

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 16/17	Business Unit 3810	Department Santa Monica Mountains Conservancy	Priority No. 1
Budget Request Name 3810-300-BCP-DO-2016-A		Program 2945 - LOCAL ASSISTANCE AND CAPITAL OUTLAY	Subprogram

Budget Request Description
 Spring Finance Letter: adjustments for Prop 40 and Prop 84

Budget Request Summary

The Conservancy requests the following adjustments to the proposed Fiscal Year 2016/17 budget appropriations:

- Remove the support budget allocations from Prop 40 (3810-001-6029) and the local assistance (3810-101-6029) amount, which were requested based on an anticipated reversion that did not occur. The removal of these items will address negative allocation balances.
- Reduce the prop 84 local assistance (3810-101-6051) proposed appropriation by \$123,000 to \$924,000 to resolve a negative bond allocation balance.

All other requests will stay the same.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed N/A	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO N/A	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Melissa Smith <i>[Signature]</i>	Date 8/27/15	Reviewed By <i>[Signature]</i>	Date
Department Director <i>[Signature]</i>	Date 3-28-16	Agency Secretary <i>[Signature]</i>	Date 3/30/16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA Original Signed by
Amanda Martin Date submitted to the Legislature 4-1-16

Analysis of Problem

A. Budget Request Summary

The Santa Monica Mountains Conservancy (Conservancy) requests the following adjustments to the proposed Fiscal Year 2016/17 budget appropriations: Remove the support budget allocations from Prop 40 (3810-001-6029) and the local assistance (3810-101-6029) amounts, which were requested based on an anticipated reversion that did not occur. The removal of these items will address negative allocation balances. Also, reduce the prop 84 local assistance (3810-101-6051) proposed appropriation by \$123,000 to \$924,000 to resolve a negative bond allocation balance.

B. Background/History

Prop 40

The previous request was based on a reversion amount that was not accurate. The removal of these appropriations will address negative allocation balances.

In 2002 California voters authorized forty million dollars (\$40,000,000) from Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002, to the Santa Monica Mountains Conservancy for the acquisition, development, rehabilitation, restoration, and protection of land and water resources. The Conservancy has successfully spent most of this allocation. As the end of the allocation nears, estimated reversions are used to determine out year appropriation needs. These reversion amounts can change as projects change. These changes can include projects being completed under budget, cancelled, augmented or sped up. The Conservancy is hoping to award and spend out the remaining Prop 40 funds as quickly as possible, which requires ongoing appropriations using these estimates to ensure all funds are available. As the Conservancy's balance of prop 40 is ever smaller, the anticipated balances can change rapidly and result in negative allocations. As is the situation with this request; the original appropriation was based on an estimated reversion that did not occur and caused a negative allocation balance. The removal of this appropriation will address the negative allocation.

Prop 84

The Santa Monica Mountains Conservancy has in its legislatively established jurisdiction all or part of these Southern California watersheds: Upper Los Angeles River Watershed and tributaries; Calleguas Creek Watershed; Malibu Creek Watershed; Upper Santa Clara River Watershed; Ballona Creek Watershed; and many other coastal watersheds of Santa Monica Bay. This will address negative allocation balances.

With more than 7 million people living in the watersheds drained by the Los Angeles and San Gabriel Rivers, and the other watersheds named above, there are large-scale negative effects of urban development on natural ecosystems and open spaces. Surface water, groundwater, and ocean water quality are impaired; clean beaches, public access for parks, trails, bike paths, and opportunities to observe nature in urban settings are compromised.

Proposition 84 furthermore authorized watershed protection activities that include the protection and restoration of rivers, lakes, and streams, water and other natural resources; it shall also be used for the protection of beaches, bays, and coastal waters and watersheds, including projects to prevent contamination and degradation of coastal waters and watersheds; projects to protect and restore the natural habitat values of coastal waters and lands, and projects and expenditures to promote access to and enjoyment of the coastal resources of the state.

Such activities under Proposition 84 shall be implemented throughout the watershed of the Upper Los Angeles River pursuant to Section 79508 of the Water Code, and in Santa Monica Bay and Ventura County Coastal Watersheds pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code.

The Conservancy has successfully spent most of this allocation. As the end of the allocation nears, estimated reversions are used to determine out year appropriation needs. These reversion amounts can change as projects change. These changes can include projects being completed under budget, cancelled, augmented or sped up. The Conservancy is hoping to award and spend out the remaining Prop 84 funds as quickly as possible, which requires ongoing appropriations using these estimates to ensure all funds are available. As the Conservancy's balance of prop 84 is ever smaller, the anticipated balances can change

Analysis of Problem

rapidly and result in negative allocations. As is the situation with this request; the original appropriation was based on an estimated reversion that was less than anticipated and caused a negative allocation balance. The reduction of this appropriation will address the negative balance.

C. State Level Considerations

Both of these requests address negative allocation balances for both funding sources. This is necessary to ensure the Conservancy's mission and the purpose of the bonds.

D. Justification

Actual reversion amounts have cause negative allocation balances. These requests address these negative balances.

E. Outcomes and Accountability

Actual reversion amounts have caused negative allocation balances. These requests address these negative balances. In order to continue appropriations to fund the Conservancy's mission and the purpose of these bonds, the amounts must be reduced.

F. Analysis of All Feasible Alternatives

No alternative is known. This is needed to address the negative allocation balances.

G. Implementation Plan

Not applicable. Both of these requests address negative allocation balances for both funding sources.

H. Supplemental Information

Not applicable.

I. Recommendation

Approve the requested changes to the proposed state operations and local assistance appropriations to address negative allocation balances.

BCP Fiscal Detail Sheet

BCP Title: Spring Finance Letter: Adjustments for Prop 40 and Prop 84

DP Name: 3810-300-BCP-DP-2016-A1

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	0.0	0.0	0.0	0.0	0.0
Salaries and Wages						
Earnings - Permanent	0	-53	-53	-53	-53	-53
Total Salaries and Wages	\$0	\$-53	\$-53	\$-53	\$-53	\$-53
Total Staff Benefits	0	-21	-21	-21	-21	-21
Total Personal Services	\$0	\$-74	\$-74	\$-74	\$-74	\$-74
Operating Expenses and Equipment						
5340 - Consulting and Professional Services - Interdepartmental	0	-5	-5	-5	-5	-5
54XX - Special Items of Expense	0	-898	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$-903	\$-5	\$-5	\$-5	\$-5
Total Budget Request	\$0	\$-977	\$-79	\$-79	\$-79	\$-79

Fund Summary

Fund Source - State Operations						
California Clean Water, Clean Air, Safe						
6029 - Neighborhood Parks, and Coastal Protection Fund	0	-79	-79	-79	-79	-79
Total State Operations Expenditures	\$0	\$-79	\$-79	\$-79	\$-79	\$-79
Fund Source - Local Assistance						
California Clean Water, Clean Air, Safe						
6029 - Neighborhood Parks, and Coastal Protection Fund	0	-775	0	0	0	0
6051 - Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006	0	-123	0	0	0	0
Total Local Assistance Expenditures	\$0	\$-898	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$-977	\$-79	\$-79	\$-79	\$-79

Program Summary

Program Funding						
2940 - Santa Monica Mountains Conservancy	0	-854	-79	-79	-79	-79
2945 - Local Assistance Grants	0	-123	0	0	0	0

Total All Programs

\$0

\$-977

\$-79

\$-79

\$-79

\$-79

Personal Services Details

Salaries and Wages

	CY	BY	BY+1	BY+2	BY+3	BY+4
-	0	-53	-53	-53	-53	-53
Total Salaries and Wages	\$0	\$-53	\$-53	\$-53	\$-53	\$-53

Staff Benefits

5150350 - Health Insurance	0	-16	-16	-16	-16	-16
5150600 - Retirement - General	0	-5	-5	-5	-5	-5
Total Staff Benefits	\$0	\$-21	\$-21	\$-21	\$-21	\$-21
Total Personal Services	\$0	\$-74	\$-74	\$-74	\$-74	\$-74