



# CITY COUNCIL AGENDA REPORT



**DEPARTMENT:** Administrative Services

**MEETING DATE:** June 21, 2011

**PREPARED BY:** Mark D. Alvarado, Director

**AGENDA LOCATION:** MFA CC-1

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**TITLE:** Adoption of Fiscal Years 2011-13 Budget, Resolution No. A2011-02

**OBJECTIVE:** To adopt the 2011-13 Budget for the Monrovia Financing Authority.

**BACKGROUND:** In 1996, the City created, through a joint powers authority, the Monrovia Financing Authority (MFA). This was done in order to successfully refinance an obligation of the Water Fund. Part of the refinancing was based upon issuance of debt through the Monrovia Financing Authority. At the time, the MFA was required to pay the annual debt, per the refinancing agreement.

**ANALYSIS:** During the 2004-05 fiscal year the outstanding debt was refinanced through Citizens Business Bank ("bank"). This was done to reduce the interest rate, which in turn has saved the City approximately \$45,000 in interest expense. The refinancing was done directly between the bank and the City of Monrovia. The debt balance at June 30, 2011, is \$114,634. The debt service payments are now accounted for in the Water Fund. Therefore, there will be no budgeted activity in the Monrovia Financing Authority for the 2011-13 budget period.

**ENVIRONMENTAL IMPACT:** None.

**OPTIONS:** The Commission has two options:

- 1) Adopt the 2011-13 Budget for the Monrovia Financing Authority as presented; or
- 2) Direct Staff to make changes or adjustments to the information presented. This would cause additional staff work which may impair the Commission's ability to adopt a budget by July 1<sup>st</sup>, as required by law.

**FISCAL IMPACT:** Adoption of this budget is needed to be in compliance with the State of California laws. Action to approve the budget by the Commission does not adversely impact the City or Redevelopment Agency budgets.

**RECOMMENDATION:** Staff recommends the adoption of Resolution No. A2011-02.

**COUNCIL ACTION REQUIRED:** If the Commission agrees, the appropriate action would be a motion to adopt Resolution No. A2011-02.

# MFA CC-1

**RESOLUTION NO. A2011-02**

**A RESOLUTION OF THE MONROVIA FINANCING  
AUTHORITY OF THE CITY OF MONROVIA, CALIFORNIA  
ADOPTING THE MONROVIA FINANCING AUTHORITY 2011-  
2013 FISCAL YEARS BUDGET.**

**THE FINANCING AUTHORITY OF THE CITY OF MONROVIA DOES** hereby resolve as follows:

**WHEREAS**, the Chief Administrative Officer and Treasurer have prepared and submitted to the Authority Commission the budget for the fiscal year commencing July 1, 2011 and ending June 30, 2012, and for the fiscal year commencing July 1, 2012 and ending June 30, 2013; and

**WHEREAS**, the Authority Commission has reviewed the Chief Administrative Officer's Proposed Budget; and

**WHEREAS**, budget study sessions were held on the Proposed Budget on May 31 and June 6, 2011, where all interested persons were heard; and

**WHEREAS**, the Authority's Commission has considered the budget and comments thereon, and has determined it is necessary for the efficient management of the Authority that certain sums of revenue be appropriated to the various departments, officers, and agencies and activities of the Authority as set forth in said budget;

**NOW, THEREFORE, THE AUTHORITY COMMISSION OF THE MONROVIA FINANCING AUTHORITY DOES HEREBY FIND, DETERMINE, ORDER AND RESOLVE AS FOLLOWS:**

**SECTION 1.** The budget for the Monrovia Financing Authority for the fiscal year July 1, 2011 through June 30, 2012, and for the fiscal year July 1, 2012 through June 30, 2013, is hereby adopted totaling an appropriation in the sum of \$0 for each fiscal year.

**SECTION 2.** Said budget hereby adopted is the aforementioned Proposed Budget prepared by the Chief Administrative Officer and Treasurer, and as amended by the Authority Commission, entitled "2011-2013 Budget", Monrovia Financing Authority, incorporated herein as though set forth in full. Said budget is hereby adopted as the program budget of the Monrovia Financing Authority for the fiscal years 2011-2013, and shall remain in full force and effect until amended or modified by the Commission of the Authority.

**SECTION 3.** The sums of money therein set forth are hereby appropriated from the revenues of the Authority to the departments, functions, and funds therein set forth for expenditures during the 2011-13 fiscal years.

**SECTION 4.** The Chief Administrative Officer is hereby authorized and directed to arrange for the performance in accordance with the terms and provisions of law, of all

specific projects enumerated in said budget, and the President or his/her designee is directed to execute all necessary contracts to carry out the same.

**SECTION 5.** The Chief Administrative Officer is authorized to make transfers of budget appropriations between classifications and activities within a fund.

**SECTION 6.** The Secretary of the Commission shall certify to the adoption of this Resolution, and the same shall be effective July 1, 2011.

**PASSED, APPROVED and ADOPTED** this 21st day of June, 2011 by the following vote:

**AYES:  
NOES:  
ABSTAIN:  
EXCUSED:**

BY: \_\_\_\_\_  
Mary Ann Lutz, President  
Monrovia Financing Authority

ATTEST: APPROVED AS TO FORM:

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Alice D. Atkins, CMC, Secretary  
Monrovia Financing Authority

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Craig A. Steele  
City Attorney

**STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) §  
CITY OF MONROVIA             )**

I, ALICE D. ATKINS, CMC, City Clerk of the City of Monrovia, California, do hereby certify that the foregoing Resolution No. A2011-02 relating to the Monrovia Financing Authority 2011-2013 fiscal years program budget was duly adopted and passed at a regular meeting of the Commission on the 21st day of June, 2011 by the following vote:

**AYES:  
NOES:  
ABSTAIN:  
EXCUSED:**

ATTEST:

\_\_\_\_\_  
Alice D. Atkins, CMC, City Clerk  
City of Monrovia, California