



S A C O G

Item #09-5-7  
Action

## Government Relations & Public Affairs Committee

April 30, 2009

### Final Budgets for Non-OWP Cost Centers for Fiscal Year 2009–10

**Issue:** To review the budgets for the Board of Director and Advocacy, Service to Other Agencies, Equipment and Furniture, and Indirect Costs and recommend the Board approve.

**Recommendation:** That the Government Relations & Public Affairs Committee review the budgets for the cost centers not included in the Overall Work Program and recommend the Board adopt.

**Discussion:** In addition to the Overall Work Program budget, there are a number of other budgets that need to be approved by the Board. These include the Board and Advocacy, the Service to Other Agencies, Equipment and Furniture, and Indirect Cost budgets. Only the Indirect Cost budget has an impact on the OWP; the others are stand alone cost centers.

The Summary of Revenues and Expenditures summarizes all the revenues and expenditures for the entire SACOG budget, including the OWP and these non-OWP cost centers. The budget is carefully balanced due to direction from the Board and hard work of the SACOG staff. The second page details all of the revenue and its sources.

Staff took a draft of the Board and Advocacy budget to the April Strategic Planning Committee. Based on a request from the City of Roseville for a 20% reduction to their member dues for next fiscal year, and, based on the Strategic Planning Committee discussion at their March meeting, staff proposed reducing all the member dues by 20% and using a portion of the reserve for Board and Advocacy, \$71,067, to make up the shortfall. The committee favorably received this suggestion and asked staff to forward it to the full Board. Since that meeting, staff has acted on the recommendation of the committee to request of The Ferguson Group (Mike Miller) and Molodanof Government Relations (Jack Molodanof) that they consider reducing their fee for the upcoming year. Both firms have agreed to a 10% reduction in their fees effective June 1, 2009 through December 31, 2010. The savings in fiscal year 2009–10 are a total of \$19,312, which is reflected in the attached budget. As a result of this savings, the amount needed to draw from the Board and Advocacy reserve is only \$51,755. As other savings are achieved in this cost center, any remaining balance will be deposited into the reserve.

The Service to Other Agencies budget is the cost recovery from Capitol Valley SAFE and Glenn County SAFE for the SACOG staff services and other costs paid by SACOG on behalf of the SAFE programs. The Indirect Cost budget is for those costs not directly chargeable to a project, i.e. building rent, legal services, utilities, postage, certain subscriptions, office supplies, audit services, etc. Included this year, unlike past years, is the annual required contribution (ARC) for the post-retirement benefits. This is in part because of the implementation of GASB 45, and partly because our agreement with the CalPERS California Employers' Retiree Benefit Trust, require that annual contributions be made. For fiscal year 2009–10 that contribution is \$390,706.

Approved by:

Mike McKeever  
Executive Director

MM:KW:pm

Attachment

Key Staff: Karen Wilcox, Director of Finance, (916) 340-6210

## Sacramento Area Council of Governments FY 2009-10 Indirect Costs

<b>Indirect Services and Support</b>	<b>FY 09-10</b>
<b>Total Indirect Expenses</b>	<b>3,431,079</b>
<b>Carry-Forward (+ or -) from FY 07-08</b>	<b>344,986</b>
<b>ADJUSTED INDIRECT TOTAL</b>	<b>\$ 3,776,065</b>
<b>Total Direct Salary and Benefit</b>	<b>\$ 5,002,707</b>

**PROPOSED INDIRECT RATE - FY 2009-10** **75.48%**

---

### Indirect Detail for FY 2009-10

---

<b>EXPENDITURES</b>	<b>AMOUNT</b>
Meetings / Training	\$ 15,000
Printing	13,500
Consultant	100,000
Mileage	12,000
Legal Services	320,000
Other Expenses	4,500
Books & Periodicals	4,500
Office Supplies	45,000
Postage	18,000
Telephone	35,000
Office Equipment Maintenance	15,000
Memberships	25,000
Depreciation	90,000
Insurance	71,000
Building Rent - Meridian Plaza	700,000
SACOG Vehicle Parking	8,100
Office Equipment < \$1,000	15,000
Accounting Processing Costs	8,000
Career Development Program	75,000
Computer Software Maint/Licences	50,000
Temporary Services	500
OPEB ARC	390,706
Indirect Staffing (salaries/benefits)	1,415,273
<b>TOTAL FOR FY 2009-10</b>	<b>\$ 3,431,079</b>