



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: July 1, 2015  
 TO: Board of Directors  
 FROM: Dennis Allion, Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of July 1, 2015

The Finance Committee met on July 1st at 9:30 a.m., at the District Administrative Offices. Committee members in attendance were Directors Bales and Pendergrass. Staff members in attendance were Tim Flanagan, Chuck Rees, and Guy Petraborg. Rob Wellington was also present. The purpose of the meeting was provide direction regarding both the Authority and District Investment Policies, receive an update on Annual Audit for FY 2014/15 and new reporting requirements for pension plans, Capital Projects, Countywide Integrated Solid Waste Management Study (CISWMS) and General Management Comments. There was a closed session item regarding property negotiation. Discussion is summarized below and followed the attached agenda.

### Authority and District Investment Policies

Staff noted that there is one change to the Authority Investment Policy from last year that would allow for the investment of funds in US Treasury Security Money Market Funds in addition to the Local Agency Investment Fund (LAIF). There is no change in the District Investment Policy from last year. Committee discussed other options for investment of funds and directed staff to bring the respective Investment Policies resolutions to the full Board for approval at the July 17<sup>th</sup> meeting.

### Annual Audit for Fiscal Year 2014/2015

Staff noted that Bianchi, Kasavan & Pope are on schedule to audit and report on the District's financial statements for the Fiscal Year 2014/2015. Chuck Rees reported that there are new requirements for reporting of pension plans that are effective this year. The District will implement the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB No. 27*. Mr. Rees reported that the requirement would require a new actuarial computation of the pension liability and the reporting of any unfunded liability on the Statement of Net Assets. Mr. Rees noted that this computation is being prepared by CalPERS but would not be available until July 6<sup>th</sup>. The committee discussed the complexity of the reporting requirements and requested staff to prepare a general presentation on the pension liability of the District for presentation at the September 18<sup>th</sup> Board meeting.

### Capital Project Updates

Staff updated the Committee on the status of the four major projects (MRF Improvements, CNG Fueling, Truck Yard and Maintenance Facility and LFG/Electrical System) and discussion followed. The Committee agreed that staff should continue to work on finalizing the MRF Equipment contract with BHS and work closely with BHS in preparing a RFQ/RFP for related infrastructure contracts. Staff reported that three construction bids were received on June 30, 2015 for the electrical system upgrade work and that the bids are under review. The low bid was \$891,700. Staff reported that there had been some small delays in the initial earthwork permitting and construction of the Truck Yard and Maintenance Facility, however, the critical path component had not been impacted (e.g., building structures construction).

**Status Report on Countywide Integrated Solid Waste Management Study (CISWMS)**

Staff provided the Committee with an update on the CISWMS Report. It was noted that the City Managers Group had requested that the District help publicize and coordinate the meeting location arrangements for a community meeting where the City Managers Group would present information about their CISWMS Report and its conclusions. Discussion followed and the Committee asked that all publicity or notices about the community meeting made by the District clearly communicate that the City Managers Group and their consultants were conducting the public meeting for the purpose of presenting the City Managers Group's findings and conclusions of their CISWMS.

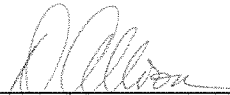
**General Manager Comments**

Tim Flanagan, Assistant General Manager, reported that he had no responses from either of our local state representatives regarding the Board stipend increase request. He will make a second request.

**Closed Session**

Staff provided information and no action was taken.

Next Meeting Date: Wednesday, September 2, 2015 at 9:30 AM.



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Dennis Allion

Attachment