

Association of Bay Area Governments

Finance Committee

November 20, 2025

Agenda Item 5.c.

ABAG Statement of Revenues and Expenses

Subject:

Report on Fiscal Year (FY) 2025-26 Association of Bay Area Governments (ABAG) Statement of Revenues and Expenses for the period ended September 30, 2025 (Unaudited).

Background:

ABAG financial information includes ABAG Administration (Administration), Bay Area Regional Energy Network (BayREN)-Energy, and the San Francisco Estuary Partnership (SFEP).

The Statement of Revenues and Expenses has been prepared in accordance with the generally accepted accounting principles (GAAP). The columns have been designed to provide an easy comparison of current year-to-date actuals to the prior year-to-date actuals, including dollar and percentage variances.

Overall Summary:

Operating Revenue

The year-to-date operating revenues totaled \$15.5 million, an increase of \$6.9 million compared to the prior year-to-date actual. This growth was primarily driven by a \$6.2 million increase in grant funding for the BayREN program and a \$594 thousand increase in grant funding for the SFEP program.

Operating Expense

The year-to-date operating expenses totaled \$12.4 million, an increase of \$6.6 million compared to the prior year-to-date actual. This increase in expenses is primarily due to the grant-related activities within the SFEP and BayREN programs.

Administration

The main source of revenue for the Administration program is membership dues. The year-to-date dues revenues totaled \$3.2 million, an increase of \$94 thousand compared to the prior year-to-date actual. The membership dues revenues are recorded at the beginning of the year when bills are sent out and are collected throughout the year. As of September 30, 2025, ABAG had collected 84% of the \$3.2 million billed.

As of September 30, 2025, the total operating expenses were \$731 thousand, which was \$92.9 thousand more than the prior year-to-date actual. The increase was primarily due to the Beale Assessments contribution, which was made earlier than in the prior year.

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BayREN—Energy

BayREN-Energy program is a grant funded operation consisting of California Public Utilities Commission (CPUC) grants. The year-to-date revenues were \$10.8 million, which was \$6.2 million more than the prior year-to-date actual. Grant revenues increased by \$6.2 million due to the increases in grant-related expenses.

CPUC grant funds are received at the beginning of the grant year and as the expense is incurred, the revenue is released. Therefore, the revenues and expenses would always be close to break-even.

As of September 30, 2025, the operating expenses were \$10.5 million, an increase of \$6.2 million compared to prior year-to-date actual. This was primarily due to an increase of \$5.6 million related to Incentive programs and an increase of \$298 thousand from consultant and pass-through expenses.

San Francisco Estuary Partnership

SFEP is funded by a series of grants, mainly from the U.S. Environmental Protection Agency (US EPA) and Department of Water Resources (DWR). The year-to-date revenues were \$1.4 million, an increase of \$594 thousand from the prior year-to-date actual. Grant revenues increased due to the increases in grant-related expenses.

As of September 30, 2025, the operating expenses were \$1.1 million, an increase of \$355 thousand compared to prior year-to-date actual. The increase was primarily due to an increase in the EPA grant project expenses.

Budget & Forecast Updates

FY 2025-26 total operating revenues appear to be lagging due to the timing of BayREN Energy and SFEP grant revenues, as well as the ABAG OPEB Trust drawdown. Conversely, membership dues, interest income, and other operating revenues are ahead of schedule.

FY 2025-26 total operating expenditures were projected to remain within budget. However, additional budget amendments are scheduled for the Committee's November approval to reconcile prior-year federal and state grants, address departmental realignments, and incorporate additional pass-through funding. These adjustments include increased professional services related to ABAG condominium interests, an additional \$9 million in CPUC pass-through funding for BayREN Energy, and reductions in BATA funding for the Pacific Flyway project under SFEP.

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Recommended Action:

The ABAG Finance Committee is requested to accept the staff report and recommend ABAG Executive Board approval of the Fiscal Year 2025-26 Association of Bay Area Governments Statement of Revenues and Expenses for the period ended September 30, 2025 (Unaudited).

Attachments:

- A. ABAG Statement of Revenues and Expenses for the Period Ended September 30, 2025 (Unaudited).

Reviewed:



Andrew Fremier

ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG) STATEMENT OF REVENUE AND EXPENSE FISCAL YEAR 2026 SEPTEMBER 2025 YTD						
ABAG ADMINISTRATION	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Membership Dues	3,233,918	3,139,730	94,188	3%	3,233,918	100%
Interest Revenue & Other Revenue	20,471	11,433	9,038	79%	576,500	4%
TOTAL REVENUES	3,254,389	3,151,163	103,226	3%	3,810,418	85%
EXPENSES						
Pension & OPEB	555,505	533,667	21,838	4%	2,832,519	20%
Beale Assessments	104,953	-	104,953	0%	205,365	51%
Other Operating Costs	70,640	104,486	(33,846)	-32%	1,018,938	7%
TOTAL EXPENSES	731,098	638,153	92,945	15%	4,056,822	18%
OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS	2,523,291	2,513,010	10,281	0%	(246,404)	-1024%
TRANSFERS						
Transfers In						
Transfer to Finance Authority for Nonprofit Corporations (FAN)	-	-	-	0%	160,000	0%
Transfers Out						
Transfer to MTC & BARC	(11,371)	(22,669)	11,298	-50%	(204,726)	6%
TOTAL TRANSFERS	(11,371)	(22,669)	11,298	-50%	(44,726)	25%
OPERATING SURPLUS/(DEFICIT)	2,511,920	2,490,341	21,578	1%	(291,130)	-863%

BAYREN ENERGY	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Grants	10,496,542	4,299,487	6,197,055	144%	78,829,010	13%
Other operating revenue	289,891	253,583	36,308	14%	280,000	104%
TOTAL REVENUES	10,786,433	4,553,070	6,233,363	137%	79,109,010	14%
EXPENSES						
Consultant & Passthrough	2,891,043	2,592,609	298,434	12%	36,734,492	8%
Incentives	6,917,245	1,309,268	5,607,977	428%	38,938,169	18%
Staff Costs	386,484	383,053	3,431	1%	2,017,748	19%
MTC Overhead	292,298	-	292,298	0%	1,076,670	27%
Other Operating Costs	9,473	16,166	(6,693)	-41%	341,931	3%
TOTAL EXPENSES	10,496,543	4,301,096	6,195,447	144%	79,109,010	13%
OPERATING SURPLUS/(DEFICIT)	289,890	251,974	37,916	15%	0	0%

SF ESTUARY PARTNERSHIP (SFEP)	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
Grants	1,130,595	818,518	312,077	38%	39,978,584	3%
Conference Program Revenue	291,566	10,112	281,454	2783%	450,000	65%
Transfers In	-	-	-	0%	2,358,799	0%
TOTAL REVENUES	1,422,161	828,630	593,531	72%	42,787,383	3%
EXPENSES						
Consultant & Passthrough	342,077	223,289	118,788	53%	38,627,752	1%
Staff Costs	515,411	558,385	(42,974)	-8%	2,897,483	18%
MTC Overhead	274,777	-	274,777	0%	763,742	36%
Other Operating Costs	11,572	7,145	4,427	62%	398,406	3%
TOTAL EXPENSES	1,143,837	788,819	355,018	45%	42,787,383	3%
OPERATING SURPLUS/(DEFICIT)	278,324	39,811	238,513	599%	-	0%

ALL PROGRAMS SUMMARY	CURRENT ACTUAL	PRIOR YEAR ACTUAL	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	ANNUAL % OF BUDGET
REVENUES						
ABAG Administration	3,254,389	3,151,163	103,226	3%	3,810,418	85%
BayREN Energy	10,786,433	4,553,070	6,233,363	137%	79,109,010	14%
SFEP	1,422,161	828,630	593,531	72%	42,787,383	3%
TOTAL REVENUES	15,462,983	8,532,863	6,930,120	81%	125,706,811	12%
EXPENSES						
ABAG Administration	731,098	638,153	92,945	15%	4,056,822	18%
BayREN Energy	10,496,543	4,301,096	6,195,447	144%	79,109,010	13%
SFEP	1,143,837	788,819	355,018	45%	42,787,383	3%
TOTAL EXPENSES	12,371,478	5,728,068	6,643,410	116%	125,953,215	10%
OPERATING SURPLUS/(DEFICIT) BEFORE TRANSFERS	3,091,505	2,804,795	286,710	10%	(246,404)	-1255%
TRANSFERS						
ABAG Administration	(11,371)	(22,669)	11,298	-50%	(44,726)	25%
TOTAL TRANSFERS	(11,371)	(22,669)	11,298	-50%	(44,726)	25%
OPERATING SURPLUS/(DEFICIT)	3,080,134	2,782,126	298,008	11%	(291,130)	-1058%