

YOLO HABITAT CONSERVANCY

AGENDA

September 16, 2024



BOARD MEMBERS

MARY VIXIE SANDY, COUNTY OF YOLO
LUCAS FRERICHS, COUNTY OF YOLO
WILL ARNOLD, CITY OF DAVIS
VERNA SULPIZIO HULL, CITY OF WEST SACRAMENTO
RICHARD CASAVECCHIA, CITY OF WINTERS
VICTORIA FERNANDEZ, CITY OF WOODLAND
MABEL SALON, UNIVERSITY OF CALIFORNIA, DAVIS

BOARD OF SUPERVISORS CHAMBERS

625 COURT STREET, ROOM 206
WOODLAND, CA 95695

NOTE: All meetings of the Yolo Habitat Conservancy will be held in person. Members of the public are welcome to submit written comments by 4:00 p.m. the day prior to the meeting. Written comments should be emailed to clerkoftheboard@yolocounty.gov or sent to Attn: Clerk, 625 Court Street, Room 204 Woodland, CA 95695. If you are submitting written comments on a particular item on the agenda, please identify the agenda item number. All written comments are distributed to Board members and filed in the record, but will not be read aloud.

Elisa Sabatini
Executive Director

Philip J. Pogledich
County Counsel

5:30 P.M. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda Order
4. Public Comment: This is time reserved for the public to address the Conservancy Board on matters not on the agenda.
5. Board Correspondence

CONSENT AGENDA

6. Approve May 20, 2024, meeting minutes
7. Approve contract amendment with Conservation Land Group to update rate sheet to reflect current rates

REGULAR AGENDA

8. Receive presentation on 22-23 independent auditor's report from Maze & Associates
9. Receive and file transmittal memo recommending the Muller Pond Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site
10. Receive and file transmittal memo recommending the Los Rios South Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site
11. Receive and file transmittal memo recommending the Haller & Muller In-Channel Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site
12. Executive Director's Report

ADJOURNMENT

Next meeting scheduled for: December 9, 2024

I declare under penalty of perjury that the foregoing agenda was posted September 13, 2024 by 5:00 p.m. at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board outside the Board of Supervisors Chambers, Room 206 in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California.
- On the YHC website: www.yolohabitatconservancy.org

By: _____
Julie Dachtler, Clerk

NOTICE

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Clerk of the Board as soon as possible and at least 72 hours prior to the meeting at (530) 666-8195.

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Approve May 20, 2024, meeting minutes

Attachments

May 20, 2024 YHC Meeting Minutes

Form Review

Form Started By: Charlie Tschudin
Final Approval Date: 09/10/2024

Started On: 09/10/2024 12:17 PM

YOLO HABITAT CONSERVANCY

May 20, 2024

MINUTES

The Yolo Habitat Conservancy Board met on the 20th day of May, 2024, starting at 5:30 p.m. in regular session in the Board of Supervisors' Chambers in the Erwin W. Meier Administration Building, Woodland, California. [Here](#) is a link to the video.

Present: Will Arnold, City of Davis
Victoria Fernandez, City of Woodland
Mary Vixie Sandy, Yolo County
Richard Casavecchia, City of Winters
Verna Sulpizio Hull, City of West Sacramento
Lucas Frerichs, Yolo County
Mabel Salon, UC Davis

Staff Present: Elisa Sabatini, Executive Director
Phil Pogledich, County Counsel
Charlie Tschudin, Assistant Planner
Chris Alford, Consultant
Julie Dachtler, Clerk

5:30 P.M. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda Order

Minute Order No. 24-07: Approved agenda as submitted.

MOTION BY: Frerichs / SECONDED BY: Fernandez

AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.

ABSENT: None.

ABSTAIN: None.

4. Public Comment: This is time reserved for the public to address the Conservancy Board on matters not on the agenda.

There was no public comment.

5. Board Correspondence

There was no correspondence.

CONSENT AGENDA

Minute Order No. 24-08: Approved Consent Agenda Item Nos. 6 and 7.

MOTION BY: Vixie Sandy / SECONDED BY: Arnold

AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.

ABSENT: None.

ABSTAIN: None.

6. Approve the March 18, 2024, meeting minutes.

Approved the March 18, 2024, meeting minutes on Consent.

7. Receive and file final version of the Yolo HCP/NCCP Annual Report for FY22/23

Approved recommended action on Consent.

REGULAR AGENDA

8. Receive and file the FY22-23 independent auditor's report from Maze & Associates

Received and filed the FY22-23 independent auditor's report from Maze & Associates.

9. Approve the 2024/25 budget and budget resolution for the Mitigation Fee Fund, Grant Fund, Other Revenue Fund, Mitigation Trust Account, Pre-Permit Endowment Fund, and Post-Permit Endowment Fund

Minute Order No. 24-09: Approved recommended action by **Resolution No. 24-01**.

MOTION BY: Casavecchia / SECONDED BY: Vixie Sandy

AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.

ABSENT: None.

ABSTAIN: None.

10. Approve contract amendments with Estep Environmental Consulting, ICF Jones & Stokes Inc., and Conservation Land Group to extend through June 30, 2025, establish new contracts with Alford Environmental and Yolo Resource Conservation District through June 30, 2025, and amend and extend the terms of Memorandum of Understanding with Yolo County for Administrative Services through June 30, 2025

Minute Order No. 24-10: Approved recommended action by **Agreement Nos. 24-02 thru 24-07**. Directed staff to work with the Chair and Vice Chair to come up with a plan for next year's contract cycle.

MOTION BY: Arnold / SECONDED BY: Frerichs
AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.
ABSENT: None.
ABSTAIN: None.

11. Approve policy for staff to proceed with the Yolo HCP/NCCP site acquisition process when authorized by the Chair and Vice Chair

Minute Order No. 24-11: Approved recommended action.

MOTION BY: Vixie Sandy / SECONDED BY: Arnold
AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.
ABSENT: None.
ABSTAIN: None.

12. Approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site

Minute Order No. 24-12: Approved recommended action.

MOTION BY: Arnold / SECONDED BY: Frerichs
AYES: Arnold, Casavecchia, Fernandez, Frerichs, Sulpizio Hull, Vixie Sandy.
ABSENT: None.
ABSTAIN: None.

13. Executive Director's Report

Received Executive Director's Report. After discussion, it was decided to cancel the July 15, 2024 meeting.

ADJOURNMENT

Next meeting scheduled for: September 16, 2024

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Approve contract amendment with Conservation Land Group to update rate sheet to reflect current rates

Attachments

Staff Report
Att. A. Contract Amendment

Form Review

Form Started By: Charlie Tschudin
Final Approval Date: 09/10/2024

Started On: 09/10/2024 12:18 PM



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Verna Sulpizio Hull, Chair
Members of the Board

From: Elisa Sabatini
Executive Director

Re: Approve contract amendment with Conservation Land Group

Date: September 16, 2024

REQUESTED ACTIONS:

1. Approve contract amendment with Conservation Land Group to update rate sheet to reflect current rates (Attachments A)

BACKGROUND:

Staff recommend amending the contract for Conservation Land Group to update the rate sheet to reflect their FY24/25 hourly rates. The Board of Directors approved an amendment to extend the agreement to June 30, 2025, at the May 20, 2024, Board of Directors meeting. This amendment will update the agreement to reflect Conservation Land Group's updated rates and new staff. The attached agreement supports implementation of the Yolo HCP/NCCP and is consistent with the proposed FY24-25 budget. This is the first such rate increase since the contract's inception in 2018. The rate increases for Conservation Land Group staff range from 5% to 35%, with the average increase across all staff being 15%. The maximum contract amount and general task descriptions are provided below for the contract.

Conservation Land Group: The proposed contract amendment is to update the hourly rates to reflect FY24/25 rates. Tasks associated with this agreement include technical services to assist with conservation easement acquisitions. The maximum contract amount of \$80,000 will not change.

ATTACHMENTS:

Attachment A. Conservation Land Group Contract Amendment

AGREEMENT NO. - _____

**Fifth Amendment to Agreement with Conservation Land Group, Inc. for
On-Call Real Estate Assistance Services for the Yolo HCP/NCCP**

THIS FIFTH AMENDMENT to the February 26, 2018 Agreement with Conservation Land Group, Inc. is entered into as of the 16th day of September 2024 by and between the Yolo Habitat Conservancy (“the Conservancy”), and Conservation Land Group, Inc. (“Consultant”), who agree as follows:

AMENDMENT

1. Attachment A of the Agreement is hereby amended to read as follows:

Consultant shall only bill the Conservancy for services provided in fulfillment of executed task orders. Consultant shall be reimbursed based on actual expenses incurred based on the following rates:

Kevin Knowles, Project Manager \$210/hour

Gavin Kakol, CLG Associate, \$170/hour

John Vollmar, Principal Ecologist \$175/hour

Support Staff (Jake Sweitzer, Cassie Pinnell, Eric Smith) \$140/hour

Direct costs: actual costs incurred, receipts shall be provided for all direct costs

Travel: mileage shall be reimbursed using the current standard government rate

4. Except as modified by this Fifth Amendment, the terms and conditions of the February 26, 2018 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered this Fifth Amendment by affixing their signatures hereafter.


YOLO HABITAT CONSERVANCY

CONSULTANT

By _____
Verna Sulpizio Hull, Chair
Yolo Habitat Conservancy Board of Directors

By _____
Kevin Knowles, President
Conservation Land Group, Inc.

Approved as to Form:

By 
Philip J. Pogledich, County Counsel
Counsel to the Yolo Habitat Conservancy

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Receive presentation on 22-23 independent auditor's report from Maze & Associates

Attachments

Staff Report

Att. A. FY22/23 Independent Auditor's Report

Att. B. FY22/23 Audit Communication Letter

Att. C. Independent Auditor Presentation

Form Review

Form Started By: Charlie Tschudin

Started On: 09/10/2024 12:32 PM

Final Approval Date: 09/10/2024



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Verna Sulpizio Hull, Vice Chair
Members of the Board

From: Elisa Sabatini
Executive Director

Re: Receive presentation on FY22-23 independent auditor's report from Maze & Associates

Date: September 16, 2024

REQUESTED ACTIONS:

1. Receive presentation on FY22-23 independent auditor's report from Maze & Associates

BACKGROUND:

The Board of Directors requires annual outside audits of the YHC finances, including a presentation to the Board. The independent auditor, Maze & Associates, completed the 2022-23 independent auditor's report (Attachment A). The auditor did not include any findings. The FY22-23 audit was formally accepted by the Board of Directors on May 20, 2024.

ATTACHMENTS:

Attachment A. FY22/23 Independent Auditor's Report
Attachment B. FY22/23 Audit Communication Letter

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
WOODLAND, CALIFORNIA**

Independent Auditors' Report,
Basic Financial Statements and Other Reports

For the Fiscal Year Ended
June 30, 2023

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YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet to the Statement of Net Position.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds.....	18
Reconciliation of the Net Change in Fund Balances with the Statement of Activities.....	19
Notes to Basic Financial Statements.....	21
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund – For the Year Ended June 30, 2023	34
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Grant Special Revenue Fund – For the Year Ended June 30, 2023	35
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Other Revenue Special Revenue Fund – For the Year Ended June 30, 2023	36
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Mitigation Trust Account Special Revenue Fund –For the Year Ended June 30, 2023	37
Notes to Required Supplementary Information.....	39

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Pre-Permit Endowment Permanent Fund – For the Year Ended June 30, 2023	42
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Post Permit Endowment Permanent Fund – For the Year Ended June 30, 2023	43

OTHER REPORTS

Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	45
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Yolo County Habitat/Natural Community Conservation Plan
Joint Powers Agency
Woodland, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund of the Yolo County Habitat/Natural Community Conservation Plan, (Habitat JPA), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Habitat JPA's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Habitat JPA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Habitat JPA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Habitat JPA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Habitat JPA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

Economic Dependency

As discussed in Note 9 to the financial statements, the General Fund of the Habitat JPA is economically dependent on revenue derived from mitigation fees and pre-payment of mitigation fees from member agencies consisting of 80 percent of General Fund program revenues for the year ended June 30, 2023. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Habitat JPA's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2024, on our consideration of the Habitat JPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Habitat JPA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Habitat JPA's internal control over financial reporting and compliance.

Maze + Associates

Pleasant Hill, California
May 3, 2024

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Management's Discussion and Analysis

As management of the Yolo Habitat/Natural Community Conservation Joint Powers Agency (Habitat JPA), we offer readers of the Habitat JPA's financial statements this narrative overview and analysis of the financial activities of the Habitat JPA for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Habitat JPA's financial statements and the accompanying notes to the basic financial statements.

Financial Highlights

The assets of the Habitat JPA exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$9,624,456 (net position), of which \$2,850,722 is reported as unrestricted net position.

The Habitat JPA's total net position increased by \$1,732,324 which was largely driven by mitigation fee revenue.

The Habitat JPA recorded program revenue of \$2,297,025, comprised of mitigation fees, grants, interest, and other income. The Habitat JPA reported \$703,278 in program expense, including professional services, real estate acquisition, and miscellaneous expenses. The Habitat JPA reported resulting net program revenue of \$1,593,747.

Overview of the Financial Statements

This discussion and analysis serve as an introduction to the Habitat JPA's basic financial statements. The Habitat JPA's financial statements comprise three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the Habitat JPA's finances in a manner like a private-sector business and are composed of the *statement of net position* and the *statement of activities*.

The *statement of net position* presents information about the financial position of the Habitat JPA, reflecting all of the Habitat JPA's (a) assets and deferred outflows of resources, and (b) liabilities and deferred inflows of resources on a full accrual basis, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Habitat JPA is improving or deteriorating.

The *statement of activities* presents information about the Habitat JPA's revenues and expenses, also on a full accrual basis, with the emphasis on measuring net revenues and expenses of the Habitat JPA. The *statement of activities* reflects how the government's net position changed during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on page 12-13 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Habitat JPA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Habitat JPA's fund is a governmental fund.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Habitat JPA's governmental fund accounts for its activities, which include completion of the Yolo HCP/NCCP, acquisition of habitat conservation easements, and monitoring of habitat conservation easements. The Habitat JPA adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16-18 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 19-29 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Habitat JPA, assets exceeded liabilities by \$9,624,456 at the close of the most recent fiscal year.

The largest portion of the Habitat JPA's net position, \$5,908,315, reflects capital assets.

STATEMENT OF NET POSITION

Assets:	2023	2022	Increase (Decrease)
Current Assets:			
Cash and investments	3,124,488	4,312,600	(1,188,112)
Receivables:			-
Accounts	159,915	-	159,915
Due from other governments	24,857	58,185	(33,328)
Restricted cash and investments	544,211	435,522	108,689
	<u>3,853,471</u>	<u>4,806,307</u>	<u>(952,836)</u>
Noncurrent Assets:			
Capital assets	5,908,315	3,407,811	2,500,504
Total Assets	<u>9,761,786</u>	<u>8,214,118</u>	<u>1,547,668</u>
Liabilities:			
Accounts Payable	13,197	109,748	(96,551)
Unearned revenue	124,133	176,741	(52,608)
Deposits payable	-	16,980	(16,980)
Due to other governments	-	18,517	(18,517)
Loans payable	-	-	-
Total Liabilities	<u>137,330</u>	<u>321,986</u>	<u>(184,656)</u>
Net Potision:			
Net investment in capital assets	5,908,315	3,407,811	2,500,504
Restricted	865,419	1,068,437	(203,018)
Unrestricted	2,850,722	3,415,884	(565,162)
Total Net Position	<u>9,624,456</u>	<u>7,892,132</u>	<u>1,732,324</u>

At the end of the current fiscal year, the Habitat JPA's total net position increased by \$1,732,324 which was largely driven by mitigation fee revenue.

CHANGES IN NET POSITION

	2023	2022	Increase (Decrease)
Program Expenses:			
Professional services	516,868	517,620	(752)
Miscellaneous expenses	186,410	192,861	(6,451)
Total program expenses	<u>703,278</u>	<u>710,481</u>	<u>(7,203)</u>
Program Revenues:			
Operating grants, contributions, and fees	2,297,025	3,750,363	(1,453,338)
Total program revenues	<u>2,297,025</u>	<u>3,750,363</u>	<u>(1,453,338)</u>
Net program revenue	<u>1,593,747</u>	<u>3,039,882</u>	<u>(1,446,135)</u>
General Revenues (Expenses):			
Capital contributions	-	1,232,885	(1,232,885)
Use of money and property (losses on investment)	138,577	(160,459)	299,036
Interest expense	-	(2,591)	2,591
Total general revenues (expenses)	<u>138,577</u>	<u>1,069,835</u>	<u>(931,258)</u>
Change in net position	<u>1,732,324</u>	<u>4,109,717</u>	<u>(2,377,393)</u>
Net position at Beginning of Year	7,892,132	3,826,089	4,066,043
Restatement of Net Position	-	(43,674)	43,674
Net Pposition at Beginning of Year, as restated	<u>-</u>	<u>3,782,415</u>	<u>4,109,717</u>
Net Position at End of Year	<u>9,624,456</u>	<u>7,892,132</u>	<u>1,732,324</u>

Government-wide Financial Analysis

As noted earlier, the Habitat JPA uses fund accounting to ensure and demonstrate compliance with legal and governmental accounting requirements.

Governmental Funds

The focus of the Habitat JPA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Habitat JPA's financing requirements. Unassigned fund balance may serve as a useful measure of the Habitat JPA's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Habitat JPA's General Fund reported an ending unassigned fund balance of \$2,850,722, a decrease of \$565,162 from the prior fiscal year because of increasing the Habitat JPA's investment in capital assets at a rate that outpaced revenue collected.

At the end of the current fiscal year, the Habitat JPA's Grant Revenue Special Revenue Fund and Other Revenue Special Revenue Fund reported an ending fund balance of \$20,357, and \$103,560, respectively.

At the end of the current fiscal year, the Habitat JPA's Mitigation Trust Account Fund Special Revenue Fund reported an ending assigned fund balance of \$150,611. The entire fund balance is restricted to acquisition of habitat conservation easements consistent with the Interim Swainson's Hawk Mitigation Program and required burrowing owl mitigation. The Habitat JPA expects to expend the remaining funds in this account in future fiscal years on the acquisition of habitat conservation easements. The Interim Swainson's Hawk Mitigation Program ceased to exist after the wildlife agencies issued the Habitat JPA permits in January 2019.

At the end of the current fiscal year, the Habitat JPA's Pre-permit and Post Permit Permanent Funds reported an ending fund balance of \$358,092 and \$336,359 respectively, an increase of \$22,384 from prior year in the Pre-permit Permanent Fund, and an increase of \$236,545 in the Post-permit Permanent Fund.

Mitigation Fee Fund Budgetary Highlights

The material difference between the final budget and the actual amounts can be briefly summarized as follows:

- During the fiscal year ended June 30, 2023, the Habitat JPA received less mitigation fee revenue than budgeted.
- The Habitat JPA spent less on professional services and other expenses but invested more in capital easements than originally budgeted.

Grant Fund Budgetary Highlights

The material difference between the final budget and the actual amounts can be briefly summarized as follows:

- During the fiscal year ended June 30, 2023, the Habitat JPA engaged in fewer grant billable tasks than anticipated resulting in less grant revenues and expenditures than budgeted.

Other Revenue Fund Budgetary Highlights

The material difference between the final budget and the actual amounts can be briefly summarized as follows:

- During fiscal year ended June 30, 2023, there were less Special Participating Entity projects than anticipated, resulting in revenues lower than budgeted.

Mitigation Trust Fund Budgetary Highlights

The material difference between the final budget and the actual amounts can be briefly summarized as follows:

- During the fiscal year ended June 30, 2023, the Habitat JPA experienced a gain on investments due to favorable market conditions.
- During the fiscal year ended June 30, 2023, the Habitat JPA experienced higher than anticipated revenues than budgeted due to a contribution of \$1.3M toward a conservation easement.
- During the fiscal year ended June 30, 2023, more conservation easement acquisitions were finalized and as such expenditures were higher than budgeted.

Capital Assets

The Habitat JPA's net investment in capital assets, as of June 30, 2023, amounts to \$5,908,315. This investment in capital assets includes land, easements and other intangible assets, construction in progress, land improvements, machinery and equipment, and pre-acquisition costs.

Additional information on the Habitat JPA's capital assets can be found in the notes to the basic financial statements.

Debt Administration

The Habitat JPA retired all outstanding debts as of June 30, 2022, and has not acquired, or intend to acquire, any new debts.

Economic Factors and Next Year's Budgets and Rates

The Habitat JPA expects to secure additional revenue from mitigation fees in 2023-24. The Habitat JPA will continue to contract with Yolo County for administrative services. The Habitat JPA also expects to increase expenditures on permitting and real estate acquisition assistance and easement monitoring as the Habitat JPA proceeds with easement acquisitions.

The Habitat JPA will also continue to examine grant opportunities as they arise and include them in applicable future budgets.

All these factors were considered in preparing the Habitat JPA's budget for the fiscal year ending June 30, 2024.

Request for Information

This financial report is designed to provide a general overview of the Habitat JPA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Yolo Habitat JPA, 292 W Beamer Street, Woodland, California 95695. The Habitat JPA can also be reached by telephone at (530) 666- 8150 or via email at info@yolohabitatconservancy.org. For more information about the Habitat JPA or the Yolo HCP/NCCP, please visit the website at www.yolohabitatconservancy.org.

BASIC FINANCIAL STATEMENTS
Government – Wide Financial Statements

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
STATEMENT OF NET POSITION
June 30, 2023**

ASSETS

Current assets:

Cash and investments in County Treasury (Note 2)	\$ 3,124,488
Accounts receivable	159,915
Due from other governments	24,857
Restricted cash and investments (Note 2)	141,225
Restricted cash with fiscal agent (Note 2)	402,986
Total Current Assets	3,853,471

Noncurrent assets:

Capital assets (Note 3)	5,908,315
Total Assets	9,761,786

LIABILITIES

Accounts payable	13,197
Unearned revenue	124,133
Total Liabilities	137,330

NET POSITION

Net investment in capital assets	5,908,315
Restricted for:	
Wildlife mitigation	507,327
Endowment	358,092
Unrestricted	2,850,722
Total net position	\$ 9,624,456

The notes to the basic financial statements are an integral part of this statement.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
 CONSERVATION PLAN JOINT POWERS AGENCY
 STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Program Expenses:

Professional services	\$ 516,868
Miscellaneous expenses	<u>186,410</u>
Total program expenses	<u>703,278</u>

Program Revenues:

Operating grants, contributions and fees	<u>2,297,025</u>
Total program revenues	<u>2,297,025</u>
Net program revenue (expense)	<u>1,593,747</u>

General Revenues (Expenses)

Use of money and property (losses on investments)	<u>138,577</u>
Total General Revenues	<u>138,577</u>
Change in net position	<u>1,732,324</u>

Net position - Beginning of year	<u>\$ 7,892,132</u>
Net position - End of year	<u><u>\$ 9,624,456</u></u>

The notes to the basic financial statements are an integral part of this statement.

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BASIC FINANCIAL STATEMENTS
Fund Financial Statements

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Special Revenue Funds</u>				<u>Permanent Funds</u>		Total Governmental Funds
	General Fund	Grant Fund	Other Revenue Fund	Mitigation Trust Account Fund	Pre-Permit Endowment Fund	Post-Permit Endowment Fund	
Assets							
Pooled cash and investment in County Treasury (Note 2)	\$ 2,866,570	\$ -	\$ 107,307	\$ 150,611	\$ -	\$ -	\$ 3,124,488
Accounts receivable	1,241	9,574	-	-	-	149,100	159,915
Due from other governments	-	24,857	-	-	-	-	24,857
Due from other funds	14,074	-	-	-	1,140	-	15,214
Restricted assets:							
Cash and investments (Note 2)	-	-	-	-	7,793	133,432	141,225
Cash and investments with fiscal agents (Note 2)	-	-	-	-	349,159	53,827	402,986
Total Assets	<u>\$ 2,881,885</u>	<u>\$ 34,431</u>	<u>\$ 107,307</u>	<u>\$ 150,611</u>	<u>\$ 358,092</u>	<u>\$ 336,359</u>	<u>\$ 3,868,685</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 13,197	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,197
Unearned revenue	120,386	-	3,747	-	-	-	124,133
Due to other funds	1,140	14,074	-	-	-	-	15,214
Total Liabilities	<u>134,723</u>	<u>14,074</u>	<u>3,747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,544</u>
Fund balance							
Nonspendable:							
Endowment	-	-	-	-	358,092	-	358,092
Restricted:							
Wildlife Mitigation	-	20,357	-	150,611	-	336,359	507,327
Unassigned	2,747,162	-	103,560	-	-	-	2,850,722
Total Fund Balance	<u>2,747,162</u>	<u>20,357</u>	<u>103,560</u>	<u>150,611</u>	<u>358,092</u>	<u>336,359</u>	<u>3,716,141</u>
Total Liabilities and Fund Balance	<u>\$ 2,881,885</u>	<u>\$ 34,431</u>	<u>\$ 107,307</u>	<u>\$ 150,611</u>	<u>\$ 358,092</u>	<u>\$ 336,359</u>	<u>\$ 3,868,685</u>

The notes to the basic financial statements are an integral part of this statement.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2023**

Fund balances - Governmental funds	\$ 3,716,141
Amount reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	<u>5,908,315</u>
Net Position of Governmental Activities	<u><u>\$ 9,624,456</u></u>

The notes to the basic financial statements are an integral part of this statement.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds				Permanent Funds		Total Governmental Funds
	General Fund	Grant Fund	Other Revenue Fund	Mitigation Trust Account Fund	Pre-Permit Endowment Fund	Post-Permit Endowment Fund	
Revenues							
Mitigation fees	\$ 674,307	\$ -	\$ 22,068	\$ -	\$ -	\$ 139,120	\$ 835,495
Grant revenue	-	63,048	-	-	-	-	63,048
SPE fees	-	-	-	-	-	22,068	22,068
Other revenue	12,900	-	-	1,306,826	-	-	1,319,726
Charges for services	45,685	-	11,003	-	-	-	56,688
Use of money and property (losses on investment)	92,092	(1,121)	1,360	17,374	25,515	3,357	138,577
Total Revenues	<u>824,984</u>	<u>61,927</u>	<u>34,431</u>	<u>1,324,200</u>	<u>25,515</u>	<u>164,545</u>	<u>2,435,602</u>
Expenditures							
Current:							
Professional services	440,747	71,378	-	472	4,271	-	516,868
Capital Outlay - Easements	1,050,170	-	-	1,450,334	-	-	2,500,504
Other expenditures	1,649	10	-	184,751	-	-	186,410
Total Expenditures	<u>1,492,566</u>	<u>71,388</u>	<u>-</u>	<u>1,635,557</u>	<u>4,271</u>	<u>-</u>	<u>3,203,782</u>
Excess (deficiency) of revenues over expenditures	<u>(667,582)</u>	<u>(9,461)</u>	<u>34,431</u>	<u>(311,357)</u>	<u>21,244</u>	<u>164,545</u>	<u>(768,180)</u>
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	1,140	72,000	73,140
Transfers out	(1,140)	-	-	(72,000)	-	-	(73,140)
Total Other Financing Sources (Uses)	<u>(1,140)</u>	<u>-</u>	<u>-</u>	<u>(72,000)</u>	<u>1,140</u>	<u>72,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(668,722)</u>	<u>(9,461)</u>	<u>34,431</u>	<u>(383,357)</u>	<u>22,384</u>	<u>236,545</u>	<u>(768,180)</u>
Fund balance - Beginning	<u>\$ 3,415,884</u>	<u>\$ 29,818</u>	<u>\$ 69,129</u>	<u>\$ 533,968</u>	<u>\$ 335,708</u>	<u>\$ 99,814</u>	<u>\$ 4,484,321</u>
Fund balance - Ending	<u>\$ 2,747,162</u>	<u>\$ 20,357</u>	<u>\$ 103,560</u>	<u>\$ 150,611</u>	<u>\$ 358,092</u>	<u>\$ 336,359</u>	<u>\$ 3,716,141</u>

The notes to the basic financial statements are an integral part of this statement.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
 CONSERVATION PLAN JOINT POWERS AGENCY
 RECONCILIATION OF THE NET CHANGE IN FUND BALANCES
 WITH THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2023**

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (768,180)
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Amount reported for governmental activities in the statement of net position are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital contribution of easements purchased.	<u>2,500,504</u>
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NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 1,732,324</u></u>
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The notes to the basic financial statements are an integral part of this statement.

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**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Yolo County Habitat/Natural Community Conservation Joint Powers Agency (Habitat JPA) was founded in August 2002, under the provision of Section 61600 of the Government Code of the State of California. The Health and Safety Code and the Water Code of the State of California regulate the Habitat JPA's operations.

The Habitat JPA was formed for the purposes of acquiring Swainson's hawk habitat conservation easements and to serve as the lead agency for the preparation and implementation of the Yolo Habitat Conservation Plan/ Natural Community Conservation Plan (HCP/NCCP).

The JPA governing Board is composed of representatives from member agencies, which include two members of the Yolo County Board of Supervisors, one member each from the City Councils of Davis, Woodland, West Sacramento and Winters, and one ex-officio member from University of California, Davis.

B. Basis of Accounting

Government-Wide Statements

The statement of net position and statement of activities display information about the primary government of the Habitat JPA. These statements include the financial activities of the overall Habitat JPA.

The statement of activities presents a comparison between direct expenses and program revenues for the Habitat JPA's governmental activity. Direct expenses are those that are specifically associated with the operations of the Habitat JPA. Program revenues include charges for services, mitigation fees and grants and contributions that are restricted to meeting the operational or capital requirements of the Habitat JPA. Revenues that are not classified as program revenues, including investment income, are presented instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Grants and similar items are recognized as revenues as soon as eligibility requirements have been met.

Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available to finance expenditures of the current period. A 365 day availability period is used for revenue recognition for all governmental fund revenues. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting, (Continued)

Nonexchange transactions, in which the Habitat JPA gives (or receives) value without directly receiving (or giving) value in exchange, include developer mitigation fees, grants, entitlements, and donations. On a modified accrual basis, revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied and resources meet the availability criteria.

The Habitat JPA reports the following major governmental funds:

- The *General Fund* is the general operating fund of the Habitat JPA and is used to account for all financial resources.
- The *Grant Special Revenue Fund* records all grant revenues and expenditures through this fund.
- The *Other Revenue Special Revenue Fund* records revenue from special participating entities contribution to recovery fees, landowner contributions and other non-mitigation fee revenue.
- The *Mitigation Trust Account Special Revenue Fund* records Swainson's hawk mitigation fees collected prior to permit issuance on January 9, 2019.
- The *Pre-Permit Endowment Fund (previously Stewardship Permanent Fund)* is used for restricted revenues and resources for conservation easement stewardship to maintain and monitor the easements in accordance with the easement agreements prior to permit issuance on January 9, 2019. The funds are based on individual easement agreements with land owners but the principal amounts are to remain intact and interest earned on the funds will be used to perform monitoring activities in perpetuity.
- The *Post-Permit Endowment Fund* is used for restricted revenues and resources for conservation easement stewardship to maintain and monitor the easements in accordance with the easement agreements after permits have been issued. The funds are based on individual easement agreements with land owners but the principal amounts are to remain intact and interest earned on the funds will be used to perform monitoring activities in perpetuity.

C. Cash

The total of restricted and unrestricted cash comprises cash and investments in the County Treasury. Cash is defined as all cash and investments with maturities of 90 days or less and the Habitat JPA's investment in the County of Yolo's pooled cash and investments.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fair Value Measurement

The Habitat JPA implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The Habitat JPA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Habitat JPA is a participant in the Yolo County Treasurer's Pool (County Pool). The County Pool is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The Yolo County Treasury Oversight Committee conducts County Pool oversight. Cash on deposit in the County Pool at June 30, 2023, is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the County Pool, refer to the County of Yolo Annual Comprehensive Financial Report.

E. Due From Other Governments

Due from other governments receivables are recorded at their gross value and, where appropriate, are reduced by the portion that is considered uncollectible. Receivables consist primarily of grant claims that have been filed but not received as of year-end. Management believes its receivable balance to be fully collectible and, accordingly, no allowance for doubtful accounts has been recorded.

F. Capital Assets

All capital assets, including easements, are capitalized by the Habitat JPA. The Habitat JPA defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased capital assets are stated at cost. Donated fixed assets are valued at their acquisition value. Depreciation of exhaustible capital assets is charged as an expense against operations. Capital assets of the Habitat JPA are reported in the statement of net position, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the capital assets. Easements and intangible assets have indefinite useful lives and are not depreciated.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Capital Assets (Continued)

The Habitat JPA also capitalizes conservation easements acquired per the initiative of the Habitat JPA's objective. Conservation easements are a form of deed restriction that landowners voluntarily place on their property to protect certain features, including agricultural and wildlife habitat, open space, or cultural resources. A conservation easement is recorded in the chain of title and it vests the easement "holder" with authority to monitor the property and enforce the restrictions set forth in the easement. The landowner retains fee title to the property and, subject to the restrictions in the conservation easement, continues to determine the types of land uses and activities that occur on the property. Often, this includes continuing his or her current use of the encumbered property so long as such use(s) are compatible with the terms of the conservation easement.

G. Deferred Inflows of Resources

The deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unavailable revenues represent amounts associated with the state and federal grants of the Habitat JPA which are not expected to be received within the Habitat JPA's period of availability of 365 days. As such, these amounts are not available for expenditure and are required to be recorded as deferred inflows of resources in the governmental funds balance sheet.

H. Net Position/Fund Balance

Net Position is displayed in three components:

- a. *Net Investment in capital assets* - Consists of capital assets, net of accumulated depreciation.
- b. *Restricted net position* - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position is available, restricted resources are used only after the unrestricted resources are depleted.

The governmental funds utilize a classified fund balance presentation. Fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts can be spent as follows:

- d. *Nonspendable* – to reflect amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Net Position/Fund Balance (Continued)

- e. *Restricted* – to reflect amounts that can only be used for specific purposes pursuant to constraints either
 - (a) externally imposed by creditors (such as debt covenants), grants, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- f. *Committed* – to reflect amounts that can only be used for specific purposes pursuant to the constraints imposed by formal action of the Board of the Habitat JPA. The formal action necessary to establish (and modify or rescind) a commitment is done through a majority vote via resolution of the Board of the Habitat JPA.
- g. *Assigned* – to reflect amounts that are constrained by formal actions of the Board of the Habitat JPA's intent to be used for specific purposes, but are neither restricted nor committed. A formal action is not required to re-assign fund balance.
- h. *Unassigned* – to reflect amounts that have not been restricted, committed, or assigned to specific purposes.

When committed, assigned, and unassigned fund balance amounts are available for use, it is the Habitat JPA's policy to use committed resources first, then assigned resources, and then unassigned resources as they are needed.

I. General Reserve

During October 2013, the Board of Directors of the Habitat JPA adopted a general reserve of \$60,087. The reserve can only be released with action from the Board of Directors and was established in order to reserve funding to ensure fiscal stability of the Habitat JPA. The general reserve is reported in the General Fund's unassigned fund balance.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosure of contingent amounts at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. New Accounting Pronouncements

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with such arrangements. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021, or fiscal year 2022-23. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA’s financial statements.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, Omnibus 2020. The primary objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements for a variety of topics. This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA’s financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA’s financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this Statement is to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA’s financial statements.

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA’s financial statements.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. New Accounting Pronouncements, (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequence, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. This statement is effective for the 2022-2023 fiscal year and had no effect on the Habitat JPA's financial statements.

NOTE 2 – CASH AND INVESTMENTS

Habitat JPA holds restricted and unrestricted cash and investments with the Treasurer of the County of Yolo in a cash and investment pool. On a quarterly basis the Auditor Controller allocates interest to participants based upon their average daily balances. The Treasurer's investments and policies are overseen by the Yolo County Treasury Oversight Committee. Required disclosure information regarding the credit risk, custodial credit risk, concentration risk and interest rate risk of investments can be found in the County of Yolo's basic financial statements. The County of Yolo's financial statements may be obtained by contacting the County of Yolo's Auditor-Controller's Office at 625 Court Street, Room 103, Woodland, California 95695. The Yolo County Treasury Oversight Committee oversees the Treasurer's investments and policies.

Investments held in the County's investment pool are available on demand and are stated at fair value.

California Government Code authorizes the Treasurer of the County to invest excess funds in the following list of eligible securities:

- a) Obligations of the County or any local agency and instrumentality in or of the State of California.
- b) Obligations of the U.S. Treasury, agencies and instrumentalities.
- c) Bankers' acceptances eligible for purchase by the Federal Reserve System.
- d) Commercial paper with an A-1 rating by Moody's Investors Service or a P-1 rating by Standard & Poor's Corporation.
- e) Repurchase agreements or reverse repurchase agreements.
- f) Medium-term notes with a five-year maximum maturity of corporations operating within the United States and rated in the top three rating categories by Moody's Investors Service and Standard & Poor's Corporation.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

- g) Shares of beneficial interest issued by diversified management companies (money market funds) investing in securities and obligations as outlined in a) through f) above. Certain security rankings and/or organizational requirements apply to this type of investment.

Cash and investments are classified in the financial statements as follows:

Cash and Investments:

Cash in County Pooled Treasury	\$ 3,124,488
Restricted Cash and Yolo Community Foundation Endowment	544,211
Total Cash and Investments	\$ 3,668,699

Investments

The Habitat JPA invests its cash in the County of Yolo Treasury Investment Pool. The Habitat JPA does not have its own investment policy defining criteria for selecting acceptable financial institutions, brokers/dealers, or allowable investment types as defined by Government Code 53601. The investments in the County of Yolo Treasury Investment Pool follow the County’s investment policy with oversight by the Yolo County Treasury Oversight Committee.

At June 30, 2023, the Habitat JPA had the following investments:

	Interest Rates	Maturities	Cost Value	Fair Value	WAM (Years)
Cash in County Pooled Treasury	Variable	On Demand	\$ 3,034,532	\$ 3,124,488	1.25
Restricted Cash in County Pooled Treasury	Variable	On Demand	528,543	544,211	1.25
Total Cash and Investments			\$ 3,563,075	\$ 3,668,699	

At June 30, 2023 the Habitat JPA had the following restrictions on cash balances:

Restricted for:

Conservation Easement Endowment	\$ 141,225
Yolo Community Foundation Endowment	402,986
Total Restricted Cash	\$ 544,211

The restricted cash is to provide funds for the monitoring of easements to ensure landowners follow the terms of the conservation easements purchased by the Yolo Habitat JPA. The monitoring is performed by the Habitat JPA, Yolo Land Trust, or California Waterfowl Association depending on the individual easement and reimbursed from the Habitat JPA’s restricted cash.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in the market interest rate.

Credit Risk:

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Habitat JPA has no investment policy that would further limit its investment choices.

Fair Value Measurement:

The Habitat JPA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 input are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2023, the Habitat JPA held no individual investments. All funds are invested in the County Pool.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. Habitat JPA's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Deposits and withdrawals from the County Pool are made on the basis of \$1 and not fair value. Accordingly, the Habitat JPA's proportionate share of investments in the County Pool at June 30, 2023 of \$3,662,122 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

NOTE 3 – CAPITAL ASSETS

The Habitat JPA's capital assets consist of land easement agreements. The agreement limits certain uses on all or a portion of a property for conservation purposes while keeping the property in the landowner's ownership and control. These agreements do not have an expiration date and thus, the easements are considered to have indefinite useful lives.

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Capital Assets, Not Being Depreciated				
Land easements	\$ 3,407,811	\$ 2,500,504	-	\$ 5,908,315
Total Capital Assets, Not Being Depreciated	<u>\$ 3,407,811</u>	<u>\$ 2,500,504</u>	<u>-</u>	<u>\$ 5,908,315</u>

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 4 – RISK MANAGEMENT

The Habitat JPA is exposed to various risks of loss related to workers' compensation and general liability. The Habitat JPA participates in the Yolo County Public Agency Risk Management Insurance Agency (YCPARMIA), a public entity risk pool of governmental entities within Yolo County, for comprehensive general and auto liability, and worker's compensation insurance. Through the Habitat JPA's membership in the YCPARMIA, the Habitat JPA is provided with excess coverage through the California State Association of Counties – Excess Insurance Agency for catastrophic liability losses. Loss contingency reserves established by YCPARMIA are funded by contributions from member agencies.

The Habitat JPA pays an annual premium to YCPARMIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal cost, and administrative and other costs to operate the YCPARMIA. The Habitat JPA's deductibles and maximum coverages are as follows:

2023 Coverage	Deductible	YCPARMIA	Excess
General Liability	\$ 1,000	\$ 1,000,000	\$ 40,000,000

The Habitat JPA has had no settlements exceeding coverage in the fiscal year ended June 30, 2023 or the prior two fiscal years.

NOTE 5 – RELATED PARTY TRANSACTIONS

The County of Yolo provides certain legal, accounting, administrative, and other professional services to the Habitat JPA. Although the Habitat JPA was created in part by the County of Yolo, it is not part of the County's financial reporting entity. Legal, payroll, and accounting services are billed separately and at amounts that will approximately recover the County's full cost of providing such services. The Habitat JPA had expenditures for services provided by the County for the 2023 fiscal year as follows:

	Amount
Administrative Services	\$ 127,389
IT Services	8,200
Accounting Services	5,016
Legal Services	408
Total	\$ 141,013

NOTE 6 – CONTINGENCIES

The Habitat JPA receives funding for specific purposes through state and federal grants that are subject to review and audit by the funding source. Such audits could result in a request for reimbursement of expenditures to be disallowed under the terms and conditions of the contracts. Management is of the opinion that no material liabilities will result from such potential audits.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 7 – MITIGATION CREDITS

On November 10, 2008, the Habitat JPA Board of Directors adopted Resolution 2008-02 supporting the creation of receiving sites for Swainson's Hawk Foraging Habitat Mitigation and the subsequent sale of mitigation credits. The Habitat JPA has engaged in the subsequent sale and exchange of mitigation credits in order to acquire conservation easements. The Habitat JPA is responsible for the tracking and management of the mitigation credits provided. As of June 30, 2023, a total of 5 mitigation receiving sites have been established for 977.75 acres. A total of 913.496 credits have been issued as of June 30, 2023. Landowners are responsible for reporting the sales of credits to the Habitat JPA in accordance with the Mitigation Credit agreement between the Habitat JPA and the landowner.

NOTE 8 – CONTINGENCIES AND COMMITMENTS

Grant Awards:

The Habitat JPA participates in certain federal, and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 9 – ECONOMIC DEPENDENCE

The Habitat JPA is economically dependent on revenue derived from mitigation fees and pre-payment of mitigation fees from member agencies consisting of 80 percent of General Fund program revenues for the year ended June 30, 2023. The Habitat JPA is dependent on the continued support member agencies for the organization's objective of the implementation of the Yolo County Habitat/Natural Community Conservation Plan and to continue operations in the future.

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REQUIRED SUPPLEMENTARY INFORMATION

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Mitigation fees	\$ 1,500,000	\$ 1,500,000	\$ 674,307	\$ (825,693)
Other revenue	-	-	12,900	12,900
Charges for services	-	-	45,685	45,685
Use of money and property (losses on investment)	5,000	5,000	92,092	87,092
Total Revenues	1,505,000	1,505,000	824,984	(680,016)
Expenditures				
Current:				
Professional services	800,000	800,000	440,747	359,253
Other expenditures	3,005,500	3,005,500	1,649	3,003,851
Capital Outlay - Easements	250,000	250,000	1,050,170	(800,170)
Total Expenditures	4,055,500	4,055,500	1,492,566	2,562,934
Excess (deficiency) of revenues over expenditures	(2,550,500)	(2,550,500)	(667,582)	(3,242,950)
Other Financing Sources (Uses)				
Transfers out	(200,000)	(200,000)	(1,140)	198,860
Total Other Financing Sources (Uses)	(200,000)	(200,000)	(1,140)	198,860
Net Change in Fund Balances	\$ (2,750,500)	\$ (2,750,500)	(668,722)	(3,044,090)
Fund Balance - Beginning			3,415,884	(165,257)
Fund Balance - Ending			\$ 2,747,162	\$ (3,209,347)

The notes to the required supplementary information are an integral part of this schedule.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Grant Money	\$ 125,000	\$ 125,000	\$ 63,048	\$ (61,952)
Use of money and property (losses on investment)	-	-	(1,121)	(1,121)
Total Revenues	<u>125,000</u>	<u>125,000</u>	<u>61,927</u>	<u>(63,073)</u>
Expenditures				
Current:				
Professional services	125,000	125,000	71,378	(53,622)
Other expenditures	-	-	10	10
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>71,388</u>	<u>(53,612)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(9,461)</u>	<u>(9,461)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>(9,461)</u>	<u>(9,461)</u>
Fund Balance - Beginning			<u>29,818</u>	<u>(165,257)</u>
Fund Balance - Ending			<u>\$ 20,357</u>	<u>\$ (174,718)</u>

The notes to the required supplementary information are an integral part of this schedule.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
OTHER REVENUE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Mitigation fees	\$ 50,000	\$ 50,000	\$ 22,068	\$ (27,932)
Charges for services	-	-	11,003	11,003
Use of money and property (losses on investment)	1,000	1,000	1,360	360
Total Revenues	<u>51,000</u>	<u>51,000</u>	<u>34,431</u>	<u>(16,569)</u>
Excess (deficiency) of revenues over expenditures	<u>51,000</u>	<u>51,000</u>	<u>34,431</u>	<u>(16,569)</u>
Net Change in Fund Balances	<u>\$ 51,000</u>	<u>\$ 51,000</u>	34,431	(16,569)
Fund Balance - Beginning			<u>69,129</u>	<u>(165,257)</u>
Fund Balance - Ending			<u>\$ 103,560</u>	<u>\$ (181,826)</u>

The notes to the required supplementary information are an integral part of this schedule.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
MITIGATION TRUST ACCOUNT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other revenue	\$ -	\$ -	\$ 1,306,826	\$ 1,306,826
Use of money and property (losses on investment)	2,000	2,000	17,374	15,374
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>1,324,200</u>	<u>1,322,200</u>
Expenditures				
Current:				
Professional services	-	-	472	472
Other expenditures	552,884	552,884	184,751	(368,133)
Capital Outlay - Easements	-	-	1,450,334	1,450,334
Total Expenditures	<u>552,884</u>	<u>552,884</u>	<u>1,635,557</u>	<u>1,082,673</u>
Excess (deficiency) of revenues over expenditures	<u>(550,884)</u>	<u>(550,884)</u>	<u>(311,357)</u>	<u>239,527</u>
Other Financing Sources (Uses)				
Transfers out	-	-	(72,000)	(72,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(72,000)</u>	<u>(72,000)</u>
Net Change in Fund Balances	<u>\$ (550,884)</u>	<u>\$ (550,884)</u>	(383,357)	167,527
Fund Balance - Beginning			533,968	(165,257)
Fund Balance - Ending			<u>\$ 150,611</u>	<u>\$ 2,270</u>

The notes to the required supplementary information are an integral part of this schedule.

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**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING

Habitat JPA prepares and is required to legally adopt a final budget for all funds on or before June 30th of each fiscal year. Habitat JPA operation, commencing July 1st, is governed by the proposed budget, which is prepared on the modified accrual basis and normally adopted by the JPA Board of Directors in June of the prior year.

After the budget is approved, the Executive Director is authorized to execute transfers within major budget units as long as the total expenditures for each budget unit remain unchanged. The Habitat JPA measures compliance with the legally adopted budget at the major object level.

An operating budget is adopted each fiscal year on the modified accrual basis.

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SUPPLEMENTARY INFORMATION

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
PRE-PERMIT ENDOWMENT PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property (losses on investment)	\$ 10,000	\$ 10,000	\$ 25,515	\$ 15,515
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>25,515</u>	<u>15,515</u>
Expenditures				
Current:				
Professional services	10,000	10,000	4,271	(5,729)
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>4,271</u>	<u>(5,729)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>21,244</u>	<u>21,244</u>
Other Financing Sources (Uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>1,140</u>	<u>1,140</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,140</u>	<u>1,140</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	22,384	22,384
Fund Balance - Beginning			<u>335,708</u>	<u>(165,257)</u>
Fund Balance - Ending			<u>\$ 358,092</u>	<u>\$ (142,873)</u>

The notes to the required supplementary information are an integral part of this schedule.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY
CONSERVATION PLAN JOINT POWERS AGENCY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
POST-PERMIT ENDOWMENT PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Mitigation fees	\$ 39,000	\$ 39,000	\$ 139,120	\$ 100,120
SPE fees	-	-	22,068	22,068
Use of money and property (losses on investment)	5,000	5,000	3,357	(1,643)
Total Revenues	<u>44,000</u>	<u>44,000</u>	<u>164,545</u>	<u>120,545</u>
Expenditures				
Current:				
Professional services	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>44,000</u>	<u>44,000</u>	<u>164,545</u>	<u>120,545</u>
Other Financing Sources (Uses)				
Transfers in	-	-	72,000	72,000
Transfers out	<u>(44,000)</u>	<u>(44,000)</u>	<u>-</u>	<u>44,000</u>
Total Other Financing Sources (Uses)	<u>(44,000)</u>	<u>(44,000)</u>	<u>72,000</u>	<u>116,000</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	236,545	236,545
Fund Balance - Beginning			99,814	(165,257)
Fund Balance - Ending			<u>\$ 336,359</u>	<u>\$ 71,288</u>

The notes to the required supplementary information are an integral part of this schedule.

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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Yolo County Habitat/Natural Community Conservation Plan
Joint Powers Authority
Woodland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Yolo County Habitat/Natural Community Conservation Plan Joint Powers Authority (Habitat JPA), as of and for the year ended June 30, 2023 and the related notes to the financial statements, and have issued our report thereon dated May 3, 2024. Our report included an emphasis of a matter paragraph disclosing the economic dependency as disclosed in Note 9 of the financial statements.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Habitat JPA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Habitat JPA's internal control. Accordingly, we do not express an opinion on the effectiveness of the Habitat JPA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Habitat JPA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Habitat JPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated May 3, 2024, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Habitat JPA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Habitat JPA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze + Associates

Pleasant Hill, California
May 3, 2024

**YOLO COUNTY HABITAT/NATURAL COMMUNITY CONSERVATION
PLAN JOINT POWERS AUTHORITY**

**MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS**

FOR THE YEAR ENDED JUNE 30, 2023

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**YOLO COUNTY HABITAT/NATURAL COMMUNITY CONSERVATION
PLAN JOINT POWERS AUTHORITY**

**MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS**

For the Year Ended June 30, 2023

Table of Contents

	<u>Page</u>
<i>Memorandum on Internal Control</i>	1
Schedule of Other Matters	3
<i>Required Communications</i>	7
Significant Audit Matters.....	7
Qualitative Aspects of Accounting Practices	7
Difficulties Encountered in Performing the Audit.....	7
Corrected and Uncorrected Misstatements.....	8
Disagreements with Management.....	8
Management Representations	8
Management Consultations with Other Independent Accountants	8
Other Audit Findings or Issues	9
Other Matters.....	9

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MEMORANDUM ON INTERNAL CONTROL

To the Board of Directors
Yolo County Habitat/Natural Community Conservation Plan
Joint Powers Agency
Woodland, California

In planning and performing our audit of the financial statements of the Yolo County Habitat/Natural Community Conservation Plan, (Habitat JPA), California, as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Habitat JPA's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Habitat JPA's internal control. Accordingly, we do not express an opinion on the effectiveness of the Habitat JPA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Habitat JPA's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe to be of potential benefit to the Habitat JPA.

This communication is intended solely for the information and use of management, Board of Directors, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Maze + Associates".

Pleasant Hill, California
May 3, 2024

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**YOLO COUNTY HABITAT/NATURAL COMMUNITY CONSERVATION
PLAN JOINT POWERS AUTHORITY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS
FOR THE YEAR ENDED JUNE 30, 2023**

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We cite them here to keep you informed of developments:

EFFECTIVE FISCAL YEAR 2023/24:

GASB 100 – *Accounting for Changes and Error Corrections*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY CONSERVATION
PLAN JOINT POWERS AUTHORITY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS
FOR THE YEAR ENDED JUNE 30, 2023**

EFFECTIVE FISCAL YEAR 2024/25:

GASB 101 – Compensated Absences

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Recognition And Measurement

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

Notes To Financial Statements

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

**YOLO COUNTY HABITAT/NATURAL COMMUNITY CONSERVATION
PLAN JOINT POWERS AUTHORITY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS
FOR THE YEAR ENDED JUNE 30, 2023**

GASB 101 – Compensated Absences (Continued)

How the Changes in this Statement Will Improve Financial Reporting

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

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REQUIRED COMMUNICATIONS

To the Board of Directors
Yolo County Habitat/Natural Community Conservation Plan
Joint Powers Agency
Woodland, California

We have audited the basic financial statements of the West County Yolo County Habitat/Natural Community Conservation Plan, (Habitat JPA), California, for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 24, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Habitat JPA are included in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year except as follows:

The following pronouncements became effective, but did not have a material effect on the financial statements:

- GASB 91 – *Conduit Debt Obligations***
- GASB 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements***
- GASB 96 – *Subscription-Based Information Technology Arrangements***
- GASB 99 – *Omnibus 2022, paragraphs 11-25***

Disclosures – The financial statement disclosures are neutral, consistent, and clear.

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered into by the Habitat JPA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the Habitat JPA's financial reporting process.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Directors.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated May 3, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Habitat JPA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Habitat JPA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

This information is intended solely for the use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze + Associates

Pleasant Hill, California
May 3, 2024

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Independent Auditor Presentation

For fiscal year ended June 30, 2023

Yolo County Habitat/Natural
Community Conservation Plan JPA

David M. Alvey, CPA
Partner

Annual Audit (pg. 1 to 3)

■ Background:

- Independent of the Habitat JPA
- Conducted according to auditing standards generally accepted in the USA
- Government Auditing Standards

■ Result:

- Unmodified (i.e.. Clean) Opinion**

Financial Highlights (pg. 12)

■ Statement of Net Position

- \$9.6m Net Position at June 30, 2023
- \$1.7m increase from prior year
 - Mitigation fee revenue
- Majority of net position is Capital Asset - \$5.9m

Financial Highlights (pg. 14)

■ Statement of Activities

- Revenues (\$2.4m) exceeded Expenses (\$703k) by \$1.7m increase in Net Position
- Program Revenue decreased \$1.5m
 - Less mitigation fee revenue than budgeted
 - Less Special Participation Entry projects than budgeted
- Program Expenses decreased by \$7k
- Investment income increased \$299k to \$139k

Memorandum on Internal Control and Required Communication

- Material Weakness: None
- Significant Deficiency: None
- Other Matters: None
- Required Communication:
 - No disagreements with management
 - No issues with accounting estimate and assumptions
 - No reason to believe the scope was limited
 - No second opinion

QUESTIONS?



“We are in the business to help our clients succeed”

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Receive and file transmittal memo recommending the Muller Pond Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site

Attachments

Staff Report

Att. A. Muller Pond Site Transmittal Memo

Form Review

Form Started By: Charlie Tschudin

Final Approval Date: 09/10/2024

Started On: 09/10/2024 12:46 PM



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Verna Sulpizio Hull, Chair
Members of the Board

From: Elisa Sabatini
Executive Director

Re: Approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site

Date: September 16, 2024

REQUESTED ACTIONS:

1. Approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site

BACKGROUND:

The Muller Pond Site is approximately 100 acres and is located on the north side of the lower Cache Creek corridor, partially within Planning Unit 7 and partially within Planning Unit 13. This site is a Priority 1 HCP/NCCP acquisition site due to its location along the Cache Creek corridor and the proximity of the site to existing protected lands, including the Woodland Reiff HCP/NCCP reserve system site located immediately to the east. Conservancy and Yolo HCP/NCCP Science and Technical Advisory Committee (STAC) representatives conducted a site visit on the Muller Pond Site, on April 22, 2024. The STAC recommends enrolling the property in the HCP/NCCP reserve system due to the presence of occupied valley elderberry longhorn beetle habitat on the site as well as valley foothill riparian, grasslands, and wetland habitat that provides habitat for other covered species, including: western pond turtle, least Bell's vireo, Swainson's hawk, white-tailed kite, and tricolored blackbird. The primary Yolo HCP/NCCP goals and objectives that the site would contribute towards if enrolled in the Yolo HCP/NCCP reserve system and the STAC's recommendation are summarized in the transmittal memo (Attachment A).

The Executive Director recommends that the Board approve the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site. Following Board approval staff will seek concurrence from CDFW and USFWS that the site be considered a candidate Yolo HCP/NCCP conservation easement site and, if approved, will work with the landowner, CDFW, and USFWS staff to prepare the appropriate conservation easement documents and return to the Board for final action.

ATTACHMENTS:

Attachment A. Transmittal memo recommending the Muller Pond Site for inclusion in the Yolo HCP/NCCP reserve system



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

Muller Pond Site

Candidate Site Recommendation Summary

Recommendation: Yolo Habitat Conservancy staff recommend approval of the Muller Pond Site as a candidate Yolo HCP/NCCP conservation easement site to expand the corridor of reserve system sites along Cache Creek that contain valley foothill riparian and wetland habitat. Additionally, enrollment of the site would contribute to a variety of HCP/NCCP enrollment objectives, including: acquire newly protected lands for the reserve system adjacent to and between baseline protected lands (L-1.3), support a corridor of patches of woody and herbaceous riparian vegetation in the Cache Creek floodplain within Planning Unit 7 (L-1.4), protect populations of VELB along Lower Cache Creek (VELB 1.1), protect and manage grasslands to provide Swainson's hawk foraging habitat (SH1.2), protect modeled least Bells vireo habitat (LBV1.1), maintain and enhance protected tricolored blackbird nesting habitat (TRBL1.5).¹

Site Name: Muller Pond

Area being considered for enrollment: ~100 acres

Planning Unit: 7 (Cache Creek) and 13 (Colusa Basin Plains)

Priority Land Acquisition Area: Priority 1

Proposed Enrollment Type: Newly protected land conservation easement

Primary Land Cover Types: valley foothill riparian, seasonal wetland, grassland, open water and oak woodland

Science and Technical Advisory Committee (STAC)

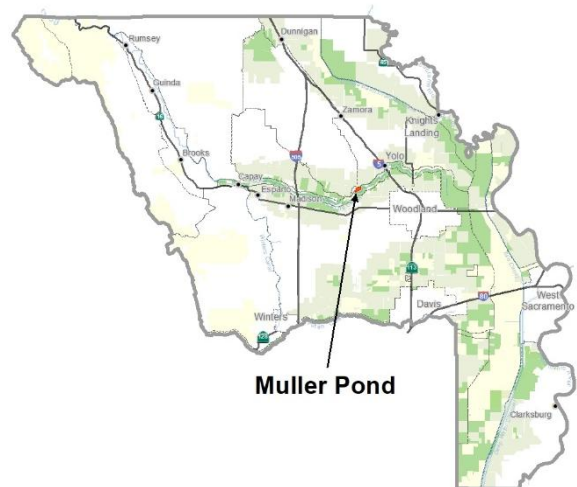
Evaluation Summary:

HCP/NCCP covered species habitat observed at the time of the STAC site visit conducted on April 22, 2024:

- **Swainson's hawk:** nesting and natural lands foraging habitat
- **White-tailed kite:** nesting and natural lands foraging habitat
- **Tricolored blackbird:** cultivated lands foraging habitat
- **Least Bell's vireo:** riparian habitat
- **Western Pond Turtle:** upland and aquatic habitat
- **Valley elderberry longhorn beetle:** occupied elderberry shrubs

The STAC has made the following recommendation:

The Muller Pond site is in its entirety, a restored site. During and immediately post-mining, the property was devoid of habitat and any resource value for Covered Species or wildlife in general. With the reclamation plan's implementation, the site has been greatly enhanced with open water, wetland, riparian, and upland habitats and now provides substantial habitat value to a variety of wildlife, including 6 of the 12 Covered Species. Riparian and oak woodland habitats have successfully developed, creating important



¹ The descriptions for the Yolo HCP/NCCP objectives listed here are summarized. Please see Yolo HCP/NCCP Table 6-3 for the full text associated with each objective.

nesting habitats for Swainson's hawk, white-tailed kite, and possibly least Bell's vireo. Elderberry shrubs have also thrived, creating habitat for valley elderberry longhorn beetle. Aquatic and wetland habitats may also provide opportunities for western pond turtle and tricolored blackbird. As vegetation on the property continues to mature, those values are expected to be further enhanced.

Full protection of the property can contribute to meeting the Yolo HCP/NCCP's conservation goals for riparian, grassland, oak woodland, and possibly wetlands, and in doing so, creating and preserving important habitat for many wildlife species. In addition, fully protecting this property adds additional protected lands along the Cache Creek corridor and in this way has indirect value to several Covered Species through enhanced connectivity of this important corridor. Because of the contribution to meeting HCP/NCCP objectives for covered species, natural communities, and the opportunity to protect important properties within the High Priority Cache Creek corridor, the STAC recommends enrollment of the Muller Pond site in the Yolo HCP/NCCP reserve system.



Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Receive and file transmittal memo recommending the Los Rios South Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site

Attachments

Staff Report

Att. A. Los Rios South Transmittal Memo

Form Review

Form Started By: Charlie Tschudin

Final Approval Date: 09/10/2024

Started On: 09/10/2024 12:50 PM



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Verna Sulpizio Hull, Chair
Members of the Board

From: Elisa Sabatini
Executive Director

Re: Approve the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site

Date: September 16, 2024

REQUESTED ACTIONS:

1. Approve the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site

BACKGROUND:

The approximately 255-acre Los Rios South Site is located along the Putah Creek corridor, within Planning Units 9 (Lower Putah Creek) and 16 (Yolo Basin Plains). Approximately 215 acres of the site is currently maintained as cultivated agricultural fields that are managed as row and field crops. An approximately 1-mile section Lower Putah Creek runs along the northern portion of the site. Conservancy and Yolo HCP/NCCP Science and Technical Advisory Committee (STAC) representatives conducted a site visit on the Los Rios South Site on August 29, 2024. The STAC recommends enrolling the property in the HCP/NCCP reserve system due to the presence of occupied valley elderberry longhorn beetle habitat, occupied Swainson's hawk nesting habitat, occupied northwestern pond turtle habitat, an existing mature riparian corridor along Putah Creek that has the potential to support yellow-billed cuckoo and least Bell's vireo, and the potential for the site to be utilized to help meet the Yolo HCP/NCCP's riparian restoration obligations. The primary Yolo HCP/NCCP goals and objectives that the site would contribute towards if enrolled in the Yolo HCP/NCCP reserve system and the STAC's recommendation are summarized in the transmittal memo (Attachment A).

The Executive Director recommends that the Board approve the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site. Following Board approval staff will seek concurrence from CDFW and USFWS that the site be considered a candidate Yolo HCP/NCCP conservation easement site and, if approved, will work with the landowner, CDFW, and USFWS staff to prepare the appropriate conservation easement documents and return to the Board for final action.

ATTACHMENTS:

Attachment A. Transmittal memo recommending the Los Rios South Site for inclusion in the Yolo HCP/NCCP reserve system



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

Los Rios South Site

Candidate Site Recommendation Summary

Recommendation: Yolo Habitat Conservancy staff recommend approval of the Los Rios South Site as a candidate Yolo HCP/NCCP conservation easement site to protect, enhance, and restore the corridor of valley foothill riparian habitat along Putah Creek. Additionally, enrollment of the site would contribute to a variety of HCP/NCCP enrollment objectives, including: enroll pre-permit lands for the reserve system and restore or create up to 956 acres of wetlands and riparian natural community (L-1.1), support a corridor of patches of woody and herbaceous riparian vegetation in the Putah Creek floodplain within Planning Unit 9 (L-1.5), enroll cultivated lands natural community on public baseline lands as pre-permit reserve lands (NC-CL1.2), restore and manage valley foothill riparian natural community within the Putah Creek corridor to create larger nodes of riparian community along narrow riparian stretches (NC-VFR1.2), protect and maintain at least 20 Swainson's hawk nest trees (SH1.3), protect modeled yellow-billed cuckoo habitat (WYBC1.1), protect modeled least Bell's vireo habitat (LBV1.1), and protect occupied valley elderberry longhorn beetle habitat along Lower Cache Creek (VELB1.1).¹

Site Name: Los Rios South Site

Area being considered for enrollment: ~255 acres

Planning Unit: 9 (Lower Putah Creek) and 16 (Yolo Basin Plains)

Priority Land Acquisition Area: Priority 1

Proposed Enrollment Type: Pre-permit land conservation easement

Primary Land Cover Types: cultivated lands, valley foothill riparian, and open water



Science and Technical Advisory Committee (STAC) Evaluation Summary:

HCP/NCCP covered species habitat observed at the time of the STAC site visit conducted on August 29, 2024:

- **Swainson's Hawk:** occupied nesting and natural lands foraging habitat
- **Valley Elderberry Longhorn Beetle:** occupied elderberry shrubs and potential for restoration
- **Western Pond Turtle:** occupied aquatic and upland habitat
- **Yellow-Billed Cuckoo:** nesting and foraging habitat
- **Least Bell's Vireo:** nesting and foraging habitat
- **White-Tailed Kite:** nesting and natural lands foraging habitat
- **Tricolored Blackbird:** cultivated lands foraging habitat
- **Burrowing owl:** cultivated lands foraging habitat

The STAC has made the following recommendation:

The STAC recommends approval of the Los Rios South site for inclusion in the HCP/NCCP reserve system. The site contributes to HCP/NCCP goals and objectives, offers current and future habitat elements for eight

¹ The descriptions for the Yolo HCP/NCCP objectives listed here are summarized. Please see Yolo HCP/NCCP Table 6-3 for the full text associated with each objective.

Covered Species, and meets species and patch-size requirements on its own and in conjunction with adjacent sites for VELB, Swainson's hawk, white-tailed kite, northwestern pond turtle, and least Bell's vireo.

The Los Rios South site lies within the Putah Creek corridor and offers significant benefits to conservation within the region. Overstory trees along the riparian corridor, primarily cottonwood, walnut, and willow, provide important nesting habitat for Swainson's hawk and white-tailed kite. The Putah Creek corridor is among the most important nesting areas for Swainson's hawk in the Sacramento Valley and several nest sites have been documented on the property. The riparian corridor supports potentially occupied habitat for yellow-billed cuckoo and least Bell's vireo. Western pond turtles have been documented along the creek, including an observation made during the STAC site visit, and evidence of VELB occupancy was observed on elderberry shrubs within the riparian corridor on the property during the STAC site visit. The agricultural portion of the site provides foraging habitat for Swainson's hawk and white-tailed kite.

The City of Davis, who owns the property, is willing to consider expanding the riparian corridor on the site and allowing other restoration and enhancement activities that would further increase the already significant habitat values of the site. Riparian restoration could increase nesting habitat for a variety of bird species, facilitate VELB mitigation, and improve instream habitat for western pond turtle and other aquatic species. Widening and densifying the riparian corridor could also improve habitat for yellow-billed cuckoo and least Bell's vireo. The agricultural portion of the site has the potential to be enhanced to support burrowing owl and tricolored blackbird habitat.



Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 09/16/2024

Information

SUBJECT

Receive and file transmittal memo recommending the Haller & Muller In-Channel Site for inclusion in the Yolo HCP/NCCP reserve system; approve the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site

Attachments

Staff Report

Att. A. Haller & Muller In-Channel Site Transmittal Memo

Form Review

Form Started By: Charlie Tschudin

Final Approval Date: 09/10/2024

Started On: 09/10/2024 12:41 PM



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Verna Sulpizio Hull, Chair
Members of the Board

From: Elisa Sabatini
Executive Director

Re: Approve the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site

Date: September 16, 2024

REQUESTED ACTIONS:

1. Approve the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site

BACKGROUND:

The approximately 124-acre Haller & Muller In-Channel Site is located within the lower Cache Creek corridor, within Planning Unit 7. This pre-permit site is a priority for reserve system enrollment due to its location within the Cache Creek corridor, immediately west of the Woodland Reiff HCP/NCCP reserve system site and immediately east of the Cache Creek Nature Preserve. Conservancy and Yolo HCP/NCCP Science and Technical Advisory Committee (STAC) representatives conducted a site visit on the Haller & Muller Pond Site on August 16, 2024. The STAC recommends enrolling the property in the HCP/NCCP reserve system due to the presence of occupied valley elderberry longhorn beetle habitat, presence of suitable bank swallow habitat, the potential for the site to be utilized to help meet the Yolo HCP/NCCP's riparian restoration obligations, and to increase the corridor of connected reserve system sites along Cache Creek. The primary Yolo HCP/NCCP goals and objectives that the site would contribute towards if enrolled in the Yolo HCP/NCCP reserve system and the STAC's recommendation are summarized in the transmittal memo (Attachment A).

The Executive Director recommends that the Board approve the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site. Following Board approval staff will seek concurrence from CDFW and USFWS that the site be considered a candidate Yolo HCP/NCCP conservation easement site and, if approved, will work with the landowner, CDFW, and USFWS staff to prepare the appropriate conservation easement documents and return to the Board for final action.

ATTACHMENTS:

Attachment A. Transmittal memo recommending the Haller & Muller In-Channel Site for inclusion in the Yolo HCP/NCCP reserve system



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

Haller & Muller In-Channel Site **Candidate Site Recommendation Summary**

Recommendation: Yolo Habitat Conservancy staff recommend approval of the Haller & Muller In-Channel Site as a candidate Yolo HCP/NCCP conservation easement site to expand the corridor of reserve system sites along Cache Creek that contain valley foothill riparian habitat. Additionally, enrollment of the site would contribute to a variety of HCP/NCCP enrollment objectives, including: enroll pre-permit lands for the reserve system and restore or create up to 956 acres of wetlands and riparian natural community (L-1.1), support a corridor of patches of woody and herbaceous riparian vegetation in the Cache Creek floodplain within Planning Unit 7 (L-1.4), restore and manage 608 acres of valley foothill riparian natural community within the Cache Creek corridor, creating larger nodes of riparian community along narrow riparian stretches (NC-VFR1.2), protect occupied valley elderberry longhorn beetle habitat along Lower Cache Creek (VELB1.1), and protect bank swallow habitat in planning unit 7 (BS1.1).¹

Site Name: Haller & Muller In-Channel Site

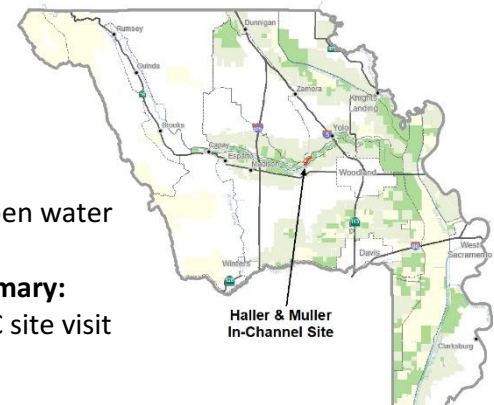
Area being considered for enrollment: ~124 acres

Planning Unit: 7 (Cache Creek)

Priority Land Acquisition Area: Priority 1

Proposed Enrollment Type: Pre-permit land conservation easement

Primary Land Cover Types: valley foothill riparian, grassland, and open water



Science and Technical Advisory Committee (STAC) Evaluation Summary:

HCP/NCCP covered species habitat observed at the time of the STAC site visit conducted on August 16, 2024:

- **Bank Swallow:** Suitable nesting habitat
- **Valley Elderberry Longhorn Beetle:** occupied elderberry shrubs and potential for restoration
- **Swainson's Hawk:** nesting and natural lands foraging habitat
- **Least Bell's Vireo:** nesting and foraging habitat
- **White-Tailed Kite:** nesting and natural lands foraging habitat
- **Tricolored Blackbird:** cultivated lands foraging habitat
- **Western Pond Turtle:** upland and aquatic habitat

The STAC has made the following recommendation:

The Haller & Muller In-Channel property includes an important reach of Cache Creek. It not only supports essential habitat for several Yolo HCP/NCCP covered species, it also provides another important connective element in the overall protection of the Cache Creek basin. Entirely within the Cache Creek channel, the property supports aquatic, riparian woodland and scrub, and upland habitats up to the upper terrace of the basin. The property also provides opportunities for restoration of riparian habitats and habitat features important for several covered species. Because this property contributes to meeting goals and objectives for several covered species and natural communities, the STAC recommends approval by the Board to include the Haller & Muller In-Channel Site into the HCP/NCCP reserve system.

¹ The descriptions for the Yolo HCP/NCCP objectives listed here are summarized. Please see Yolo HCP/NCCP Table 6-3 for the full text associated with each objective.