

BOARD OF DIRECTORS' MEETING ANNOUNCEMENT

DATE: Friday, September 20, 2013
TIME: 9:00 AM
PLACE: Carpinteria City Hall, 5775 Carpinteria Ave, Carpinteria, CA. 93013

MEETING AGENDA

1. **Call to Order, Roll Call and Introductions – Jon Sharkey**
2. **Approval of Agenda and Filing of Certificate of Agenda Posting**
Action: Approve and file.
3. **Consideration and Approval of Minutes of the BEACON Meetings held May 17, 2013 and July 19, 2013**
Action: Approve and file.
4. **Public Comment and Other Matters not on the Agenda**
 - a. Receive public comments.
5. **Reports**
 - a. Reports from legislative offices.
 - b. Boating and Waterways.
 - c. Cal Coast.
6. **Auditor Controller's Recommended Actions**
 - a. Receive and File Budget to Actual Report for the year ending June 30, 2013.
 - b. Receive and file the Management Report for the years ended June 30, 2011 and 2012.
7. **Regional Sediment Management**
Action:
 - a. Receive presentation on status of Regional Sediment Management Issues and Projects within BEACON jurisdiction.
 - b. Approve a Resolution authorizing the Executive Director to secure a Funding Grant from the California Division of Boating and Waterways within the California Department of Parks and Recreation for BEACON's proposed Rincon Parkway Nourishment Project.
 - c. Receive status report on BEACON's effort to include RSM related language into the Water Resources Development Act (WRDA) 2103.
8. **Kelp Anchor Demonstration Project**
Actions:
 - a. Receive a verbal report on the Kelp Anchor Demonstration Project.
 - b. Approve a Resolution authorizing approval of a California State Lands Commission Lease for the Kelp Anchor Demonstration Project.
9. **Single Use Bag Ban Reduction**
Action: Receive Status Report from Executive Director.
10. **Executive Director's Report and Communications.**

Adjourn to next regular meeting, November 22, 2013 at 9:00 AM in Carpinteria City Hall



A California Joint Powers Agency

Member Agencies

City of Carpinteria
City of Goleta
City of Oxnard
City of Port Hueneme
City of San Buenaventura
City of Santa Barbara
County of Santa Barbara
County of Ventura

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105 East Anapamu, Suite 201
Santa Barbara, CA 93101

Ventura Address:

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Facsimile:

(805) 568-2982

Email:

Staff@Beacon.ca.gov

Internet:

<http://www.beacon.ca.gov>

STAFF REPORT

Meeting Date: September 20, 2013
Agenda Item: 3

To: BEACON Board of Directors
From: Brian Brennan
Date 9/20/13

Subject: Consideration and Approval of Minutes of BEACON Meetings held May 17, 2013 and July 19, 2013.

REQUIRED ACTION:

a. Approve and file.



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BEACON Minutes for July 19th, 2013 Meeting

DATE: Friday, July 19, 2013

TIME: 9:00 AM

PLACE: Carpinteria City Hall, 5775 Carpinteria Ave, Carpinteria, CA 93013.

MEETING AGENDA

1. **Call to Order, Roll Call and Introductions – Present- Perotte, Sharkey, Bennett, BrennanShaw, Rameriz, House, Carbajal, Zaragoza**
2. **Approval of Agenda and Filing of Certificate of Agenda Posting**
Action: Approve and file. **Motion- House/ Zaragoza Passed**
3. **Consideration and Approval of Minutes of the BEACON Meeting held April 19th, 2013**
Action: Approve and file. Tabled until September meeting
4. **Public Comment and Other Matters not on the Agenda**
 - a. Receive public comments.
5. **Reports**
 - a. Reports from legislative offices.
 - b. Boating and Waterways.
 - c. Cal Coast. **Steve Acetti present**
6. **Fiscal Year 2013-14 Annual Staff/Consultant Agreements**
Actions: Motion- House/ Zaragoza Passed
 - a. Approve Technical Advisor Services Contract in the amount of \$12,000 with Jim Bailard.
 - b. Approve Legal Services Contract for \$12,000 with Santa Barbara County Counsel.
 - c. Approve Auditor Services Contract for \$15,000 with Ventura county Auditor-Controller.
 - d. Approve Program Management Services Contract with Com3 Consulting for \$45,000.
7. **Beach Ecology Valuation Study of Santa Barbara and Ventura County Beaches**
Actions:
 - a. Receive and file report.
8. **Port Hueneme Beach Erosion**
Actions: receive and file
 - a. Discuss options to mitigate erosion at Hueneme Beach
9. **Executive Director's Report and Communications.**



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STAFF REPORT

Meeting Date: September 20, 2013
Agenda Item: 6

To: BEACON Board of Directors
From: Ventura County Auditor-Controller's Office
Date: September 20, 2013

Subject: Auditor-Controller Recommended Actions

Recommendations:

- a. Receive and File Budget to Actual Report for the year ending June 30, 2013.
- b. Receive and file the Management Report for the years ended June 30, 2011 and 2012.

Discussion for Recommendation a:

For Fiscal Year 2012-13, BEACON had revenues in the amount of \$287,678.73 including \$103,000 in member dues and \$128,119.68 in grant revenue. BEACON had expenditures in the amount of \$273,813.87 including \$101,223.96 in overhead, \$56,090.48 for the plastic bag ban EIR, and \$116,499.43 grant expenditures. The difference between the grant revenue and grant expenditures is due to the release of the 10% withholding from the Department of Boating and Waterways. BEACON ended the year with a fund balance of \$46,891.41, of which \$11,342 is expected be used to fund the Fiscal Year 2013-14 budget.

Discussion for Recommendation b:

Receive and file the Management Report for the years ended June 30, 2011 and 2012.



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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

MANAGEMENT REPORT
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011



COLLINS
ACCOUNTANCY COMPANY
620 3rd Street, Suite 120
PO Box 426
Lincoln, CA 95648-0426
Telephone: (916) 626-4984

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Management Report
For the Years Ended June 30, 2012 and 2011

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Exhibit A – Management Representation Letter

COLLINS ACCOUNTANCY COMPANY

620 THIRD STREET, SUITE 120
POST OFFICE BOX 426
LINCOLN, CALIFORNIA 95648-0426
TELEPHONE: (916) 626-4984

CRAIG D. COLLINS, CPA
LINDA FOSTER, CPA, MS TAX
WEBSITE: [HTTP://WWW.COLLINSACCT.COM/](http://www.collinsacct.com/)

May 14, 2013

Members of the Board of Directors
Brian Brennan, Executive Director
Beach Erosion Authority for Clean Oceans and Nourishment

Dear Mr. Brennan and Members of the Board of Directors:

We have audited the basic financial statements of the Beach Erosion Authority for Clean Oceans and Nourishment as of and for the years ended June 30, 2012 and 2011, and have issued our report thereon dated May 14, 2013.

Professional standards require that we advise you of certain matters relating to our audit. We encourage you to read the accompanying "Required Communication" section carefully for more information on our responsibilities under professional standards, the planned timing and scope of the audit, important observations relating to your accounting policies, misstatements identified during the audit, if any, and other matters we are required to communicate to you.

As stated in our audit report, we considered your internal control over financial reporting and compliance in order to design our audit procedures for the purpose of expressing our opinion on the fair presentation of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control itself. However, we are required to communicate any material weaknesses or significant deficiencies in internal control of which we become aware during the course of the audit. Our communication regarding these matters is contained in our "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*" dated May 13, 2013, and included as part of the final audit report package distributed to you on that date. That report indicated that no material weaknesses had been identified.

In addition, because of our exposure to your internal control system, we become aware of matters from time to time that we do not consider to be material weaknesses or significant deficiencies, but which nevertheless present opportunities for strengthening internal controls and/or improving efficiency. Although our audit was not specifically undertaken to identify such matters, we have determined to present the attached comments regarding matters we have identified.

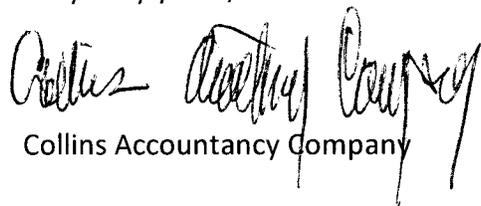
Members of the Board of Directors
Brian Brennan, Executive Director
Beach Erosion Authority for Clean Oceans and Nourishment
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Management's response to the matters we have identified is presented in the following pages. We did not audit management's response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors and management of the Beach Erosion Authority for Clean Oceans and Nourishment and is not intended to be and should not be used by anyone other than these specified parties.

We extend our appreciation for the assistance of your staff throughout the audit process.

Very truly yours,



Collins Accountancy Company

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Required Communication
For the Years Ended June 30, 2012 and 2011

Our Responsibility under Generally Accepted Auditing Standards (and when applicable, Government Auditing Standards)

As communicated in our engagement letter dated October 10, 2012, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that are the responsibility of management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Beach Erosion Authority for Clean Oceans and Nourishment solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you. This letter details other matters noted during our audit.

We have provided our "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*" dated May 14, 2013 describing the scope of our work with respect to the entity's internal control and compliance with the requirements of laws regulations and contracts.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing Beach Erosion Authority for Clean Oceans and Nourishment's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Required Communication For the Years Ended June 30, 2012 and 2011

- Ensured the dollar amounts presented in the Management's Discussion and Analysis, Budgetary Comparison Schedules, and Project Expenditures by Category are consistent with the dollar amounts presented in the financial statements.

Although we are not required to design procedures to verify the information presented as other information, our responsibility does include communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Planned Scope and Timing of the Audit

We previously communicated the planned scope and timing of our audits in our engagement letter dated October 10, 2012. Our fieldwork was planned for the week of November 12, 2012 and was actually performed November 12 through November 13. We issued our final reports on May 14, 2013. Our approach to internal control, described in our engagement letter, is also summarized above in the section entitled, "Our Responsibility under Generally Accepted Auditing Standards (and when applicable, *Government Auditing Standards*)."

Because our audits were designed to provide reasonable assurance that the basic financial statements were presented fairly in all *material* respects, materiality plays a key role in defining the scope of the audit. In general, we determine materiality in each audit based on our professional estimation of the minimum amount that would change or influence the judgment of a reasonable person relying on the information. Having determined this amount, we devote more audit attention to those matters we believe would have a material impact on the financial statements. We did not design procedures to detect immaterial errors.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Beach Erosion Authority for Clean Oceans and Nourishment is included in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Authority implemented the provisions of GASB Statement 54 and reclassified its fund balances as of June 30, 2012 and 2011 into the new categories prescribed by the Statement. This change did not impact net assets or fund balances of prior periods. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Required Communication For the Years Ended June 30, 2012 and 2011

transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. However, no sensitive estimates were used in the preparation of the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Beach Erosion Authority for Clean Oceans and Nourishment's financial statements relate to: commitments and contingencies (Note 7) and subsequent events (Note 8).

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. The list attached to the Management Representation Letter in Exhibit A summarizes uncorrected financial statement misstatements whose effects, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Required Communication
For the Years Ended June 30, 2012 and 2011

corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Beach Erosion Authority for Clean Oceans and Nourishment's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 9, 2013.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues

In the normal course of our professional association with Beach Erosion Authority for Clean Oceans and Nourishment, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting Beach Erosion Authority for Clean Oceans and Nourishment, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the entity's auditors.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Current Year Comments
For the Years Ended June 30, 2012 and 2011

Approval and Competitive Bidding for Service Contracts

Criteria

Section 6(a) of the contracts between BEACON and the Department of Boating and Waterways require prior authorization from the Department of Boating and Waterways for services over \$5,000 and require that service contracts be sole sourced or awarded after receiving at least three competitive bids.

Condition

During our audit procedures, we became aware that BEACON had retained the services of major contractors to perform the work required under the Department of Boating and Waterways contracts. Although a written sole source justification had not been prepared prior to the audit, a BEACON representative was able to provide us with a justification stating that the consultants had a history with BEACON and its projects and/or a level of specialized knowledge and capability that would make it impractical to put the contracts out to bid. It did not appear that the Department of Boating and Waterways had specifically approved the consulting contracts in advance.

Cause

The Department of Boating and Waterways may not have requested the sole source justification in the past.

Effect or Potential Effect

Without the appropriate sole source justifications on file, BEACON could receive an audit finding from the Department of Boating and Waterways if the Department decided to examine the contracts.

Recommendation

We recommend that BEACON maintain written sole source justifications on file for consulting contracts that are not put out to bid, and that BEACON obtain the approval of the Department of Boating and Waterways for contracts over \$5,000.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Current Year Comments
For the Years Ended June 30, 2012 and 2011

Management Response

For future consulting contracts that are funded with outside grants:

1. If the Consultant contract in question was selected through a sole source process, BEACON Staff shall present to the BEACON Board justification for the sole source selection and secure approval from the Board prior to award of the contract.
2. Staff will ensure that the agency administering the grant shall approve the recommended BEACON Staff consultant selection prior to contract award by the BEACON Board.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT

Current Status of Prior Year Comments
For the Years Ended June 30, 2012 and 2011

Prior Year Finding/Management Comment

Current Status

No written management comments were presented in the prior year.

May 9, 2013

Craig Collins and Linda Foster
Collins Accountancy Company
PO Box 426
Lincoln, CA 95648-0426

We are providing this letter in connection with your audit of the basic financial statements of the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) as of June 30, 2012 and 2011 and for the fiscal years then ended, for the purpose of expressing an opinion as to whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of BEACON in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation in the basic financial statements of financial position, results of operations, and cash flows, where applicable, in conformity with generally accepted accounting principles. We acknowledge our responsibility for the design and implementation of effective internal control over financial reporting, and programs and controls to prevent and detect fraud. We also confirm that we are responsible for the identification of and compliance with laws, regulations, and provisions of contracts and grant agreements applicable to us.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of May 9, 2013, the following representations made to you during your audit(s).

1. The financial statements of the various opinion units referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. We have made available to you all:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body and other relevant committees or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
5. We believe that the effects of the uncorrected misstatements in the financial statements summarized in the attached schedule and aggregated by you

EXHIBIT A - Management Representation Letter



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during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and the financial statements taken as a whole.

6. We have no knowledge of any fraud or suspected fraud affecting the entity involving (a) management, (b) employees who have significant roles in internal controls, or (c) others where the fraud could have a material effect on the financial statements.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, vendors, regulators, or others.
8. BEACON has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
9. The following (if any) have been properly recorded or disclosed in the financial statements:
 - a. Related-party transactions, including sales or charges for services provided, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which BEACON is contingently liable.
 - c. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with the AICPA's Statement of Position 94-6, *Disclosure of Certain Significant Risks and Uncertainties* (ASC 275, *Risks and Uncertainties*). Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
10. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
11. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5 (FAS-5), *Accounting for Contingencies* (ASC 450, *Contingencies*).
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FAS-5 (ASC 450).
12. BEACON has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral.
13. Receivables recorded in the financial statements represent valid claims against debtors for sales or charges for services provided or other charges arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.
14. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
15. We represent to you the following regarding the financial statements for BEACON:
 - a. All component units, as well as joint ventures with an equity interest, if any, are included and other joint ventures and related organizations are properly disclosed.
 - b. All funds and activities are properly classified.
 - c. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis— for State and Local Governments*, and GASB

Statement No. 37, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus, for presentation as major are identified and presented as such.

- d. All net assets and fund balance components have been properly reported.
- e. All revenues within the statement of activities have been properly classified as program revenues or general revenues.
- f. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- g. Special items and extraordinary items, if any, have been properly classified and reported.
- h. Deposit and investment risks have been properly and fully disclosed.
- i. There are no capital assets.
- j. All required supplementary information is measured and presented within the prescribed guidelines.
- k. With regard to investments and other instruments reported at fair value:
 - (1) The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - (2) The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - (3) The disclosures related to fair values are complete, adequate, and in conformity with GAAP.
 - (4) There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.



Joanne McDonald
Chief Deputy Auditor-Controller



Brian Brennan
Executive Director

Craig Collins and Linda Foster
Collins Accountancy Company
May 9, 2013
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Schedule of Immaterial Uncorrected Misstatements
For the Years Ended June 30, 2012 and 2011

- ◆ Insurance expenditures/expenses recognized during 2010-2011 included \$624.40 that was prepaid for the 2011-2012 fiscal year. This amount was not recorded as expense in 2011-2012.

BEACON FUND 7125
YEAR TO DATE BUDGET TO ACTUAL FY 2012-13
FOR THE MONTH ENDING June 30, 2013 (100.0% of year)

Org	Account Number	Title	BUDGET			ACTUAL YTD				
			Adopted Budget	Budget Mod	Revised Budget	Actual	Encumbered	Total Revenue/Obligation	Variance Favorable (Unfavorable)	
UNASSIGNED FUND BALANCE										
		Beginning Balance	40,316		33,027	33,026.55		33,026.55	(0.45)	
5395		Unassigned Fund Balance	40,316	-	33,027	33,026.55		33,026.55	(0.45)	
REVENUE										
9601	8911	Interest Earnings	700		700	559.05		559.05	(140.95)	80%
9601	9372	Member Dues/Assessments	103,000		103,000	103,000.00		103,000.00	-	100%
9601	9779	Other Grant Revenue (Bag Ban)	-		5,000	10,000.00		10,000.00	5,000.00	200%
9601	9791	Contributions - Donations (Bag Ban)	-		61,000	56,000.00		56,000.00	(5,000.00)	92%
9608	9161	State Aid - CSMMP	-		208	-		-	(208.00)	0%
9613	9161	State Aid - CRSMP (ecological study)	51,250		61,158	61,157.92		61,157.92	(0.08)	100%
9614	9161	State Aid - RSM-FA	67,000		60,149	56,961.76		56,961.76	(3,187.24)	95%
		Total Revenue	221,950	-	291,215	287,678.73		287,678.73	(3,536.27)	99%
		TOTAL SOURCES	262,266	-	324,242	320,705.28		320,705.28	(3,536.72)	99%
EXPENDITURES										
9601	2072	Insurance Premiums	3,000		3,000	2,899.11		2,899.11	100.89	97%
9601	2141	Membership Dues (Cal Coast)	2,000		2,000	2,000.00		2,000.00	-	100%
9601	2159	Misc Payments/Pub Ed + Travel	3,000		3,000	2,961.17		2,961.17	38.83	99%
9601	2179	Misc Office Exp/Public Relations	1,000		1,000	996.00		996.00	4.00	100%
9601	2180	Spec Off Exp (Website, Teleph, Pub Info)	1,000		1,000	51.48		51.48	948.52	5%
9601	2303	Accounting Svcs - Co of Ventura	15,000		15,000	15,000.00		15,000.00	-	100%
9601	2304	Tech Advisor Svcs - J Bailard	8,000		12,000	10,962.00		10,962.00	1,038.00	91%
9601	2305	Proj Mgmt - COM3	45,000		45,000	41,607.05		41,607.05	3,392.95	92%
9601	2306	Attorney Svcs - Co of Santa Barbara	10,000		15,000	2,660.00		2,660.00	12,340.00	18%
9601	2307	Biennial Audit Services - Collins	3,000		3,000	2,700.00		2,700.00	300.00	90%
9601	2312	Lobbyist Svcs - Marlowe & Co	10,000		10,000	10,000.00		10,000.00	-	0%
9601	2313	Tech Svcs - SAIC	477		648	-		-	648.00	0%
9601	2319	SCCBEP Permit Renewals	4,000		4,000	-		-	4,000.00	0%
9601	2320	Kelp Anchor Permits	5,000		5,000	48.15		48.15	4,951.85	1%
9601	2321	Permit/Planning Fees	-		-	-		-	-	0%
9601	2323	Admin/Legal - Bag Ban	-		9,905	9,339.00		9,339.00	566.00	94%
		Overhead	110,477	-	129,553	101,223.96	-	101,223.96	28,329.04	78%
9608	2313	CSMMP - Turb Study - SAIC	-		208	-		-	208.00	0%
		Grant - CSMMP	-	-	208	-	-	-	208.00	0%
9613	2302	CRSMP - Noble (ecological study)	-		8,306	8,305.42		8,305.42	0.58	0%
9613	2305	CRSMP - COM3 (ecological study)	750		750	750.00		750.00	-	100%
9613	2316	CRSMP - King (ecological study)	50,500		50,500	50,500.00		50,500.00	-	100%
		Grant - CRSMP (ecological study)	51,250	-	59,556	59,555.42	-	59,555.42	0.58	100%
9614	2302	RSM-FA - Noble	46,000		45,507	45,507.00		45,507.00	-	100%
9614	2302	RSM-FA - Contingency	6,000		-	-		-	-	0%
9614	2304	RSM-FA - Bailard	4,000		437	437.00		437.00	-	100%
9614	2305	RSM-FA - COM3	11,000		11,000	11,000.01		11,000.01	(0.01)	100%
		Grant - RSM-FA	67,000	-	56,944	56,944.01	-	56,944.01	(0.01)	100%
9601	2322	Rincon EIR Contract (Bag Ban)	-		56,095	56,090.48		56,090.48	4.52	100%
		Plastic Bag Ban EIR	-	-	56,095	56,090.48	-	56,090.48	4.52	
		Total Overhead, Grant Expenditures	228,727	-	302,356	273,813.87	-	273,813.87	28,542.13	91%
9601	6101	Contingency	33,539		21,886	0.07		-	21,886.00	0%
		TOTAL EXPENDITURES	262,266	-	324,242	273,813.87	-	273,813.87	50,428.13	84%
		Ending Unassigned Fund Balance				46,891.41				

STAFF REPORT

Meeting Date: September 20, 2013
Agenda Item: 7

To: BEACON Board of Directors
From: Executive Director
Date: September 11, 2013

Subject: Regional Sediment Management

ACTIONS:

- a. Receive presentation on status of Regional Sediment Management Issues and Projects within BEACON jurisdiction.
- b. Approve a Resolution authorizing the Executive Director to secure a Funding Grant from the California Division of Boating and Waterways within the California Department of Parks and Recreation for BEACON's proposed Rincon Parkway Nourishment Project.
- c. Receive status report on BEACON's effort to include RSM related language into the Water Resources Development Act (WRDA) 2103.

DISCUSSION:

RSM Background

BEACON's coastline is a prized natural resource. It provides enormous recreational and economic benefits and houses a massive range of ecological resources. However, this precious resource is under constant threat from rising sea-levels, increased storm activity, reduced natural sediment delivery to the coast and reduced Federal funding for harbor dredging. To combat these threats, Regional Sediment Management (RSM) Projects must be implemented. In 2011 BEACON adopted its Coastal Regional Sediment Management Plan (CRSMP). This plan identified a number of RSM-related policy, studies and capital projects that were judged most important to the BEACON jurisdiction. Typical categories for RSM projects are beach nourishment, beach protection and maintenance through innovative technologies, support of regional sediment transport processes and support of harbor maintenance dredging and beneficial re-use.

RSM Issues – Harbor Dredging and Port Hueneme Beach

The most significant challenge facing BEACON today, as it relates to RSM, is lack of Federal Funding for dredging of Ventura and Channel Islands Harbors. As a result, a large amount of sand has accumulated in both harbor sand traps, starving downcoast beaches of their natural sand supply, especially Port Hueneme Beach.



A California Joint Powers Agency

Member Agencies

City of Carpinteria
City of Goleta
City of Oxnard
City of Port Hueneme
City of San Buenaventura
City of Santa Barbara
County of Santa Barbara
County of Ventura

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RSM Projects

Surfers Point Cobble nourishment

Today, BEACON is pursuing implementation of two RSM Projects. One is the Surfers Point Cobble Nourishment Project in the city of Ventura which will install 5,000 Tons of cobble overlaid by 500 Cubic Yards of sand along a 400 foot stretch of beach immediately adjacent to the Surfers Point Managed Retreat location. The project is expected to commence in January 2014.

Rincon Parkway Nourishment Project

In 2012 and again in 2013, BEACON submitted a grant proposal to the California Division of Boating and Waterways to fund a beach nourishment project along the Rincon Parkway in Ventura County. The nourishment will restore 2-3 miles of the shoreline using approximately 400,000 cubic yards of sand from Ventura Harbor. BEACON is requesting a grant totaling \$4.8m over a two year period with \$2.4m coming in FY2014-15 and \$2.4m in FY2015-16. The project requires a partnership with the USACE in a beneficial re-use contract option during the next available dredging cycle of the Ventura Harbor Maintenance Project.

The Division of Boating and Waterways has requested that the BEACON Board execute a Resolution authorizing the Executive Director to seek grant funding for this project.

RSM and WRDA 2013 and Beyond

Implementation of RSM projects is expensive and requires Federal funding to be viable. However, with the exception of harbor dredging, there are no specific Federal Authorities (funding authorizations) in place to fund RSM projects. To remedy this situation, BEACON has been working through a State grant to prepare an amendment to the Water Resources Development Act (WRDA) that would create a new Federal Authority (funding authority) to fund Regional Sediment Management projects along the California coastline.

Specific language has been prepared and vetted through the US Corps of Engineers and endorsed by the California Resources Agency and the office of the Governor. Since April 2013, BEACON's lobbyist has been working in concert with the Governor's Office to push the proposed language through Congress.

**BEACH EROSION AUTHORITY
FOR CLEAN OCEANS AND NOURISHMENT (BEACON)
VENTURA AND SANTA BARBARA COUNTIES, CALIFORNIA**

In the Matter of Receiving A Grant from the Division
of Boating and Waterways for the Rincon Parkway
Nourishment Project

Resolution 2013-3

WHEREAS, The Rincon Parkway is a stretch of coastline, located in northern Ventura County, which is extensively armored and prone to coastal beach erosion, and:

WHEREAS, The Rincon Parkway provides a diverse ecological and recreational environment for beach goes and surfers alike, and:

WHEREAS, BEACON has submitted a proposal to the California Division of Boating and Waterways within the California Department of Park and Recreation to fund a project to nourish the Rincon Parkway, and that this project is known as the Rincon Parkway Nourishment Project, and:

WHEREAS, BEACON's proposal for the Rincon Parkway Nourishment Project predicts long term benefits to the nourishment beach site and downstream beaches, and;

WHEREAS, BEACON recognizes that any funding Grant issued by the California Division of Boating and Waterways within the California Department of Park and Recreation, may include a requirement for BEACON to contribute matching funds.

THEREFORE, the Board of Directors of Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) resolves:

1. The Executive Director is authorized to pursue grant funding from the California Division of Boating and Waterways within the California Department of Park and Recreation for BEACON's Rincon Parkway Nourishment Project.

Resolved by the Board of Directors of BEACON, this 20th day of September, 2013.

BEACON Chair

Attest:

Brian Brennan
Executive Director

Approve as to Form and Procedure:

Kevin Ready
Senior Deputy County Counsel

STAFF REPORT

Meeting Date: 09/20/13

Agenda Item: 8

To: BEACON Board of Directors

From: Gerald Comati

Date 09/09/13

Subject: Kelp Anchor Demonstration Project

REQUIRED ACTION:

- a. Receive a verbal report on the Kelp Anchor Demonstration Project
- b. Approve a Resolution authorizing approval of the new California State Lands Commission Lease for the Kelp Anchor Demonstration Project

DISCUSSION:

At the end of 2010, BEACON agreed to perform as the Lead Agency in delivering an innovative project to demonstrate a method to re-establish kelp in Goleta Bay. The method was developed by Mr. Bob Kiel of the Seattle Aquarium and consists of the insertion of 210 three-foot long (2-inch square) granite columns that are water-jetted into the sandy sea bed of Goleta Bay. Four to six inches of the top of the column will protrude providing an immovable and environmentally benign "toe-hold" for kelp spores to attach.

The re-establishment of a kelp bed in Goleta Bay is considered an environmental benefit to marine life as well as a recreational opportunity and is consistent with BEACON's mission. BEACON staff has been pursuing the necessary permits required for the demonstration project. Permit applications were submitted to the California Coastal Commission and to the California State Lands Commission. Additional permit applications will be submitted to the US Army Corps of Engineers and the Department of Fish and Wildlife. Following receipt of all permits, the project will be brought back to the Board for approval to move forward into the installation phase, anticipated for 2014.

In December 2012 the California State Lands Commission approved a Lease for the Kelp Anchor Demonstration Project. The Commission requires a Resolution by the BEACON Board that approves the terms and conditions of the Lease and grants the Executive Director authority to execute the Lease. In January 2013, Staff brought this same item before the Board for consideration. At that time, the County of Santa Barbara was getting ready to release its draft Environmental Document for the Goleta Beach 2.0 Project. In order to avoid any public confusion, the BEACON Board elected to delay approval of the California State Lands Commission Lease Resolution until such time that the Draft Environmental Document for the County of Santa Barbara's Goleta Beach 2.0 Project was released and the public comments had been received. This has now occurred.



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Member Agencies

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City of Santa Barbara
County of Santa Barbara
County of Ventura

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**BEACH EROSION AUTHORITY
FOR CLEAN OCEANS AND NOURISHMENT (BEACON)
VENTURA AND SANTA BARBARA COUNTIES, CALIFORNIA**

In the Matter of Approval of the California State
Lands Commission Lease for Kelp Anchor
Demonstration Project

Resolution 2013-4

WHEREAS, The California State Lands Commission has approved a lease to BEACON for purposes of installing the Kelp Anchor Demonstration Project, and;

THEREFORE, the Board of Directors of Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) resolves:

1. The terms and conditions of the California State Lands Lease are approved.
2. The Executive Director is authorized to sign said Lease on behalf of BEACON.

Resolved by the Board of Directors of BEACON, this 20th day of September, 2013.

BEACON Chair

Attest:

Brian Brennan
Executive Director

Approve as to Form and Procedure:

Kevin Ready
Senior Deputy County Counsel

STAFF REPORT

Meeting Date: 09/20/13
Agenda Item: 9

To: BEACON Board of Directors
From: Executive Director
Date: 09/10/13

Subject: Single-Use Bag Reduction

ACTION:

- a. Receive update from Executive Director on progress by BEACON Member Jurisdictions on Certification of the Single-Use Bag Reduction Ordinance Environmental Impact Report (EIR) and issuance of Single-Use Bag Reduction Ordinance.

DISCUSSION:

In May 2013, BEACON completed, but did not certify, an Environmental Impact Report (EIR) as a Co-Lead Agency under CEQA pursuant to CEQA Guidelines 15051(d) to assess the consequences of a Single-Use Carryout Bag Ordinance that participating agencies within Santa Barbara and Ventura counties may consider for adoption.

Since that time a number of the BEACON Member Agencies have made progress towards certification of a Single-Use Bag Reduction Ordinance EIR and issuance of a Single-Use Bag Ban Ordinance.



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