

FAR NORTHERN REGIONAL CENTER
 ACTUAL AND PROJECTED OPERATIONS EXPENSES
 EXPLANATION OF LARGE CHANGES IN PROJECTED EXPENSES AND OTHER REVENUE COMPARED TO PRIOR YEAR
 CONTRACT YEAR 2022/2023
 March 2023 BOARD REPORT

Increase (Decrease) from prior year

<u>Category</u>	<u>\$</u>	<u>%</u>
Salaries and benefits	3,141,209	15.9

Increase primarily due to the addition of new service coordinators, supervisors, and support to comply with new caseload ratio requirements. 2% annual increases given to all employees during Union negotiations.

Facilities (Rent, Maint, and Utilities) (9.2)

Full year rent impact of new space in Chico and Redding. Redding increase \$47,700/Chico increase \$39,900. Mt. Shasta rate increase resulting in \$6,500 increase. Decrease due to prior year leasehold improvements to office space at 1367 E. Lassen Avenue, Chico and Redding (\$331,912). New space to accommodate increased staffing levels. The new space expected to have some unassigned offices for persons who may spend some of their time working remotely.

Contracts/Software 118,589 31.1

Licensing for increasing number of employees. SW for virtual computer connections, prior SW no longer supported.

Travel 315,668 235.0

Travel reaching pre-pandemic levels. Increased number of Service Coordinators traveling.

Legal / Consulting / Audit 81,161 33.4

Minimal increase in audit fees with new firm contract. Prior Year SDP Funding of \$48,960 not yet paid.

IT Equipment 137,504 75.5

4 server replacements to support Nutanix. Planned replacement of iPads. Complete roll out of double monitors. Switches for phone system.

Interest Revenue / ICF SPA Admin / Other 431,500 100+

Rates have increased, investing excess cash in short-term Treasury Bills.