



Arroyo Verdugo Communities Joint Powers Authority

DATE: June 1, 2023
TO: Governing Board
FROM: Alex Hernandez, Treasurer
SUBJECT: Annual Budget FY2023-2024

RECOMMENDATION:

Approve the attached Annual Budget for FY 2023-24, effective July 1, 2023.

BACKGROUND:

The Arroyo Verdugo Communities Joint Powers Authority (AVCJPA) has a policy of assigning dues which assess each agency a total of 50% of the weighted share (weighted by the average of population, assessed valuation, and land area) plus 50% of an equal share. The proposed budget reflects the 2022 Department of Finance population estimates, along with the 2022 Assessed Valuations. The 2023-24 budget, presented for the Governing Board's consideration, also reflects figures for each AVCJPA agency based on that formula.

The proposed FY 2023-24 operating budget has expenses totaling \$81,406. Expenditures of \$48,805 include the staff time to be incurred by the City of Pasadena as it administers the AVCJPA (portion of costs for salaries, benefits, etc for Executive Director, Board Clerk, and Treasurer), as well as expenses for insurance, bank fees, auditor services, and website management. The Proposed Budget reflects six regular meetings per year and no charges for meals or mileage. Consultant services are also budgeted at \$18,500 if needed to assist the JPA with submission of Measure M projects to Metro for approval. The consultant cost is fully reimbursable from Metro Measure M Planning (.05%) funds.

Revenues from member dues will total \$62,906, which is a \$90 increase from FY23, and reimbursement from Metro for consultant services are estimated at \$18,500 for total revenues of \$81,406. Following Governing Board approval of the budget, all AVCJPA member agencies will be invoiced after July 1, 2023.

At this time, staff recommends adopting a balanced budget. Future consideration may be given to increasing reserves for the JPA which are estimated to be \$23,500 to end FY23.

FISCAL IMPACT:

The FY2023-24 budget will allow the JPA to assess and collect member dues to fund all needed operations.

Attachment:
FY2023-2024 Budget

**ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY (AVCJPA)
FY 2023-24 DRAFT BUDGET**

REVENUES

BUDGET ITEM	AMOUNT	DESCRIPTION
Member Dues - Operations	\$62,906.00	Dues charged to Member Agencies for expenditures that are not otherwise reimbursed and which are divided per Board Policy
Revenues from Measure M Planning Funds for Measure M Project Consultant	\$18,500.00	Reimbursement through Funding Agreement with Metro
TOTAL REVENUES	\$81,406.00	

EXPENDITURES

BUDGET ITEM	COST	DESCRIPTION
Expenditures from Dues:		
Reimbursement to City of Pasadena for staff services	\$ 48,805.00	Executive Director, Board Clerk, Treasurer (2.5% increase from FY23)
Bank Fees	\$ 500.00	Monthly checking fee and bank service fees
Lease Agreement	\$ 1.00	Lease Agreement with City of Pasadena for use of property
Insurance	\$ 8,000.00	General Liability Insurance; Public Official Insurance; Treasurer Surety Bond
Professional Support Services	\$ 5,600.00	Annual Auditor (\$4,000); meeting technology (\$600), and website management (\$1,000)
Subtotal Operating Costs Charged to Dues:	\$ 62,906.00	Includes expenditures reimbursed only from dues
Expenditures from Special Funds:		
Measure M Project Consultant	\$ 18,500.00	Cost estimate based on balance of existing agreement with Metro for project planning services
Subtotal Operating Costs from Special Funds:	\$ 18,500.00	Expenditure to be reimbursed by Measure M Revenue
FY 2023-24 TOTAL EXPENDITURES:	\$ 81,406.00	

UNDESIGNATED RESERVES est.	\$ 23,500.00
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ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY (AVCJPA) FY 2023-24 ALLOCATION BY AGENCY

WEIGHTED SHARE (1/2 BUDGET)

CITY	POPULATION (DEPARTMENT OF FINANCE POPULATION ESTIMATES FOR 2022)		2022 ASSESSED VALUE (LA County Assessor in billions)		LAND AREA		WEIGHTED FACTOR (average % of population, assessed value & land)	Total Weighted Share Cost per City
Burbank	105,451	20.94%	\$29.07	23.40%	17,380	20.11%	21.48%	\$13,514.88
Glendale	193,116	38.35%	\$38.59	31.07%	30,453	35.23%	34.88%	\$21,943.93
La Cañada Flintridge	20,081	3.99%	\$9.74	7.84%	8,645	10.00%	7.28%	\$4,577.64
Pasadena	138,310	27.47%	\$38.05	30.63%	23,130	26.76%	28.29%	\$17,794.04
South Pasadena	26,580	5.28%	\$6.05	4.87%	3,405	3.94%	4.70%	\$2,954.20
County of Los Angeles 5th District (La Crescenta-Montrose)	19,997	3.97%	\$2.71	2.18%	3,426	3.96%	3.37%	\$2,121.32
Totals:	503,535	100%	\$ 124.21	100%	86,439	100%	100%	\$62,906.00

*Assessed valuation for La Crescenta/Montrose is at the 2015 level \$2.54 (annual estimates are not available) with percentage increase of 6.9% applied for 2022 unincorporated LA County valuation increase.

	Burbank	Glendale	La Cañada Flintridge	Pasadena	South Pasadena	Co. of L.A. 5th Dist. (La Crescenta- Montrose)	TOTAL
FY 2023-24 PROPOSED TOTAL ANNUAL COST BY AGENCY:							
Weighted Share	\$13,514.88	\$21,943.93	\$4,577.64	\$17,794.04	\$2,954.20	\$2,121.32	\$62,906.00
(A) One-Half Weighted Share:	\$6,757.44	\$10,971.96	\$2,288.82	\$8,897.02	\$1,477.10	\$1,060.66	\$31,453.00
Equal Share (\$62,906 / 6)	\$10,484.33	\$10,484.33	\$10,484.33	\$10,484.33	\$10,484.33	\$10,484.33	\$62,906.00
(B) One-Half Equal Share:	\$5,242.17	\$5,242.17	\$5,242.17	\$5,242.17	\$5,242.17	\$5,242.17	\$31,453.00
Sum of A (weighted share) and B (equal share) =	\$11,999.60	\$16,214.13	\$7,530.98	\$14,139.19	\$6,719.27	\$6,302.82	\$62,906.00
TOTAL PROPOSED DUES BY AGENCY (ROUNDED):	\$ 12,000	\$ 16,214	\$ 7,531	\$ 14,139	\$ 6,719	\$ 6,303	\$ 62,906

FY23 Dues amount for reference \$ 11,835 \$ 16,318 \$ 7,511 \$ 14,203 \$ 6,668 \$ 6,281 \$ 62,816