

FY20 Proposed Budget Presentation

August 14th, 2019

CITY OF AUSTIN





Presentation Topics

- Clean Community Fee Overview
 - Clean Community Fee Residential Cost of Services
- Curbside Collection Services Overview
 - Curbside Services Cost of Service
 - Curbside Collection Customers
 - Trash Cart Distribution
- FY20 Proposed Budget
 - Budget by Strategic Outcome
 - Proposed Rate Changes
 - Fund Summary
 - Top 10 Budgeted Expense Categories





















Clean Community Fee Purpose

- Clean Community Fee is established by ordinance to provide litter and nuisance abatement, street cleaning, household hazardous waste disposal, and the implementation and enforcement of the URO
- Billed to all residential and commercial customers in the city including apartment complexes and other multi-family customers
- Clean Community Customer Count (as of June 2019)
 - *Residential – 401,502 customers*
 - *Commercial – 25,291 customers*



Clean Community Services

Service	Residential	Commercial
Street Sweeping		
Dead Animal Collection		
Litter Control		
Landfill Closure and Post Closure		
Bulk/Illegal Dumping Collection		
Zero Waste Pgm Development		
Brownfields Remediation		
Recycling Economic Development		
Household Hazardous Waste		
Business Outreach and Enforcement		



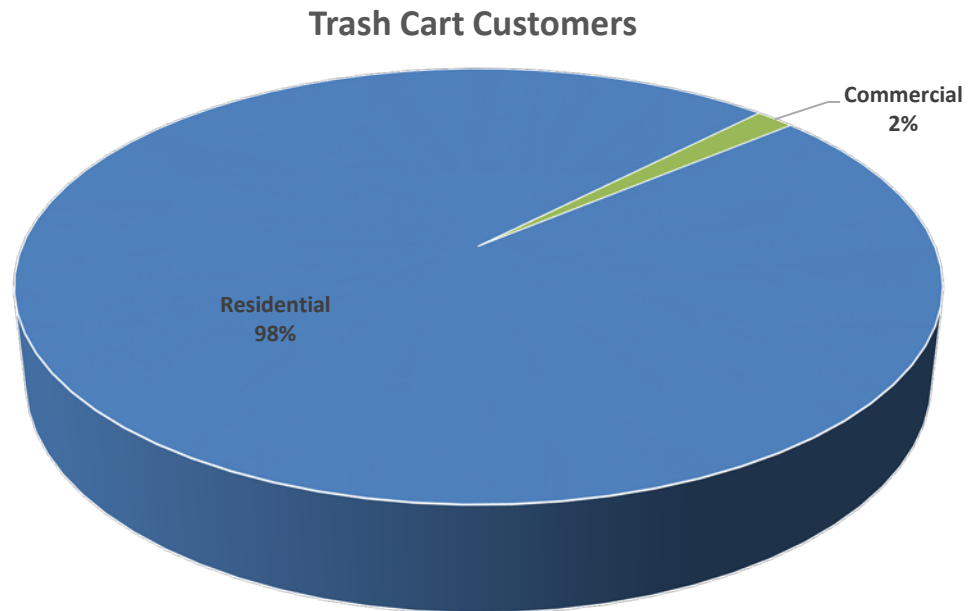
FY20 Clean Community Fee Cost of Service-RESIDENTIAL

Service Provided	Direct Annual Expenses	Indirect Annual Expenses	Total Annual Cost of Service	Average Monthly Cost Per Residential Customer*	
	(\$ in millions)				
Citywide Street Sweeping and Dead Animal Collection	\$2.9	\$2.6	\$5.5	\$	1.05
Recycling and Reuse Drop Off Center	\$2.9	\$1.4	\$4.3	\$	0.85
Citywide Litter Control	\$3.2	\$2.3	\$5.5	\$	1.07
Landfill Closure and Post Closure	\$1.0	\$1.8	\$2.8	\$	0.53
Citywide Bulk Collection	\$0.3	\$0.3	\$0.6	\$	0.12
Zero Waste Program Development	\$1.4	\$0.6	\$2.0	\$	0.39
Brownfields Remediation	\$0.3	\$0.2	\$0.5	\$	0.10
Clean Community Cost of Service	\$12.1	\$9.1	\$21.2	\$	4.11
Other Offsetting Revenue		\$0.3		\$	0.07
Net Cost of Clean Community Services				\$	4.05

*Amounts may not add due to rounding

Curbside Collection Services

- Supported by Trash Cart Fees
 - Trash Collection
 - Residential 208,130 (as of June 2019)
 - Commercial 3,400 (as of June 2019)





Curbside Collection

Trash Cart Size Distribution

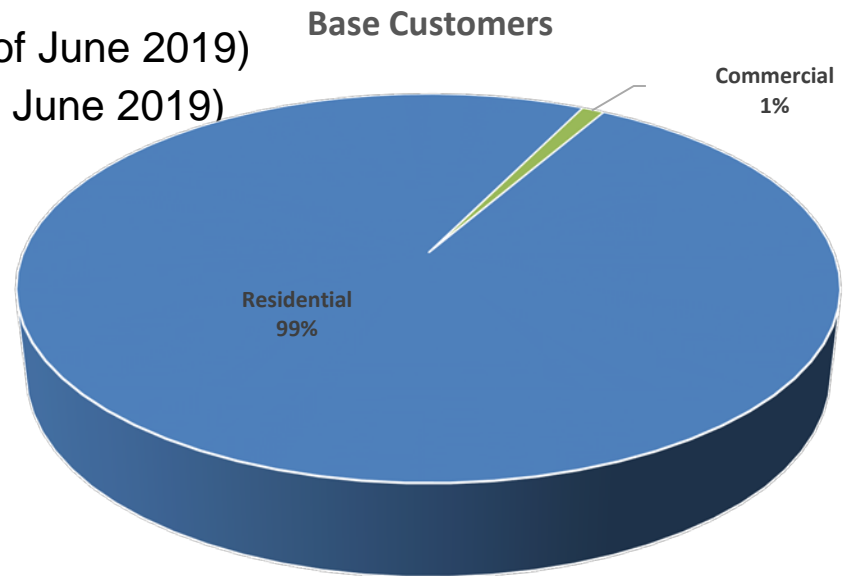
Residential

Trash Cart Size	Jan 2015	Jan 2016	Jan 2017	Jan 2018	Jan 2019
24 gallon	3%	5%	7%	8%	9%
32 gallon	21%	22%	22%	23%	24%
64 gallon	62%	60%	59%	57%	56%
96 gallon	13%	13%	12%	12%	12%

Trash Cart Size	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected
24 gallon	9%	10%	10%	11%	11%
32 gallon	24%	26%	26%	27%	27%
64 gallon	55%	53%	52%	52%	51%
96 gallon	12%	11%	11%	11%	10%

Curbside Collection Services

- Supported by Base Customer Fee
 - Recycling Collection
 - Yard Trimming and Organics Collection
 - Brush Collection and Processing
 - Bulk Collection
 - Residential 201,861 (as of June 2019)
 - Commercial 2,131 (as of June 2019)





Curbside Collection Customers

	Jan 2015	Jan 2016	Jan 2017	Jan 2018	Jan 2019
Residential Base	189,834	190,594	192,716	197,598	200,067
Commercial Base	2,458	2,435	2,356	2,233	2,100
Organics Customers	~14,000	~14,000	~14,000	~52,000	~90,000

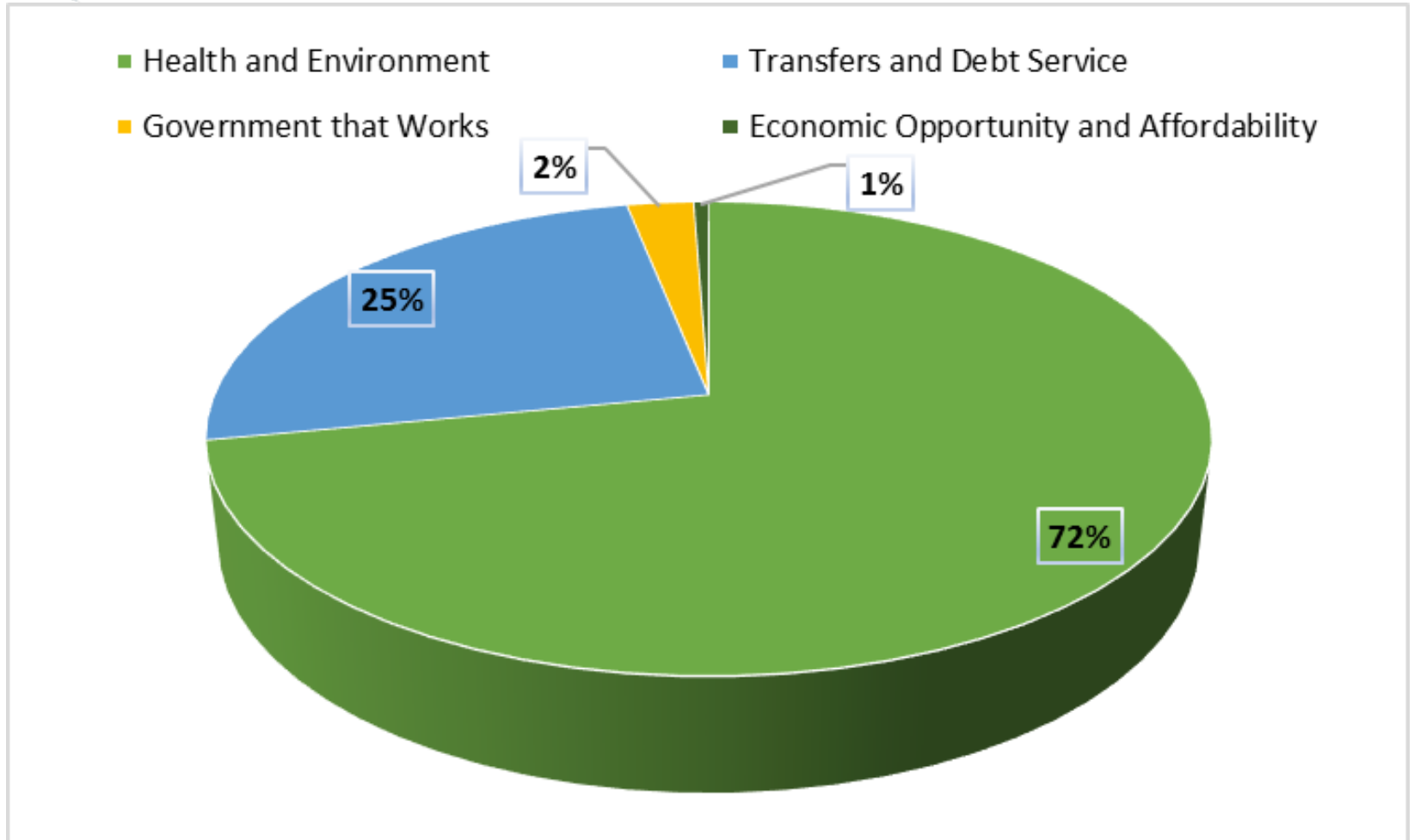
	FY 2020 Projected		FY 2021 Projected		FY 2022 Projected		FY 2023 Projected		FY 2024 Projected	
	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.
Residential Base	3,441	203,508	5,028	208,536	3,170	211,706	3,218	214,924	2,708	217,632
Commercial Base	(105)	1,995	(100)	1,895	(95)	1,800	(90)	1,710	(86)	1,624
Organics Customers	61,508	203,508	5,028	208,536	3,170	211,706	3,218	214,924	2,708	217,632



FY20 Curbside Collection Cost of Service

Service Provided	Direct Annual Expenses	Indirect Annual Expenses	Total Annual Cost of Service	Average Monthly Cost Per Residential Customer
	(\$ in millions)			
Residential Recycling	\$12.9	\$9.1	\$22.1	\$ 8.94
Composting Collection	\$6.9	\$7.4	\$14.3	\$ 5.78
Brush Collection	\$1.8	\$1.8	\$3.6	\$ 1.45
Bulk Collection	\$3.1	\$2.4	\$5.5	\$ 2.23
Brush Processing	\$0.9	\$0.6	\$1.5	\$ 0.60
Base Curbside Collection COS	\$25.6	\$21.3	\$46.9	\$ 19.00
Other Offsetting Revenue		\$3.2		\$ 1.31
Net Cost of Base Curbside Collection Services				\$ 17.69
Trash Collection Cost of Service	\$15.6	\$13.8	\$29.4	\$ 11.52
Other Offsetting Revenue		\$0.5		\$ 0.21
Net Cost of Curbside Trash Collection Service				\$ 11.31

Proposed Budget FY20 Council Strategic Outcomes





Proposed Rate Changes

Residential

Clean Community Fee **(\$0.65)**

Base Customer Fee \$0.65

Typical Residential Customer Bill Example:

	FY19	FY20	Change
Clean Community Fee	\$4.70	\$4.05	(\$0.65)
Base Fee	\$14.05	\$14.70	\$0.65
64-Gallon Trash Cart	\$10.25	\$10.25	-
Total Bill	\$29.00	\$29.00	-

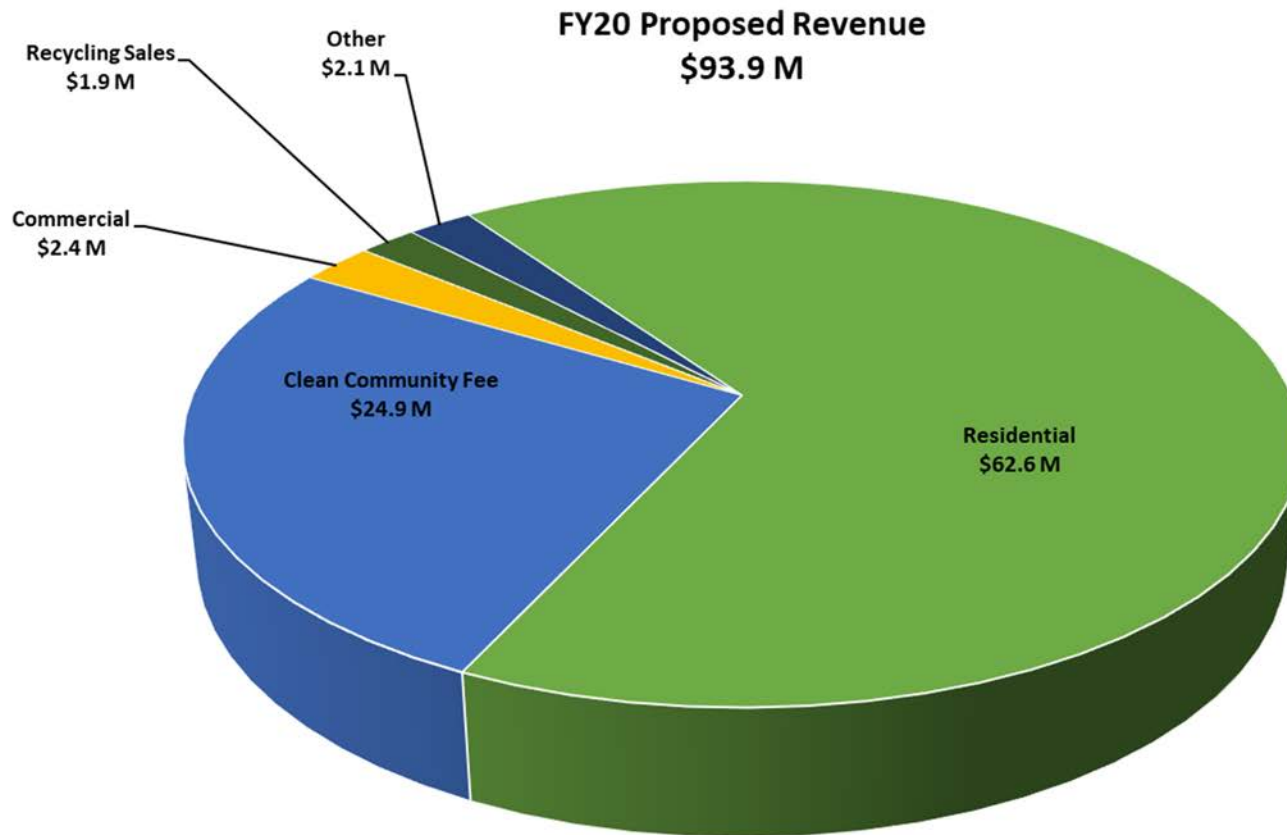


FY20 Proposed Fund Summary Snapshot

(in Millions)	2016-17	2017-18	2018-19	2018-19	2019-20
	Actual	Actual	Estimated	Amended	Proposed
Beginning Balance	\$5.7	\$12.0	\$17.2	\$14.4	\$17.8
Revenue					
Total Available Funds	\$91.9	\$93.9	\$94.6	\$93.9	\$93.9
Program Requirements					
Collection Services	\$35.5	\$37.8	\$39.9	\$39.6	\$41.1
Support Services	\$8.7	\$9.8	\$9.6	\$11.1	\$11.3
Operations Support	\$4.6	\$4.8	\$5.4	\$5.8	\$7.5
Litter Abatement	\$5.7	\$5.7	\$6.2	\$6.3	\$6.6
Waste Diversion	\$4.9	\$4.9	\$4.6	\$5.6	\$6.2
Remediation	\$1.5	\$1.6	\$1.4	\$1.6	\$1.3
Total Program Requirements	\$60.7	\$64.6	\$67.0	\$70.0	\$73.9
Other Requirements					
Total Other Requirements	\$1.8	\$1.9	\$2.2	\$2.4	\$2.6
Transfers Out					
Total Transfers Out	\$23.2	\$22.4	\$24.6	\$24.7	\$25.4
Total Requirements	\$85.8	\$88.9	\$93.9	\$97.1	\$101.9
Excess (Deficiency) of Total Available Funds Over Total Requirements	\$6.1	\$4.9	\$0.7	(\$3.2)	(\$8.1)
Adjustment to GAAP	\$0.1	\$0.2	\$0.0	\$0.0	\$0.0
Ending Balance	\$12.0	\$17.2	\$17.8	\$11.2	\$9.7

Note: Numbers may not add due to rounding.

Proposed Revenue





Top 10 FY20 Proposed Expense Categories

Expense Category	FY20 Proposed Budget (in millions)	Percent of Total FY20 Proposed Budget
Personnel (Wages, Overtime, insurance, Taxes, etc.)	\$41.1	40%
Capital Spending – vehicles, equipment and others	\$10.6	10%
Preventative maintenance and repairs on ARR fleet	\$9.8	10%
Payment for debt financed Capital Items	\$6.1	6%
Recycling processing contracts	\$4.8	5%
Landfill disposal contract	\$4.5	4%
Citywide allocation for Controller's office, Treasury, City Manager Office, Budget Office, etc.	\$3.5	3%
Citywide allocation for CTM Support	\$1.8	2%
Billing System Support	\$1.7	2%
Replacement Cart Purchases	\$1.2	1%
TOTAL	\$85.2	84% *

*Department-wide Contractuals and Commodities 16%

A photograph of a city street in Austin, Texas, featuring a clear blue sky and a skyline of modern skyscrapers. In the foreground, three white recycling trucks are driving away from the camera. The truck on the left has the number 10752 and a Texas state flag. The middle truck has the number 141 and the word 'TYNCO'. The truck on the right has the number 200. A large green banner with the word 'QUESTIONS' in white capital letters is overlaid on the bottom half of the image.

QUESTIONS