

MARIN COUNTY HAZARDOUS & SOLID WASTE MANAGEMENT
JOINT POWERS AUTHORITY

Executive Directors Meeting
April 24, 2014
Central Marin Police Authority
250 Doherty Drive, Larkspur, CA
9:00 – 9:30 AM
AGENDA

The public parking lot in front of the CMPA is small, but there is ample parking at Piper Park, which is adjacent to the building.

Call to Order.

Minutes

1. Approval of Executive Committee Minutes from April 18, 2013. (Action)

Consent Calendar

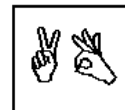
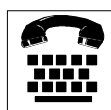
2. Receive and File Update to Marin County Grand Jury. (Action)
3. Audit and Financial Statements for Year Ended June 30, 2013. (Action)

Regular Agenda

4. Introduction of New JPA Executive Director Saaid Fakharzadeh. (Information)
5. FY 14-15 Budget Sub-Committee Recommendation and Fee Schedule. (Action)
6. Staff Report on Recent and Ongoing Activities.
7. Next Schedule JPA Board Meeting is May 22, 2014.
8. Adjourn

Agendas & staff reports available at:
<http://zerowastemarin.org/Agenda>

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All public meetings and events sponsored or conducted by the County of Marin are held in accessible sites. Requests for accommodations may be requested by calling (415) 473-4381 (voice) (415) 473-3232 (TTY) at least **four work days** in advance of the event. Copies of documents are available in alternative formats, upon written request.

Contact the County's Waste Management Division, at (415) 473-6647 for more information

DRAFT

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT JOINT POWERS AUTHORITY**

Executive Committee
Thursday April 18, 2013
Marin Municipal Water District
220 Nellen Ave, Corte Madera

MINUTES

MEMBERS PRESENT

Nancy Mackle, San Rafael (Chair)
Matthew Hymel, County of Marin
Michael Frank, Novato
Adam Politzer, Sausalito

MEMBERS ABSENT

Dan Schwarz, Larkspur

STAFF PRESENT

Michael Frost, JPA Staff
Steve Devine, JPA Staff
Kiel Gillis, JPA Staff

OTHERS PRESENT

John Lippitt, San Rafael Fire
Courtney Bell, San Rafael Fire
Andy Campbell, Renew Computers
Patty Garbarino, Marin Sanitary Svc.
Edward Kiernan, County Counsel
Casey Mazzoni, Marin Builders Association
Tracy Keough, O'Rorke Inc.

1. Call to Order

The Executive Committee meeting came to order at 9:04AM.

Regular Agenda

2. Approval of Executive Committee Minutes from October 25, 2012

M/s Hymel, Frank to approve the October 25, 2012 Executive Committee minutes. The motion passed unanimously.

3. FY 13-14 Budget Process, Budget Sub-Committee Recommendation and Fee Schedule

Staff made a correction to the Executive Committee agenda packet by providing a corrected fee schedule. Staff overviewed the proposed FY 13/14 Budget which consists of a 15.5% increase in assessments over the previous year and described adjustments to the three budget centers: Administration, Household Hazardous Waste and Zero Waste. Staff reviewed the proposed changes and upcoming programs including the Used Oil Payment Program and developments for the Zero Waste Grant programs. Staff fielded questions from the Committee. Staff clarified the carry-forward information from the auditor, Maher Accountancy, and the County's Department of Finance regarding the Zero Waste Grant program 'double-offering'. No comments were made by the public. M/s Hymel, Politzer to approve and recommend the proposed budget to the full JPA Board. The motion passed unanimously.

4. Appointment of Members to JPA Board Zero Waste Outreach Subcommittee

Staff requested the Committee appoint two Members to a Zero Waste Outreach Subcommittee to review and provide direction to O'Rorke, the JPA's new outreach contractor. O'Rorke Principle Manager Tracy Keough provided a brief report to the Committee regarding outreach program development. Staff fielded questions from the Committee and clarified the need for

access to a Subcommittee for feedback on basic, non-controversial items, while going to the full JPA Board or Executive Committee for approval of larger items. M/S Hymel, Frank to form a Zero Waste Outreach Subcommittee comprised of Chair Mackle and Member Politzer. The motion passed unanimously.

Consent Calendar

5. Update on Upcoming Contracts for Next Year's Programs.
6. Five Year Regional Agency Integrated Waste Management Plan Review Report Submittal.

No comments were offered by the public. M/s Hymel, Politzer to:
Receive and File Upcoming Contracts information,

And

Receive and file the Five Year Regional Agency Integrated Waste Management Plan Review Report.

The motion passed unanimously.

End Consent Calendar

7. Open Time

No comments were offered by the Board, Staff or the public. No action necessary.

8. Staff Report on Recent and Ongoing Activities

Staff reported receiving a draft version of the Single Use Bag Model Ordinance from JPA Contractor Rincon Consultants and that the model is currently under review by County Counsel and stakeholders. Staff sent seven letters of legislative support for bills which are in line with the JPA's Legislative Platform on various waste and reuse related legislation. Staff noted the participation of ten Marin locations in the DEA Drug Take-Back day on April 27, submittal of a grant application to CalRecycle for procurement of sharps collection containers, and submittal of a HD20 Grant application to CalRecycle. Staff also stated the previous audit finding by CalRecycle related to the HD16 grant award has been resolved and that no repayment of the grant award by the JPA will be required.

9. Next scheduled JPA Board Meeting to be held on Thursday, May 16, 2013.

10. Adjourn.

MARIN COUNTY HAZARDOUS AND SOLID WASTE MANAGEMENT JOINT POWERS AUTHORITY

Belvedere:
Mary Neilan

Date: April 24, 2014

Corte Madera:
David Bracken

To: Executive Committee Members

County of Marin:
Matthew Hymel

From: Steve Devine, Program Manager

Re: Receive and File JPA Board Chair Update to Marin County Grand Jury
on "Holding the Bag" Grand Jury Report

Fairfax:
Garrett Toy

On March 3, 2014, the office of the Marin County Grand Jury requested an update on the JPA's work helping implement single use bag ordinances in the County. This request was made pursuant to the Grand Jury's required response to its May 7, 2013 "Holding the Bag" report.

Larkspur:
Dan Schwarz

Mill Valley:
Jim McCann

On March 11, 2014 JPA Board Chair Nancy Mackle tendered the attached response.

Novato:
Michael Frank

Recommendation

Receive and file attached response to the Marin County Grand Jury.

Ross:
Rob Braulik

Attachment.

San Anselmo:
Debbie Stutsman

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San Rafael:
Nancy Mackle

Sausalito:
Adam Politzer

Tiburon:
Margaret Curran

MARIN COUNTY HAZARDOUS AND SOLID WASTE MANAGEMENT JOINT POWERS AUTHORITY

Belvedere:
Mary Neilan

March 11, 2014

Corte Madera:
David Bracken

Nadine A. Muller
Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room 275
San Rafael, CA 94903

County of Marin:
Matthew Hymel

Fairfax:
Garrett Toy

Dear Ms. Muller:

Larkspur:
Dan Schwarz

I am writing in response to your letter dated March 3, 2014.

Mill Valley:
Jim McCann

Regarding an update on the Marin County Hazardous and Solid Waste Management Joint Powers Authority (JPA) implementing an educational campaign related to the reduction of single use bags please note the following:

Novato:
Michael Frank

Ross:
Rob Braulik

San Anselmo:
Debbie Stutsman

San Rafael:
Nancy Mackle

Sausalito:
Adam Politzer

Tiburon:
Margaret Curran

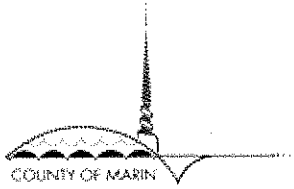
1. The JPA Board Certified the Final Environmental Impact Report January 16, 2014.
2. All JPA Member Cities and Towns have been provided the CEQA analysis to facilitate adoption of ordinances.
3. The Cities of San Rafael and Novato are in the process of adopting ordinances with second readings of their ordinances in early March.
4. The JPA has developed a website: www.byobmarincounty.org to help facilitate understanding and promote each City and Town ordinance.
5. The JPA is developing "window cling" stickers (intended to go on driver's interior windshield) to help shoppers remember to bring their own bag.
6. The JPA will cooperate in helping promote a planned "Bring Your Own Bag" week with San Rafael and Novato – and potentially other Cities or Towns in mid-September.
7. The JPA Board has authorized distribution of \$50,000 to the Member Cities and Towns to help fund outreach and implementation of single use bag ordinances.

Thank you for your interest in this important project and if you should have further questions, I encourage you to contact the JPA's Program Manager Steve Devine at (415) 473-2711.

Sincerely,



Nancy Mackle
JPA Board Chair



Marin County Civil Grand Jury

RECEIVED
MAR 06 2014
DPW
Waste Management

March 3, 2014

Nancy Mackle, Board Chair
Marin Hazardous and Solid Waste Management Joint Powers Authority
Marin County Department of Public Works
PO Box 4186
San Rafael, CA 9491

Dear Ms. Mackle:

The Marin County Civil Grand Jury (2013-2014) is following up on your response to the Grand Jury Report, *Holding the Bag* , published May 7, 2013.

In the Marin Hazardous and Solid Waste Management Joint Powers Authority (JPA) response to Recommendation 2 in *Holding the Bag* (reprinted below as reference), you indicated that the JPA “will endeavor to facilitate a robust educational campaign (addressing the reduction of single use bags and the benefits of reusable bags) that will involve as many outreach channels as possible including schools, stores, farmers markets and various other public events. The JPA will also work closely with the JPA’s membership to also promote single use bag reduction with a cohesive theme that can be leveraged across City and Town borders since many shoppers do not necessarily buy many or most of their goods in their own community”. The JPA noted that the timeline for these activities was To Be Determined.

Recommendation 2. Marin County and the JPA educate the public on the benefits of reusable bags. Marin County and the JPA develop standardized education guides for all public schools showing the environmental harm done by plastic single-use carry-out bags. Marin County and the JPA develop education materials and distribute them at public events such as farmers’ markets and street fairs.

The Grand Jury is requesting information as to your plans and timeline to implement the JPA’s educational campaign (addressing the reduction of single use bags and the benefits of reusable bags) and cohesive theme that can be leverage across City and Town borders. Please respond no later than April 3rd.

Sincerely,

Nadine A. Muller, Foreperson
namgrand@earthlink.net
(h) 415-662-9660 (c) 415-203-0929

**MARIN COUNTY HAZARDOUS AND SOLID WASTE
MANAGEMENT JOINT POWERS AUTHORITY**

Belvedere:
Mary Neilan

Date: April 24, 2014

Corte Madera:
David Bracken

To: JPA Board Members

County of Marin:
Matthew Hymel

From: Michael Frost, Executive Officer

Re: Audit and Financial Statements for Year Ending June 30, 2013

Fairfax:
Garrett Toy

Attached for your review are the JPA's Financial Statement and Auditor's Report for the year ending June 30, 2013. Also attached are two letters to the JPA Board from Maher Accountancy related to the audit.

Larkspur:
Dan Schwarz

Mr. Maher's audit findings note one internal deficiency due to the JPA's use of the County's SAP accounting system. It is anticipated this deficiency will be noted annually until such time that the County changes its financial system.

Mill Valley:
Jim McCann

Novato:
Michael Frank

Recommendation

Accept the attached financial statements and auditor's report for the year ending June 30, 2013.

Ross:
Rob Braulik

Attachments.

San Anselmo:
Debbie Stutsman

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San Rafael:
Nancy Mackle

Sausalito:
Adam Politzer

Tiburon:
Margaret Curran



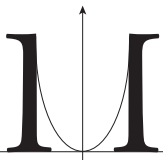
Marin Hazardous and Solid Waste
JOINT POWERS AUTHORITY (JPA)



FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED JUNE 30, 2013

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Marin County Hazardous & Solid Waste
Management Authority

We have audited the accompanying financial statements of the Marin County Hazardous & Solid Waste Management Authority (the Authority) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2013, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Maher Accountancy

March 31, 2014

**Marin County Hazardous & Solid Waste
Management Authority
P.O. Box 4186
San Rafael, CA 94913**

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Management’s Discussion and Analysis provides an overview of the Marin County Hazardous & Solid Waste Management Authority (the Authority) financial activities for the fiscal year ended June 30, 2013. Please read it along with the Authority’s financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

The Authority’s net position was \$1,051,000, an increase of \$184,000 over the prior year. Total revenues decreased by \$832,000 and total expenses decreased by \$415,000.

Budgetary comparison schedules are found starting on page 18. When comparing actual activity with budgeted, those schedules indicate we had a positive variance of \$10,000 in the Countywide Waste Management (general) fund. The Household Hazardous Waste Management fund showed positive variances of \$96,000 for the year. The Zero Waste Fund ended its year with a positive variance of \$421,000.

USING THIS ANNUAL REPORT

This annual report consists of financial statements for the Authority as a whole. The statement of net position and the statement of activities provide information about the activities of the Authority as a whole and present a long-term view of the Authority’s finances. The fund financial statements present a short-term view of the Authority’s activities (they include only current assets expected to be collected in the very near future and liabilities expected to be paid in the very near future). Presently, the Authority does not have any differences between the basic financial statements (statement of net position and statement of activities) and the fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance).

THE AUTHORITY AS A WHOLE

One important question asked about the Authority’s finances is, “Is the Authority better or worse off as a result of the year’s activities?” The information in the government-wide financial statements helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the basis of accounting used by most private-sector companies. The change in *net position* (the difference between total assets and total liabilities) over time is one indicator of whether the Authority’s financial health is improving or deteriorating. However, one must consider other nonfinancial factors in making an assessment of the Authority’s health, such as changes in the economy and changes in the Authority’s boundaries, etc. to assess the *overall* health of the Authority.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

Changes in the Authority's net position were as follows:

	<u>2013</u>	<u>2012</u>	<u>Increase (decrease)</u>
Total assets	\$ 1,419,446	\$ 1,178,902	\$ 240,544
Total liabilities	<u>368,120</u>	<u>311,271</u>	<u>56,849</u>
Net position:			
Restricted	824,289	681,183	143,106
Unrestricted	<u>227,037</u>	<u>186,448</u>	<u>40,589</u>
Total net position	<u><u>\$ 1,051,326</u></u>	<u><u>\$ 867,631</u></u>	<u><u>\$ 183,695</u></u>

The Authority's total assets increased primarily as a result of normal changes in working capital,

Changes in the Authority's revenues were as follows:

	<u>2013</u>	<u>2012</u>	<u>Increase (decrease)</u>
General revenues:			
Investment earnings	\$ 613	\$ 532	\$ 81
Program revenues:			
Solid waste management fees	2,539,735	3,385,136	(845,401)
Operating grant - State of California	13,204	-	13,204
Miscellaneous	275	-	275
Investment earnings	<u>637</u>	<u>521</u>	<u>116</u>
Total program revenue	<u>2,553,851</u>	<u>3,385,657</u>	<u>(831,806)</u>
Total revenues	<u><u>\$ 2,554,464</u></u>	<u><u>\$ 3,386,189</u></u>	<u><u>\$ (831,725)</u></u>

Fee revenue decreased as a result of a decrease in charges for waste management fees as anticipated in the budget. During the year, a Beverage Container Recycling Grant was received from the State of California

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

Changes in the Authority's expenses and net assets were as follows:

	<u>2013</u>	<u>2012</u>	<u>Increase (decrease)</u>
Contract staff and support	\$ 563,016	\$ 563,015	\$ 1
Services and supplies	1,807,753	2,224,945	(417,192)
Total expenses	<u>2,370,769</u>	<u>2,787,960</u>	<u>(417,191)</u>
Less program revenues	<u>2,553,851</u>	<u>3,385,657</u>	<u>(831,806)</u>
Net revenue (expenses)	183,082	597,697	(414,615)
General revenues	613	532	81
Change in net position	<u>\$ 183,695</u>	<u>\$ 598,229</u>	<u>\$ (414,534)</u>

Expenses decreased mainly as a result of decreases in disposal costs of the Household Hazardous Waste program.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the Authority's funds - the general fund and special revenue fund.

The fund financial statements provide a short-term view of the Authority's operations. They are reported using an accounting basis called *modified accrual* which measures amounts using only cash and other short-term assets and liabilities (receivables and payables) that will soon be converted to cash or will soon be paid with cash.

CAPITAL ASSET AND DEBT ADMINISTRATION

The Authority does not own any capital assets nor does it have any debt. The Authority shares office space with the Marin County Public Works Department.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

THE FUTURE OF THE AUTHORITY

With a growing awareness of our society's environmental impacts, the public has shown an increasing interest in recycling, reuse, waste reduction and hazardous materials programs. The incremental increase in products that are legislatively banned from landfill disposal and public requests for expansion of green programs demonstrates the growing demand for a greater scope of environmental services in the future. The JPA's goal of 80 percent diversion by 2014 and Zero Waste by 2025 will require substantial coordination of solid waste services, outreach programs, infrastructure, and regulation in the future.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the address on our letterhead.

Respectively submitted,

Steve Devine

Steve Devine, Manager

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**STATEMENT OF NET POSITION
AS OF JUNE 30, 2013**

ASSETS

Cash	\$ 1,406,242
Receivables:	
Grants	<u>13,204</u>
Total assets	<u>1,419,446</u>

LIABILITIES

Accounts payable and accrued expenses	287,082
Deferred revenue	<u>81,038</u>
Total liabilities	<u>368,120</u>

NET POSITION

Restricted for Household Hazardous Waste program	229,844
Restricted for Zero Waste program	594,445
Unrestricted	<u>227,037</u>
Total net position	<u><u>\$ 1,051,326</u></u>

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

	General	Household Hazardous Waste Program	Zero Waste Program	Total
EXPENSES				
Contract staff and support	\$ 355,152	\$ 39,462	\$ 168,402	\$ 563,016
Services and supplies	130,398	1,614,031	63,324	1,807,753
Total expenditures/expenses	<u>485,550</u>	<u>1,653,493</u>	<u>231,726</u>	<u>2,370,769</u>
PROGRAM REVENUES				
Waste management fees	512,047	1,662,245	365,443	2,539,735
Operating grant - State of California	13,204			13,204
Miscellaneous income	275			275
Investment earnings			637	637
Total program revenue	<u>525,526</u>	<u>1,662,245</u>	<u>366,080</u>	<u>2,553,851</u>
Net program revenue (expense)	<u>\$ 39,976</u>	<u>\$ 8,752</u>	<u>\$ 134,354</u>	183,082
GENERAL REVENUES				
Investment earnings				<u>613</u>
Excess (deficiency) of revenues over expenses				183,695
NET POSITION:				
Net Position at June 30, 2012				<u>867,631</u>
Net Position at June 30, 2013				<u><u>\$ 1,051,326</u></u>

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**BALANCE SHEET
YEAR ENDED JUNE 30, 2013**

	Countywide Waste Management (General Fund)	Household Hazardous Waste (Special Revenue Fund)	Zero Waste (Special Revenue Fund)	Total
ASSETS				
Cash	\$ 153,866	\$ 623,512	\$ 628,864	\$ 1,406,242
Receivables:				
Grants	13,204			13,204
Due from other funds	64,410			64,410
Total assets	\$ 231,480	\$ 623,512	\$ 628,864	\$ 1,483,856
LIABILITIES				
Accounts payable and accrued expenses	\$ 4,443	\$ 267,040	\$ 15,599	\$ 287,082
Deferred revenue		81,038		81,038
Due to other funds	-	45,590	18,820	64,410
	4,443	393,668	34,419	432,530
FUND BALANCES				
Fund balances:				
Assigned		229,844	594,445	824,289
Unassigned	227,037			227,037
Total fund balance	227,037	229,844	594,445	1,051,326
Total liabilities and fund balances	\$ 231,480	\$ 623,512	\$ 628,864	\$ 1,483,856

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2013**

	Countywide Waste Management (General Fund)	Household Hazardous Waste (Special Revenue Fund)	Zero Waste (Special Revenue Fund)	Total
REVENUES				
Solid waste management fees	\$ 512,047	\$ 1,662,245	\$ 365,443	\$ 2,539,735
Operating grant - State of California	13,204			13,204
Miscellaneous income	275			275
Investment earnings	613		637	1,250
Total revenues	<u>526,139</u>	<u>1,662,245</u>	<u>366,080</u>	<u>2,554,464</u>
EXPENDITURES				
Contract staff and support	355,152	39,462	168,402	563,016
Services and supplies:				
Legal	205	154		359
Accounting and audit fees	11,250			11,250
Insurance	16,742			16,742
Rent	15,904			15,904
Mileage and routine travel	375		9	384
Contract services	33,931	1,305,093		1,339,024
Miscellaneous services	1,979	308,519	63,315	373,813
Document reproduction	44,025	265		44,290
County financial service	5,987			5,987
Total services and supplies	<u>130,398</u>	<u>1,614,031</u>	<u>63,324</u>	<u>1,807,753</u>
Total expenditures	<u>485,550</u>	<u>1,653,493</u>	<u>231,726</u>	<u>2,370,769</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>40,589</u>	<u>8,752</u>	<u>134,354</u>	<u>183,695</u>
Fund balance at June 30, 2012	<u>186,448</u>	<u>221,092</u>	<u>460,091</u>	<u>867,631</u>
Fund balance at June 30, 2013	<u>\$ 227,037</u>	<u>\$ 229,844</u>	<u>\$ 594,445</u>	<u>\$ 1,051,326</u>

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Marin County Hazardous & Solid Waste Management Authority was formed under a joint powers agreement between the County of Marin and eleven cities and towns within Marin County. The purpose of Authority is to administer and enforce hazardous waste and solid waste management plans, as mandated by State Law.

The governing board of the Authority consists of one appointed official from each of the member agencies. The Authority has contracted with Marin County Department of Public Works for administrative services and the City of San Rafael for Hazardous Waste management services.

INTRODUCTION

The Authority's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations.). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE STATEMENTS**

The Authority's basic financial statements include both government-wide (reporting the Authority as a whole) and fund financial statements (reporting the Authority's major funds).

In the government-wide Statement of Net Position, the Authority's activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net position is reported in two parts: (1) restricted net position and (2) unrestricted net position. Net position for particular programs are deemed to be restricted.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE STATEMENTS (Continued)**

The government-wide Statement of Activities reports both the gross and net cost of the Authority's function. The function is supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues.

The net costs (by function) are normally covered by general revenues.

The government-wide focus is more on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

The financial transactions of the Authority are reported in individual funds in the fund balancing accounts that comprise its assets, liabilities, assigned or unassigned resources, fund balance, revenues and expenditures.

All the Authority's funds are government fund types. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial positions (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Authority:

General fund - accounts for the Authority's general operations.

Special revenue funds:

Household Hazardous Waste fund - accounts for hazardous waste disposal for households through a contract with the City of San Rafael Fire Department and Novato Sanitary District.

Zero Waste fund - accounts for the program to reduce and eliminate waste and obtains its resources from JPA tipping fees.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCRUAL:

The governmental activities in the governmental-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

MODIFIED ACCRUAL:

The government fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

There were no differences between the two bases of accounting for the year ended June 30, 2013.

FINANCIAL STATEMENT AMOUNTS

CASH AND CASH EQUIVALENTS:

The Authority has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with fiscal agent (County of Marin).

EQUIPMENT AND INFRASTRUCTURE

It is the Authority's policy to record purchases of items of furniture and equipment costing \$1,000 or less as office supplies. Items in excess of \$1,000 are classified as capital outlay or capitalized. As of June 30, 2013, no equipment purchases have met the capitalization criteria.

BUDGET

Both the original budget and the final budget (if changes were adopted) are included in these financial statements as approved by the Board of Directors. The budgetary basis is the modified accrual basis of accounting.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND BALANCE:

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Authority is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned. Following is a description of the components applicable to the Authority:

Restricted – This component consists of amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors, Manager or their designee.

Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

2. CASH

The Authority maintains all of its cash in the County of Marin pooled investment fund for the purpose of increasing interest earnings through pooled investment activities. The Authority’s position in the pool is the same as the value of the pool shares. Interest earned on the investment pool is allocated quarterly to the participating funds using the daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as “Cash.”

The County Pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County’s investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County’s investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

2. CASH (continued)

INTEREST RATE RISK

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2013, the County's investment pool had a weighted average maturity of 178 days.

For purposes of computing weighted average maturity, the maturity date of variable rate notes is the length of time until the next reset date rather than the stated maturity date.

CREDIT RISK

State law and the County's Investment Policy limits investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

CONCENTRATION OF CREDIT RISK

The following is a summary of the concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2013.

Investments in Investment Pool	Percent of Portfolio
Federal agency - discount	73%
Federal agency - coupon	25%
Money market funds	2%
	<hr/> <hr/> 100%

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

2. CASH (continued)

CUSTODIAL CREDIT RISK

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool had no securities exposed to custodial credit risk.

LOCAL AGENCY INVESTMENT FUND

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State statute.

3. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, the Authority purchased liability insurance with limits of \$2,000,000 and a deductible of \$1,000.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

4. RELATED PARTY TRANSACTIONS

The County of Marin is a member to the Authority. The County Public Works Department provided staffing for the Authority for a fee of \$563,016 for the year. Additionally, the Authority paid the County of Marin \$15,904 for rent and \$5,904 for financial services.

The Authority incurred expenditures of \$1,447,674 under a contract with the City of San Rafael (a member government) to operate its household waste program. As of June 30, 2013, accrued expenses to the City of San Rafael amounted to \$267,040.

5. COMMITMENT

In February 2013, the Authority and County of Marin entered into an agreement where the County will provide the Authority staffing. The agreement has an expiration date of June 30, 2020 with provisions to extend the date by mutual agreement, or cancel by either party with 180 days written notice. The cost of the agreement will be based on annual budgets adopted by the Authority. The budgeted cost for fiscal 2013-14 is approximately \$574,000.

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**BUDGET COMPARISON SCHEDULE
COUNTYWIDE WASTE MANAGEMENT PROGRAM
GENERAL FUND (CWM)
YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Waste management fees	\$ 512,047	\$ 512,047	\$ 512,047	\$ -
Operating grant - State of California	-	31,000	13,204	(17,796)
Miscellaneous income			275	275
Investment earnings	1,500	1,500	613	(887)
Total revenues	513,547	544,547	526,139	(18,408)
EXPENDITURES:				
Contract staff and support	355,153	355,153	355,152	1
Services and supplies:				
Legal	4,000	4,000	205	3,795
Accounting and audit fees	11,000	11,000	11,250	(250)
Insurance	18,000	18,000	16,742	1,258
Equipment repairs & maintenance	1,000	1,000	-	1,000
Rent	15,904	15,904	15,904	-
Bag ban CEQA	-	60,000	-	60,000
Training	1,500	1,500	1,727	(227)
Mileage and routine travel	600	600	375	225
Outreach	25,000	25,000	33,931	(8,931)
Website update	10,000	10,000	44,025	(34,025)
Supplies and reproduction	5,500	5,500	252	5,248
County financial service	5,850	5,850	5,987	(137)
Total services and supplies	98,354	158,354	130,398	27,956
Total expenditures	453,507	513,507	485,550	27,957
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$60,040	31,040	40,589	\$9,549
Fund balance as of June 30, 2012			186,448	
Fund balance as of June 30, 2013			\$ 227,037	

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

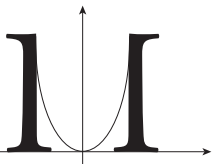
**BUDGET COMPARISON SCHEDULE
HOUSEHOLD HAZARDOUS WASTE PROGRAM (NNO)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES:				
Solid waste management fees	\$ 1,662,245	\$ 1,662,245	\$ 1,662,245	\$ -
Investment earnings	<u>3,000</u>	<u>3,000</u>	<u>252</u>	<u>(2,748)</u>
Total revenues	1,665,245	1,665,245	1,662,497	(2,748)
EXPENDITURES:				
Contract staff and support	39,461	39,461	39,462	(1)
HHW oversight	142,650	142,650	142,650	-
Novato HHW grant	50,639	50,639	50,639	-
Bulb and battery program	40,000	40,000	41,300	(1,300)
Contract services	1,228,518	1,403,518	1,305,345	98,173
Legal	2,500	2,500	154	2,346
Documentation reproduction			265	(265)
Sharps program	<u>68,600</u>	<u>73,930</u>	<u>73,930</u>	<u>-</u>
Total expenditures	<u>1,572,368</u>	<u>1,752,698</u>	<u>1,653,745</u>	<u>98,953</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$92,877</u>	<u>(\$87,453)</u>	8,752	<u>\$96,205</u>
Fund balance June 30, 2012			<u>221,092</u>	
Fund balance June 30, 2013			<u>\$ 229,844</u>	

**MARIN COUNTY HAZARDOUS & SOLID WASTE
MANAGEMENT AUTHORITY**

**BUDGET COMPARISON SCHEDULE
ZERO WASTE PROGRAM
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2013**

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES:			
Waste management fees	\$ 365,443	\$ 365,443	\$ -
Investment earnings	500	637	137
Total revenues	365,943	366,080	137
EXPENDITURES:			
Contract staff and support	168,401	168,402	(1)
Services and supplies:			
Legal	4,000	-	4,000
Zero waste development	30,000	23,015	6,985
Zero waste PSA	200,000	40,300	159,700
Zero waste implementation	250,000	-	250,000
Mileage and routine travel	-	9	(9)
Total services and supplies	484,000	63,324	420,676
Total expenditures	652,401	231,726	420,675
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	\$ (286,458)	134,354	\$ 420,812
Fund balance as of June 30, 2012		460,091	
Fund balance as of June 30, 2013		\$ 594,445	



Independent Auditors' General Communication to Board

March 31, 2014

To the Board of Directors
Marin County Hazardous & Solid Waste Management Authority

We have audited the financial statements of the Marin County Hazardous & Solid Waste Management Authority for the year ended June 30, 2013, and have issued our report thereon March 31, 2014. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated September 23, 2013, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Marin County Hazardous & Solid Waste Management Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no significant estimates used in preparing the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.



Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Because the Authority's general ledger is maintained for each fund according to the modified accrual basis of accounting, we recommended adjustment to allow for the presentation of the government-wide financial statements on the full accrual basis since generally accepted accounting principles require that both presentations be made in the financial statements. The significant adjustments recommended for fiscal 2012-13 involved (a) recording a prior year adjustments that were not implemented in the financial statements, (b) record income for a new grant, and (c) several reclassifications between expenditure accounts.

Any other misstatements detected as a result of audit procedures and corrected by management were immaterial, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

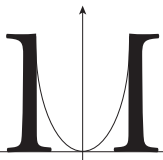
We communicated about internal controls related to accounting and reporting pertaining to compliance with the Board approved budget in a separate letter dated March 31, 2014.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of Marin County Hazardous & Solid Waste Management Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Maher Accountancy



Independent Auditors' Communication Regarding Internal Controls

March 31, 2014

Board of Directors and Management
Marin County Hazardous & Solid Waste Management Authority

In planning and performing our audit of the financial statements of the Marin County Hazardous & Solid Waste Management Authority (the Authority) as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we have identified certain *deficiencies in internal control* that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Authority's internal control to be a significant deficiency:

Budgetary Accounting:

Condition: In the course of our audit procedures we noted that the account structure available through the County's SAP accounting system did not provide separate accounts for each line indicated in the Authority's approved budget. Rather, transactions that were budgeted separately were included together in generic general ledger accounts, such as "Miscellaneous" or "Professional fees."



Independent Auditors' Communication Regarding Internal Control

March 31, 2014

Page 2

Effect: Because expenditures were grouped together, interim financial information available to management did not provide information about how actual expenditures compared to budget limits, allowing for expenditures in excess of authorized amount. Additionally, after-the-fact reclassifications were required in order to present financial reports in those categories.

Recommendation: We recommend that management (a) adopt a new or supplemental accounting system to record expenditures in budgeted categories, (b) that the approved budget be prepared by categories that the existing accounting system will accommodate or (c) improve the current informal budget control system to include a regular and documented reconciliation to the SAP system for both actual and budgeted transactions to ensure that budget compliance is maintained.

This communication is intended solely for the information and use of the board of directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Maher Accountancy

March 31, 2014

MARIN COUNTY HAZARDOUS AND SOLID WASTE MANAGEMENT JOINT POWERS AUTHORITY

Belvedere:
Mary Neilan

Date: April 24, 2014

Corte Madera:
David Bracken

To: Executive Committee Members

County of Marin:
Matthew Hymel

From: Steve Devine, Program Manager

Re: Introduction of New JPA Executive Director Saaid Fakharzadeh

Fairfax:
Garrett Toy

The Marin County Department of Public Works has had an internal reorganization of division supervision assignments. Michael Frost, previous Executive Director of the JPA, is no longer overseeing the Waste Management Division and that role has been taken on by Assistant Director Saaid Fakharzadeh. Michael will still work closely with staff and is available to help with his great depth of knowledge in solid waste and institutional knowledge from a long history with the JPA.

Larkspur:
Dan Schwarz

Mill Valley:
Jim McCann

Novato:
Michael Frank

Saaid is a licensed Professional Engineer with ten years of experience with the Marin County Public Works Department – including overseeing the development of Marin's new Emergency Operations Facility/Sherriff's office at 1600 Los Gamos and several other divisions. Saaid is looking forward to working with this group and helping the agency achieve its goals of wise solid waste management and zero waste.

Ross:
Rob Braulik

San Anselmo:
Debbie Stutsman

San Rafael:
Nancy Mackle

Sausalito:
Adam Politzer

Tiburon:
Margaret Curran

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**MARIN COUNTY HAZARDOUS AND SOLID WASTE
MANAGEMENT JOINT POWERS AUTHORITY**

Belvedere:
Mary Neilan

Date: April 24, 2014

Corte Madera:
David Bracken

To: Executive Committee Members

County of Marin:
Matthew Hymel

From: Steve Devine, Program Manager

Fairfax:
Garrett Toy

Re: FY 14-15 Budget Sub-Committee Recommendation and Fee Schedule

Larkspur:
Dan Schwarz

Attached are the proposed FY 14-15 budget and hauler/facility assessments for the Marin County Hazardous and Solid Waste Management Joint Powers Authority (JPA). This budget proposes a 4% decrease in assessments compared to last fiscal year. The JPA has three budget centers to manage its operations: Administration, Zero Waste and Household Hazardous Waste (HHW)

Mill Valley:
Jim McCann

Novato:
Michael Frank

Significant cost control measures have been instituted at the HHW Facility operated by Marin Resource Recovery Association in the HHW Program budget. Despite the facility's popularity and high volume throughput, the budget for this program decreases by \$114,140 from FY 13/14 as the result of changes implemented by San Rafael Fire Department including contracting with Paint-Care, and other Program adjustments. Additionally, fewer funds are required this year to restore the HHW budget center to its 20% contingency account target.

Ross:
Rob Braulik

San Anselmo:
Debbie Stutsman

San Rafael:
Nancy Mackle

Sausalito:
Adam Politzer

The overall budget includes four new activities due to Marin's 2012 diversion rate of 75% missing the interim Zero Waste goal of 80% diversion for 2012. Accordingly, three additional efforts are proposed to help meet Marin's zero waste goals:

Tiburon:
Margaret Curran

- An additional Zero Waste Specialist position is budgeted at \$48,041 across all three budget centers. The position is funded at 50% due to the time it will take to execute the hiring process. In future budget years the position will be budgeted at 100%. The position would be used to assist member agencies in program implementation, address State Compliance issues, and help coordinate HHW programs.
- The Construction and Demolition debris diversion budget will increase from \$15,000 to \$40,000 to provide more robust outreach, facility certification and work with the Cities and Towns to help institute the program.
- \$50,000 will be budgeted to conduct and evaluation of school waste reduction and programs countywide. The goal is to analyze what is working well and what portions of the programs are missing or can be improved upon.

- Streamlining the Zero Waste Grant program to a “block grant” style program utilizing a certification style application process – similar to the Measure A Parks program. Also, eliminate year-to-year fund banking so that funds would be available on a use it or lose it basis (excepting funds that have already been banked by a number Member Agencies).

The following three budget centers are outlined in this budget:

1. ADMINISTRATION

(JPA Section 6.1) All Members Participate

The JPA’s planning and administration is funded through the 6.1 budget center and administered by contract with the County of Marin.

2. HOUSEHOLD HAZARDOUS WASTE

(JPA Section 6.2) Optional Member Participation

The Household Hazardous Waste program is funded through the 6.2 budget center. The San Rafael Fire Department provides facility oversight by a contract with Marin Recycling & Resource Recovery Association. Novato does not participate in this program – but operates its own HHW facility and services.

3. ZERO WASTE

(JPA Section 6.2) Optional Member Participation

The Zero Waste program is funded out of a separate 6.2 budget center and administered by contract with the County of Marin. Novato does not participate in this program.

ADMINISTRATION

Budgeted expenditures for FY 14/15 of \$521,526 are \$13,667 less than the FY 13/14 budget and account for 15% of proposed JPA expenditures. This fund center provides resources for State law required disposal tracking and reporting. This fund also supports addressing the much increased demands from Cal Recycle for diversion monitoring and AB 341 (mandatory commercial recycling) compliance.

Costs for the JPA’s staffing contract with the County increase due to changes in a staff classifications, addition of a new 50% Zero Waste Specialist position (spread across all three budget centers) and an anticipated 3% cost of living adjustment for Marin County employees. The additional position will assist in mandatory State Reporting, future grant administration, and alleviate the burden of new CalRecycle reporting and inspection requirements, including AB 341 Implementation.

Contingency funds for the Administration Budget Center are restored to 20% in FY 14/15.

HOUSEHOLD HAZARDOUS WASTE

Budget expenditures of \$1,942,338 account for 56% of proposed JPA expenses. The Bulb and Battery Drop-off program budget was increased by \$5,000 over the modified FY 13/14 figure for a total of \$75,000. This program has been very successful at coordinating the

pickup used fluorescent bulbs and batteries at dropped off at local hardware and convenience stores. The cost increase will pay for increase waste processing fees.

The City of San Rafael and Marin Resource Recovery Association are proposing a decrease of \$114,140 in the HHWF operating budget. Rising disposal costs over the past several years have been somewhat mitigated by funding from the new "Paint Care" program. Paint Care is a new extended producer responsibility (EPR) program in which users (paint buyers) pay an advanced disposal fee to offset the costs of dealing with leftover paint at the end of its lifecycle. The City's management fee and costs have remained constant.

Also included in this budget is \$29,274 for the twelfth year of a grant to supplement Novato's Household Hazardous Waste Program. The grant is equal to the Novato self-haul fee amount levied on Redwood Landfill for the HHW Fund.

The JPA also took over administration of Marin's Oil Payment Program in FY 13/14 and will be receiving the payment for Cycle 4 of that program in April 2014 and payment for Cycle 5 during FY 14/15.

Additional staffing costs have also been added to the budget center. The Zero Waste Specialist position will help coordinate regional HHW facility outreach, assist in Bulb and Battery program implementation, participate in LTF Subcommittee meetings, and assist tracking emerging Extended Producer Responsibility (EPR) legislation.

Contingency funds for the HHW Budget Center are restored to 20% in FY 14/15.

Additional Recommendation

- As collection and processing fees for HHW materials continue to escalate JPA staff suggests adding Universal Waste curbside collection to your jurisdiction's franchise agreement. Collecting the most common materials taken at the HHW facility can reduce collection costs at the facilities, increase convenience, and provide for more transparency in garbage bills. These types of programs already exist for specific material types in several Marin service areas.

ZERO WASTE

Budgeted expenditures for FY 14/15 of \$985,590 are decreased by \$31,536 from the approved FY 13/14 budget and account for 29% of FY 14/15 proposed JPA expenditures.

The major components of this budget are \$250,000 for the zero waste grant program, \$200,000 to continue the public outreach campaign, \$50,000 for a school's evaluation, \$40,000 the construction and demolition debris recycling program and \$15,000 for school outreach.

In FY 13/14 there was a savings of \$15,000 since the JPA did not contract with another consultant for our Construction and Demolition (C&D) Program. An incidence involving over reported C&D tonnages in 2012 was not resolved by our previous contractor. There is an

additional need to promote and provide technical support to the Cities and Towns to encourage the adoption and use of improved C&D recycling ordinances. Accordingly, it is recommended to augment Construction and Demolition support to \$40,000 in FY 14/15 from \$15,000 in previous years. An RFP process will be conducted to hire a contractor that can certify recycling facilities, resolve tonnage issues, assist Cities and Towns with ordinance adoption, and help develop outreach materials for the member agencies.

Additional staff costs for this budget center incorporate responsibilities of the new Zero Waste Specialist Position; including, facilitation of Construction and Demolition programs for member agencies, assistance in school outreach programs and some coordination of activities with the JPA's Outreach Contractor.

The JPA Board's Budget Subcommittee of Members Mackle and Hymel met April 3, 2014 to review the draft budget and provided feedback to staff which is incorporated in the budget presented here.

Please note that there will be minor changes to the Zero Waste Grant expenditures in FY 13/14 since Cycle 3 Grant Reports and claims are currently being submitted. Assessments will remain the same but expenditure sums will have been recalculated when the budget is presented to the JPA Board of Directors in May.

RECOMMENDATION

Adoption of a Motion recommending the attached FY 14/15 budget to the full JPA Board as proposed.

Attachments.

F:\Waste\JPA\Budget\FY 14-15\JPA 14-15 Budget Transmittal to ExCom.doc

Attachment A

**JPA Hauler, Landfill & Non-Disposal Facility Assessments
FY 2014 - 15**

2013 DISPOSAL (tons)			TOTAL TONS	Per Ton Disposal Equivalent			
MSW Haulers	MSW & Debris	Self-Haul		Zero Waste	Adminstration	HHW	Total
				\$2.94	\$1.62	\$8.56	\$13.12
Bay Cities Refuse	6,781	N/A	6,781	\$19,935.02	\$10,984.60	\$58,042.11	\$88,961.73
Marin Sanitary Service (MSS)	52,603	N/A	52,603	\$154,652.85	\$85,216.88	\$450,281.77	\$690,151.49
Mill Valley Refuse	22,043	N/A	22,043	\$64,807.10	\$35,710.03	\$188,690.05	\$289,207.18
Novato (Redwood Empire Disposal)	25,923	N/A	25,923	\$0.00	\$41,995.86	\$0.00	\$41,995.86
Shoreline (Redwood Empire Disposal)	4,630	N/A	4,630	\$13,612.32	\$7,500.66	\$39,633.14	\$60,746.12
Tam. CSD	1,556	N/A	1,556	\$4,574.79	\$2,520.80	\$13,319.79	\$20,415.38
Total Franchised Hauler	113,536	N/A	113,536	\$257,582.07	\$183,928.84	\$749,966.85	\$1,191,477.76
Landfills							
Redwood	N/A	79,788	79,788	\$234,577.87	\$129,257.19	\$682,988.62	\$1,046,823.68
Total Landfills	N/A	79,788	79,788	\$234,577.87	\$129,257.19	\$682,988.62	\$1,046,823.68
Non-Disposal Facilities							
MSS Transfer Station	N/A	1,872	1,872	\$5,503.68	\$3,032.64	\$16,024.32	\$24,560.64
Marin Resource Recovery	N/A	42,020	42,020	\$123,538.39	\$68,072.17	\$359,690.00	\$551,300.56
Total Non-Disposal Facilities	N/A	43,892	43,892	\$129,042.07	\$71,104.81	\$375,714.32	\$575,861.20
TOTALS	113,536	123,680	237,217	\$621,202.01	\$384,290.84	\$1,808,669.79	\$2,814,162.64

DRAFT BUDGET

JPA ZERO WASTE PROGRAMS

2015 (70073) ZERO WASTE EXPENSE BUDGET BY OBJECT COUNTYWIDE WASTE MANAGEMENT JPA

<u>13/14</u>	<u>13/14</u>	<u>13/14</u>	<u>ACCOUNT NAME</u>	<u>OBJECT</u>	<u>14/15</u>	<u>NARRATIVE</u>
<u>BUDGET</u>	<u>EXP THRU</u>	<u>TOTAL EST</u>			<u>BUDGET</u>	
	<u>3/18/2014</u>	<u>EXPENDITURE</u>			<u>REQUEST</u>	
			Zero Waste Operational			Fund Center 6180012000
\$171,769	\$85,884.50	\$171,769	Salaries and Wages	5110110	\$197,088	Contract staff salaries and wages for Zero Waste Programs
\$2,000	\$0	\$0	Legal Expense	5210100	\$2,000	JPA legal counsel.
\$30,000	\$15,000	\$15,000	Zero Waste Development	5211500	\$55,000	Zero waste development. (\$15K for Zero Waste Elementary School Program and \$40K for Consultant for C and D Facility Certification and Staff Training)
\$0	\$0	\$0	School Programs Evaluation	5211500	\$50,000	Consultant to evaluate current hauler/public agency school outreach and provide recommendations
\$200,000	\$200,000	\$200,000	Zero Waste Outreach	5211500	\$200,000	Public education (Media expert to develop and implement PSA)
\$403,769	\$300,885	\$386,769	Operational Budget Subtotal		\$504,088	
			Zero Waste Grant Funding			Fund Center 618099003
\$0	\$0	\$0	Zero Waste Grant FY14/15	5211500	\$250,000	
\$613,357	\$185,524	\$381,855	Accumulated ZW Grant Funding	5211500	\$231,502	* Zero Waste Grant Funds held in ZW Special Project (618099003) Fund Center
\$613,357	\$185,524	\$381,855	Zero Waste Grants Subtotal		\$481,502	
\$1,017,126	\$486,408	\$768,624	JPA 6.2 Zero Waste Total	Total	\$985,590	

2015 (70073) ZERO WASTE REVENUE BUDGET BY REVENUE SOURCE COUNTYWIDE WASTE MANAGEMENT JPA

<u>13/14</u>	<u>13/14</u>	<u>13/14</u>	<u>ACCOUNT NAME</u>	<u>REVENUE</u>	<u>14/15</u>	
<u>BUDGET</u>	<u>EXP THRU</u>	<u>TOTAL EST</u>		<u>REVENUE</u>	<u>BUDGET</u>	
<u>BUDGET</u>	<u>3/18/2014</u>	<u>REVENUE</u>		<u>SOURCE</u>	<u>REQUEST</u>	
\$500	\$267	\$500	Interest	4410125	\$500	JPA funds in interest bearing account.
\$0	\$0	\$0	Other Aid State	4530527	\$0	
\$634,827	\$317,414	\$634,827	Solid Waste Management	4640910	\$621,202	Solid Waste Disposal Assessments
\$0	\$0	\$0	Misc.	4710642	\$0	
\$427,633	\$594,445	\$594,445	Carry-Over		\$461,148	
\$1,062,960	\$912,125	\$1,229,772	Total Revenue		\$1,082,850	
			<u>GENERAL CONTINGENCIES</u>			
		\$461,148	General Contingencies	9000010	\$97,260	

10%

* This figure assumes all open cycle 3 grants will spend all funding.

DRAFT BUDGET

JPA ADMINISTRATION

2015 (70070) 96X-CWM EXPENSE BUDGET BY OBJECT COUNTYWIDE WASTE MANAGEMENT JPA

<u>13/14 BUDGET (As Modified)</u>	<u>13/14 EXP THRU 3/18/2014</u>	<u>13/14 TOTAL EST EXPENDITURE</u>	<u>ACCOUNT NAME</u>	<u>OBJECT</u>	<u>14/15 BUDGET REQUEST</u>	<u>NARRATIVE</u>
\$362,256	\$181,128	\$362,256	Salaries and Wages	5110110	\$413,884	Contract staff salaries and wages for 6.1 Programs.
\$362,256	\$181,128	\$362,256	Salaries and Wages Total		\$413,884	
\$7,500	\$871	\$4,000	Legal Expense	5210100	\$7,500	JPA legal counsel.
\$11,000	\$0	\$12,500	Outside Acctg & Audit Fees	5210200	\$13,500	Financial review.
\$18,000	\$17,596	\$17,596	Insurance	5210500	\$18,000	JPA insurance.
\$1,000	\$0	\$0	OFC Equip Rep & Maint.	5210900	\$1,000	Same as previous year.
\$16,941	\$16,941	\$16,941	Rent	5211200	\$16,941	Rent for space used.
\$50,000	\$26,077	\$50,000	Bag Ban CEQA	5210100	\$0	Member Cities funding for bag ban implementation and enforcement.
\$1,500	\$590	\$1,500	Training	5211300	\$1,500	Training, Memberships Same as previous year.
\$600	\$233	\$600	Mileage & Routn Trvl Exp	5211400	\$600	Routine travel. Same as previous year.
\$37,250	\$19,992	\$37,250	Outreach	5211500	\$37,250	Compost Bins, Reusable Bags, JPA Group Memberships, Sponsorships, General
\$17,796	\$0	\$17,796	State Grant	5211500	\$0	Beverage Container Recycling Grant accepted by JPA on 5/24/12
\$5,500	\$132	\$5,500	Supplies & Reproduction	5220100	\$5,500	Same as previous year.
\$5,850	\$3,936	\$5,850	County Financial Service	5210200	\$5,850	Pro-rate County Department of Finance's cost plan.
\$172,937	\$86,368	\$169,533	Services & Supplies Total		\$107,641	
\$535,193	\$267,496	\$531,789	JPA 6.1 Program Total	Total	\$521,526	

2015 (70070) 96X-CWM REVENUE BUDGET BY REVENUE SOURCE COUNTYWIDE WASTE MANAGEMENT JPA

<u>13/14 BUDGET</u>	<u>13/14 REV THRU 3/18/2014</u>	<u>13/14 TOTAL EST REVENUE</u>	<u>ACCOUNT NAME</u>	<u>REVENUE SOURCE</u>	<u>14/15 REVENUE REQUEST</u>	
\$1,500	\$80	\$500	Interest	4410125	\$1,500	JPA funds in interest bearing account.
\$31,000	\$0	\$13,204	Other Aid State	4530527	\$17,796	Beverage Container Recycling Grant Reimbursement in FY 13/14
\$512,047	\$238,161	\$512,047	Solid Waste Management	4640910	\$384,291	Solid Waste Disposal Assessments
\$0	\$325	\$325	Misc.	4710642	\$0	
\$145,621	\$227,037	\$227,037	Carry-Over		\$221,324	
\$690,168	\$465,603	\$753,113	Total Revenue		\$624,911	
			<u>GENERAL CONTINGENCIES</u>			
		\$221,324	General Contingencies	9000010	\$103,385	

20%

DRAFT BUDGET

**HOUSEHOLD HAZARDOUS WASTE PROGRAM
2015 (70071) 96Y-NNO EXPENSE BUDGET BY OBJECT COUNTYWIDE WASTE MANAGEMENT JPA**

<u>13/14</u> <u>BUDGET</u> <small>(As Modified)</small>	<u>13/14</u> <u>EXP THRU</u> <u>3/18/2014</u>	<u>13/14</u> <u>TOTAL EST</u> <u>EXPENDITURE</u>	<u>ACCOUNT NAME</u>	<u>OBJECT</u>	<u>14/15</u> <u>BUDGET</u> <u>REQUEST</u>	<u>NARRATIVE</u>
			HHW Operational			Fund Center 6180011000
\$40,250	\$20,125	\$40,250	Salaries and Wages	5110110	\$45,987	Contract staff salaries and wages for 6.2 Programs.
\$145,788	\$85,043	\$145,788	HHW Oversight	5210100	\$145,788	City of San Rafael HHW Oversight including West Marin HHW events.
\$27,792	\$27,792	\$27,792	Novato HHW Grant	5210100	\$29,274	Novato HHW Grant fee reimbursement.
\$70,000	\$24,746	\$70,000	Bulb and Battery Program	5210100	\$75,000	Program for Drop-off of Fluorescent Bulbs and Batteries at convenient locations
\$1,434,395	\$797,991	\$1,434,395	Contract SVC	5210100	\$1,320,255	HHW Contract (offset with SQG and BOP Grant funds).
\$2,500	\$0	\$0	JPA legal counsel	5210131	\$2,500	JPA legal counsel work on HHW contracts and HHW Grant Agreements.
\$75,000	\$0	\$0	HD-20 Grant Funding	5211500	\$75,000	HHW Grant for Less Toxic Alternative Outreach
\$76,000	\$0	\$76,000	Sharps Program	5211500	\$76,000	JPA sharps container and disposal service, except Novato.
\$1,871,725	\$955,697	\$1,794,225	Operational Budget Subtotal		\$1,769,804	
			Oil Payment Program			Fund Center 6180990004
\$81,038	\$42,079	\$71,038	Oil Payment Program - Cycle 3	5211500	\$10,000	CalRecycle Oil Payment Program - Cycle 3
\$81,038	\$0	\$0	Oil Payment Program - Cycle 4	5211500	\$81,267	CalRecycle Oil Payment Program - Cycle 4
\$0	\$0	\$0	Oil Payment Program - Cycle 5	5211500	\$81,267	CalRecycle Oil Payment Program - Cycle 5
\$162,076	\$42,079	\$71,038	Oil Payment Program Subtotal		\$172,534	
\$2,033,801	\$997,776	\$1,865,263	JPA 6.2 Program Total	Total	\$1,942,338	

2015 (70071) 96Y-NNO REVENUE BUDGET BY REVENUE SOURCE COUNTYWIDE WASTE MANAGEMENT JPA

<u>13/14</u> <u>BUDGET</u>	<u>13/14</u> <u>REV THRU</u> <u>3/18/2014</u>	<u>13/14</u> <u>TOTAL EST</u> <u>REVENUE</u>	<u>ACCOUNT NAME</u>	<u>REVENUE</u> <u>SOURCE</u>	<u>14/15</u> <u>REVENUE</u> <u>REQUEST</u>	
\$1,000	\$66	\$150	Interest	4410125	\$500	JPA funds in interest bearing account.
\$156,038	\$81,038	\$162,305	Other Aid State	4530527	\$156,267	CalRecycle Grant Funds for OPP and HD-20
\$1,829,305	\$914,653	\$1,829,305	Solid Waste Management	4640910	\$1,808,670	Solid Waste Disposal Assessments
\$213,852	\$229,844	\$229,844	Carry-Over		\$356,341	
\$2,200,195	\$1,225,600	\$2,221,604	Total Revenue		\$2,321,778	
			<u>GENERAL CONTINGENCIES</u>			
		\$356,341	General Contingencies	9000010	\$379,439	



MAYOR GARY O. PHILLIPS
VICE MAYOR DAMON CONNOLLY
COUNCILMEMBER MARIBETH BUSHEY
COUNCILMEMBER KATE COLIN
COUNCILMEMBER ANDREW CUYUGAN MCCULLOUGH

February 10, 2014

FIRE DEPARTMENT
FIRE CHIEF, CHRISTOPHER GRAY
PHONE: (415) 485-3304
FAX: (415) 453-1627

Steve Devine
Marin County Hazardous and Solid Waste Management Joint Powers Authority
PO Box 4186
San Rafael, CA 94913-4186

RE: Fiscal Year 2014/15 Budget Proposal

Dear Steve,

Please accept this letter as the Fiscal Year 2014/15 budget proposal for the Marin Household Hazardous Waste (HHW) Program. The allocation amounts for the City of San Rafael (City) management oversight and for Marin Recycling and Resource Recovery Association (MRRRA) contractual services are provided herein.

The HHW Program budget for FY 2013/14 was \$1,580,183 which included a 2.2% CPI increase from the previous year for both the City and MRRRA. As of December 2013, the HHW Facility is \$36,500 under budget and projections indicate that by the end of the fiscal year, the HHW Facility could be as much as \$100,000 under budget thanks to the implementation of PaintCare and other outside funding sources.

After over a year of negotiations, the City of San Rafael executed an agreement with PaintCare in December 2013. The PaintCare program has now been in effect at the Marin HHW Facility since January 1, 2014. Initial analysis of the PaintCare Program indicates that the HHW Program could potentially save up to \$300,000 annually; however, since we're just beginning to implement the program, we're proposing a \$150,000 savings for the first full year with PaintCare to allow for an adjustment period.

HHW Program budget proposal summary:

For FY 2014/15, the budget proposal for the City of San Rafael management oversight remains at \$145,788, the same as last year. This portion of the budget includes the one-day temporary collection events in West Marin.

We are proposing that the MRRRA contractual services budget provides a 2.5% CPI increase from last year's budget while accounting for a \$150,000 PaintCare savings. This amounts to \$1,320,255, an 8% reduction from last year's budget of \$1,434,395. The CPI will allow for a needed salary increase for the HHW facility staff from an average of just over \$17 per hour to \$18.00 per hour and will also cover increasing worker's compensation and health insurance costs.

(See table on the next page.)

Marin HHW Program Operating Costs FY 2014/15

MRRRA

Personnel	\$ 564,841
Non-personnel	\$ 755,414
Total HHW Facility Operating Contractual Services:	\$1,320,255

CITY

Personnel	\$ 94,500
Non-personnel	\$ 51,288
Total City Management Oversight:	\$145,788

Total Marin HHW Program FY 2014/15 Budget: \$1,466,043

Should you need further information, please call me at the number below.

Respectfully,



John D. Lippitt
Deputy Fire Marshal
Environmental Program Manager
415.485.5067

