

APPROVED

**MINUTES OF THE ALAMEDA COUNTY WASTE
MANAGEMENT AUTHORITY MEETING
OF THE
PROGRAMS AND ADMINISTRATION COMMITTEE**

Thursday, March 11, 2021

9:00 A.M.

TELECONFERENCE MEETING

Members Present:

County of Alameda	David Haubert
City of Alameda	Trish Herrera Spencer
City of Albany	Preston Jordan
City of Berkeley	Susan Wengraf
City of Dublin	Melissa Hernandez
City of Emeryville	Dianne Martinez, Vice Chair
City of Fremont	Jenny Kassan
City of Newark	Mike Hannon
Oro Loma Sanitary District	Shelia Young
City of Piedmont	Jen Cavanaugh
City of Pleasanton	Jack Balch
City of Union City	Jaime Patiño

Staff Present:

Wendy Sommer, Executive Director
Timothy Burroughs, Deputy Director
Pat Cabrera, Administrative Services Director
Jeff Becerra, Communications Manager
Justin Lehrer, Operations Manager
Nisha Patel, Management Analyst
Arliss Dunn, Clerk of the Board

1. Convene Meeting

Vice Chair Dianne Martinez called the meeting to order at 9:00 a.m. Timothy Burroughs explained the process that would be utilized during the meeting. A link to the process is available here: [Virtual-Meetings-Instructions](#).

2. Public Comments

There were no public comments on the remote call and no public comments were received via the public comments email address.

3. Approval of the Draft Minutes of February 11, 2021 (Pat Cabrera)

There were no public comments on this item. Board member Hannon made the motion to approve the draft minutes of December 10, 2020. Board member Hernandez seconded and the motion carried 12-0. The Clerk called the roll:

(Ayes: Balch, Cavanaugh, Hannon, Haubert, Hernandez, Jordan, Kassan, Martinez, Patiño, Spencer, Wengraf, Young. Nays: None. Abstain: None. Absent: None).

4. Multi-Year Fiscal Forecast (Pat Cabrera)

APPROVED

This item is for information only, in preparation for the budget discussion in April. Pat Cabrera provided an overview of the staff report and presented a PowerPoint presentation. A link to the report and the presentation is available here: [Multi-Year-Fiscal-Forecast.pdf](#). Ms. Cabrera introduced Nisha Patel, Management Analyst, and acknowledged her work in tracking and analyzing tonnage information.

Board member Hannon inquired about lost revenue from tonnages going out-of-county. Ms. Cabrera stated that it is approximately \$100,000-150,000 annually in lost revenue from tonnages going out-of-county. Board member Hannon commended Ms. Sommer and Ms. Cabrera for their stewardship over the agency budget and recognized their efforts for transitioning the agency's financial position over the last few years from dire to a solid financial footing. Board member Hannon asked that staff provide a brief overview of best practices or strategies that assisted in the budget transformation. Ms. Cabrera stated that staff would provide an overview in the budget document. Board member Young inquired regarding the fund balance and what is the pension reserve and the fiscal reserve. Ms. Cabrera stated that of the \$28 million fund balance, \$9.2 million is reserves for fiscal, pension, organics, building maintenance, and Five Year audit. Board member Young commended staff on a great report. Board member Jordan stated that in FY 18-19 there was approximately \$1 million surplus that did not carry over to FY 19-20. Ms. Cabrera explained that the fund balance reflects more than the difference between revenue and expenditures, such as one time payments to PERS, closed contracts, transfers to reserves, etc. Board member Jordan inquired about the methodology used to identify trends in tonnage disposal. Ms. Patel stated that we look at information on tonnage disposal from prior months and project it out. The information includes any seasonal adjustments or activity. Board member Jordan inquired if the WMA has any specific oversight or responsibility for the landfill sites. Ms. Sommer replied no, that responsibility is under the purview of the Alameda County Local Enforcement Agency. Board member Cavanaugh inquired with regard to the pension reserve if the agency's pension costs are funded based on CalPERS current projections and are we considering any potential downsides, and with regard to the fiscal reserve, it appears that the agency's fund balance has been steadily increasing over the years and inquired about our strategy for setting aside such a significant fund balance as well as any potential investments and applicable returns. Ms. Cabrera stated that, in terms of our funded status with respect to our pension, the Board adopted a 95% funded goal. We work with our actuary to determine our progress, based on the most current information available. Regarding fund balances, while the Agency is still in the position to match ongoing revenue with ongoing expenses, we maintain reserves in order to address any unforeseeable budget gaps as needed and to avoid the need for fee increases. The agency relies primarily on per ton fees assessed on waste disposed at landfills to fund our core programs. Our goal is to reach landfill obsolescence, reducing our revenues to zero. We keep a healthy fund balance to ensure that when that goal is reached, we will still be able to implement source reduction programs to maintain that goal. Board member Hannon requested that staff provide a historical overview of fee increases during the budget presentation. Vice Chair Martinez stated that although the agency has passed a balanced budget over the past few years and have had a healthy reserve, several years ago the five year fiscal forecast was concerning and, due to the board along with staff establishing priorities that guide the arc of the agency, we are now on solid financial footing. Vice Chair Martinez commended Ms. Sommer and Ms. Cabrera on managing the budget and building healthy reserves.

There were no public comments on this item. Vice Chair Martinez thanked staff for the presentation.

5. Member Comments

There was none.

6. Adjournment

The meeting adjourned at 9:49 a.m.