

**WATERSHED CONSERVATION AUTHORITY**

**ANNUAL FINANCIAL REPORT**

**June 30, 2019**

WATERSHED CONSERVATION AUTHORITY  
JUNE 30, 2019

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## **Independent Auditor's Report**

To the Honorable Board of Directors  
Watershed Conservation Authority  
Azusa, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Watershed Conservation Authority (Authority), as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### **Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2019, and the respective changes in financial position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 9 to the financial statements, in January 2020, the World Health Organization has declared COVID-19 to constitute a “Public Health Emergency of International Concern.” Given the uncertainty of the situation, the duration of any business interruption and related financial impact cannot be reasonably estimated as this time. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 4 through 6 be presented to supplement the basic financial statements. Such information, 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.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority’s basic financial statements. The Combining Fund Financial Statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Fund Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 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 June 16, 2020, on our consideration of the Authority'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 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 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 Authority's internal control over financial reporting and compliance.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
June 16, 2020

**WATERSHED CONSERVATION AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

The Management's Discussion and Analysis (MD&A) of the financial activities of the Watershed Conservation Authority (the Authority) provides a narrative overview of the Authority's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the accompanying financial statements, footnotes, and supplementary information. Amounts contained in this discussion have been rounded to facilitate their readability.

**Financial Highlights**

- During the current fiscal year, the Authority's net position increased by \$0.18 million to \$27.34 million. Cash deposited in the County Treasury Pool decreased by \$0.03 million to \$2.88 million.
- Operating revenues increased by \$1.36 million to \$2.02 million, while operating expenses increased by \$0.41 to \$1.93 million. The increase in revenue and expenses were primarily due to an increase in grant funding, and the increase in grant spending.
- The Authority had construction in progress costs of approximately \$487,000 during the fiscal year.
- The Authority continues to have no long-term debt.

**Overview of Financial Statements**

This MD&A serves as an introduction to the Authority's basic financial statements. The basic financial statements include five components: 1) Statement of Net Position; 2) Statement of Revenues, Expenses, and Changes in Net Position; 3) Statement of Cash Flows; 4) Notes to the Financial Statements; and 5) Supplemental information.

- The Statement of Net Position presents the Authority's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator to determine whether the financial position of the Authority is improving or deteriorating.
- The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal year. All changes in net position (revenues and expenses) are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Accordingly, revenues and expenses are reported in this statement for items that will result in cash flows in future fiscal periods (e.g. accrued but unpaid contract and professional service fees).

**WATERSHED CONSERVATION AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

- The Statement of Cash Flows presents information regarding the Authority's use of cash during the fiscal year and is an indicator of whether sufficient cash flow is or is not being generated during the fiscal year to meet the operating needs of the Authority.
- The notes provide additional information that is essential for a full understanding of the data provided in the financial statements.
- The supplemental information includes combining fund financial statements showing the activity for each fund.

**Financial Statement Analysis**

Since its formation, Net Position of the Authority has gradually grown from \$1 million to over \$27.34 million. Most of the growth in Net Position is attributable to the Authority's acquisition of land and related capital assets. Operating revenues consist primarily of federal and State grants and leases of Authority owned buildings. Operating expenses consist primarily of contract and professional service fees, salaries and wages, depreciation, and services and supplies related to the acquisition and maintenance of the various Authority owned properties.

As of June 30, 2019, the Authority's Net Position was \$27.34 million compared to \$27.17 million as of June 30, 2018, an increase of 0.7%. Investments in Capital Assets accounted for \$23.02 million of the total Net Position. Liabilities as of June 30, 2019 were \$801,000 compared to \$411,000 as of June 30, 2018. The reason for increase in liabilities is related to the increase in operating expenses and an increase in accrual of FY 2018-2019 expenses.

**Capital Assets**

As of June 30, 2019, the Authority's capital assets consisted of \$19.80 million in land, \$1.39 million in Construction in progress, \$1.85 million in buildings, \$2.27 million in improvements, and accumulated depreciation of \$2.29 million. During the fiscal year ended June 30, 2019, the Authority had construction costs of approximately \$487,000.

**Economic Factors**

In FY 2018-2019, the Authority continued to utilize its Cost Allocation Billable Rates Plan to capture overhead costs in accordance with the Authority's existing grant requirements.

On June 30, 2020, the grant agreement for the acquisition of the LA River Incubator Site project will expire and be disencumbered. A new grant will be executed when the project is ready to move forward.

**WATERSHED CONSERVATION AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

The Authority anticipates receiving many grants over the next two fiscal years to complete a variety of capital projects. Some of those grants and projects are as follows:

- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$128,700 for East Fork Sustainability River Access project.
- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$130,000 for Gateway Cities and Rivers Urban Greening Plan project.
- The Authority anticipates accepting a subvention aids grant from Rivers and Mountains Conservancy in FY 2019-2020 for \$1,500,000 to assist the Authority in developing and constructing projects in the Lower Los Angeles and San Gabriel River watersheds.
- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$250,000 for LA River Environmental Flows Study Supplemental analysis.
- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$1,064,200 for Vasquez Overlook Acquisition project.
- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$250,000 for LA River Ranger Program Reach Zones project.
- The Authority anticipates accepting an award of a Rivers and Mountains Conservancy grant in FY 2019-2020 for \$2,024,020 for Duck Farm River Center Development project.
- The Authority anticipates accepting an award of a LA County Regional Parks and Open Space District grant in FY 2019-2020 for \$85,000 for Walnut Creek Habitat Open project.

**Contacting the Authority's Financial Management**

This financial report is designed to provide our citizens and other interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the County of Los Angeles, Department of Auditor-Controller, 500 West Temple Street, Room 525, Los Angeles, CA 90012.



**WATERSHED CONSERVATION AUTHORITY**  
**Statement of Net Position**  
**June 30, 2019**

**Assets**

Cash deposited with County Treasurer (Note 3)	\$ 2,884,865
Restricted cash in escrow account (Note 4)	2,011,573
Receivables:	
Grant	78,129
Leases	4,010
Accrued interest	14,941
Accrued revenue	91,705
Miscellaneous	15,978
Prepaid expenses	25,914
Capital assets: (Note 6)	
Land - nondepreciable	19,797,995
Construction in progress - nondepreciable	1,385,999
Buildings - depreciable	1,854,000
Improvements - depreciable	2,272,670
Accumulated depreciation	<u>(2,294,345)</u>
<b>Total Assets</b>	<u><u>28,143,434</u></u>

**Liabilities**

Security deposits	10,451
Unearned revenue	18,284
Accrued expenses	<u>772,568</u>
<b>Total Liabilities</b>	<u><u>801,303</u></u>

**Net Position (Note 5)**

Net investment in capital assets	23,016,319
Restricted for Discovery Center	2,012,069
Unrestricted	<u>2,313,743</u>
<b>Total Net Position</b>	<u><u>\$ 27,342,131</u></u>

See accompanying notes to the basic financial statements

**WATERSHED CONSERVATION AUTHORITY**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**

<b>Operating Revenues:</b>	
Contributions from federal grants	\$ 230,762
Contributions from State and Local grants	1,412,848
Contributions from County departments	25,500
Leases	276,368
Miscellaneous	73,540
	<hr/>
<b>Total Operating Revenues</b>	<b>2,019,018</b>
	<hr/>
<b>Operating Expenses:</b>	
Contract and professional service fees	967,400
Insurance	66,565
Maintenance	21,130
Utilities, supplies, and other charges	200,406
Depreciation	206,333
Salaries and wages	468,835
	<hr/>
<b>Total Operating Expenses</b>	<b>1,930,669</b>
	<hr/>
<b>Operating Income</b>	<b>88,349</b>
	<hr/>
<b>Non-Operating Revenues and Expenses:</b>	
Interest on deposited funds	62,280
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<b>Total Non-Operating Revenues and Expenses</b>	<b>62,280</b>
	<hr/>
<b>Change in Net Position</b>	<b>150,629</b>
	<hr/>
<b>Net Position, beginning of the fiscal year</b>	<b>27,165,244</b>
	<hr/>
<b>Prior Period Adjustments (Note 9)</b>	<b>26,258</b>
	<hr/>
<b>Net Position, beginning of the fiscal year, restated</b>	<b>27,191,502</b>
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<b>Net Position, end of the fiscal year</b>	<b>\$ 27,342,131</b>
	<hr/> <hr/>

See accompanying notes to the basic financial statements

**WATERSHED CONSERVATION AUTHORITY**  
**Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**

<b>Cash Flows from Operating Activities:</b>	
Cash received from federal, State, and Local grants	\$ 1,607,470
Cash received from County departments	25,500
Cash received from leases	277,911
Cash received from miscellaneous services	19,878
Cash paid to employees for services	(471,794)
Cash paid to suppliers for goods and services	(1,062,054)
	<u>396,911</u>
<b>Net Cash Provided by Operating Activities</b>	
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Acquisition of capital assets	(487,413)
	<u>(487,413)</u>
<b>Net Cash Used by Capital and Related Finance Activities</b>	
<b>Cash Flows from Investing Activities:</b>	
Interest received	63,941
	<u>63,941</u>
<b>Net Cash Provided by Investing Activities</b>	
<b>Net Decrease in Cash</b>	
	(26,561)
<b>Cash, Beginning of Fiscal Year</b>	4,922,999
<b>Cash, End of Fiscal Year</b>	\$ 4,896,438
<b>Reconciliation of Cash to Statement of Net Position:</b>	
Cash Deposited with County Treasurer	\$ 2,884,865
Restricted Cash in Escrow Account	2,011,573
<b>Total Cash</b>	\$ 4,896,438
<b>Reconciliation of Operating Income to Net Cash</b>	
<b>Provided by Operating Activities:</b>	
Operating Income	\$ 88,349
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	206,333
Decrease (increase) in grant receivable	19,537
Decrease (increase) in lease receivable	434
Decrease (increase) in prepaid expenses	(17,259)
Decrease (increase) in due from other funds	(18,392)
Decrease (increase) in accrued revenue	(85,271)
Decrease (increase) in miscellaneous receivable	13,965
Increase (decrease) in due to other funds	26,258
Increase (decrease) in security deposits	117
Increase (decrease) in unearned revenue	992
Increase (decrease) in accrued expenses	161,848
<b>Net Cash Provided by Operating Activities</b>	\$ 396,911

See accompanying notes to the basic financial statements

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**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization**

The Watershed Conservation Authority (Authority) was formed on April 17, 2003, as a joint powers authority by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) and the Los Angeles County Flood Control District. The Authority was established for the purpose of expanding and improving the open space and recreational opportunities for the conservation, restoration, and environmental enhancement of the San Gabriel and Lower Los Angeles Rivers Watershed area consistent with the goals of flood protection, water supply, groundwater recharge, and water conservation. Another purpose of the Authority is to acquire and protect lands for watershed protection, natural open space, and recreational purposes.

The Authority is governed by a Board of Directors composed of eight members: three voting members appointed by the Governing Board of the RMC, none of which shall be a member appointed by the Los Angeles County Board of Supervisors; four voting members of the Los Angeles County Board of Supervisors, or their designees, who represent the areas within the territory for the RMC; and the Director of the Los Angeles County Public Works, who will serve as a non-voting, ex-officio member. The Authority is legally separate and fiscally independent from each of the member entities. This means it can incur debt, set, and modify its own budget and fees, enter into contracts, and sue and be sued in its own name.

The accompanying financial statements reflect the financial activities of the Authority. The Authority has no component units.

**B. Significant Accounting Policies**

The Authority's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Accounting and Measurement Focus

The Authority is accounted for as enterprise funds (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Authority utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the liability is incurred.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2019

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

Basis of Accounting and Measurement Focus (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The principal operating revenue of the Authority is State and federal grants and lease revenue from properties owned by the Authority. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

New Accounting Pronouncements

The following GASB Statements have been implemented in the current basic financial statements.

GASB No. 88 "*Certain Disclosures Related to Debt, including Direct Borrowings and Placements*" improves 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 did not have an impact on the financial statements.

GASB No. 83 "*Certain Asset Retirement Obligations*" addresses accounting the accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. This statement did not have an impact on the financial statements.

The following are descriptions of the Authority's funds:

- The **Rio Hondo Trailhead Acquisition Project Fund** is used to account for financial activities of the project related to the acquisition of up to 11 acres fee simple land or up to 22 acres of conservation easement for open space, wildlife habitat, and future trailhead development adjacent to the Rio Hondo tributary of the Los Angeles River.
- The **General Fund (Watershed Conservation Authority)** is used to account for the annual JPA contributions from Rivers and Mountains Conservancy and Los Angeles County Flood Control District and for administrative and funding opportunity expenditures.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2019

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

- The **Duck Farm Leases Fund** is used to record and monitor lease revenues on the Duck Farm property.
- The **San Gabriel Mountain and Foothills Acquisition Master Plan Project Fund** is used to record RMC 17019 funds granted to WCA for the San Gabriel Mountains Foothills Open Space Acquisition Master Plan. The Plan will develop a comprehensive prioritized acquisition strategy and a recommended resource management and operations strategy to preserve critical habitat and open space, improve watershed health and increase public access for compatible uses such as multi-use trails and related passive recreational amenities. The funds support development of the plan as well as limited acquisition implementation such as property due diligence.
- The **SGV Greenway Network Strategic Implementation Plan Fund** is used to record revenues and activities related to the development of a regional strategic implementation plan for the San Gabriel Valley Greenway Network and green infrastructure improvements along waterways and associated facilities owned and/or maintained and operated by the Los Angeles County Flood Control District.
- The **WCA LA River Ranger Program Implementation Phase II Fund** is used to record a \$240,338 grant provided to complete a LA River Ranger study and Pilot Program recommendation to establish a network of river rangers along the 51 miles of the Los Angeles River and its tributaries to enhance public safety, provide watershed and environmental programming, and management of natural resources.
- The **El Encanto Leases Fund** is used to record and monitor lease revenues on the El Encanto property.
- The **Southgate Riparian Habitat Property Fund** is used to monitor funds (rental income) deposited to the WCA-Southgate Riparian Habitat property.
- The **Prop 40 RMC 3609 Duck Farm Phase 1A Implementation Fund** is used to record funds granted to the Authority for the Duck Farm Phase 1A implement project. The Phase 1A Duck Farm project involves the development of a 23 acre river adjacent park project that includes a public access trail, 16.8 acres of riparian landscape, a community garden, a native plant nursery, a wildflower meadow, and a river promenade.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

- The **Prop 84 RMC 3640 Chapter 8 Defaulted Tax Property Fund** is used to record parcel acquisitions in the cities of Claremont, Glendora, La Puente, Long Beach, Monrovia, and South El Monte, if offered for sale by the Los Angeles County Department of the Treasurer and Tax Collector.
- The **Supplemental Environmental Project - Duck Farm Fund** is used to record Supplemental Environmental Project funds granted to the Authority for the Duck Farm.
- The **Prop A Duck Farm Fund** is used to record Prop A funds granted to the Authority for the Duck Farm. The project is the development of a pocket park and trail access to passive recreation areas at the Duck Farm as well as access to a newly developed river promenade on the east bank of the San Gabriel River.
- The **Prop A SGR Fund** is used to record Prop A funds granted to the Authority for the Parque Dos Rios project for the development of a bike stop with overlook of new native plant habitat along the lower Los Angeles River in the City of South Gate as a passive recreational amenity for cyclists and pedestrians.
- The **Prop 84 RMC 09102 WCA Capital Project Implementation Fund** is used to record Prop 84 RMC09102 funds granted to the Authority for the Authority Capital Project Implementation. The fund was activated primarily for the purpose of wiring the Authority payroll funds to ADP.
- The **Prop 84 RMC 09103 San Gabriel and Rio Hondo Watershed Fund** is used to record Prop 84 RMC09103 funds granted to the Authority for the San Gabriel and Rio Hondo Watershed. The State enacted Prop 84 – the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 which provides funds to the RMC grant programs; RMC authorized a \$168,563 grant to the Authority.
- The **Prop 84 RMC 10011 Azusa Springs Water System RWP Fund** is used to record Prop 84 RMC10011 funds granted to the Authority for the Azusa Springs Water System, River Wilderness Park. The State enacted Prop 13 – the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act of 2000 which provides funds for the Rivers and Mountains Conservancy (RMC) grant programs; the Rivers and Mountains Conservancy authorized a \$460,000 grant to the Authority.



**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

Southern California Consortium and the Upper San Gabriel Valley Municipal Water District with all of the partners allocating staff time to the project.

- The **Prop 84 RMC 09105 Cattle Canyon Improvement Fund** is used for the San Gabriel River Confluence with Cattle Canyon Improvement Project. The project is the Phase I Planning for portions of the confluence of the East Fork of the San Gabriel River with Cattle Canyon and its creek. This project will include a feasibility study, development of the site, interpretive and directional signage, an interpretive program utilizing the Southern California Consortium project and a study on the effectiveness of the Interpretive Program. This pilot project will be completed with the intent that it is replicable in other areas of the Angeles National Forest and the San Gabriel River Watershed. This project is a collaboration of the United States Forest Service (USFS), RMC, Sierra Club, Southern California Consortium, and the Upper San Gabriel Valley Municipal Water District with all of the partners allocating staff time to the project.

- The **LACFCD Emerald Necklace Feasibility Study/Implementation Fund** is used to record funding from the California Community Foundation, Los Angeles County Flood Control District (LACFCD), and Southern California Edison. Emerald Necklace is a 17-mile loop of proposed and existing parks, greenways, bikeways, and multi-use trails along the San Gabriel River and the Rio Hondo between Peck Road Water Conservation Park and Whittier Narrows Recreation Area. A Vision Plan for the Emerald Necklace was developed by Amigos de Los Rios, a non-profit organization, in conjunction with various stakeholders, and identifies potential opportunities for development of greening and tributary channel naturalization projects along the San Gabriel River and the Rio Hondo including its proximity; including projects proposed on property of facilities under the LACFCD or County of Los Angeles Department of Parks and Recreation jurisdiction. The Authority has proposed to retain a consultant to prepare the LACFCD/County of Los Angeles Emerald Necklace Feasibility Study and Implementation Plan to analyze the technical feasibility of the projects identified in the Vision Plan.

- The **Environmental Enhancement Mitigation Program EEMP Duck Farm Fund** is used to account for the \$446,946 of grant funds received for the restoration of the Duck Farm in Los Angeles County and to create a river-front parkway that will revitalize the space by providing a viable habitat for wildlife, storm water capture benefits, parkway, trails, and recreational opportunities for local underserved, park poor communities within the San Gabriel River Corridor.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

- The **USFS EcoVoices Fund** is used to record \$137,000 received from a U.S. Forest Service Urban and Community Forestry program to conduct development, implementation, and monitoring activities for the EcoVoices program held at the San Gabriel River Discovery Center site in the Whittier Narrows Natural Area. The EcoVoices program is an environmental and science education program with school and community program participants from traditionally underserved areas surrounding the site.
- The **Oaks Picnic Area Maintenance Project Fund** is used to record National Forest Foundation funds granted to the Authority for the renovation and improvement of the Oaks Picnic Area located along the East Fork of the San Gabriel River and within the San Gabriel Mountains National Monument, as well as, implement the San Gabriel Watershed Ranger Program.
- The **Property Management Project Walnut Creek Fund** is used to account for the funds related to the property and project designated as the Walnut Creek Habitat and Open Space Project.
- The **San Gabriel River Bike Trail Gateway Enhancement Project Fund** is used to account for \$84,000 of grant funds for the development of the San Gabriel River Bike Trail Gateway Enhancement Project.
- The **Mt. Baldy Ranch Property Fund** is used to account for \$25,000 of grant funds related to the Mt. Baldy Ranch property.
- The **Citrus Grove Heights Bike Stop Project Fund** is used to account for \$30,000 of grant funds related to the Citrus Grove Heights Bike Stop Project along the San Gabriel River.
- The **Tree Planting Enhancement SGR Fund** is used to account for \$100,000 of grant funds from the Los Angeles County Regional Park & Open Space District for the purposes of planting approximately 150 trees adjacent to the San Gabriel River.
- The **DF Phase 1A River Overlook-LACFCD Use Agreement Fund** is used to account for \$280,000 of grant funds from the Los Angeles County Flood Control District for the development of the Duck Farm as a conservation, restoration, and environmental enhancement park along the San Gabriel River.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2019

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

The **River Wilderness Park Entry Fund** is used to account for \$455,998 of grant funds from the RMC to complete the construction design documents for the entry improvements of the River Wilderness Park, as well as completion of California Environmental Quality Act (CEQA) documents and associated permits to construct.

- The **RPG-DF Riparian and Interpretive Elements Grant Fund** is used to record Prop 84 River Parkways funds granted to the Authority for the development of an urban greenway with riparian dry streambed, trails, landscaping, area development and interpretive stations located on the eastern bank of the San Gabriel River.
- The **River Parkway Grant Citrus Grove Heights Rest Area Fund** is used to record Prop 12 Natural Resources Agency funds granted to the Authority for the development of a trailside amenity and rest stop along the San Gabriel River.
- The **Roberts Canyon Foothill Area Project Fund** is used to account for \$52,500 of grant funds from the RMC to complete the Authority's pre-acquisition activities, including due diligence review, and the potential conveyance of the approximately 110 acres.
- The **Conservation Easement Monitoring Fund** is used to record receipt of funds by the Authority to fund activities related to the acceptance, monitoring, and reporting of conservation easements.
- The **Gateway Cities & River Urban Greening Plan Project Fund** is used to account for \$500,000 awarded from the Strategic Growth Council. The Gateway Cities study area is comprised of 26 cities within the South Eastern portion of County of Los Angeles. The Authority is currently developing an urban greening vision plan that will identify green infrastructure project opportunities, inventory greening opportunities and connectivity, and develop a menu of potential design solution concepts and tools to increase river parks, green streets, and multi-modal trails.
- The **Emerald Necklace Master Plan Project Fund** is used to record Prop 84 RMC15106 funds granted to the Authority for project planning and project management services for the Emerald Necklace Feasibility Study and Implementation Plan to develop a master plan of trail connections and greenway project opportunities along the Emerald Necklace 17-mile River trail loop along the San Gabriel River and Rio Hondo.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**B. Significant Accounting Policies (Continued)**

The following are descriptions of the Authority's funds (continued):

- The **Azusa Foothills Property Pre-Acquisition Project Fund** is used to record Prop 84 RMC15111 funds granted to the Authority for activities related to the acquisition and management of natural open space in the Azusa Foothills.
- The **Green Regional Environmental Enhancement Network (GREEN) Project Fund** is to record financial activities of the project related to the Green Regional Environmental Enhancement Network project, a collaborative planning and project implementation approach supporting watershed based greening efforts.
- The **Vasquez Property Acquisition Fund** is used to record financial activities of the project related to the acquisition of approximately 40 acres of foothill open space. This parcel of undeveloped open space located within the unincorporated Los Angeles County in the San Gabriel Mountains above the northern portion of the City of Azusa.
- The **Discovery Center Escrow Fund** is used to account for \$2,200,000, which was placed into an escrow account by the County Sanitation Districts of Los Angeles County as part of a settlement agreement. These funds will be used for the construction of the San Gabriel River Discovery Center.

**C. Net Position**

The Authority's financial statements are presented in accordance with the provisions of GASB Statements No. 34 and No. 63. GASB Statement No. 63 requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

*Net investment in capital assets* – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at fiscal year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. As of June 30, 2019, the Authority had no debt obligations.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**C. Net Position (Continued)**

Restricted net position – This component of net position represents restricted assets net of liabilities that relate to those specific restricted assets. A restricted asset is an asset for which constraints have been placed on the asset's use by creditors, contributors, laws, or regulations of other governments, or as a consequence of a restriction established by the reporting government's own governing body at the time a particular fee, charge, levy, or assessment was approved. These restrictions must be narrower than the general purposes for which the reporting government can use its resources. As of June 30, 2019, the Authority had restricted net position of \$2,012,069.

Unrestricted net position – This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

**D. Revenues**

The Authority's major sources of revenue are federal, State, and County funding and lease revenue from properties owned by the Authority.

**E. Capital Assets**

Capital assets, which include land, construction in progress, buildings, and improvements, are reported in the statements of net position. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Land consists of open space acquired in accordance with the joint powers agreement that created the Authority. When land is sold or otherwise disposed of, related costs are removed from the accounts and any gain or loss is reported in the statement of revenues, expenses, and changes in net position.

The Authority's capitalization thresholds are \$100,000 for buildings and \$5,000 for improvements. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost, and the related accumulated depreciation, as applicable, are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**E. Capital Assets (Continued)**

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

Buildings and Improvements	20 Years
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**E. Estimates**

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

**F. Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash represents balances that can be readily withdrawn without substantial notice or penalty. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

**NOTE 2 RELATED PARTY TRANSACTIONS**

The County of Los Angeles maintains the books and records of the Authority, including the investment with the County Treasurer and Tax Collector.

**NOTE 3 CASH ON DEPOSIT WITH COUNTY TREASURER**

In accordance with the Government Code, cash balances of the Authority are deposited with, pooled, and invested by the Los Angeles County Treasurer and Tax Collector (Treasurer) for the purpose of increasing interest earnings through investment activities. Interest earned on pooled investments is deposited to participating funds based upon each fund's average daily balance during the allocation period.

Statutes authorize the County of Los Angeles to invest pooled investments in obligations of the United States Treasury, federal agencies, State and local agencies, municipalities, asset-backed securities, bankers' acceptances, commercial paper, negotiable certificates of deposit, medium-term notes, corporate notes, repurchase agreements, reverse repurchase agreements, forwards, futures, options, shares of beneficial interest of a Joint Powers Authority that invests in authorized

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 3 CASH ON DEPOSIT WITH COUNTY TREASURER (Continued)**

securities, shares of beneficial interest issued by diversified management companies known as money market mutual funds registered with the Securities and Exchange Commission, securities lending agreements, the State of California's Local Agency Investment Fund, interest rate swaps, and supranational institutions.

Investments are stated at fair value and are valued on a monthly basis. The Treasurer categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs such as matrix pricing techniques or based on quoted prices for assets in markets that are not active. Matrix Pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs. Securities classified in Level 3 are valued using the income approach such as discounted cash flow techniques. Investments in an external government investment pool is not subject to reporting within the level hierarchy.

See the County of Los Angeles' Comprehensive Annual Financial Report for disclosures related to cash and investments and the related interest rate risk, credit rate risk, custodial risk, and concentration risk.

Funds deposited in the Los Angeles County Treasury Pool amounted to \$2,884,865 as of June 30, 2019. These amounts represent less than 0.01% of the total balance of the Los Angeles County Treasury Pool.

**NOTE 4 RESTRICTED CASH IN ESCROW ACCOUNT**

The Authority received \$2,200,000 from the County Sanitation Districts of Los Angeles County during the fiscal year ended June 30, 2007, as part of a settlement agreement. These funds are restricted for development of the San Gabriel River Discovery Center. As of June 30, 2019, these funds were held by U.S. Bank in an escrow account and are invested in unrated money market accounts, with a balance of \$2,011,573. The Authority did not spend any of these funds for development of the San Gabriel River Discovery Center during the fiscal year ended June 30, 2019. These funds are not subject to the fair value measurements.

**NOTE 5 NET POSITION**

Net position at June 30, 2019, consisted of the following:

Net Investment in Capital Assets	\$ 23,016,319
Restricted for Discovery Center	2,012,069
Unrestricted Net Position	<u>2,313,743</u>
Total Net Position	<u><u>\$ 27,342,131</u></u>

**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 6 CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2019 is as follows:

	Balance at June 30, 2018	Additions	Deletions	Prior Period Adjustments	Balance at June 30, 2019
Capital Assets, Non Depreciable:					
Land	\$ 19,782,769	\$ 15,226	\$ -	\$ -	\$ 19,797,995
Construction in progress	700,779	658,962		26,258	1,385,999
Total Capital Assets, non depreciable	<u>20,483,548</u>	<u>674,188</u>		<u>26,258</u>	<u>21,183,994</u>
Capital Assets, Depreciable:					
Buildings	1,854,000				1,854,000
Improvements	2,272,670				2,272,670
Less: Accumulated depreciation	<u>(2,088,012)</u>	<u>(206,333)</u>			<u>(2,294,345)</u>
Total Capital Assets, depreciable, net	<u>2,038,658</u>	<u>(206,333)</u>			<u>1,832,325</u>
Total Capital Assets, net	<u>\$ 22,522,206</u>	<u>\$ 467,855</u>	<u>\$ -</u>	<u>\$ 26,258</u>	<u>\$ 23,016,319</u>

**NOTE 7 COMMITMENTS AND CONTINGENCIES**

The Authority has received federal and state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

**NOTE 8 DEFERRED COMPENSATION PLAN**

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees, age 21 and older, once they have completed the introductory period of employment. The Authority utilizes a modified 5-year vesting schedule. An employee earns a year of service for vesting purposes upon completion of 1,000 hours of service during the plan year. After 5 years, the employee can receive 100% of the vested employer contributions. The Omnibus Budget Reconciliation Act of 1990 mandates social security coverage for state and local government employees who are not covered by a retirement plan. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust by John Hancock Life Insurance Company (John Hancock USA) as custodian and administered by a third-party administrator (Raymond, Reeves, and Stout, LLP) for the exclusive benefit of the plan participants and their beneficiaries as prescribed by Internal Revenue Code Section 457 (g). Accordingly, these assets have been excluded from the accompanying financial statements.



**WATERSHED CONSERVATION AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 9 PRIOR PERIOD ADJUSTMENT**

The Authority originally recorded \$26,258 as expense in the fiscal year ending June 30, 2018 for work that was begun on a capital project. The Authority recorded a prior period adjustment to capitalize the \$26,258 as construction in progress during the fiscal year ending June 30, 2019.

**NOTE 10 SUBSEQUENT EVENTS**

The World Health Organization has declared the outbreak of Novel Coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The Coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact. Nevertheless, the outbreak presents uncertainty and risk with respect to the Authority, its performance, and financial results.

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Net Position**  
**June 30, 2019**

	Rio Hondo Trailhead Acquisition Project	Watershed Conservation Authority	Duck Farm Leases	San Gabriel Mountain & Foothills Acquisition Master Plan Project
<b>Assets</b>				
Cash deposited with County Treasurer	\$ 2,874	\$ 9,997	\$ 9,971	\$ 238
Restricted cash in escrow account				
Receivables:				
Grant				
Leases				
Accrued interest	17	65	167	3
Accrued revenue				
Miscellaneous			1,381	
Prepaid expenses		5,630	6,765	
Capital assets:				
Land - nondepreciable		17,502,519		14,000
Construction in progress - nondepreciable				
Buildings - depreciable		1,854,000		
Improvements - depreciable			65,688	
Accumulated depreciation		(1,245,000)	(38,415)	
<b>Total Assets</b>	<b>2,891</b>	<b>18,127,211</b>	<b>45,557</b>	<b>14,241</b>
<b>Liabilities</b>				
Security deposits		2,535	4,850	
Unearned revenue				
Accrued expenses		78,880	38,800	180
<b>Total Liabilities</b>		<b>81,415</b>	<b>43,650</b>	<b>180</b>
<b>Net Position</b>				
Net investment in capital assets		18,111,519	27,273	14,000
Restricted for Discovery Center				
Unrestricted	2,891	(65,723)	(25,366)	61
<b>Total Net Position</b>	<b>\$ 2,891</b>	<b>\$ 18,045,796</b>	<b>\$ 1,907</b>	<b>\$ 14,061</b>

SGV Greenway Network Strategic Implementation Plan	WCA LA River Ranger Program Implementation Phase II	El Encanto Leases	Southgate Riparian Habitat Property	Prop 40 RMC 3609 Duck Farm Phase 1A Implementation	Prop 84 RMC 3640 Chapter 8 Defaulted Tax Property
\$ 251,464	\$ 10,201	\$ 8,032	\$ 10,655	\$ 588,213	\$ 23
1,309	65 33,528	4,010 86	109	477	
		2,979 12,029	2,243 467		
			16,299	601,889 502,277	65,997
		573,645 (327,506)		1,264,708 (531,723)	
<u>252,773</u>	<u>43,794</u>	<u>273,275</u>	<u>29,773</u>	<u>2,425,841</u>	<u>66,020</u>
		3,066	18,284		
	29,648	42,227	6,499	80,003	
	<u>29,648</u>	<u>45,293</u>	<u>24,783</u>	<u>80,003</u>	
		246,139	16,299	1,837,151	65,997
<u>252,773</u>	<u>14,146</u>	<u>(18,157)</u>	<u>(11,309)</u>	<u>508,687</u>	<u>23</u>
<u>\$ 252,773</u>	<u>\$ 14,146</u>	<u>\$ 227,982</u>	<u>\$ 4,990</u>	<u>\$ 2,345,838</u>	<u>\$ 66,020</u>

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Net Position**  
**June 30, 2019**  
**(Continued)**

	Supplemental Environmental Project - Duck Farms	Prop A Duck Farm	Prop A SGR	Prop 84 RMC 09102 WCA Capital Project Implementation
<b>Assets</b>				
Cash deposited with County Treasurer	\$ 144,189	\$ 96,318	\$ 1,151,769	\$ 12,676
Restricted cash in escrow account				
Receivables:				
Grant				
Leases				
Accrued interest	786	514	6,181	46
Accrued revenue				5,216
Miscellaneous				9,375
Prepaid expenses				
Capital assets:				
Land - nondepreciable			262	
Construction in progress - nondepreciable	42,230		223,636	43,865
Buildings - depreciable				
Improvements - depreciable	81,428	10,000		
Accumulated depreciation	(34,607)	(4,250)		
<b>Total Assets</b>	<u>234,026</u>	<u>102,582</u>	<u>1,381,848</u>	<u>71,178</u>
<b>Liabilities</b>				
Security deposits				
Unearned revenue				
Accrued expenses	112,475		25,070	110,447
<b>Total Liabilities</b>	<u>112,475</u>		<u>25,070</u>	<u>110,447</u>
<b>Net Position</b>				
Net investment in capital assets	89,051	5,750	223,898	43,865
Restricted for Discovery Center				
Unrestricted	32,500	96,832	1,132,880	(83,134)
<b>Total Net Position</b>	<u>\$ 121,551</u>	<u>\$ 102,582</u>	<u>\$ 1,356,778</u>	<u>\$ (39,269)</u>

Prop 84 RMC 09103 San Gabriel and Rio Hondo Watershed	Prop 84 RMC 10011 Azusa Springs Water System RWP	Prop 84 RMC 09105 Cattle Canyon Improvement	Environmental Enhancement Mitigation Program EEMP Duck Farm	USFS EcoVoices	Oaks Picnic Area Maintenance Project
\$ 72	\$ 5	\$ 5,073	\$ 34,413	\$ 1,206	\$ 86,279
				59,737	
		23 7,000	1,826	17	229
			60,108		
	268,785 (110,530)		8,416 (2,314)		
<u>72</u>	<u>158,260</u>	<u>12,096</u>	<u>102,449</u>	<u>60,960</u>	<u>86,508</u>
		19,865	15,452		7,675
		19,865	15,452		7,675
	158,255		66,210		
<u>72</u>	<u>5</u>	<u>(7,769)</u>	<u>20,787</u>	<u>60,960</u>	<u>78,833</u>
<u>\$ 72</u>	<u>\$ 158,260</u>	<u>\$ (7,769)</u>	<u>\$ 86,997</u>	<u>\$ 60,960</u>	<u>\$ 78,833</u>

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Net Position**  
**June 30, 2019**  
**(Continued)**

	Property Management Project <u>Walnut Creek</u>	San Gabriel River Bike Trail Gateway Enhancement Project	Mt. Baldy Ranch Property	Citrus Grove Heights Bike Stop Project
<b>Assets</b>				
Cash deposited with County Treasurer	\$ 6,948	\$ 200	\$ 4	\$ 1,610
Restricted cash in escrow account				
Receivables:				
Grant				
Leases				
Accrued interest	46	1		12
Accrued revenue				
Miscellaneous				
Prepaid expenses	1,023			
Capital assets:				
Land - nondepreciable			968,150	8,334
Construction in progress - nondepreciable		1,427		
Buildings - depreciable				
Improvements - depreciable				
Accumulated depreciation				
<b>Total Assets</b>	<u>8,017</u>	<u>1,628</u>	<u>968,154</u>	<u>9,956</u>
<b>Liabilities</b>				
Security deposits				
Unearned revenue				
Accrued expenses	9,411			
<b>Total Liabilities</b>	<u>9,411</u>			
<b>Net Position</b>				
Net investment in capital assets		1,427	968,150	8,334
Restricted for Discovery Center				
Unrestricted	(1,394)	201	4	1,622
<b>Total Net Position</b>	<u>\$ (1,394)</u>	<u>\$ 1,628</u>	<u>\$ 968,154</u>	<u>\$ 9,956</u>

Tree Planting Enhancement SGR	DF Phase 1A River Overlook- LACFCD Use Agreement	River Wilderness Park Entry	RPG-DF Riparian and Interpretive Elements Grant	River Parkway Grant Citrus Grove Heights Rest Area	Roberts Canyon Foothill Area Project
\$ 81,202	\$ 295,447	\$ 2,082	\$ 48	\$ 10,739	\$ 8,635
434	1,576	21 1,052		57	4
11,731	807	272,681	227,237		394
<u>93,367</u>	<u>297,830</u>	<u>275,836</u>	<u>227,285</u>	<u>10,796</u>	<u>9,033</u>
			138,275		
			138,275		
11,731	807	272,681	227,237		394
81,636	297,023	3,155	(138,227)	10,796	8,639
<u>\$ 93,367</u>	<u>\$ 297,830</u>	<u>\$ 275,836</u>	<u>\$ 89,010</u>	<u>\$ 10,796</u>	<u>\$ 9,033</u>

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Net Position**  
**June 30, 2019**  
**(Continued)**

	Conservation Easement Monitoring	Gateway Cities & River Urban Greening Plan Project	Emerald Necklace Master Plan Project	Azusa Foothills Property Pre-Acquisition Project
<b>Assets</b>				
Cash deposited with County Treasurer	\$ 1,040	\$ 498	\$ 48	\$ 23
Restricted cash in escrow account				
Receivables:				
Grant				
Leases				
Accrued interest	6	283		
Accrued revenue		44,909		
Miscellaneous				
Prepaid expenses				
Capital assets:				
Land - nondepreciable				19,626
Construction in progress - nondepreciable				
Buildings - depreciable				
Improvements - depreciable				
Accumulated depreciation				
<b>Total Assets</b>	1,046	45,690	48	19,649
<b>Liabilities</b>				
Security deposits				
Unearned revenue				
Accrued expenses		18,001		
<b>Total Liabilities</b>		18,001		
<b>Net Position</b>				
Net investment in capital assets				19,626
Restricted for Discovery Center				
Unrestricted	1,046	27,689	48	23
<b>Total Net Position</b>	\$ 1,046	\$ 27,689	\$ 48	\$ 19,649



Green Regional Environmental Enhancement Network Project	Vasquez Property Acquisition	Discovery Center Escrow	Total
\$ 37,032	\$ 15,641	\$ -	\$ 2,884,865
		2,011,573	2,011,573
	18,392		78,129
			4,010
76	9	496	14,941
			91,705
			15,978
			25,914
	600,525		19,797,995
			1,385,999
			1,854,000
			2,272,670
			(2,294,345)
<u>37,108</u>	<u>634,567</u>	<u>2,012,069</u>	<u>28,143,434</u>
			10,451
			18,284
15,210	24,450		772,568
15,210	24,450		801,303
	600,525		23,016,319
		2,012,069	2,012,069
21,898	9,592		2,313,743
<u>\$ 21,898</u>	<u>\$ 610,117</u>	<u>\$ 2,012,069</u>	<u>\$ 27,342,131</u>

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**

	Rio Hondo Trailhead Acquisition Project	Watershed Conservation Authority	Duck Farm Leases	San Gabriel Mountain & Foothills Acquisition Master Plan Project
<b>Operating Revenues:</b>				
Contributions from federal grants	\$ -	\$ -	\$ -	\$ -
Contributions from State and Local grants	9,294	20,000		
Contributions from County departments		25,500		
Leases			143,924	
Miscellaneous			6,546	
<b>Total Operating Revenues</b>	<b>9,294</b>	<b>45,500</b>	<b>150,470</b>	
<b>Operating Expenses:</b>				
Contract and professional service fees		132,670	42,032	180
Insurance		4,839	6,310	
Maintenance			2,982	
Utilities, supplies, and other charges		10,590	9,958	
Depreciation		92,700	3,284	
Salaries and wages				
<b>Total Operating Expenses</b>		<b>240,799</b>	<b>64,566</b>	<b>180</b>
<b>Operating Income (Loss)</b>	<b>9,294</b>	<b>(195,299)</b>	<b>85,904</b>	<b>(180)</b>
<b>Non-Operating Revenues and Expenses:</b>				
Interest on deposited funds	33	425	779	82
<b>Change in Net Position before Transfers</b>	<b>9,327</b>	<b>(194,874)</b>	<b>86,683</b>	<b>(98)</b>
Transfers in		81,317	113,511	14,000
Transfers out	(6,500)	(32,098)	(226,253)	
<b>Change in Net Position</b>	<b>2,827</b>	<b>(145,655)</b>	<b>(26,059)</b>	<b>13,902</b>
<b>Net Position, beginning of the fiscal year</b>	<b>64</b>	<b>18,191,451</b>	<b>27,966</b>	<b>159</b>
<b>Prior Period Adjustments</b>				
<b>Net Position, beginning of the fiscal year, restated</b>	<b>64</b>	<b>18,191,451</b>	<b>27,966</b>	<b>159</b>
<b>Net Position end of the fiscal year</b>	<b>\$ 2,891</b>	<b>\$ 18,045,796</b>	<b>\$ 1,907</b>	<b>\$ 14,061</b>

SGV Greenway Network Strategic Implementation Plan	WCA LA River Ranger Program Implementation Phase II	El Encanto Leases	Southgate Riparian Habitat Property	Prop 40 RMC 3609 Duck Farm Phase 1A Implementation	Prop 84 RMC 3640 Chapter 8 Defaulted Tax Property
\$ - 250,000	\$ - 198,686	\$ -	\$ -	\$ - 647,080	\$ -
		89,937 37,418	42,507 2,000		
250,000	198,686	127,355	44,507	647,080	
	184,276	79,937 8,111 16,468	6,490 315	28,104	
	338	37,658 28,682	76	1,680 1,340 63,236	
	184,614	170,856	6,881	94,360	
250,000	14,072	(43,501)	37,626	552,720	
2,773	74	601	547	951	
252,773	14,146	(42,900)	38,173	553,671	
	60,025 (60,025)	24,783 (35,610)	107,896 (156,451)	139,650 (86,027)	
252,773	14,146	(53,727)	(10,382)	607,294	
		281,709	15,372	1,712,286	66,020
				26,258	
		281,709	15,372	1,738,544	66,020
\$ 252,773	\$ 14,146	\$ 227,982	\$ 4,990	\$ 2,345,838	\$ 66,020

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Supplemental Environmental Project - Duck Farms	Prop A Duck Farm	Prop A SGR	Prop 84 RMC 09102 WCA Capital Project Implementation
<b>Operating Revenues:</b>				
Contributions from federal grants	\$ -	\$ -	\$ -	\$ 137,694
Contributions from State and Local grants				27,453
Contributions from County departments				
Leases				
Miscellaneous				12,336
<b>Total Operating Revenues</b>				<b>177,483</b>
<b>Operating Expenses:</b>				
Contract and professional service fees			34,262	213,355
Insurance				46,300
Maintenance				
Utilities, supplies, and other charges				3,400
Depreciation	4,071	500		
Salaries and wages				468,835
<b>Total Operating Expenses</b>	<b>4,071</b>	<b>500</b>	<b>34,262</b>	<b>731,890</b>
<b>Operating Income (Loss)</b>	<b>(4,071)</b>	<b>(500)</b>	<b>(34,262)</b>	<b>(554,407)</b>
<b>Non-Operating Revenues and Expenses:</b>				
Interest on deposited funds	3,360	1,950	24,269	477
<b>Change in Net Position before Transfers</b>	<b>(711)</b>	<b>1,450</b>	<b>(9,993)</b>	<b>(553,930)</b>
Transfers in			131	465,273
Transfers out	(117,954)		(24,861)	(57,875)
<b>Change in Net Position</b>	<b>(118,665)</b>	<b>1,450</b>	<b>(34,723)</b>	<b>(146,532)</b>
<b>Net Position, beginning of the fiscal year</b>	<b>240,216</b>	<b>101,132</b>	<b>1,391,501</b>	<b>107,263</b>
<b>Prior Period Adjustments</b>				
<b>Net Position, beginning of the fiscal year, restated</b>	<b>240,216</b>	<b>101,132</b>	<b>1,391,501</b>	<b>107,263</b>
<b>Net Position end of the fiscal year</b>	<b>\$ 121,551</b>	<b>\$ 102,582</b>	<b>\$ 1,356,778</b>	<b>\$ (39,269)</b>

Prop 84 RMC 09103 San Gabriel and Rio Hondo Watershed	Prop 84 RMC 10011 Azusa Springs Water System RWP	Prop 84 RMC 09105 Cattle Canyon Improvement	Environmental Enhancement Mitigation Program EEMP Duck Farm	USFS EcoVoices	Oaks Picnic Area Maintenance Project
\$ -	\$ -	\$ - 20,000	\$ -	\$ 91,068	\$ -
		7,000			
		27,000		91,068	
		49,751		30,565	7,676
	13,439		421		
	13,439	49,751	421	30,565	7,676
	(13,439)	(22,751)	(421)	60,503	(7,676)
1		98	7,536	149	1,524
1	(13,439)	(22,653)	7,115	60,652	(6,152)
		18,828 (15,015)	(304,450)	(157)	(9,518)
1	(13,439)	(18,840)	(297,335)	60,495	(15,670)
71	171,699	11,071	384,332	465	94,503
71	171,699	11,071	384,332	465	94,503
\$ 72	\$ 158,260	\$ (7,769)	\$ 86,997	\$ 60,960	\$ 78,833

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Property Management Project Walnut Creek	San Gabriel River Bike Trail Gateway Enhancement Project	Mt. Baldy Ranch Property	Citrus Grove Heights Bike Stop Project
<b>Operating Revenues:</b>				
Contributions from federal grants	\$ 2,000	\$ -	\$ -	\$ -
Contributions from State and Local grants				
Contributions from County departments				
Leases				
Miscellaneous				
<b>Total Operating Revenues</b>	<u>2,000</u>			
<b>Operating Expenses:</b>				
Contract and professional service fees	9,411			15,589
Insurance	690			
Maintenance				
Utilities, supplies, and other charges				
Depreciation				
Salaries and wages				
<b>Total Operating Expenses</b>	<u>10,101</u>			<u>15,589</u>
<b>Operating Income (Loss)</b>	(8,101)			(15,589)
<b>Non-Operating Revenues and Expenses:</b>				
Interest on deposited funds	177	39		196
<b>Change in Net Position before Transfers</b>	(7,924)	39		(15,393)
Transfers in				
Transfers out	(280)	(115)		
<b>Change in Net Position</b>	<u>(8,204)</u>	<u>(76)</u>		<u>(15,393)</u>
<b>Net Position, beginning of the fiscal year</b>	6,810	1,704	968,154	25,349
<b>Prior Period Adjustments</b>				
<b>Net Position, beginning of the fiscal year, restated</b>	<u>6,810</u>	<u>1,704</u>	<u>968,154</u>	<u>25,349</u>
<b>Net Position end of the fiscal year</b>	<u>\$ (1,394)</u>	<u>\$ 1,628</u>	<u>\$ 968,154</u>	<u>\$ 9,956</u>

Tree Planting Enhancement SGR	DF Phase 1A River Overlook- LACFCD Use Agreement	River Wilderness Park Entry	RPG-DF Riparian and Interpretive Elements Grant	River Parkway Grant Citrus Grove Heights Rest Area	Roberts Canyon Foothill Area Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		1,052			8,624
		1,052			8,624
		4,759	131,379		
		4,759	131,379		
		(3,707)	(131,379)		8,624
1,675	5,980	1,031	2	217	4
1,675	5,980	(2,676)	(131,377)	217	8,628
11,731 (2,926)	807	963 (443)	220,323		
10,480	6,787	(2,156)	88,946	217	8,628
82,887	291,043	277,992	64	10,579	405
82,887	291,043	277,992	64	10,579	405
\$ 93,367	\$ 297,830	\$ 275,836	\$ 89,010	\$ 10,796	\$ 9,033

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Conservation Easement Monitoring	Gateway Cities & River Urban Greening Plan Project	Emerald Necklace Master Plan Project	Azusa Foothills Property Pre-Acquisition Project
<b>Operating Revenues:</b>				
Contributions from federal grants	\$ -	\$ -	\$ -	\$ -
Contributions from State and Local grants		166,104		
Contributions from County departments				
Leases				
Miscellaneous		8,240		
<b>Total Operating Revenues</b>		<u>174,344</u>		
<b>Operating Expenses:</b>				
Contract and professional service fees		108,652		
Insurance				
Maintenance				
Utilities, supplies, and other charges		136		
Depreciation				
Salaries and wages				
<b>Total Operating Expenses</b>		<u>108,788</u>		
<b>Operating Income (Loss)</b>		65,556		
<b>Non-Operating Revenues and Expenses:</b>				
Interest on deposited funds	22	784	1	1
<b>Change in Net Position before Transfers</b>	22	66,340	1	1
Transfers in		1,032		700
Transfers out		(39,896)		(77)
<b>Change in Net Position</b>	<u>22</u>	<u>27,476</u>	<u>1</u>	<u>624</u>
<b>Net Position, beginning of the fiscal year</b>	1,024	213	47	19,025
<b>Prior Period Adjustments</b>				
<b>Net Position, beginning of the fiscal year, restated</b>	<u>1,024</u>	<u>213</u>	<u>47</u>	<u>19,025</u>
<b>Net Position end of the fiscal year</b>	<u>\$ 1,046</u>	<u>\$ 27,689</u>	<u>\$ 48</u>	<u>\$ 19,649</u>



Green Regional Environmental Enhancement Network Project	Vasquez Property Acquisition	Discovery Center Escrow	Total
\$ -	\$ -	\$ -	\$ 230,762
36,595	27,960		1,412,848
			25,500
			276,368
			73,540
<u>36,595</u>	<u>27,960</u>		<u>2,019,018</u>
	24,450		967,400
			66,565
			21,130
754	18		200,406
			206,333
			468,835
<u>754</u>	<u>24,468</u>		<u>1,930,669</u>
35,841	3,492		88,349
412	86	6,024	62,280
36,253	3,578	6,024	150,629
	525		1,261,495
(81,875)	(3,089)		(1,261,495)
<u>(45,622)</u>	<u>1,014</u>	<u>6,024</u>	<u>150,629</u>
67,520	609,103	2,006,045	27,165,244
			26,258
<u>67,520</u>	<u>609,103</u>	<u>2,006,045</u>	<u>27,191,502</u>
<u>\$ 21,898</u>	<u>\$ 610,117</u>	<u>\$ 2,012,069</u>	<u>\$ 27,342,131</u>

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**

	Rio Hondo Trailhead Acquisition Project	Watershed Conservation Authority	Duck Farm Leases	San Gabriel Mountain & Foothills Acquisition Master Plan Project
<b>Cash Flows from Operating Activities:</b>				
Cash received from federal, State, and Local grants	\$ 9,294	\$ 20,000	\$ 6,000	\$ (20,012)
Cash received from County departments		25,500		
Cash received from leases			144,358	
Cash received from miscellaneous services			450	
Cash paid to employees for services			(240)	(6)
Cash paid to suppliers for goods and services	(22)	(185,553)	(46,150)	(1,313)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>9,272</u>	<u>(140,053)</u>	<u>104,418</u>	<u>(21,331)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets				(14,000)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>				<u>(14,000)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Transfers in (out)	(6,500)	87,412	(151,464)	14,000
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(6,500)</u>	<u>87,412</u>	<u>(151,464)</u>	<u>14,000</u>
<b>Cash Flows from Investing Activities:</b>				
Interest received	23	719	734	214
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>23</u>	<u>719</u>	<u>734</u>	<u>214</u>
<b>Net Increase/(Decrease) in Cash</b>	2,795	(51,922)	(46,312)	(21,117)
<b>Cash, Beginning of Fiscal Year</b>	<u>79</u>	<u>61,919</u>	<u>56,283</u>	<u>21,355</u>
<b>Cash, End of Fiscal year</b>	<u>\$ 2,874</u>	<u>\$ 9,997</u>	<u>\$ 9,971</u>	<u>\$ 238</u>
<b>Reconciliation of Cash to Statement of Net Position:</b>				
Cash Deposited with County Treasurer	\$ 2,874	\$ 9,997	\$ 9,971	\$ 238
Restricted Cash in Escrow Account				
<b>Total Cash</b>	<u>\$ 2,874</u>	<u>\$ 9,997</u>	<u>\$ 9,971</u>	<u>\$ 238</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ 9,294	\$ (195,299)	\$ 85,904	\$ (180)
Adjustments to reconcile change in operating income (loss) to net cash provided (used) by operating activities:				
Depreciation		92,700	3,284	
Decrease (increase) in grant receivable				
Decrease (increase) in lease receivable			434	
Decrease (increase) in prepaid expenses		(335)	(6,765)	
Decrease (increase) in due from other funds				
Decrease (increase) in accrued revenue				
Decrease (increase) in miscellaneous receivable				(97)
Increase (decrease) in due to other funds				
Increase (decrease) in security deposits				
Increase (decrease) in unearned revenue				
Increase (decrease) in accrued expenses	(22)	(37,119)	21,658	(21,151)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 9,272</u>	<u>\$ (140,053)</u>	<u>\$ 104,418</u>	<u>\$ (21,331)</u>

SGV Greenway Network Strategic Implementation Plan	WCA LA River Ranger Program Implementation Phase II	El Encanto Leases	Southgate Riparian Habitat Property	Prop 40 RMC 3609 Duck Farm Phase 1A Implementation	Prop 84 RMC 3640 Chapter 8 Defaulted Tax Property
\$ 250,000	\$ 165,158	\$ 30,000	\$ -	\$ 717,173	\$ -
		90,053	43,500		
		7,525	2,000		
	(118)		(11)	(23)	
	(154,848)	(132,995)	(1,128)	(14,450)	
<u>250,000</u>	<u>10,192</u>	<u>(5,417)</u>	<u>44,361</u>	<u>702,700</u>	
		(963)		(49,194)	
		(963)		(49,194)	
		(12,647)	(50,798)	(86,027)	
		(12,647)	(50,798)	(86,027)	
1,464	9	650	1,076	707	
<u>1,464</u>	<u>9</u>	<u>650</u>	<u>1,076</u>	<u>707</u>	
251,464	10,201	(18,377)	(5,361)	568,186	
		26,409	16,016	20,027	23
<u>\$ 251,464</u>	<u>\$ 10,201</u>	<u>\$ 8,032</u>	<u>\$ 10,655</u>	<u>\$ 588,213</u>	<u>\$ 23</u>
\$ 251,464	\$ 10,201	\$ 8,032	\$ 10,655	\$ 588,213	\$ 23
<u>\$ 251,464</u>	<u>\$ 10,201</u>	<u>\$ 8,032</u>	<u>\$ 10,655</u>	<u>\$ 588,213</u>	<u>\$ 23</u>
\$ 250,000	\$ 14,072	\$ (43,501)	\$ 37,626	\$ 552,720	\$ -
		28,682		63,236	
				70,093	
		(12,029)	(467)		
	(33,528)	(196)			
		303			
		117		26,258	
			992		
	29,648	21,207	6,210	(9,607)	
<u>\$ 250,000</u>	<u>\$ 10,192</u>	<u>\$ (5,417)</u>	<u>\$ 44,361</u>	<u>\$ 702,700</u>	<u>\$ -</u>

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Supplemental Environmental			Prop 84 RMC 09102 WCA Capital Project Implementation
	Project - Duck Farms	Prop A Duck Farm	Prop A SGR	
<b>Cash Flows from Operating Activities:</b>				
Cash received from federal, State, and Local grants	\$ -	\$ -	\$ -	\$ 176,123
Cash received from County departments				
Cash received from leases				
Cash received from miscellaneous services				9,903
Cash paid to employees for services				(470,465)
Cash paid to suppliers for goods and services			(20,508)	(158,277)
<b>Net Cash Provided (Used) by Operating Activities</b>			<u>(20,508)</u>	<u>(442,716)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(36,606)		(35,756)	(11,509)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(36,606)</u>		<u>(35,756)</u>	<u>(11,509)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Transfers in (out)	(11,103)		(24,861)	370,311
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(11,103)</u>		<u>(24,861)</u>	<u>370,311</u>
<b>Cash Flows from Investing Activities:</b>				
Interest received	3,608	1,960	24,739	713
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>3,608</u>	<u>1,960</u>	<u>24,739</u>	<u>713</u>
<b>Net Increase/(Decrease) in Cash</b>	(44,101)	1,960	(56,386)	(83,201)
<b>Cash, Beginning of Fiscal Year</b>	<u>188,290</u>	<u>94,358</u>	<u>1,208,155</u>	<u>95,877</u>
<b>Cash, End of Fiscal year</b>	<u>\$ 144,189</u>	<u>\$ 96,318</u>	<u>\$ 1,151,769</u>	<u>\$ 12,676</u>
<b>Reconciliation of Cash to Statement of Net Position:</b>				
Cash Deposited with County Treasurer	\$ 144,189	\$ 96,318	\$ 1,151,769	\$ 12,676
Restricted Cash in Escrow Account				
<b>Total Cash</b>	<u>\$ 144,189</u>	<u>\$ 96,318</u>	<u>\$ 1,151,769</u>	<u>\$ 12,676</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ (4,071)	\$ (500)	\$ (34,262)	\$ (554,407)
Adjustments to reconcile change in operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	4,071	500		
Decrease (increase) in grant receivable				
Decrease (increase) in lease receivable				
Decrease (increase) in prepaid expenses				3,360
Decrease (increase) in due from other funds				
Decrease (increase) in accrued revenue				(5,216)
Decrease (increase) in miscellaneous receivable				13,759
Increase (decrease) in due to other funds				
Increase (decrease) in security deposits				
Increase (decrease) in unearned revenue				
Increase (decrease) in accrued expenses			13,754	99,788
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,508)</u>	<u>\$ (442,716)</u>

Prop 84 RMC 09103 San Gabriel and Rio Hondo Watershed	Prop 84 RMC 10011 Azusa Springs Water System RWP	Prop 84 RMC 09105 Cattle Canyon Improvement	Environmental Enhancement Mitigation Program EEMP Duck Farm	USFS EcoVoices	Oaks Picnic Area Maintenance Project
\$ -	\$ -	\$ 20,000	\$ -	\$ 39,112	\$ -
		(29,887)		(38,347)	
		(9,887)		765	
			(338,253)		
			(338,253)		
		3,813	(10,853)	(157)	(9,518)
		3,813	(10,853)	(157)	(9,518)
1		237	7,764	150	1,817
1		237	7,764	150	1,817
1		(5,837)	(341,342)	758	(7,701)
71	5	10,910	375,755	448	93,980
\$ 72	\$ 5	\$ 5,073	\$ 34,413	\$ 1,206	\$ 86,279
\$ 72	\$ 5	\$ 5,073	\$ 34,413	\$ 1,206	\$ 86,279
\$ -	\$ (13,439)	\$ (22,751)	\$ (421)	\$ 60,503	\$ (7,676)
	13,439	(7,000)	421	(51,956)	
		19,864		(7,782)	7,676
\$ -	\$ -	\$ (9,887)	\$ -	\$ 765	\$ -

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Property Management Project Walnut Creek	San Gabriel River Bike Trail Gateway Enhancement Project	Mt. Baldy Ranch Property	Citrus Grove Heights Bike Stop Project
<b>Cash Flows from Operating Activities:</b>				
Cash received from federal, State, and Local grants	\$ 2,000	\$ 8,400	\$ -	\$ -
Cash received from County departments				
Cash received from leases				
Cash received from miscellaneous services				
Cash paid to employees for services				
Cash paid to suppliers for goods and services	(2,360)	(30,500)		(15,589)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(360)</u>	<u>(22,100)</u>		<u>(15,589)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets				
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>				
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Transfers in (out)	(280)	(115)		
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(280)</u>	<u>(115)</u>		
<b>Cash Flows from Investing Activities:</b>				
Interest received	171	200		277
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>171</u>	<u>200</u>		<u>277</u>
<b>Net Increase/(Decrease) in Cash</b>	(469)	(22,015)		(15,312)
<b>Cash, Beginning of Fiscal Year</b>	7,417	22,215	4	16,922
<b>Cash, End of Fiscal year</b>	<u>\$ 6,948</u>	<u>\$ 200</u>	<u>\$ 4</u>	<u>\$ 1,610</u>
<b>Reconciliation of Cash to Statement of Net Position:</b>				
Cash Deposited with County Treasurer	\$ 6,948	\$ 200	\$ 4	\$ 1,610
Restricted Cash in Escrow Account				
<b>Total Cash</b>	<u>\$ 6,948</u>	<u>\$ 200</u>	<u>\$ 4</u>	<u>\$ 1,610</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ (8,101)	\$ -	\$ -	\$ (15,589)
Adjustments to reconcile change in operating income (loss) to net cash provided (used) by operating activities:				
Depreciation				
Decrease (increase) in grant receivable		8,400		
Decrease (increase) in lease receivable				
Decrease (increase) in prepaid expenses	(1,023)			
Decrease (increase) in due from other funds				
Decrease (increase) in accrued revenue				
Decrease (increase) in miscellaneous receivable				
Increase (decrease) in due to other funds				
Increase (decrease) in security deposits				
Increase (decrease) in unearned revenue				
Increase (decrease) in accrued expenses	8,764	(30,500)		
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (360)</u>	<u>\$ (22,100)</u>	<u>\$ -</u>	<u>\$ (15,589)</u>

Tree Planting Enhancement SGR	DF Phase 1A River Overlook- LACFCD Use Agreement	River Wilderness Park Entry	RPG-DF Riparian and Interpretive Elements Grant	River Parkway Grant Citrus Grove Heights Rest Area	Roberts Canyon Foothill Area Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,624
		(138,846)	(17)		
		(138,846)	(17)		8,624
			(432)		
			(432)		
(2,926)		(443)	432		
(2,926)		(443)	432		
1,693	5,990	1,776	5	218	
1,693	5,990	1,776	5	218	
(1,233)	5,990	(137,513)	(12)	218	8,624
82,435	289,457	139,595	60	10,521	11
\$ 81,202	\$ 295,447	\$ 2,082	\$ 48	\$ 10,739	\$ 8,635
\$ 81,202	\$ 295,447	\$ 2,082	\$ 48	\$ 10,739	\$ 8,635
\$ -	\$ -	\$ (3,707)	\$ (131,379)	\$ -	\$ 8,624
		(1,052)			
		(134,087)	131,362		
\$ -	\$ -	\$ (138,846)	\$ (17)	\$ -	\$ 8,624

(Continued)

**WATERSHED CONSERVATION AUTHORITY**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

	Conservation Easement Monitoring	Gateway Cities & River Urban Greening Plan Project	Emerald Necklace Master Plan Project	Azusa Foothills Property Pre-Acquisition Project
<b>Cash Flows from Operating Activities:</b>				
Cash received from federal, State, and Local grants	\$ -	\$ 129,435	\$ -	\$ -
Cash received from County departments				
Cash received from leases				
Cash received from miscellaneous services				
Cash paid to employees for services		(213)		
Cash paid to suppliers for goods and services		(90,840)		
<b>Net Cash Provided (Used) by Operating Activities</b>		<u>38,382</u>		
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets				(700)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>				<u>(700)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Transfers in (out)		(38,864)		623
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>		<u>(38,864)</u>		<u>623</u>
<b>Cash Flows from Investing Activities:</b>				
Interest received	22	552	4	1
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>22</u>	<u>552</u>	<u>4</u>	<u>1</u>
<b>Net Increase/(Decrease) in Cash</b>	22	70	4	(76)
<b>Cash, Beginning of Fiscal Year</b>	<u>1,018</u>	<u>428</u>	<u>44</u>	<u>99</u>
<b>Cash, End of Fiscal year</b>	<u>\$ 1,040</u>	<u>\$ 498</u>	<u>\$ 48</u>	<u>\$ 23</u>
<b>Reconciliation of Cash to Statement of Net Position:</b>				
Cash Deposited with County Treasurer	\$ 1,040	\$ 498	\$ 48	\$ 23
Restricted Cash in Escrow Account				
<b>Total Cash</b>	<u>\$ 1,040</u>	<u>\$ 498</u>	<u>\$ 48</u>	<u>\$ 23</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ -	\$ 65,556	\$ -	\$ -
Adjustments to reconcile change in operating income (loss) to net cash provided (used) by operating activities:				
Depreciation				
Decrease (increase) in grant receivable				
Decrease (increase) in lease receivable				
Decrease (increase) in prepaid expenses				
Decrease (increase) in due from other funds				
Decrease (increase) in accrued revenue		(44,909)		
Decrease (increase) in miscellaneous receivable				
Increase (decrease) in due to other funds				
Increase (decrease) in security deposits				
Increase (decrease) in unearned revenue				
Increase (decrease) in accrued expenses		17,735		
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ -</u>	<u>\$ 38,382</u>	<u>\$ -</u>	<u>\$ -</u>



Green Regional Environmental Enhancement Network Project	Vasquez Property Acquisition	Discovery Center Escrow	Total
\$ 36,595	\$ 9,568	\$ -	\$ 1,607,470
			25,500
			277,911
			19,878
(700)	(18)		(471,794)
(424)			(1,062,054)
<u>35,471</u>	<u>9,550</u>		<u>396,911</u>
			(487,413)
			(487,413)
(66,946)	(3,089)		
(66,946)	(3,089)		
349	158	5,940	63,941
<u>349</u>	<u>158</u>	<u>5,940</u>	<u>63,941</u>
(31,126)	6,619	5,940	(26,561)
<u>68,158</u>	<u>9,022</u>	<u>2,005,633</u>	<u>4,922,999</u>
<u>\$ 37,032</u>	<u>\$ 15,641</u>	<u>\$ 2,011,573</u>	<u>\$ 4,896,438</u>
\$ 37,032	\$ 15,641	\$ -	\$ 2,884,865
		2,011,573	2,011,573
<u>\$ 37,032</u>	<u>\$ 15,641</u>	<u>\$ 2,011,573</u>	<u>\$ 4,896,438</u>
\$ 35,841	\$ 3,492	\$ -	\$ 88,349
			206,333
			19,537
			434
			(17,259)
	(18,392)		(18,392)
(370)			(85,271)
			13,965
			26,258
			117
			992
	24,450		161,848
<u>\$ 35,471</u>	<u>\$ 9,550</u>	<u>\$ -</u>	<u>\$ 396,911</u>