

Association of Bay Area Governments

Finance Committee

March 20, 2025

Agenda Item 5.b.

Association of Bay Area Governments (ABAG) Statement of Revenues and Expenses

Subject:

Report on Fiscal Year (FY) 2024-25 Association of Bay Area Governments (ABAG) Statement of Revenues and Expenses for the period ended December 31, 2024 (Unaudited).

Background:

ABAG financial information includes ABAG Administration (Administration), Bay Area Regional Energy Network (BayREN)-Energy, San Francisco Estuary Partnership (SFEP), and the San Francisco Bay Trail (SF Bay Trail).

The Statement of Revenues and Expenses has been prepared in accordance with the generally accepted accounting principles (GAAP). The columns have been designed to provide an easy comparison of current year-to-date actuals to the prior year-to-date actuals, including dollar and percentage variances.

Overall Summary:

Operating Revenue

The year-to-date operating revenues were \$24.7 million, which was \$6.2 million more than the prior year-to-date actual. The primary driver of this fluctuation was the increase of \$7.1 million in grant funding for the SFEP program and an increase of \$313 thousand in membership dues and investment revenues for the administration program. This increase was offset by a decrease of \$1.2 million in the BayREN program.

Operating Expense

The year-to-date operating expenses were \$22.9 million, an increase of \$6.3 million compared to the prior year-to-date actual. The increase is primarily due to the increase in activities for SFEP grant projects.

Administration

The main source of revenue for the administration program is membership dues. The year-to-date dues revenues were \$3.1 million, which was \$289 thousand more than the prior year-to-date actual. The membership dues revenues are recorded at the beginning of the year when bills are sent out and are collected throughout the year. As of December 31, 2024, ABAG had collected 98% or \$3.0 million of the \$3.1 million billed.

As of December 31, 2024, the total operating expenses were \$1.8 million, which was \$759 thousand more than the prior year-to-date actual. The increase was primarily due to the increases in retirement pension and Other Post-Employment Benefits (OPEB) expenses.

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BayREN—Energy

BayREN-Energy program is a grant funded operation consisting of California Public Utilities Commission (CPUC) grants. The year-to-date revenues were \$12.1 million, which was \$1.2 million less than the prior year-to-date actual. This decrease was mainly due to a decrease of \$1.7 million in grant revenue, offset by an increase of \$410 thousand in interest income.

CPUC grant funds are received at the beginning of the grant year and as the expense is incurred, the revenue is released. Therefore, the revenue and expenses would always be close to break-even.

As of December 31, 2024, the operating expenses were \$11.6 million, a decrease of \$1.6 million compared to prior year-to-date actual. This was primarily due to a decrease of \$2.5 million related to Single Incentive programs, offset by an increase of \$947 thousand in consultant and pass-through expenses.

San Francisco Estuary Partnership

SFEP is funded by a series of grants, mainly from the U.S. Environmental Protection Agency (US EPA) and Department of Water Resources (DWR). The year-to-date revenues were \$9.4 million, which was \$7.1 million more than the prior year-to-date actual. Grant revenues increased due to the increases in grant-related expenses.

As of December 31, 2024, the operating expenses were \$9.4 million, an increase of \$7.2 million compared to prior year-to-date actual. The increase was primarily due to an increase in Water Resources grant project expenses.

San Francisco Bay Trail

The San Francisco Bay Trail is a non-profit entity. The year-to-date revenues were \$11.6 thousand from souvenir sales, donations, and interest income.

The year-to-date expenses were \$24 thousand and were primarily attributed to sponsoring three non-profit organizations and contracting out vendors to educate and support the programs of SF Bay Trail.

Budget & Forecast Updates

For FY 2024-25, total operating revenues are on track for the fiscal year. However, budgeted SFEP and BAYREN grants are lagging due to delays in grant reimbursements.

Operating expenses are currently projected to be within budget. SFEP and BAYREN expenses are significantly behind budget due to delays in consultant and passthrough billings.

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Recommended Action:

The ABAG Finance Committee is requested to accept the staff report and recommend ABAG Executive Board approval of the Fiscal Year 2024-25 Association of Bay Area Governments Statement of Revenues and Expenses for the period ended December 31, 2024 (Unaudited).

Attachments:

- A. ABAG Statement of Revenues and Expenses for the Period Ended December 31, 2024 (Unaudited).

Reviewed:



Andrew Fremier

ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG)						
STATEMENT OF REVENUE AND EXPENSE						
FISCAL YEAR 2025						
DECEMBER 2024 YTD						
ABAG ADMINISTRATION	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Membership Dues	3,139,730	2,850,654	289,076	10%	3,139,730	100%
Interest Revenue & Other Revenue	39,935	15,641	24,294	155%	615,428	6%
TOTAL REVENUES	3,179,665	2,866,295	313,370	11%	3,755,158	85%
EXPENSES						
Pension & OPEB	1,068,083	222,218	845,865	381%	2,696,764	40%
Beale Assessments	205,029	204,189	840	0%	207,295	99%
Other Operating Costs	490,992	578,922	(87,930)	-15%	1,050,555	47%
TOTAL EXPENSES	1,764,104	1,005,329	758,775	75%	3,954,614	45%
OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS	1,415,562	1,860,966	(445,405)	-24%	(199,456)	-710%
TRANSFERS						
Transfers Out						
Transfer to MTC & BARC	-	(6,199)	6,199	-100%	(202,695)	0%
TOTAL TRANSFERS	-	(6,199)	6,199	-100%	(202,695)	0%
OPERATING SURPLUS/(DEFICIT)	1,415,562	1,854,767	(439,205)	-24%	(402,151)	-352%

BAYREN ENERGY	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Grants	11,573,272	13,223,587	(1,650,315)	-12%	39,385,044	29%
Other operating revenue	486,085	75,827	410,258	541%	-	0%
TOTAL REVENUES	12,059,357	13,299,414	(1,240,057)	-9%	39,385,044	31%
EXPENSES						
Consultant & Passthrough	6,029,799	5,024,991	1,004,808	20%	19,187,409	31%
Incentives	4,809,859	7,301,498	(2,491,639)	-34%	16,650,000	29%
Staff Costs	723,530	564,941	158,589	28%	2,065,407	35%
MTC Overhead	-	315,633	(315,633)	-100%	1,153,942	0%
Other Operating Costs	71,458	16,226	55,232	340%	328,286	22%
TOTAL EXPENSES	11,634,645	13,223,289	(1,588,644)	-12%	39,385,044	30%
OPERATING SURPLUS/(DEFICIT)	424,711	76,125	348,587	458%	-	0%

SF ESTUARY PARTNERSHIP (SFEP)	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Grants	9,413,985	2,252,537	7,161,447	318%	43,682,527	22%
Conference Program Revenue	33,670	95,025	(61,355)	-65%	400,000	8%
Transfers In	-	-	-	0%	100,000	0%
TOTAL REVENUES	9,447,655	2,347,562	7,100,093	302%	44,182,527	21%
EXPENSES						
Consultant & Passthrough	8,333,181	991,044	7,342,137	741%	40,330,210	21%
Staff Costs	1,072,522	969,249	103,274	11%	2,778,559	39%
MTC Overhead	-	263,839	(263,839)	-100%	662,965	0%
Conference Program Costs	13,798	6,331	7,467	118%	153,529	9%
Other Operating Costs	21,691	42,425	(20,734)	-49%	257,264	8%
TOTAL EXPENSES	9,441,192	2,272,888	7,168,304	315%	44,182,527	21%
OPERATING SURPLUS/(DEFICIT)	6,463	74,674	(68,211)	-91%	-	0.0%

SAN FRANCISCO BAY TRAIL	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Revenue - Souvenir Sales	2,483	1,073	1,411	132%	997	249%
Revenue - Donation	3,108	2,423	685	28%	239,408	1%
Interest Income	6,064	-	6,064	N/A	-	0%
TOTAL REVENUES	11,655	3,496	8,159	233%	240,405	5%
EXPENSES						
Consultant/Professional Fees	-	-	-	N/A	237,000	0%
Passthrough/Contribution-Other Agencies	4,417	17,443	(13,026)	-75%	-	0%
Other Operating Costs	19,640	5,261	14,379	273%	101,000	19%
TOTAL EXPENSES	24,058	22,704	1,354	6%	338,000	7%
OPERATING SURPLUS/(DEFICIT)	(12,403)	(19,208)	6,805	-35%	(97,595)	13%

ALL PROGRAMS SUMMARY	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
ABAG Administration	3,179,665	2,866,295	313,370	11%	3,755,158	85%
BayREN Energy	12,059,357	13,299,414	(1,240,057)	-9%	39,385,044	31%
SFEP	9,447,655	2,347,562	7,100,093	302%	44,182,527	21%
SF Bay Trail	11,655	3,496	8,159	233%	240,405	5%
TOTAL REVENUES	24,698,332	18,516,767	6,181,565	33%	87,563,134	28%
EXPENSES						
ABAG Administration	1,764,104	1,005,329	758,775	75%	3,954,614	45%
BayREN Energy	11,634,645	13,223,289	(1,588,644)	-12%	39,385,044	30%
SFEP	9,441,192	2,272,888	7,168,304	315%	44,182,527	21%
SF Bay Trail	24,058	22,704	1,354	6%	338,000	7%
TOTAL EXPENSES	22,863,999	16,524,210	6,339,789	38%	87,860,185	26%
OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS	1,834,333	1,992,557	(158,224)	-8%	(297,051)	-618%
TRANSFERS						
ABAG Administration	-	(6,199)	6,199	-100%	(202,695)	0%
TOTAL TRANSFERS	-	(6,199)	6,199	-100%	(202,695)	0%
OPERATING SURPLUS/(DEFICIT)	1,834,333	1,986,358	(152,025)	-8%	(499,746)	-367%