



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: May 6, 2016
 TO: Board of Directors
 FROM: Dennis Allion, Finance Committee Chair
 SUBJECT: Summary of Finance Committee Meeting of May 4, 2016

The Finance Committee met on May 4th at 9:00 a.m., at the District Administrative Offices. Committee members in attendance were Directors Bales, Laska and Pendergrass. Staff members in attendance were Tim Flanagan, Chuck Rees, Guy Petraborg, Jeff Lindenthal, and Becky Aguilar. Rob Wellington was also in attendance. The purpose of the meeting was to receive an update on Fiscal Year 2016/17 Budget preparation, assumptions and timeline, update on Anaerobic Digester Agreement with MRWPCA, provide updates on the Capital Project, and General Manager comments. There was a scheduled closed session item regarding anticipated litigation that was not necessary. Discussion is summarized below and followed the attached agenda.

Preliminary Budget for Fiscal Year 2016/17. Staff presented the Preliminary Budget for Fiscal Year 2016/17. The financial impacts of the key assumptions used in the preparation of the Preliminary Budget were discussed in detail. The Committee discussed the key assumptions and provided guidance to staff for preparation of the Preliminary Budget presentation at the May 20th Board Meeting. It was noted that the construction of the MRF Improvements will cause operational disruptions. Staff is documenting the financial impact of these key assumptions and will be prepared to present these to the Board in May. The Committee discussed the impact of staffing for the improved MRF, the value of the recycled material to be recovered from the MRF, the impact on the unrestricted cash reserves and the computation of the ratio of net current revenues to debt service as required by the 2015 Revenue Bonds. Discussion followed and the Committee requested that staff prepare a summary to explain the FY 2016/17 operating deficit and where and why the reserves are being spent and how the reserves will be replenished in the future years. Staff will distribute the summary to Committee members for their comments.

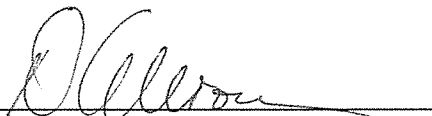
Anaerobic Digester Connection Agreement. Tim noted that there had been no substantial changes since the report at the April Board meeting.

Capital Project Updates. Guy updated the Committee on the Capital Projects. He noted progress was continuing and no significant changes since his report at the April Board meeting.

General Manager Comment. The Committee agreed that the use of Bianchi, Kasavan & Pope for the FY 2015/16 audit would be appropriate.

Closed Session. No closed session was held.

Next Meeting Date: Wednesday, June 6, 2016 at 9:00 a.m.


 Dennis Allion

Attachment

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BOARD OF DIRECTORS
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ROBERT WELLINGTON
COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE MEETING

Wednesday
May 4, 2016
9:00 a.m.

Board Room
MRWMD Offices
14201 Del Monte Blvd., Marina CA

Attending: Committee (Board) Chair Allion; Directors Bales, Pendergrass, and Laska
Rob Wellington, Legal Counsel
Tim Flanagan, General Manager
Chuck Rees, Finance Manager
Guy Petrabor, Director of Engineering & Compliance/District Engineer
Jeff Lindenthal, Director of Communications & Sustainability

OPEN SESSION AGENDA

1. Preliminary Budget for Fiscal Year 2016/17
2. Update on Anaerobic Digester Connection Agreement with Monterey Regional Water Pollution Control Agency.
3. Capital Project Updates
 - Landfill Gas Update
 - Compressed Natural Gas Facility
 - Truck Yard and Maintenance Facility
 - Materials Recovery Facility Equipment Installation
4. General Manager Comments
5. Next Meeting Date: Wednesday, June 6, 2016, 9:00 a.m.

CLOSED SESSION AGENDA

As permitted by the Brown Act (California Government Code Sections 54950 and following), the Board may adjourn to closed session to consider the specific items listed below:

- 1) Conference with Legal Counsel--Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: (One Case)

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