

## ATTACHMENT 2

### CALIFORNIA TAHOE CONSERVANCY FISCAL YEAR 2021/22 BUDGET

The following is a summary of the California Tahoe Conservancy's (Conservancy) fiscal year (FY) 2021/22 budget, which includes capital outlay, local assistance, and support funding. Capital outlay refers to funding for projects on Conservancy land. Local assistance is funding provided for grants. Support refers to operational items such as salaries and benefits, rent and facilities costs, and costs associated with managing programs and land.

#### Conservancy Funding Sources

##### General Fund:

In February 2021, Governor Gavin Newsom announced that with a budget surplus the State is prioritizing wildfire and forest resilience. The Governor and the Legislature awarded the Conservancy \$1 million in early action funding and the Governor has proposed an additional \$11 million for FY 2021/22 to help promote forest health, and wildfire prevention and mitigation. The Conservancy is leveraging the Lake Tahoe Basin Forest Action Plan to implement on-the-ground projects to help reduce the impact of wildfires within the Lake Tahoe Basin through the use of this one-time funding.

##### Propositions 12, 40, 50, and 84 Bonds:

During the 2000s, California voters passed a series of bonds that included allocations to the Conservancy to fund Lake Tahoe Environmental Improvement Program (EIP) implementation activities. This includes allocations of \$50 million under Proposition 12, \$40 million under Proposition 40, \$40 million under Proposition 50, and \$36 million under Proposition 84. The Conservancy has spent most bond funds in prior fiscal years. However, remaining balances have been used to help fund smaller capital outlay activities such as conceptual feasibility planning and minor capital improvements. The Conservancy expects these funding sources to be fully spent within the next three fiscal years. Additionally, in FY 2020/21 the Conservancy learned of sunset dates for Propositions 12, 40, and 50 funding and thus has prioritized expenditures with these sources.

##### Proposition 1 Bond:

Proposition 1, approved in November 2014, provided \$15 million to the Conservancy to fund multiple-benefit water quality, water supply, and watershed protection and restoration projects through the award of competitive grants. After deducting statewide bond processing costs, program delivery costs, and ten percent to support planning and monitoring activities, the Conservancy had approximately \$12.6 million to award to high priority projects. The Board authorized the award of all of the \$12.6 million for grants in 2016 and 2017. Approximately \$1 million has been returned to the Conservancy from a grant that is not moving forward. The Conservancy advertised a third round of grants in

FY 2020/21, awarding one new grant. The Conservancy will advertise a fourth round of grants in FY 2021/22 with an estimated \$650,000 available to grant.

Proposition 68 Bond:

The Conservancy will receive \$1,054,000 of Proposition 68 funds in the support budget. The funding will accelerate implementation of Proposition 68 programs, provide enhanced technical assistance to support pending Proposition 68 grants, and facilitate increased alignment between Proposition 68 programs and the Conservancy's Strategic Plan. The Conservancy extended previously appropriated Proposition 68 funding into FY 2021/22 including funding for acquisitions and projects.

Habitat Conservation Fund (HCF):

The Mountain Lion Initiative (Proposition 117) of 1990 established the HCF. The measure mandates annual appropriations totaling \$30 million statewide for wildlife and wildlife habitat projects through FY 2021/22. The Conservancy's annual appropriation is \$500,000. The Conservancy uses these funds for a variety of specified wildlife habitat-related purposes.

Lake Tahoe Conservancy Account (LTCA):

The Legislature established the Lake Tahoe license plate in 1993. The Conservancy uses proceeds from the plate sales to complete preservation and restoration projects, and to construct trails and provide other forms of non-motorized public access at Lake Tahoe. In the FY 2021/22 budget, \$1,049,000 is in the support budget for staff efforts for these purposes.

In addition, the California Department of Parks and Recreation is receiving a direct appropriation of LTCA monies to fund management activities on Conservancy-owned beaches on the north shore. This arrangement will continue at \$120,000 in FY 2021/22.

Tahoe Conservancy Fund (TCF):

The Conservancy's enabling legislation establishes the TCF. Monies in the fund are available to implement the purposes of the enabling legislation when appropriated by the Legislature. Deposits into the fund include land bank proceeds, special use fees, lease and license revenues, asset land sales, donations, and other miscellaneous revenues. In FY 2021/22, \$743,000 is included in the support budget.

Environmental License Plate Fund (ELPF):

The ELPF was established in 1979 to fund the California Environmental Protection Program. Funding is derived from the sale of personalized motor vehicle license plates. Beginning in FY 2002/03, Conservancy funding shifted from the General Fund to ELPF to support the Conservancy's operations. The Conservancy will receive \$4,165,000 in FY 2021/22.

Lake Tahoe Science and Lake Improvement Account (Senate Bill [SB] 630):

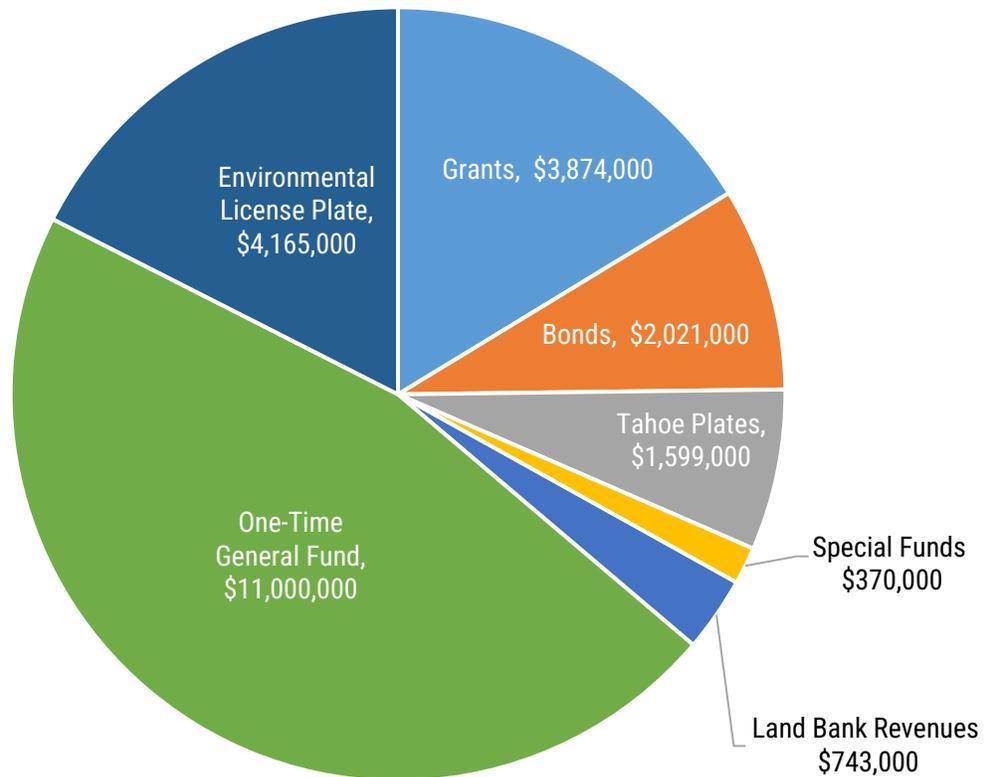
In 2013, the State enacted SB 630, establishing the Lake Tahoe Science and Lake Improvement Account. The funds deposited into the account come from rental income collected by the State Lands Commission for surface uses on Lake Tahoe (e.g., buoy and pier fees). These funds are to be expended for establishing a bi-state science-based advisory council, nearshore aquatic invasive species (AIS) or public access projects, and nearshore water quality monitoring. Funding for nearshore monitoring must be matched by the Lahontan Regional Water Quality Control Board (or another public agency), and funding for nearshore and public access projects must be matched by the Conservancy or another public entity. In the FY 2021/22 budget, \$320,000 is appropriated to the Conservancy for local assistance).

Other Funding Sources:

In addition, an estimated carryover of \$110,000 in funding is available for Conservancy expenditures from the Beverly Charter Trust Fund.

**Overview of Conservancy Budget**

**FY 2021/22 Funding Sources**



## FY 2021/22 Planned Expenditures

