



**A Public Agency**

# Final Proposed Budget CY2021

November 19, 2020

# Budget Timeline

## Key SBWMA Budget Review Dates:

- October 6<sup>th</sup> Finance Committee review
- October 15<sup>th</sup> Board review:  
\* DRAFT CY2021 Budget Presentation  
*(Joint study session with Board and TAC)*
- November 19<sup>th</sup> Board consideration:  
\* FINAL CY2021 Budget *(Action)*

# Changes from the Draft Budget

	<u>Net Income</u>	<u>Description</u>
<b>SBWMA CY 2021 Draft Budget (October 15, 2020)</b>	<b>\$ 756,573</b>	
Salary Expense Decrease	\$ 58,232	Part-time Project Engineer will not convert to full-time
Property Tax Expense Increase	\$ (35,397)	Modification to the property tax projection
RFP Consulting Expense Increase	\$ (60,000)	Increase for Facility Operating Contract RFP
Facility Expense Increase	\$ (30,000)	SBWMA's anticipated proportional contribution to the impending County's Sea Level Rise Study of the Redwood City Shores/San Carlos Airport area.
<b>SBWMA CY 2021 Proposed Final Budget</b>	<b>\$ 689,408</b>	

# Financial Summary

CY2021 FINANCIAL SUMMARY					
Categories	FY19/20 Adopted Budget	FY20/21 Adopted Budget	CY2021 Proposed Budget	Variance to Adopted Budget	Better/Worse %
<b>Total Revenue</b>	<b>\$55,137,230</b>	<b>\$54,364,376</b>	<b>\$55,081,566</b>	<b>717,191</b>	<b>1%</b>
Program	\$3,819,070	\$4,344,237	\$5,486,617	\$1,142,380	26%
Shoreway Operations	\$ 42,542,834	\$ 43,990,676	\$ 44,254,778	\$ 264,101	1%
<b>Total Operating Expense</b>	<b>46,361,903</b>	<b>48,334,914</b>	<b>49,741,395</b>	<b>1,406,481</b>	<b>3%</b>
Non-Operating Expense	5,176,269	4,673,058	4,650,763	(22,295)	0%
<b>Total Expense</b>	<b>51,538,173</b>	<b>53,007,972</b>	<b>54,392,158</b>	<b>1,384,186</b>	<b>3%</b>
<b>Net Income to Reserve</b>	<b>\$ 3,599,057</b>	<b>\$ 1,356,403</b>	<b>\$ 689,408</b>	<b>\$ (666,995)</b>	<b>-49%</b>

- Volume Recovery from FY 20/21 Budget
  - Not full recovery to pre-pandemic. Less Atherton.
- Shoreway Project Expenses +\$485K
  - \$130K - MRF Phase II Initial Assessment Costs
  - \$225K - O2E Full Scale Initial Assessment Costs
  - \$130K - Site Master Plan Assessment
- Property insurance \$1.4M (4.9% increase)
- SBR Revenue Guarantee Adjustment
- Disposal increase 6% with reduced volume
  - Green Waste Processing Cost (78% increase)
- SB1383 Expenses beginning 2021 -- \$927K
- No Staff Increases Budgeted
  - Reduced Fellowship Hours
- Temp Labor Share \$430K (Consistent with prior Budgets)

# Projected Debt Service Coverage

Projected Debt Coverage	
Operating and Non-Operating Revenue	\$55,081,566
plus Additional Revenue transfer from reserve or other	-
<b>Total Revenues</b>	<b>55,081,566</b>
Less: O&M Expense	49,741,395
<b>Net Revenue</b>	<b>5,340,171</b>
Debt Service	3,543,458
<b>Coverage (Net Revenue/Debt Service)</b>	<b>1.51</b>
<b>2019 Revenue Bond Coverage Ratio</b>	<b>1.40</b>
<b>CY 2021 Budgeted Net Income (Proposed)</b>	<b>\$ 689,408</b>

# Contact Information

**John Mangini, Senior Finance Manager**

(650) 802-3500

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