
Q1 Financial Report

Fiscal Year 2020/21

October 16, 2020

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Summary

- YTD Revenues running ahead of budget by 19%
- Operating Expenses 2% below budget
- Projections for remainder of year at budget result in 5% revenue over budget and 11% operating margin
- Performance exceeds targets established to trigger process of reversing management & non-affiliated employee wage concessions

Q1 20/21 Budget vs. Actual

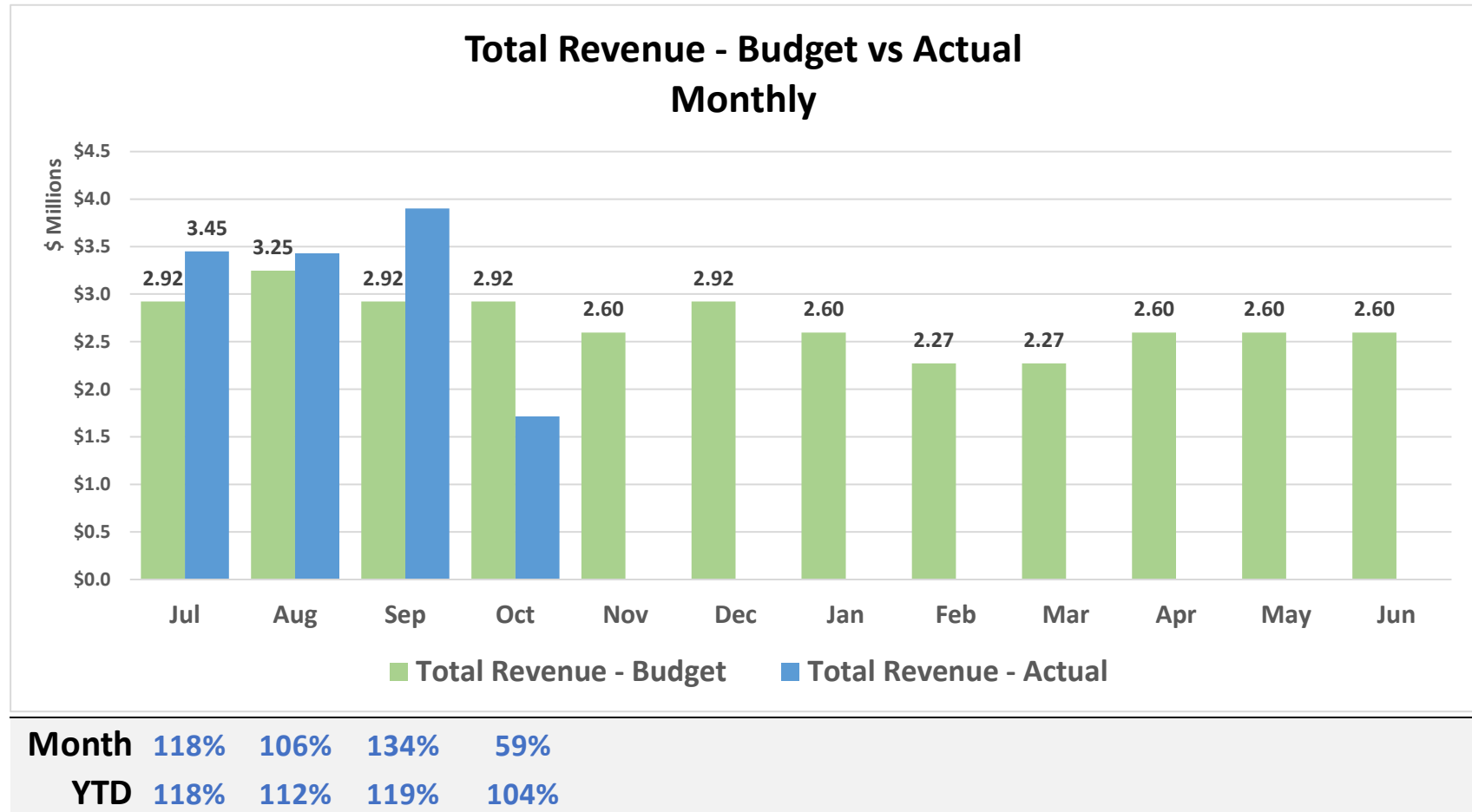
	Budget	Actual	Var \$	Var %
Revenue	\$9,090	\$10,780	\$1,690	19%
Operating Expenses	\$7,732	\$7,567	\$165	2%
Net	\$1,358	\$3,213		
Operating Margin	15%	30%		

FY 20/21 Projected at Q1 Actual + ROY at Budget

	Budget	Projected	Var \$	Var %
Revenue	\$32,464	\$34,154	\$1,690	5%
Operating Expenses	\$30,648	\$30,483	\$165	1%
Net	\$1,816	\$3,671		
Operating Margin	6%	11%		



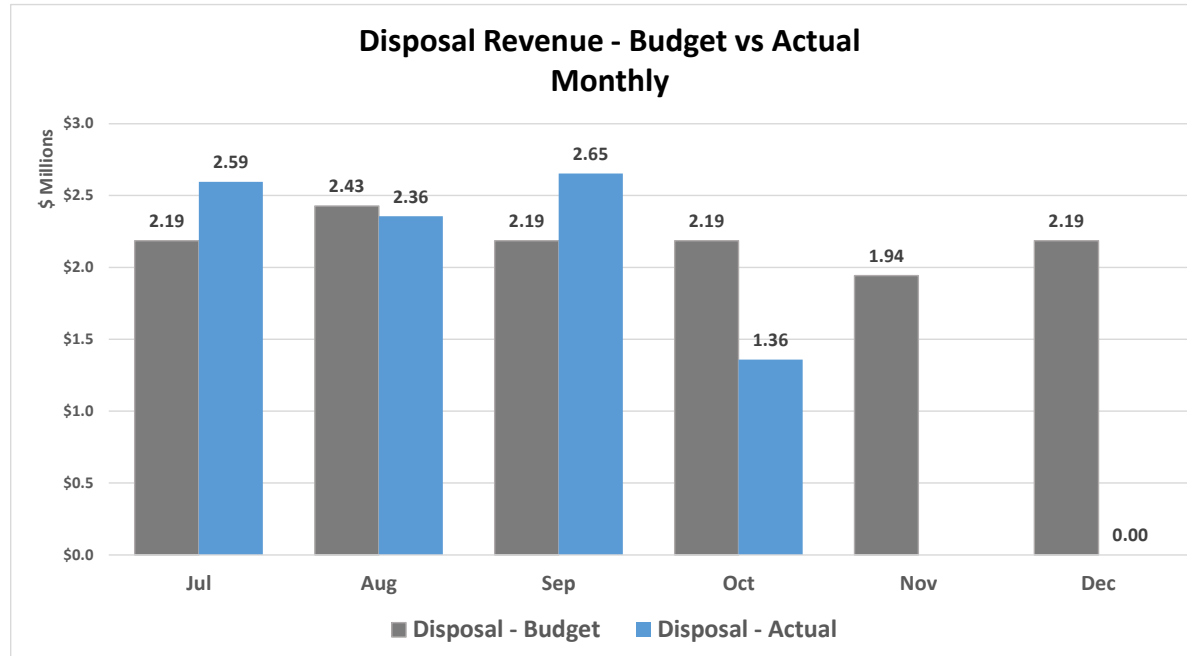
Total Q1 revenue 19% over budget – \$1.7M



* October results shown through 10/15/20



Q1 Disposal revenues 12% above budget; Q1 volumes above previous 2 years

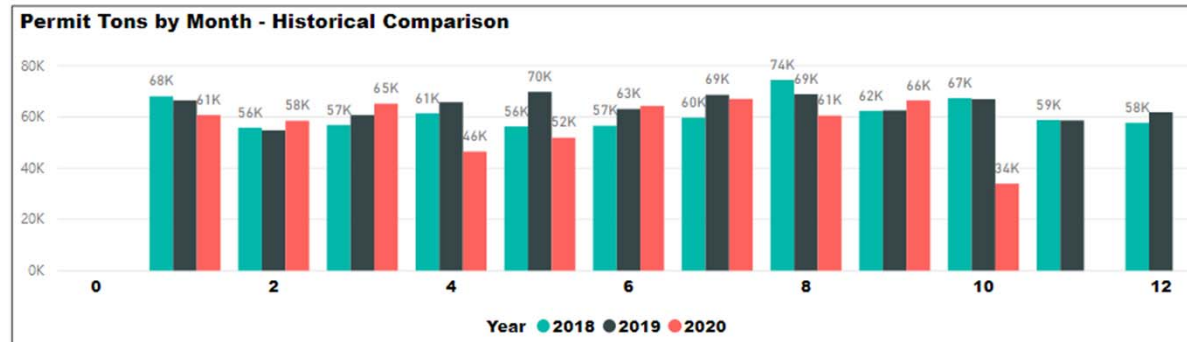


Q1 Disposal revenue

- Budget: \$6,798.4
- Actual: \$7,603.3
- Var \$: \$804.9
- Var %: 12%

Disposal customers > Budget

- In-District +13%
- GWR +12%
- Regional +0%



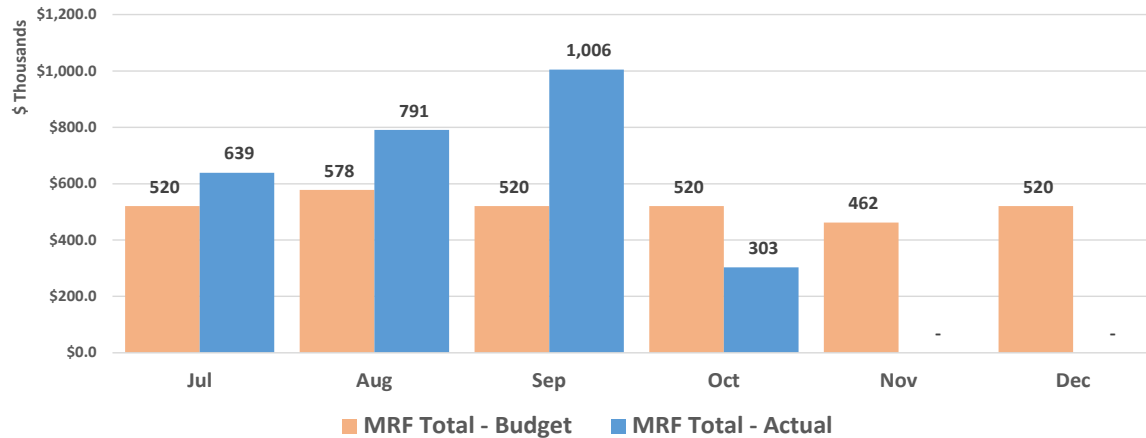
Q1 Permit tons by year

- 2018 180.7k
- 2019: 182.0k
- 2020 Bud: 182.0k
- 2020 Act: 195.5k
- Var Tons: 13.5k
- Var %: 7%



Q1 MRF revenues sharply above budget (50%) due to higher volumes, better prices & timing

**MRF Revenue Total
Budget vs Actual**



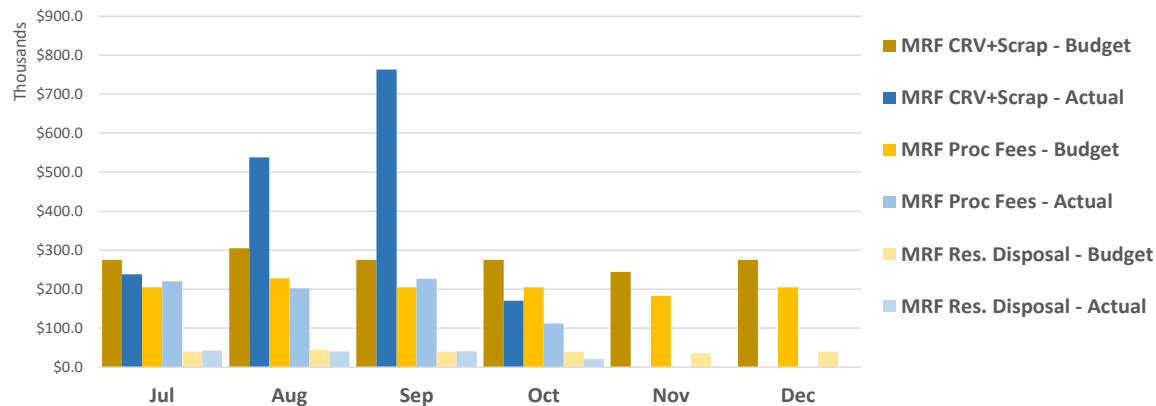
Q1 MRF revenue

- Budget: \$1,618
- Actual: \$2,435
- Var \$: \$817
- Var %: 50%

Higher inbound volumes

- Budget Tons: 14,250
- Actual: 16,410
- Var Tons: 2,160
- Var %: 15%

**MRF Revenue Detail
Budget vs Actual**

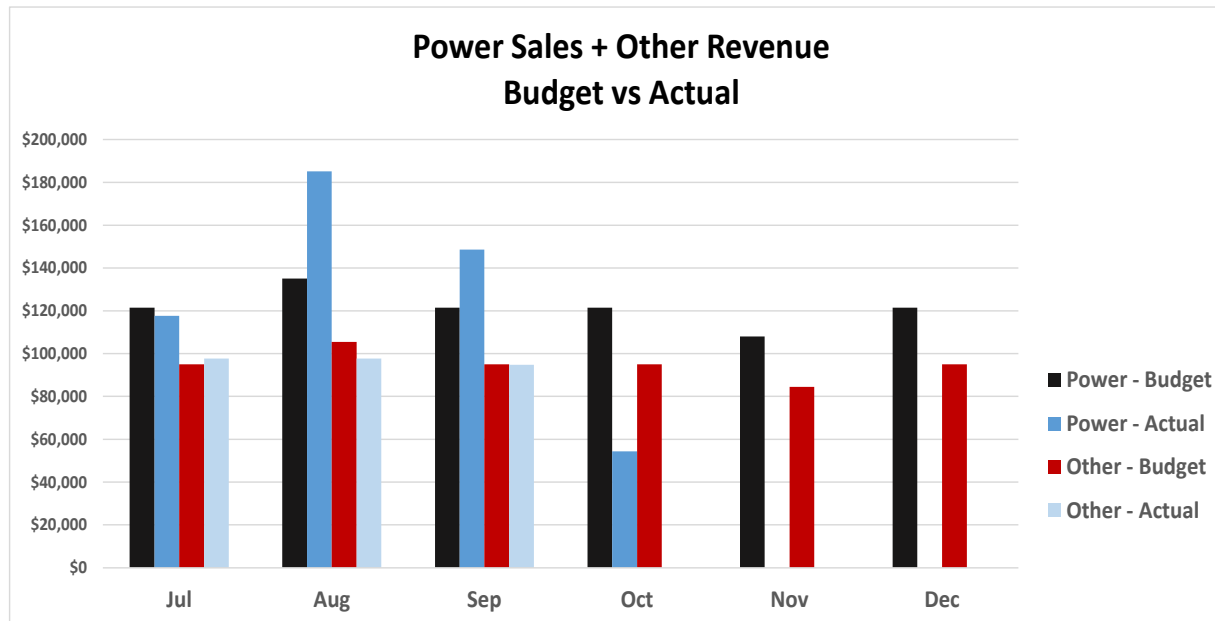


Improved material pricing

- Cardboard: (~44% of vol. shipped) No signific. change
- Glass: (~22% of vol.) modest price improv.
- Paper: (~25% of vol.) substantial improvement due to quality management changes



Q1 Power sales 19% above budget due to uninterrupted engine operations



Q1 Power revenue

- Budget: \$378
- Actual: \$452
- Var \$: \$74
- Var %: 19%
- Q1 Engine up-time averaged > 95%; No major engine repair work
- More favorable market pricing in August



Q1 Operating expenses 2% below budget

- Personnel expenses include one-time layoff costs in July
- Non-personnel expenses, including Operating Supplies, Professional Services and Repairs & Maintenance, are subject to uneven spending patterns due to periodic nature of needs
- Recycling Services expenses are tied to increased volume of incoming yard and food waste

Q1 20/21 Budget vs. Actual - Expense Category Highlights

	Budget	Actual	Var \$	Var %
Personnel Expenses	\$3,585	\$3,876	(\$292)	-8%
Gasoline, Oil & Fuel	\$313	\$256	\$58	18%
Operating Supplies	\$276	\$217	\$59	21%
Professional Services	\$298	\$264	\$34	11%
Recycling Services	\$411	\$479	(\$68)	-17%
Repairs & Maintenance	\$701	\$433	\$269	38%



Q1 financial performance triggers process of evaluating reversal of wage concessions

- During FY20/21 budget process, District negotiated a COLA freeze with Management Unit and non-affiliated employees; and a COLA freeze plus wage cut with Directors.
- District agreed with Management Unit to reverse concessions “upon evidence of sustained financial performance that is above budget”, according to following process:
 1. Evaluate Q1 results in October; If revenue exceeds budget and operating margin equals or exceeds 8%, then:
 - Begin 3 month waiting period (Q2: Oct – Dec); If YTD results through Q2 exceed targets, then:
 - Eliminate concessions and pay backpay to start of waiting period (Oct.)
 2. At end of year, if financial results meet targets, then true up pay to reverse Q1 concessions.
- No action required until January.

