Arroyo Verdugo Communities Joint Powers Authority

DATE: June 25, 2025

TO: Governing Board

FROM: Alex Hernandez, Treasurer

SUBJECT: Annual Budget FY 2026

RECOMMENDATION:
Approve the attached Annual Budget for FY 2026, effective July 1, 2025.

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 January 2025 Department of Finance population estimates, along with the 2024 Assessed Valuations. The FY 2026 budget, presented for the Governing Board's consideration, also reflects dues for each AVCJPA agency based on that formula with dues decreasing next fiscal year.

The proposed FY 2026 operating budget has expenses totaling $73,174. Expenditures of $42,423 include the staff time to be incurred by the City of Pasadena as it administers the AVCJPA (portion of salaries 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. Consultant services are also budgeted at $15,000 to assist as needed the AVCJPA with submission of Measure M projects to Metro for approval or revisions. The consultant cost is fully reimbursable from Metro Measure M Planning (.05%) funds.

Revenues from member dues will total $58,174, which is a $2,557 decrease from FY2025, and reimbursement from Metro for consultant services are estimated at $15,000 for total revenues of $73,174. Following Governing Board approval of the budget, all AVCJPA member agencies will be invoiced after July 1, 2025.

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 $26,000 to end FY25.

FISCAL IMPACT:
The FY2026 budget will allow the JPA to assess and collect member dues to fund all needed operations.

Attachment:
FY 2026 Budget

ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY (AVCJPA)
FY 2026 PROPOSED BUDGET

REVENUES

BUDGET ITEM	FY24 Budget	FY25 Budget	FY26 Proposed Budget	DESCRIPTION
Member Dues - Operations	$62,906.00	$60,731.00	$ 58,174.00	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	$15,000.00	$ 15,000.00	Reimbursement through Funding Agreement with Metro
TOTAL REVENUES	**$81,406.00**	**$75,731.00**	**$ 73,174.00**	

EXPENDITURES

BUDGET ITEM	FY24 Budget	FY25 Budget	FY26 Proposed Budget	DESCRIPTION
Expenditures from Dues:				
Reimbursement to City of Pasadena for staff services	$ 47,805.00	$ 44,980.00	$ 42,423.00	Executive Director, Board Clerk, Treasurer (6% of salaries)
Travel, Training, and Conferences	$ 1,000.00	$ 1,000.00	$ 1,000.00	As needed expenses for travel, meals, mileage related to conferences, seminars, etc.
Bank Fees	$ 500.00	$ 250.00	$ 250.00	Monthly checking fee and bank service fees
Lease Agreement	$ 1.00	$ 1.00	$ 1.00	Lease Agreement with City of Pasadena for use of property
Insurance	$ 8,000.00	$ 8,500.00	$ 8,500.00	General Liability Insurance; Public Official Insurance; Treasurer Surety Bond
Professional Support Services	$ 5,600.00	$ 6,000.00	$ 6,000.00	Annual Auditor ($4,000); website management ($1,000); and meeting technology ($1,000)
Subtotal Operating Costs Charged to Dues:	**$ 62,906.00**	**$ 60,731.00**	**$ 58,174.00**	Includes expenditures reimbursed only from dues
Expenditures from Special Funds:				
Measure M Project Consultant	$ 18,500.00	$ 15,000.00	$ 15,000.00	Cost estimate of as-needed consultant services
TOTAL EXPENDITURES:	**$ 74,535.03**	**$ 79,231.00**	**$ 73,174.00**	

UNDESIGNATED RESERVES estimate	**$ 23,901.00**	**$ 25,000.00**	**$ 26,000.00**

ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY (AVCJPA) FY 2026 ALLOCATION BY AGENCY

WEIGHTED SHARE (1/2 BUDGET)

CITY	POPULATION (DEPARTMENT OF FINANCE POPULATION ESTIMATES FOR JAN 2025)		2024 ASSESSED VALUE (LA County Assessor in billions)		LAND AREA		WEIGHTED FACTOR (average % of population, assessed value & land	Total Weighted Share Cost per City
Burbank	106,146	21.00%	$33.38	24.31%	17.380	20.11%	21.81%	$12,685.33
Glendale	192,212	38.03%	$42.12	30.67%	30.453	35.23%	34.65%	$20,154.52
La Cañada Flintridge	20,160	3.99%	$10.77	7.84%	8.645	10.00%	7.28%	$4,233.76
Pasadena	140,631	27.83%	$41.39	30.14%	23.130	26.76%	28.24%	$16,429.52
South Pasadena	26,287	5.20%	$6.81	4.96%	3.405	3.94%	4.70%	$2,734.12
County of Los Angeles 5th District (La Crescenta-Montrose)	19,957	3.95%	$2.85	2.08%	3.426	3.96%	3.33%	$1,936.76
Totals:	505,393	100%	$ 137.32	100%	86.439	100%	100%	$58,174.00

FY 2024-25 PROPOSED TOTAL ANNUAL COST BY AGENCY:	Burbank	Glendale	La Cañada Flintridge	Pasadena	South Pasadena	Co. of L.A. 5th Dist. (La Crescenta-Montrose)	TOTAL
Weighted Share	$12,685.33	$20,154.52	$4,233.76	$16,429.52	$2,734.12	$1,936.76	$58,174.00
(A) One-Half Weighted Share:	**$6,342.66**	**$10,077.26**	**$2,116.88**	**$8,214.76**	**$1,367.06**	**$968.38**	$29,087.00
Equal Share ($58,174 / 6)	$9,695.67	$9,695.67	$9,695.67	$9,695.67	$9,695.67	$9,695.67	$58,174.00
(B) One-Half Equal Share:	**$4,847.83**	**$4,847.83**	**$4,847.83**	**$4,847.83**	**$4,847.83**	**$4,847.83**	$29,087.00
Sum of A (weighted share) and B (equal share) =	**$11,190.50**	**$14,925.09**	**$6,964.71**	**$13,062.59**	**$6,214.89**	**$5,816.21**	**$58,174.00**
TOTAL PROPOSED DUES BY AGENCY (ROUNDED):	**$ 11,190**	**$ 14,925**	**$ 6,965**	**$ 13,063**	**$ 6,215**	**$ 5,816**	**$ 58,174**
FY25 Dues amount for reference	$ 11,676	$ 15,586	$ 7,270	$ 13,635	$ 6,480	$ 6,083	$ 60,730