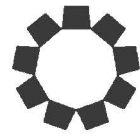


ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: March 14, 2019

To: ABAG Finance Committee

From: Executive Director

Subject: **Report on ABAG Financial Statements from July 2018 to January 2019 (Unaudited)**

Attached are the ABAG financial statements for the period of July 1, 2018 through January 31, 2019 (Unaudited) which includes ABAG Administration, San Francisco Estuary Partnership (SFEP), and Bay Area Regional Energy Network (BayREN)-Energy.

Overall Summary – ABAG

As of January 31, 2019, total revenues amounted to \$15.4 million exceeding expenses by \$503,709. The following are the highlights of the financial reports for ABAG Administration, BayREN-Energy, and SFEP.

Administration – As of January 31, 2019, ABAG Administration ended with a surplus of \$568,802. Total revenue amounted to \$2,762,908 which is 75% of the budgeted revenue for the year. Total expenses amounted to \$2,194,106. CalPERS retirement payment and medical retiree expense are 63% of total expense with CalPERS pension expenses completed for the year.

As we approach year-end for Fiscal Year 2018-19, the remaining transfers should bring the total revenue in line with the adopted budget. We can also project a small surplus after transfers and retiree medical payments are complete.

BayREN – Energy – The BayREN-Energy program is a grant funded operation consisting mainly of California Public Utilities Commission grants. BayREN ended with revenue of \$11.7 million, matching expenses of \$11.7 million and keeping BayREN within budget. The slight deficit of \$9,843 is due to salaries and membership expense from an energy development program and will be covered by using fund balance from prior years.

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). SFEP ended the month with a loss of \$55,250. The net loss is the result of expense exceeding revenue for SFEP's self-funded programs: State of Estuary,

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Estuary Newsletter, CALFED Conference, and the Bay-Delta Conference. These programs will be covered using the fund balance from prior years.

The Committee will note that the San Francisco Estuary Partnership (Program 1720, P.7) is relatively balanced on a year-to-date basis; however, there are some accounting and budget issues from prior years that will need additional work. The large reversals on both the revenue (object 4227) and expense (object 5300) create a negative year-to-date number. In addition, there is a mismatch of life-to-date revenue to expense budget that creates an overall negative balance of \$8.8 million. Both the accounting and budget issues should be resolved in the March report and as part of the Fiscal Year 2019-20 budget process.

If you have any questions about this report, please contact Brian Mayhew at (415) 778-6730.

Recommended Action

The Finance Committee is requested to accept the staff report.


Therese W. McMillan

Attachment

Financial Statements