



AUSTIN
SOURCE
RECOVERY
A CITY OF AUSTIN SERVICE



Fiscal Year 2014-15 Budget Forecast

July 9, 2014



Austin Resource Recovery

- Overview of Topics
 - FY2012-13 Performance Review
 - Residential Diversion Rate
 - FY09-FY14 Key Measures
 - FY2013-14 Amended Budget
 - FY2014-15 Proposed Budget
 - Rates and 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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- **FY2012-13 Performance Review**
 - Clean Austin Program Implementation
 - Mattress Recycling Project Pilot
 - Initiated Landfill Methane Gas Line Repairs
 - Organics Collection Pilot (added 7,900 sf residents)
 - Began planning for [Re]Manufacturing Hub
 - Resource Recovery Center relocation to Todd Lane
 - Added household metals (ex: aluminum foil and pans) to Blue Recycling Carts
 - Implemented Single Use Bag Ordinance
 - Implemented URO Phase 1
 - Initiated URO Phase 2 Stakeholder Meetings



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- **FY2012-13 Performance Review (continued)**
 - 39.6% Diversion Rate
 - 87,380 total tons diverted from 187,000 ARR curbside collection customers
 - 22.25 lbs recyclables per household per pickup
 - 5.37 lbs yard waste per household per pickup
 - \$1.1 million landfill disposal cost avoidance
 - 85% customer satisfaction (ETC survey)



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Fiscal Year	Residential Diversion Rate
FY 2008-09	36.10%
FY 2009-10	37.30%
FY 2010-11	38.60%
FY 2011-12	37.90%
FY2012-13	39.60%
FY 2013-14 YTD	40.94%



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Fiscal Year	Average Pounds of Recyclables Collected per Household per Pickup (every 2 weeks)
FY 2008-09	21.76 pounds
FY 2009-10	22.61 pounds
FY 2010-11	22.20 pounds
FY 2011-12	22.71 pounds
FY2012-13	22.25 pounds
FY 2013-14 YTD	22.92 pounds



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Fiscal Year	Average Pounds of Trash Collected per Household per Pickup (weekly)
FY 2008-09	27.90 pounds
FY 2009-10	27.99 pounds
FY 2010-11	26.70 pounds
FY 2011-12	27.06 pounds
FY2012-13	25.53 pounds
FY 2013-14 YTD	25.55 pounds



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Fund Summary (\$ in millions)

	FY 2013-14 Amended Budget	FY 2013-14 Current Year Estimate	FY 2015 Proposed Budget
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



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FY 2013-14 Amended Rates

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

Clean Community Fee	
ARR - Residential	\$3.55



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FY 2014-15 Proposed Rates

Residential Rates by Trash Cart Size	Per Gallon Trash Cart Fee	Proposed Monthly Trash Cart Fee	Proposed Base Customer Charge	Proposed Total Monthly Fee	Change
24 gallon cart	\$0.16	\$3.85	\$11.35	\$15.20	\$1.85
32 gallon cart	\$0.16	\$5.10	\$11.35	\$16.45	\$1.85
64 gallon cart	\$0.16	\$10.25	\$11.35	\$21.60	\$1.85
96 gallon cart	\$0.30	\$28.80	\$11.35	\$40.15	\$6.65

Clean Community Fee	FY14 Amended	FY15 Proposed	Change
ARR Residential	\$3.55	\$4.30	\$0.75



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FY 2014-15 Top 5 Cost Drivers

Category	Increase Amount
Wages	\$950,000
Fleet Maintenance and Fuel	\$760,000
Bad Debt Expense	\$850,000
GO Debt Service	\$410,000
Health Insurance	\$360,000



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FY 2014-15 Largest Expense Categories

Category	FY2014-15 Proposed Budget
Wages	\$19.9M
GO Debt Service	\$11.6M
Fleet Maintenance	\$7.2M
Interdepartmental Charges	\$5.3M
Services - Recycling Costs	\$5.1M



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FY 2014-15 Largest Service Contract Expense

Service (Vendor)	FY 2014-15 Proposed Budget
Waste Disposal (TDS)	\$2.9M
Recycling Processing (BR)	\$2.9M
Recycling Processing (TDS)	\$2.2M
City Facility Trash (BFI)	\$1.0M
Downtown Trash and Recycling (TDS)	\$0.9M



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FY 2014-15 Recycling Processing Expense

Category	FY 2014-15 Proposed Budget
Recycling Processing Fees	\$5.1M
Recycling Market Revenue	\$3.8M
Net Recycling Processing Expense	\$1.3M

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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FY 2014-15 Largest “Transfers Out” Expenses

Category	FY 2014-15 Proposed Budget
GO Debt Service	\$11.6M
Administrative Support	\$2.6M
Communications and Technology Support	\$1.2M
Sustainability Fund	\$0.6M
Workers Compensation	\$0.5M



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- **FY2014-15 Austerity in Program Expenses**
 - **No Program Growth**
 - **No new FTEs**
 - **Delayed Diversion Programs**
 - **50% organics roll out - \$8.9M**
 - **100% organics roll out - \$19.8M**
 - **Weekly recycling roll out - \$24.1M**
 - **Delayed Recycle Right crews - \$145,000**
 - **URO Enhanced Proactive Enforcement - \$285,000**



Austin Resource Recovery

- Next Steps
 - ***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

