



Upper Valley Waste Management Agency Board Agenda Letter

TO: Board of Directors
FROM: Jill Pahl - Manager
Upper Valley Waste Management Agency
REPORT BY: Jill Pahl, Acting Director , 253-4410
SUBJECT: PUBLIC HEARING: 2006/2007 Budget

RECOMMENDATION

PUBLIC HEARING: 2006/2007 BUDGET

REQUESTED ACTION: Staff requests approval and adoption of the proposed final budget for fiscal year 2006/2007.

EXECUTIVE SUMMARY

Staff will present the proposed final fiscal year 2006/2007 recommended budget.

The changes that were made from the May presentation are:

- | An addition and refinement of the revenues and expenses concerning the large venue grant. Review of the expenditures to date result in half of the \$82,000 grant will be expended in fiscal year 05-06 instead of the \$60,000 originally projected.
- | A transfer from excess reserves is proposed to pay for the rate methodology agreement.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Operating Revenues
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	None

Consequences if not approved: No expenditures can be paid.

Additional Information: None

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 is the information presented for the May meeting on the changes in the budget.

Revenues

\$49,410 of prior year revenues were recognized in 2006 because a receivable had not been set up. Interest is up because of the larger fund balance and increased interest rates. Minor increases in miscellaneous revenues were realized and expected to continue as the Agency continues joint ventures with other agencies for program implementation.

Expenses

As the Agency provides expanded and additional services for universal waste collection, about \$5,000 in additional expenses are anticipated in the household hazardous waste account. The use of a consultant to develop new rate methodologies is expected to have a portion of the expense in the current fiscal year and an additional \$20,000 in the next fiscal year. Once actual costs are known when the proposals are received, these numbers will be revised for the June budget approval. Otherwise the proposed expenses are fairly static.

Fund Balance

The Agency's goal is to maintain a \$35,000 fund balance. In 2004-2005 this fell to \$27,509 due to the unpredictability of the household hazardous waste expenses. The predicted additional \$62,698 of revenues over expenses for the current year will allow the maintenance of the fund balance goal for many years in the future. The proposed budget keeps expenses essentially neutral to the expected revenue.

SUPPORTING DOCUMENTS

A . Final Budget

Recommendation: Approve

Reviewed By: Jill Pahl