

SBWMA Budget Review:

Presentation of FY 19-20 Proposed Budget



June 27th 2019
SBWMA Board of Directors Meeting

Changes From Preliminary Budget

ADJUSTMENTS FROM THE MAY PRELIMINARY BUDGET

<u>Line #</u>	<u>Expense Account</u>	<u>Prelim</u>	<u>Final</u>	<u>Change</u>	<u>Description</u>
16	Office/Tenant Improvements	\$18K	\$30K	\$12K	Increased estimate - Storage room build out for additional workstation
65	Insurance Shoreway	\$973K	\$999K	\$26K	Actual Quote with \$1M Deductible
Total				\$38K	

CAPITAL ADJUSTMENTS FROM THE MAY PRELIMINARY BUDGET

<u>Year</u>	<u>Project</u>	<u>Prelim</u>	<u>Final</u>	<u>Change</u>	<u>Description</u>
2019	O2E Pilot	\$2.25M	\$1.25M	(\$1.0M)	Reduced by \$1M - SM County Grant

Financial Summary

FY19/20 FINANCIAL SUMMARY					
Categories	FY18/19 Adopted Budget	FY18/19 Mid-Year Budget	FY19/20 Preliminary Budget	Variance to Adopted Budget	Better/Worse %
Total Revenue	\$51,694,168	\$52,815,314	\$55,117,884	\$3,423,716	7%
SBWMA Program	\$3,375,781	\$3,444,818	\$3,819,070	\$443,289	-13%
Shoreway Operations	\$ 41,110,633	\$ 41,189,305	\$ 42,523,487	\$1,412,854	-3%
Total Operating Expense	44,486,414	44,634,123	46,342,557	\$1,856,143	-4%
Non-Operating Expense	4,894,949	4,863,141	5,176,269	281,320	-6%
Total Expense	49,381,363	49,497,264	51,518,826	2,137,463	-4%
Net Income to Reserve	\$ 2,312,805	\$ 3,318,050	\$ 3,599,057	\$ 1,286,252	56%

- \$38K expense increase over the Preliminary Budget

Projected Reserves Balances

FY19/20 BUDGET: RESERVE BALANCES					
	ACTUAL FY17/18	ADOPTED BUDGET FY18/19	MID-YEAR BUDGET FY18/19	PRELIMINARY BUDGET FY19/20	FY20 vs. FY19 Mid-Year Budget
UNCOMMITTED RESERVE:					
RATE STABILIZATON (9% of expense)	\$ 4,764,699	\$ 4,938,136	\$ 3,464,808	\$ 4,636,694	\$ 1,171,886
EMERGENCY RESERVE (9% of expense) *	4,764,699	4,895,300	4,454,754	4,750,679	295,926
CAPITAL RESERVE	5,598,894	957,415	5,521,413	7,810,492	2,289,079
UNDESIGNATED RESERVE			-	-	
TOTAL UNCOMMITTED RESERVES	\$ 15,128,292	\$ 10,790,851	\$ 13,440,976	\$ 17,197,866	\$ 3,756,890
COMMITTED RESERVE					
EQUIPMENT REPLACEMENT (ANNUAL)	\$ 1,192,148	\$ 1,397,514	\$ 1,397,514	\$ 1,008,014	\$ (389,500)
BOND PROCEEDS				\$ 15,085,028	\$ 15,085,028
TOTAL RESERVES	\$ 16,320,440	\$ 12,188,365	\$ 14,838,490	\$ 33,290,908	\$ 18,452,418
SHOREWAY REMEDIATION PROJECT	\$ 1,233,640	\$ 1,233,640	\$ 1,233,640	\$ 1,233,640	\$ -

* Includes \$113,985 which is the annual FY19/20 property insurance premium savings with \$1M deductible vs. \$500k deductible.

- Emergency Reserve increased \$114k vs Preliminary Budget
 - Premium difference between \$1M deductible and \$500K deductible

Franchise vs. Non-Franchise Tip Fee/Ton

FY19/20 BUDGETED TIP FEES/TON		
Material Type	Franchise Tip Fee/Ton	Non Franchise Tip Fee/Ton
Solid Waste	\$121	\$127
Green Waste	\$126	\$128
Food Waste	\$141	\$141
C&D	\$121	\$121
Dirt	\$108	\$110

Program Expenses

FY19/20 BUDGETED PROGRAM EXPENSES (Estimate)			
Category		Public Spaces Rollout	In-School Program Rollout
Total Staffing Costs	\$	101,000	\$ 188,000
Total Materials & Support Costs	\$	30,000	\$ 60,000
Program Total *	\$	131,000	\$ 248,000

* Total from various line items within the Budget. No increases from the Preliminary Budget.