



To: Theresa Adams-Lopez, Port of Los Angeles

From: Meghan Reese, Executive Director, Harbor Community Benefit Foundation  
Gisele Fong, Board President, Harbor Community Benefit Foundation

Date: **February 1, 2019**

Re: HCBF Operating Budget, Year Ending December 31, 2018 & PCMTF Transfer

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## SUMMARY

Harbor Community Benefit Foundation (HCBF), an independent Non-Profit organization based in San Pedro, administers the Port Community Mitigation Trust Fund (PCMTF), a fund developed as a result of the 2008 settlement of the appeal of the Port of Los Angeles TraPac terminal expansion project.

**Pursuant to the TraPac Memorandum of Understanding (TraPac MOU) Operating Agreement (the "Agreement") between the City of Los Angeles acting by and through the Port of Los Angeles Board of Harbor Commissioners (BOHC), the TraPac Appellants, and HCBF, the settlement funds are administered by HCBF and are held by an independent financial manager (J.P. Morgan Private Bank).**

**Section 5C.iv. and 5.F. of the Agreement require the non-profit to submit a detailed budget and report to the BOHC, on an annual basis, regarding funding for its projects and its annual administrative needs.** Those portions of the nonprofit's annual administrative budget that are funded by the PCMTF shall be reviewed and approved by the BOHC prior to the release of any funds from the PCMTF to the Nonprofit.

**HCBF hereby submits this request for a transfer of funds from the PCMTF in the amount of \$99,601.84 to HCBF's operating account, to fully fund HCBF's 2019 Annual Budget.**

## OPERATING BUDGET REQUEST

On January 25, 2019, the HCBF Board of Directors reviewed and approved the financial reports detailing the Income and Expenditures for the calendar year 2018 (ending December 31, 2018), and approved the detailed 2019 Operating Budget, including its requirements for a transfer of funding from the Port Community Mitigation Trust Fund.

HCBF's Board-approved annual budget for 2019 totals \$298,240. With a carry forward of \$168,554.37, attributed to savings from operations for the year ending December 31, 2018, HCBF hereby requests the approval of a disbursement of **\$99,601.84** from the PCMTF to HCBF's operating account, to fully fund HCBF's 2019 Annual Budget.

**Harbor Community Benefit Foundation requests that the Board of Harbor Commissioners:**

1. Review and consider the Harbor Community Benefit Foundation Calendar Year 2019 Operating Budget in the amount of \$298,240 including a carry forward of \$168,554.37.
2. Approve a distribution of \$99,601.84 from the PCMTF to HCBF for the funding of its 2019 annual administrative needs; and
3. Authorize the Port of Los Angeles Executive Director, or its designee, to execute a joint letter with HCBF, to implement the distribution of funds by the independent financial manager, JP Morgan Private Bank, in one lump sum payment of \$99,601.84, from the Port Community Mitigation Trust Fund to the Harbor Community Benefit Foundation.

## HCBF BOARD ACTIONS

On January 25, 2019, the HCBF Board reviewed and approved internal financial reports, including:

- Proposed Annual Budget for calendar year
- Profit & Loss (Statement of Activities) as of December 2018
- Statement of Cash Flows as of December 2018
- Balance Sheet (Statement of Financial Position) as of December 2018
- Projects & Programs Summary -- PCMTF, AQMF and Studies

## DISCUSSION, REVIEW, AND APPROVAL OF CALENDAR YEAR 2019 OPERATING BUDGET

On January 25, 2019, the following HCBF Board Resolution was adopted by majority vote:

- 1) Approve and adopt the 2019 HCBF Operating Budget totaling \$298,240;
- 2) Authorize the HCBF Executive Director to carry forward anticipated unused funds, in the amount of \$168,554.37, from the 2018 operating budget to be combined with a transfer of \$30,083.79, approved in a separate board action.
- 3) **Authorize the HCBF Executive Director to**
  - a) Present the 2019 annual operating budget to the Los Angeles Board of Harbor Commissioners (BOHC), **requesting concurrent approval of the transfer of 99,601.84 from the PCMTF to HCBF to sufficiently fund the 2019 annual operating budget; and**
  - b) Execute a joint letter with the BOHC, or its designee, to authorize JP Morgan Private Bank to distribute funds in one lump sum transfer from the PCMTF to HCBF, in an amount not-to-exceed \$99,601.84, to sufficiently fund the administrative needs of its 2019 annual operating budget.

**DISCUSSION - A COMPARISON OF THE 2018 BUDGET TO ACTUALS:**

The chart below provides a comparison of the Board approved budget to actual expenditures as of December 31, 2018. With anticipated budget savings, a carry forward at year-end in the amount of \$85,774.63 would be applied to the 2019 Operating Budget.

**Harbor Community Benefit Foundation  
Budget vs. Actuals: 2018 Budget - FY18 P&L  
January - December 2018**

	Actual	Total Budget	Remaining
<b>Income</b>			
4201 Carryforward (DON'T USE)		92,238.00	92,238.00
4300 Net Assets Released from Restriction		212,716.00	212,716.00
4950 Interest and Dividends	107.95		-107.95
<b>Total Income</b>	<b>107.95</b>	<b>304,954.00</b>	<b>304,846.05</b>
<b>Gross Profit</b>			
	107.95	304,954.00	304,846.05
<b>Expenses</b>			
1100 Operations - 8161	0.00		0.00
6000 Furniture and Equipment		500.00	500.00
6100 Office Expenses		6,955.00	6,955.00
6102 TeleCommunications and Internet	2,357.61		-2,357.61
6103 Software & Fees	2,140.08		-2,140.08
6104 Supplies	2,325.25		-2,325.25
6107 Postage and Delivery	142.18		-142.18
6108 Printing	2,195.95		-2,195.95
<b>Total 6100 Office Expenses</b>	<b>9,161.07</b>	<b>6,955.00</b>	<b>-2,206.07</b>
6105 Rent	11,696.31	19,155.00	7,458.69
6200 Dues & Subscriptions	1,063.36	3,000.00	1,936.64
6300 Insurance	3,626.37	4,500.00	873.63
6500 Marketing / Outreach	3,149.00	1,600.00	-1,549.00
6600 Meeting, Meals & Entertainment	702.55	1,110.00	407.45
6700 Mileage & Parking		720.00	720.00
6800 Payroll Expenses			0.00
6801 Taxes	7,899.14	15,572.00	7,672.86
6802 Wages	93,477.02	183,000.00	89,522.98
6803 Work Comp & Employee Benefits	4,170.38	6,985.00	2,814.62
Company Contributions			0.00
6807 Retirement	2,363.04	6,032.00	3,668.96
<b>Total Company Contributions</b>	<b>2,363.04</b>	<b>6,032.00</b>	<b>3,668.96</b>
<b>Total 6800 Payroll Expenses</b>	<b>107,909.58</b>	<b>211,589.00</b>	<b>103,679.42</b>
6804 Staff Development	2,400.00	2,200.00	-200.00
6900 Professional Fees			0.00
6901 Accounting & Audit	26,773.08	28,000.00	1,226.92
6902 Consultants	38,050.00	3,575.00	-34,475.00
6903 Legal Fees	14,925.00	20,000.00	5,075.00
<b>Total 6900 Professional Fees</b>	<b>79,748.08</b>	<b>51,575.00</b>	<b>-28,173.08</b>
6950 Taxes & Licenses	75.00	550.00	475.00
6960 Travel & Conferences	-351.95	1,500.00	1,851.95
<b>Total Expenses</b>	<b>219,179.37</b>	<b>304,954.00</b>	<b>85,774.63</b>
<b>Net Operating Income</b>	<b>-219,071.42</b>	<b>0.00</b>	<b>219,071.42</b>

Friday, Jan 11, 2019 11:09:59 AM GMT-8 - Accrual Basis

**ACCOUNTING LINE ITEM VARIANCES - COMPARING THE BUDGET TO EXPENDITURES BY COST ACCOUNT:**

Below is a recap of differences between the 2018 budget and expenditures, by cost account. The significant 28% budget variance (cost savings) from 2018 funding is attributed to expense controls, including a reduction in office space combined with the decision to streamline staffing levels (2018 projection was 2.5 FTEs). A significant shift from payroll expenses (saving \$103,679.42) is partially offset by the increase in consultant expenses (over spent \$34,475) when the Executive Director, Meghan Reese, moved out of state, transitioning to a contractor role while the Board searched for a Executive Director.

**6800 Personnel Expenses \$103,679 Savings includes:**

- 6801 - Payroll Taxes: \$7,673 decrease attributed to reduction in payroll
- 6802 - Wages: \$89,523 savings due to a reduction in staff
- 6803 - Work Comp & Employee Benefits: \$2,815 decrease
- 6807 - Retirement: Safe harbor Match - \$3,669 decrease due to reduction in payroll

**General Operating Expenses:**

- 6100 - Office Expenses: Increased \$2,206, attributed to telecom, software, supplies and printing expenses.
- 6105 - Rent/Occupancy: Significant Savings, \$7,459 due to reduction in office space.
- 6200 - Dues & Subscriptions: Savings of \$1,937
- 6300 - Insurance: Minimal variance, savings of \$874
- 6500 - Marketing/Outreach: Variance of \$1,600, overage includes community marketing plan, promotion of programs, increased awareness of HCBF.
- 6600 - Meeting, Meals & Entertainment: Minimal variance, savings of \$407.
- 6700 - Mileage and Parking: Savings of \$720
- 6804 - Staff Development: minimal variance of \$200.
- 6900 - Professional Fees: Includes Consultant Fees, Accounting, Audit and Attorney Fees due to Brown Act. This item is over budget by \$28,173 for consultant fees related to the Contractor Role of Acting Executive Director, offset by \$103,679 in Savings for Personnel Expenses (Account 6800).
- 6960 - Travel & Conferences: Variance (Savings) includes credit of 351.95 attributed to a reverse of 2017 expenses.

**DISCUSSION, REVIEW, AND APPROVAL OF CALENDAR YEAR 2019 OPERATING BUDGET PROPOSED 2019 BUDGET REQUEST COMPARED TO 2018 EXPENDITURES:**

The report titled “Harbor Community Benefit Foundation 2019 Budget vs. Actuals: 2018 Budget – FY18 P & L” compares the proposed 2019 Budget to 2018 expenditures, the yellow highlighted column contains the recommended **2019 Budget of \$298,240** compared to the **2018 Actuals of \$219,179.37**, a projected annual budget increase of **\$79,060.63**.

**As of July, 2018, HCBF employed one part-time staff member and a contracted consultant who provided management services.** In 2019, HCBF plans to increase its support staff (currently part-time) to a full-time position and transitioned the management consultant to salaried staff, as of January 1, 2019, for a total of 2FTEs in 2019. In 2019, the most significant variance from 2018 expenses will be the anticipated **reduction in Consultant fees (\$29,600)** for Management offset by a projected **increase in Personnel Expenses** of \$91,519.

Changes proposed in 2019 include:

**6800 Personnel Expenses 2019 Budget: \$199,429**

- 6801 - Payroll Taxes: \$6,630 increase attributed to increase in payroll
- 6802 - Wages: \$77,523 increase due to increase in staff, offset by reduction in consulting fees.

6803 - Work Comp & Employee Benefits: \$2,890 increase.

6807 - Retirement: Safe harbor Match - \$4,477 increase for safe harbor employer match

**General Operating Expenses:**

6100 - Office Expenses: Increased \$1,650, attributed to telecom, software, supplies and printing expenses.

6105 - Rent/Occupancy: Increased \$2,304 to include utilities and tenant expenses for office space.

6200 - Dues & Subscriptions: Increase of \$1,437

6300 - Insurance: Minimal variance, increase of \$374

6500 - Marketing/Outreach: Variance of \$4,351 to expand community outreach, promotion of programs, increased awareness of HCBF and Port of LA collaborations.

6600 - Meeting, Meals & Entertainment: Minimal variance, increase of \$297.

6804 - Staff Development: minimal variance of \$100.

6900 - Professional Fees: Includes Consultant Fees, Accounting, Audit and Attorney Fees due to Brown Act. Reduction of \$29,600 for consultant fees related to the transition of Contractor Role for Acting Executive Director, offset by \$77,523 in Wages for Personnel Expenses (Account 6802).

6960 - Travel & Conferences: Variance includes credit of 351.95 attributed to a reverse of 2017 expenses plus projected travel and conference expense of \$3,000

**PROPOSED 2019 BUDGET REQUEST COMPARED TO 2018 EXPENDITURES:**

The chart below compares the proposed 2019 Operating Budget to 2018 expenditures which were less than forecasted due to temporary staffing changes.

**Harbor Community Benefit Foundation  
2019 Budget vs. Actuals: 2018 Budget - FY18 P&L  
January - December 2018**

**Revised 1/14/19 - FOR THE BOARD'S REVIEW AND CONSIDERATION**

	2018 Approved Budget	2018 Expenses as of 12/31/18	2019 DRAFT Budget	2019 Budget Variance from 2018 Actuals	2019 Budget Compared to 2018 Actuals	2019 Budget Compared to 2018 Budget
<b>EXPENSES</b>						
6000 Furniture and Equipment	500.00		0.00	0%		\$500.00
6100 Office Expenses	6,955.00					
6102 TeleCommunications		2,357.61	2,723.00	15%		
6103 Software & Fees		2,140.08	2,255.00	5%		
6104 Supplies		2,325.25	2,940.00	26%		
6107 Postage and Delivery		142.18	176.00	24%		
6108 Printing		2,195.95	2,717.00	24%		
<b>Total 6100 Office Expenses</b>	<b>6,955.00</b>	<b>9,161.07</b>	<b>10,811.00</b>	<b>18%</b>	<b>\$1,649.93</b>	<b>\$3,856.00</b>
6105 Rent	19,155.00	11,696.31	14,000.00	20%	\$2,303.69	\$5,155.00
6200 Dues & Subscriptions	3,000.00	1,063.36	2,500.00	135%	\$1,436.64	\$500.00
6300 Insurance	4,500.00	3,626.37	4,000.00	10%	\$373.63	\$500.00
6500 Marketing/Outreach	1,600.00	3,149.00	7,500.00	138%	\$4,351.00	\$5,900.00
6600 Meeting, Meals & Entertain	1,110.00	702.55	1,000.00	42%	\$297.45	\$110.00
6700 Mileage & Parking	720.00	0.00			\$0.00	\$720.00
6800 Payroll Expenses						
6801 Taxes	15,572.00	7,899.14	14,529.00	84%	\$6,629.86	\$1,043.00
6802 Wages	183,000.00	93,477.02	171,000.00	83%	\$77,522.98	\$12,000.00
6803 Work Comp & Emp Benefits	6,985.00	4,170.38	7,060.00	69%	\$2,889.62	\$75.00
Company Contributions		0.00				
6807 Retirement	6,032.00	2,363.04	6,840.00	189%	\$4,476.96	\$808.00
<b>Total Company Contributions</b>	<b>6,032.00</b>	<b>2,363.04</b>	<b>6,840.00</b>	<b>189%</b>	<b>\$4,476.96</b>	<b>\$808.00</b>
<b>Total 6800 Payroll Expenses</b>	<b>211,589.00</b>	<b>107,909.58</b>	<b>199,429.00</b>	<b>85%</b>	<b>\$91,519.42</b>	<b>\$12,160.00</b>
6804 Staff Development	2,200.00	2,400.00	2,500.00	4%	\$100.00	\$300.00
6900 Professional Fees		0.00				
6901 Accounting & Audit	28,000.00	26,773.08	28,000.00	5%	\$1,226.92	\$0.00
6902 Consultants	3,575.00	38,050.00	8,500.00	-78%	\$29,550.00	\$4,925.00
6903 Legal Fees	20,000.00	14,925.00	16,500.00	11%	\$1,575.00	\$3,500.00
<b>Total 6900 Professional Fees</b>	<b>51,575.00</b>	<b>79,748.08</b>	<b>53,000.00</b>	<b>-34%</b>	<b>\$26,748.08</b>	<b>\$1,425.00</b>
6950 Taxes & Licenses	550.00	75.00	500.00	567%	\$425.00	\$50.00
6960 Travel & Conferences	1,500.00	-351.95	3,000.00	-952%	\$3,351.95	\$1,500.00
<b>TOTAL EXPENSES</b>	<b>304,954.00</b>	<b>219,179.37</b>	<b>298,240.00</b>	<b>36%</b>	<b>\$79,060.63</b>	<b>\$6,714.00</b>
Net Operating Income	0.00	85,774.63				

**Note**

6500 Marketing/Outreach: Board Directed - Community Outreach, Marketing Plan  
 6800 Payroll Expenses: 2018 Staff as of July was 1 FTE. 2019 Budget ED Salary (96k) plus 1 FTE (75k).  
 6902 Consultants: 2018 Contracted Acting ED in July. 2019 Budget Strategic Planning and Coaching Consultants

January 14, 2019 - Accrual Basis

**EXCLUSIONS TO THE ADMINSTRATIVE BUDGET:**

All trust fund income and expenses are paid directly to and/or from the fund. Hence, there are no projections for investment income, or expenses, reflected in the HCBF operating budget. As stewards of the trust fund, HCBF closely monitors its performance, and reconciles all PCMTF activity in its internal financial statements. Grant funding is not reflected in the Operations Budget.

**PCMTF STATUS REPORT: FUNDING SUMMARY OF PREVIOUSLY APPROVED PROJECTS**

<b>PCMTF funded Grants and Studies</b>	<b>FUNDED</b>	<b>2018 FUNDED</b>
Wilmington Noise Mitigation Study	185,000	
Off Port Impacts Study	300,000	
Healthy Harbor Grants (5 rounds)	2,168,000	
STEAM Pilot Program	306,000	
Community Benefit Grants (5 rounds)	2,591,019	
SUBTOTAL as of 12/31/2017	5,550,019	
<b>2018 ACTIVITY</b>		
Community Benefit Grant Round 5 (grant canceled 2017)		-38,087
Community Benefit Grant Round 5 (Phase 2 Sharefest)		80,480
Community Benefit Grant Round 6		644,794
San Pedro Noise Assessment		95,096
<b>2018 Subtotal</b>		<b>782,283</b>

**AQMF STATUS REPORT:**

HCBF received an advance of Administrative Funds in 2017 in the amount of \$250,000. Here's a recap of that account:

<b>AQMF ADMINISTRATIVE ACCOUNT</b>	<b>BALANCE</b>
2017 Advance Received	250,000.00
2017 Allocated Expenses	2,750.00
2018 Direct Expenses	32,942.00
2018 Allocated Expenses (requested)	30,083.79
2018 Available Funds	184,224.21
2019 AQMF Administrative Budget	98,094

**Summary of JP Morgan accounts:**

Below is a graph that shows a consolidated year-to-date performance summary of the accounts held at JP Morgan, based on statements as of December 31, 2018.

<b>JP Morgan Account Balance Summary</b>	
Beginning Balance (as of 12/31/17)	\$2,799,155
Contributions	842
Withdrawals	(900,794)
Management fees (9 months)	-
Realized Income	45,354
Change in Investment Value	(1,695)
Net Increase (ex. Withdrawals)	43,659
<b>Ending Market Value (as of 12/31/18)</b>	<b>\$1,942,862</b>

Combined Statement of Financial Position (Balance Sheet) as of December 31, 2018

Harbor Community Benefit Foundation  
 Combined Statement of Financial Position  
 (Unaudited - No Assurance Provided)

	As of December 2018		As of Dec. 2017
	Detail	Subtotals	
<b>ASSETS</b>			
<b>CURRENT ASSETS - BANK ACCOUNTS</b>			
<b>Trust Accounts - Held by 3rd Party Financial Managers *</b>			
1902 Port Mitigation Trust Fund, Net of Fees & Market Value Change * [A]	1,938,179	1,938,179	2,799,155
1920 Air Quality Mitigation Fund, Net of Fees & Market Value Change *	5,075,176	5,075,176	5,001,055
<b>Operations Accounts - Restricted</b>			
1100 Operations Account	26,847		94,467
1200 Payroll Account	82,121		62,925
1300 Business Savings Account - Interest Bearing	91,567		43,750
1800 AQMF Administration Account	214,308		250,000
Subtotal Operations Accounts - Restricted		414,844	451,142
<b>Projects and Programs Accounts - Restricted</b>			
1400 Land Use	10,735		23,953
1500 Noise	10,274		105,370
1600 Health Care Grants	100		100
1700 Other Grants	100		330,119
Subtotal Projects and Programs Accounts - Restricted		21,209	459,542
<b>Unrestricted - Non PCMTF Account</b>			
1901 Unrestricted - Donations Account	25,667		37,886
Subtotal Non PCMTF		25,667	37,886
<b>TOTAL CURRENT ASSETS - BANK ACCOUNTS</b>	<b>7,475,075</b>	<b>7,475,075</b>	<b>8,748,781</b>
Pledge Receivable - Air Quality Mitigation Fund	-	-	-
Prepaid Expenses and Deposits	4,243	4,243	6,280
<b>TOTAL ASSETS</b>	<b>7,479,319</b>	<b>7,479,318</b>	<b>8,755,060</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES - OPERATIONS</b>			
<b>Current Liabilities</b>			
2050 Accounts Payable (Grantees)	-		330,019
2100 Payroll Liabilities	3,099		6,167
2075 Accrued Expenses & 2060 Funds Held For Others	5,225		13,893
Total Current Liabilities		8,324	350,079
<b>TOTAL LIABILITIES</b>	<b>8,324</b>	<b>8,324</b>	<b>350,079</b>
<b>NET ASSETS</b>			
<b>UNRESTRICTED NET ASSETS</b>			
2900 PCMTF - UNCOMMITTED FUNDS * [A]	(1,013,879)	(1,013,879)	(15,726)
2999 AQMF - UNCOMMITTED FUNDS *	3,208,666	3,208,666	3,169,739
2999 AQMF - UNCOMMITTED FUNDS *	5,051,065	5,051,065	4,976,944
<b>TEMPORARILY RESTRICTED NET ASSETS</b>			
3701 Land Use Study	10,735		23,953
3702 Noise Mitigation	100		100
3705 HCBF Operations (for next year's Budget)	-		-
3726 HCBF AQMF Administration	214,308		249,970
Total Temporarily Restricted Net Assets		225,143	274,023
<b>TOTAL NET ASSETS</b>	<b>7,470,995</b>	<b>7,470,995</b>	<b>8,404,981</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>7,479,319</b>	<b>7,479,319</b>	<b>8,755,060</b>

* Trust Fund Investment Activity:	YTD 2018		Total 2017
	PMTF	AQMF	PMTF
PMTF managed by JP Morgan. AQMF managed by CCF.			
Admin and Investment Fees Paid	(50)	(23,942)	(3,090)
Market Value Change	(3,030)	5,872	13,674
Trust Fund Income	42,007	92,191	54,121
<b>Trust Fund Investment Income Net of Fees and Market Value Change</b>	<b>38,927</b>	<b>74,121</b>	<b>64,705</b>

[A] Includes \$775,614 from Port expansion project received in Oct. 2015.

Activities by Class (Income and Expenses) as of December 31, 2018

Harbor Community Benefit Foundation											
Statement of Activities by Class											
YTD through December 31, 2018											
<i>(Unaudited - No Assurance Provided)</i>											
	HCBF Operations	Non Tidelands	Total HCBF	Air Quality Mitigation	Land Use Study	Noise Assess- ment	Community Grants	Total Projects & Programs	TOTAL YTD Actual	2018 Budget	Notes
<b>Income</b>											
4200 PMTF Distribution	-	-	-	-	-	-	-	-	-	-	[A]
4201 Carryforward	-	-	-	-	-	-	-	-	-	92,238	
4300 Net Assets Released from Restriction	-	-	-	35,662	13,218	-	-	48,880	48,880	212,716	[A]
<b>4400 Encumbered Funds</b>											
4401 Restricted Grants	-	-	-	-	-	-	-	-	-	-	
4401.5 Restricted Contributions - PMTF	-	-	-	-	-	-	-	-	-	-	[B]
4402 Satisfaction of Use Restriction	-	-	-	(35,662)	(13,218)	-	-	(48,880)	(48,880)	-	[A]
<b>Total 4400 Encumbered Funds</b>	-	-	-	<b>(35,662)</b>	<b>(13,218)</b>	-	-	<b>(48,880)</b>	<b>(48,880)</b>	-	
4900 Unrestricted Income	-	-	-	-	-	-	-	-	-	-	
4950 Interest and Dividends	108	-	108	-	-	-	-	-	108	-	
<b>Total Income</b>	<b>108</b>	-	<b>108</b>	-	-	-	-	-	<b>108</b>	<b>304,954</b>	
<b>Expenses</b>											
6000 Furniture and Equipment	-	-	-	-	-	-	-	-	-	500	
6100 Office Expenses	-	-	-	-	-	-	-	-	-	6,955	
<b>6100 Office Expenses</b>											
6101 Bank Fees	-	-	-	-	-	-	-	-	-	-	
6102 Communications	2,358	-	2,358	-	-	-	-	-	2,358	-	
6103 Software & Fees	2,140	-	2,140	-	-	-	-	-	2,140	-	
6104 Supplies	1,425	-	1,425	-	901	-	-	901	2,325	-	
6107 Postage and Delivery	142	-	142	-	-	-	-	-	142	-	
6108 Printing	1,473	-	1,473	-	723	-	-	723	2,196	-	
<b>Total 6100 Office Expenses</b>	<b>7,537</b>	-	<b>7,537</b>	-	<b>1,624</b>	-	-	<b>1,624</b>	<b>9,161</b>	<b>6,955</b>	
6105 Rent	11,696	-	11,696	-	-	-	-	-	11,696	19,155	
6200 Dues & Subscriptions	1,063	-	1,063	-	-	-	-	-	1,063	3,000	
6300 Insurance	3,626	-	3,626	-	-	-	-	-	3,626	4,500	
6400 Maintenance & Repairs	-	-	-	-	-	-	-	-	-	-	
6500 Marketing	3,149	-	3,149	-	-	-	-	-	3,149	1,600	
6600 Meeting, Meals & Entertainment	281	-	281	-	422	-	-	422	703	1,110	
6700 Mileage & Parking	-	-	-	-	-	-	-	-	-	720	
6800 Payroll Expenses	-	-	-	-	-	-	-	-	-	-	
<b>6800 Payroll Expenses</b>											
6801 Taxes	7,899	-	7,899	-	-	-	-	-	7,899	15,572	
6802 Wages	93,983	-	93,983	-	-	-	-	-	93,983	183,000	
6803 Work Comp & Employee Benefits	4,170	-	4,170	-	-	-	-	-	4,170	6,985	
Contributions	2,363	-	2,363	-	-	-	-	-	2,363	6,032	
<b>Total 6800 Payroll Expenses</b>	<b>108,416</b>	-	<b>108,416</b>	-	-	-	-	-	<b>108,416</b>	<b>211,589</b>	

Activities by Class (Income and Expenses) as of December 31, 2018 (continued)

Harbor Community Benefit Foundation											
Statement of Activities by Class											
YTD through December 31, 2018											
<i>(Unaudited - No Assurance Provided)</i>											
	HCBF Operations	Non Tidelands	Total HCBF	Air Quality Mitigation	Land Use Study	Noise Assessment	Community Grants	Total Projects & Programs	TOTAL YTD Actual	2018 Budget	Notes
6804 Staff Development	2,400	-	2,400					-	2,400	2,200	
6900 Professional Fees											
6901 Accounting & Audit	26,773	-	26,773	-	-	-	-	-	26,773	28,000	
6902 Consultants	38,050	-	38,050	-	-	-	-	-	38,050	3,575	
6903 Legal Fees	14,925	-	14,925	-	-	-	-	-	14,925	20,000	
Total 6900 Professional Fees	79,748	-	79,748	-	-	-	-	-	79,748	51,575	
6950 Taxes & Licenses	75	-	75	-	-	-	-	-	75	550	
6960 Travel & Conferences	(352)	-	(352)	-	-	-	-	-	(352)	1,500	
6999 Program-Related Expenses	-	-	-	-	-	-	-	-	-	-	
<b>Sub-Total: HCBF Operations</b>	<b>217,640</b>	<b>-</b>	<b>217,640</b>	<b>-</b>	<b>2,045</b>	<b>-</b>	<b>-</b>	<b>2,045</b>	<b>219,685</b>	<b>304,954</b>	
<b>Projects &amp; Programs:</b>											
7000 Noise Assessment:	-	-	-	-	-	-	-	-	-	-	
7001 Consultant	-	-	-	-	-	95,096	-	95,096	95,096	-	
Total 7000 Noise Assessment	-	-	-	-	-	95,096	-	95,096	95,096	-	
7300 Land Use Study:											
7301 Consultant	-	-	-	-	12,231	-	-	12,231	12,231	-	
7302 Reimbursable	-	-	-	-	-	-	-	-	-	-	
Total 7300 Land Use Study	-	-	-	-	12,231	-	-	12,231	12,231	-	
7400 Health Care Grant Program:											
7401 Grantees	-	-	-	-	-	-	-	-	-	-	
Total 7400 Health Care Program	-	-	-	-	-	-	-	-	-	-	
7600 Community Grant Program:											
7605 Grantees - Round 5	-	-	-	-	-	-	42,393	42,393	42,393	-	[C]
7606 Grantees - Round 6	-	-	-	-	-	-	644,794	644,794	644,794	-	
Total 7400 Community Grant Program	-	-	-	-	-	-	687,187	687,187	687,187	-	
8000 Air Quality Mitigation Program:											
8001 Grantees	-	-	-	-	-	-	-	-	-	-	
8005 - AQ Consultants	-	-	-	32,942	-	-	-	32,942	32,942	-	
Total 8000 Air Quality Mitigation Program	-	-	-	32,942	-	-	-	32,942	32,942	-	
<b>Total Expenses</b>	<b>217,640</b>	<b>-</b>	<b>217,640</b>	<b>32,942</b>	<b>14,276</b>	<b>95,096</b>	<b>687,187</b>	<b>829,501</b>	<b>1,047,141</b>	<b>304,954</b>	
<b>Net Operating Income</b>	<b>(217,532)</b>	<b>-</b>	<b>(217,532)</b>	<b>(32,942)</b>	<b>(14,276)</b>	<b>(95,096)</b>	<b>(687,187)</b>	<b>(829,501)</b>	<b>(1,047,033)</b>	<b>-</b>	
<b>Net Income</b>	<b>(217,532)</b>	<b>-</b>	<b>(217,532)</b>	<b>(32,942)</b>	<b>(14,276)</b>	<b>(95,096)</b>	<b>(687,187)</b>	<b>(829,501)</b>	<b>(1,047,033)</b>	<b>-</b>	
[A]	The PMTF Distribution for the 2017 operating budget was made in December 2016, and was recorded as restricted revenue in 2016 in accordance with GAAP. In January 2017, the full amount was released from restricted account #4402 into unrestricted account #4300										
[B]	The PMTF Distribution for the 2018 operating budget will be made in December 2017, and recorded as restricted revenue in 2017.										
[C]	Round 5 includes Canceled Grant to COPE in the amount of \$38,087, accrued in 2017, credited in 2018										

# Statement of Cash Flows as of December 31, 2018

## Harbor Community Benefit Foundation Statement of Cash Flows YTD through December 31, 2018 (Unaudited - No Assurance Provided)

<b>OPERATING ACTIVITIES</b>		
PCMTF DISTRIBUTION FOR 2017 HCBF OPERATIONS	[A]	-
Interest and Dividends - Operations Savings Account		108
<b>Expenses from Operations (PCMTF)</b>		<b>-217,640</b>
<b>NET OPERATING ACTIVITIES</b>		<b>-217,532</b>
<b>PROGRAM ACTIVITIES</b>		
PROGRAM FUNDING RECEIVED FROM TRAPAC MOU OR AQMF		
Air Quality Mitigation Funds		250,000
Health Care		-
Land Use Study		-
Noise Assessment		-
Community Grants		-
<b>TOTAL PROGRAM FUNDS RECEIVED</b>		<b>250,000</b>
PROGRAM DISBURSEMENTS		
AQMF Administration		-32,942
Air Quality Mitigation Grants Paid		-
Health Care Grants Paid		-
Land Use Study		-14,276
Noise Assessment		(95,096)
Community Grants Paid		-1,017,206
<b>TOTAL PROGRAM DISBURSEMENTS</b>		<b>-1,159,520</b>
<b>NET PROGRAM ACTIVITIES (FUNDS RECEIVED MINUS DISBURSEMENTS)</b>		<b>-909,520</b>
<b>Adjustments to Reconcile to Net Cash Provided by Operations:</b>		
Pledge Payment (from Air Quality Mitigation Fund)		-
Payroll Liabilities		-3,068
Accounts Payable, Accrued Expenses and Funds Held for Others		(8,668)
Prepaid Expenses and Deposits		2,037
<b>TOTAL ADJUSTMENTS TO RECONCILE TO NET CASH PROVIDED BY OPERATIONS</b>		<b>-9,699</b>
<b>NET CASH PROVIDED BY OPERATING &amp; PROGRAM ACTIVITIES BEFORE UNRESTRICTED INCOME</b>		<b>-1,136,752</b>
Unrestricted Income		0
<b>NET CASH PROVIDED BY OPERATING AND PROGRAM ACTIVITIES</b>		<b>-1,136,752</b>
<b>FINANCING ACTIVITIES</b>		
TRAPAC MOU		-
PROGRAM FUNDING		-250,000
PCMTF DISTRIBUTION FOR OPERATING EXPENSES	[A]	-
PCMTF Income reinvested by JP Morgan		42,007
PCMTF Fees Paid Directly to JP Morgan		(50)
PCMTF Market Value Change on Investments held by J.P. Morgan		-3,030
AQMF Income reinvested by CCF		92,191
AQMF Fees Paid Directly to CCF		(23,942)
AQMF Market Value Change on Investments held by CCF		5,872
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>-136,953</b>
<b>NET CASH INCREASE (DECREASE) FOR PERIOD</b>		<b>-1,273,704</b>
<b>CASH AT BEGINNING OF PERIOD</b>		<b>8,748,781</b>
<b>CASH AT END OF PERIOD</b>		<b>7,475,076</b>

[A] The PMTF Distribution for the 2017 operating budget was made in December 2016