

# MEMO



## Staff Reports

### Item #: 9

Meeting Date: April 21, 2023

To: Board of Directors  
From: Accounting Manager, Garth Gregson  
Approved by: General Manager, Felipe Melchor

**Subject: March 2023 Financial Review**

## Financial & Operations Review March 2023

	March	Month Budget	B/(W) Budget	Year to Date	YTD Budget	B/(W) Budget
* Operating Revenues *						
Tip Fee Revenue	3,078,108	2,819,035	259,072	26,243,979	24,916,634	1,327,345
Other Sales Revenue:	1,158,949	1,290,036	(131,087)	10,443,048	11,402,254	(959,205)
* Total Operating Revenues *	4,237,056	4,109,071	127,985	36,687,028	36,318,888	368,140
* Operating Expenses *						
Employment Expenses	1,458,015	1,398,651	(59,364)	12,620,694	12,362,472	(258,223)
Non-Employment Expenses:	1,944,981	1,697,354	(247,628)	16,028,495	15,275,503	(752,991)
* Total Operating Expenses *	3,402,996	3,096,005	(306,991)	28,649,189	27,637,975	(1,011,214)
** Operating Income (Loss) **	834,061	1,013,067	(179,006)	8,037,839	8,680,913	(643,074)
Non-operating Revenues (Expenses)	(42,368)	(131,741)	89,373	(405,086)	(1,191,082)	785,996
*** Change in Net Position ***	791,692	881,326	(89,633)	7,632,752	7,489,831	142,922

### Revenue

- March tip fee revenue is \$3.1 million and is \$259K or 9.2% over budget and is \$522K or 20.4% higher than March of 2022.
- Tonnage received in March is 93.3K tons which is 13.5K tons or 17% higher than the prior month. March was the first month the District received over 90K tons of material. The next highest month was August 2018 when tons received was 89.3K tons.
- Other revenue in March is \$1.2 million and is \$131K or 10.2% under budget. MRF related revenue in March is \$889K and is \$167K below budget for the month. MRF product sales are \$287K compared to budget of \$510K. CRV revenue is \$374K compared to budget of \$324K for the month. Processing fees are \$189 K compared to budget of \$164K.
- Power revenue for March is \$176K compared to budget of \$153K.

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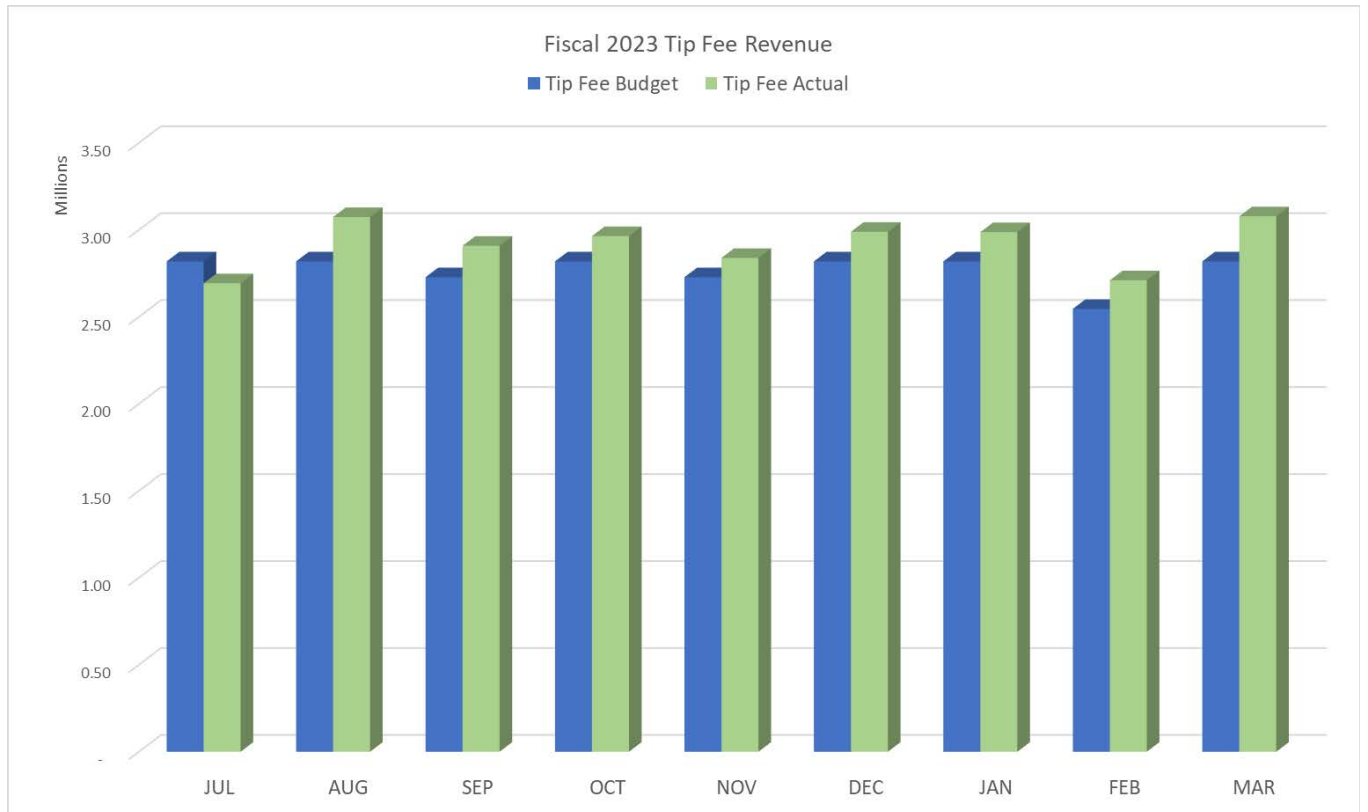
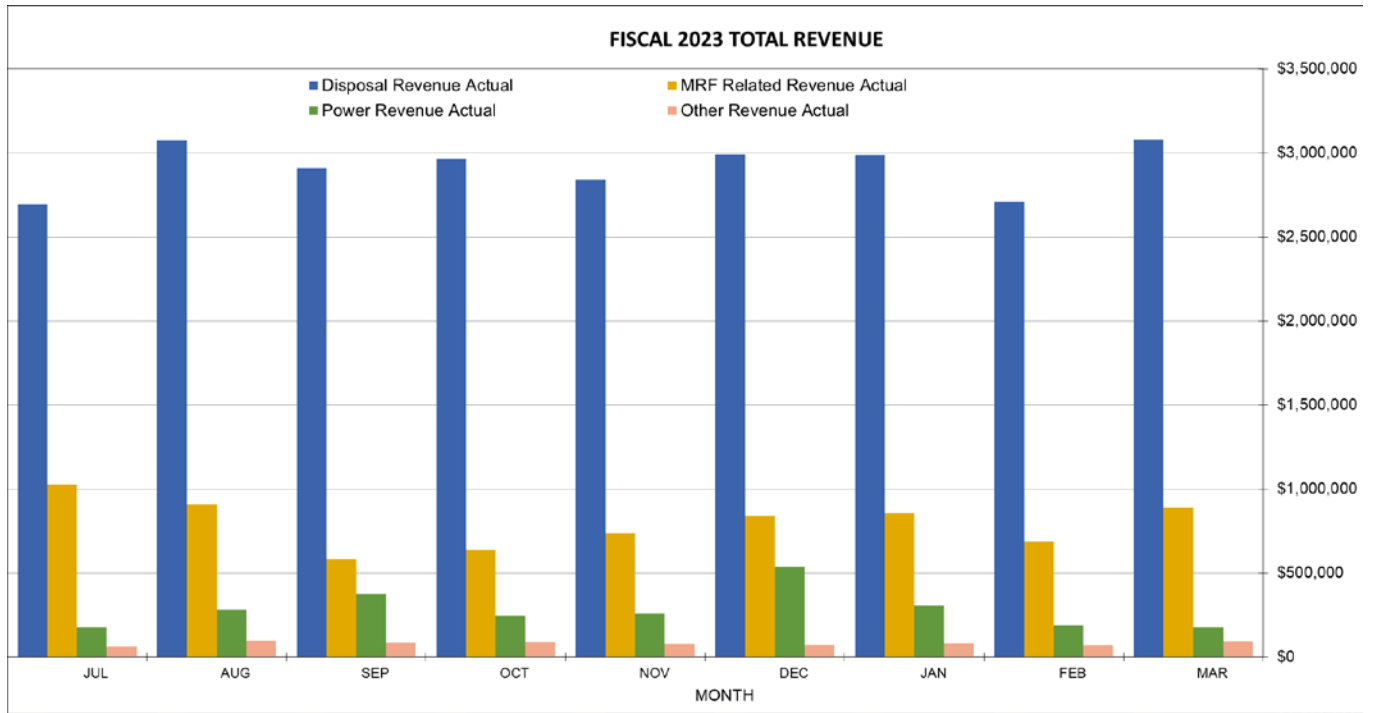
*Let's not waste this.*

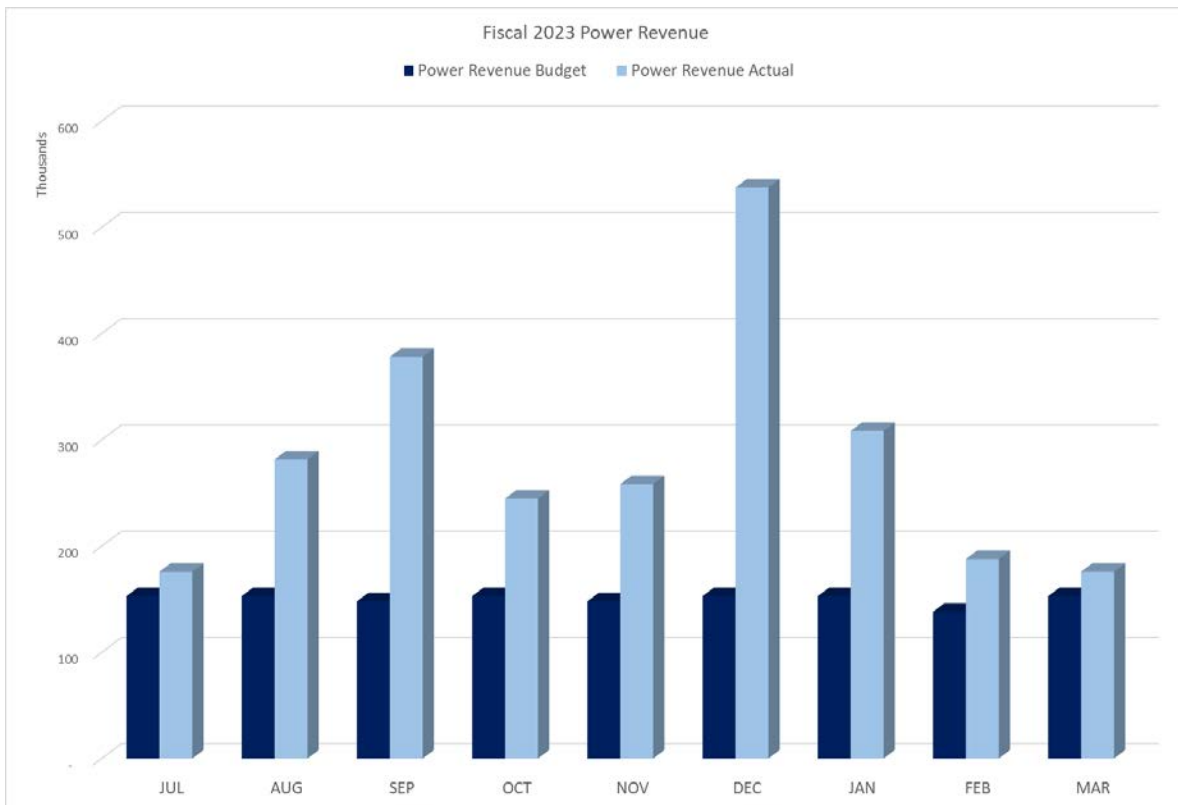
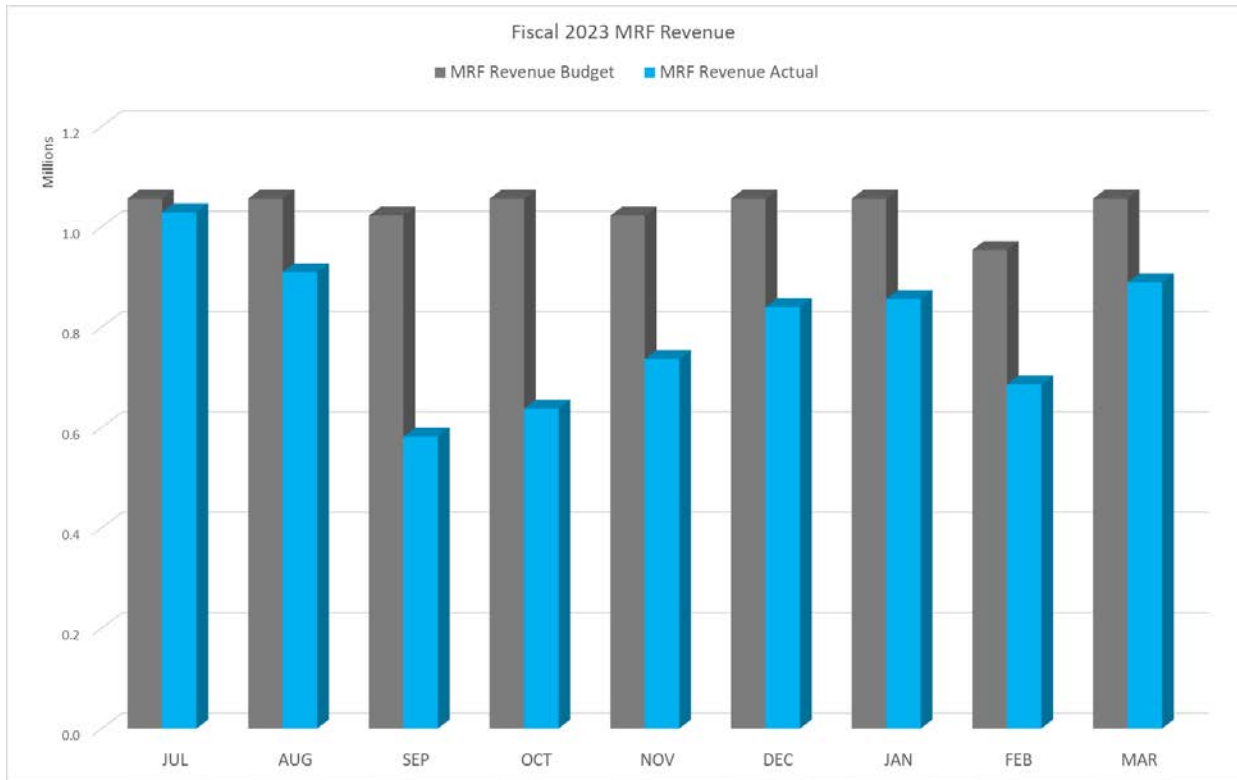


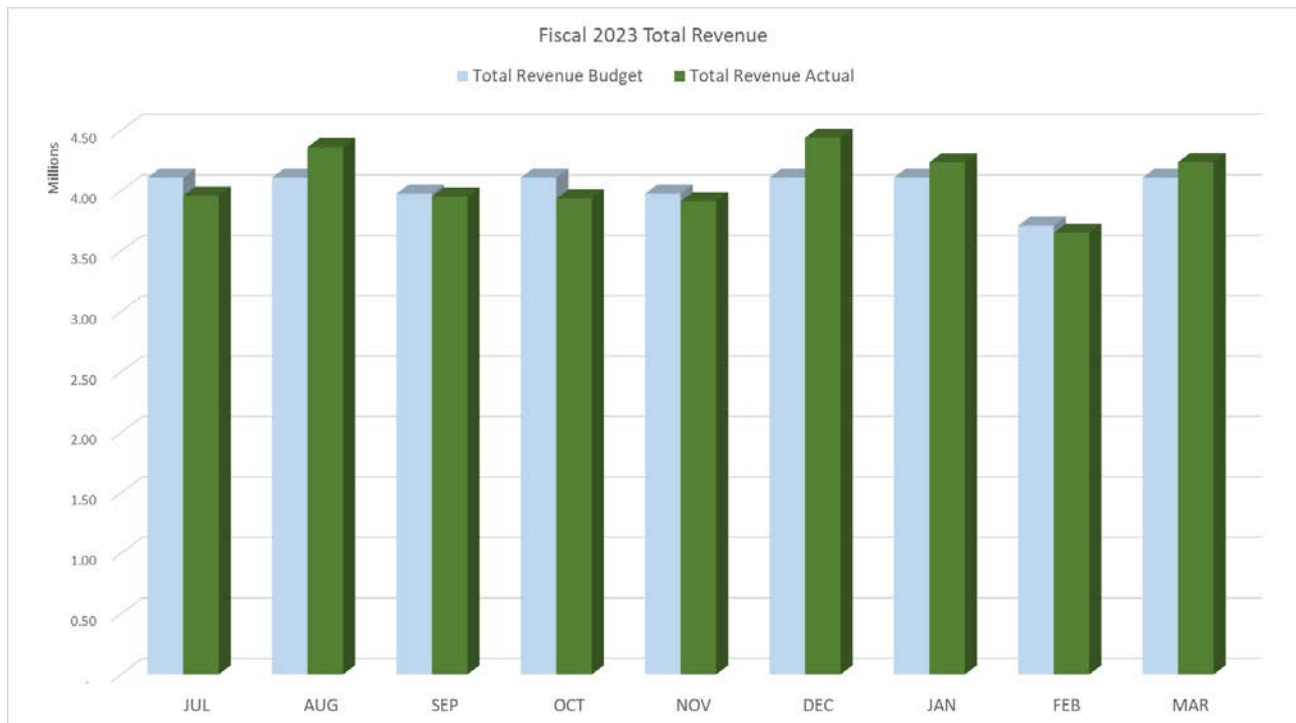
- March total revenue is \$4.2 million which is \$128K over budget and \$340K higher than the same month last year.
- Year to date tip fee revenue is \$26.2 million and is \$1.3 million or 5.3% over budget and \$4.5 million or 20.5% higher than last year. Tip fee revenue for the year is 71.5% of total revenue compared to 63.3% in the same period last year.
- Tonnage received year to date is 735K tons and this is 98K tons higher than the same period last year.
- Year to date other revenue is \$10.4 million and is \$959K or 8.4% under budget. MRF related YTD revenue is \$7.2 million and is \$2.2 million or 23.2% under budget and is \$3.2 million or 30.9% lower than the same period in fiscal 2022.
- A summary of the MRF revenue and direct expenses are below.

	YTD Mar 2023	YTD Budget	YTD B/(W) Budget	YTD Mar 2022	B/(W) F22
<u>MRF Revenue</u>					
Product revenue	\$ 2,324,676	\$ 5,021,635	\$ (2,696,959)	\$ 5,181,133	\$ (2,856,457)
Processing Fees	1,737,393	1,446,682	290,711	2,005,867	(268,474)
CRV Rebates	3,102,233	2,865,800	236,433	3,174,691	(72,458)
	<u>7,164,302</u>	<u>9,334,117</u>	<u>(2,169,815)</u>	<u>10,361,690</u>	<u>(3,197,389)</u>
<u>MRF Direct Expenses</u>					
MRF Operations	5,299,044	5,531,341	232,297	5,436,920	137,877
MRF Maintenance	850,045	1,226,095	376,049	1,085,444	235,399
	<u>6,149,089</u>	<u>6,757,436</u>	<u>608,347</u>	<u>6,522,365</u>	<u>373,275</u>
MRF Contribution Margin	<u>\$ 1,015,212</u>	<u>\$ 2,576,681</u>	<u>\$ (1,561,468)</u>	<u>\$ 3,839,326</u>	<u>\$ (2,824,113)</u>

- Total revenue for the year is \$36.7 million which is \$368K or 1.0% over budget and \$2.3 million or 6.7% higher than the same period in fiscal 2022. Tip fees and power revenue are \$5.5 million higher than last year partially offset by lower MRF related revenue which is \$3.2 million lower than the same period in fiscal 2022.







## Operating Expenses & Net Income

### March

- Employment expense is \$1.5 million and is \$59K or 4.2% over budget.
- Environmental services are \$199K and are \$124K over budget. The overspend is due to higher LFG system repairs and air quality compliance testing costs.
- Recycling services are \$266K and are \$81K over budget due to higher organic material processing costs.
- Total operating expense for the month is \$3.4 million and is \$307K or 9.9% above budget. March operating expenses are \$418K higher than March last year.
- Net income for the month is \$792K and is \$98K or 11.1% under budget and is \$141K or 15.1% lower than March 2022.

### Fiscal 2023 YTD Through March

- Employment expense for the year to date is \$12.6 million and is \$258K or 2.1% over budget. The overspend is primarily due to higher costs of overtime.
- Environmental services \$312K or 46.2% over budget primarily due to repairs to the LFG collection system and regulatory compliance costs.
- Fuel costs of \$1.3 million are \$359K or 40.0% over budget due to continued high fuel prices.
- Recycling services of \$2.3 million are \$622K or 37.3% over budget.
- Repair and maintenance costs of \$2.0 million are \$607K or 23.2% under budget.



- Total operating expense for the year to date are \$28.6 million and is \$753K or 4.9% over budget.
- Net income for the year to date is \$7.6 million and is \$131K above budget and \$1.3 million lower than the same period in F2022.

### Operating Expense by Department

Department	Year to Date	YTD Budget	B/(W) Budget YTD
Accounting	696,726	664,976	(31,750)
Administration	6,328,987	5,655,971	(673,016)
Board	14,325	24,197	9,872
Engineering	908,699	1,159,001	250,302
Household Hazardous Waste	783,049	792,659	9,610
Human Resources	451,887	580,808	128,921
Landfill Gas	2,346,345	1,803,378	(542,967)
Landfill Operations	2,909,523	2,422,622	(486,902)
Last Chance Mercantile	47,377	123,750	76,373
Maintenance Shop	2,177,522	2,317,774	140,252
MRF Maintenance	850,045	1,226,095	376,049
MRF Operations	5,299,044	5,531,341	232,297
Organics	1,867,594	1,275,000	(592,594)
Public Education	573,003	859,961	286,959
Safety & Risk Management	299,391	341,205	41,814
Scales	694,084	652,474	(41,610)
Site & Facilities	2,401,589	2,206,764	(194,826)
<b>Total</b>	<b>28,649,189</b>	<b>27,637,975</b>	<b>(1,011,214)</b>

### Fiscal 2023 Capital Spending

Facilities	\$ 1,020,222
Module develop	1,162,415
Equipment	2,128,207
	<u>\$ 4,310,843</u>

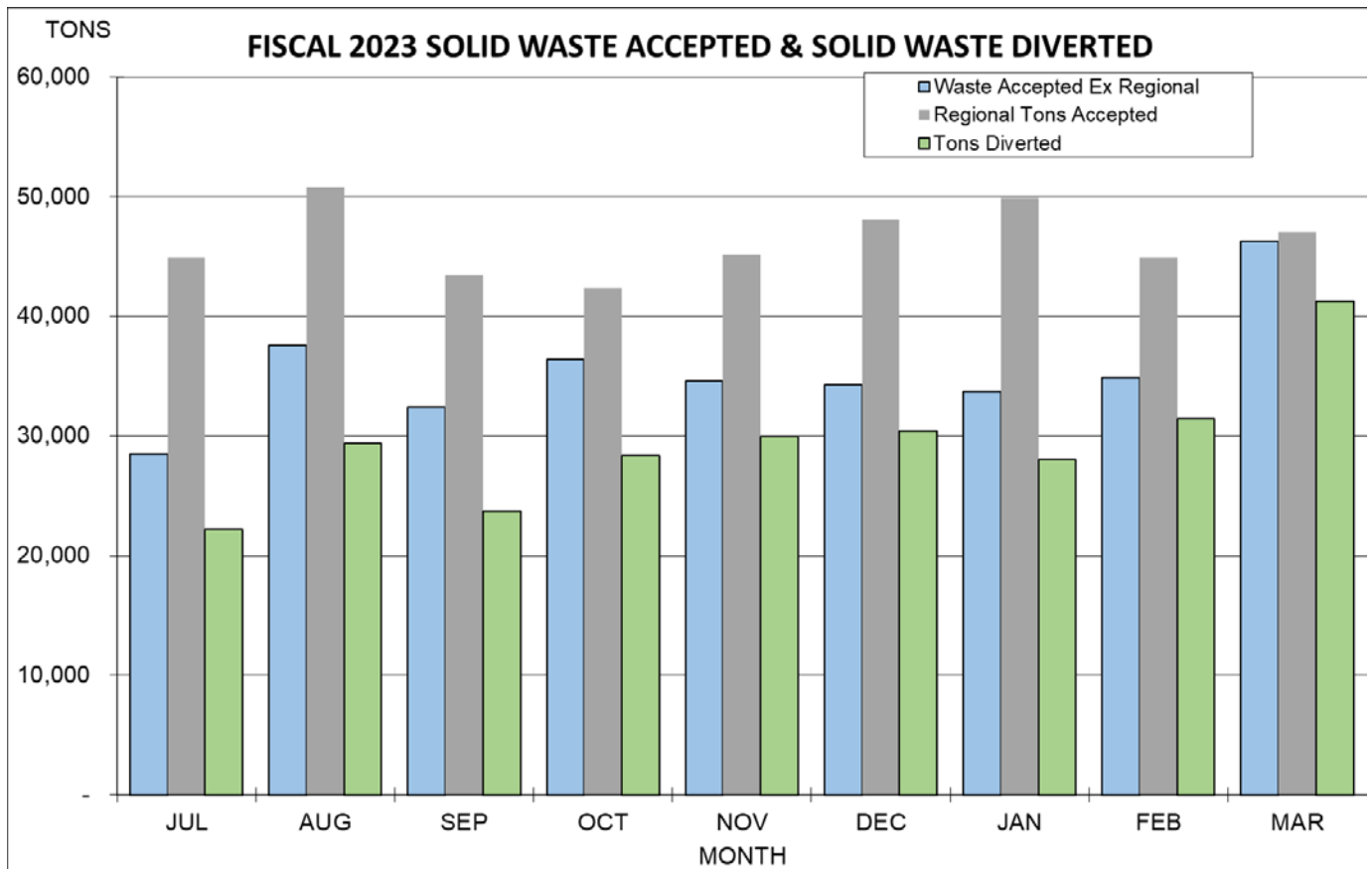
### Cash Position

	Jul 1, 2022	Mar 31, 2023	Change
Cash in bank	\$ 17,917,265	\$ 21,575,391	\$ 3,658,126
Temporary investments	19,643,148	16,363,369	(3,279,779)
Restricted funds	2,500,000	6,013,000	3,513,000
	<u>\$ 40,060,413</u>	<u>\$ 43,951,760</u>	<u>\$ 3,891,347</u>



### Summary of Landfill & MRF Tonnage

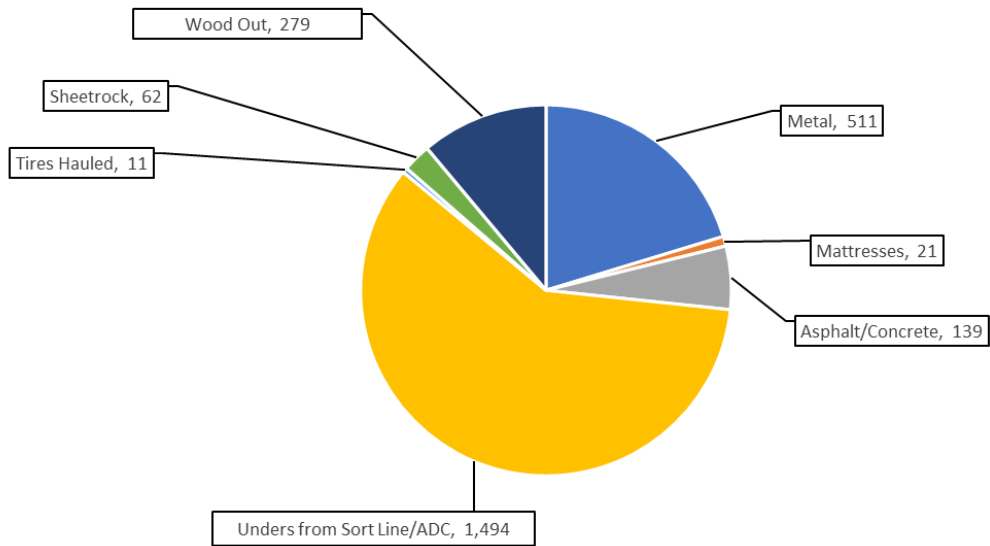
SITE Tonnage	Mar 2023	Mar FY23 YTD	Mar FY22 YTD	More/(Less) Prior Year
<b>Site Accepted Materials</b>				
Refuse - Landfill	11,148.99	92,438.27	96,424.28	(3,986.02)
Refuse - Landfill - Regional Waste	31,358.97	303,942.77	260,292.03	43,650.74
All Other Site Accepted Material	50,792.95	338,821.44	280,421.56	58,399.88
<b>Total Accepted Materials</b>	<b>93,300.91</b>	<b>735,202.47</b>	<b>637,137.87</b>	<b>98,064.60</b>
Total Diverted Materials	41,280.14	264,743.57	212,555.90	52,187.67
<b>Landfilled</b>	<b>52,020.77</b>	<b>470,458.90</b>	<b>424,581.97</b>	<b>45,876.93</b>
<b>MRF - Accepted Materials</b>				
MRF C&D Accepted	5,361.58	42,722.15	33,208.69	9,513.46
MRF SSR Accepted	5,268.18	48,513.90	49,108.08	(594.18)
<b>Total MRF Accepted Materials</b>	<b>10,629.76</b>	<b>91,236.05</b>	<b>82,316.77</b>	<b>8,919.28</b>
<b>MRF - Diverted Materials</b>				
<b>C&amp;D</b>				
Metal	511.15	4,432.87	4,281.34	151.53
Mattresses	21.35	245.26	274.71	(29.45)
Asphalt/Concrete	138.75	1,597.52	1,197.05	400.47
Unders from Sort Line/ADC	1,493.54	13,221.66	8,687.50	4,534.16
Tires Hauled	11.04	152.07	138.50	13.57
Sheetrock	61.93	965.53	943.70	21.83
Wood Out	279.42	3,462.15	3,321.13	141.02
<b>Total C&amp;D Diverted</b>	<b>2,517.18</b>	<b>24,077.06</b>	<b>18,843.93</b>	<b>5,233.13</b>
<b>SSR</b>				
Mixed Plastic	75.50	534.70	434.98	
OCC/Cardboard	1,480.77	14,154.37	15,018.44	
Mixed Glass	671.27	7,062.81	6,976.23	
PET	105.57	908.51	831.45	
Aluminum UBC	38.55	214.26	218.27	
Poly Prop #5	20.37	231.23	260.68	
HDPE - Color	20.19	453.00	410.87	
HDPE - Natural	0.00	254.43	302.86	
Mixed Paper	477.16	6,422.34	6,479.91	
Aluminum scrap	0.00	19.96	20.48	
Tin Lined Steel Cans	45.12	395.03	396.32	
Shredded Paper	20.29	148.05	104.83	
Thermoform	21.47	125.13	274.07	
Clear Film/Hoop House Plastics	102.10	368.29	654.28	
<b>Total Single Stream Recycling Diverted</b>	<b>3,078.36</b>	<b>31,292.11</b>	<b>32,383.67</b>	
<b>Total MRF Diverted Materials</b>	<b>5,595.54</b>	<b>55,369.17</b>	<b>51,227.60</b>	
<b>C&amp;D Percent Diversion</b>		58.1%	58.7%	
<b>Single Stream Recycling Percent</b>		65.7%	66.8%	
<b>Percent Diversion - Entire MRF</b>		62.2%	63.4%	



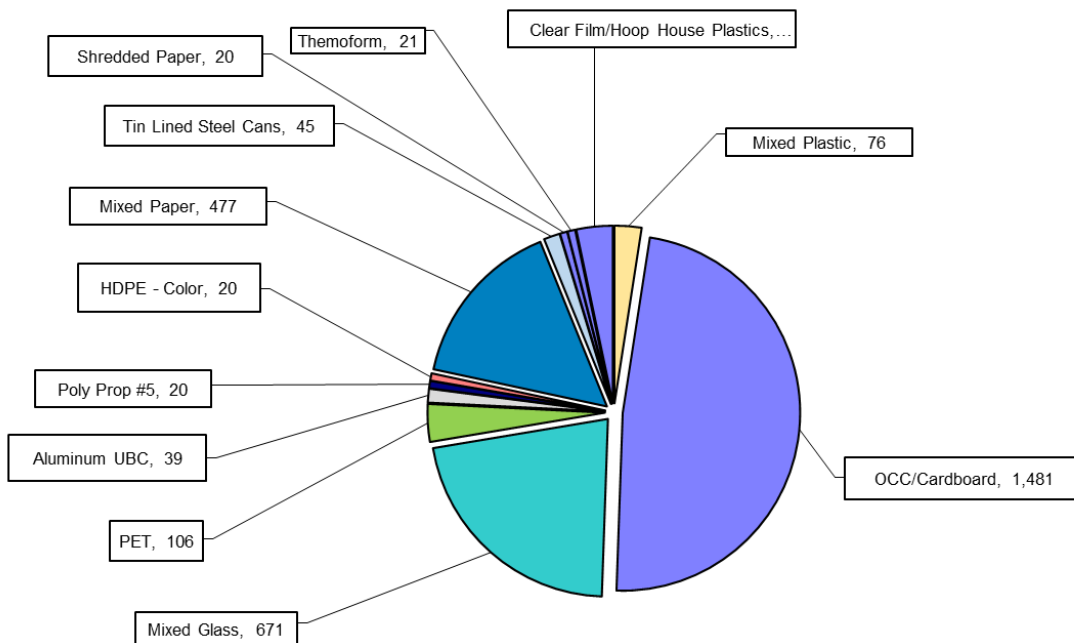




### C&D Diverted Materials Fiscal 2023 - March 2023



### SSR Diverted Materials Fiscal 2023 - March 2023



**Monterey Regional Waste Management District**  
**Summary of Investments as at March 31, 2023**

Depository	Description of Security	Maturity	Interest Rate/Yield	Dollar Amount	Market Value
State of California	Local Agency Investment Fund (LAIF)	Immediate	2.831%	<u>\$ 22,376,368.66</u>	<u>\$ 22,376,368.66</u>