

# Association of Bay Area Governments

## Finance Committee

---

May 16, 2024

Agenda Item 5.c.

### ABAG Statement of Revenues and Expenses

---

#### Subject:

Report on Fiscal Year (FY) 2023-24 Association of Bay Area Governments (ABAG) Statement of Revenues and Expenses for the period ended March 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 Revenues

The year-to-date operating revenues were \$31.6 million, which was \$6.4 million more than the prior year-to-date actual. The primary driver of this fluctuation was the increase of \$8.6 million in grant funding for the BayREN program. However, there was an offset of \$2.5 million due to a decrease in grant revenue for the SFEP program.

##### Operating Expenses

The year-to-date operating expenses were \$30.2 million, an increase of \$5.5 million compared to the prior year-to-date actual. The increase was primarily due to an increase of \$8.3 million in expenses related to the BayREN incentive projects with an offset of \$2.6 million related to a decrease in SFEP project expenses.

##### Administration

The main source of revenue for the administration program is membership dues. The year-to-date dues revenues and other revenues were \$2.9 million, which was \$328 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 the dues are collected throughout the year. As of March 31, 2024, ABAG had collected 100% of the \$2.9 million billed.

As of March 31, 2024, the operating expenses and transfers out were \$1.8 million, which was \$263 thousand less than the prior year-to-date actual. This decrease was mostly from the decrease in pension and OPEB expenses.

# Association of Bay Area Governments

## Finance Committee

May 16, 2024

Agenda Item 5.c.

---

### ABAG Statement of Revenues and Expenses

---

#### BayREN—Energy

BayREN-Energy program is a grant funded operation, funded by California Public Utilities Commission (CPUC) grants. The year-to-date revenues were \$24.5 million, which was \$8.6 million more than the prior year-to-date actual. The grant funds are received at the beginning of the grant year and as the expenses are incurred, the revenue is released. Therefore, there is not usually a significant operating surplus or deficit within the fund.

As of March 31, 2024, the operating expenses were \$24.2 million, an increase of \$8.3 million compared to prior year-to-date actual. This was primarily due to an increase in activities related to Single and Multi-Family Incentive programs.

#### San Francisco Estuary Partnership

SFEP is funded by a series of grants, mainly from the U.S. Environmental Protection Agency (US EPA) and the Department of Water Resources (DWR). The year-to-date revenues were \$4.2 million, which was \$2.5 million less than the prior year-to-date actual. Grant revenues decreased due to the decreases in grant-related expenses. However, the decrease was partially offset by an increase of \$166 thousand from conference registration revenue for the biennial State of the Estuary Conference in FY2024.

As of March 31, 2024, the operating expenses were \$4.1 million, a decrease of \$2.6 million compared to prior year-to-date actual. The decrease was primarily due to a decrease in consultant fees. These fees included reimbursements to two consultants for completion of the Novato Creek Flood Protection and Habitat Enhancement Project and the Lower Walnut Creek Restoration Plan Project in the prior year.

#### San Francisco Bay Trail

The San Francisco Bay Trail is a non-profit entity. The year-to-date revenues, which consisted of donations and interest revenue, were \$11.7 thousand. Donations received are to support the Bay Trail program. The current year-to-date donations were consistent with the donations from the prior year.

The year-to-date expenses of \$65.5 thousand were primarily attributed to reimbursements to the Metropolitan Transportation Commission for administering the SFO Gap Study project. SF Bay Trail also sponsored an episode of Open Road to broadcast on National Broadcasting Company (NBC) Bay Area. In the prior year, at the end of quarter three, there were no expenses recorded.

#### Budget & Forecast Updates:

FY 2023-24 total operating revenues are on track for the fiscal year however, budgeted miscellaneous revenues and SFEP grants are behind due to OPEB reimbursements and grant reimbursements lagging.

## Association of Bay Area Governments

### Finance Committee

---

May 16, 2024

Agenda Item 5.c.

#### ABAG Statement of Revenues and Expenses

---

Operating expenses are currently projected to be within budget. SFEP expenses are significantly behind budget due to consultants and passthrough billings lagging. At this time, no additional budget amendment is anticipated beyond the amendment approved by the Executive Board in April.

#### Recommended Action:

The ABAG Finance Committee is requested to accept the staff report and recommend ABAG Executive Board approval of the Fiscal Year 2023-24 Association of Bay Area Governments Statement of Revenues and Expenses for the period ended March 31, 2024 (Unaudited).

#### Attachments:

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

#### Reviewed:

Andrew Fremier

**ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**FISCAL YEAR 2024**  
**MARCH 2024 YTD**

ABAG ADMINISTRATION	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
<b>REVENUES</b>						
Membership Dues	2,850,654	2,591,503	259,151	10%	2,850,655	100%
Interest Revenue & Other Revenue	70,845	2,279	68,566	3009%	483,937	15%
<b>TOTAL REVENUES</b>	<b>2,921,499</b>	<b>2,593,782</b>	<b>327,717</b>	<b>13%</b>	<b>3,334,592</b>	<b>88%</b>
<b>EXPENSES</b>						
Pension & OPEB	852,184	1,307,719	(455,535)	-35%	1,614,939	53%
Beale Assessments	212,873	145,716	67,157	46%	221,556	96%
Other Operating Costs	703,602	526,594	177,008	34%	1,257,658	56%
<b>TOTAL EXPENSES</b>	<b>1,768,659</b>	<b>1,980,029</b>	<b>(211,370)</b>	<b>-11%</b>	<b>3,094,153</b>	<b>57%</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS</b>	<b>1,152,840</b>	<b>613,753</b>	<b>539,088</b>	<b>88%</b>	<b>240,439</b>	<b>479%</b>
<b>TRANSFERS</b>						
<b>Transfers Out</b>						
Transfer to MTC & BARC	(6,199)	(57,913)	51,714	-89%	(188,374)	3%
<b>TOTAL TRANSFERS</b>	<b>(6,199)</b>	<b>(57,913)</b>	<b>51,714</b>	<b>-89%</b>	<b>(188,374)</b>	<b>3%</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>1,146,642</b>	<b>555,840</b>	<b>590,802</b>	<b>106%</b>	<b>52,065</b>	<b>2202%</b>

BAYREN ENERGY	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
<b>REVENUES</b>						
Grants	24,186,918	15,913,828	8,273,090	52%	37,196,902	65%
Other operating revenue	334,771	1,152	333,619	28965%	-	0%
<b>TOTAL REVENUES</b>	<b>24,521,689</b>	<b>15,914,979</b>	<b>8,606,709</b>	<b>54%</b>	<b>37,196,902</b>	<b>66%</b>
<b>EXPENSES</b>						
Consultant & Passthrough	9,265,195	8,545,698	719,497	8%	18,682,480	50%
Incentives	13,521,255	6,060,579	7,460,676	123%	15,600,000	87%
Staff Costs	887,008	728,348	158,660	22%	1,714,614	52%
MTC Overhead	495,571	354,341	141,230	40%	857,307	58%
Other Operating Costs	18,227	225,035	(206,807)	-92%	342,500	5%
<b>TOTAL EXPENSES</b>	<b>24,187,257</b>	<b>15,914,001</b>	<b>8,273,256</b>	<b>52%</b>	<b>37,196,902</b>	<b>65%</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>334,432</b>	<b>978</b>	<b>333,454</b>	<b>34082%</b>	<b>-</b>	<b>0%</b>

SF ESTUARY PARTNERSHIP (SFEP)	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
<b>REVENUES</b>						
Grants	3,977,635	6,691,857	(2,714,223)	-41%	40,978,413	10%
Conference Program Revenue	207,936	41,482	166,454	401%	510,000	41%
Transfers In	-	-	-	0%	500,000	0%
<b>TOTAL REVENUES</b>	<b>4,185,571</b>	<b>6,733,340</b>	<b>(2,547,769)</b>	<b>-38%</b>	<b>41,988,413</b>	<b>10%</b>
<b>EXPENSES</b>						
Consultant & Passthrough	1,850,609	4,862,329	(3,011,720)	-62%	38,802,038	5%
Staff Costs	1,555,332	1,479,353	75,979	5%	2,204,392	71%
MTC Overhead	465,110	392,990	72,120	18%	725,334	64%
Conference Program Costs	183,222	2,376	180,846	7611%	40,000	458%
Other Operating Costs	84,584	45,339	39,244	87%	400,000	21%
<b>TOTAL EXPENSES</b>	<b>4,138,857</b>	<b>6,782,388</b>	<b>(2,643,532)</b>	<b>-39%</b>	<b>42,171,765</b>	<b>10%</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>46,714</b>	<b>(49,049)</b>	<b>95,763</b>	<b>-195%</b>	<b>(183,352)</b>	<b>-25%</b>

<b>SAN FRANCISCO BAY TRAIL</b>	<b>CURRENT ACTUAL</b>	<b>PRIOR YEAR ACTUAL</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>	<b>APPROVED BUDGET</b>	<b>ANNUAL % OF BUDGET</b>
<b>REVENUES</b>						
Revenue - Souvenir Sales	1,780	2,070	(290)	-14%	997	179%
Revenue - Donation	3,759	3,052	706	23%	239,408	2%
Other Revenue	6,133	-	6,133	N/A	-	0%
<b>TOTAL REVENUES</b>	<b>11,672</b>	<b>5,123</b>	<b>6,549</b>	<b>128%</b>	<b>240,405</b>	<b>5%</b>
<b>EXPENSES</b>						
Consultant/Professional Fees	3,333	-	3,333	N/A	237,000	1%
Passthrough/Contribution-Other Agencies	44,776	-	44,776	N/A	-	0%
Other Operating Costs	17,355	-	17,355	N/A	101,000	17%
<b>TOTAL EXPENSES</b>	<b>65,465</b>	<b>-</b>	<b>65,465</b>	<b>N/A</b>	<b>338,000</b>	<b>19%</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(53,793)</b>	<b>5,123</b>	<b>(58,915)</b>	<b>-1150%</b>	<b>(97,595)</b>	<b>55%</b>

<b>ALL PROGRAMS SUMMARY</b>	<b>CURRENT ACTUAL</b>	<b>PRIOR YEAR ACTUAL</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>	<b>APPROVED BUDGET</b>	<b>ANNUAL % OF BUDGET</b>
<b>REVENUES</b>						
ABAG Administration	2,921,499	2,593,782	327,717	13%	3,334,592	88%
BayREN Energy	24,521,689	15,914,979	8,606,709	54%	37,196,902	66%
SFEP	4,185,571	6,733,340	(2,547,769)	-38%	41,988,413	10%
SF Bay Trail	11,672	5,123	6,549	128%	240,405	5%
<b>TOTAL REVENUES</b>	<b>31,640,431</b>	<b>25,247,224</b>	<b>6,393,207</b>	<b>25%</b>	<b>82,760,311</b>	<b>38%</b>
<b>EXPENSES</b>						
ABAG Administration	1,768,659	1,980,029	(211,370)	-11%	3,094,153	57%
BayREN Energy	24,187,257	15,914,001	8,273,256	52%	37,196,902	65%
SFEP	4,138,857	6,782,388	(2,643,532)	-39%	42,171,765	10%
SF Bay Trail	65,465	-	65,465	N/A	338,000	19%
<b>TOTAL EXPENSES</b>	<b>30,160,237</b>	<b>24,676,419</b>	<b>5,483,818</b>	<b>22%</b>	<b>82,800,819</b>	<b>36%</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS</b>	<b>1,480,194</b>	<b>570,805</b>	<b>909,389</b>	<b>159%</b>	<b>(40,508)</b>	<b>-3654%</b>
<b>TRANSFERS</b>						
ABAG Administration	(6,199)	(57,913)	51,714	-89%	(188,374)	3%
<b>TOTAL TRANSFERS</b>	<b>(6,199)</b>	<b>(57,913)</b>	<b>51,714</b>	<b>-89%</b>	<b>(188,374)</b>	<b>3%</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>1,473,995</b>	<b>512,892</b>	<b>961,103</b>	<b>187%</b>	<b>(228,882)</b>	<b>-644%</b>