



Association of Bay Area Governments (ABAG)

Proposed FY 2022-23 ABAG Operating Budget

ABAG General Assembly

June 17, 2022

Financial Summary

FY 2021-22 Highlights

- The MTC Commission approved a one-time refund of shared services and membership dues assessment

FY 2022-23 Proposed Budget

- Budget is balanced as presented
- Membership Dues increase of 6%
- Administration budget requires transfer
- BayREN includes two new project-based time limited positions
- 2.8% COLA (may increase)
- No operational or legal reserve



FY 2022-23 Operating Budget

- Total draft budget is \$45 million
- FY 2022-23 budget is balanced as proposed
- Increase in overall revenue due to additional project funding
- Corresponding increase in expenses for contractual planning/project obligations

	FY 2021-22	FY 2022-23	Difference \$
	(Thousands \$)	(Thousands \$)	(Thousands \$)
Revenue			
Membership Dues	\$2,448	\$2,592	\$144
Grants	36,207	41,227	5,020
Other	1,261	947	(314)
Transfers	2,062	853	(1,209)
Total Revenue	\$41,978	\$45,619	\$3,641
Expenses & Transfers			
Administration	\$3,886	\$3,518	(368)
BayRen	24,778	26,434	1,656
SF Estuary Partnership	12,986	15,351	2,365
SF Bay Trail (non-profit)	173	249	76
Total Expenses & Transfers	\$41,823	\$45,552	\$3,729

FY 2022-23 ABAG Administration

- ABAG Administration fund is balanced as proposed
- OPEB costs are fully reimbursed from the 115 Trust
- Membership dues up 6% but are not keeping up with expenses
- Balancing the budget requires \$372,000 in other fund transfers and continued BATA staff and overhead reimbursement funding
- Without correction, there could be a long-term structural deficit
- No operating or legal reserve

ABAG Administration	FY 2021-22	FY 2022-23	Difference \$
	(Thousands \$)	(Thousands \$)	(Thousands \$)
Revenue			
Membership Dues	\$2,448	\$2,592	\$144
Other	609	587	(22)
Transfers	829	372	(457)
Total Revenue & Trans	\$3,886	\$3,551	(\$335)
Expenses & Transfers			
Pension	\$1,614	\$1,744	\$130
OPEB	550	587	37
375 Beale Assessment	367	98	(269)
MTC	530	-	(530)
BARC	139	185	46
Other	686	903	217
Total Expenses & Transfers	\$3,886	\$3,517	(\$369)

OPEB Obligation

D. Changes in Net OPEB Liability/(Asset)

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance as of June 30, 2020 (6/30/19 measurement date)	<u>\$ 7,300,729</u>	<u>\$ 7,368,854</u>	<u>\$ (68,125)</u>
Changes for the year			
Service cost	-	-	-
Interest on the total OPEB liability	474,766	-	474,766
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Contributions - employer	-	987,853	(987,853)
Net investment income	-	288,260	(288,260)
Benefit payments	(534,301)	(534,301)	-
Administrative expenses	-	(5,225)	5,225
Net changes	<u>(59,535)</u>	<u>736,587</u>	<u>(796,122)</u>
Balance at June 30, 2021 (6/30/20 measurement date)	<u><u>\$ 7,241,194</u></u>	<u><u>\$ 8,105,441</u></u>	<u><u>\$ (864,247)</u></u>

- The final OPEB unfunded liability payment was made in FY 2021
- PERS 115 Trust (CERBT) withdrawals to date are \$1 million for retirement medical payments
- OPEB asset as of June 30, 2020 measurement date is \$864,000

BayREN-Energy

- Main source of revenue is grants from the California Public Utilities Commission (CPUC)
- Most of the expenses are for incentives and contributions to other agencies (73%)
- Two new project-based time limited positions are included in the proposed budget
- BayREN will continue the water savings program funded by a \$1 million loan from MTC

BayREN-Energy	FY 2021-22	FY 2022-23	Difference \$
	(Thousands \$)	(Thousands \$)	(Thousands \$)
Revenue			
Grants	\$23,870	\$26,434	\$2,564
Water Savings Transfer	1,000	---	(1,000)
Total Revenue	\$24,870	\$26,434	\$1,564
Expenses & Transfers			
Consultant	\$4,132	\$13,150	\$9,018
Incentives	10,406	11,050	644
Passthrough Contributions	7,700	---	(7,700)
Staff (MTC Transfer)	1,275	1,840	565
Water Savings Program	1,000	---	(1,000)
Other	264	394	130
Total Expenses & Transfers	\$24,777	\$26,434	\$1,657

San Francisco Estuary Partnership (SFEP)

- **The FY 2022-23 budget includes over \$68 million in active grants**
 - 17 active programs
 - 4 funding sources
- **Approximately 75% of program funding allocated to program expenses**
- **Staff costs include a 2.8% COLA**

SFEP	FY 2021-22	FY 2022-23	Difference \$
	(Thousands \$)	(Thousands \$)	(Thousands \$)
Revenue			
Grant Revenue	\$12,337	\$14,793	\$2,456
Other	476	107	(369)
Transfers	233	481	248
Total Revenue	\$13,046	\$15,381	\$2,335
Expenses & Transfers			
Consultant	\$173	\$10,443	10,270
Passthrough Contributions	9,338	1,103	(8,235)
Staff (MTC Transfer)	2,795	3,237	442
Conference Program	649	558	(91)
Other	31	10	(21)
Total Expenses & Transfers	\$12,986	\$15,351	\$2,365

Staff Recommendation

Staff requests that ABAG General Assembly adopt ABAG Resolution No. 08-2022 approving the Proposed Fiscal Year (FY) 2022-23 Association of Bay Area Governments (ABAG) Operating Budget and Work Program.

QUESTIONS

