



Yolo Habitat Conservancy

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

To: Lucas Frerichs, Chair
Members of the Board

From: Chris Alford
Interim Executive Director

Re: Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update

Date: March 17, 2025

REQUESTED ACTION:

1. Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update (Attachment A)

BACKGROUND:

The Yolo Habitat Conservancy maintains six separate funds associated with the Yolo HCP/NCCP. As part of the Conservancy's regular financial updates to the Board, staff provides a fund-level financial summary. This financial update includes revenues and expenditures for the first half of FY24/25 (July 1, 2024 through December 31, 2024) for each of the six funds. Below is a description of each fund and notable activities that occurred in the first half of FY24/25. Attachment A includes the adopted budget for FY24/25, financial status of each fund for the first half of FY24/25, the projected account activity anticipated to occur within the remainder of the fiscal year and a comparison of budget to actuals.

Mitigation Fee Fund: The Conservancy places revenue collected from Yolo HCP/NCCP mitigation fees in this fund and utilizes this fund to track expenditures of mitigation fees used to implement the Yolo HCP/NCCP. A total of \$13,311 was deposited into this account as mitigation fee revenue in the first half of FY24/25. This amount constitutes only 2% of the budgeted fee revenue for the total fiscal year. It is anticipated; however, that an additional \$797,206 in fee revenue will be collected by the end of FY24/25 which is slightly greater than the \$700,000 of anticipated fee revenue included in the approved budget. A total of \$339,276 in expenditures were incurred during the first half of FY24/25. This only constitutes approximately 13% of the total \$2,589,962 of anticipated expenditures included in the FY24/25 budget. The primary expense anticipated for the Mitigation Fee Fund for the fiscal year is the purchase of a conservation easement, which is anticipated to occur in the second half of the fiscal year. Conservancy staff also anticipate an increase in professional service expenses in the second half of the fiscal year as due diligence activities are conducted for multiple candidate Yolo HCP/NCCP reserve system sites.

Mitigation Trust Account Fund: This fund contains fees collected for specific mitigation purposes. The funds currently held within the Mitigation Trust Account Fund are to be used towards the acquisition of land that contains burrowing owl habitat. The Conservancy intends to utilize the balance of the funds currently held within this account by the end of FY24/25.

Grant Fund: The Conservancy tracks all grant revenues and expenditures through this fund. The Conservancy does not currently have any grants so there was no activity associated with this fund during the first half of FY24/25.

Pre-Permit Endowment: This fund is held by the Sacramento Region Community Foundation and contains endowment funds collected to monitor pre-permit conservation easements established prior to the official start of Yolo HCP/NCCP implementation (January 11, 2019). Annual compliance monitoring was conducted during the first half of FY24/25. Interest accrued to this account during the first half of FY24/25 was \$25,620, while a total of \$7,607 of expenses were incurred between monitoring compliance costs and service fees charged by the Sacramento Regional Community Foundation.

Post-Permit Endowment: The Conservancy places 2.5% of all HCP/NCCP mitigation fees collected as well as all stewardship donations collected into this fund to save for management and monitoring of the reserve system after the permit term ends in 50 years. The Conservancy deposits these funds into an account held by the County at the time they are received and subsequently transfers the funds to a long-term endowment fund held by the Sacramento Region Community Foundation on a semi-regular basis. This account accrued \$17,462 of interest and received an additional \$138 of mitigation fee funds during the first half of FY24/25. A total of \$1,528 in service fees were paid to the Sacramento Region Community Foundation for administering this account.

Other Revenue Fund: The Conservancy places contribution to recovery fee revenue collected from Special Participating Entities, landowner contributions, and other non-mitigation fee revenue in this fund. The Conservancy did not collect any fees from Special Participating Entities or other non-mitigation revenue funds during the first half of FY24/25.

ATTACHMENT:

Attachment A. Mid-Year Budget Summary for FY24/25

