

SBCCOG

Proposed Budget FY2021-2022

May 27, 2021



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS



FISCAL YEAR 21-22 PROPOSED BUDGET

Overview

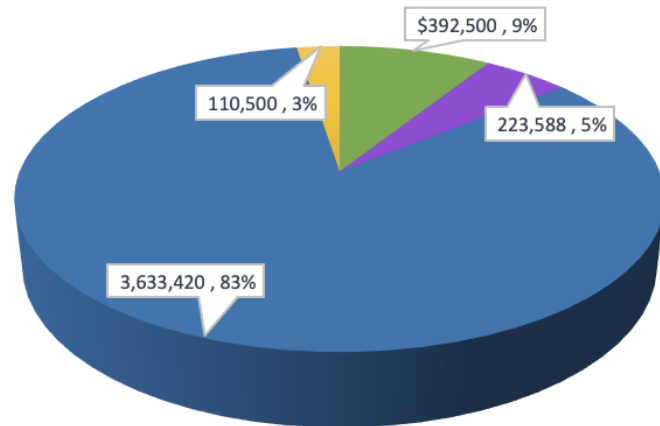
	Mid-Year Budget FY 20-21	Proposed Budget FY 21-22	Amount Change	% Change
Estimated Revenues	\$4,457,257	\$4,360,008	(\$97,250)	(2.2%)
Estimated Expenditures	<u>4,443,804</u>	<u>4,592,066</u>	<u>148,262</u>	3.34%
Revenues less Expenditures	\$13,453	(\$232,057)	(\$245,511)	(1824.8%)
General Fund	<u>0</u>	<u>232,057</u>	<u>232,057</u>	0%
Estimated Balance	\$13,453	0	(\$13,453)	100%



FISCAL YEAR 21-22 PROPOSED BUDGET

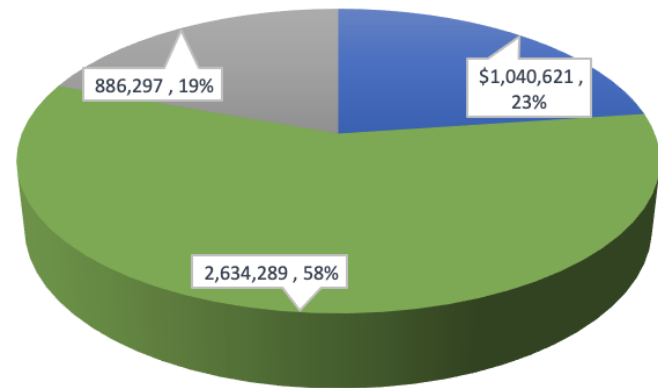
Revenues & Expenditures by Category

ESTIMATED REVENUES FY 2021-2022:
\$4,360,008



■ Dues ■ Other General Fund Revenues ■ Grant Revenues ■ Special Assessment

ESTIMATED EXPENDITURES FY 2021-2022:
\$4,592,066



■ Salaries & Benefits ■ Professional/Contractual ■ Supplies & Services



FISCAL YEAR 21-22 PROPOSED BUDGET

Revenue

Revenues – 2.2% Decrease Compared to FY20-21 Mid-year

- **Noteworthy Decreases in Revenue**

- | | |
|--|------|
| 1. SoCalGas | -55% |
| ▪ Project ending Dec'21 | |
| 2. LA County Homeless | -41% |
| ▪ Ended program (one-time funding) | |
| 3. LA County Homeless – Innovation Fund | -28% |
| ▪ Contract time extension, no additional funds | |
| 4. South Bay Fiber Network | -38% |
| ▪ Majority of construction completed | |



FISCAL YEAR 21-22 PROPOSED BUDGET

Revenue - (cont.)

- **Noteworthy Increases in Revenue**

1. Energy Coalition (REN) +80%
 - Extension of contract
 - Additional funding for FY21-22
2. Fiber – State of CA +275%
 - Increased program activity

- **New Revenue Sources**

1. LA County Homeless - Project Funds \$635,000
2. SCAG-REAP \$302,000



FISCAL YEAR 21-22 PROPOSED BUDGET

Expenditures

Expenditures – 3.3% Increase Compared to FY20-21 Mid-Year

- **Noteworthy Decreases in Expenses**

1. Contractual Services -10%
 - Fewer services for South Bay Fiber Network

- **Note: Increased Expenditures due to relaxing of COVID-19 restrictions**

1. Refreshments
2. Mileage Reimbursement
3. Meetings/Conferences
4. Newsletter



FISCAL YEAR 21-22 PROPOSED BUDGET

Expenditures – (cont.)

- **Other Increases in Expenditures**

- | | |
|---|-----|
| 1. Salaries & Benefits | 20% |
| ▪ One additional staff + cost-of-living increases | |
| 2. Rent | 24% |
| ▪ Paid 10-months rent in FY20-21, will pay 12 months in FY21-22 | |
| 3. IT Services & Maintenance | 73% |
| ▪ Website support, broadband access, Zoom, email blasts | |
| 4. City Reimbursements | 76% |
| ▪ LA County Innovation and Homeless Project funds | |

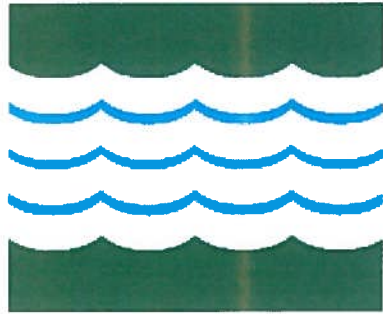
FISCAL YEAR 21-22 PROPOSED BUDGET

Final Notes



- **Financial Impacts of COVID-19**
 - Loosening of Restrictions by State and County
 - Continuing to monitor
- **Potential New Revenue**
 - \$160,000 – CalTrans
 - \$ 50,000 – Energy Efficiency Pilot
- **Proposed FY21-22 Budget Recommended for Approval**

Questions?



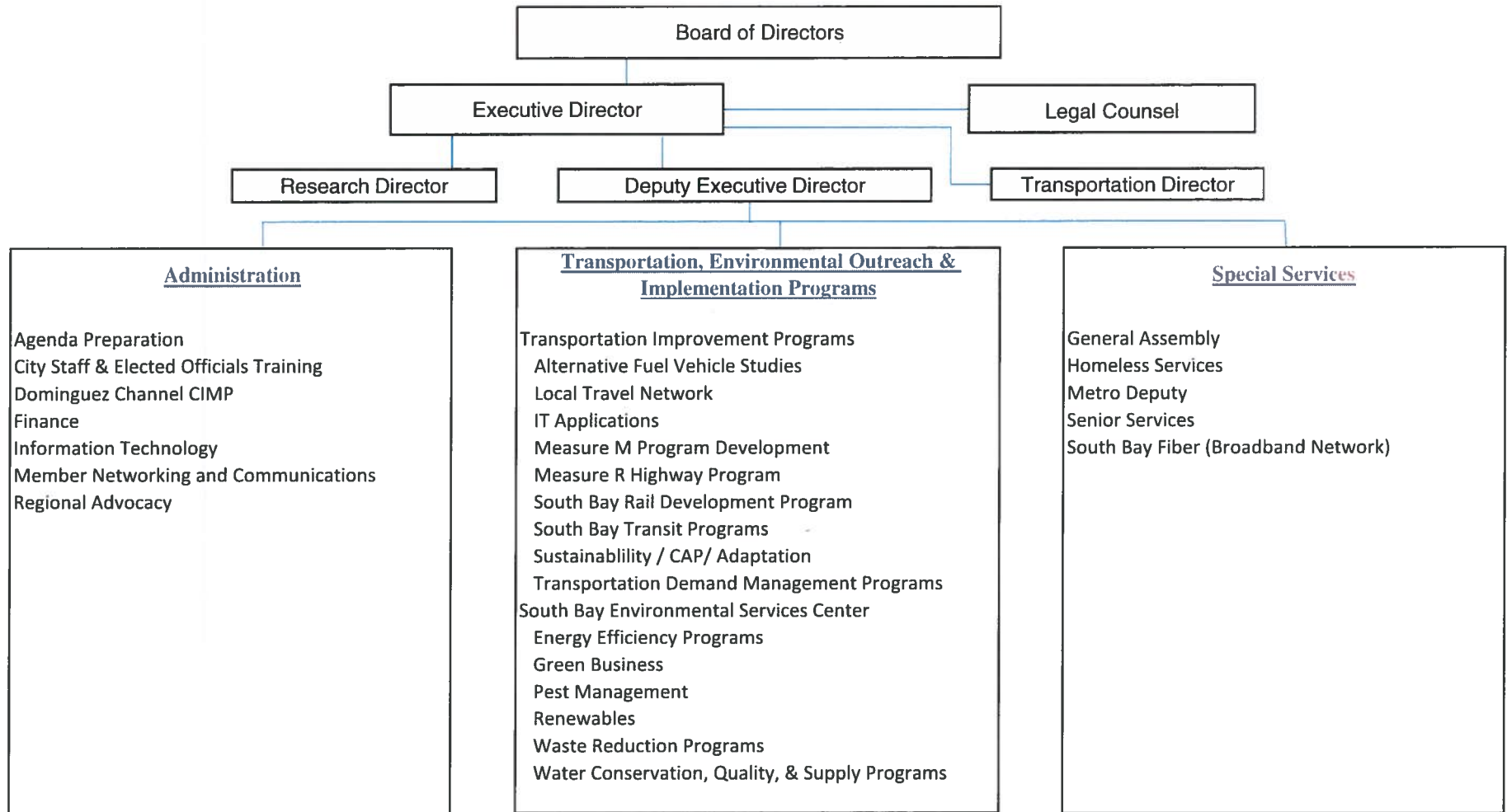
SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

PROPOSED BUDGET
FISCAL YEAR 2021-2022

May 27, 2021



**SBCCOG
ORGANIZATIONAL STRUCTURE
PROPOSED BUDGET
FISCAL YEAR 2021-2022**



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

**SBCCOG
BUDGET SUMMARY
PROPOSED BUDGET
FISCAL YEAR 2021-2022**

	ACTUAL FY 19-20	ADOPTED BUDGET FY 20-21	MID-YEAR BUDGET FY 20-21	YTD AS OF 03/31/21	PROPOSED BUDGET FY 21-22	INCREASE (DECREASE) PROPOSED BUDGET FY21-22/ MID-YEAR BUDGET FY20-21	
						AMOUNT	PERCENT
<u>ESTIMATED REVENUES:</u>							
Dues	\$ 392,499	\$ 392,500	\$ 392,500	\$ 392,499	\$ 392,500	\$ -	-
Other General Fund Revenues	303,427	246,088	232,113	151,731	223,588	(8,525)	-3.67%
Grant Revenues	4,804,998	5,881,087	3,832,645	2,530,585	3,633,420	(199,225)	-5.20%
Special Assessment	-	-	-	-	110,500	110,500	-
Total Revenues	\$ 5,500,924	\$ 6,519,675	\$ 4,457,258	\$ 3,074,815	\$ 4,360,008	\$ (97,250)	-2.18%
<u>EXPENDITURES:</u>							
Salaries & Benefits	\$ 639,481	\$ 922,014	\$ 866,797	\$ 608,735	\$ 1,040,621	\$ 173,824	20.05%
Professional/Contractual	4,451,321	4,733,070	2,871,593	1,939,980	2,634,289	(237,304)	-8.26%
Supplies & Services	244,620	634,131	573,188	221,265	886,297	313,109	54.63%
Sub Total Expenditures	\$ 5,335,422	\$ 6,289,215	\$ 4,311,578	\$ 2,769,980	\$ 4,561,207	\$ 249,629	5.79%
<i>Moving Expenses</i>	<i>61,338.00</i>	<i>42,226</i>	<i>42,226</i>	<i>8,329</i>	<i>10,000</i>	<i>(32,226)</i>	<i>-76.32%</i>
<i>Website Redesign</i>	<i>-</i>	<i>100,000</i>	<i>90,000</i>	<i>19,704</i>	<i>20,859</i>	<i>(69,141)</i>	<i>-76.82%</i>
Total Expenditures	\$ 5,396,760	\$ 6,431,441	\$ 4,443,804	\$ 2,798,012	\$ 4,592,066	\$ 148,262	3.34%
Revenues less Expenditures General Fund	\$ 104,164	\$ 88,234	\$ 13,454	\$ 276,803	\$ (232,057)	\$ (245,511)	-1824.82%
Estimated Balance	\$ 104,164	\$ 88,234	\$ 13,454	\$ 276,803	\$ 0	\$ (13,454)	-100.00%

RESERVES:

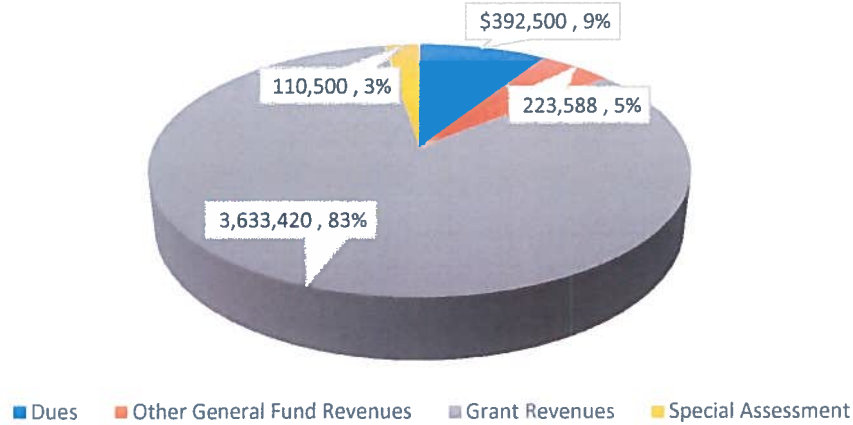
Contributions to Reserve:	Amount
Prior to FY15-16	\$ 53,372
FY 15-16 Plus Interest Earnings	20,192
FY 16-17 Plus Interest Earnings	20,349
FY 17-18 Plus Interest Earnings	20,939
FY 18-19 Plus Interest Earnings	22,297
FY 19-20 Plus interest Earnings	22,743
FY 20-21 Reserve	90,000
FY 21-22 Reserve- fully funded	155,108
Total in LAIF thru 6/30/22	\$ 405,000
Reserve Goal	\$ 405,000

Potential Grant Revenue for 2021-2022

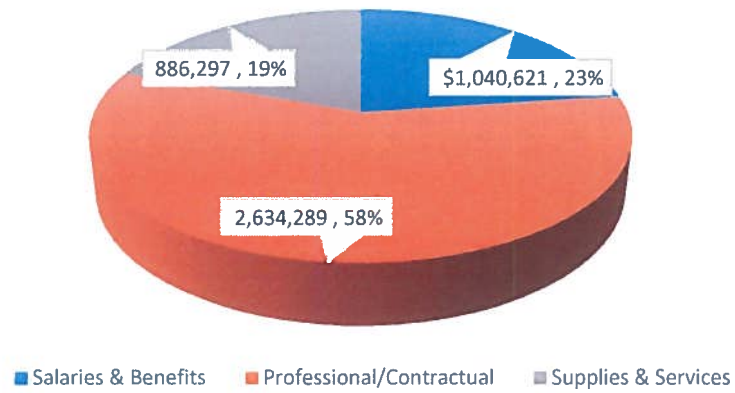
CalTrans	160,000	Total amt is \$450K, with \$160K for staff
Energy Efficiency Pilot	50,000	New funding to run Nov. 2021 - Jun. 30, 2022
	210,000	

**SBCCOG
ESTIMATED REVENUES / EXPENDITURES CHARTS
PROPOSED BUDGET
FISCAL YEAR 2021-2022**

ESTIMATED REVENUES FY 2021-2022: \$4,360,008



ESTIMATED EXPENDITURES FY 2021-2022: \$4,592,066



SBCCOG
ESTIMATED REVENUE DETAILS
PROPOSED BUDGET
FISCAL YEAR 2021-2022

REVENUE SOURCE:	ACCOUNT CODE	ACTUAL FY 19-20	ADOPTED BUDGET FY 20-21	MID-YEAR BUDGET FY 20-21	YTD AS OF 03/31/21	PROPOSED BUDGET FY 21-22	INCREASE (DECREASE) PROPOSED BUDGET FY21-22/ MID-YEAR BUDGET FY20-21	
							AMOUNT	PERCENT
Dues	4020	\$ 392,499	\$ 392,500	\$ 392,500	\$ 392,499	\$ 392,500	\$ -	-
General Assembly Sponsorship	4050	66,750	40,000	40,000	45,750	40,000	-	-
Holiday Light Exchange	4055	1,000	-	-	-	-	-	-
Training	4060	-	-	-	-	-	-	-
MTA South Bay Deputy	4070	102,271	106,288	102,270	77,161	106,288	4,018	3.93%
Interest Income	4090	63,318	30,000	20,000	16,777	12,000	(8,000)	-40.00%
Green Business Assist Program	4125	12,000	12,000	12,000	12,000	7,500	(4,500)	-37.50%
Reimbursable Expense	4190	-	-	-	-	-	-	-
CIMP Dominguez Channel Admin Fee	4810	57,800	57,800	57,800	-	57,800	-	-
Miscellaneous Revenue	4999	288	-	43	43	-	(43)	-
Sub-total General Fund Revenues		\$ 695,926	\$ 638,588	\$ 624,613	\$ 544,230	\$ 616,088	\$ (8,525)	-1.36%
GBN - Hawthorne	4126	\$ 20,000	\$ 20,000	\$ 19,194	\$ 9,198	\$ -	(19,194)	-100.00%
GBN - Torrance	4127	24,500	20,000	21,850	8,675	-	(21,850)	-100.00%
SCG-DWP Outreach	4512	40,000	40,000	40,000	20,000	40,000	-	-
SCG Contract	4513	39,979	50,000	98,000	71,057	44,000	(54,000)	-55.10%
WBMWD Contract	4520	155,006	174,980	174,980	110,049	185,204	10,224	5.84%
Sanitation District	4525	49,000	49,000	49,000	36,750	49,000	-	-
Torrance Water	4540	29,000	29,000	29,000	21,750	29,000	-	-
CalTrans LTN	4544	235,616	103,657	93,104	98,103	-	(93,104)	-100.00%
Metro Vanpool / Shared Mobility	4545	50,000	50,000	50,000	37,145	50,000	-	-
Metro Express Lane	4546	34,000	48,000	48,000	36,000	48,000	-	-
Measure R	4570	129,287	88,000	39,110	31,464	24,450	(14,660)	-37.48%
PACE (HERO, Ygrene)	4580	1,016	1,100	1,050	901	600	(450)	-42.86%
Integrated Pest Management	4589	2,100	2,300	2,750	2,750	5,500	2,750	100.00%
Energy Coalition (REN)	4592	19,244	100,000	100,000	48,786	180,844	80,844	80.84%
ICF Resources (REN)	4593	-	-	25,000	13,135	20,410	(4,590)	-18.36%
Homeless (PATH)	4600	25,000	25,000	25,000	18,750	25,000	-	-
Homeless - LA County	4601	44,756	79,000	134,922	125,214	79,000	(55,922)	-41.45%
Homeless - LA County- Innovation Fund	4602	-	739,685	564,685	140,229	403,868	(160,817)	-28.48%
Homeless - LA County- Project Funds	4603	-	-	-	-	635,000	635,000	-
Water Replenishment District	4610	50,000	50,000	60,000	45,000	60,000	-	-
Measure M	4611	53,742	60,000	50,000	24,037	26,400	(23,600)	-47.20%
South Bay Fiber Network (SBFN)	4612	3,591,330	4,101,365	2,187,000	1,619,039	1,350,144	(836,856)	-38.27%
Fiber - State of CA	4613	5,984	50,000	20,000	12,555	75,000	55,000	275.00%
SCAG REAP	4011	-	-	-	-	302,000	302,000	-
Sub-total Grant Revenues		\$ 4,804,998	\$ 5,881,087	\$ 3,832,645	\$ 2,530,585	\$ 3,633,420	\$ (199,225)	-5.20%
Special Assessment	4026	-	-	-	-	110,500	110,500	-
Total Estimated Revenues		\$ 5,500,924	\$ 6,519,675	\$ 4,457,258	\$ 3,074,815	\$ 4,360,008	\$ (97,250)	-2.18%

SBCCOG
EXPENDITURE DETAILS BY ACCOUNT
PROPOSED BUDGET
FISCAL YEAR 2021-2022

EXPENDITURE CATEGORY	ACCOUNT CODE	ACTUAL FY 19-20	ADOPTED BUDGET FY 20-21	MID-YEAR BUDGET FY 20-21	YTD AS OF 03/31/21	PROPOSED BUDGET FY 21-22	INCREASE (DECREASE) PROPOSED BUDGET FY21-22/ MID-YEAR BUDGET FY20-21	
							AMOUNT	PERCENT
Salaries/Regular	6010	\$ 498,933	\$ 739,070	\$ 694,792	\$ 493,370	\$ 806,450	\$ 111,658	16.07%
Salaries/Part-Time	6030	-	5,520	8,400	-	44,520	36,120	430.00%
Overtime	6011	490	1,400	1,400	1,197	1,400	-	-
Medical/Deferred Comp	6012	65,000	92,400	82,100	60,400	92,400	10,300	12.55%
Life Insurance	6013	1,078	1,663	1,474	1,071	1,663	189	12.84%
Social Security	6014	31,551	46,165	43,021	30,505	52,760	9,739	22.64%
Medicare	6015	7,379	10,797	10,061	7,134	12,339	2,278	22.64%
FUTA	6016	392	743	743	485	1,094	351	47.20%
California SUI-ER	6017	4,053	5,116	5,116	5,013	7,534	2,418	47.27%
Workers' Comp	6018	5,491	8,200	8,200	4,672	8,200	-	-
Employee Reimbursable Expense	6019	4,180	5,940	6,490	4,888	7,260	770	11.86%
Vacation/Floating Holiday Payoff	6020	-	5,000	5,000	-	5,000	-	-
Severance Pay	6035	-	-	-	-	-	-	-
Accrued Leave - expense	6036	20,934	-	-	-	-	-	-
Sub-total Salaries & Benefits		\$ 639,481	\$ 922,014	\$ 866,797	\$ 608,735	\$ 1,040,621	\$ 173,824	20.05%
Office Supplies	6201	\$ 6,586	\$ 7,500	\$ 7,000	\$ 4,549	\$ 7,500	\$ 500	7.14%
Postage	6202	554	1,200	1,200	627	1,200	-	-
Refreshments	6203	16,142	25,500	1,000	406	12,000	11,000	1100.00%
Membership Dues	6204	10,276	11,500	11,500	8,781	11,500	-	-
Mileage Reimbursement	6205	5,582	6,871	2,500	1,503	4,500	2,000	80.00%
Meetings/Conferences	6206	4,292	6,840	2,000	1,859	6,840	4,840	242.00%
Special Events/General Assembly	6224	9,587	40,000	40,000	24,765	40,000	-	-
Staff Training/Development	6207	545	2,500	2,500	42	2,500	-	-
Newsletter	6208	6,712	11,424	4,354	3,015	11,424	7,070	162.38%
Audit Fees	6209	6,578	6,000	6,000	6,000	6,000	-	-
Contractual Services	6210	4,035,321	4,313,070	2,451,593	1,624,980	2,214,289	(237,304)	-9.68%
Professional Services	6211	416,000	420,000	420,000	315,000	420,000	-	-
Rent	6212	61,591	136,100	104,787	94,308	129,516	24,729	23.60%
Equipment Lease	6213	8,190	9,960	5,603	4,202	7,800	2,197	39.21%
Telephone	6214	7,672	8,400	8,536	6,420	8,611	75	0.88%
IT Services/Maintenance	6215	62,876	36,616	21,396	21,628	36,963	15,567	72.76%
Software/Hardware	6216	7,100	14,133	14,133	7,033	14,643	510	3.61%
Liability Insurance	6217	2,248	2,300	2,300	2,129	2,300	-	-
Subscription/Advertising	6218	240	1,000	1,000	150	1,000	-	-
Miscellaneous Supplies/HLE	6219	106	-	142	142	-	(142)	-100.00%
Specialty Legal Services	6220	4,725	10,000	10,000	2,316	5,000	(5,000)	-50.00%
City Reimbursements	6222	-	295,287	326,237	30,950	576,000	249,763	76.56%
Miscellaneous Expenses	6225	920	1,000	1,000	440	1,000	-	-
Uncollected Accounts Receivable	6226	22,098	-	-	-	-	-	-
Sub-Total Supplies & Services		\$ 4,695,941	\$ 5,367,201	\$ 3,444,781	\$ 2,161,245	\$ 3,520,586	\$ 75,805	2.20%
<i>Moving Expenses</i>	6221	61,338	42,226	42,226	8,329	10,000	(32,226)	-76.32%
<i>Website Redesign</i>	6032	-	100,000	90,000	19,704	20,859	(69,141)	-76.82%
Total Operating Expenditures		\$ 5,396,760	\$ 6,431,441	\$ 4,443,804	\$ 2,798,012	\$ 4,592,066	\$ 148,262	3.34%

**SBCCOG
APPROVED SALARY SCHEDULE BY POSITION /
PROFESSIONAL-CONTRACTOR LABOR DISTRIBUTION
PROPOSED BUDGET
FISCAL YEAR 2021-2022**

POSITION	SALARY
Administrative Officer - Tier 1	\$ 91,000
Senior Project Manager - Tier 1	85,000
Accountant - Tier 3	81,000
Project Manager - Tier 3	78,000
Project Manager - Tier 2	71,000
Project Manager - Tier 1	64,000
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 - 6211	TOTAL AMOUNT
Executive Director (JB) and staff - appx. Jacki Bacharach and Associates \$186,000 - appx. \$234,000 (subs to JB)	\$ 420,000
CONTRACTOR SERVICES - 6210	
Transportation Director - Steve Lantz	84,000
Research Director - Siembab Corp.	25,000
Energy Efficiency Engineer - GSE Solutions	32,000
Metro Deputy - Mike Bohlke	110,879
American Dark Fiber - Broadband - Measure M Fiber	1,276,144
Budget & Finance Consultant - Agnes Walker	6,000
LA County Homeless Innovation Client Aid - Pass-thru to PATH	230,266
SCAG-REAP - contractors not yet identified	237,000
Civic Spark - two fellows	58,000
Magellan	30,000
Additional consultants or staff as needed on contracts or project development	125,000
Estimated Contractor Expenses FY 2020-2021	\$ 2,214,289

**SBCCOG
LIST OF ACRONYMS USED
PROPOSED BUDGET
FISCAL YEAR 2021-2022**

<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	LTN	Local Travel Network
EUC	Energy Upgrade California	PACE	Property Assessed Clean Energy
EV	Electric Vehicle	PATH	People Assisting the Homeless
FTE	Full Time Equivalent	PUC	Public Utilities Commission
FUTA	Federal Unemployment Tax Act	REN	Regional Energy Network
FY	Fiscal Year	SB	South Bay
GA	General Assembly	SBCCOG	South Bay Cities Council of Governments
GBC	Green Building Challenge	SBFN	South Bay Fiber Network
GBN	Green Business Network	SBWIB	South Bay Work Investment Board
GSW	Golden State Water	SCE	Southern California Edison
HERO	Home Energy & Resources Organization	SCG	Southern California Gas
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
PROPOSED BUDGET NARRATIVE
FISCAL YEAR 2021-2022
May 27, 2021**

Last year's adopted budget was created without knowing what the effects of COVID-19 would be. At mid-year, the budget was adjusted to reflect the conditions at that time by reducing many of our expenses related to in-person events. All staff were working from home, there were no meetings in-house, nor outreach events.

For this year, FY2021-22, the budget reflects the loosening of state and county restrictions regarding in-person meetings and the result this action will have on operations. These changes are most notable in the expense section of the budget. They reflect increased in-person meetings, such as Steering Committee and Board meetings, as well as outreach opportunities.

The narrative below highlights overall budget changes with explanations for variances +/-5%:

Budget summary: The proposed budget for FY21-22 reflects a balanced budget. While revenues have decreased (\$97,250) or (2.18%), net expenditures have increased \$148,262 or 3.34% compared to the FY20-21 Mid-year Budget. The revenue decrease is due primarily to the South Bay Fiber project being in its last phase of network construction with more funds than anticipated expended in the 20-21 fiscal year. The budget is being balanced using the cash balances that have accrued.

Estimated revenues: As illustrated on the Estimated Revenue Details (page 4), the total General Fund revenues which include Dues, are projected to decrease by (\$8,525) or (1.36%). Revenues from grants decreased (\$199,225) or (5.2%). As stated above, this decrease is primarily due to the South Bay Fiber project.

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

- Interest Income/4090 – decrease of (\$8,000) due to falling interest rates
- Green Business Assist Program/4125 – decrease of (\$4,500): this revenue is now being realized under WBMWD
- SCG-SoCalGas/4513 – decrease of (\$54,000) due contract ending mid-year in Dec '21
- WBMWD/4520 - increase of \$10,224 due to change in scope
- CalTrans LTN/4544 – decrease of (\$93,104) due to completion of project
- Measure R/4570 - decrease of (\$14,660) due to continued decrease in program activity
- PACE programs/4589 - decrease of (\$450) due to conclusion of HERO program
- Integrated Pest Management/4589 - increase of \$2,750 due to increase in scope of services
- Energy Coalition (REN)/4592 - increase of \$80,844 due to extension of contract and additional funding for new year
- ICF Resources (REN)/4593 – decrease of (\$4,590) due to a shift of funds from FY20-21 to FY21-22
- Homeless – LA County/4601 – decrease of (\$55,922) due to end of program (one-time funding)

**SBCCOG
PROPOSED BUDGET NARRATIVE
FISCAL YEAR 2021-2022
May 27, 2021**

- *Homeless – LA County, Innovation Fund/4602* – decrease of (\$160,817) due to program extension with no additional funds
- *Homeless – LA County Project Funds/4603* – new funding of \$635,000 starting Jan 1, 2022
- *Measure M/4611* – decrease of (\$23,600) due to decrease in program activities
- *South Bay Fiber Network (SBFN)/4612* - decrease of (\$836,856) due to majority of construction being completed
- *Fiber – State of CA/4613* - increase of \$55,000 due to increased program activity
- *SCAG-REAP /4011* - new funding \$302,000 starting Jul 1, 2021
- *Special Assessment/4026* – new funding of \$110,500 to hire a planner
- *Contracts ended*
 - *GBN-Hawthorne/4126*
 - *GBN-Torrance/4127*
 - *CalTrans LTN/4544*

Proposed expenditures/Salaries & Benefits: The proposed expenditures (page 5) for the coming fiscal year show a *net* increase of \$148,262 or 3.34% compared to the FY20-21 mid-year adopted budget. The Salaries & Benefits portion of the budget increased \$173,824 or 20.05%, which reflects 1.5 additional staff.

Below is an explanation of the expenditure increases with the corresponding account codes and descriptions of the various expenditure categories:

- *Salaries/Regular/6010* – increase of \$111,658 reflects one additional staff plus cost-of-living increases
- *Salaries/Part-Time/6030* – increase of \$36,120 provides funding for a part-time Project Manager at 20 hours a month
- *Benefits/6012-6017* – increase of \$25,275: as salaries increase, benefits will have a relative increase, especially those benefits based on a percentage of salaries such as: Social Security, Medicare, and California SUI-ER
- *Employee Reimbursable Expense/6019* – increase of \$770 due to increase in staff

Supplies & Services: Overall, the Supplies & Services category shows a *net* increase of \$75,805 or 2.2%. The expense increase is due primarily to an increase in city reimbursements through LA County Homeless Innovation.

Below is an explanation of increases or (decreases) and the corresponding account codes and descriptions of the expenses:

- *Refreshments/6203* – increase of \$11,000 due to anticipated in-person events during the year (total budget projection is less than pre-COVID amount)
- *Mileage Reimbursement/6205* – increase of \$2,000 in anticipation of outreach events (total budget projection is less than pre-COVID amount)
- *Meetings/Conferences/6206* – increase of \$4,840 in preparation for increased travel and attendance at conferences (total budget projection is less than pre-COVID amount)

SBCCOG
PROPOSED BUDGET NARRATIVE
FISCAL YEAR 2021-2022
May 27, 2021

- *Newsletter/6208* – increase of \$7,070 for additional printing of newsletter for outreach events (total budget projection is less than pre-COVID amount)
- *Contractual Services/6210* – net decrease of (\$237,304) reflects overall decrease in grant-related expenditures. Decreases include South Bay Fiber Network (SBFN) (\$739,897); S.Lantz (\$28,000); Siembab (\$65,000); GSE Solutions (\$28,000). Increases include LA County Homeless pass thru \$230,000; SCAG-REAP \$237,000; Civic Spark fellows \$58,000
- *Rent/6212* – increase of \$24,729: paid 10 months rent in FY20-21 due to rent abatement, will pay 12 months' rent in FY21-22
- *Equipment Lease/6213* – increase of \$2,197 expected due to current lease expiration Jan'22, as well as expected increase of in-office use
- *IT Services/Maintenance/6215* – increase of \$15,567 for website support, broadband access, Zoom and increased number of email blasts. Broadband costs were temporarily low during office move transitions and are now equivalent to pre-move costs, with increased bandwidth due to the South Bay Fiber Network Project.
- *Specialty Legal Services/6220* - decrease of (\$5,000) based on current spend rate
- *City Reimbursements/6222* – increase of \$249,763 LA County Homeless Innovation pass through funds for cities and new LA County Homeless Project funds
- *Moving Expenses/6221* – decrease of (\$32,226): new budget amount of \$10,000 to cover residual move-in expenses
- *Website Redesign/6032* – decrease of (\$69,141) reflects work done in FY20-21 and a decrease in total budgeted contract amount from \$90,000 to \$71,852. Remaining \$20,859 of \$71,852 contract carried over to new fiscal year

Reserves: Per the reserve policy, the target amount for reserves is \$405,000. These funds are from the following sources as shown on the Budget Summary (page 2):

- \$288,669 shall be accumulated in LAIF as of June 30, 2022. This amount includes \$53,372 reserve funds established prior to FY15-16 and \$106,520 from the 5-year dues increase with interest.
- \$ 90,000 from FY20-21
- \$155,108 from FY21-22 which will fully fund the reserve from the accrued cash balance

**SBCCOG
CALCULATION OF ESTIMATED FUND BALANCE
FOR JUNE 30, 2022**

Fund Balance for June 30, 2020 per Audited Financial Statement		\$	1,111,352
Revised Revenue Budget FY20-21	\$	4,457,257	
Less Adjustments:			
Energy Coalition	\$	(35,000)	
Homeless LA County		(248,000)	
LA DWP		(20,000)	
Measure M		(18,000)	
Fiber - State of CA		(32,500)	
Total Revenue Adjustments		(353,500)	
Adjusted Revised Revenue Budget FY20-21			4,103,757
Revised Expenditure Budget FY20-21		(4,443,804)	
Less Adjustments:			
Salaries & Benefits (staff not hired)	55,000		
Moving expenses not incurred	33,897		
Website Redesign expenses not incurred	20,859		
Total Expense Adjustments		109,756	
Adjusted Revised Expenditure Budget FY20-21			(4,334,048)
Estimated Fund Balance FY20-21			881,061
Proposed Budget FY21-22			
Estimated Revenues		4,360,008	
Estimated Expenditures		(4,592,066)	
Estimated Balance (Revenue over Expenditures)			(232,058)
Less Reserve for Contingencies:			
FY20-21		(90,000)	
FY21-22		(155,108)	
Total for Reserve			(245,108)
Estimated Fund Balance June 30, 2022		\$	403,895

Note: The SBCCOG has received a \$1.2million advance from the State of California for the fiber network, of which \$18,539 has been expended. This \$1.2 m is not part of the fund balance and is currently showing as a liability. The liability is offset by cash received. Should the funds not be used, they will be returned to the state.