

FY2014-15 Budget Forecast

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Austin Resource Recovery
May 14, 2014**



Austin Resource Recovery

- **FY13 Performance Review**
- **Residential Diversion Rate**
- **FY09-FY14 Key Measures**
- **FY14 Current Adopted Budget**
- **FY15 Projected Budget**
- **Rates/Fees**
- **Unmet Needs**
- **Next Steps**





Austin Resource Recovery

Mission: To achieve Zero Waste by providing excellent customer services that promote waste reduction, increase resource recovery and support the City's sustainability efforts.



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FY13 Performance Review

- Implemented Clean Austin
- Piloted Mattress Recycling Project
- Initiated LF Methane Gas Line Repairs
- Initiated Organics Collection to 7900 SFR
- Began planning for [Re]Manufacturing Hub
- Relocated RRC from LF to Todd Lane MRF
- Added Alum Foil & HH Metals to Blue Carts
- Implemented Single Use Bag Ordinance
- Initiated URO Phase 2 Stakeholder Mtgs



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FY13 Performance Review

- 39.6% Diversion Rate
- 87,380 total tons diverted from 187,000 SFR
- 22.25 pounds of recyclables /HH/collection
- 5.37 pounds of yard waste/HH/collection
- \$1.1 million landfill disposal cost avoidance
- 85% customer satisfaction (ETC survey)



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Residential Diversion Rate

- **FY09** **36.1%**
- **FY10** **37.3%**
- **FY11** **38.6%**
- **FY12** **37.9%**
- **FY13** **39.6%**
- **YTD** **39.6%**



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Avg. Pounds per HH of Recycled Materials

- FY09 21.76 lbs/ 2 weeks
- FY10 22.61
- FY11 22.20
- FY12 22.71
- FY13 22.25
- YTD 22.86



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Avg. Pounds per HH of Trash Collected

- **FY09** **27.90 lbs/ week**
- **FY10** **27.99**
- **FY11** **26.70**
- **FY12** **27.06**
- **FY13** **25.53**
- **YTD** **25.17**



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Fund Summary (in millions)

	FY14 Amended	FY 2014 CYE	FY 2015 Proposed
Beginning Balance	14.1	13.9	3.7
Total Revenues	72.3	69.7	80.8
Program Requirements	57.5	56.4	59.7
Transfers	17.8	17.8	18.2
Other Requirements	5.4	5.7	6.3
Total Expenditures	80.7	79.9	84.2
Ending Balance	5.8	3.7	0.3



FY 2013-14 Amended Rates

FY14 Residential Rates	Per Gallon Trash Cart Fee	Monthly Trash Fee	Base Customer Fee	Total Monthly Fee	% of Customer Base
Trash Cart Size					
24 gallon	\$0.16	\$3.85	\$9.50	\$13.35	2%
32 gallon	\$0.16	\$5.10	\$9.50	\$14.60	21%
64 gallon	\$0.16	\$10.25	\$9.50	\$19.75	63%
96 gallon	\$0.25	\$24.00	\$9.50	\$33.50	14%

Clean Community Fee	FY 14 Amended
ARR - Residential	\$3.55



FY 2014-15 Forecast Rates

FY14 Residential Rates	Per Gallon Trash Cart Fee	Monthly Trash Fee	Base Customer Fee	Total Monthly Fee	Forecasted Increase
Trash Cart Size					
24 gallon	\$0.16	\$3.85	\$10.00	\$13.85	\$0.50
32 gallon	\$0.17	\$5.45	\$10.00	\$15.45	\$0.85
64 gallon	\$0.18	\$11.50	\$10.00	\$21.50	\$1.75
96 gallon	\$0.31	\$29.75	\$10.00	\$39.75	\$6.25

Clean Community Fee	FY14 Amended	FY15 Forecast	Increase
ARR Residential	\$3.55	\$4.75	\$1.20



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FY15 Top 5 Cost Drivers / Increasing Costs

- Wages + \$0.95 mil
- Fleet-Maintenance/Fuel + \$0.76
- **Bad Debt Expense + \$0.85**
- GO Debt Service + \$0.41
- Health Insurance + \$0.36



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FY15 Top 5 Expense Categories

- **Wages** \$ 19.9 mil
- **GO Debt Service** \$ 11.6
- **Fleet-Maintenance** \$ 7.2
- **Interdepartmental Charges** \$ 5.3
- **Service-Recycling Costs** \$ 5.1



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FY15 Top 5 Service Contracts

- **Waste Disposal (TDS)** **\$2.9 mil**
- **Recycling Processing (BR)** **\$2.9**
- **Recycling Processing (TDS)** **\$2.2**
- **City Building Trash (BFI)** **\$1.0**
- **Downtown CBD (TDS)** **\$0.9**



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FY15 Recycling Processing Contracts

- Recycling Processing Fees \$5.1 mil
- Recycling Market Revenue \$3.8 mil

Net expense: \$1.3 mil

Avoided Disposal Cost: \$1.3 mil

Note: Current recycling processing pricing expires Sept 30, 2015.
The City will begin negotiations in January 2015 for the next pricing period.



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FY15 Top 5 “Transfers Out” Charges

- Debt Service \$ 11.6 mil
- Administrative Support \$ 2.8
- Comm and Tech Support \$ 1.0
- Sustainability Fund \$ 0.7
- Workers Compensation \$ 0.6



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FY15 – Austerity in program expenses

- **No Program Growth**
 - **Delayed expansion of planned organics program**
- **No new FTEs**



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Next Steps

- **May 14th ZWAC Forecast Presentation**
- **May Forecast Discussion with Council**
- **July 9th ZWAC Budget Presentation**
- **July 31st Council Budget Workshop**
- **August 21st Council Budget Hearing**
- **August 28th Council Budget Hearing**
- **Sept. 3rd Council Budget Work Session**
- **Sept. 8th-10th Council Budget Readings**



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http://austintexas.gov/sites/default/files/files/Trash_and_Recycling/MasterPlan_Final_12.30.pdf