

Staff Reports
Item #: 8.a



Meeting Date: July 19, 2024

To: Board of Directors
From: Accounting Manager, Garth Gregson
Approved by: General Manager, Felipe Melchor

Subject: June 2024 Financial Review

Financial & Operations Review June 2024

	June	Month Budget	B/(W) Month Bud	Year to Date	YTD Budget	B/(W) YTD Bud
Tipping Fees Revenue	\$2,810,828	\$3,254,795	(\$443,966)	\$38,093,457	\$39,600,000	(\$1,506,543)
Other Sales Revenue	1,277,342	949,348	327,994	13,663,999	11,550,400	2,113,599
* Total Operating Revenues *	4,088,170	4,204,142	(115,972)	51,757,455	51,150,400	607,056
* Operating Expenses *						
Total Employment Expenses	1,457,550	1,561,841	104,291	18,598,909	19,002,402	403,493
Total Non-Employment Expenses:	2,931,454	1,927,403	(1,004,051)	28,464,269	23,130,346	(5,333,923)
* Total Operating Expenses *	4,389,004	3,489,245	(899,760)	47,063,178	42,132,748	(4,930,430)
** Operating Income (Loss) **	(300,834)	714,898	(1,015,732)	4,694,278	9,017,652	(4,323,374)
* Nonoperating Revenues (Expenses) *	11,160	(39,336)	50,495	346,676	(461,000)	807,676
Net Income/(Loss)	(\$289,675)	\$675,562	(\$965,237)	\$5,040,954	\$8,556,652	(\$3,515,698)

Month

- Total revenue is \$4.10 million and is \$116K under budget.
- Tonnage received in May is 67.2K tons. The average tons received in the fiscal year is 80.2k tons per month.
- Cost of employment is \$1.46 million compared to budget of \$1.61 million.
- Non-employment operating expenses are \$2.93 million compared to budget of \$1.93 million.
- Net loss for the month is \$290K compared to budgeted net income of \$676K.

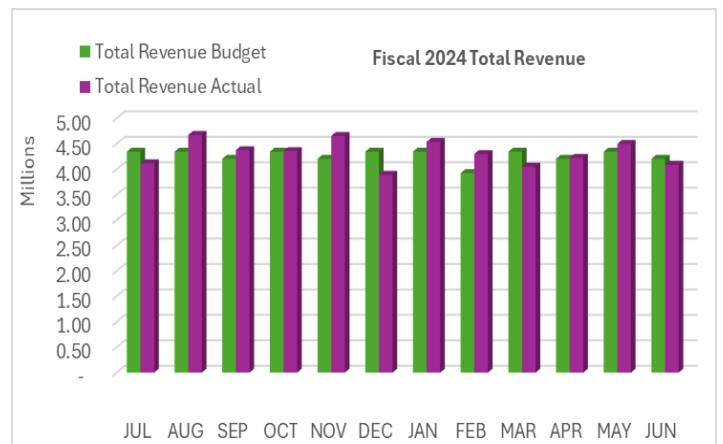
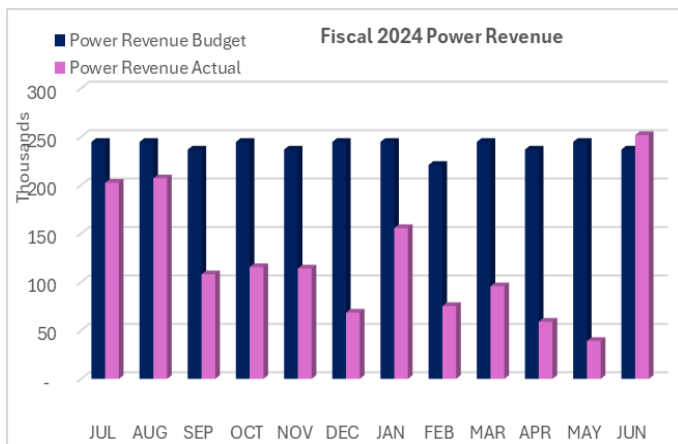
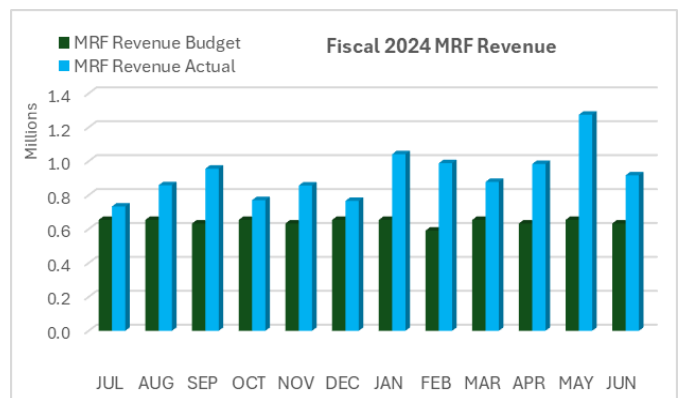
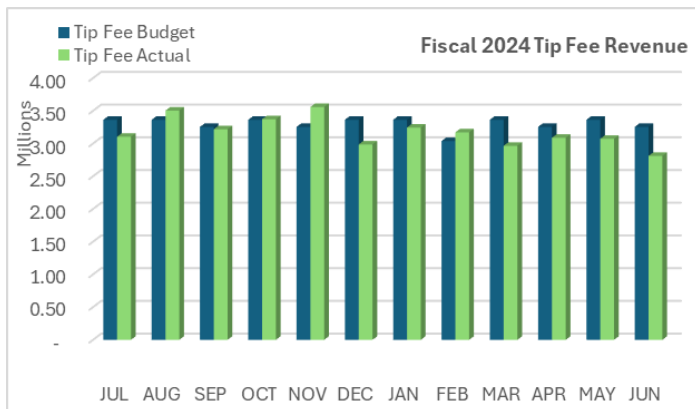
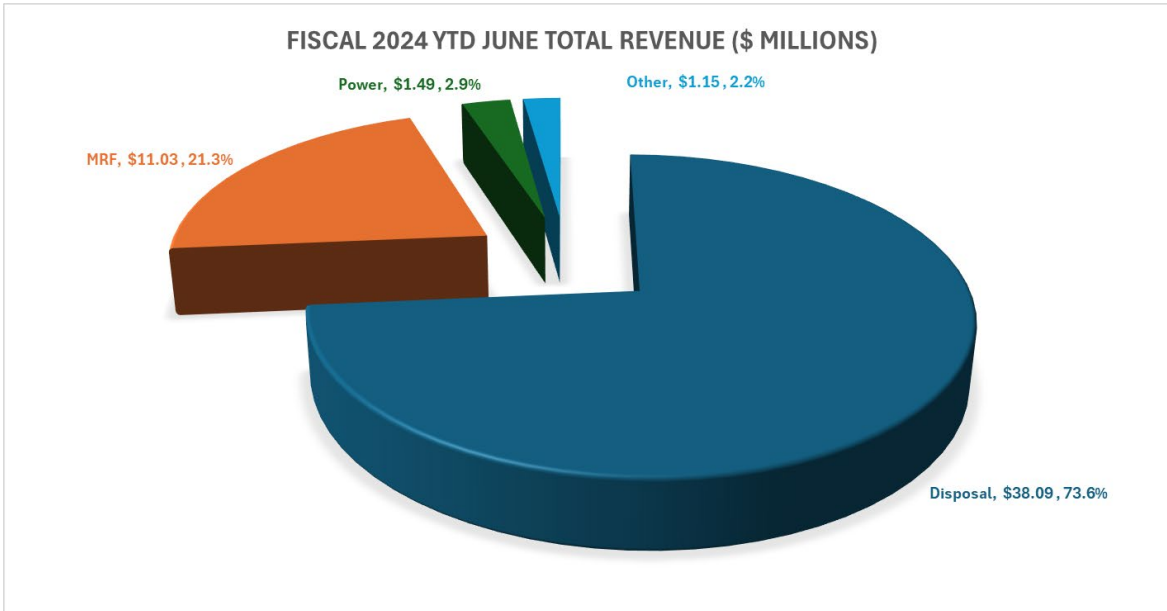
Year to Date

- Tip fee revenue for the year is \$38.09 million and is \$1.51 million below budget and \$2.02 million higher than last year.
- Tonnage received year to date 962.6K tons and compared to 1.00 million tons received in Fiscal 2023.
- The rolling 12 month diversion rate for the MRF is 63.2% which is up from 62.6% the prior month.
- Total other operating revenue year to date is \$13.66 million and is \$2.11 million over budget and \$93K higher than last year.
- A summary of the MRF YTD revenue and direct expenses are.

	YTD June 2024	YTD Budget	FY B/(W) Budget
Product revenue	\$4,272,423	\$2,212,131	\$2,060,292
Processing fees	2,360,046	1,714,069	645,976
CRV rebates	4,393,192	3,774,200	618,993
	11,025,661	7,700,400	3,325,261
MRF direct expenses	10,427,894	9,549,101	(878,793)
MRF contribution margin	\$597,767	(\$1,848,701)	\$2,446,468

- Power revenue is \$1.49 million compared to budget of \$2.88 million and \$2.81 million in Fiscal 2023.
- Cost of employment is \$18.60 million compared to budget of \$19.00 million and \$17.26 million last year.

- Environmental services are \$2.67 million and are \$1.67 million over budget.
- Recycling services are \$4.69 million and are \$1.49 million over budget.
- Repairs and maintenance costs are \$4.44 million and are \$977K over budget
- Total non-employment expenses are \$28.46 million and are \$5.33 million over budget and \$5.04 million higher than last year.
- Net income for the year to date through May1 2024 is \$5.04 million compared to budget of \$8.56 million and \$10.38 million for Fiscal 2023.



Operating Expense by Department YTD June 2024

Department	Year to Date	YTD Budget	B/(W) Budget YTD	Annual Budget
Administration	\$9,355,905	\$8,795,959	(\$559,946)	\$8,795,959
Human Resources	751,510	909,612	158,103	909,612
Accounting	957,105	1,006,767	49,662	1,006,767
Engineering	1,424,349	1,920,938	496,589	1,920,938
Safety & Risk Management	390,277	493,272	102,995	493,272
Public Education	788,139	1,183,677	395,537	1,183,677
Household Hazardous Waste	1,128,295	1,038,197	(90,098)	1,038,197
Last Chance Mercantile	4,767	60,000	55,233	60,000
Landfill Gas	4,845,915	2,910,335	(1,935,580)	2,910,335
Organics	3,447,093	2,600,000	(847,093)	2,600,000
Maintenance Shop	4,268,660	3,316,223	(952,437)	3,316,223
MRF Operations	8,738,887	8,003,209	(735,678)	8,003,209
MRF Maintenance	1,689,007	1,545,892	(143,115)	1,545,892
Scales	1,096,825	1,024,273	(72,553)	1,024,273
Site & Facilities	3,864,247	3,725,663	(138,584)	3,725,663
Landfill Operations	4,312,197	3,598,732	(713,465)	3,598,732
Total	\$47,063,178	\$42,132,748	(\$4,930,430)	\$42,132,748

Fiscal 2024 Capital Spending Through June 2024

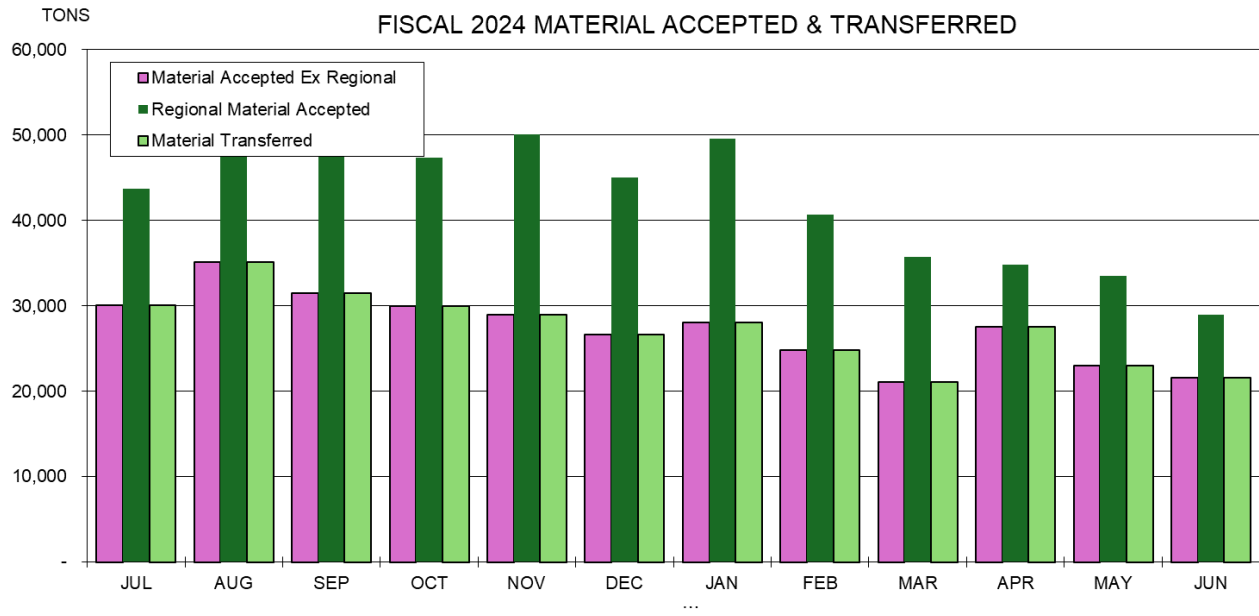
	<u>Actual YTD</u>	<u>F24 Budget</u>
Capital improvements	\$ 9,831,354	18,940,000
Equipment	3,992,513	3,197,000
	\$ 13,823,866	\$ 22,137,000

Cash Position

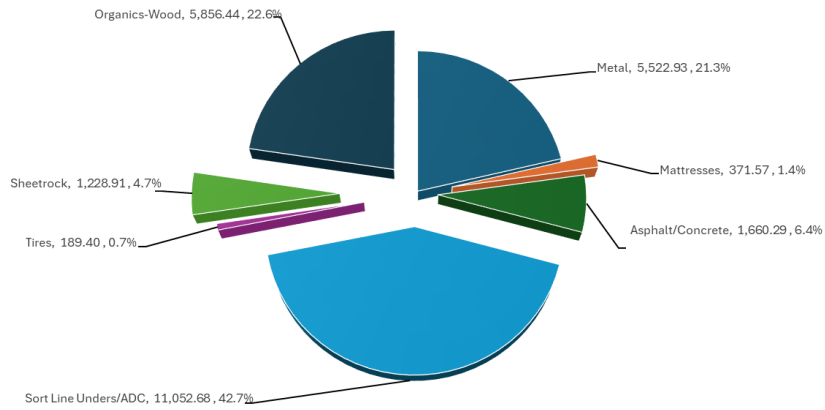
	<u>Jul 1, 2023</u>	<u>Jun 30, 2024</u>	<u>Change</u>
Cash in bank	\$ 25,972,520	\$ 19,402,851	\$ (6,569,668)
Temporary investments	16,514,182	17,288,283	774,101
Restricted funds	6,013,000	6,013,000	-
	\$ 48,499,702	\$ 42,704,134	\$ (5,795,567)

12 Month Rolling Average Diversion

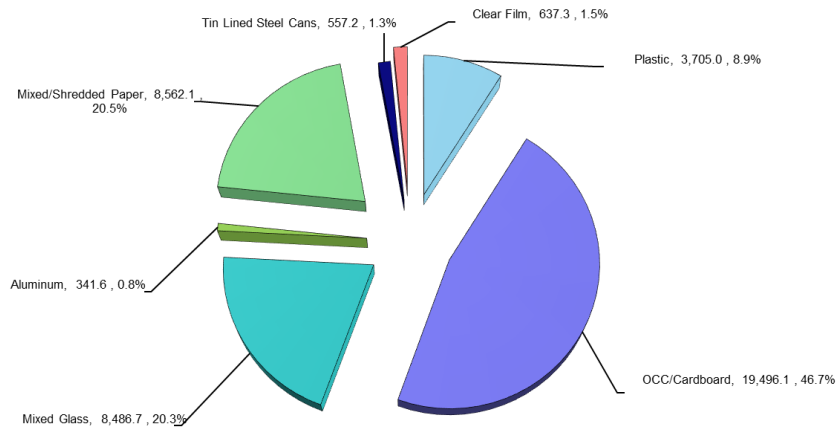
C&D Diversion	62.4%
SSR Diversion	63.7%
Entire MRF Diversion	63.2%



C&D Diverted Materials Fiscal 2024 Tons - YTD June 2024



SSR Diverted Materials Fiscal 2024 Tons - YTD June 2024



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT
Statement of Net Position as at
June 30, 2024

Assets

Current Assets:

Cash and Short Term Investments	\$36,776,018
Accounts Receivable, net	5,042,732
Accrued Interest Receivable	247,234
Other Receivable	2,302,411
Prepaid Expenses	2,129,022
Total Current Assets	<u>46,497,416</u>

Total Non-Current Assets 7,081,880

Restricted Assets:

Capital Reserve	3,513,000
Site Closure Fund	1,500,000
Environmental Impairment Fund	1,000,000
Total Restricted Assets	<u>6,013,000</u>

Fixed Assets:

Land	578,210
Facilities	40,346,279
Equipment	62,013,675
Module Development	26,892,948
Power Project	25,549,735
Less Total Accumulated Depreciation	<u>(62,687,587)</u>
Total Fixed Assets	<u>92,693,261</u>

Total Intangible Assets 25,374

***** Total Assets ***** \$152,310,931

Liabilities and Net Assets

Current Liabilities:

Accounts Payable	\$4,558,685
Accrued State/County Disposal Fee	279,648
Interest Payable Revenue Bonds	225,488
Accrued Vacation / Compensation Payable	460,112
Deferred Revenue	10,000
Sales/Use Tax Payable	1,877
Security Deposits/Gift Cert	50,574
Total Current Liabilities	<u>5,586,383</u>

Non-Current Liabilities:

Accrued Vacation/Comp Non-Current	655,582
Post Employment Health Benefit	3,568,198
Net Pension Liability	17,413,477
Deferred Inflows	102,328

Total Non-Current Liabilities 21,739,585

Total Long Term Debt 25,535,334

***** Total Liabilities ***** 52,861,303

Total Net Position 99,449,628

***** Total Liabilities and Net Position ***** \$152,310,931

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT
Statement of Revenue, Expenses, and Changes in Net Position for the Period Ending
June 30, 2024

	June	Month Budget	B/(W) Budget Mon	Year to Date	YTD Budget	B/(W) Budget YTD
* Operating Revenues *						
Tipping Fees Revenue	\$2,810,828	\$3,254,795	(\$443,966)	\$38,093,457	\$39,600,000	(\$1,506,543)
Other Sales Revenue:						
Power Sales	251,760	236,712	15,048	1,491,999	2,880,000	(1,388,001)
MRF Sales & CRV Revenue	917,125	632,910	284,215	11,025,661	7,700,400	3,325,261
Other Sales	108,457	79,726	28,731	1,146,339	970,000	176,339
Total Other Sales Revenue	1,277,342	949,348	327,994	13,663,999	11,550,400	2,113,599
* Total Operating Revenues *	4,088,170	4,204,142	(115,972)	51,757,455	51,150,400	607,056
* Operating Expenses *						
Employment Expenses	1,457,550	1,561,841	104,291	18,598,909	19,002,402	403,493
Non-Employment Expenses:						
Amortization & Depreciation	525,981	425,000	(100,981)	5,433,551	5,100,000	(333,551)
Closure/Post Closure Costs	42,326	35,000	(7,326)	554,589	420,000	(134,589)
Outside Services	104,821	64,042	(40,779)	1,045,500	768,500	(277,000)
Environmental Services	138,749	83,333	(55,416)	2,673,389	1,000,000	(1,673,389)
Gasoline, Oil & Fuel	162,457	200,000	37,543	2,084,141	2,400,000	315,859
Hazardous Waste Disposal	41,812	27,667	(14,145)	370,770	332,000	(38,770)
Insurance	119,834	116,667	(3,167)	1,449,053	1,400,000	(49,052)
Office Expense	44,090	45,502	1,412	652,491	546,020	(106,471)
Operating Supplies	146,040	89,775	(56,265)	1,743,709	1,077,300	(666,409)
Other Expense	3,116	5,667	2,551	63,665	68,000	4,335
Professional Services	131,137	88,510	(42,627)	1,063,883	1,063,626	(257)
Public Awareness	43,544	34,817	(8,727)	103,697	417,800	314,103
Recycling Services	299,335	266,667	(32,668)	4,690,997	3,200,000	(1,490,997)
Repairs & Maintenance	918,087	288,917	(629,171)	4,444,522	3,467,000	(977,522)
Safety Equip/Supplies/Training	31,092	21,017	(10,075)	299,510	252,200	(47,310)
Taxes & Surcharges	123,460	99,117	(24,343)	1,445,116	1,189,400	(255,716)
Training/Meetings/Education	44,750	20,367	(24,383)	150,019	244,400	94,381
Utilities	10,824	15,342	4,518	195,667	184,100	(11,567)
Total Non-Employment Expenses:	2,931,454	1,927,403	(1,004,051)	28,464,269	23,130,346	(5,333,923)
* Total Operating Expenses *	4,389,004	3,489,245	(899,760)	47,063,178	42,132,748	(4,930,430)
** Operating Income (Loss) **	(300,834)	714,898	(1,015,732)	4,694,278	9,017,652	(4,323,374)
* Total Nonoperating Revenues (Expenses) *	11,160	(39,336)	50,495	346,676	(461,000)	807,676
*** Net Income/(Loss) ***	(\$289,675)	\$675,562	(\$965,237)	\$5,040,954	\$8,556,652	(\$3,515,698)