

# ABAG Finance Authority for Nonprofit Corporations

## Executive Committee

November 7, 2019

Agenda Item 7

### Financial Statements

**Subject:** Approval of ABAG FAN Financial Statements from July to August 2019 (Unaudited)

**Background:** Attached is the Budget-to-Actual report for ABAG Finance Authority for Nonprofit Corporations (ABAG FAN) as of the August 31, 2019.

The report is showing a deficit of \$1 million mainly due to the transfer to ABAG Admin to retire its remaining Other Post-Employment Benefits (OPEB) costs. Other financial highlights are as follows:

Total revenue of \$84,498 is approximately 8% of the adopted budget. We have not recorded any LAIF interest revenue (Obj 4801) at the end of August as this revenue is received on a quarterly basis. Meanwhile, a loss of \$6,317 on investment revaluation (Obj 4850) is the result of reversing the year end entry posted in FY 2018-19. Most of the annual fees are collected at mid-year; therefore, fee revenue is expected to catch up later.

YTD expenses of \$1.1 million is 46% of the adopted budget. Actual is overrunning the projected budget due to the \$1 million transfer (Obj 5600) to ABAG Admin at the beginning of the year. Operating expenses before transfer is \$125,340 which is 8% of its budget. We anticipate more consultant and legal expenses later in the year which will bring expenses more in line with budget.

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

**Issues:** None

**Recommended Action:** The ABAG FAN Executive Committee is requested to approve the staff report.

**Attachment:** Financial Statements

**Reviewed:**



Therese McMillan