

MEMORANDUM

To: John Roberts, *The Natomas Basin Conservancy*

From: Allison Shaffer and Tim Youmans

Subject: NBHCP Fee Update—2005; EPS #14706

Date: January 25, 2005

INTRODUCTION

Economic & Planning Systems, Inc., (EPS) has updated the cash flow model used to estimate the Natomas Basin Habitat Conservation Plan (NBHCP) mitigation fee (fee). This memorandum details the updated assumptions used to derive the 2005 proposed fee and discusses the proposed fee increase.

The fee contains components for the following five funds:

- Land Acquisition
- Restoration and Enhancement (R&E)
- Administration/Operations and Maintenance (Admin/O&M)
- O&M Endowment
- Supplemental Endowment (for Land Acquisition)

Table 1 graphically illustrates the purpose of and interaction between the five fee components. **Table 2** summarizes the cost per acre of habitat and the proposed fee for each of the five fee components. The proposed fee level continues to assume the current NBHCP mitigation requirement of one-half acre of mitigation land for each gross acre of developed land. Therefore, the fee shown in **Table 2** reflects 50 percent of the cost per acre of habitat mitigation. **Table 3** estimates the impact of each fee component and subcomponent on the fee increase proposed for 2005.

The cash flows for each fund are summarized in **Table 4**. The assumption tables used in the cash flow analysis are presented in **Tables 5** through **15**. The detailed cash flow tables are provided in **Appendix A**.



2005 PROPOSED HABITAT FEE

The following table shows the history of the NBHCP habitat fee and the proposed 2005 habitat fee.

Fee Component	Adopted								Current
	1996/97	1998	1999	2000	2001	2002	2003	2004	Proposed w/ Revised HCP 2005
Land Acquisition Cost (LA) [1]	\$1,830	\$1,830	\$2,036	\$2,500	\$3,000	\$3,750	\$5,275	\$7,750	\$12,750
Land Acquisition Settlement [2]					\$3,947	\$3,947			
Restoration/Enhancement (R&E)	\$140	\$198	\$200	\$423	\$368	\$782	\$970	\$935	\$1,023
Administration/O & M	\$150	\$475	\$800	\$750	\$1,555	\$1,555	\$3,450	\$4,154	\$6,243
O & M Endowment Fund	\$75	\$100	\$190	\$190	\$800	\$1,500	\$1,900	\$2,490	\$3,745
Supplemental Endowment Fund	\$0	\$0	\$0	\$0	\$150	\$188	\$430	\$473	\$638
Fee Collection Administration	\$45	\$53	\$66	\$78	\$201	\$240	\$245	\$322	\$498
Total Mitigation Fee	\$2,240	\$2,656	\$3,292	\$3,941	\$10,021	\$11,962	\$12,270	\$16,124	\$24,897
<i>Percent Increase</i>		19%	24%	20%	154%	19%	3%	31%	54%
Less Land Cost Portion of Land Acquisition Component							\$4,500	\$7,500	\$12,500
Total Mitigation Fee Excluding Land Cost Portion of Land Acquisition Component [3]							\$7,770	\$8,624	\$12,397
<i>Percent Increase</i>								11%	44%

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[1] Land acquisition cost includes land cost, transaction costs, and contingency costs. Current land costs estimated at \$25,000 per acre.

[2] Fee through 2002 only.

[3] Includes land transaction costs and contingencies.

The fee currently charged by the City of Sacramento (City) is \$16,124 per acre of development. The proposed fee is \$24,897 per acre. Because nearly all mitigation land is acquired by The Natomas Basin Conservancy (TNBC) through land dedication, the proposed non-land cost to fee payers in this respect is \$12,397 per acre, as compared to the current 2004 fee amount of \$8,624 per acre. It is anticipated that the City Council will re-authorize the land dedication requirement currently in effect for the majority of developers.

As mentioned earlier, **Table 3** estimates the increases in the fee for each fee component and various subcomponents of the Admin/O&M component. The majority of the fee increase can be attributed to the following three factors:

1. The estimated value of habitat land has nearly doubled over the last year from \$15,000 per acre to \$25,000 per acre. This increase in land value not only causes an increase in the Land Acquisition component of the fee, but also causes substantial increases in the Supplemental Endowment, Admin/O&M, and O&M Endowment components as detailed below.
 - The Supplemental Endowment fee increases because its purpose is to provide sufficient funds to purchase a 200-acre reserve or the final 200 acres of habitat. As land becomes more expensive, more funds must be set aside to ensure that there will be adequate funding for the 200 acres.

- The Admin/O&M fee increases because it includes funding for property taxes, which will increase substantially on future habitat that will be valued at higher prices.
- An increase in the Admin/O&M fee leads to a corresponding increase in the O&M Endowment fee because its purpose is to ensure adequate Admin/O&M funding in the years after all development and fee revenue has ended.

In total, the increase in habitat land value leads to an increase in the land-related fee components described above of approximately \$6,500 per acre. As shown in **Table 3**, this increase accounts for an estimated 75 percent of the proposed fee increase.

2. The City discontinued its accounting, finance, and bookkeeping services that it had provided at a minimal cost for many years to TNBC. As a result, TNBC added staff to perform these services. The additional staff costs, along with related expenses, account for the majority of the increase in the Administration subcomponent of the Admin/O&M fee component. The increase in the Administration costs leads to an estimated \$520 per acre increase in the total fee.
3. In past years, the cash flow model did not fully capture the O&M costs associated with the Admin/O&M fee component. All itemized O&M costs (see **Table 8**) provided by Wildlands, Inc. were included in the model, but there were various labor and related costs in the Wildlands, Inc. contract that were not included in the total O&M annual cost estimate. These costs were included in the 2005 fee update model, causing an increase in the O&M subcomponent of the Admin/O&M fee component. In addition, some O&M cost estimates were increased to account for the increasing size of the habitat and to more accurately reflect actual costs incurred. The increase in the O&M costs leads to an estimated \$1,200 per acre increase in the total fee.

UPDATED MODEL ASSUMPTIONS

The updated fee amount was estimated based on a revised cash flow analysis prepared by EPS for each of the five funds. Many of the changes reflect new estimated costs based on recent experience and input from TNBC. The updated assumptions are described below.

CASH FLOW ADJUSTMENTS

Several adjustments were made to the cash flow analyses as discussed below.

2005 Beginning Balances

The cash flows for each fund were updated such that the beginning balances in 2005 matched TNBC fund balances as of November 30, 2004. The November account statements were used because the end of year December statements were not yet available.

Supplemental Mitigation

All supplemental mitigation acres (“Huffman West” and part of “Huffman East”) were added to the cash flow analyses. Costs and revenues associated with these acres were estimated. Previously, separate cash flow analyses were prepared for the supplemental mitigation habitat land. The decision was made to include the supplemental mitigation acres in the fee update cash flow analyses because TNBC manages these lands together with the rest of the habitat. The supplemental mitigation acres are in addition to the required 8,750 habitat acres and do not affect the remaining acquisition of habitat acres.

LAND ACQUISITION COSTS

Land Acquisition costs increased from \$15,000 per acre to \$25,000 per acre (67-percent increase). The increase in costs reflects increasing price pressure in the Natomas Basin for land as witnessed by TNBC. The updated land acquisition cost of \$25,000 per acre was based on TNBC’s knowledge of available parcels and their asking prices and confirmed by personal communications with various real estate professionals.

RESTORATION AND ENHANCEMENT COSTS

R&E costs increased from \$1,871 to \$2,046 per habitat acre (9-percent increase). This increase mainly was attributable to a restoration of the 2003 level R&E contingency. TNBC staff believe the former contingency level is necessary to adequately account for unexpected cost increases such as those that occurred in 2004 with fencing (because of steel price increases) and well installation costs. The R&E costs are composed of four components as described below.

Base R&E Costs

The cost to convert rice acres into managed marsh was estimated at \$5,200 per acre, based on the actual cost of completing the first conversion of acquired acres into managed marsh (Betts/Kismat/Silva [BKS] property totaling 192.5 acres). This cost has been reaffirmed with more recent actual projects that also have been competitively bid. This amount was the same cost estimate assumed in the 2004 Fee Update. Because managed marsh will represent 25 percent of the total acquired acres, the conversion cost was weighted by 25 percent to arrive at a cost of \$1,300 per acquired acre (i.e., 25 percent

of \$5,200 = \$1,300). Also, a small amount of land was anticipated to be converted from rice to upland, at a weighted cost of \$12 per acre.

Biological Site Assessment and Preconstruction Survey Costs

The cost to conduct a formal biological site assessment and preconstruction survey for acquired mitigation land, as required by the 2003 NBHCP, was estimated at \$150 per acre based on information provided by TNBC.

Site-Specific Management Plan Costs

The cost estimated for completing the site-specific management plans for acquired mitigation land is \$175 per acre. This cost was estimated as the average cost per acre of all site-specific plans prepared to date.

Contingency Costs

This fee update assumes a contingency cost of 25 percent of all other R&E costs, which translates into \$409 per habitat acre. This percentage represents a restoration of the contingency cost percentage to the level used for the 2003 Fee Update. The contingency component is essential to ensure adequate funding for R&E, particularly given the lag time between when the fee is paid (and the habitat preserves are acquired) versus when the R&E actually occurs. TNBC has 3 years to restore and enhance the designated preserves after approval of the site-specific management plan, which comes 1 year after acquisition. In that time frame, biological studies also need to be completed. There is significant risk that the cost of restoring and enhancing a project will increase between the time the land has been acquired and when the R&E construction begins. Typically, there has been a 2-year to 3-year lag between these events.

ADMIN/O&M COST ESTIMATES

Admin/O&M cost estimates were revised. The Admin/O&M costs increased from \$8,307 per acre to \$12,485 per acre (50-percent increase). As detailed earlier, there were major increases in O&M costs, property taxes, and administration costs. As a result of the O&M cost increase, the estimated amount of drawdown necessary on the O&M Endowment fund in future years also increased, causing a substantial increase in O&M Endowment fund costs and fee component. Cost estimates for each of the Admin/O&M cost components are discussed below.

O&M Costs

To insure that all O&M costs were captured, the Wildlands, Inc. contract costs of \$237,000 annually were included as a separate cost item from the remaining O&M costs. The remaining O&M costs were updated based on the 2004 estimates from Wildlands, Inc. and information from TNBC. In past years, some of the costs included in the

Wildlands, Inc. contract were inadvertently omitted. Thus, including all of the costs resulted in an increase in the overall O&M cost estimates.

Property Tax Costs and Special Assessments

Over the past year, land acquisition costs have increased substantially from an estimated \$15,000 per acre to an estimated \$25,000 per acre. The latest habitat land was purchased at a cost of approximately \$22,800 per acre. The method of estimating property taxes was changed to adequately capture the increasing cost and assessed value of habitat land. This method is described below.

Existing Habitat Properties

The assessed value for each existing habitat property was estimated as the land acquisition cost of the property, adjusted by 2 percent a year to 2005 levels. The average assessed value per acre then was calculated across all habitat acres. Annual property taxes for existing habitat acres were estimated as 1 percent of this average assessed value per acre multiplied by the number of habitat acres.

Future Habitat Properties

For future habitat acres, it was assumed that the assessed value per acre would begin at \$20,000 per acre in 2005 and escalate by 10 percent a year. These assessed values were discounted back to real dollars assuming a 3-percent inflation rate. Annual property taxes on new properties were estimated as 1 percent of the average assessed value per acre multiplied by the number of habitat acres.

Total Habitat

Total annual property taxes were estimated as the previous year's taxes plus the estimated taxes on the new properties acquired during the year.

Property Tax Adjustment

Each year, the total estimated property tax was adjusted downward by a declining percent (beginning at 95 percent in 2005 and declining to 50 percent in 2028 and thereafter) to account for various factors that are anticipated to result in reduced property taxes. First, some properties receive Williamson Act tax reductions. It is uncertain whether these tax reductions will continue, but if the reductions are discontinued, TNBC may seek property tax welfare exemptions for 25 percent of its habitat acres. Second, TNBC staff believe that the habitat land values will not continue to increase indefinitely at the levels at which they have been increasing lately. In addition, the value of the land on the property tax rolls likely will decrease after all habitat has been acquired and development in the Natomas Basin has been concluded. This probable decrease will occur for two reasons. First, the real value of land on the property rolls will decrease since the average annual inflation rate is likely to be around 3 percent, whereas the assessed value will increase by a maximum of 2 percent annually

after all habitat is acquired. Second, once the 17,500 acres of development authorized by the federal- and state-issued Incidental Take Permit granted to the City, Metro Air Park, and Sutter County have been exhausted, there will be no more development potential on land in the Natomas Basin. It is difficult to envision a scenario where the Sacramento and Sutter County tax assessors could continue to assess TNBC's habitat lands at commercial values. Therefore, TNBC believes that appeals to assessors for valuation reductions are likely to result in lower property taxes over time.

Updating property tax assumptions to reflect current conditions—to include a 2-percent annual increase in each existing property's assessed value to approximate 2005 levels and to reflect future increasing land values—resulted in a large increase in the property tax cost and Admin/O&M fee component.

In addition to updating property tax assumptions, Reclamation District 1000 and Natomas-Central Mutual Water Company (NCMWC) assessment assumptions also were updated based on the current rates.

Mitigation Monitoring and Adaptive Management

Mitigation monitoring and adaptive management costs were updated to reflect revised cost estimates from Jones & Stokes to perform the monitoring work. The original contract costs were increased to account for the increased habitat size following the acquisition of the Tufts property. Other than the costs associated with the midpoint program reviews, the preacquisition biological reconnaissance (included as a Land Acquisition cost), and the site-specific management plan (included as a R&E cost), all of the mitigation monitoring costs were inflated by 3 percent annually to reflect likely cost increases as habitat preserve acreage increases to 8,750 acres over time. Once all habitat acres are acquired, the costs are no longer escalated.

Administration Costs

Administration costs were revised based on the current budget estimates of TNBC. These estimated costs increased from \$780,000 in 2004 to \$946,000 per year in 2005. There were increases in all areas, including staff, office, miscellaneous, and contract expenses. A majority of the increases were due to the addition of staff to provide accounting, finance, and bookkeeping services previously provided by the City.

RICE AND OTHER CROP REVENUE ESTIMATES

Rice revenue estimates remained unchanged at \$160 per acre. This estimate accounts for a blend of highly productive rice fields, which produce higher cash rents, and fallow fields and fields with no eligibility to participate in the federal farm program, which produce substantially lower cash rents. Other crop revenue estimates also remain unchanged at \$30 per upland acre on 50 percent of all upland acres.

HUNTING REVENUES

The assumptions used for projected hunting revenues remain unchanged for 2004. Below are the two main assumptions used to project hunting revenues:

- Annual hunting income was estimated at \$10 per acre.
- The percentage of mitigation land used for hunting was estimated at 33.3 percent per year.

SUPPLEMENTAL ENDOWMENT COST ESTIMATES

The increase in supplemental costs from \$945 per acre to \$1,275 per acre, (35-percent increase) was due to the increased land acquisition cost of \$25,000 per acre.

HABITAT ACQUISITION AND CONVERSION

The projected habitat acquisition schedule was updated to reflect habitat acquisitions made in 2004. The projected habitat conversion schedule also was updated to reflect current estimates from TNBC of the number of acres to be converted to marsh and upland in 2005.

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**Table 1
NBHCP Cash Flow Model and Interaction of Funds**

NBHCP Cash Flow Funds	Primary Purpose	Revenue Source(s)	Expenditure Categories	Interaction of Funds
Land Acquisition	<ul style="list-style-type: none"> Land Acquisition 	<ul style="list-style-type: none"> Fee Revenues Interest Earned 	<ul style="list-style-type: none"> Land Purchase Transaction Costs Contingency 	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> Balances can be transferred among these three funds: --To correct short-term cash flow imbalances and take advantage of opportunities; --If revenues could be better utilized in one of the other funds and are not needed in the existing fund. </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> Interest earnings can be transferred to Admin./O&M fund to supplement revenues. </div> <div style="border: 1px solid black; padding: 5px;"> Supplemental fee revenue can be used to purchase mitigation land. </div>
Restoration and Enhancement	<ul style="list-style-type: none"> Restore and/or Enhance Acquired Mitigation Land 	<ul style="list-style-type: none"> Fee Revenues Interest Earned 	<ul style="list-style-type: none"> Restoration, Enhancement, or Conversion of Acquired Mitigation Lands to Habitat Suitable for Protected Species Preparation of Site Specific Plans 	
Admin./O&M	<ul style="list-style-type: none"> Administration of TNBC 	<ul style="list-style-type: none"> Fee Revenues Farming Revenues Hunting Revenues Interest Earned Interest from O&M Endowment Fund (in Later Years) 	<ul style="list-style-type: none"> Administration of TNBC O&M of Acquired Mitigation Land Property Tax and Special Assessments Mitigation Monitoring Species Monitoring Adaptive Management 	
O&M Endowment Fund	<ul style="list-style-type: none"> Provide Supplemental Revenue for Admin./O&M Fund 	<ul style="list-style-type: none"> Fee Revenues Interest Earned 	<ul style="list-style-type: none"> Interest Earnings Transferred to Admin./O&M Fund in Later Years of NBHCP 	
Supplemental Endowment Fund	<ul style="list-style-type: none"> Provide Supplemental Revenue for Land Acquisition --for advance purchase --in the case that land costs spike dramatically in any given year Provide a "Changed Circumstances" Fund --to provide revenue in the event of changed habitat circumstances such as fire, flood, or the listing of new species. 	<ul style="list-style-type: none"> Fee Revenues Interest Earned 	<ul style="list-style-type: none"> Land Purchase After Completion of Land Purchases, Remaining Funds (Excluding Changed Circumstances Portion) Transferred to Operating or Endowment Fund 	

Table 2
Natomas Basin HCP
Estimation of Habitat Mitigation Fee

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Item	Cost per Acre of Habitat <i>a</i>	Mitigation Fee per Acre of Development <i>b=a x .5</i>	Percentage of Base Fee	Notes:
BASE FEE				
Land Acquisition Cost (LA)				
Land Cost	\$25,000	\$12,500		
Transaction Costs and Contingency	\$500	\$250		
Total Land Acquisition Cost (LA)	\$25,500	\$12,750	51%	See Table 5
Restoration/Enhancement (RE)				
RE Cost	\$1,637	\$818		
RE Contingency	\$409	\$205		
Total Restoration/Enhancement (RE)	\$2,046	\$1,023	4%	See Table 6
Administration/O&M [1]	\$12,485	\$6,243	25%	
O&M Endowment Fund [1]	\$7,490	\$3,745	15%	
Supplemental Endowment Fund	\$1,275	\$638	3%	See Table 13
Subtotal Mitigation Fee	\$48,797	\$24,399		
Fee Collection Administration		\$498	2%	2% of fee for collection
Total Base Fee		\$24,897	100%	
FEE EXCLUDING LAND COST PORTION OF LAND ACQUISITION		\$12,397		[3]

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[1] Administration/O&M and Endowment Fund costs are set based on the cash flow analysis, ensuring that fund balances are positive in year 50 and that annual interest earnings in endowment fund exceed drawdown by Admin/O&M fund. See **Tables 7-12** for cost assumptions.

[2] In some cases developers may dedicate land to satisfy the land acquisition component of the NBHCP. Any land dedication will be subject to the terms of the NBHCP.

Table 3
Natomas Basin HCP
Habitat Mitigation Fee Component Increases (2004-2005)

Fee Component	2004 Fee	2005 Proposed Fee	Fee Increase	Percentage of Total Increase
Land Acquisition				
Land	\$7,500	\$12,500	\$5,000	57%
Transaction	\$125	\$125	\$0	0%
Contingency	\$125	\$125	\$0	0%
Total Land Acquisition	\$7,750	\$12,750	\$5,000	57%
Restoration/Enhancement				
Base Fee	\$813	\$818	\$5	0%
Contingency	\$122	\$205	\$83	1%
Total Restoration/Enhancement	\$935	\$1,023	\$88	1%
Administration/O&M and O&M Endowment				
Administration/O&M	\$4,154	\$6,243	\$2,089	24%
O&M Endowment Fund	\$2,490	\$3,745	\$1,255	14%
Total Admin/O&M and O&M Endowment	\$6,644	\$9,988	\$3,344	38%
Fee Subcomponent Estimates				
O&M	\$1,538	\$2,720	\$1,182	13%
Administration	\$2,052	\$2,572	\$520	6%
Species and Habitat Monitoring	\$1,048	\$1,208	\$160	2%
Special Districts	\$739	\$842	\$103	1%
Property Taxes	\$1,267	\$2,645	\$1,378	16%
Total Admin/O&M and O&M Endowment	\$6,644	\$9,988	\$3,344	38%
Supplemental Endowment Fund	\$473	\$638	\$165	2%
Fee Collection Administration	\$322	\$498	\$176	2%
Total Mitigation Fee	\$16,124	\$24,897	\$8,772	100%
Summary of Land Related Fee Components				
Land Acquisition	\$7,750	\$12,750	\$5,000	57%
Property Taxes	\$1,267	\$2,645	\$1,378	16%
Supplemental Endowment	\$473	\$638	\$165	2%
Subtotal of Land Related Components	\$9,490	\$16,033	\$6,543	75%
All Remaining Components	\$6,635	\$8,864	\$2,229	25%
Total Mitigation Fee	\$16,124	\$24,897	\$8,772	100%

fee increase

Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

2005 Update
 17,500 acres of development
 1/2 acre of mitigation land per gross acre of developed land
 25% marsh, 50% rice, 25% other

Assumes:	0.0% Inflation
	3.0% Interest Rate

	Total 1996-2045	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003
LAND ACQUISITION		[1]	[1]	[1]	[2]				
Beginning Balance		\$0	\$55,641	\$247,608	\$2,773,665	\$750,754	\$563,113	\$2,225,278	\$1,775
Total Revenues	\$175,592,003	\$55,641	\$191,966	\$2,526,057	\$2,696,904	\$1,287,471	\$3,198,070	\$2,569,079	\$9,072,846
Total Expenditures	(\$162,433,651)	\$0	\$0	\$0	(\$4,924,998)	(\$1,475,112)	(\$1,535,905)	(\$8,854,102)	(\$6,411,966)
Transfers to/from Admin/O&M, R&E, Endow.	(\$13,363,535)	\$0	\$0	\$0	\$0	\$0	\$0	\$4,061,520	(\$2,582,000)
Balance Adjustments	\$205,183	\$0	\$0	\$0	\$205,183	\$0	\$0	\$0	\$0
Ending Balance	\$0	\$55,641	\$247,608	\$2,773,665	\$750,754	\$563,113	\$2,225,278	\$1,775	\$80,655
RESTORATION AND ENHANCEMENTS									
Beginning Balance		\$0	\$4,257	\$19,032	\$292,743	\$589,200	\$582,058	\$268,280	(\$12,244)
Total Revenues	\$15,016,957	\$4,257	\$14,775	\$273,711	\$296,457	\$145,324	\$146,644	\$363,017	\$1,123,471
Total Expenditures	(\$13,074,144)	\$0	\$0	\$0	\$0	\$0	(\$1,060,422)	(\$490,041)	(\$880,182)
Transfers to/from O&M/Admin, LA, Endowment	(\$1,790,347)	\$0	\$0	\$0	\$0	\$0	\$600,000	(\$153,500)	\$153,500
Balance Adjustments	(\$152,466)	\$0	\$0	\$0	\$0	(\$152,466)	\$0	\$0	\$0
Ending Balance	\$0	\$4,257	\$19,032	\$292,743	\$589,200	\$582,058	\$268,280	(\$12,244)	\$384,545
ADMINISTRATION/O&M									
Beginning Balance		\$0	\$4,561	\$70,261	\$621,109	\$1,296,442	\$1,549,539	\$1,154,659	\$106,719
Total Revenues	\$128,590,743	\$4,561	\$65,700	\$657,778	\$880,838	\$692,721	\$816,275	\$1,624,402	\$3,949,924
Drawdown on Endowment Fund	\$32,103,979	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$157,184,874)	\$0	\$0	(\$106,930)	(\$205,505)	(\$388,815)	(\$611,155)	(\$876,281)	(\$1,448,791)
Transfers to/from Land Acq. and R&E	(\$3,459,040)	\$0	\$0	\$0	\$0	\$0	(\$600,000)	(\$3,908,020)	\$2,428,500
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,111,959	(\$2,111,959)
Balance Adjustments	(\$50,809)	\$0	\$0	\$0	\$0	(\$50,809)	\$0	\$0	\$0
Ending Balance	\$0	\$4,561	\$70,261	\$621,109	\$1,296,442	\$1,549,539	\$1,154,659	\$106,719	\$2,924,393
O&M ENDOWMENT									
Beginning Balance		\$0	\$3,041	\$13,622	\$152,066	\$323,846	\$463,981	\$966,753	\$1,730,803
Total Revenues	\$135,525,884	\$3,041	\$10,581	\$138,445	\$157,704	\$140,135	\$502,772	\$764,050	\$2,718,367
Total Expenses	(\$24,671)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,671)
Transfer from Land Acq. and R&E	\$15,753,882	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	(\$32,103,979)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$14,076	\$0	\$0	\$0	\$14,076	\$0	\$0	\$0	\$0
Ending Balance	\$119,165,191	\$3,041	\$13,622	\$152,066	\$323,846	\$463,981	\$966,753	\$1,730,803	\$4,424,499
SUPPLEMENTAL ENDOWMENT									
Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$36,314	\$183,631
Total Revenues	\$16,728,756	\$0	\$0	\$0	\$0	\$0	\$36,314	\$147,318	\$533,115
Total Expenditures	(\$3,225,224)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$289,681)
Ending Balance	\$13,503,531	\$0	\$0	\$0	\$0	\$0	\$36,314	\$183,631	\$427,065
Changed Circumstances Fund Balance	\$8,875,503	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$289,681

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Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

	9	10	11	12	13	14	15	16	17
	2004	2005	2006	2007	2008	2009	2010	2011	2012
LAND ACQUISITION									
Beginning Balance	\$80,655	\$437,933	\$1,770,238	\$1,894,486	\$2,078,436	\$2,261,655	\$2,444,120	\$2,625,810	\$2,806,699
Total Revenues	\$3,519,684	\$6,456,121	\$7,309,456	\$13,022,633	\$12,390,652	\$11,758,648	\$11,126,622	\$10,494,573	\$9,618,265
Total Expenditures	(\$3,112,406)	(\$3,694,296)	(\$7,185,208)	(\$12,838,683)	(\$12,207,433)	(\$11,576,183)	(\$10,944,933)	(\$10,313,683)	(\$9,440,593)
Transfers to/from Admin/O&M, R&E, Endow.	(\$50,000)	(\$1,429,520)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$437,933	\$1,770,238	\$1,894,486	\$2,078,436	\$2,261,655	\$2,444,120	\$2,625,810	\$2,806,699	\$2,984,372
RESTORATION AND ENHANCEMENTS									
Beginning Balance	\$384,545	\$93,876	\$62,437	\$183,606	\$212,097	\$230,656	\$239,075	\$237,141	\$224,636
Total Revenues	\$332,376	\$518,977	\$583,583	\$1,044,272	\$993,715	\$942,950	\$891,972	\$840,776	\$769,760
Total Expenditures	(\$623,045)	(\$550,416)	(\$462,414)	(\$1,015,781)	(\$975,156)	(\$934,531)	(\$893,906)	(\$853,281)	(\$607,563)
Transfers to/from O&M/Admin, LA, Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$93,876	\$62,437	\$183,606	\$212,097	\$230,656	\$239,075	\$237,141	\$224,636	\$386,834
ADMINISTRATION/O&M									
Beginning Balance	\$2,924,393	\$3,388,829	\$3,389,280	\$5,134,788	\$9,578,284	\$13,698,315	\$17,490,459	\$20,950,411	\$24,074,286
Total Revenues	\$2,052,034	\$3,535,609	\$3,956,344	\$6,844,595	\$6,704,451	\$6,552,589	\$6,388,754	\$6,212,977	\$5,904,546
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$1,637,598)	(\$2,105,638)	(\$2,210,836)	(\$2,401,099)	(\$2,584,420)	(\$2,760,445)	(\$2,928,802)	(\$3,089,102)	(\$3,236,899)
Transfers to/from Land Acq. and R&E	\$50,000	(\$1,429,520)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$3,388,829	\$3,389,280	\$5,134,788	\$9,578,284	\$13,698,315	\$17,490,459	\$20,950,411	\$24,074,286	\$26,741,933
O&M ENDOWMENT									
Beginning Balance	\$4,424,499	\$5,412,358	\$7,472,821	\$9,834,230	\$13,943,726	\$17,989,500	\$21,969,650	\$25,882,218	\$29,725,187
Total Revenues	\$987,859	\$2,060,463	\$2,361,409	\$4,109,496	\$4,045,774	\$3,980,150	\$3,912,568	\$3,842,969	\$3,699,554
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$5,412,358	\$7,472,821	\$9,834,230	\$13,943,726	\$17,989,500	\$21,969,650	\$25,882,218	\$29,725,187	\$33,424,741
SUPPLEMENTAL ENDOWMENT									
Beginning Balance	\$427,065	\$517,076	\$728,657	\$971,337	\$1,395,045	\$1,812,063	\$2,222,192	\$2,625,225	\$3,020,948
Total Revenues	\$176,946	\$337,914	\$384,962	\$677,939	\$658,750	\$639,360	\$619,764	\$599,955	\$567,706
Total Expenditures	(\$86,936)	(\$126,333)	(\$142,281)	(\$254,231)	(\$241,731)	(\$229,231)	(\$216,731)	(\$204,231)	(\$186,942)
Ending Balance	\$517,076	\$728,657	\$971,337	\$1,395,045	\$1,812,063	\$2,222,192	\$2,625,225	\$3,020,948	\$3,401,712
Changed Circumstances Fund Balance	\$385,185	\$523,074	\$681,047	\$955,710	\$1,226,113	\$1,492,127	\$1,753,623	\$2,010,463	\$2,257,719

Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

	18 2013	19 2014	20 2015	21 2016	22 2017	23 2018	24 2019	25 2020	26 2021
LAND ACQUISITION									
Beginning Balance	\$2,984,372	\$3,157,269	\$3,335,352	\$3,518,778	\$3,686,567	\$3,859,389	\$4,037,396	\$4,220,742	\$4,409,590
Total Revenues	\$8,592,830	\$8,598,017	\$8,603,359	\$6,452,513	\$6,457,547	\$6,462,732	\$6,468,072	\$6,473,572	\$6,479,238
Total Expenditures	(\$8,419,933)	(\$8,419,933)	(\$8,419,933)	(\$6,284,725)	(\$6,284,725)	(\$6,284,725)	(\$6,284,725)	(\$6,284,725)	(\$1,234,725)
Transfers to/from Admin/O&M, R&E, Endow.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$3,157,269	\$3,335,352	\$3,518,778	\$3,686,567	\$3,859,389	\$4,037,396	\$4,220,742	\$4,409,590	\$9,654,102
RESTORATION AND ENHANCEMENTS									
Beginning Balance	\$386,834	\$535,412	\$687,110	\$841,993	\$964,512	\$1,089,603	\$1,217,322	\$1,347,722	\$1,480,861
Total Revenues	\$690,455	\$693,575	\$696,761	\$526,981	\$529,554	\$532,181	\$534,863	\$537,601	\$540,397
Total Expenditures	(\$541,877)	(\$541,877)	(\$541,877)	(\$404,462)	(\$404,462)	(\$404,463)	(\$404,462)	(\$404,462)	(\$79,462)
Transfers to/from O&M/Admin, LA, Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$535,412	\$687,110	\$841,993	\$964,512	\$1,089,603	\$1,217,322	\$1,347,722	\$1,480,861	\$1,941,795
ADMINISTRATION/O&M									
Beginning Balance	\$26,741,933	\$28,879,095	\$30,972,869	\$33,020,336	\$33,995,525	\$34,920,902	\$35,793,898	\$36,611,968	\$37,372,602
Total Revenues	\$5,506,263	\$5,596,749	\$5,685,934	\$4,711,249	\$4,760,189	\$4,807,634	\$4,853,508	\$4,897,734	\$4,924,420
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$3,369,100)	(\$3,502,976)	(\$3,638,466)	(\$3,736,061)	(\$3,834,812)	(\$3,934,637)	(\$4,035,438)	(\$4,137,100)	(\$4,134,249)
Transfers to/from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$28,879,095	\$30,972,869	\$33,020,336	\$33,995,525	\$34,920,902	\$35,793,898	\$36,611,968	\$37,372,602	\$38,162,773
O&M ENDOWMENT									
Beginning Balance	\$33,424,741	\$36,932,816	\$40,546,441	\$44,268,796	\$47,469,779	\$50,767,138	\$54,163,778	\$57,662,692	\$61,266,963
Total Revenues	\$3,508,075	\$3,613,625	\$3,722,354	\$3,200,983	\$3,297,359	\$3,396,640	\$3,498,914	\$3,604,271	\$3,712,804
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$36,932,816	\$40,546,441	\$44,268,796	\$47,469,779	\$50,767,138	\$54,163,778	\$57,662,692	\$61,266,963	\$64,979,767
SUPPLEMENTAL ENDOWMENT									
Beginning Balance	\$3,401,712	\$3,762,530	\$4,134,173	\$4,516,965	\$4,845,621	\$5,184,136	\$5,532,806	\$5,891,937	\$6,261,841
Total Revenues	\$527,550	\$538,374	\$549,524	\$453,105	\$462,965	\$473,120	\$483,581	\$494,354	\$505,452
Total Expenditures	(\$166,731)	(\$166,731)	(\$166,731)	(\$124,450)	(\$124,450)	(\$124,450)	(\$124,450)	(\$124,450)	(\$124,450)
Ending Balance	\$3,762,530	\$4,134,173	\$4,516,965	\$4,845,621	\$5,184,136	\$5,532,806	\$5,891,937	\$6,261,841	\$6,642,843
Changed Circumstances Fund Balance	\$2,492,182	\$2,733,679	\$2,982,420	\$3,196,343	\$3,416,683	\$3,643,634	\$3,877,393	\$4,118,164	\$4,366,159

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Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

	27 2022	28 2023	29 2024	30 2025	31 2026	32 2027	33 2028	34 2029
LAND ACQUISITION								
Beginning Balance	\$9,654,102	\$9,943,725	\$10,242,037	\$10,549,298	\$10,865,777	\$11,191,751	\$11,527,503	\$11,873,328
Total Revenues	\$289,623	\$298,312	\$307,261	\$316,479	\$325,973	\$335,753	\$345,825	\$356,200
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from Admin/O&M, R&E, Endow.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$9,943,725	\$10,242,037	\$10,549,298	\$10,865,777	\$11,191,751	\$11,527,503	\$11,873,328	\$12,229,528
RESTORATION AND ENHANCEMENTS								
Beginning Balance	\$1,941,795	\$1,982,573	\$2,024,207	\$2,066,715	\$2,110,117	\$2,154,429	\$2,199,672	\$2,245,865
Total Revenues	\$40,778	\$41,634	\$42,508	\$43,401	\$44,312	\$45,243	\$46,193	\$47,163
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from O&M/Admin, LA, Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$1,982,573	\$2,024,207	\$2,066,715	\$2,110,117	\$2,154,429	\$2,199,672	\$2,245,865	\$2,293,028
ADMINISTRATION/O&M								
Beginning Balance	\$38,162,773	\$35,897,836	\$33,593,363	\$31,247,788	\$28,859,486	\$26,426,770	\$23,947,893	\$21,400,489
Total Revenues	\$1,840,529	\$1,772,581	\$1,703,447	\$1,633,080	\$1,561,430	\$1,488,449	\$1,414,083	\$1,337,661
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$4,105,466)	(\$4,077,054)	(\$4,049,022)	(\$4,021,382)	(\$3,994,146)	(\$3,967,326)	(\$3,961,487)	(\$3,976,642)
Transfers to/from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$35,897,836	\$33,593,363	\$31,247,788	\$28,859,486	\$26,426,770	\$23,947,893	\$21,400,489	\$18,761,507
O&M ENDOWMENT								
Beginning Balance	\$64,979,767	\$66,940,116	\$68,959,713	\$71,040,354	\$73,183,888	\$75,392,221	\$77,667,317	\$80,011,199
Total Revenues	\$1,960,349	\$2,019,597	\$2,080,641	\$2,143,534	\$2,208,333	\$2,275,096	\$2,343,882	\$2,414,753
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$66,940,116	\$68,959,713	\$71,040,354	\$73,183,888	\$75,392,221	\$77,667,317	\$80,011,199	\$82,425,952
SUPPLEMENTAL ENDOWMENT								
Beginning Balance	\$6,642,843	\$6,842,128	\$7,047,392	\$7,258,814	\$7,476,578	\$7,700,875	\$7,931,902	\$8,169,859
Total Revenues	\$199,285	\$205,264	\$211,422	\$217,764	\$224,297	\$231,026	\$237,957	\$245,096
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$6,842,128	\$7,047,392	\$7,258,814	\$7,476,578	\$7,700,875	\$7,931,902	\$8,169,859	\$8,414,954
Changed Circumstances Fund Balance	\$4,497,144	\$4,632,059	\$4,771,020	\$4,914,151	\$5,061,575	\$5,213,423	\$5,369,825	\$5,530,920

Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

	35 2030	36 2031	37 2032	38 2033	39 2034	40 2035	41 2036	42 2037
LAND ACQUISITION								
Beginning Balance	\$12,229,528	\$12,596,414	\$12,974,306	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$366,886	\$377,892	\$389,229	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from Admin/O&M, R&E, Endow.	\$0	\$0	(\$13,363,535)	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$12,596,414	\$12,974,306	\$0	\$0	\$0	\$0	\$0	\$0
RESTORATION AND ENHANCEMENTS								
Beginning Balance	\$2,293,028	\$2,341,182	\$2,390,347	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$48,154	\$49,165	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from O&M/Admin, LA, Endowment	\$0	\$0	(\$2,390,347)	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$2,341,182	\$2,390,347	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATION/O&M								
Beginning Balance	\$18,761,507	\$16,027,747	\$13,195,895	\$10,279,089	\$7,274,778	\$4,180,338	\$993,064	\$0
Total Revenues	\$1,258,491	\$1,176,478	\$1,091,523	\$1,004,019	\$913,889	\$821,056	\$725,438	\$695,646
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$2,289,827	\$3,312,684
Total Expenditures	(\$3,992,252)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)
Transfers to/from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$16,027,747	\$13,195,895	\$10,279,089	\$7,274,778	\$4,180,338	\$993,064	\$0	\$0
O&M ENDOWMENT								
Beginning Balance	\$82,425,952	\$84,913,724	\$87,476,729	\$105,871,130	\$109,064,129	\$112,353,593	\$115,742,443	\$116,943,860
Total Revenues	\$2,487,772	\$2,563,005	\$2,640,519	\$3,193,000	\$3,289,464	\$3,388,850	\$3,491,245	\$3,528,046
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Land Acq. and R&E	\$0	\$0	\$15,753,882	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,289,827)	(\$3,312,684)
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$84,913,724	\$87,476,729	\$105,871,130	\$109,064,129	\$112,353,593	\$115,742,443	\$116,943,860	\$117,159,223
SUPPLEMENTAL ENDOWMENT								
Beginning Balance	\$8,414,954	\$8,667,403	\$8,927,425	\$9,195,248	\$9,471,105	\$9,755,238	\$10,047,896	\$10,349,332
Total Revenues	\$252,449	\$260,022	\$267,823	\$275,857	\$284,133	\$292,657	\$301,437	\$310,480
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$8,667,403	\$8,927,425	\$9,195,248	\$9,471,105	\$9,755,238	\$10,047,896	\$10,349,332	\$10,659,812
Changed Circumstances Fund Balance	\$5,696,848	\$5,867,753	\$6,043,786	\$6,225,099	\$6,411,852	\$6,604,208	\$6,802,334	\$7,006,404

Table 4
Natomas Basin HCP
Cash Flow Summary (2005\$)

	43 2038	44 2039	45 2040	46 2041	47 2042	48 2043	49 2044	50 2045
LAND ACQUISITION								
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from Admin/O&M, R&E, Endow.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESTORATION AND ENHANCEMENTS								
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to/from O&M/Admin, LA, Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATION/O&M								
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$695,646	\$695,646	\$695,646	\$695,646	\$695,646	\$695,646	\$695,646	\$695,646
Drawdown on Endowment Fund	\$3,312,684	\$3,312,684	\$3,312,684	\$3,312,684	\$3,312,684	\$3,312,684	\$3,312,684	\$3,312,684
Total Expenditures	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)	(\$4,008,329)
Transfers to/from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Sac. Loan for 200-Acre Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
O&M ENDOWMENT								
Beginning Balance	\$117,159,223	\$117,381,836	\$117,611,948	\$117,849,817	\$118,095,710	\$118,349,903	\$118,612,681	\$118,884,342
Total Revenues	\$3,535,296	\$3,542,796	\$3,550,553	\$3,558,576	\$3,566,876	\$3,575,462	\$3,584,344	\$3,593,533
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Land Acq. and R&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drawdown on Endowment Fund	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)	(\$3,312,684)
Balance Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$117,381,836	\$117,611,948	\$117,849,817	\$118,095,710	\$118,349,903	\$118,612,681	\$118,884,342	\$119,165,191
SUPPLEMENTAL ENDOWMENT								
Beginning Balance	\$10,659,812	\$10,979,607	\$11,308,995	\$11,648,265	\$11,997,713	\$12,357,644	\$12,728,374	\$13,110,225
Total Revenues	\$319,794	\$329,388	\$339,270	\$349,448	\$359,931	\$370,729	\$381,851	\$393,307
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$10,979,607	\$11,308,995	\$11,648,265	\$11,997,713	\$12,357,644	\$12,728,374	\$13,110,225	\$13,503,531
Changed Circumstances Fund Balance	\$7,216,596	\$7,433,094	\$7,656,087	\$7,885,770	\$8,122,343	\$8,366,013	\$8,616,993	\$8,875,503

"cash flow"

Table 5
Natomas Basin HCP
Land Acquisition Cost

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Item	Cost per Acre	Permitted by Plan	Assumed in Financial Analysis	Notes
In-Basin Lands	\$25,000	100%	100%	Price based on information from R.E. Stover Appraisers
Out-of-Basin Lands	NA			
Average Land Value	\$25,000			Assumes all acquisition occurs at the average in-basin land value.
Plus Transaction Costs and Contingency	\$500			Includes pre-acquisition field reconnaissance, surveys, Phase 1 environmental report, legal fees, closing costs, etc. Transaction costs assumed at 1/2 of total, contingency at 1/2 of total.
Average Land Acquisition Cost per Acquired Acre	\$25,500			Beginning 2005

"land_acq_assumps"

Source: The Natomas Basin Conservancy

Table 6
Natomas Basin HCP
Restoration and Enhancement Assumptions

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Site Specific Management Plan (SSMP) and Related Costs (to be completed within one year of habitat acquisition)

<u>Item</u>	<u>Estimated Cost per Acquisition</u>	<u>Estimated Cost per Habitat Acre</u>	<u>Note</u>
NBHCP Biological Site Assessment	\$15,000 per Acquisition	\$83 per Acquired Acre assumes an average of 180 acres per acquisition.	Baseline Biological site assessments for: -Tri-Colored Blackbird -Valley Elderberry Longhorn Beetle -Delta Tule Pea -Sanford Arrowhead Assessment for Species Introduction: -Delta Tule Pea -CTS -ST -Pond Turtle -Sanford Arrowhead -Vernal Pool Plant Species, -Other Covered Plant Species
NBHCP Pre-Construction Survey	\$12,000 per Acquisition	\$67 per Acquired Acre assumes an average of 180 acres per acquisition.	Formal pre-construction site survey for restoration and enhancement, including: -Assessment of Swainsons Hawk nest disturbance -Assessment of Other Avian Species nest disturbance -Assessment of Valley Eldeberry Longhorn Beetle
Preparation of Site Specific Management Plan		\$175 per Acquired Acre	Average cost of all SSMPs prepared to date.
Subtotal SSMP and Related Costs		\$325 per acre	Note [1]

Restoration and Enhancement Conversion Costs

	<u>Use of Land</u>	<u>Initial Costs</u>	<u>Weighted Cost [5]</u>	
Expended at Time Land Is Acquired				
Marsh	0%	\$0	\$0	Note [2], [3]
Existing Rice	75%	\$0	\$0	Note [3]
Dry Converted to Rice	0%	\$0	\$0	Note [3]
Other Upland	25%	\$0	\$0	Note [3]
Subtotal	100%		\$0	
Expended at Time Land Is Converted				
Rice/Other Converted to Marsh	25.00%	\$5,200	\$1,300	Note [4], [5]
Rice Converted to Upland/Other	2.39%	\$500	\$12	Note [5], [6]
Subtotal Restoration and Enhancement Conversion Costs			\$1,312	
Subtotal of All Restoration and Enhancement Costs per Acre			\$1,637	
Restoration and Enhancement Contingency per Acre (25%)			\$409	
Total Restoration and Enhancement Costs per Acre			\$2,046	

"RE_Assumps"

Source: The Natomas Basin Conservancy

- [1] The addition of a formal biological site assessment and pre-construction survey are required by the Draft HCP -- July 2002.
- [2] Initial use of marsh land estimated at 0% because NBHCP estimates that little to no marshland is available for acquisition. Rice land will be converted to marsh land, however.
- [3] The initial costs of marsh, existing rice, and dry land converted to rice and other upland have been set to zero as no initial restoration or enhancement costs are anticipated.
- [4] In 2001, the cost of converting acquired acres to marshes was approximately \$5,200 per acre.
- [5] The cost of restoration and enhancement is weighted by the percentage of acres assumed to be converted or used for that particular land use.
- [6] The percentage of rice converted to upland is based on the acres purchased in 2002 and 2003 that are planned to be converted to upland.

Table 7
Natomas Basin HCP
Operations and Maintenance Assumptions

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Item	Amount	Notes:
Operations and Maintenance Costs		
Wildlands Contract	\$66.59 per acre	Wildlands annual contract of \$237,000 divided by the current habitat size of 3,559 acres (including supplemental mitigation) Based on Wildlands, Inc. estimates (See Table 8)
TNBC Costs	\$59.90 per acre	
Subtotal	\$126.49 per acre	
Special Assessments		
Reclamation District #1000	\$12.24 per acre	Based on published tariffs and rates (assumes habitat land split as 55% Sutter County and 45% Sacramento County) Based on published tariffs and rates. Assumptions: 80% of acres are in the NCMWC area, TNBC pays 1/3 of the \$100 per acre average costs. <i>Estimate = 1/3 * \$100 per acre * 80%</i>
NCMWC	\$26.67 per acre	
Subtotal	\$38.90 per acre	
Property Taxes for Existing Habitat (1%)	\$76.96 per acre	Based on the estimated average cost per acre, adjusting the cost per acre for each acquisition by 2% per year through 2005 (see Table 10 for detail)
Mitigation Monitoring and Adaptive Management		
<u>2004</u>		
One-Time/Fixed Costs	\$2,900 per year	See Table 11 for detail
On-Going Monitoring	\$309,100 per year	
Subtotal	\$312,000 per year	
<u>2005 +</u>		
One-Time/Fixed Costs	\$2,900 per year	See Table 11 for detail
On-Going Monitoring	\$255,962 per year	
Subtotal	\$258,862 per year	
Administrative Costs		
During Development	\$945,570 per year	See Table 12 for detail
After All Land Acquired	\$945,570 per year	
Operations and Maintenance Revenues		
Crop Land Leases		
Planted Rice Base Acreage	\$160 per acre	Estimate of average revenue per rice acre; revenue on 90% of rice acres
Other Crops	\$30 per acre	
Hunting Revenue	\$10 per acre	Based on Wildlands Estimate for initial Site Plan revenue on a maximum of 1/3 of the acres

"OM_Assumps"

Source: The Natomas Basin Conservancy

Table 8
Natomas Basin HCP
Estimated TNBC Operations and Maintenance Costs
(excludes costs covered by Wildlands contract and TNBC costs included in other tables)

Task	Comments	Expenditure Type	Cost/Item	Items	Total Cost	Recurrence Interval	Total Annual Cost
Water Management							
berm maintenance	Wildlands Contract						
water-control structure maintenance/repair	Wildlands Contract						
water-control structure replacement							
flashboard riser	TNBC	accrued	\$3,000	76	\$228,000	25	\$9,120
overflow weir	TNBC	accrued	\$4,410	2	\$8,820	25	\$353
canal gate	TNBC	accrued	\$3,500	27	\$94,500	15	\$6,300
culvert	TNBC	accrued	\$1,800	17	\$30,600	15	\$2,040
gate repair	TNBC	accrued	\$550	103	\$56,650	10	\$5,665
steel pipe (8" diameter)	TNBC	accrued	\$39	4190	\$163,410	20	\$8,171
steel pipe (10" diameter)	TNBC	accrued	\$43	250	\$10,750	20	\$538
pvc pipe	TNBC	accrued	\$20	940	\$19,035	30	\$635
pump replacement							
lift pump	TNBC	accrued	\$6,000	2	\$12,000	15	\$800
well pump	TNBC	accrued	\$20,000	9	\$180,000	15	\$12,000
pump maintenance							
lift pump	Wildlands Contract	annual					
well pump	Wildlands Contract	annual					
electricity	Wildlands Contract	annual					
water management operation							
water cost							
summer water	TNBC	annual	\$69	502	\$34,638	1	\$34,638
winter water	TNBC	annual	\$13	502	\$6,275	1	\$6,275
electricity for wells	TNBC (new item per TNBC)	annual	\$4,000	5	\$20,000	1	\$20,000
channel and outlet siltation control	TNBC	accrued	\$300	320	\$96,000	10	\$9,600
reclamation district fee	TNBC (See Table 7)	annual					\$0
well reserve	TNBC (added by TNBC in 2004)	accrued			\$9,600	1	\$9,600
Subtotal Water Management							\$125,733
Vegetation Management							
marsh plant management							
labor	Wildlands Contract						
marsh water level management labor	Wildlands Contract						
upland plant management							
mowing perimeter	TNBC (doubled cost)	annual			\$20,320	1	\$20,320
round-up, remedy	TNBC (doubled gallons)	annual	\$125	32	\$4,000	1	\$4,000
labor for spraying	TNBC (doubled cost)	annual			\$8,000	1	\$8,000
Subtotal Vegetation Management							\$32,320

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Table 8
Natomas Basin HCP
Estimated TNBC Operations and Maintenance Costs
(excludes costs covered by Wildlands contract and TNBC costs included in other tables)

Task	Comments	Expenditure Type	Cost/Item	Items	Total Cost	Recurrence Interval	Total Annual Cost
Pest Management							
pest management (beaver/muskrat/mosquito)							
muskrat traps	Wildlands Contract						
beaver traps	Wildlands Contract						
labor for beaver and muskrat control	Wildlands Contract						
cottonwood/willow protection	Wildlands Contract						
field wire fencing	TNBC	accrued			\$150	3	\$50
Subtotal Pest Management							\$50
Agriculture Management (rice and alfalfa farming)							
coordination with farmers and grazing tenants	TNBC	annual			\$0	1	\$0
Hunting Management							
manage hunting program	TNBC	annual			\$0	1	\$0
coordinate with Sacramento Int. Airport	TNBC	annual			\$0	1	\$0
winter water	TNBC	annual			\$0	1	\$0
Subtotal Hunting Management							\$0
Public Access and Interpretation							
provide guided tours	TNBC (See Table 12)	annual					\$0
prepare handbooks and misc. interpretive material	TNBC (See Table 12)						\$0
Subtotal Public Access and Interpret.							\$0
Monitoring							
general field monitoring of veg. and wildlife	TNBC (See Table 11)	annual					\$0
site-specific multispecies wildlife survey	TNBC (See Table 11)	accrued					\$0
waterfowl activities	TNBC (See Table 11)	annual					\$0
prepare reports	TNBC (See Table 11)	annual					\$0
general agency coordination	TNBC (See Table 11)	annual					\$0
Subtotal Monitoring							\$0
Adaptive Management							
labor to implement changes to various management practices	TNBC (See Table 11)	annual					\$0
Subtotal Adaptive Management							\$0

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Table 8
Natomas Basin HCP
Estimated TNBC Operations and Maintenance Costs
(excludes costs covered by Wildlands contract and TNBC costs included in other tables)

Task	Comments	Expenditure Type	Cost/Item	Items	Total Cost	Recurrence Interval	Total Annual Cost
Miscellaneous							
trespass management	TNBC	annual			\$4,704	1	\$4,704
site security	TNBC	annual			\$12,000	1	\$12,000
trash clean-up	TNBC	annual			\$4,772	1	\$4,772
truck	Wildlands Contract						
atv	Wildlands Contract						
trailer for atv	Wildlands Contract						
hand tools	Wildlands Contract						
backpack sprayer	Wildlands Contract						
weed eater	Wildlands Contract						
fuels and oils	Wildlands Contract						
tractor with implements	Wildlands Contract						
trailer for tractor	Wildlands Contract						
misc. equipment maintenance	Wildlands Contract						
road maintenance	Wildlands Contract						
access gate (heavy duty)	Wildlands Contract						
access gate (light duty)	Wildlands Contract						
perimeter fence (6 strand barbed wire)	Wildlands Contract						
perimeter fence (mesh + 2 strand barbed wire)	Wildlands Contract						
fence maintenance	TNBC	accrued	\$10,000	1	\$10,000	2	\$5,000
sign replacement	TNBC	accrued	\$200	50	\$10,000	10	\$1,000
signage	TNBC	annual			\$472	1	\$472
burrowing owl boxes	TNBC	accrued	\$180	4	\$720	15	\$48
insurance	TNBC (see Table 12)	annual					\$0
winter bird management	TNBC	annual			\$7,700	1	\$7,700
project management/administration/misc.							
project coordination (10% of work year)	Wildlands Contract	annual					
Subtotal Miscellaneous							\$35,696
Subtotal All Costs							\$193,799
Contingency						10%	\$19,380
Total Costs							\$213,179
Acre Allocation							3,559
Estimated Cost per Acre							\$59.90

o&m_tnbc

Source: Wildlands, Inc. Site Specific Management Plans for NBC Mitigation Lands, June 2004

Table 9
Natomas Basin HCP
Estimated Property Taxes (2005-2045)

2005 Update
 17,500 acres of development
 1/2 acre of mitigation land per gross acre of developed land
 25% marsh, 50% rice, 25% other

Year Acquired	Acres	Value per Acre	Total Value	Property Taxes				
				Taxes on New Acres (inflated \$)	Taxes on New Acres (2005 \$)	Total Annual Property Taxes (2005 \$)	Percentage Adjustment	Adjusted Total Annual Taxes (2005 \$)
1999-2004 [1]	3,563.83	\$ 7,696	\$ 27,427,821	\$ 274,278	\$ 274,278			
2005	146.31	\$ 20,000	\$ 2,926,175	\$ 29,262	\$ 29,262	\$ 303,540	95%	\$ 288,363
2006	284.56	\$ 22,000	\$ 6,260,379	\$ 62,604	\$ 60,780	\$ 364,320	93%	\$ 338,818
2007	508.46	\$ 24,200	\$ 12,304,797	\$ 123,048	\$ 115,985	\$ 480,305	91%	\$ 437,077
2008	483.46	\$ 26,620	\$ 12,869,777	\$ 128,698	\$ 117,777	\$ 598,082	89%	\$ 532,293
2009	458.46	\$ 29,282	\$ 13,424,705	\$ 134,247	\$ 119,277	\$ 717,358	87%	\$ 624,102
2010	433.46	\$ 32,210	\$ 13,961,920	\$ 139,619	\$ 120,437	\$ 837,795	85%	\$ 712,126
2011	408.46	\$ 35,431	\$ 14,472,332	\$ 144,723	\$ 121,204	\$ 958,999	83%	\$ 795,969
2012	373.88	\$ 38,974	\$ 14,571,916	\$ 145,719	\$ 118,483	\$ 1,077,482	81%	\$ 872,760
2013	333.46	\$ 42,872	\$ 14,296,138	\$ 142,961	\$ 112,855	\$ 1,190,337	79%	\$ 940,366
2014	333.46	\$ 47,159	\$ 15,725,752	\$ 157,258	\$ 120,525	\$ 1,310,861	77%	\$ 1,009,363
2015	333.46	\$ 51,875	\$ 17,298,327	\$ 172,983	\$ 128,716	\$ 1,439,577	75%	\$ 1,079,683
2016	248.90	\$ 57,062	\$ 14,202,815	\$ 142,028	\$ 102,604	\$ 1,542,181	73%	\$ 1,125,792
2017	248.90	\$ 62,769	\$ 15,623,096	\$ 156,231	\$ 109,577	\$ 1,651,759	71%	\$ 1,172,749
2018	248.90	\$ 69,045	\$ 17,185,406	\$ 171,854	\$ 117,024	\$ 1,768,783	69%	\$ 1,220,460
2019	248.90	\$ 75,950	\$ 18,903,947	\$ 189,039	\$ 124,977	\$ 1,893,760	67%	\$ 1,268,819
2020	248.90	\$ 83,545	\$ 20,794,341	\$ 207,943	\$ 133,471	\$ 2,027,231	65%	\$ 1,317,700
2021	48.90	\$ 91,899	\$ 4,493,884	\$ 44,939	\$ 28,004	\$ 2,055,236	63%	\$ 1,294,798
2022	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	61%	\$ 1,253,694
2023	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	59%	\$ 1,212,589
2024	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	57%	\$ 1,171,484
2025	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	55%	\$ 1,130,380
2026	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	53%	\$ 1,089,275
2027	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	51%	\$ 1,048,170
2028	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2029	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2030	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2031	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2032	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2033	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2034	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2035	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2036	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2037	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2038	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2039	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2040	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2041	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2042	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2043	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2044	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
2045	-	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,055,236	50%	\$ 1,027,618
Total [3]	8,954.68		\$ 256,743,529	\$ 2,567,435	\$ 2,055,236	\$ 69,543,259		\$ 40,433,951

prop taxes

[1] See **Table 10** for the estimated assessed value (in 2005 \$) of existing habitat.

[2] Property taxes adjusted to account for Williamson Act, welfare exemptions, and decreasing habitat valuation over time.

[3] Includes supplemental mitigation acres and taxes.

Table 10
Natomas Basin HCP
2005 Property Tax Assumptions

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Property	Year Acquired	Acres			Total	Assessed Value		2005 Value	Estimated 2005 Value per Acre
		Sacramento County	Sutter County			Cost	Adjustment Factor		
						<i>2.00% per year</i>			
Silva	1999	155.31	3.89	159.20	\$ 478,500	1.126	\$ 538,869	\$ 3,385	
Betts	1999	121.78	17.21	138.99	\$ 451,265	1.126	\$ 508,198	\$ 3,656	
Kismat	1999	40.29		40.29	\$ 140,000	1.126	\$ 157,663	\$ 3,913	
Bennett North	1999		226.68	226.68	\$ 816,030	1.126	\$ 918,982	\$ 4,054	
Bennett South	1999		132.49	132.49	\$ 476,950	1.126	\$ 537,123	\$ 4,054	
Lucich North	1999		267.99	267.99	\$ 1,071,944	1.126	\$ 1,207,183	\$ 4,505	
Lucich South	1999		351.89	351.89	\$ 1,324,836	1.126	\$ 1,491,981	\$ 4,240	
Brennan	2000		241.38	241.38	\$ 1,086,192	1.104	\$ 1,199,244	\$ 4,968	
Frazer	2000		92.60	92.60	\$ 388,920	1.104	\$ 429,399	\$ 4,637	
Souza	2001	44.68		44.68	\$ 444,882	1.082	\$ 481,555	\$ 10,778	
Natomas Farms	2001	96.46		96.46	\$ 1,060,000	1.082	\$ 1,147,378	\$ 11,895	
Ayala	2002	317.37		317.37	\$ 3,491,041	1.061	\$ 3,704,721	\$ 11,673	
Sills	2002	575.56		575.56	\$ 4,316,286	1.061	\$ 4,580,477	\$ 7,958	
Alleghany	2002	50.26		50.26	\$ 415,933	1.061	\$ 441,392	\$ 8,782	
Cummings	2002	66.83		66.83	\$ 553,092	1.061	\$ 586,945	\$ 8,783	
Atkinson	2003		205.40	205.40	\$ 1,853,694	1.040	\$ 1,928,583	\$ 9,390	
Ruby Ranch	2003		91.08	91.08	\$ 1,092,960	1.040	\$ 1,137,116	\$ 12,485	
Huffman West	2003		181.00	181.00	\$ 2,190,420	1.040	\$ 2,278,913	\$ 12,590	
Huffman East	2003		135.75	135.75	\$ 1,085,968	1.040	\$ 1,129,841	\$ 8,323	
Tufts	2004	147.95		147.95	\$ 2,963,000	1.020	\$ 3,022,260	\$ 20,428	
TOTAL		1,616.49	1,947.34	3,563.83	\$ 25,701,912		\$ 27,427,821	\$ 7,696	
Percent of Total Acres		45%	55%						
Estimated 2005 Property Taxes per Acre								\$ 76.96	

prop tax assumps

Table 11
Natomas Basin HCP
Species and Habitat Monitoring Cost Assumptions

2005 Update
17,500 acres of development
1/2 acre of mitigation land per gross acre of developed land
25% marsh, 50% rice, 25% other

Task	Annual Cost	
	2004	Remaining Years
Project and Database Management		
1 Project Management	\$15,860	\$15,860
2 Database Management and Coordination	\$16,840	\$10,320
3 Integrated Basinwide GIS database Mapping and Habitat Monitoring	\$20,730	\$9,900
Total	\$53,430	\$36,080
Basinwide Monitoring		
4 Giant Garter Snake Monitoring	\$93,100	\$84,600
5 Swainson's Hawk Monitoring	\$19,240	\$19,240
6 Covered Species Survey on Non-Reserve Control Sites	\$7,772	\$7,968
Total	\$120,112	\$111,808
Site Specific Monitoring		
First-Year Baseline Inventory		
7 Baseline Habitat Inventory of Reserve Sites	\$8,848	\$0
8 Baseline Botanical Inventory of Reserve Sites	\$11,888	\$0
9 Baseline Covered Species Inventory of Reserve Sites	\$11,008	\$0
Subtotal	\$31,744	\$0
Annual Survey and Assessment		
10 Habitat Assessment for Covered Species	\$0	\$3,696
11 Invasive Species Assessment	\$0	\$2,464
12 Covered Species Surveys	\$0	\$16,632
Subtotal	\$0	\$22,792
Total	\$31,744	\$22,792
Reporting and Documentation		
13 Site Specific Monitoring Plans	\$14,438	\$5,286
14 Draft Annual Report	\$10,640	\$9,896
15 Final Annual Report	\$3,110	\$2,350
16 Draft Monitoring Program Document	\$13,576	\$0
17 Final Monitoring Program Document	\$3,920	\$0
Total	\$45,684	\$17,532
Direct Expenses	\$41,010	\$37,980
Increased Annual Contract Amount to Include Tufts Property	\$0	\$12,650
Other Costs		
Midpoint Program Reviews [1]	\$2,900	\$2,900
Connectivity -- Assessment	\$2,400	\$2,400
Connectivity -- O&M	\$5,000	\$5,000
Adaptive Management -- Periodic Review of NBHCP Monitoring Data	\$3,600	\$3,600
Adaptive Management -- Report to Review Adaptive Management.	\$6,120	\$6,120
Total	\$20,020	\$20,020
TOTAL SPECIES AND HABITAT MONITORING COSTS	\$312,000	\$258,862

monitoring_assumps

Source: Jones & Stokes, TNBC

[1] Overall program review (\$125,000) plus support for Sutter County and City of Sacramento

Table 12
Natomas Basin HCP
Estimated Administrative Costs

2005 Update
17,500 acres of development
acre of mitigation land per gross acre of developed
25% marsh, 50% rice, 25% other

	2005 Annual Cost	2004 Annual Cost	2003 Annual Cost	Notes
	<i>(for comparison)</i>			
<u>Administrative Expenses</u>				
Staff	\$249,935	\$200,843	\$205,000	
Benefits and Charges	\$82,300	\$66,278	\$67,650	
Board Expense	\$10,000	\$10,000	\$6,000	
Subtotal	\$342,235	\$277,121	\$278,650	
<u>Office Expense</u>				
Rent	\$40,000	\$38,000	\$37,000	
Telephone	\$7,500	\$6,200	\$4,000	
Copying and Printing	\$25,000	\$16,000	\$16,000	
Office Supplies	\$10,000	\$5,000	\$5,000	
Postage	\$1,000	\$1,000	\$1,000	
Equipment	\$15,000	\$15,000	\$2,500	
Auto Expense	\$12,000	\$7,000	\$6,500	
Subtotal	\$110,500	\$88,200	\$72,000	
<u>Miscellaneous Expense</u>				
Insurance	\$60,000	\$60,000	\$30,000	Liability and D&O
Accounting	\$7,500	\$27,500	\$17,500	
Legal	\$60,000	\$76,000	\$60,000	
Fees and Taxes	\$95,000	\$24,000	\$2,000	
Subtotal	\$222,500	\$187,500	\$109,500	
<u>Contract Work and Monitoring</u>				
Contract Work, Public Education, and Publications [1]	\$147,000	\$125,000	\$105,000	
Monitoring	\$258,862	\$312,000	\$244,350	
Subtotal	\$405,862	\$437,000	\$349,350	
Less Monitoring	(\$258,862)	(\$312,000)	(\$244,350)	Included separately in Table 11
Subtotal Contract Work	\$147,000	\$125,000	\$105,000	
Subtotal Costs	\$822,235	\$677,821	\$565,150	
Contingency	\$123,335	\$101,673	\$84,773	15% Contingency
Total Administration during Habitat Acquisition	\$945,570	\$779,494	\$649,923	
Total Administration after Habitat Acquisition	\$945,570	\$779,494	\$649,923	

"admin_assumps"

Source: TNBC FY 2005 budget estimate

Table 13
Natomas Basin HCP
Supplemental Endowment Cost Assumptions

Item	Amount
200-Acre Reserve or Purchase of Final 200 Acres	
Total Cost per Acre	\$25,000
Acres	200
Total Estimated Acquisition Cost	\$5,000,000
Less Supplemental Endowment Fund Balance (excluding Changed Circum. portion)	(\$517,076)
Total Remaining Cost	\$4,482,924
Remaining Development (acres)	11,564
Total Cost per Developed Acre	\$388
Total Cost per Habitat Acre	\$775
Changed Circumstance Contingency	
Total Cost per Habitat Acre	\$500
TOTAL COST PER HABITAT ACRE	\$1,275

supp_endow_assumps

Source: The Natomas Basin Conservancy and EPS

Table 14
Natomas Basin HCP
Development Projections

Year	City of Sacramento	Metro Air Park	Sutter County	Total Acres	Adjustment for Acres with Prepaid Fees	Acres for Fee Calculations
<i>Actual Acres</i>						
1996	30.41			30.41		30.41
1997	104.90			104.90		104.90
1998	1,380.36			1,380.36		1,380.36
1999	1,465.47			1,465.47		1,465.47
2000	598.07			598.07		598.07
2001	242.09			242.09		242.09
2002	777.81			777.81		777.81
2003	1,041.98	116.75		1,158.72		1,158.72
2004	178.08			178.08	169.67	347.74
Subtotal	5,819.16	116.75	0.00	5,935.90	169.67	6,105.57
<i>Projected Acres</i>						
2005	500.00	175.00		675.00	(169.67)	505.33
2006	400.00	169.13		569.13		569.13
2007	350.00	169.13	497.80	1,016.93		1,016.93
2008	300.00	169.13	497.80	966.93		966.93
2009	250.00	169.13	497.80	916.93		916.93
2010	200.00	169.13	497.80	866.93		866.93
2011	150.00	169.13	497.80	816.93		816.93
2012	80.84	169.13	497.80	747.77		747.77
2013		169.13	497.80	666.93		666.93
2014		169.13	497.80	666.93		666.93
2015		169.13	497.80	666.93		666.93
2016			497.80	497.80		497.80
2017			497.80	497.80		497.80
2018			497.80	497.80		497.80
2019			497.80	497.80		497.80
2020			497.80	497.80		497.80
2021			497.80	497.80		497.80
2022				-		-
2023				-		-
2024				-		-
2025				-		-
2026				-		-
2027				-		-
2028				-		-
2029				-		-
2030				-		-
2031				-		-
Subtotal	2,230.84	1,866.25	7,467.00	11,564.10	(169.67)	11,394.43
TOTAL	8,050.00	1,983.00	7,467.00	17,500.00	-	17,500.00

development

**Table 15
Natomas Basin HCP
Habitat Status**

Habitat Properties [1]	Year Acquired	Total Acres	Hunting Acres	2003 Acres				2004 Acres				2005+			
				Rice	Marsh	Other	Total	Rice	Marsh	Other	Total	Rice	Marsh	Other	Total [4]
Regular Mitigation															
Betts/Kismat/Silva	1999	338.5	338.5	0.0	192.5	146.0	338.5	0.0	192.5	146.0	338.5	0.0	192.5	146.0	338.5
Lucich North [2]	1999	268.0	0.0	0.0	247.3	20.7	268.0	0.0	247.3	20.7	268.0	0.0	247.3	20.7	268.0
Lucich South [2]	1999	351.9	0.0	334.0	16.5	1.4	351.9	334.0	16.5	1.4	351.9	334.0	16.5	1.4	351.9
Bennett North	1999	226.7	226.7	216.9	9.2	0.5	226.7	216.9	9.2	0.5	226.7	216.9	9.2	0.5	226.7
Bennett South [5]	1999	132.5	0.0	80.7	22.7	29.1	132.5	80.7	22.7	29.1	132.5	80.7	22.7	29.1	132.5
Brennan [5]	2000	241.4	0.0	0.0	3.9	237.5	241.4	0.0	3.9	237.5	241.4	0.0	3.9	237.5	241.4
Frazier	2000	92.6	92.6	0.0	68.4	24.2	92.6	0.0	68.4	24.2	92.6	0.0	68.4	24.2	92.6
Souza [3]	2001	44.7	0.0	0.0	0.0	44.7	44.7	0.0	0.0	40.0	40.0	0.0	0.0	40.0	40.0
Natomas Farms [3]	2001	96.5	0.0	0.0	51.7	44.8	96.5	0.0	51.7	44.8	96.5	0.0	51.7	44.8	96.5
Ayala [3]	2002	317.4	0.0	302.3	0.0	15.1	317.4	302.3	0.0	15.1	317.4	302.3	0.0	15.1	317.4
Sills	2002	575.6	287.8	428.9	0.0	146.7	575.6	428.9	0.0	146.7	575.6	428.9	0.0	146.7	575.6
Cummings [3]	2002	66.8	0.0	50.0	0.0	16.8	66.8	50.0	0.0	16.8	66.8	0.0	40.0	26.8	66.8
Alleghany [3]	2002	50.3	0.0	0.0	0.0	50.3	50.3	0.0	0.0	50.3	50.3	0.0	0.0	50.3	50.3
Atkinson [5]	2003	205.4	0.0	150.0	5.4	50.0	205.4	150.0	5.4	50.0	205.4	50.0	5.4	150.0	205.4
Ruby Ranch [5]	2003	91.1	0.0	88.0	0.0	3.1	91.1	88.0	0.0	3.1	91.1	0.0	0.0	91.1	91.1
Huffman East [1]	2003	116.7	0.0	109.0	0.0	7.7	116.7	109.0	0.0	7.7	116.7	97.7	0.0	19.0	116.7
Tufts	2004	148.0	148.0					138.0	0.0	9.9	148.0	138.0	0.0	9.9	148.0
Subtotal		3,363.8	1,093.5	1,759.8	617.5	838.5	3,215.9	1,897.8	617.5	843.8	3,359.1	1,648.5	657.5	1,053.1	3,359.1
			33%												
Supplemental Mitigation															
Huffman East	2003	19.00				19	19.0			19	19.0			19	19.0
Huffman West	2003	181.00				181	181.0			181	181.0			181	181.0
Subtotal		200.00					200.0				200.0				200.0
Total Mitigation		3,563.83	1,093.49	1,759.83	617.54	838.50	3,415.9	1,897.83	617.54	843.77	3,559.1	1,648.53	657.55	1,053.07	3,559.1

habitat status

- [1] Excludes supplemental mitigation.
- [2] Hunting lease assigned to seller of property for extended term as a condition of property sale.
- [3] Hunting precluded by Sacramento County "No Shoot Zone" ordinance.
- [4] Total acreage reduced by 4.68 acres as a result of a legal settlement with seller (see Souza acres).
- [5] Not hunted for safety reasons.