



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

Los Angeles River Center and Gardens
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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: June 2, 2010

SUBJECT: **Agenda Item VII : Consideration of resolution approving the Preliminary Budget for the Fiscal Year 2010-2011**

Staff Recommendation: That the Governing Board adopt the attached resolution accepting the Mountains Recreation and Conservation Authority Preliminary Budget for Fiscal Year 2010-2011.

Background: Attached for your review and approval is the Preliminary Budget for Fiscal Year 2010/11. Section 6500 *et. seq.* of the Government Code, and MRCA Joint Exercise Powers Agreement, Section 11.3 state

“...The Authority shall prepare an annual budget, in a form approved by the Conservancy and the Districts, which shall be submitted in the time and manner as specified by the Conservancy and the Districts...”

The Conservancy and the Districts have informed MRCA management that they would like the MRCA Governing Board to review and adopt the Preliminary Budget for Fiscal Year 2010-2011 before it is submitted to them (the Conservancy and the Districts) for approval. Traditionally, the Santa Monica Mountains Conservancy approves the MRCA Preliminary Budget during its June meeting and the Districts immediately thereafter, usually during July. The Final Budget will be presented to the Governing Board during its August meeting.

The preliminary budget is described herein and further described in four attachments: (1) Preliminary Budget by Account Class Category for Fiscal Year Ending June 30, 2011 - this is the Official Budget of the MRCA, (2) Preliminary Fiscal Year 2010-2011 Revenue Budget, (3) Preliminary 2010-2011 Expense Budget and (4) Preliminary 2010-2011 Management Budget by Project. It should be noted that the MRCA only expends funds on those projects that are authorized according to the Workplan approved by the Governing Board.

The preliminary Fiscal Year 2010-2011 budget was prepared using information available in grant and contract files, current and prior actual revenue receipts and expenditures, information regarding future project funding, and the current workprogram.

Revenue

Revenue for Fiscal Year 2010-2011 is comprised of new funding for expenditures in the upcoming year. This includes for reimbursements for contracted expenses, grants from outside agencies, monies paid for fees, permits, leases, and administrative penalties, as well as all new funds that may be received by the MRCA for various projects.

Total revenues for the preliminary Fiscal Year 2010-2011 budget are \$29,208,087. This amount includes \$292,000 of advanced funds received during prior years. Please see the supplemental "Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2010-2011 Statement of Revenues" for additional details.

Expenditures

Expenditures for Fiscal Year 2010-2011 are budgeted at \$29,208,087. An overview by account class is presented below:

<u>Account Class</u>	<u>Amount</u>
Direct Payroll	\$ 4,948,283
Payroll Benefits and Taxes	\$ 3,001,766
Contract Services	\$ 1,983,400
Operating Expenses	\$ 3,829,000
MRCA Grants	\$ 225,000
Land and Improvements	\$14,410,679
Equipment	\$ 745,959
Interest Expense	\$ 64,000
Total Expenses	\$29,208,087

Please refer to the supplemental "Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2010-2011 Expense Budget" for additional details.

Project Accounting

Expenses and revenues for all projects are tracked at the project and sub-project level in the general ledger (AS 400 system). All reimbursable grants are invoiced by the MRCA on a periodic basis to its grantors. Please see refer to the supplemental "Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2010-2011 Budget by Project" for additional details.