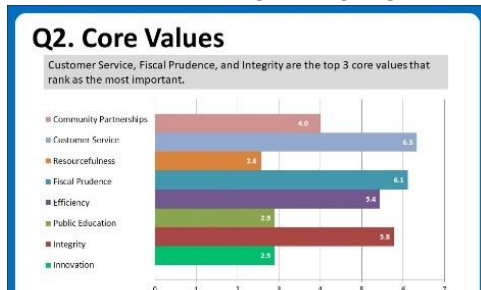




BOARD OF DIRECTORS MEETING HIGHLIGHTS March 15, 2018

BOARD PRIORITIES SURVEY RESULTS

At the January Board meeting staff was asked to develop a survey designed to gather opinions from the Board members regarding agency priorities. This will help guide staff in the drafting of the next 6-month objectives that will be presented for discussion at the April 2018 Board meeting.



Staff conducted an internal retreat and worked with EMC Research to develop and design the survey. The survey of 25 questions was distributed via Survey Monkey and hard copies to the Board members with all nine responses received within a week. The results indicate that the Core Values most important to the majority of the Board are Customer Service, followed by Fiscal Prudence, and Integrity. 67% of the Board members indicate that reducing illegal dumping is the top priority and 56% indicate that reducing the amount of waste that goes into local landfills by upgrading recycling facilities is extremely important.



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AGREEMENT WITH REPUBLIC SERVICES OF SALINAS

With the construction currently underway for the expansion of the Organics Processing Project that will help meet new state mandates requirements to reduce organics from going to the landfills and associated greenhouse gas emissions, SVR is working with Republic Services and the City of Salinas to approve an agreement with Republic Services for a phased-in Organics processing rate adjustment for the City of Salinas. This agreement will help avoid an increase in AB 939 fees for all member agencies to fully fund the program. The current agreement has required an ongoing subsidization to support current operational costs above the contracted rates that were established in 2004. Staff was asked to present the information to the City Council in conjunction with Republic's annual rate increase package.

Revised Agreement Benefits

- ▶ Phases out rate subsidy
- ▶ Sustainably funds full cost of State mandated program expansion
- ▶ Eliminates need to raise AB 939 fees for FY 2018-19
- ▶ Brings program into compliance with JPA Section 15.
 - ▶ EQUALIZATION OF RATES: The Authority Board shall establish a schedule of uniform and equalized rates that will not differentiate between geographical or jurisdictional areas within the boundaries of the Authority...

	FY 2017-18 BUDGET	Adjusted FY 2017-18 BUDGET	FY 2018-19 BUDGET
Revenue Summary			
Total Revenue	18,364,750	18,974,750	19,720,275
Expense Summary			
Operating Expenditures	13,871,000	14,364,200	14,926,200
Debt Service	2,849,000	2,849,000	3,933,800
Total Expenses	16,720,000	17,213,200	18,860,000
Revenue Over/(Under) Expenses	1,644,750	1,761,550	860,275
Less CIP Allocation	(1,640,000)	(1,640,000)	(800,000)
Balance Used for Reserves	4,750	121,550	60,275

FISCAL YEAR 2018-19 RATES & FEES AND OPERATING BUDGET - APPROVED

The Board approved the \$18,860,000 Operating Budget for the fiscal year 2018-19 which includes the funding of projected increases, such as, the expansion of the Organics Process Program, Debt Service, Facility Maintenance and Payroll. The increases will be funded by increases in projected tonnage, tipping fees for Organics and a small increase in the Transportation Surcharge.

FINANCIAL REPORT FOR MONTH ENDED JANUARY 2018 (58.33% OF THE FISCAL YEAR)

Revenue collected	\$ 13,406,490 (70.7% of Estimated Revenue of \$18,364,750)
Expenditures for operations	\$ 8,863,351 (51.5% of Operating Budget of \$16,720,000)
Cash balance	\$ 25,760,549

REDUCE REUSE RECYCLE

"To manage Salinas Valley solid waste as a resource, promoting sustainable, environmentally sound and cost-effective practices through an integrated system of waste reduction, reuse, recycling, innovative technology, customer service, and education."