

# *Preliminary* Forecast Presentation

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March 22, 2023

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# Presentation Topics

- Budget Timeline
- Department Overview - Key Performance Metrics
- FY24 Department Forecast
- Residential Rates Forecast
- Winter Storm
- CIP Highlights
- ZWAC Priorities

# Budget Timeline

- January 2023      ARR Budget Kickoff
- March 2023      Financial Forecast Submitted
- May 2023      Proposed Budget Due
- July 2023      Budget Presented to Council
- August 2023      Budget Readings

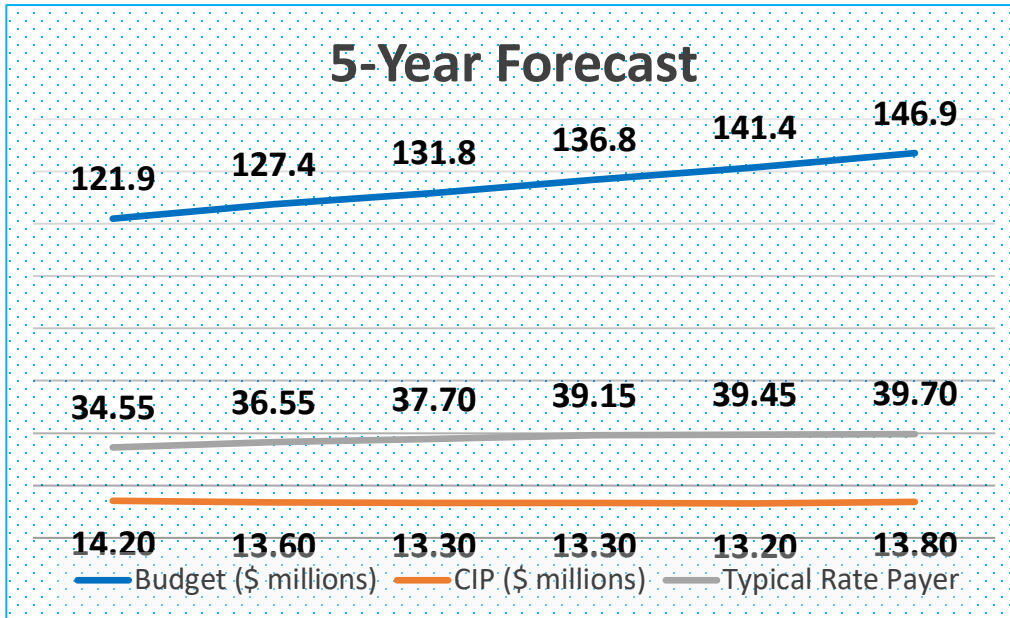
# Department Overview

Key Performance Measure	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Amended
Lost Time Injury Rate Per the Equivalent of 100 Employees	6.32	0.42	.87	0.00
Percentage of Combined Residential Collection Services Collected On-Time	99.87	99.83	99.85	99.85
Average Customer Satisfaction with the Quality of All Curbside and HHW Services	No Data	No Data	No Data	85
Estimated Percentage of Curbside Collected Materials Diverted from Landfills by ARR	40.38	41.96	38.32	40.62
Percentage of URO-Affected Properties Reporting Access to Recycling for Employees and Tenants	78.80	80.36	84.56	80.00

# Financial Forecast



## 5-Year Forecast



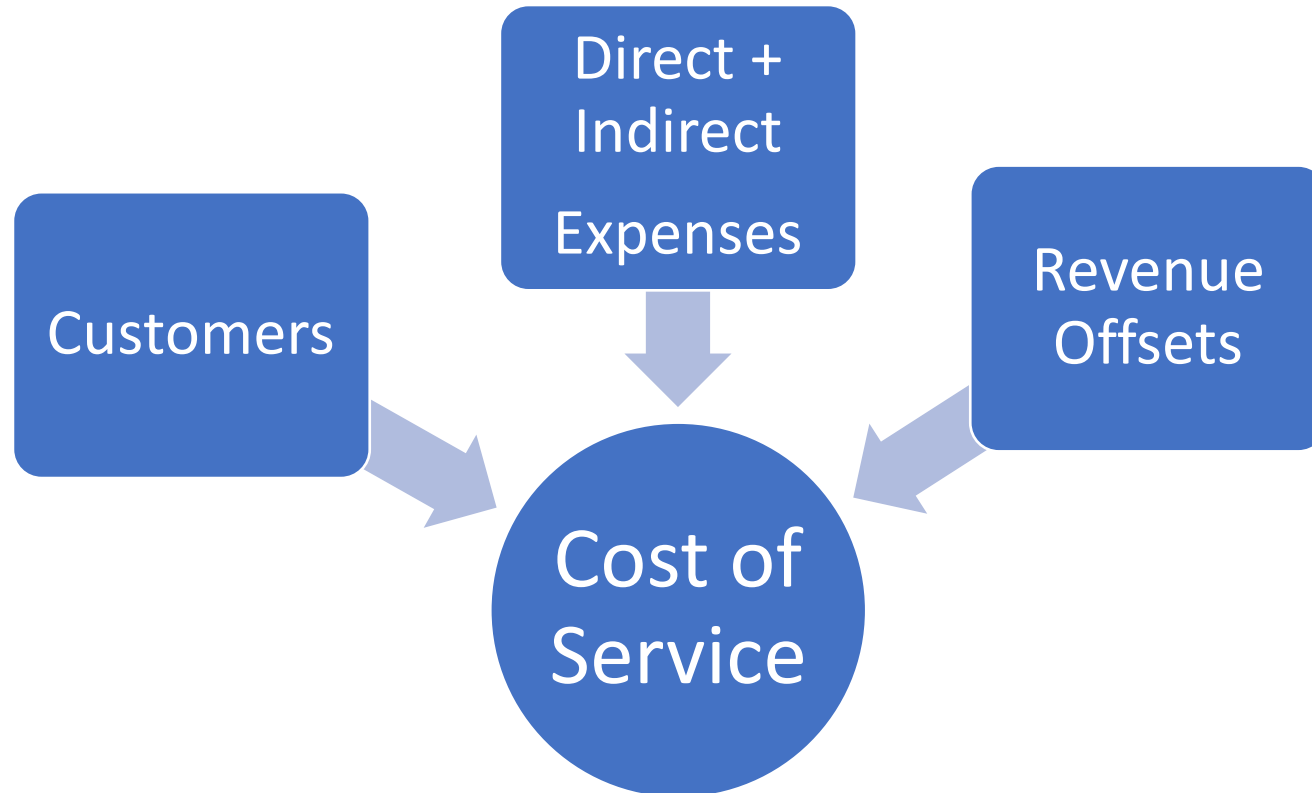
\* Typical Rate Payer data reflects monthly residential rate in dollars

## Forecast Highlights

- ✓ 75 new positions to account for customer growth
- ✓ \$2.15 Base Fee increase
- ✓ \$0.45 Residential and \$2.10 Comm. Clean Community Fee increase
- ✓ \$0.04/gallon increase for the 24-through 64-gallon trash carts; \$0.08/gallon increase for 96-gallon trash carts.

# Rate Development

**Goal: Rates/fees cover total Cost of Service**



# Cost of Service Components

## Direct + Indirect Expenses

- Payroll Costs (D)
- Fleet Management Costs (D)
- Administrative & Staff Support (I)
- Citywide Support Costs (I)

## Revenue Offset

- Single Stream Recycling Revenue
- Extra Garbage

## Customers

- Projected Customer Count



	AMENDED	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
CLEAN COMMUNITY FEE	2023	2024	2025	2026	2027	2028
ARR Residential	\$ 4.85	\$ 5.00	\$ 5.00	\$ 5.30	\$ 5.30	\$ 5.30
BASE FEE	\$ 19.45	\$ 20.05	\$ 20.55	\$ 21.05	\$ 21.35	\$ 21.60
CART FEES						
24-gallon Res	\$ 3.85	\$ 4.30	\$ 4.55	\$ 4.80	\$ 4.80	\$ 4.80
32-gallon Res	\$ 5.10	\$ 5.75	\$ 6.10	\$ 6.40	\$ 6.40	\$ 6.40
64-gallon Res	\$ 10.25	\$ 11.50	\$ 12.15	\$ 12.80	\$ 12.80	\$ 12.80
96-gallon Res	\$ 30.70	\$ 34.55	\$ 36.50	\$ 38.40	\$ 38.40	\$ 38.40
TYPICAL RESIDENTIAL RATEPAYER						
CCF+ Base fees + 64-gallon Res	\$ 34.55	\$ 36.55	\$ 37.70	\$ 39.15	\$ 39.45	\$ 39.70

# Residential Rates

## *(Preliminary)*



# WINTER STORM COST ESTIMATES

- Estimated Contractor Removal and Monitoring     \$18.7M
  - Removal \$15.7M; Monitoring \$3.0M
- Estimated Department Labor and Equipment     \$1.0M
  - Labor \$400K; Equipment \$600K



Austin Resource Recovery Fund						
	FY23	FY24	FY25	FY26	FY27	FY28
	ESTIMATED	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
BEGINNING FUND BALANCE	\$ 18.3	\$ (5.8)	\$ (5.6)	\$ (3.9)	\$ (0.6)	\$ 1.8
REVENUE & TRANSFERS IN	\$ 116.6	\$ 127.5	\$ 133.6	\$ 140.1	\$ 143.7	\$ 146.7
EXPENSES & TRANSFERS OUT	\$ 140.6	\$ 127.4	\$ 131.8	\$ 136.8	\$ 141.4	\$ 146.9
CHANGE IN FUND BALANCE	\$ (24.1)	\$ 0.1	\$ 1.7	\$ 3.3	\$ 2.4	\$ (0.3)
ENDING FUND BALANCE	\$ (5.8)	\$ (5.6)	\$ (3.9)	\$ (0.6)	\$ 1.8	\$ 1.5
FTEs	521	535	552	569	582	596

# Five-Year Financial Forecast



## Projects by Category

## FY24 Estimated Spending Plan

Vehicles and equipment

\$11.7 million

Landfill Improvements

\$1.0 million

Buildings and Improvements

\$1.0 million

FY 2024 Estimated Appropriation: \$13.6 million

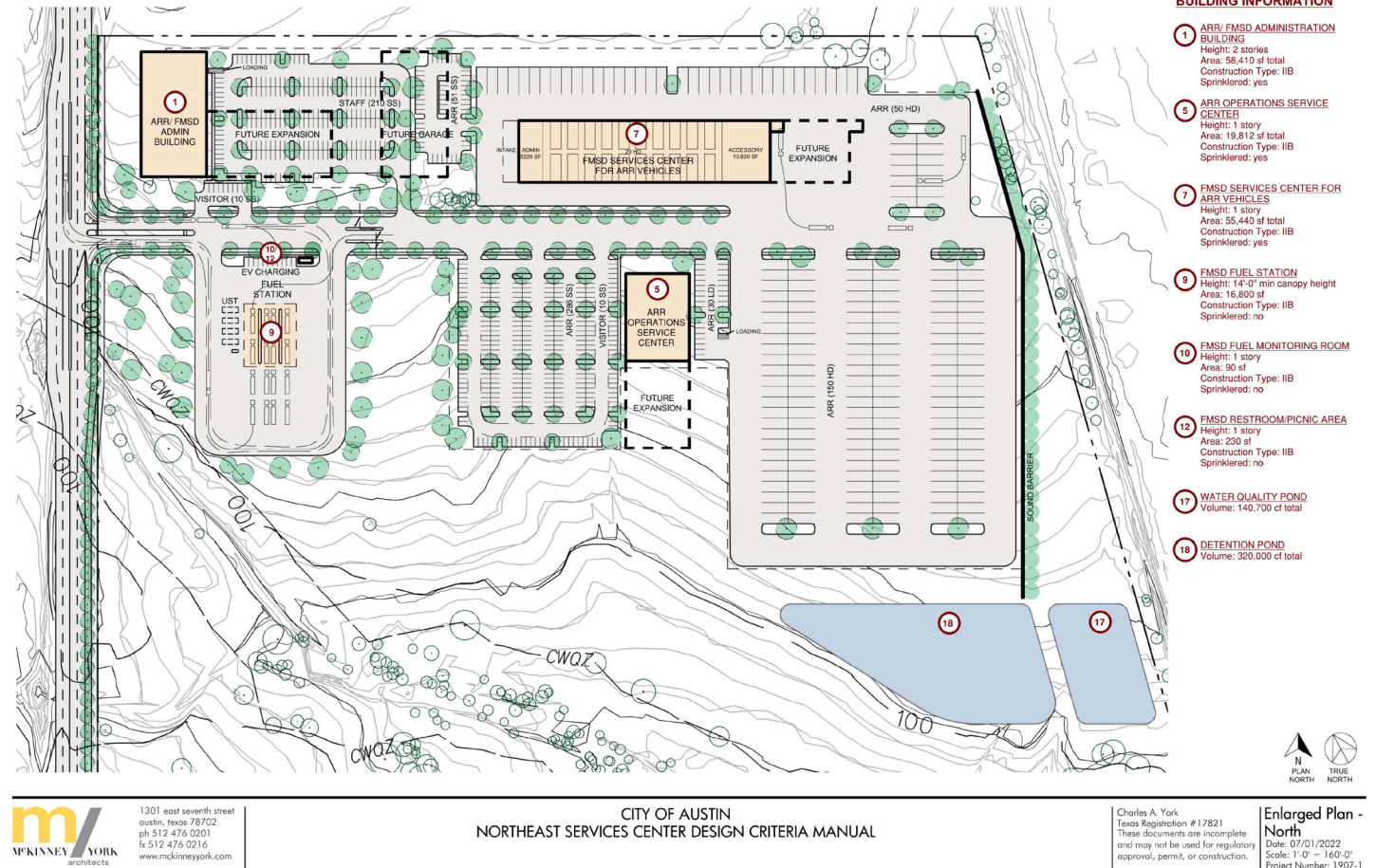
**FY 2024 Estimated Spending Plan: \$13.7 million**



# CIP Forecast Highlights



- Northeast Service Center
- Transfer Station
- KGSC Truck Wash
- FM812 Landfill



# CIP Current Year Highlights

# ZWAC PRIORITIES

## Facilities

- Transfer Station
- Service Center

## Fleet

- Electrification
- Additional Vehicles
- Efficiencies

## Staff

- Compensation
- Staffing Levels

## Compliance

- Enforcement Policies

## Litter Abatement

- Trash in Creeks
- Homeless Camps
- Plastics
- Illegal Dumping

## Disaster Preparedness

- Financial Reserve
- Staffing Levels
- Household Hazardous Waste

# Questions

