

Line item	Discussion	Est YE 2022	Proposed 2023 Budget
Contract work, public education and publications	This item includes general contract work, public education and publications, including Clean Water Act compliance, participation in Basin-wide security services.	\$311,570	\$448,000
Property taxes	This is an estimate of property taxes for Conservancy real property based on actual tax bills. This excludes RD 1000 assessments.	\$499,243	\$550,000
Water - NCMWC and RD 1000	The NCMWC's admin and standby charges are projected to be approximately \$95/acre for rice (the Conservancy's largest crop). Conservancy farm tenants pay the water usage charges. The NCMWC rates for managed marsh include admin, standby and water usage charges totaling \$165/acre. RD 1000 assessments are included at approximately \$70,000.	\$425,222	\$468,000
Facilities Improvement & Maintenance	General facilities improvement and maintenance items include: well and pump repairs, fences, signs, road repair and maintenance, and general site repairs.	\$366,000	\$597,000
Electricity	Includes electricity costs for lights and irrigation pumps on various Conservancy properties.	\$190,000	\$215,000
Restoration & enhancement	Restoration and enhancement projects scheduled for 2023 are as follows: pre-marsh conversion permitting and planning on Bennett North (25 acres), Elverta (20 acres), Frazer South (15 acres) and Nestor (70 acres).	\$100,000	\$2,541,000
Land acquisition	One possible land dedication in 2023.	\$3,013,075	\$94,000
City of Sacramento Line of Credit Payment	Payment on City of Sacramento Line of Credit (LOC). The LOC issued in 2020 in the amount of \$2,000,000. This assumes a \$250,000 payment and payment from 105 acres of mitigation, whereby the City will withhold the Land Acquisition portion of the HCP fees received.	\$0	\$329,000

Administration

Administrative

Staff	Salaries, wages, and statutory payments for eight staff members.	\$597,022	\$703,000
Benefits, taxes and charges	Includes statutory wage payments, employment taxes (Social Security, Medicare, California Unemployment Insurance and Employment Training Tax) and benefits. Includes group health insurance plan that is ACA-compliant at the Silver level (employer-sponsored high deductible health insurance plan with a health savings account including spouse and dependant coverage of 50%; annual out-of-pocket maximum with participating providers is approximately \$6,500 per individual). This also includes a health reimbursement account for one employee for reimbursement of Medicare & Medicare Supplement Insurance. Dental and Vision are reimbursed at 80% of cost up to \$500 per year. The retirement plan, Simplified Employee Pension-Individual Retirement Account, involves no on-going liability to the Conservancy after employee separation and can be discontinued in any year by action of the Board. Eligibility for participation in the plan at 13% of gross salary begins after completion of six months employment.	\$212,470	\$277,000

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II. TNBC Expenditures (cont.)

Line item	Discussion	Est YE 2022	Proposed 2023 Budget
Board expense	Includes a \$100/meeting fee (covers meeting and Board service expenses). Anticipates 10 Board members for entire year plus committee meetings. Includes small amount for miscellaneous Board-associated expenses.	\$8,000	\$8,000
Office expense			
Rent	Includes basic office space at 2150 River Plaza Drive, Suite 460 (approx. \$6,600 per month including expense recoveries for 2,806 square feet).	\$78,764	\$80,000
Telecommunications and Media	For basic telecommunications service, including telephone, internet connection, email, updates to website for ADA compliance and webhosting.	\$75,000	\$85,000
Copying & printing	For oversize photocopying, surveys, aerial photos, associated printing, electronic media, archives and copies.	\$25,000	\$25,000
Office supplies	Essential and common office supplies, including publications, subscriptions and membership dues.	\$18,000	\$20,000
Postage	General postage.	\$2,000	\$2,000
Office equipment	For basic office equipment, furniture, hardware and software.	\$50,000	\$50,000
Vehicle expense	For vehicle allowance and mileage expenses.	\$32,000	\$37,000
Miscellaneous expense			
Insurance	Basic business insurance which includes; Directors & Officers (D&O), general liability, crime, non-owned/hired auto, cyber, pollution, umbrella and flood insurance on one residential property.	\$78,436	\$83,000
Accounting	For general accounting work and fiscal year-end audit.	\$45,000	\$55,000
Legal	General legal work.	\$100,000	\$100,000
Fees	For general corporation fees and investment management fees.	\$150,000	\$175,000
2% fee collection	This item accounts for the 2% administration fees paid to the City of Sacramento and County of Sutter. This assumes 105 acres of mitigation from the City.	\$0	\$91,000
Contingency	10% contingency on all above administration items.	\$81,684	\$180,000
Total expenditures		\$7,309,422	\$8,066,239
Total revenue over expenditures		\$9,582,195	(\$1,018,602)