

**SOUTH BAY CITIES**  
COUNCIL OF GOVERNMENTS

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## Staff Report

January 14, 2019

To the Board of Directors  
South Bay Cities Council of Governments

We are pleased to submit the Mid-Year Budget Status Report for Fiscal Year 2018-2019.

Based on our analysis, we are projecting an increase in revenue of approximately \$102,000. This revenue increase results from the awarding of additional grants after the budget was adopted in June 2019. The revenue increase is partially offset by a net increase in expenses of approximately \$55,000, leaving a net increase of \$47,000. Our current reserve is \$101,000.

Please see attached Budget Status Report for additional details.

Respectfully submitted,

Jacki Bacharach  
Executive Director

Prepared by Brooke Heri  
Finance & Accounting Department

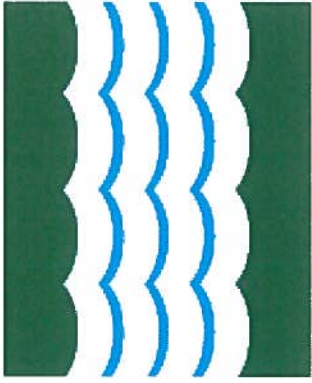
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LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita  
Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills  
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County

**SBCCOG**  
**VARIANCE ANALYSIS - ADOPTED BUDGET VS. MID-YEAR BUDGET FORECAST**  
**FISCAL YEAR 2018-2019**

<b>Estimated Revenue</b>		<b>Comments</b>
<b>New Revenue Source</b>		
Cannabis	\$ 5,000	New revenue sources are from grants that were awarded after budget was approved.
Cal Trans	154,123	
GBN Hawthorne	13,584	
GBN Torrance	30,000	
EV Grid	5,500	
Sol Smart	13,640	
Strategic Plan-SCE/SCG	70,381	
<b>Increase to current Revenue Source</b>		
Broadband	\$ 8,251	Adjustments to current revenue sources are based on additional awards.
Homeless-PATH	10,000	
Measure M	7,900	
Interest Income	17,000	
<b>Total Estimated Revenue Increase</b>	<b><u>\$ 335,379</u></b>	
<b>Decrease</b>		
SCE	\$ (80,324)	Decreases are based on the timing of when the contracts are awarded and when the contracts are billed during the fiscal year.
Vanpool	(5,265)	
Measure R	(105,482)	
West Basin	(16,782)	
Homeless LA County	(9,835)	
WRD	(13,000)	
Other	(2,529)	
<b>Total Estimated Revenue Decrease</b>	<b><u>\$ (233,217)</u></b>	
<b>Net Revenue increase</b>	<b><u>\$ 102,162</u></b>	
 <b>Estimated Expense</b>		
<b>Increase</b>		
Contractual Services	\$ 95,000	Cal Trans-Siembab/Energy Efficiency-GSE Change in accounting codes Change in accounting codes Change in accounting codes includes newsletter and fact sheets
Refreshments	9,800	
Mileage Reimbursement	4,100	
Meetings/Conferences	5,400	
Newsletter/Printing	2,000	
Other	1,753	
<b>Total Estimated Expense Increase</b>	<b><u>\$ 118,053</u></b>	
<b>Decrease</b>		
Salaries/Benefits	\$ (53,536)	Staffing changes Change in accounting codes IT Services
Office Supplies	(4,746)	
IT/Software/Hardware	(4,120)	
Other	(941)	
<b>Total Estimated Expense Decrease</b>	<b><u>\$ (63,343)</u></b>	
<b>Net Expense increase</b>	<b><u>\$ 54,710</u></b>	
 <b>Excess Revenue over Expense</b>	 <b><u><u>\$ 47,452</u></u></b>	



**SOUTH BAY CITIES**  
**COUNCIL OF GOVERNMENTS**

**Mid-Year Budget Status Report**

**Fiscal Year 2018-2019**

**January 14, 2019**

**SBCCOG**  
**ESTIMATED BUDGET SUMMARY**  
**MID-YEAR BUDGET STATUS REPORT FY 2018-2019**

	<b>ACTUAL FY 16-17</b>	<b>ACTUAL FY 17-18</b>	<b>ADOPTED BUDGET FY 18-19</b>	<b>YTD AS OF 11/30/18</b>	<b>PROJECTED THRU 6/30/2019</b>	<b>INCREASE (DECREASE) AMOUNT      PERCENT</b>
<b>REVENUES:</b>						
Dues	\$ 332,500	\$ 352,500	\$ 372,500	\$ 372,500	\$ 372,500	\$ -
Other General Fund Revenues	265,552	228,166	234,194	72,351	254,838	20,644      8.81%
Grant Revenues	2,085,844	2,303,308	1,337,717	406,842	1,419,235	81,518      6.09%
<b>Total Revenues</b>	<b>\$ 2,683,896</b>	<b>\$ 2,883,974</b>	<b>\$ 1,944,411</b>	<b>\$ 851,693</b>	<b>\$ 2,046,573</b>	<b>\$ 102,162      5.25%</b>
<b>EXPENDITURES:</b>						
Salaries & Benefits	\$ 838,236	\$ 795,160	\$ 760,817	\$ 287,027	\$ 707,281	\$ (53,536)      -7.04%
Professional/Contractual	1,222,630	1,569,216	887,227	346,472	982,724	95,497      10.76%
Supplies & Services	428,694	342,412	335,479	132,793	348,228	12,749      3.80%
<b>Total Expenditures</b>	<b>\$ 2,489,561</b>	<b>\$ 2,706,788</b>	<b>\$ 1,983,522</b>	<b>\$ 766,292</b>	<b>\$ 2,038,233</b>	<b>\$ 54,710      2.76%</b>
<b>Estimated Balance</b>	<b>\$ 194,335</b>	<b>\$ 177,186</b>	<b>\$ (39,111)</b>	<b>\$ 85,401</b>	<b>\$ 8,340</b>	<b>\$ 47,452      -121.32%</b>
<b>Provide for Reserve</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>-      -</b>
<b>Estimated Balance</b>	<b>\$ 174,335</b>	<b>\$ 157,186</b>	<b>\$ (59,111)</b>	<b>\$ 65,401</b>	<b>\$ (11,660)</b>	<b>\$ 47,452      -80.28%</b>

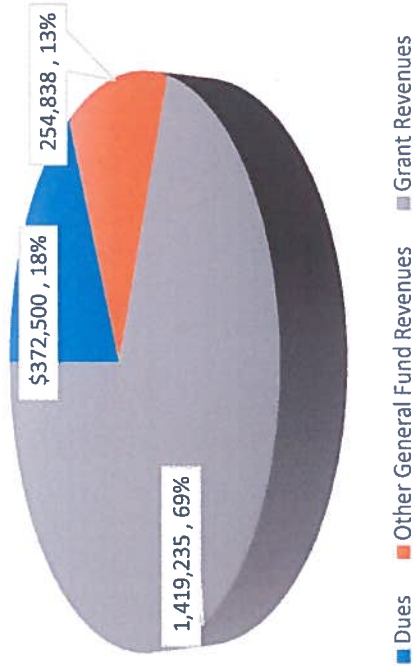
**NOTE ON THE RESERVE:**

As of June 30, 2018, the SBCCOG has monies deposited at the Local Agency Investment Fund (LAIF) for \$101,000. This amount includes the following contributions:

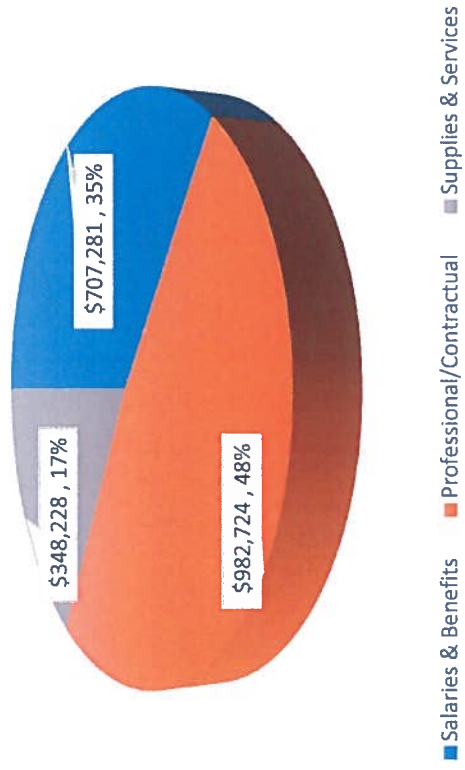
Prior to FY 15-16	\$ 53,000.00
FY 15-16	8,000.00
FY 16-17	20,000.00
FY 17-18	20,000.00
June 30, 2018	<u>\$ 101,000.00</u>

**SBCCOG  
ESTIMATED REVENUES/ ESTIMATED EXPENDITURES CHARTS  
MID-YEAR BUDGET STATUS REPORT FY 2018-2019**

**ESTIMATED REVENUES FY 2018-2019: \$2,046,573**



**ESTIMATED EXPENDITURES FY 2018-2019: \$2,038,233**



**SBCCOG**  
**ESTIMATED REVENUE DETAILS**  
**MID-YEAR BUDGET STATUS REPORT FY 2018-2019**

REVENUE SOURCE	ACCOUNT CODE	ACTUAL FY 16-17	ACTUAL FY 17-18	ADOPTED BUDGET FY 18-19	YTD AS OF 11/30/18	PROJECTED THRU 6/30/2019	INCREASE (DECREASE) AMOUNT	PERCENT
Dues	4020	\$ 332,500	\$ 352,500	\$ 372,500	\$ 372,500	\$ 372,500	\$ -	-
General Assembly Sponsorship	4050	66,810	60,250	60,000	6,000	60,000	-	-
Holiday Light Exchange	4055	2,500	7,800	2,800	1,250	2,250	(550)	-19.64%
Training	4060	-	-	-	5,000	5,000	5,000	-
MTA South Bay Deputy	4070	91,989	95,144	97,944	42,267	96,937	(1,007)	-1.03%
Interest Income	4090	400	3,258	5,000	5,456	21,823	16,823	336.46%
Green Business Assist Program	4125	7,500	-	12,000	12,000	12,000	-	-
Reimbursable Expense	4190	1,319	415	300	-	300	-	-
CIMP Dominguez Channel Admin Fee	4810	94,934	48,690	56,150	-	56,150	-	-
Miscellaneous Revenue	4999	100	12,609	-	378	378	378	-
<b>Sub-total General Fund Revenues</b>		<b>\$ 598,052</b>	<b>\$ 580,666</b>	<b>\$ 606,694</b>	<b>\$ 444,851</b>	<b>\$ 627,338</b>	<b>\$ 20,644</b>	<b>3.40%</b>
GBN - Hawthorne	4126	-	-	-	4,317	13,584	13,584	-
GBN - Torrance	4127	-	-	-	5,000	30,000	30,000	-
SBWIB Broadband Income	4135	14,500	28,129	18,700	15,000	26,951	8,251	44.12%
SBWIB Telework	4136	-	20,000	15,000	5,663	15,000	-	-
PUC SCE/SCG Contract	4510	690,396	611,706	400,000	147,626	319,676	(80,324)	-20.08%
SCG-DWP Outreach	4512	30,000	40,000	40,000	10,000	40,000	-	-
SCE/SCG Strategic Plan	4514/4515	-	11,930	-	18,895	70,381	70,381	-
WBWMD Contract	4520	172,750	178,231	185,000	66,718	168,218	(16,782)	-9.07%
Sanitation District	4525	49,000	49,000	49,000	12,250	49,000	-	-
Torrance Water	4540	18,400	26,250	26,250	6,563	26,250	-	-
Cal Trans	4544	-	-	-	-	154,123	154,123	-
Metro Vanpool	4545	26,303	31,240	36,000	9,929	30,735	(5,265)	-14.63%
Metro Express Lane	4546	60,000	48,000	48,000	12,000	48,000	-	-
EV - LA County	4549	-	-	-	1,302	5,500	5,500	-
Measure R	4570	316,402	679,069	200,000	30,043	94,518	(105,482)	-52.74%
PAGE (HERO, Ygrene)	4580	14,153	9,921	4,600	1,564	3,427	(1,173)	-25.50%
Integrated Pest Management	4589	-	6,000	6,000	686	6,000	-	-
SolSmart	4590	-	-	-	-	13,640	13,640	-
Homeless (PATH)	4600	27,022	24,999	15,000	4,482	25,000	10,000	66.67%
Homeless - LA County	4601	-	65,513	79,167	22,354	69,332	(9,835)	-12.42%
Water Replenishment District	4610	-	38,001	65,000	13,000	52,000	(13,000)	-20.00%
Measure M	4611	-	7,005	150,000	19,450	157,900	7,900	5.27%
Metro Smart Mobility	4548	159,637	36,534	-	-	-	-	-
Charge Bliss	4553	15,688	9,312	-	-	-	-	-
Metro SGC	4575	344,804	359,968	-	-	-	-	-
HERO Renewables	4581	10,500	7,500	-	-	-	-	-
Center for Sustainable Energy	4588	-	15,000	-	-	-	-	-
ZEV-CEC MUD	4552	81,964	-	-	-	-	-	-
EUC Outreach Ambassador	4585	29,325	-	-	-	-	-	-
Home Upgrade (REN/Bki)	4587	25,000	-	-	-	-	-	-
<b>Sub-total Grant Revenues</b>		<b>\$ 2,085,844</b>	<b>\$ 2,303,308</b>	<b>\$ 1,337,717</b>	<b>\$ 406,842</b>	<b>\$ 1,419,235</b>	<b>\$ 81,518</b>	<b>6.09%</b>
<b>Total Estimated Revenues</b>		<b>\$ 2,683,896</b>	<b>\$ 2,883,974</b>	<b>\$ 1,944,411</b>	<b>\$ 851,693</b>	<b>\$ 2,046,573</b>	<b>\$ 102,162</b>	<b>5.25%</b>

**SBCCOG**  
**ESTIMATED EXPENSE DETAILS BY ACCOUNT**  
**MID-YEAR BUDGET STATUS REPORT FY 2018-2019**

EXPENDITURE CATEGORY	ACCOUNT CODE	ACTUAL FY 16-17	ACTUAL FY 17-18	ADOPTED BUDGET FY 18-19	YTD AS OF 11/30/18	PROJECTED THRU 6/30/2019	INCREASE (DECREASE) AMOUNT	PERCENT
Salaries/Regular	6010	\$ 649,094	\$ 700,905	636,166	\$ 234,275	\$ 585,035	\$ (51,131)	-8.04%
Overtime	6011	295	-	1,000	743	1,000	-	-
Medical/Deferred Comp	6012	61,750	77,031	60,000	23,250	54,750	(5,250)	-8.75%
Life Insurance	6013	1,002	1,050	1,170	447	1,059	(111)	-9.50%
Social Security	6014	39,738	-	39,823	15,091	36,836	(2,987)	-7.50%
Medicare	6015	9,293	-	9,239	3,529	8,546	(693)	-7.50%
FUTA	6016	539	1,764	420	2	378	(42)	-10.00%
California SUI-ER	6017	5,567	-	4,340	20	3,906	(434)	-10.00%
Workers' Comp	6018	9,208	5,297	4,839	4,053	8,109	3,270	67.57%
Employee Reimbursable Exp	6019	61,750	3,335	3,820	1,155	3,200	(620)	-16.23%
Termination Pay (Vac-FH)	6020	-	5,778	-	4,462	4,462	4,462	-
<b>Sub-total Salaries &amp; Benefits</b>		<b>\$ 838,236</b>	<b>\$ 795,160</b>	<b>\$ 760,817</b>	<b>\$ 287,027</b>	<b>\$ 707,281</b>	<b>\$ (53,536)</b>	<b>-7.04%</b>
Office Supplies	6201	\$ 37,509	\$ 14,962	\$ 15,000	\$ 4,273	\$ 10,254	\$ (4,746)	-31.64%
Postage	6202	605	1,269	700	332	700	-	-
Refreshments	6203	25,798	23,644	17,110	11,211	26,907	9,797	57.26%
Membership Dues	6204	6,554	11,057	11,461	6,762	11,461	-	-
Mileage Reimbursement	6205	1,568	4,300	1,392	2,291	5,498	4,106	294.97%
Meetings/Conferences	6206	64,318	30,553	26,000	4,898	31,398	5,398	20.76%
Staff Training/Development	6207	1,495	604	3,000	50	3,000	-	-
Newsletter	6208	8,688	8,509	8,400	6,101	10,409	2,009	23.91%
Audit Fees	6209	5,679	6,200	6,500	-	6,386	(114)	-1.75%
Contractual Services	6210	832,611	1,169,216	467,227	171,472	562,724	95,497	20.44%
Professional Services	6211	390,019	400,000	420,000	175,000	420,000	-	-
Rent	6212	143,587	146,865	150,234	62,339	150,234	-	-
Equipment Lease	6213	13,161	10,486	11,400	4,845	11,795	395	3.46%
Telephone	6214	8,064	8,165	8,679	3,122	8,022	(657)	-7.58%
IT Services/Maintenance	6215	78,918	56,251	48,067	18,900	45,732	(2,335)	-4.86%
Software/Hardware	6216	19,251	8,012	21,236	3,935	19,451	(1,785)	-8.41%
Liability Insurance	6217	2,113	2,246	2,000	-	2,381	381	19.05%
Subscription/Advertising	6218	2,848	1,073	1,000	132.22	1,000	-	-
Miscellaneous Supplies/HLE	6219	8,240	7,846	2,800	2,216	2,216	(584)	-20.85%
Miscellaneous Expenses	6225	299	370	500	1,385	1,385	885	176.90%
<b>Sub-Total Supplies &amp; Services</b>		<b>\$ 1,651,324</b>	<b>\$ 1,911,628</b>	<b>\$ 1,222,706</b>	<b>\$ 479,265</b>	<b>\$ 1,330,952</b>	<b>\$ 108,246</b>	<b>8.85%</b>
<b>Total Operating Expenditures</b>		<b>\$ 2,489,561</b>	<b>\$ 2,706,788</b>	<b>\$ 1,983,522</b>	<b>\$ 766,292</b>	<b>\$ 2,038,233</b>	<b>\$ 54,710</b>	<b>2.76%</b>
<b>Provide for Reserve</b>		<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>\$ 2,509,561</b>	<b>\$ 2,726,788</b>	<b>\$ 2,003,522</b>	<b>\$ 786,292</b>	<b>\$ 2,058,233</b>	<b>\$ 54,710</b>	<b>2.73%</b>