

Memorandum

To : The Conservancy
The Advisory Committee

Date: June 25, 2012

From :  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 12: Consideration of resolution approving the Mountains Recreation and Conservation Authority Preliminary Budget, Fiscal Year 2012-2013.**

Staff Recommendation: That the Conservancy adopt the attached resolution authorizing the Mountains Recreation and Conservation Authority Preliminary Budget FY 2012-2013.

Legislative Authority: Section 6500 *et. seq.* of the Government Code, and MRCA Joint Exercise of Powers Agreement, Section 11.3:

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

Background: The Conservancy is required to approve the Mountains Recreation and Conservation Authority (MRCA) annual budget per Section 11.3 of the MRCA Joint Exercise of Powers Agreement. The preliminary budget is described herein and further detailed in four attachments: (1) Preliminary Budget by Account Class Category for Fiscal Year ending June 30th, 2013, - this is the Official Budget of the MRCA , (2) Preliminary Fiscal Year 2012-2013 Revenue Budget, (3) Preliminary Fiscal Year 2011-2012 Expense Budget, and (4) Preliminary Fiscal Year 2012-2013 Management Budget by Project. It should be noted that the MRCA only expends funds on those projects authorized according to the Workplan of the MRCA . The MRCA Workplan is approved on an annual basis by its Governing Board.

The MRCA Governing Board approved this preliminary budget at its June 6th , 2012 stated meeting. The Governing Board of the Conejo Recreation and Park District approved this preliminary budget on June 21. The Governing Board of the Rancho Simi Recreation and Park District also approved this preliminary budget on June 21.

Each project is budgeted separately, and the total MRCA budget is a compilation of those project budgets.

The preliminary FY 2012-2013 budget was prepared using information available in grant and contract files, current and prior year 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 \$43,292,000. This amount includes \$114,000 of advanced funds received during prior years. 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 \$43,292,000. An overview by account class is presented below:

<u>Account Class</u>	<u>Amount</u>
Direct Payroll	\$ 4,375,000
Payroll Benefits and Taxes	\$ 3,020,000
Contract Services	\$ 1,577,000
Operating Expenses	\$ 3,191,000
MRCA Grants	\$ 300,000
Land and Improvements	\$30,380,000
Equipment	\$ 380,000
Interest Expense	\$ 30,000
Contingency	\$ 39,000
Total Expenses	\$43,292,000

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 by the MRCA on a periodic basis to its grantors. Please see refer to the supplemental “Mountains Recreation and Conservation Authority Preliminary Fiscal Year 2012-2013 Budget by Project” for additional details.