

SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

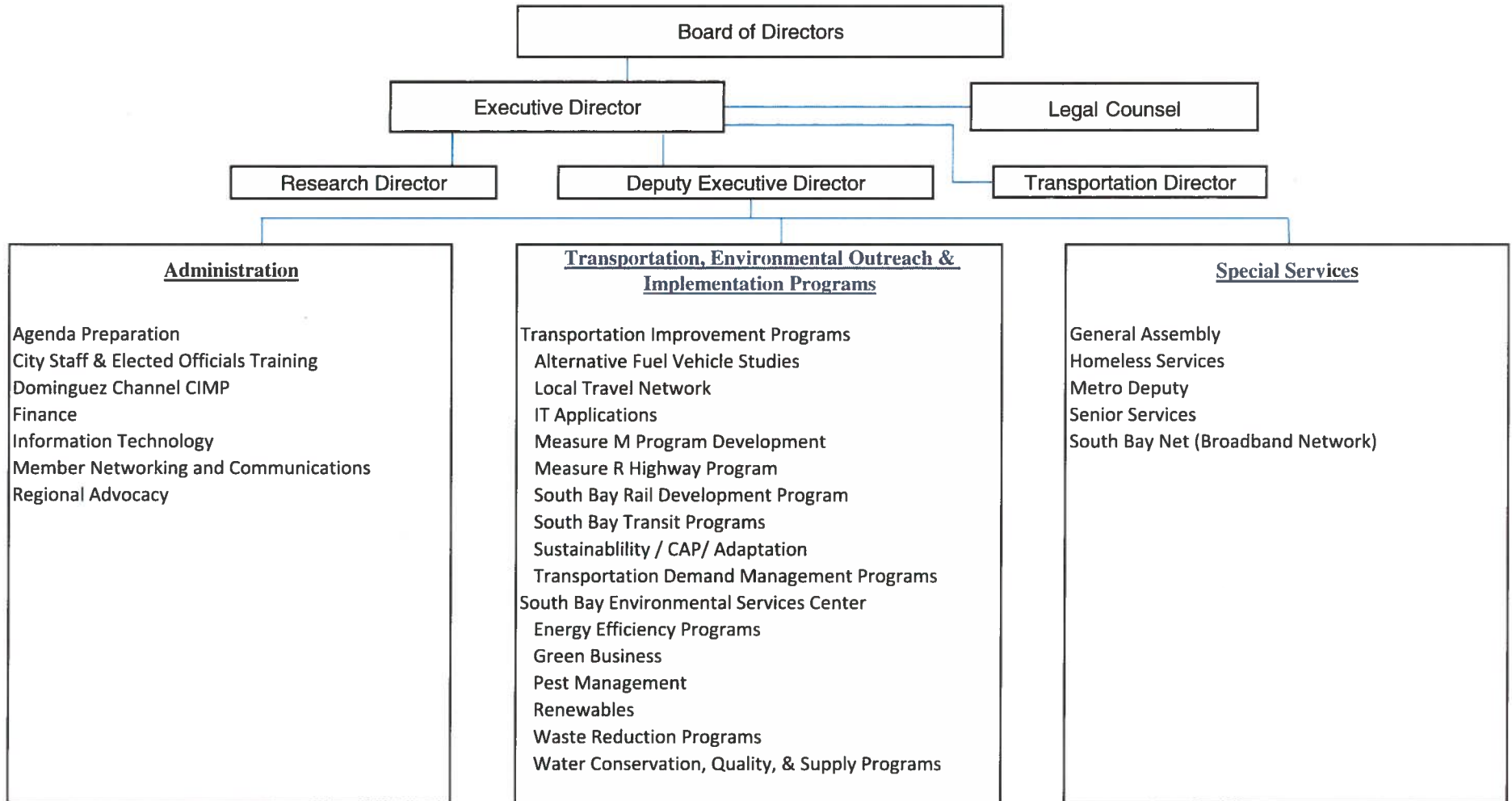
Mid-Year Budget Status Report

Fiscal Year 2019-2020

February 10, 2020



**SBCCOG
ORGANIZATIONAL STRUCTURE
MID-YEAR STATUS REPORT FISCAL YEAR 2019-2020**



- Goal A: Environment, Transportation and Economic Development**
- Goal B: Regional Advocacy**
- Goal C: Member Networking and Communications**
- Goal D: Organizational Stability**

**SBCCOG
BUDGET SUMMARY
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

	ACTUAL FY 16-17	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED BUDGET FY 19-20	YTD AS OF 12/31/19	PROJECTED THRU 6/30/2020	INCREASE (DECREASE) AMOUNT PERCENT	
ESTIMATED REVENUES:								
Dues	\$ 332,500	\$ 352,500	\$ 372,501	\$ 392,500	\$ 392,500	\$ 392,500	\$ -	0.00%
Other General Fund Revenues	265,552	228,166	304,233	257,689	132,274	283,234	25,545	9.91%
Grant Revenues	2,085,844	2,301,808	1,239,806	1,301,296	1,540,164	4,782,760	3,481,464	267.54%
Total Revenues	\$ 2,683,896	\$ 2,882,474	\$ 1,916,540	\$ 1,951,485	\$ 2,064,937	\$ 5,458,494	\$ 3,507,009	179.71%
EXPENDITURES:								
Salaries & Benefits	\$ 785,108	\$ 843,484	\$ 671,721	\$ 689,284	\$ 281,005	\$ 800,955	\$ 111,670	16.20%
Professional/Contractual	1,222,630	1,568,696	865,337	974,552	1,216,664	3,943,838	2,969,286	304.68%
Supplies & Services	428,694	343,201	348,940	365,960	131,977	274,674	(91,286)	-24.94%
Sub Total Expenditures	\$ 2,436,432	\$ 2,755,381	\$ 1,885,998	\$ 2,029,797	\$ 1,629,646	\$ 5,019,467	\$ 2,989,670	147.29%
<i>Moving Expenses (one-time)</i>		-	-	100,000	9,783.97	100,000	-	-
Total Expenditures		\$ 2,755,381	\$ 1,885,998	\$ 2,129,797	\$ 1,639,430	\$ 5,119,467	\$ 2,989,670	140.37%
Estimated Balance (Deficit)	\$ 247,464	\$ 127,093	\$ 30,542	\$ (178,312)	\$ 425,508	\$ 339,027	517,339	-290.13%
Provide for Reserve	20,000	20,000	20,000	20,000	20,000	20,000	-	-
Estimated Balance (Deficit)	\$ 227,464	\$ 107,093	\$ 10,542	\$ (198,312)	\$ 405,508	\$ 319,027	\$ 517,339	-260.87%

RESERVES:

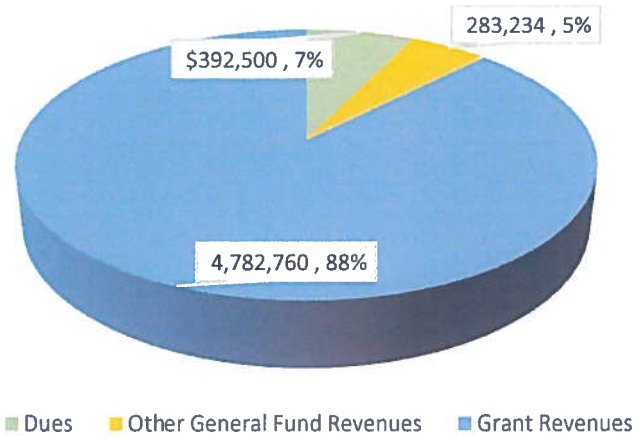
Contributions to Reserve:	Amount	Reserve per Finance Committee's Recommendations (Shutdown Costs)	Recommendation 2019
Prior to FY15-16	\$ 53,372	Lease for Office (6 months)	\$ 76,668
FY 15-16 Plus Interest Earnings	20,192	JB&A Contract (2 months required per contract)	70,000
FY 16-17 Plus Interest Earnings	20,349	Audit (for the year)	6,578
FY 17-18 Plus Interest Earnings	20,939	Employee Vacation Liability	38,343
FY 18-19 Plus Interest Earnings	22,297	Payroll Expenses to Close Out (equivalent to one month)	57,714
FY 19-20 Proposed Plus Interest	22,743	Lease for Copier (thru end of contract for the year)	15,876
Total in LAIF thru 6/30/20	\$ 159,892	Other Contracts (contractors, consultants 30 days)	33,351
		Total estimated shutdown cost	\$ 298,530

Note:

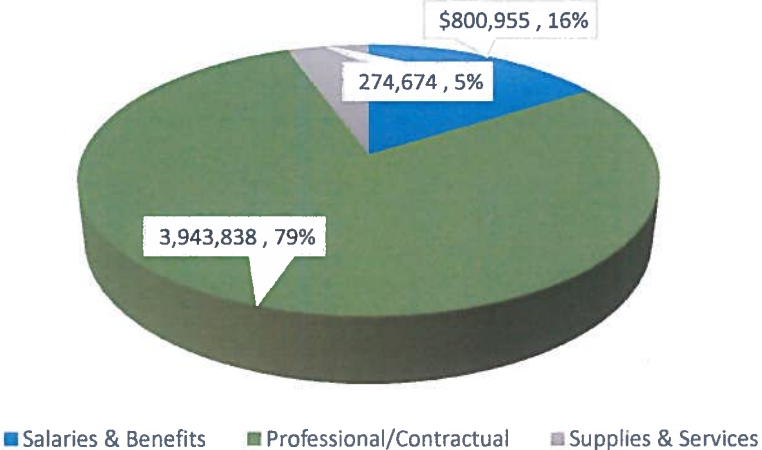
In establishing the reserve, the Finance Committee had three goals: a) Reasonable Reserves; b) Cash Flow; c) Shutdown Costs. Dues increase of \$20,000/year for five years was based on approximately 6% of the 2015 operating budget. For 2019, the estimated shutdown cost is \$298,530 as illustrated above.

**SBCCOG
ESTIMATED REVENUES/ EXPENDITURES CHARTS
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

ESTIMATED REVENUES FY 2019-2020: \$5,458,494



ESTIMATED EXPENDITURES FY 2019-2020: \$5,019,467



**SBCCOG
ESTIMATED REVENUE DETAILS
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

<u>REVENUE SOURCE:</u>	<u>ACCOUNT CODE</u>	<u>ACTUAL FY 16-17</u>	<u>ACTUAL FY 17-18</u>	<u>ACTUAL FY 18-19</u>	<u>ADOPTED BUDGET FY 19-20</u>	<u>YTD AS OF 12/31/19</u>	<u>Projected Thru 6/30/2020</u>	<u>INCREASE (DECREASE) AMOUNT</u>	<u>PERCENT</u>
Dues	4020	\$ 332,500	\$ 352,500	\$ 372,501	\$ 392,500	\$ 392,500	\$ 392,500	\$ -	-
General Assembly Sponsorship	4050	66,810	60,250	62,250	60,000	43,500	64,250	4,250	0.07
Holiday Light Exchange	4055	2,500	7,800	2,250	-	-	-	-	-
Training	4060	-	-	5,000	-	1,000	1,000	1,000	-
MTA South Bay Deputy	4070	91,989	95,144	98,877	100,439	52,051	100,439	-	-
Interest Income	4090	400	3,258	29,610	28,800	23,722	47,444	18,644	64.74%
Green Business Assist Program	4125	7,500	-	12,000	12,000	12,000	12,000	-	-
Reimbursable Expense	4190	1,319	415	-	300	-	300	-	-
CIMP Dominguez Channel Admin Fee	4810	94,934	48,690	92,958	56,150	-	57,800	1,650	0.03
Miscellaneous Revenue	4999	100	12,609	1,288	-	-	-	-	-
Sub-total General Fund Revenues		\$ 598,052	\$ 580,666	\$ 676,734	\$ 650,189	\$ 524,774	\$ 675,734	\$ 25,545	3.93%
GBN - Hawthorne	4126	\$ -	\$ -	\$ 29,271	\$ 10,000	\$ 10,818	\$ 20,000	\$ 10,000	100.00%
GBN - Torrance	4127	-	-	34,500	10,000	10,000	24,500	14,500	145.00%
SBWIB Broadband Income	4135	14,500	28,129	41,683	11,044	-	-	(11,044)	-100.00%
SBWIB Telework	4136	-	20,000	15,000	-	-	-	-	-
PUC SCE/SCG Contract	4510	690,396	611,706	324,500	189,479	149,191	199,203	9,724	5.13%
SCG-DWP Outreach	4512	30,000	40,000	40,000	40,000	20,000	40,000	-	-
SCG-Strategic Plan Income	4514	-	2,386	8,649	-	5,400	5,400	5,400	-
SCE-Strategic Plan Income	4515	-	9,544	34,597	-	21,708	21,708	21,708	-
WBMWD Contract	4520	172,750	178,231	149,732	168,980	68,407	203,480	34,500	20.42%
Sanitation District	4525	49,000	49,000	49,000	49,000	24,500	49,000	-	-
Torrance Water	4540	18,400	26,250	26,250	29,000	14,500	29,000	-	-
CalTrans LTN	4544	-	-	51,588	231,184	135,647	231,184	-	-
Metro Vanpool / Shared Mobility	4545	26,303	31,240	30,735	50,000	15,747	50,000	-	-
Metro Express Lane	4546	60,000	48,000	48,000	48,000	4,000	34,000	(14,000)	-29.17%
Metro Smart Mobility	4548	159,637	36,534	-	-	-	-	-	-
EV-LA County	4549	-	-	5,500	-	-	-	-	-
Charge Bliss	4553	15,688	9,312	-	-	-	-	-	-
Measure R	4570	316,402	679,069	95,781	120,000	44,000	88,000	(32,000)	-26.67%
Metro SGC	4575	344,804	359,968	-	-	-	-	-	-
PACE (HERO, Ygrene)	4580	14,153	15,921	3,336	3,320	512	1,032	(2,288)	-68.93%
Center for Sustainable Energy	4588	-	15,000	-	-	-	-	-	-
Integrated Pest Management	4589	-	6,000	6,000	6,000	500	2,300	(3,700)	-61.67%
SOLSmart	4590	-	-	14,050	1,071	950	950	(121)	-11.30%
Energy Efficiency	4591	-	-	6,097	32,071	28,109	28,109	(3,962)	-12.35%
Energy Coalition (REN)	4592	-	-	-	-	-	84,000	84,000	100.00%
Homeless (PATH)	4600	27,022	24,999	25,000	25,000	15,237	25,000	-	-
Homeless - LA County	4601	-	65,513	61,238	79,347	31,560	72,797	(6,550)	-8.25%
Homeless - LA County- Innovation Fund	4602	-	-	-	-	-	147,937	147,937	100.00%
Water Replenishment District	4610	-	38,001	52,000	50,000	26,000	50,000	-	-
Measure M	4611	-	7,005	87,299	147,800	54,000	108,000	(39,800)	-26.93%
Fiber - Broadband-M	4612	-	-	-	-	859,378	3,207,161	3,207,161	100.00%
Fiber - State of CA	4613	-	-	-	-	-	60,000	60,000	100.00%
Sub-total Grant Revenues		\$ 2,085,844	\$ 2,301,808	\$ 1,239,806	\$ 1,301,296	\$ 1,540,164	\$ 4,782,760	\$ 3,481,464	267.54%
Total Estimated Revenues		\$ 2,683,896	\$ 2,882,474	\$ 1,916,540	\$ 1,951,485	\$ 2,064,937	\$ 5,458,494	\$ 3,507,009	179.71%

**SBCCOG
EXPENDITURE DETAILS BY ACCOUNT
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

EXPENDITURE CATEGORY	ACCOUNT CODE	ACTUAL FY 16-17	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED	YTD	Projected	INCREASE (DECREASE)	
					BUDGET FY 19-20	AS OF 12/31/19	Thru 6/30/2020	AMOUNT	PERCENT
Salaries/Regular	6010	\$ 649,094	\$ 689,242	\$ 524,804	\$ 552,000	\$ 226,813	\$ 640,000	88,000	15.94%
Salaries/Part-Time	6030	-	-	-	5,520	-	9,500	3,980	72.10%
Overtime	6011	295	-	1,346	1,400	-	1,400	-	-
Medical/Deferred Comp	6012	61,750	77,031	52,250	67,200	29,600	75,600	8,400	12.50%
Life Insurance	6013	1,002	1,050	1,091	1,114	487	1,091	(23)	-2.06%
Social Security	6014	39,738	38,407	35,571	34,566	14,442	40,594	6,028	17.44%
Medicare	6015	9,293	8,982	8,319	8,084	3,378	9,418	1,334	16.50%
FUTA	6016	539	1,764	387	491	143	504	13	2.71%
California SUI-ER	6017	5,567	5,204	4,001	3,069	1,477	5,208	2,139	69.67%
Workers' Comp	6018	9,208	5,297	7,369	8,200	3,125	10,000	1,800	21.95%
Employee Reimbursable Expense	6019	8,622	1,163	2,585	2,640	1,540	2,640	-	-
Vacation/Floating Holiday Payoff	6020	-	7,672	17,498	5,000	-	5,000	-	-
Severance Pay	6035	-	7,672	16,500	-	-	-	-	-
Sub-total Salaries & Benefits		\$ 785,108	\$ 843,484	\$ 671,721	\$ 689,284	\$ 281,005	\$ 800,955	\$ 111,670	16.20%
Office Supplies	6201	\$ 37,509	\$ 13,856	\$ 12,314	\$ 12,599	\$ 3,720	\$ 12,599	\$ -	-
Postage	6202	605	1,248	1,237	1,200	392	1,200	-	-
Refreshments	6203	25,798	24,373	26,266	25,597	11,119	25,597	-	-
Membership Dues	6204	6,554	11,057	10,116	11,500	7,457	10,581	(919)	-7.99%
Mileage Reimbursement	6205	1,568	3,337	4,875	4,649	2,529	5,058	408	8.79%
Meetings/Conferences	6206	11,577	7,729	9,772	6,840	2,697	6,840	-	-
Special Events/General Assembly	6224	52,741	25,578	28,716	31,160	-	31,160	-	-
Staff Training/Development	6207	1,495	694	774	2,500	431	2,500	-	-
Newsletter	6208	8,688	8,509	10,369	8,400	4,604	11,428	3,028	36.05%
Audit Fees	6209	5,679	6,200	5,000	6,578	-	6,578	-	-
Contractual Services	6210	832,611	1,168,696	445,337	554,552	1,010,664	3,523,838	2,969,286	535.44%
Professional Services	6211	390,019	400,000	420,000	420,000	206,000	420,000	-	-
Rent	6212	143,587	146,865	150,544	153,336	61,591	82,548	(70,788)	-46.17%
Equipment Lease	6213	13,161	10,483	10,794	11,685	4,116	9,832	(1,853)	-15.86%
Telephone	6214	8,064	8,165	7,686	8,610	4,159	8,400	(210)	-2.44%
IT Services/Maintenance	6215	78,918	56,251	54,573	63,129	26,397	35,811	(27,318)	-43.27%
Software/Hardware	6216	19,251	8,000	12,892	8,777	2,491	15,142	6,365	72.53%
Liability Insurance	6217	2,113	2,246	2,226	2,400	-	2,400	-	-
Subscription/Advertising	6218	2,848	262	292	1,000	140	1,000	-	-
Miscellaneous Supplies/HLE	6219	8,240	7,846	3,001	-	-	-	-	-
Specialty Legal Services	6220	-	-	-	5,000	-	5,000	-	-
Miscellaneous Expenses	6225	299	501	(2,507)	1,000	135	1,000	-	-
Sub-Total Supplies & Services		\$ 1,651,324	\$ 1,911,897	\$ 1,214,277	\$ 1,340,512	\$ 1,348,641	\$ 4,218,512	\$ 2,878,000	214.69%
<i>Moving Expenses (one-time)*</i>	6221	-	-	-	100,000	9,784	100,000	-	-
Total Operating Expenditures		\$ 2,436,432	\$ 2,755,381	\$ 1,885,998	\$ 2,129,797	\$ 1,639,430	\$ 5,119,467	\$ 2,989,670	140.37%
Provide for Reserve		20,000	20,000	20,000	20,000	-	20,000	-	-
Grand Total		\$ 2,456,432	\$ 2,775,381	\$ 1,905,998	\$ 2,149,797	\$ 1,639,430	\$ 5,139,467	\$ 2,989,670	139.07%

* YTD moving exp includes: IT, deposit on movers, sign removal, document destruction, moving supplies, file cabinet, legal, mileage, decabling, difference between deposit refund from Maritz and deposit on Plaza del Amo.

**SBCCOG
APPROVED SALARY SCHEDULE BY POSITION/
PROFESSIONAL-CONTRACTOR LABOR DISTRIBUTION
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

POSITION	SALARY
Administrative Officer - Tier 1	\$ 91,000
Senior Project Manager - Tier 2	92,000
Accountant - Tier 3	81,000
Project Manager - Tier 3	78,000
Environmental Services Analyst III - Tier 3	87,000
Environmental Services Analyst III - Tier 2	82,000
Environmental Services Analyst III - Tier 1	77,000
Environmental Services Analyst II - Tier 3	72,000
Environmental Services Analyst II - Tier 2	67,000
Environmental Services Analyst II - Tier 1	62,000
Environmental Services Analyst I - Tier 3	57,000
Environmental Services Analyst I - Tier 2	53,500
Environmental Services Analyst I - Tier 1	50,500
Administrative Assistant - Tier 3	47,000
Administrative Assistant - Tier 2	40,000
Administrative Assistant - Tier 1	35,000
Part-time Hourly Staff (ESAs for events)	10,000

PROFESSIONAL SERVICES	TOTAL AMOUNT
Executive Director (JB) and staff - appx. Jacki Bacharach and Associates \$180,000 - appx. \$240,000 (subs to JB)	\$ 420,000
CONTRACTOR SERVICES	
Transportation Director - Steve Lantz	112,690
Research Director - Siembab Corp.	95,000
Energy Efficiency Engineer - GSE Solutions	84,821
Metro Deputy - Mike Bohlke	106,862
Budget & Finance Consultant - Agnes Walker	15,000
Broadband Contractor - American Dark Fiber	2,984,465
Additional consultants or staff as needed on contracts or project development	125,000
Estimated Professional & Contractor Expenses FY 2019-2020	\$ 3,523,838

**SBCCOG
LIST OF ACRONYMS USED
MID-YEAR BUDGET STATUS REPORT
FISCAL YEAR 2019-2020**

<u>ACRONYM</u>	<u>DEFINITION</u>	<u>ACRONYM</u>	<u>DEFINITION</u>
CA-SUI	California State Unemployment Insurance	LADWP	Los Angeles Department of Water & Power
CALCOG	California Council of Governments	LAIF	Local Agency Investment Fund
CAP	Climate Action Plan	LARC	Los Angeles Regional Coalition
CEC	California Energy Commission	LGSEC	Local Government Sustainability Energy Coalition
CIMP	Coordinated Integrated Monitoring Program	MEL	Metro Express Lanes
CPUC	California Public Utilities Commission	MTA	Metropolitan Transportation Authority
DWP	Department of Water & Power	MUD	Multi Unit Dwellings
EUC	Energy Upgrade California	LTN	Local Travel Network
EV	Electric Vehicle	PACE	Property Assessed Clean Energy
FTE	Full Time Equivalent	PATH	People Assisting the Homeless
FUTA	Federal Unemployment Tax Act	PUC	Public Utilities Commission
FY	Fiscal Year	SB	South Bay
GA	General Assembly	SBCCOG	South Bay Cities Council of Governments
GBC	Green Building Challenge	SBWIB	South Bay Work Investment Board
GBN	Green Business Network	SCE	Southern California Edison
GSW	Golden State Water	SCG	Southern California Gas
HERO	Home Energy & Resources Organization	SGC	Strategic Growth Council
HLE	Holiday Light Exchange	WBMWD	West Basin Metropolitan Water District
ICLEI	International Council for Local Environmental Initiatives	WRCOG	Western Riverside Council of Government
LA	Los Angeles	WRD	Water Replenishment District

**SBCCOG
MID-YEAR BUDGET STATUS NARRATIVE
FISCAL YEAR 2019-2020
February 10, 2020**

Mid-Year budget summary: Based on our analysis, the Mid-year budget for fiscal year 2019-2020 reflects a projected net increase of \$517,339 compared to the adopted budget (page 2). This amount includes a revenue increase of \$3,507,009 or 179.71%, and an expenditure increase of \$2,989,670 or 140.37%. The one-time moving expense of \$100,000 remains.

Estimated revenues: The Estimated Revenue Details (page 4) project an increase in the total General Fund revenues of \$25,545 or 3.93%. Revenues from grants are projected to increase \$3,481,464 or 267.54% due to new funding since budget was approved in June 2019.

Below is an explanation on some of the revenue increases and (decreases) with the corresponding account codes and descriptions on the revenue categories.

- Interest Income/4090 - approximately \$18,600 increase in Interest Income is projected, assuming SBCCOG can maintain the current level of cash invested in the Local Agency Investment Fund (LAIF) including Dominguez Channel funds and \$1.2 million for Fiber from the State of CA.
- GBN Hawthorne/4126 – awarded an additional \$10,000 over budget
- GBN Torrance/4127 - \$10K increase, plus \$4500 bridge funding
- SBWIB Broadband/4135 - decrease of (\$11,044) - contract not renewed for 2019-20
- PUC SCE/SCG Contract/4510 – \$9724 increase vs budget due to timing of contract year
- SCE/SCG Strategic Plan/4514-4515 – increase of \$27,108 – contract was extended into FY 2019-20
- West Basin (WBMWD)/4520 - increase of \$34,500 – additional funding for DAC program
- Metro Express Lane/4546 – decrease of (\$14,000) – old contract ended Jul'19, New contract began Nov 15, 2019
- Measure R/4570 – decrease of (\$32,000) due to lower billing than anticipated at budget
- PACE/4580 – decrease of (\$2,288) – less PACE activity in the subregion
- Integrated Pest Management/4589 – decrease of (\$3,700) new contract lower than anticipated
- Energy Efficiency/4591 – decrease of (\$3,962) booked in prior fiscal year
- Energy Coalition (REN)/4592 – new contract - \$84,000 slated for 2019-20
- Homeless – LA County/4601 – decrease of (\$6,550) due to timing of new contract
- Homeless – LA County – Innovation Fund/4602 – new contract
- Measure M/4611 – decrease of (\$39,800) due to lower billing than anticipated at budget
- Fiber – Broadband M/4612 – new contract: \$3.2m - includes \$2,984,465 for American Dark Fiber in 2019-20
- Fiber- State of CA/4613 – new contract \$1.2m, \$60,000 slated for 2019-20

Proposed expenditures/Salaries & Benefits: The projected expenditures (page 5) for the remainder of the current fiscal year show a *net* increase of \$2,989,670 or 140.37% compared to the approved budget for FY 2019-20. The Salaries & Benefits portion of the budget increased \$111,670 or 16.2%.

SBCCOG
MID-YEAR BUDGET STATUS NARRATIVE
FISCAL YEAR 2019-2020
February 10, 2020

Below is an explanation of the material expenditure increases (decreases) with the corresponding account codes and descriptions on the various expenditure categories.

- *Salaries/Regular/6010* – projected mid-year budget \$800,955 reflects the budget for 11.5 equivalent staff to cover new contract work, up from eight at budget.
- *All benefits and taxes are reflective of the increase in staff*

Supplies & Services: Overall, the Supplies & Services category shows a *net* increase of \$2,989,670 or 140.37%. Below is an explanation of increases or (decreases) and the corresponding account codes and descriptions of the expenses:

- *Membership Dues/6204* – decrease of (\$919) – multi-year savings for ICLEI
- *Newsletter/6208* – increase of \$3,028 includes printing of What is the SBCCOG/SBESC informational materials
- *Contractual Services/6210* – increase of \$2,969,286 reflects contractor American Dark Fiber for Broadband-Measure M project.
- *Rent/6212* – decrease (\$70,788) – savings no rent paid Dec'19-Mar'20
- *Equipment Lease/6213* – projected decrease of (\$1,853) for Xerox printing costs
- *IT Maintenance Services/6215* – projected decrease (\$27,318) due to change of internet provider and IT services/maintenance provider
- *Software/Hardware/6216* – increase of \$6,365 for computer upgrade and firewall license expense