

REPORT

DATE: November 21, 2019

TO: Executive Committee
Governing Board

FROM: Marisa Creter, Executive Director

RE: **4TH QUARTER FINANCIAL REPORT / TREASURER'S REPORT**

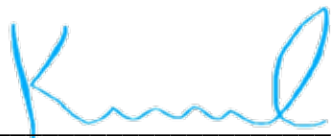
RECOMMENDED ACTION

Receive and file.

BACKGROUND

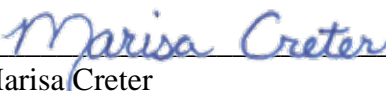
Staff is recommending to receive and file the Treasurer's report. The full 4th Quarter Financial Reports for the SGVCOG and the ACE Project are included as attachments to the Treasurer's report. The Treasurer's report was prepared by the SGVCOG's Treasurer, CliftonLarsonAllen LLP. Renee Graves from CliftonLarsonAllen presented this report to the Executive Committee on November 4.

Prepared by: _____



Katie Ward
Senior Management Analyst

Approved by: _____



Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – 4th Quarter Treasurer's Report

Attachment A

**San Gabriel Valley Council
of Governments
and
Alameda Corridor – East
Construction Authority**

Quarterly Report Ended June 30, 2019

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I. Executive Summary

Background and Objective

CliftonLarsonAllen LLP (CLA) was retained by the San Gabriel Valley Council of Governments (SGVCOG) to perform consulting services related to the San Gabriel Valley Council of Governments (COG) and the Alameda Corridor-East Construction Authority (ACE). The objective is for CLA to read and assess SGVCOG's quarterly reports, perform selective ratio analysis, and report to the Board accordingly. Throughout the consulting engagement, CLA maintained contact with SGVCOG's Executive Director, Marisa Creter and ACE's Director of Finance, Maritza Ramos.

Professional Standards

CLA performed this engagement in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Consulting Services. In consulting engagements, the nature and scope of work is determined solely by the agreement between the practitioner (CLA) and the client. The analysis and report does not constitute an audit, compilation, review, agreed-upon procedures or examination in accordance with Standards of the AICPA, the objective of which would be the expression of an opinion on any specified elements, accounts, or items. Accordingly, CLA does not express any such assurance.

Scope of Engagement

General

CLA reviewed the bank reconciliations, trial balance, and quarterly reports regarding financial position for the quarter ended June 30, 2019. CLA created or obtained various electronic files in order to prepare this report to the Executive Committee; the electronic files are available upon request.

Dollar values included in this report have been rounded; therefore the numbers included here may differ slightly when comparing the values included in this report to the underlying detail.

Results of Procedures Performed

This section summarizes our findings from the analyses and procedures performed. The applicable sections of the report include a more detailed discussion of each area, specific observations, and recommendations, if applicable.

Review of ACE Investments and Cash Balances

CLA was provided with a Fixed Income Investments Portfolio Summary report dated June 30, 2019. The report included the current book value and market values for ACE's: Government Securities, Certificates of Deposit, Corporate Bonds, Government Mortgages, Municipals, and Cash and Cash Equivalents. The portfolio's total market value of \$26,817,293 per ACE's Fixed Income Investments Portfolio report was verified against the Citizens Trust investment statement for the period ending June 30, 2019. The book value and market value of the Local Agency Investment Fund (LAIF) was substantiated through review of the LAIF balance confirmation as of June 2019. The amounts reported as current book value and market value on the June 30, 2019 Fixed Income Investments Portfolio report were reconciled.

ACE's bank account reconciliations and coordinating bank statements were reviewed and corroborated with the trial balance for the quarter ended June 30, 2019.

Review of ACE 4th Quarter 2019 Reports

Expenditures vs. Reimbursements (Exhibit V): Approximately 96% of ACE's Income-to-Date (ITD) Expenditures have been reimbursed, a decrease of 3% from the 99% reimbursement rate at the prior quarter ended March 31, 2019.

The remaining receivables total \$49,051,439 of which \$13,277,469 or 27%, was to be billed after the June 30 balance sheet date. Ratio analysis showed expenditures and reimbursements to be consistent with the prior quarter ended March 2019. Cash decreased by 38.1%. The decrease can be largely attributed to the increase in the amount of receivables from the prior quarter.

The decrease in other receivables, surplus property and deferred costs is due to the disposal of Fairway Surplus Property of \$16.2m. Cash received of \$15,421,861 for the sale is recorded as deferred revenue – unearned. No loss was recorded as a result of this transaction.

Treasury/Banking Investments (Exhibit VII): Report amounts were agreed to the trial balance. Below is a summary of changes from current year Q3 to Q4.

		<u>Q4</u> 6.30.2019	<u>Q3</u> 3.31.2019	% Increase/ (Decrease)
Cash		\$20,017,881	\$32,353,214	-38.1%
Investments		\$28,563,460	\$28,452,200	0.4%
Receivables		\$49,051,439	\$17,271,496	184.0%
Other Receivables, Surplus Property and Deferred Costs		\$16,574,658	\$29,270,140	-43.4%
Liabilities		\$100,835,722	\$93,932,841	7.3%
Fund Balance before PERS Liability		\$13,371,716	\$13,414,209	-0.3%

Review of COG Cash Balances, including LAIF

CLA was provided a Comparative Summary Balance Sheet for Q4 and Q3. Cash balances and Local Agency Investment Fund (LAIF) were verified with the Citizens Business Bank account statements for the period ended June 30, 2019 and the LAIF statement as of June 2019. Overall, COG's cash and cash equivalents increased 14% since prior quarter from \$1,287,443 at the end of Q3 to \$1,471,828 for the period ended June 30, 2019.

		<u>Q4</u> 6.30.2019	<u>Q3</u> 3.31.2019	% Increase/ (Decrease)
Cash		\$1,471,828	\$1,287,443	14.3%
Receivables		\$1,536,965	\$505,842	203.8%
Prepays and Deferrals		\$160,774	\$204,089	-21.2%
Liabilities		\$1,948,440	\$934,507	108.5%
Net Position, End of Period		\$1,221,127	\$1,062,867	14.9%

COG's bank account reconciliations and coordinating bank statements were reviewed and corroborated with the trial balance for the quarter ended June 30, 2019.

Review of COG 4th Quarter 2019 Reports

All balances on the Comparative Summary Balance Sheet as of June 30, 2019 were verified against the period trial balance as of June 30, 2019. The Grants Receivable Aging Detail report as of June 2019 was also verified to the trial balance.

Conclusion

As discussed herein, no instances that would cause concern that the quarterly reports prepared by ACE and COG are inaccurate or inadequate to meet the governance needs of

the Executive Committee and the Board of Directors were noted, specifically related to the sections of the Joint Powers Agreement effective March 12, 2007 included herein.

- Section 4. Purpose and Powers of the Council. The Council shall have, and may exercise the powers to:
 - Subsection b(4) utilize member resources or presently existing single purpose public and public/private groups to carry out its programs and projects;
 - Subsection b(8) serve as a mechanism for obtaining state, federal and regional grants to assist in financing the expenditures of the Council;
 - Subsection b(9) make and enter into contracts, including contracts for the services of engineers, consultants, planners, attorneys and single purpose public/private groups;
 - Subsection b(11) apply for, receive and administer a grant or grants under any federal, state, or regional programs;
 - Subsection b(12) receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;
- Section 6. Use of Public Funds and Property. The Council shall be empowered to utilize for its purposes, public and/or private funds, property and other resources received from the Members and/or from other sources.
- Section 17. Control and Investment of Council Funds. The Governing Board shall adopt a policy for the control and investment of its funds and shall require strict compliance with such policy. The policy shall comply, in all respects, with all provisions of applicable law.



Renee S. Graves, CPA, CGFM
Principal
CliftonLarsonAllen LLP

II. Background and Scope of Engagement

A. Engagement Background and Objectives

CliftonLarsonAllen LLP (CLA), was retained by the San Gabriel Valley Council of Governments. Throughout the engagement, CLA maintained regular contact with the Executive Director, Marisa Creter, and ACE's Director of Finance, Maritza Ramos.

B. Professional Standards

CLA performed this engagement in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Consulting Services. In consulting engagements, the nature and scope of work is determined solely by the agreement between the practitioner (CLA) and the client. The analysis and report does not constitute an audit, compilation, review, agreed-upon procedures or examination in accordance with Standards of the AICPA, the objective of which would be the expression of an opinion on any specified elements, accounts, or items. Accordingly, CLA does not express any assurance.

C. Scope of Engagement

Attachment A to our agreement includes possible consulting procedures to be performed on a monthly basis. Correspondence between Renee Graves of CLA and SGVCOG's Executive Director, Marisa Creter, and ACE's Director of Finance, Maritza Ramos, occurred to clarify the scope of the engagement for the quarter ending June 30, 2019. The following areas were agreed to regarding 4th Quarter 2019 Reports prepared as of June 30, 2019.

ACE

1. Investments and Cash Balances
2. Review the 4th Quarter 2019 Report as of June 30, 2019
2. Information reported in the Quarterly Report reconciles to the general ledger

COG

1. Cash Balances, including LAIF
2. Review the 4th Quarter 2019 Report as of June 30, 2019
3. Information reported in the Quarterly Report reconciles to the general ledger

D. General Disclosures

CLA created or obtained various electronic files in order to prepare this report to the Executive Committee; the electronic files are available upon request.

Dollar values included in this report have been rounded; therefore the numbers included here may differ slightly when comparing the values included in this report to the underlying detail.

E. Background Information

San Gabriel Valley Council of Governments (COG)

The San Gabriel Valley Council of Governments (SGVCOG) is a joint powers authority made up of representatives from 31 cities, three Los Angeles County Supervisorial Districts, and the three Municipal Water Districts located in the San Gabriel Valley. The SGVCOG serves as a regional voice for its member agencies and works to improve the quality of life for the more than two million residents living in the San Gabriel Valley. The SGVCOG works on issues of importance to its member agencies, including transportation, housing, economic development, the environment, and water, and seeks to address these regionally.

The SGVCOG is the largest and most diverse sub-regional council of governments in Los Angeles County. It encompasses more than 374 square miles and has more than two million residents.

While each of the communities has a unique character and history, they have also many shared issues and have developed a unified voice to maximize resources, achieve sustainable solutions, and advocate for regional and member interests to improve the quality of life in the San Gabriel Valley.

Alameda Corridor-East Construction Authority (ACE)

The Alameda Corridor-East (ACE) Construction Authority is a single purpose construction authority established by the San Gabriel Valley Council of Governments in 1998 to implement a construction program intended to mitigate the adverse impacts at rail-roadway crossings in the San Gabriel Valley of increasing rail traffic along the nationally significant ACE Trade Corridor. Train counts through the Valley are projected to nearly double by the year 2035 as increasing numbers of freight trains carry freight to and from the nation's busiest container ports in the San Pedro Bay.

The ACE Project is a comprehensive program of constructing grade separations, where the road goes over or under the railroad, and safety and mobility upgrades at 53 crossings in the San Gabriel Valley. Construction has been completed on 8 rail-roadway grade separations. Eight grade separations are under construction with four grade separations and pedestrian crossing safety program at four crossings starting in two years. Jump Start safety improvements have been completed at 40 at-grade crossings.

F. Acronyms Used

ACE - Alameda Corridor-East Construction Authority
CM – Construction Management
COG – San Gabriel Valley Council of Governments
LAIF – Local Agency Investment Fund
MTA – Metropolitan Transit Authority
PERS – Public Employee’s Retirement System
ROW – Right of Way

III. Review of identified areas for ACE

A. Review of Investments and Cash Balances

The June 30, 2019 Fixed Income Investments Portfolio report was verified with the Citizens Trust statement for the period of June 1, 2019 through June 30, 2019 and the LAIF statements as of June 30, 2019. The amounts reported as the market value and the current book value on the June 30, 2019 Fixed Income Investments Portfolio report were reconciled. The allocation of investments within the pool by the type of investment is consistent with the current Investment Policy.

Due to the daily volatility of investments, the balance is reported on a cost basis during the fiscal year and adjusted to fair value during the year end closing process. The applicable balances for the fiscal year ending June 30, 2019 are:

- Trial balance amount of \$25,625,137 is offset by a “change in market value” account balance of \$1,289,421 for a balance of \$26,914,558.
- Book value and market value per Citizens Trust Investment Statement is \$26,914,558 and \$26,817,293, respectively.
- Exhibit VII Treasury/ Banking Investments Report amount of \$26,914,558.

B. Review of Information Provided by ACE

Exhibit V ACE Expenditures vs. Reimbursements and Exhibit VII Treasury/ Banking Investments reports as of June 30, 2019 were obtained and verified against the preliminary trial balance as of June 30, 2019.

Exhibit V ACE Expenditures vs. Reimbursements Report

Amounts shown under the reimbursement status for the categories of 1) *Current/ 30 days or less* of \$31.7m; 2) *Aged Receivable* of \$2.070m; 3) *To be billed* of \$13.277m; and 4) *MTA retention* of \$2.003m were verified against the accounts listed on the trial balance. The *Current/ 30 days or less* and *MTA retention* balances are each in a separate general ledger account. The *To be billed* amount is the aggregate balance of approximately 28 accounts for each individual project by various phases (CM, ROW, Design, Construction, Construction Management and Betterment). These amounts were verified with the accounts listed on the trial balance.

Exhibit VII Treasury/ Banking Investments Report

Each of the accounts listed on Exhibit VII were verified with the trial balance. Consistent with the previous quarterly report, Exhibit VII presents *other receivables, prepaids, surplus property and deferred costs* at the gross aggregate amount of \$16.57m from approximately 13 separate accounts, the most significant accounts being Surplus Property of \$11.1m. The applicable balances for the quarter ending June 30, 2019 are as shown herein.

Other receivables	\$ 892,521
Notes receivable	150,000
Unbilled receivables	1,979,852
Prepaid expenses	243,874
Intercompany receivable	1,314,339
Surplus property	11,092,243
Deferred costs - indirect	2,191,250
Unrealized change in investments	(1,289,421)
	<u>\$ 16,574,658</u>

The PERS unfunded termination liability of \$6.347m was obtained from the September 30, 2016 CalPERS Actuarial Valuation Report. This liability is not reflected on the trial balance, but is shown on Exhibit VII to reflect the payout that could occur should ACE cease to exist. The actuarially determined PERS net pension liability, including the related deferred outflows and deferred inflows would be reported on the June 30, 2019 audited financial statements in accordance with applicable GASB standards.

IV. Review of identified areas for COG

A. Review of Cash Balances, including LAIF

The June 30, 2019 Bank and LAIF balances reported on the Comparative Summary Balance Sheet were verified against each Citizens Business Bank statement and LAIF statement as of June 30, 2019.

B. Review of Fourth Quarter 2019 Reports

As of June 30, 2019, the Comparative Summary Balance Sheet report was verified to the trial balance. Individual balances on the trial balance were verified to reconciled bank statements and to the LAIF statement at June 30, 2019. All amounts reported were verified to the trial balance. The allocation of investments within the pool by the type of investment is consistent with the current Investment Policy.

Grants Receivable Aging Detail Report

The Grants Receivable Aging Detail report was reconciled to the trial balance. As of June 30, the receivable balance was \$1,342,618. As reported by ACE's Director of Finance, \$1,146,973 was collected subsequent to the June 30 quarter end. The most significant receivable is \$1,138,844 from CalTrans Bike Share for June 2019. Management believes that all amounts are reasonably expected to be collected. The aged receivable balance is as shown herein.

Aged 30 days	\$ 1,240,736	92.4%
Aged 31-60 days	37,471	2.8%
Aged 61-90 days	31,030	2.3%
Aged 91+ days	33,381	2.5%
	<u>\$ 1,342,618</u>	

The balance of the remaining receivables of \$195,645 as of the date of this report is a decrease compared to the amount of remaining receivables in the second quarter report of \$406,097.

CitiCard Credit Card Charges

The CitiCard Credit Card Charges report provides a breakdown of the types of purchases made by credit card. Purchases for the period of April 2019 to June 2019 totaled \$35,441. During the quarter, \$7,197 was expended on meetings and travel, an 18% decrease from last year's Q4 meetings and travel spending of \$6,119.

Quarterly purchases by credit card compared to the prior year quarter and a breakdown of fiscal year cumulative credit card purchases through June 30, 2019 is shown herein.

	Q4	Q4	%
	06.30.2019	06.30.2018	Increase/ (Decrease)
Total Credit Card Expenditures - Current Quarter	\$35,441	\$20,468	73.2%

	YTD	YTD	%
	06.30.2019	06.30.2018	Increase/ (Decrease)
Total Credit Card Expenditures - Year-to-Date	\$73,747	\$62,890	17.3%

	<u>Q4</u>	<u>Q4</u>	<u>YTD</u>	<u>YTD</u>
	<u>06.30.2019</u>	<u>06.30.2018</u>	<u>06.30.2019</u>	<u>06.30.2018</u>
Administrative Fees	\$ -	\$ -	12	48
Energy Wise - Gas Co	146	650	936	1,531
Energy Wise - SCE	220	975	1,405	2,204
Equipment & Soft Acquisition	1,925	5,273	1,925	7,799
General Assembly Event	17,884	1,854	23,503	14,216
Homelessness Program - LAC	29	-	2,739	2,631
Maintenance & Operating Expenses	-	-	-	1,161
Meetings/Travel	6,241	5,031	16,421	14,048
Meetings/Travel - Board	956	1,088	4,289	4,568
Miscellaneous	161	-	161	-
Office Supplies	1,022	1,472	3,293	4,229
Open Streets - Event Day	-	2,320	-	2,320
Postage	65	110	327	132
Postage - Board	45	67	232	381
Prepaid expenses	2,893	167	6,312	1,506
Printing and Publications	19	-	19	-
Recruitment	33	-	1,983	175
Staff Training	-	-	1,732	-
Subscriptions	20	-	20	370
Utilities	854	806	3,599	3,477
Webpage/ Software Services	2,928	655	4,839	2,094
	<u>\$ 35,441</u>	<u>\$ 20,468</u>	<u>\$ 73,747</u>	<u>\$ 62,890</u>

Purchases by credit card are utilized for efficiencies in procurement of goods and services.

Budget to Actual Comparison Report

Budget v. Actual

Actual balances through June 30, 2019 were reconciled to the trial balance. In the fiscal year, COG had total year-to-date expenses totaling 132% of the 2019 fiscal budget, ending the fiscal year with \$262,698 net income. Member dues comprise approximately 94% of the operating revenue for FY 2019. As of June 30, Member Dues revenue was 27% of the 2019 total fiscal revenue.

A comparison of the quarterly budget, fiscal budget and percent of fiscal budget is presented herein.

	Q4 Actual 2018-2019	FY 2019 Revised Budget 2018-2019	Year-To-Date % of Budget 2018-19
Membership Dues	\$ 754,007	\$ 754,007	100%
Sponsorships	35,075	50,000	70%
Hero Program	5,059	6,000	84%
Interest	5,804	2,050	283%
Grants & Special Projects	<u>2,044,645</u>	<u>1,161,082</u>	<u>176%</u>
Total Revenue	<u><u>\$2,844,590</u></u>	<u><u>\$1,973,139</u></u>	<u><u>144%</u></u>
Personnel	\$ 381,661	\$ 382,858	100%
Board & Employee Expenses	22,309	60,000	37%
Professional Services	346,167	346,980	100%
Other Expenses	<u>173,478</u>	<u>248,927</u>	<u>70%</u>
Total Indirect Expenses	<u><u>\$ 923,615</u></u>	<u><u>\$ 1,038,765</u></u>	<u><u>89%</u></u>
Personnel	\$ 238,136	\$ 351,563	68%
Program Management	<u>1,420,141</u>	<u>561,071</u>	<u>253%</u>
Total Direct Expenses	<u><u>\$1,658,277</u></u>	<u><u>\$ 912,634</u></u>	<u><u>182%</u></u>
Total Expenditures	<u><u>2,581,892</u></u>	<u><u>1,951,399</u></u>	<u><u>132%</u></u>
Net Income (Loss)	<u><u>\$ 262,698</u></u>	<u><u>\$ 21,740</u></u>	<u><u>N/A</u></u>

V. List of Exhibits

ACE – Exhibit V – Expenditures vs. Reimbursements as of June 30, 2019

ACE – Exhibit VII – Treasury/ Banking Investments, Investments Portfolio and
Summary as of June 30, 2019

COG –2019 3rd Quarter Reports as of June 30, 2019 – Comparative
Summary Balance Sheet, Grants Receivable Aging Detail, CitiCard
Charges and Budget Report

Exhibit V

ACE Expenditures vs. Reimbursements

As of June 30 , 2019

		Reimbursement Status (\$ 000)					
Projects		ITD Expenditures	Received	Current / 30 Days or less	Aged Receivable	To Be Billed	MTA Retention
	At Grade Crossing	\$ 3,712	\$ 3,145	\$ 381	\$ -	\$ 177	\$ 9
	Durfee	37,001	29,580	5,661	-	1,426	334
	Fairway Drive	118,464	110,342	7,244	-	705	173
	Fairway-Lemon Betterment	21,888	19,000	-	-	2,888	-
	Fullerton	78,128	71,844	2,622	-	3,193	469
	Montebello	19,016	8,679	9,378	-	919	40
	Maple Ave.	579	553	5	-	17	3
	Montebello At Grade	192	151	34	-	7	0
	Nogales (LA)	119,644	115,624	-	2,070	1,490	460
	Puente Ave.	88,176	86,177	1,439	-	467	94
	SG Trench	292,933	287,829	4,037	-	1,021	46
	Temple	94,722	94,503	-	-	-	219
	Turnbull Cyn.	5,060	3,040	899	-	968	154
	Baldwin	70,365	70,363	-	-	-	2
	Brea Canyon	73,459	73,459	-	-	-	-
	Crossing Safety / IRRIS	34,343	34,343	-	-	-	-
	EE/Reservoir	78,960	78,960	-	-	-	-
	Hamilton	1,789	1,789	-	-	-	-
	Nogales (AH)	49,797	49,797	-	-	-	-
	Ramona	53,091	53,091	-	-	-	-
	Sunset	93,794	93,794	-	-	-	-
	Sub-total Projects	\$ 1,335,113	\$ 1,286,062	\$31,701	\$2,070	\$13,277	\$2,003
	Project Administration	20,457	20,043	323	-	91	-
	Total ACE	\$ 1,355,570	\$ 1,306,105	\$ 32,024	\$ 2,070	\$ 13,369	\$ 2,003
	Non-Grade Separation						
	Rio Hondo	232	-	-	-	-	-
		\$ 1,355,802	\$ 1,306,105	\$ 32,024	\$ 2,070	\$ 13,369	\$ 2,003

Exhibit VII

Treasury / Banking Investments

As of June 30, 2019

	06.30.2019	Change	03.31.2019
<u>Cash on hand</u>			
Operating Account	\$ (5,866,078)	\$ (8,432,083)	\$ 2,566,005
Money Market Account (2)	18,134,062	(3,910,900)	22,044,961
Money Market (UPRR Contributions)	7,749,897	7,649	7,742,248
Total cash on hand	20,017,881	(12,335,333)	32,353,214
<u>Investments</u>			
LAIF	1,648,902	10,279	1,638,623
CBT - Fixed Income at cost	26,914,558	100,981	26,813,577
Total investments	28,563,460	111,260	28,452,200
<u>Current - 30 days or less</u>	31,701,002	-	3,977,650
<u>Aged Receivable</u>	2,070,123	-	2,070,123
<u>To Be Billed</u>	13,277,469	3,675,693	9,601,776
<u>MTA Retention</u>	2,002,845	380,898	1,621,947
Total Exhibit V	49,051,439	4,056,591	17,271,496
Other receivables, unsold surplus properties, and deferred costs	16,574,659	(12,695,481)	29,270,140
Total Cash, Cash Equivalents & Receivables	114,207,439	(20,862,964)	107,347,050
<u>Liabilities</u>			
Payables & other Accruals	11,338,408	8,736,128	2,602,280
Unearned revenues	44,497,315 (a.)	(1,833,247)	46,330,562
MTA Working Capital Loan	45,000,000	-	45,000,000
Total liabilities	100,835,722	6,902,881	93,932,841
<u>Fund balance</u>			
Resources net of actual liabilities	13,371,716	(42,493)	13,414,209
Less estimated:			
CalPERS - Hypothetical termination liability	6,347,036 (b.)	-	6,347,036
Resources net of estimated liabilities	\$ 7,024,680 (c.)	\$ (42,493)	\$ 7,067,173

- a.) Represents surplus property appraised value, net proceeds from sale of ROW surplus properties, advanced UPRR funding, disallowed retention, and Betterment funds billed in advance to City of Industry for Fairway Drive and Fullerton projects.
- b.) Updated based on CalPERS's annual valuation report as of June 30, 2017.
- c.) Decrease represents increase in 06/30/2018 hypothetical termination liability and effect of prior year's deficiency of expenses over revenues

Exhibit VII

Treasury / Banking Investments

As of June 30, 2019

Deposit/ Investment Amount 06.30.19	% of Invest- ments	Bank Deposits	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer
		Ace deposits are held by Citizens Business Bank (CBB) under a deposit agreement in amounts not to exceed \$50 million. Under the agreement, CBB maintains collateral deposits of at least 110% of the value of all ACE deposits at Bank of New York Mellon in eligible securities. The CBB deposits accounts are:			
\$ (5,866,078)		Checking Account			
25,883,959		Money Market Accounts (3) *			
20,017,881		Total Deposits			
		Permitted Investments **			
13,246,614	46.38%	Government Securities (1.00 - 5.00 years)	5 years	50%	15%<=
7,495,669	26.24%	Corporate Bonds (0.83 - 4.99 years)	5 years	30%	10%<=
1,096,910	3.84%	Gov't Mortgages (4.13 - 4.80 years)	5 years	15%	None stated
347,455	1.22%	Municipals (1.94 - 4.27 years)	None stated	None stated	None stated
3,183,114	11.14%	CDs (2.95 - 5.00 years)	5 years	30%	10%<=
1,544,795	5.41%	Cash and Cash Equivalents	None stated	None stated	None stated
26,914,558	94.23%	Subtotal Investments - Book value *			
1,648,902	5.77%	State's Local Agency Investment Fund	None stated	None stated	None stated
28,563,460	100.00%	Total Investments			
\$ 48,581,341		Total			

* Note: Includes \$32,779,139 of available unearned revenues

** Complies with SGVCOG Investment Policy

Fixed Income Investments Portfolio

June 30, 2019

Cusip	Name	Coupon	Yield to Maturity	Purchase Date	Maturity Date	Current Price	Par Value	Market Value	Current Book Value
3136G4EV1	Fannie Mae	1.63	1.702	10/28/2016	10/28/2021	99.632	250,000	249,080	249,898
3136G3C78	Fannie Mae	1.55	1.643	7/28/2016	7/28/2021	99.553	200,000	199,106	200,000
880591EL2	Tenn Valley Authority DTD	3.88	3.100	9/19/2016	2/15/2021	103.174	500,000	515,870	525,109
46.38% Government Securities (1.00 - 5.00 years)							13,250,000	13,236,581	13,246,614
87164YML5	Synchrony Bank DTD	1.55	1.797	6/29/2016	6/29/2021	98.824	250,000	247,060	249,463
05580AFA7	BMW Bank North America	1.20	1.270	9/13/2016	8/26/2019	99.799	250,000	249,498	250,000
02006LM42	Ally Bank Medium	1.30	1.388	9/15/2016	9/16/2019	99.743	250,000	249,358	250,000
140420QF0	Capital One Bank USA	2.15	2.158	7/7/2015	10/16/2019	99.967	163,000	162,946	163,116
02587DWK0	American Expr Centurion	2.20	2.204	7/1/2015	11/29/2019	99.982	170,000	169,969	170,158
05580ACZ5	BMW Bk North. America DTD	2.20	2.183	10/8/2015	9/30/2020	100.082	250,000	250,205	249,950
140420F21	Capital One Bank	1.65	1.997	9/14/2016	9/14/2021	98.356	250,000	245,890	250,000
140420YS3	Capital One Bank Medium	1.60	1.790	5/4/2016	5/4/2021	99.095	250,000	247,738	250,238
949763AW6	Wells Fargo Bank	1.30	1.369	9/14/2016	9/16/2019	99.797	250,000	249,493	250,000
619165GX5	Morton Community Bank	1.60	1.763	12/16/2016	6/16/2020	99.450	200,000	198,900	200,000
14042RAR2	Capital One NA Medium	2.20	2.182	10/8/2015	10/7/2020	100.083	200,000	200,166	199,230
254672W20	Discover Bank DTD	1.85	1.977	12/14/2016	12/14/2020	99.514	200,000	199,028	200,000
9497485W3	Wells Fargo Bank CD	1.75	1.994	6/17/2016	6/17/2021	98.842	250,000	247,105	250,960
949763AZ9	Wells Fargo Bank	1.65	1.907	9/14/2016	9/14/2021	98.781	250,000	246,953	250,000
11.14% CDs (2.95 - 5.00 years)							3,183,000	3,164,307	3,183,114
69353REX2	PNC Bank NA Series	1.45	1.534	9/28/2018	7/29/2019	99.931	500,000	499,655	496,974
06406HCW7	Bank of NY Mellon Corp	2.30	2.297	9/18/2018	9/11/2019	100.003	500,000	500,015	499,163
713448BN7	PepsiCo Inc	4.50	4.229	1/29/2015	1/15/2020	101.203	100,000	101,203	102,552
94988J5L7	Wells Fargo Bank NA	2.40	2.376	9/28/2018	1/15/2020	100.030	250,000	250,075	248,529
291011BC7	Emerson Electric Co	4.25	2.951	9/28/2018	11/15/2020	102.667	280,000	287,468	284,445
911312AMB	United Parcel Service DTD	3.13	2.781	6/10/2016	1/15/2021	101.475	185,000	187,729	190,631
440452AE0	Hormel Foods Corp	4.13	3.387	1/31/2017	4/15/2021	102.869	500,000	514,345	517,216
14912L6U0	Caterpillar Financial Serv Corp	1.70	1.925	9/9/2016	8/9/2021	98.948	1,746,000	1,727,632	1,738,545
02665WBG5	American Honda Finance	1.70	1.943	9/15/2016	9/9/2021	98.851	1,400,000	1,383,914	1,392,034
06406RAA5	Bank of NY Mellon Corp	2.60	2.352	10/18/2017	2/7/2022	101.009	1,011,000	1,021,201	1,019,479
166764AT7	Chevron	2.41	2.181	7/26/2017	3/3/2022	101.004	370,000	373,715	372,490
244199BE4	Deere & Co	2.60	2.340	7/26/2017	6/8/2022	101.190	150,000	151,785	151,854
037833DC1	Apple Inc	2.10	2.033	9/25/2018	9/12/2022	100.253	500,000	501,265	481,756
26.24% Corporate Bonds (0.83 - 4.99 years)							7,492,000	7,500,001	7,495,669
31407RTU8	Fannie Mae Pool #838563	5.00	4.418	4/29/2016	10/1/2020	102.318	21,742	22,246	23,087
3137A6B27	Freddie Mac	4.33	3.776	9/7/2016	10/25/2020	102.113	155,324	158,605	171,584
3137A8PP7	Freddie Mac	4.19	3.563	9/7/2016	12/25/2020	102.465	321,608	329,535	355,226
3137ABFH9	Freddie Mac	3.99	3.390	9/7/2016	6/25/2021	102.631	496,000	509,049	547,013
3.84% Gov't Mortgages (4.13 - 4.80 years)							994,674	1,019,434	1,096,910
13066YTZ2	California State Dept of Water Resources PV	2.00	1.979	1/22/2018	5/1/2022	100.085	150,000	150,128	147,378
13063DFZ6	California State Dept of Water Resources PV	2.60	2.342	4/25/2018	4/1/2020	100.486	100,000	100,486	100,073
13063DGA0	California State Dept of Water Resources PV	2.80	2.248	4/25/2018	4/1/2021	101.561	100,000	101,561	100,003
1.22% Municipals (1.94 - 4.27 years)							350,000	352,175	347,455
31607A208	Fidelity Prime Mon Mar-Ins	1.00		10/7/2015		100.000	1,544,795	1,544,795	1,544,795
5.41% Cash and Cash Equivalents							1,544,795	1,544,795	1,544,795
TOTAL (Dollars)							\$ 26,814,469	\$ 26,817,293	\$ 26,914,558

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

Comparative Summary Balance Sheet

As of June 30, 2019

	06.30.2019	Change	03.31.19
CBB - Checking	\$ 1,121,348	\$ 182,875	\$ 938,473
CBB- 242-034-325 CD	55,673	14	55,659
CBB - 2766 Savings	1,591	1	1,590
CBB -242-034-953 CD	54,906	14	54,892
Petty Cash	400	-	400
LAIF	237,825	1,483	236,342
LAIF Maket Value	86	(0)	86
Cash and equivalents	<u>1,471,828</u>	<u>184,386</u>	<u>1,287,442</u>
Member Receivable	-	-	-
Grants/Contracts Receivable	1,342,618	936,520	406,098
Sponsorships Receivable	-	(1,125)	1,125
Rental Deposit Receivable	5,489	0	5,489
Unbilled Grant Receivable	96,240	61,066	35,174
Receivables - other	92,618	34,662	57,956
Receivables	<u>1,536,965</u>	<u>1,031,123</u>	<u>505,842</u>
Prepays and deferrals	160,775	(43,314)	204,089
Total assets	<u>3,169,567</u>	<u>1,172,194</u>	<u>1,997,373</u>
Accounts Payable	43,241	31,086	12,155
Citi Bank Card	5,088	642	4,446
Payroll Payable	12,607	12,226	381
Accrued Vacation	34,976	(1,560)	36,536
Unearned Revenues - Member Cities Dues	-	(206,984)	206,984
Accruals, deferrals and other payables	1,852,528	1,178,522	674,006
Total liabilities	<u>1,948,440</u>	<u>1,013,932</u>	<u>934,508</u>
Net Position, beginning of period **	958,429	(0)	958,429
Change in net position	262,698	158,260	104,438
Net Position, end of period	<u>\$ 1,221,127</u>	<u>\$ 158,261</u>	<u>\$ 1,062,867</u>

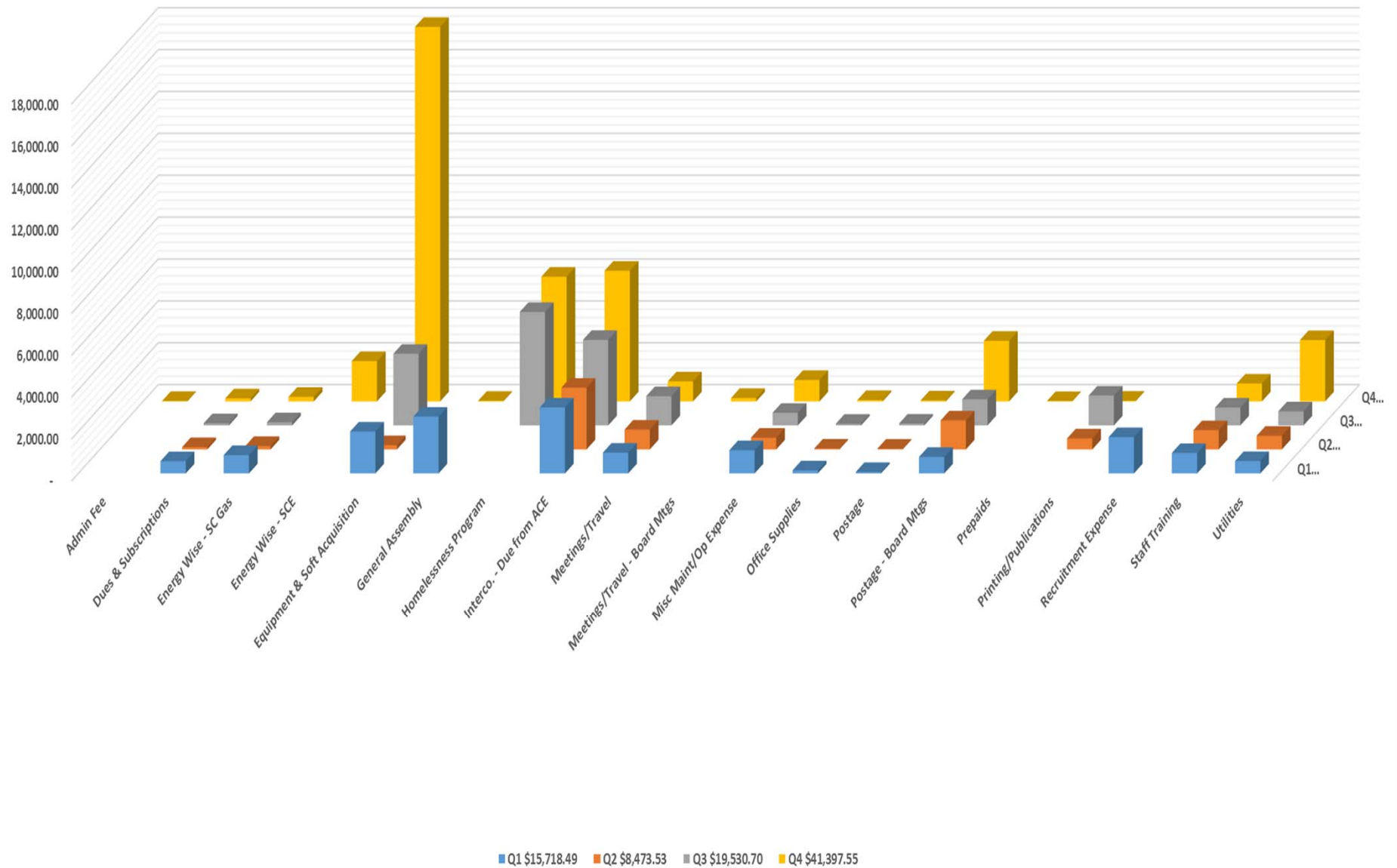
San Gabriel Valley Council of Governments

Grants Receivable Aging Summary

As of June 30, 2019

Month	SC Edison - Energy Wise	SC Gas - Energy Wise	SC Edison - EAP	SC Gas - EAP	MTA - Board Suppt	LA County - Homelessness Planing Grant	Caltrans - BikeShare	Various Cities - Service Delivery Cost Study	Totals	Notes
Jan-19	-	3,789	-	-	-	-	-		3,789	
Feb-19	-	2,823	4,922	3,292	-	-	-		11,037	
Mar-19	-	2,951	-	2,437	-	13,167	-	-	18,555	
Apr-19	8,599	5,721	2,122	1,421	-	13,167	-	-	31,030	
May-19	6,280	4,163	7,956	5,905	-	13,167		-	37,471	
Jun-19	5,230	5,562	5,811	4,067	8,129	13,167	1,138,844	59,925	1,240,736	
	\$ 20,109	\$ 25,009	\$ 20,812	\$ 17,123	\$ 8,129	\$ 52,667	\$ 1,138,844	\$ 59,925	\$ 1,342,618	

CITICARD CHARGES



SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS
Consolidated Budget to Actual
FY 2019 Second Quarter Report
As of June 30, 2019

		Jul 18 - Jun 19 Actual	FY 2019 Budget	% of Budget
1	General Operating Income			
2	Member Dues	\$ 754,007	\$ 754,007	100%
3	Sponsorships	35,075	50,000	70%
4	Hero Program	5,059	6,000	84%
5	Interest	5,803	2,050	283%
6	<i>Total General Operating Income</i>	\$ 799,945	\$ 812,057	99%
7				
8	Grants & Special Project Income			
9	Transportation Administration (Local)	97,549	96,611	101%
10	Homelessness (Local)	158,000	158,000	100%
11	Energy Efficiency (Local)	174,246	288,400	60%
12	Measure M Subregional Administration (Local)	31,185	32,000	97%
13	Transportation Implementation (Local) (Bike Share) **	1,265,015	10,000	12650%
14	Stormwater (Local)	224,150	483,071	46%
15	Miscellaneous (Local) *	94,500	93,000	102%
16	<i>Total Grants & Special Project Income</i>	\$ 2,044,645	\$ 1,161,082	176%
17	Total Income	\$ 2,844,590	\$ 1,973,139	144%
18				
19	Indirect Expenses			
20	Personnel	381,661	382,858	100%
21	Board & Employee Expenses	22,309	60,000	37%
22	Professional Services (Audit, Legal, Conslt, MTA Supp)	346,167	346,980	100%
23	Other Expenses	173,478	248,927	70%
24	<i>Total Indirect Expenses</i>	\$ 923,615	\$ 1,038,765	89%
25				
26	Direct Expenses			
27	Personnel	238,136	351,563	68%
28	Program Management **	1,420,141	561,071	253%
29	<i>Total Direct Expenses</i>	\$ 1,658,277	\$ 912,634	182%
30	Total Expenditures	\$ 2,581,892	\$ 1,951,399	132%
31	Net income (Loss)	\$ 262,698	\$ 21,740	N/A

* Includes: Cost Comparison/Joint Study - LAC

** Due to project funding deadline this amount for the Bike Share project was not included in the budget for the SGVCOG since the details were not available. The cash flow for this project will be managed by ACE.