

South Bay Cities Council of Governments

June 27, 2019

TO: SBCCOG Board of Directors

FROM: Jacki Bacharach, SBCCOG Executive Director

RE: 2018-19 Q3 Variance to Revised Budget

The purpose of this memo is to summarize the financial status of South Bay Cities Council of Governments as of March 31, 2019.

Year-to-date Revenues:

The total revenue budgeted for the year is \$2,046,573, while actual revenue earned is \$1,384,865. This (\$661,710) variance represents 32.3% of the revenue budget yet to be earned this fiscal year. The variance in earned revenue is primarily attributable to the following:

- General Fund Revenues: Year-to-date General Fund revenues total \$531,759 which is \$95,581 short of budget. This variance is due primarily to both Dominguez Channel fees and Q3 LAIF interest which will be posted in Q4 rather than Q3.
- Grants Revenues: Approximately \$1,064,426 (75%) of grant revenue was expected to be earned by March 31, 2019. However, as of March 31, the SCE/SCG partnership and Strategic Plan, as well as Measure M & Measure R had only been billed through December, thus not meeting the expected percent of revenue at this point in time. Additionally, CalTrans has not yet been billed for the Local Travel Network project and the West Basin contract was reduced due to a delay in their obtaining funding for certain programs.

Year-to-date Expenses:

Year-to-date expenses total \$1,442,886, approximately 5% less than budgeted. Significant variances of specific line item expenses include the following:

- Contractual Services: Contractual service expenses are approximately 57% vs. 75% of budget YTD due to a delay in onboarding a contractor for the CalTrans project.
- IT Services/Maintenance: IT Services are up 14% due to an unanticipated increase in the renewal of a hardware maintenance contract that had expired.
- Software/Hardware: Software/hardware budget is for computer replacement. These dollars will be used in Q4 for equipment upgrades.

FY 2018-19 Year-End Forecast:

As we move into the fourth quarter of the current fiscal year, we project the SBCCOG to be on pace to conclude the year close to budget. The exception in revenue will be West Basin – approximately \$35,000, and CalTrans – approximately \$90,000, which will be made up in FY2019-20. We do not anticipate exceeding budget on expenses.

SBCCOG General Operations Income/Expense Report					
FY 18-19 thru Qtr 3					
		YTD	Revised	\$	
	Account	as of	Budget	Over/(under)	% of
Revenue Source	Code	03/31/19	FY 18-19	Budget	Budget
Dues	4020	\$ 372,501	\$ 372,500	-	100.0%
General Assembly Sponsorship	4050	52,250	60,000	(7,750)	87.1%
Holiday Light Exchange	4055	2,250	2,250	-	100.0%
Training	4060	5,000	5,000	-	100.0%
MTA South Bay Deputy	4070	74,615	96,937	(22,322)	77.0%
Interest Income	4090	12,764	21,823	(9,059)	58.5%
Green Business Assist Program	4125	12,000	12,000	-	100.0%
Reimbursable Expense	4190	-	300	(300)	-
CIMP Dominguez Channel Admin Fee	4810	-	56,150	(56,150)	-
Miscellaneous Revenue	4999	378	378	-	100.0%
Sub-total General Fund Revenues		\$ 531,759	\$ 627,338	(95,581)	84.76%
GBN - Hawthorne	4126	\$ 24,278	\$ 13,584	10,694	178.7%
GBN - Torrance	4127	30,000	30,000	-	100.0%
SBWIB Broadband Income	4135	30,841	26,951	3,890	114.4%
SBWIB Telework	4136	9,782	15,000	(5,218)	65.2%
PUC SCE/SCG Contract	4510	209,178	319,676	(110,498)	65.4%
SCG-DWP Outreach	4512	30,000	40,000	(10,000)	75.0%
SCG Strategic Plan	4514	5,795	14,076	(8,281)	41.2%
SCE Strategic Plan	4515	23,180	56,305	(33,125)	41.2%
WBMWD Contract	4520	116,005	168,218	(52,213)	69.0%
Sanitation District	4525	36,750	49,000	(12,250)	75.0%
Torrance Water	4540	19,688	26,250	(6,563)	75.0%
Cal Trans	4544	-	154,123	(154,123)	-
Metro Vanpool	4545	22,040	30,735	(8,695)	71.7%
Metro Express Lane	4546	36,000	48,000	(12,000)	75.0%
EV - LA County	4549	4,127	5,500	(1,373)	75.0%
Measure R	4570	75,931	94,518	(18,587)	80.3%
PACE (HERO, Ygrene)	4580	2,802	3,427	(625)	81.7%
Integrated Pest Management	4589	3,413	6,000	(2,587)	56.9%
SoSmart	4590	11,250	13,640	(2,390)	82.5%
Homeless (PATH)	4600	16,687	25,000	(8,313)	66.7%
Homeless - LA County	4601	44,936	69,332	(24,396)	64.8%
Water Replenishment District	4610	39,000	52,000	(13,000)	75.0%
Measure M	4611	61,422	157,900	(96,478)	38.9%
Sub-total Grant Revenues		\$ 853,106	\$ 1,419,235	(566,129)	60.11%
Total Estimated Revenues		\$ 1,384,865	\$ 2,046,573	(661,710)	67.67%

SBCCOG General Operations Income/Expense Report					
FY 18-19 thru Qtr 3					
		YTD	Revised	\$	
	Account	as of	Budget	Over/(under)	% of
Expenditure Category	Code	03/31/19	FY 18-19	Budget	Budget
Salaries/Regular	6010	\$ 420,418	\$ 585,035	\$ (164,617)	71.9%
Overtime	6011	1,055	1,000	55	105.5%
Medical/Deferred Comp	6012	41,250	54,750	(13,500)	75.3%
Life Insurance	6013	809	1,059	(250)	76.4%
Social Security	6014	26,841	36,836	(9,995)	72.9%
Medicare	6015	6,277	8,546	(2,269)	73.5%
FUTA	6016	385	378	7	101.8%
California SUI-ER	6017	3,978	3,906	72	101.8%
Workers' Comp	6018	6,371	8,109	(1,738)	78.6%
Employee Reimbursable Exp	6019	2,035	3,200	(1,165)	63.6%
Termination Pay (Vac/FH)	6020	4,462	4,462	0	100.0%
Sub-total Salaries & Benefits		\$ 513,882	\$ 707,281	\$ (193,399)	72.7%
Office Supplies	6201	\$ 10,097	\$ 10,254	\$ (157)	98.5%
Postage	6202	846	700	146	120.8%
Refreshments	6203	19,198	26,907	(7,709)	71.3%
Membership Dues	6204	10,416	11,461	(1,045)	90.9%
Mileage Reimbursement	6205	3,981	5,498	(1,517)	72.4%
Meetings/Conferences	6206	34,032	31,398	2,633	108.4%
Staff Training/Development	6207	415	3,000	(2,585)	13.8%
Newsletter	6208	8,261	10,409	(2,148)	79.4%
Audit Fees	6209	5,000	6,386	(1,386)	78.3%
Contractual Services	6210	318,192	562,724	(244,532)	56.5%
Professional Services	6211	315,000	420,000	(105,000)	75.0%
Rent	6212	112,210	150,234	(38,024)	74.7%
Equipment Lease	6213	8,431	11,795	(3,364)	71.5%
Telephone	6214	5,644	8,022	(2,377)	70.4%
IT Services/Maintenance	6215	41,038	45,732	(4,693)	89.7%
Software/Hardware	6216	9,347	19,451	(10,104)	48.1%
Liability Insurance	6217	2,226	2,381	(156)	93.5%
Subscription/Advertising	6218	232.02	1,000	(768)	23.2%
Miscellaneous Supplies/HLE	6219	2,900	2,216	684	130.9%
Miscellaneous Expenses	6225	1,538	1,385	154	111.1%
Sub-Total Supplies & Services		\$ 909,004	\$ 1,330,952	\$ (421,948)	68.3%
Total Operating Expenditures		\$ 1,422,886	\$ 2,038,233	\$ (615,347)	69.8%
Provide for Reserve		20,000	20,000	-	100.0%
Grand Total		\$ 1,442,886	\$ 2,058,233	\$ (615,347)	70.1%

South Bay Cities Council of Governments			
July 2018 - March 2019			
		Jul'18-Mar'19	
Income			
4020	4020 Dues	372,501	4020
4050	4050 General Assembly Sponsorships	52,250	4050
4055	4055 Holiday Light Exchange Income	2,250	4055
4060	4060 Training	5,000	4060
4070	4070 MTA South Bay Deputy Admin	74,615	4070
4090	4090 Interest Income	12,764	4090
4125	4125 Green Building Challenge Sponsors	12,000	4125
4126	4126 GBN - Hawthorne	24,278	4126
4127	4127 GBN - Torrance	30,000	4127
4135	4135 SBWIB Broadband Income	30,841	4135
4136	4136 SBWIB Telework	9,782	4136
4510	4510 PUC SCE/SCG Contract Income	209,178	4510
4512	4512 SCG-DWP Outreach	30,000	4512
4514	4514 SCG Strategic Plan Income	5,795	4514
4515	4515 SCE Strategic Plan Income	23,180	4515
4520	4520 WBMWD Contract Income	116,005	4520
4525	4525 Sanitation District Income	36,750	4525
4540	4540 Torrance Water Income	19,688	4540
4545	4545 Metro Vanpool Income	22,040	4545
4546	4546 Metro Express Lanes	36,000	4546
4549	4549 EV - LA County	4,127	4549
4570	4570 Measure R Income	75,931	4570
4580	4580 PACE (HERO, Ygrene)	2,802	4580
4589	4589 Integrated Pest Mgt - Income	3,413	4589
4590	4590 SolSmart	11,250	4590
4600	4600 Homeless (PATH) Income	16,687	4600
4601	4601 Homeless (LA County)	44,936	4601
4610	4610 WRD - Water Replenishment District	39,000	4610
4611	4611 Metro Measure M Revenue	61,422	4611
4999	4999 Miscellaneous Revenue	378	4999
	Total Income	1,384,865	
	Gross Profit	1,384,865	
	Expenses		
6010	6010 Salaries - Regular	420,418	6010
6011	6011 Overtime	1,055	6011
6012	6012 Medical/Deferred Comp	41,250	6012
6013	6013 Life Insurance	809	6013
6014	6014 Social Security	26,841	6014
6015	6015 Medicare	6,277	6015
6016	6016 FUTA	385	6016
6017	6017 California SUI-ER	3,978	6017
6018	6018 Workers' Comp	6,371	6018

6019	6019 Employee Reimbursable Expense	2,035		6019
6020	6020 Termination Pay (Vac/FH)	4,462		6020
6201	6201 Office Supplies	10,097		6201
6202	6202 Postage	846		6202
6203	6203 Refreshments	19,198		6203
6204	6204 Membership Dues	10,416		6204
6205	6205 Mileage Reimbursement	3,981		6205
6206	6206 Meetings/Conferences	34,032		6206
6207	6207 Staff Training/Development	415		6207
6208	6208 Newsletter	8,261		6208
6209	6209 Audit Fees	5,000		6209
6210	6210 Contractual Services	318,192		6210
6211	6211 Professional Services	315,000		6211
6212	6212 Rent	112,210		6212
6213	6213 Equipment Lease	8,431		6213
6214	6214 Telephone	5,644		6214
6215	6215 IT Services/Maintenance	41,038		6215
6216	6216 Software/Hardware	9,347		6216
6217	6217 Liability Insurance	2,226		6217
6218	6218 Subscriptions/Advertising	232		6218
6219	6219 Miscellaneous Supplies	2,900		6219
6225	6225 Miscellaneous Expenses	1,538		6225
	Total Expenses	1,422,886		
	Net Operating Income	(38,022)		
	Net Income	(38,022)		
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