



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: October 31, 2013  
 TO: Board of Directors  
 FROM: Finance Committee Chair  
 SUBJECT: Summary of Finance Committee Meeting of October 30, 2013

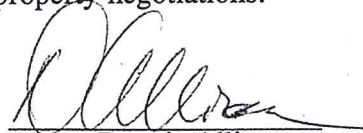
The Finance Committee met on October 30<sup>th</sup> at 9:30 a.m., at the District administrative offices. Committee members in attendance were Vice Chair Laska, Directors Bales, Pendergrass and me. Rob Wellington was also present. Connie Glosser and Jarrod Penner from Bianchi, Kasavan & Pope (BKP) attended to assist in the presentation of the District's Annual Audit Report and Financials. The principal purpose of the meeting was to receive the District's Annual Audit Report. Discussion is summarized below and followed the attached agenda.

1. **Presentation of Annual Audit Report and Financials.** A Draft Audit Report and Financials for the Fiscal Year ended 2012/13 were provided by staff. Ms. Glosser discussed BKP's audit procedures, noted they had proposed no adjustments to the District's prepared financial statements, and at the completion of their review process would be prepared to issue an "unqualified" opinion on the District financial reports. Staff reported there were no significant reporting changes required by new accounting pronouncements. Staff reviewed the major variances to budget for revenues, expenditures and changes in cash reserves. Discussion followed regarding the sources and uses of funds from operating activities, capital and related financing activities and nonfinancial financing activities which resulted in a reduction in cash and cash equivalents of \$3,454,329 that was favorable to budget by \$1,912,073. The Committee agreed that the District ended the year in a sound financial condition and recommended that the annual Audit Report be placed on the November 15<sup>th</sup> Board meeting agenda.
2. **Report on Landfill Gas (LFG) Project Operations and Status of Selection of LFG Plant Operator.** Staff reported on recent developments with the LFG plant operation and process to select a private firm to operate the plant. There was no discussion about selling power to CalAm for the desal plant. Staff will report to the Finance Committee at the November 20<sup>th</sup> meeting on the LFG Project.
3. **Review City Managers Revised Agreement and Request for Proposals to Analyze Monterey County's Integrated Waste Management System.** The Committee discussed the proposed revisions to the Agreement and RFP, made comments, and noted that additional changes should be made to the documents prior to presenting them to the Board on November 15<sup>th</sup>.
4. **General Manager Comments**
  - a. **LAFCO Budget Process.** The General Manager reported that he had met with the LAFCO Executive Officer, to discuss LAFCO's budget process and schedule for the Municipal Services Review. He noted that the applicants for new projects do pay their full share for LAFCO's services. Board Chair Allion and the General Manager plan to attend the LAFCO Budget and Finance Committee meeting on November 7<sup>th</sup> to provide favorable comments on their Budget process. LAFCO staff is preparing the Municipal Services Review application, for review by the District in 2013 or early 2014.

b. Materials Recovery Facility (MRF) Improvement Project. Staff is preparing a report for the next Finance Committee meeting with plans for completing the final design of the MRF and for seeking authorization from the Board to proceed to final design with the MRF Improvement Project.

5. Next Meeting Date: The next Finance Committee meeting was rescheduled to Wednesday, November 20, 2013 at 9:30 a.m., due to the Thanksgiving holiday.

Closed Session: The Committee provided direction to staff on property negotiations.



Dennis Allion

Attachment

BOARD OF DIRECTORS  
DENNIS ALLION  
CHAIR

LEO LASKA  
VICE CHAIR

GARY BALES  
SUE McCLOUD  
DAVID PENDERGRASS  
LIBBY DOWNEY  
JANE PARKER  
IAN OGLESBY  
BRUCE DELGADO



WILLIAM MERRY, P.E., BCEE  
GENERAL MANAGER/  
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN  
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.  
SENIOR ENGINEER

ROBERT WELLINGTON  
COUNSEL

# MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

*Home of the Last Chance Mercantile*

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT FINANCE COMMITTEE MEETING

Wednesday  
October 30, 2013  
9:30 a.m.

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

**Attending:** Committee (Board) Chair Allion; Vice Chair Laska, Directors Bales and Pendergrass  
Rob Wellington, Legal Counsel  
William Merry, General Manager  
Chuck Rees, Finance Manager

### OPEN SESSION AGENDA

1. Presentation of Annual Audit Report and Financials.
2. Report on Landfill Gas (LFG) Project Operations and Status of Selection of LFG Plant Operator.
3. Review City Managers Revised Agreement and Request for Proposals to Analyze Monterey County's Integrated Waste Management System.
4. General Manager Comments.
5. Next Meeting Date: November 27, 2013; 9:30 a.m.

### CLOSED SESSION AGENDA

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed or Executive Session to consider specific matters dealing with pending or prospective litigation, real property negotiations, certain personnel matters, or to confer with District's Meyers-Milias-Brown representative.

- 1) Conference with Property Negotiators:  
Property: Landfill Site Space/Capacity  
District Negotiators: William Merry and Tim Flanagan  
Negotiating Parties: a. Cities of Gilroy/Morgan Hill  
b. County of Monterey  
Terms: All Terms and Conditions

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