



# MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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## MEMORANDUM

**TO:** The Governing Board

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

**DATE:** June 6, 2012

**SUBJECT:** **Agenda Item VI : Consideration of resolution adopting the Preliminary Budget for the Fiscal Year 2012-2013**

Staff Recommendation: That the Governing Board adopt the attached resolution adopting the Mountains Recreation and Conservation Authority Preliminary Budget for Fiscal Year 2012-2013.

Background: Attached for your review and approval is the Preliminary Budget for Fiscal Year 2012-2013. 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 2012-2013 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 MRCA 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, 2013 - this is the preliminary Official Budget of the MRCA which provides spending authority to the MRCA, (2) Preliminary Fiscal Year 2012-2013 Revenue Budget, (3) Preliminary 2012-2013 Expense Budget and (4) Preliminary 2012-2013 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 Workplan was approved by

the MRCA Governing Board at its May 2<sup>nd</sup>, 2012 meeting. The preliminary Fiscal Year 2012-2013 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 2012-2013 is comprised of new funding for expenditures in the upcoming year. This includes for reimbursements for contracted expenses and services, 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 2012-2013 budget are \$43,412,000. This amount includes \$114,000 of expected carryover funds from Fiscal Year 2011-2012. Please see the supplemental "Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2012-2013 Statement of Revenues" for additional details.

**Expenditures**

Expenditures for Fiscal Year 2012-2013 are budgeted at \$43,412,000. An overview by account class is presented below:

<b><u>Account Class</u></b>	<b><u>Amount</u></b>
Direct Payroll	\$ 4,435,783
Payroll Benefits and Taxes	\$ 2,898,782
Contract Services	\$ 1,577,000
Operating Expenses	\$ 3,273,435
MRCA Grants	\$ 300,000
Land and Improvements	\$30,408,000
Equipment	\$ 380,000
Interest Expense	\$ 30,000
Contingency	\$ 109,000
<b>Total Expenses</b>	<b>\$43,412,000</b>

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Please refer to the supplemental “Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2012-2013 Expense Budget” for additional details.

***Project Accounting***

Expenses and revenues for all projects are tracked at the organizational set level in the general ledger (Logos.Net). All reimbursable grants are invoiced to grantors by the MRCA on a periodic basis. Please see refer to the supplemental “Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2012-2013 Budget by Project” for additional details.