



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: April 22, 2009  
 TO: Board of Directors  
 FROM: Finance Committee Chair Leo Laska  
 SUBJECT: Summary of Finance Committee Meeting of April 20, 2009

The Finance Committee met on April 20, 2009 at 9:30 a.m. at the Pebble Beach Community Services District Administrative Offices. Committee members Pendergrass, Bales and Downey attended the meeting. The purpose of the meeting was to receive and review the Draft Preliminary Budget for FY 2009/10 Budget. Discussion is summarized below and followed the attached agenda.

1. **Draft Preliminary Budget for FY 2009-2010.** The Committee received a staff report on the Draft Preliminary Budget, provided comments and directed staff to present it at the May Board meeting. The Draft Preliminary Budget anticipates Revenues of \$17,540,000, a reduction of \$655,000 (3.6%) compared to the 2008/09 Budget, is presented with no increase to the tipping fee, and it anticipates a continued weak economy and a slow recovery. If the San Francisco Bay Area COLA Index, reported in mid May, is above zero, staff was directed to present the impact on revenues of a tip fee increase, for Board consideration.

Staff reported that with no increase in the tipping fee at this time, for either COLA or for unfunded regulatory mandates, it will be a greater challenge in the years ahead to recover the funds necessary for operation of programs, and it will likely require larger increases in the future. The Preliminary Budget also anticipates no reduction in program hours and the hiring freeze instituted two years ago will continue in effect for non-essential positions. The Preliminary Budget will use \$1,176,500 of unrestricted cash. Staff was directed to prepare to discuss alternate funding mechanisms at the April 29<sup>th</sup> Board Workshop.

A status report was provided on the landfill gas to renewable energy project. Where recent soloxane buildup in the engine combustion chambers seems to have reduced operating efficiencies and will lead to increased maintenance costs and reduced production time. Staff will continue to review operating procedures and will provide continued status reports.

The Committee received a report from Finance Manager on new financial statement reporting requirements under GASB 45, covering post employment benefits other than pensions.

2. **Regional and County Wide Waste Management.** One large topic coming out of the meetings of the member agency Strategic Planning Advisory Task Force late last year was the case to have only one solid waste agency to serve the entire county. The Committee reiterated a previous position that if discussions were to occur on this subject, the County would need to take the lead on the matter.

3. **Federal Stimulus Funding Opportunities**. Staff has been working on this matter, receiving information from State agencies and from Representative Farr's office. From the District's perspective, a renewable energy related project would seem to have the greatest likely hood for funding. Staff will continue efforts to pursue this funding.



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Leo Laska

Attachment

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# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

WILLIAM MERRY, P.E., BCEE  
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DISTRICT ENGINEER

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ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.  
SENIOR ENGINEER

RICHARD NORTON  
ADMIN. SERVICES MGR.

ROBERT WELLINGTON  
COUNSEL

## MEETING OF THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE

Monday  
April 20, 2009  
9:30 a.m.

Pebble Beach Community Services District  
Administrative Offices  
3101 Forest Lake Road  
Pebble Beach, CA.

**Attending:** Board Chair Laska; Directors Bales, Pendergrass, and Downey  
William Merry, General Manager  
Tim Flanagan, Assistant General Manager  
Chuck Rees, Finance Manager  
Rich Norton, Administrative Services Manager  
Don Prescott, Information Systems Manager  
Rick Shedden, Senior Engineer

### AGENDA

1. Presentation of Draft Preliminary Budget for FY 2009-2010.
  - a. Landfill Gas Project Operations and Renewable Power Production.
  - b. Other Operational Program Expenses
  - c. Other Post Employment Benefits
2. Regional & County-Wide Waste Management.
3. Federal Stimulus Funding Opportunities.
4. District Adoption of Ordinances – Waste Flow Control
5. Next Meeting: TBD