

ALAMEDA COUNTY SOURCE REDUCTION AND RECYCLING BOARD

RESOLUTION #RB 2006-12

MOVED: Quan
SECONDED: Jeffery

AT THE MEETING HELD NOVEMBER 9, 2006

**ADOPTION OF RULES REGARDING MUNICIPAL ACCOUNTING AND FUND
BALANCES OF RECYCLING FUND PER CAPITA ALLOCATIONS**

WHEREAS, the Alameda County Charter Section 64 (the Alameda County Waste Reduction and Recycling Act of 1990, hereinafter the "Act") states that "The Recycling Board shall formulate rules for its own procedures and other rules as necessary to facilitate the implementation of the provisions of this Act," (Subsection 64.130(J)); and

WHEREAS, the Act states that fifty percent of the monies from the Recycling Fund shall be disbursed on a per capita basis to municipalities for the continuation and expansion of municipal recycling programs (Subsection 64.060 (B)(1)); and

WHEREAS, Subsection 64.040 (C) of the Act requires the Recycling Board to conduct an independent audit every five years of recycling programs within the County including, but not limited to, an accounting of the monies spent from the Recycling Fund, and to develop recommendations based on the audit findings; and

WHEREAS, the Recycling Board has concluded "Phase One" of the current 5 Year Financial and Compliance Audit for the period FY 2001/02 through FY 2003/04 and has considered and discussed recommendations relating to the accounting and accumulation of Recycling Fund monies by the municipalities; and

WHEREAS, the Recycling Board has distributed copies of the "Phase One 5 Year Financial and Compliance Audit" by R3 Consulting Group, Inc. to staff of the municipalities and has solicited comments from municipal staff on the proposed rules; and

WHEREAS, the Recycling Board itself has discussed the proposed rules at the October 12, 2006 meeting and set the November 9, 2006 meeting for final consideration and adoption; and

WHEREAS, the Recycling Board hereby finds that the adoption of rules, policies and procedures clearly defining municipal responsibilities to monitor, track and report on Recycling Fund revenues, expenditures and fund balances will facilitate implementation of the Act; and

WHEREAS, the Recycling Board hereby finds that the adoption of rules, policies and procedures establishing guidelines regarding municipal use of Recycling Fund per capita disbursements, the accumulation of unspent fund balances, plans for the use of such accumulated funds, and eligibility to receive further per capita disbursements will facilitate implementation of the Act;

NOW, THEREFORE, BE IT RESOLVED, that the Alameda County Source Reduction and Recycling Board approves and adopts the following rules:

Rule 1: Municipalities receiving per-capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060 shall account for those disbursements in a manner that provides the following information for each fiscal year:

- the balance of unexpended per capita disbursements at the beginning of each fiscal year;
- Recycling Fund per capita disbursements received during each fiscal year;
- Recycling Fund per capita monies expended during each fiscal year; and
- the ending balance of unspent Recycling Fund per capita disbursements on hand at the end of each fiscal year.

The disbursements may be accounted for through the use of a pooled or separate account. In the event the Recycling Fund per capita revenues and expenditures are pooled with other monies within the accounts of the municipality, the municipality shall utilize a separate and distinct account code, such as an account number, object code, sub-object code, etc., to segregate the Recycling Fund per capita monies for accounting purposes in a manner that provides the required information.

Rule 2: Any municipality receiving per capita disbursements of Recycling Fund monies under the Alameda County Waste Reduction and Recycling Act, Section 64.060, shall present to the Board for its approval a written expenditure plan if, at the end of any fiscal year, that municipality has an unspent balance of such monies that exceeds the sum of the municipality's last eight quarterly Recycling Fund per capita disbursements.

If the municipality fails to provide that written plan or the Board does not approve that plan, the municipality shall be ineligible to receive further disbursements per Section 64.060. The municipality shall not be eligible for further disbursements until the required plan is submitted and approved by the Board and all such forfeited monies shall be disbursed to the remaining eligible municipalities on a per capita basis.

In evaluating a municipality's proposed expenditure plan, the Board shall consider the following:

- The proposed specific use(s) of the remaining balance and future disbursements.
- The proposed length of time, or schedule over which disbursed funds or fund balances would be used.
- The scope or amount of funds proposed to be expended over the term of the plan.
- The extent to which the plan is designed to meet or promote the provisions, goals or policies of the Act including but not limited to timely expenditure of the funds "for the continuation and expansion of municipal recycling programs."

- Any other objective and reasonable factors that may be presented by the municipality to support its contention that its proposed plan meets or promotes the provisions, goals or policies of the Act.

These proposed rules shall take effect July 1, 2007. Rule 2 will be applied to the Measure D Annual Reports submitted after the end of FY 07/08 and each year thereafter.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Boone, Bourque, Jeffery, Landis, Leider, McCormick, Quan, Spencer, Storti,
Wilson

NOES: None

ABSENT: Henson

ABSTAIN: None



Karen Smith, Executive Director