



Agenda Date: 2/26/2007
Agenda Placement: 5B

Upper Valley Waste Management Agency Board Agenda Letter

TO: Board of Directors
FROM: Lederer, Steven - Manager
Upper Valley Waste Management Agency
REPORT BY: Steven Lederer, DIRECTOR OF ENVIRONMENTAL MGT , 253-4471
SUBJECT: Revisions to 2006/2007 Budget

RECOMMENDATION

REVISIONS TO 2006/2007 BUDGET

REQUESTED ACTION: Staff requests approval and adoption of revisions to the approved final budget for fiscal year 2006/2007. A 4/5 vote of the Board is required.

EXECUTIVE SUMMARY

Based on current analysis of revenues and expenses, and new information which has been received since its adoption, revisions to the approved fiscal year 2006/2007 recommended budget are needed. The proposed changes are discussed in more detail below.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	The net effect of these changes is to decrease the amount of money needed to be withdrawn from reserves in order to balance this year's budget.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	None
Consequences if not approved:	The approved budget will not reflect current conditions.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The following changes are proposed to the previously approved budget:

Revenues

- 1) A new account is established to track revenue associated with the Large Venue Grant (LVG), with expected revenue of \$56,000. This amount includes \$41,000 previously budgeted in the Miscellaneous revenue account and \$17,000 of additional revenue which is expected from this grant in this fiscal year. \$23,335.12 of the \$82,000 total grant was received in FY 2005/2006. The small amount remaining (\$2,664.88) will be budgeted to be received next year.
- 2) A new account is established to track revenues (\$7,000) from the Household Hazardous Waste (Battery) Grant recently awarded to the Agency.
- 3) The Landfill Surcharge budget is reduced from \$170,000 to \$153,000 to reflect the actual revenues expected based on current waste disposal volumes.
- 4) The Miscellaneous account is reduced from \$43,000 to \$2,000 to reflect the \$41,000 transferred to the new LVG line item.
- 5) The transfer from reserves is reduced from \$20,000 to \$14,000 as this is what is needed to balance the budget based on the changes presented herein.

Expenses

- 1) Expenses for household hazardous waste collection events are reduced from \$65,000 to \$29,000 as we only need to conduct one event this fiscal year. The next event will be scheduled in Calistoga on October 13, 2007.
- 2) PSS:Other (meaning consultant expenses) is increased from \$45,000 to \$53,000 to cover expenses related to the HDR/BVA contract for updating the Rate Methodology.
- 3) SDE:Other (which includes expenses from the LVG) is increased from \$66,275 to \$86,275 to reflect the increased expenses (off-set by identical revenues) in this fiscal year related to the LVG and to provide \$5,000 for miscellaneous expenses related to waste minimization programs.
- 4) A new account is established to track expenses (\$7,000) from the Household Hazardous Waste (Battery) Grant recently awarded to the Agency.

Fund Balance

The Agency's goal is to maintain a \$35,000 fund balance. Fund balance from a cash flow standpoint was \$78,623.15 at the beginning of the fiscal year. The proposed budget removes \$14,000 from reserves, which still leaves the Agency well above the desired fund balance.

SUPPORTING DOCUMENTS

A . Proposed Revised 2006/07 Budget

Recommendation: Approve

Reviewed By: Belinda Yamate