

Association of Bay Area Governments

Finance Committee

November 16, 2023

Agenda Item 9.a.

Proposed FY 2023-24 Operating Budget Amendment

Subject

Report on Resolution No. 11-2023, Revised, authorizing the Association of Bay Area Governments (ABAG) Proposed Fiscal Year (FY) 2023-24 Operating Budget Amendment for referral to the ABAG Executive Board

Background:

On June 16, 2023, the ABAG General Assembly adopted ABAG Resolution No. 11-2023, approving the FY 2023-24 ABAG Operating Budget and Work Plan. According to Article XI.B (5) of the ABAG Bylaws, the Executive Board has authority to amend the Budget to meet changing conditions or to accept new or additional grant or other revenue.

The proposed ABAG FY 2023-24 Operating Budget Amendment both reduces expected carryover balances as grant expenditures in FY 2022-23 were higher than expected and adds new grant funding as expected grant awards are being realized. Staff is not recommending amendments for the ABAG Finance Authority for Nonprofit Corporations (FAN) and ABAG POWER Publicly Owned Energy Resources (POWER) FY 2023-24 budgets.

The combined ABAG revenue budget, including ABAG grants, is \$98.3 million, which is an overall increase of \$13.4 million, or 15.7% from the approved budget. The summarized revenue detail includes:

	FY 2023-24 Approved (millions)	FY 2023-24 Amendment 1 (millions)	Change \$	Change %
Revenue				
Administration	\$ 3.3	\$ 3.3	\$0.0	0.0%
ABAG Grants	16.4	16.0	(\$0.4)	-2.4%
BayREN-Energy	36.6	37.2	\$0.6	1.7%
SFEP	28.4	41.5	\$13.1	46.3%
Bay Trail Non-Profit	0.2	0.2	\$0.0	0.0%
Total	\$ 84.9	\$ 98.3	\$13.4	15.7%

Amendments to the operating revenue include:

- No changes to the ABAG Administration budget
- ABAG Grants reduced by \$0.4 million. This includes an \$8.4 million reduction in Regional Early Action Planning (REAP) funds implemented in FY 2022-23 and an increase of \$8 million in REAP 2.0 funds for the housing technical assistance program.

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- BayREN's budget increased by \$0.6 million to fund two new positions that will help develop and manage two programs approved by the CPUC in BayREN's 2024-2031 Business Plan.
- SFEP's budget increased by \$13.1 million. This includes \$9.8 million from a new Department of Water Resources Proposition 1 grant, \$1.0 million in Water Quality Improvement funds, \$0.6 million in new Santa Clara Valley Water District and San Mateo Resource Conservation District grants, among others.
- No change proposed to Bay Trail Non-Profit revenue. There is an \$88,400 increase in expenses to raise public awareness funded by additional transfers from fund balance.

Recommended Action:

The ABAG Finance Committee is requested to accept the report and to refer ABAG Resolution No. 11-2023, Revised, to the ABAG Executive Board for adoption.

Attachments:

- A. Proposed FY 2023-24 Operating Budget Amendment
- B. Resolution No. 11-2023 Revised
- C. Presentation: Proposed FY 2023-24 ABAG Operating Budget Amendment

Reviewed:



Alix Bockelman