



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: April 26, 2010
TO: Board of Directors
FROM: Leo Laska, Finance Committee Chair
SUBJECT: Summary of Finance Committee Meeting of April 26, 2010

The Finance Committee met on April 26th at 10 a.m., at the District administrative offices. Committee members Bales and Downey attended the meeting. The primary purpose of the meeting was to discuss the Draft Preliminary Budget for FY 2010/11. A report was also received on providing renewable power to a proposed Regional Water Project. Discussion is summarized below and followed the attached agenda.

Presentation of Draft Preliminary Budget for FY 2010/11

The Committee received a report from Finance Manager's preparation of the FY 2010/11 Budget. Discussion continued from last month on assumptions and considerations in preparing the Budget. The Committee directed staff not to incur expenses to comply with AB 32 rules, with the uncertainty that AB 32 requirements and deadlines may be rolled back. The Committee further questioned staff on certain line items, and adjustments were made accordingly to several line items. The Finance Manager noted that the packet contained projections in the outlying years beyond 2010/11 through FY 2014/15, assumed no cost of living increases, no increase in Salaries, and no increases in Health Insurance premiums. It was noted that the Unrestricted Cash Reserves would drop below the target of 20% of Cash Operating Expenses in FY 2011/12 without some form of revenue enhancement, or further reductions in spending.

The Committee continued the discussion from previous meetings regarding the reduction of incoming waste, increased costs for unfunded mandates, and investment delays in critical District infrastructure. Several scenarios were presented with the Draft Preliminary Budget, showing the impact of various tip fee increases. The Committee unanimously supported a recommendation that the preliminary Budget be prepared with an increase to the tipping fee of \$5/ton, beginning January 1, 2011. Staff will update a Fact Sheet of how the tip fee increase will be used, and present it with the Preliminary Budget at the May meeting.

Update on District Providing Renewable Power to Regional Water Project

Staff outlined various scenarios and options for delivering renewable power to the proposed Regional Water Project. Staff was reminded that, as previously directed by the Board, no decisions related to renewable power should be made that could potentially harm the Regional Water Project from moving forward.

Regional Waste Acceptance

There was no discussion under this item.

Next Meeting: The next meeting of the Finance Committee is scheduled for May 25, 2010 at 9:30 a.m.

Leo Laska

Attachment

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COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MEETING OF THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE

Monday
April 26, 2010
10 a.m.

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

Attending: Board Chair Laska; Directors Bales, Pendergrass, and Downey
William Merry, General Manager
Rob Wellington, Legal Counsel
Tim Flanagan, Assistant General Manager
Chuck Rees, Finance Manager
Rich Norton, Administrative Services Manager
Don Prescott, Information Systems Manager

AGENDA

1. Presentation of Draft Preliminary Budget for FY 2010/11
 - a. Revenue
 - b. Expenses
 - c. Capital Outlay
 - d. Unrestricted Cash Reserves

2. Update on District Providing Renewable Power to Regional Water Project

3. Regional Waste Acceptance

4. Next Meeting Date: Tuesday, May 25, 2010 at 9:30 a.m.