

FY21 Proposed Budget Presentation

July 17, 2020

CITY OF AUSTIN





Presentation Topics

- Clean Community Fee Overview
 - Clean Community Fee FY20 Budget Amendment
- Curbside Collection Services Overview
 - Curbside Services Cost of Service
 - Curbside Collection Customers
 - Trash Cart Distribution
- FY21 Proposed Budget
 - Budget by Strategic Outcome
 - Proposed Rate Changes
 - Fund Summary
 - Top 10 Budgeted Expense Categories
 - Capital Improvement Plan



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 May 2020)
 - *Residential – 409,776 customers*
 - *Commercial – 25,796 customers*
- No change in rate for FY21



FY20 Clean Community Fee Budget Amendment

Increase levels of street sweeping services

- Additional crews and equipment for enhanced street sweeping \$1,972,100

Increase levels of community litter abatement

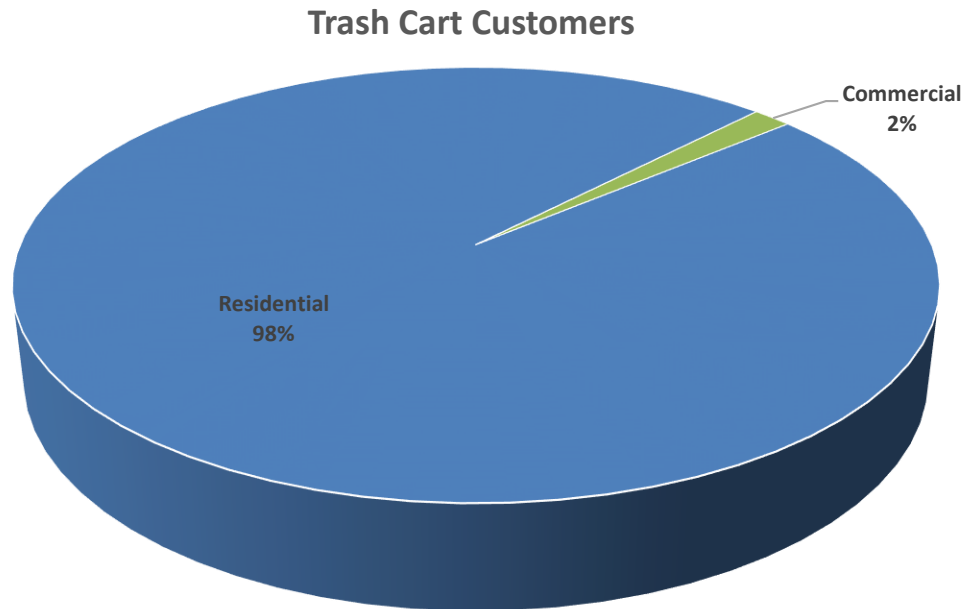
- Targeted team within ARR for citywide service enhancements \$538,500
- Partnership with Public Works on rights-of-way \$200,000
- Expanded Violet Bag service level \$252,500
- Parks grounds litter abatement \$125,000
- Downtown Austin Community Court partnership \$181,200

Total: \$3,269,300

Total FTE: 12

Curbside Collection Services

- Supported by Trash Cart Fees
 - Trash Collection
 - Residential 208,992 (as of May 2020)
 - Commercial 3,274 (as of May 2020)





Curbside Collection

Trash Cart Size Distribution

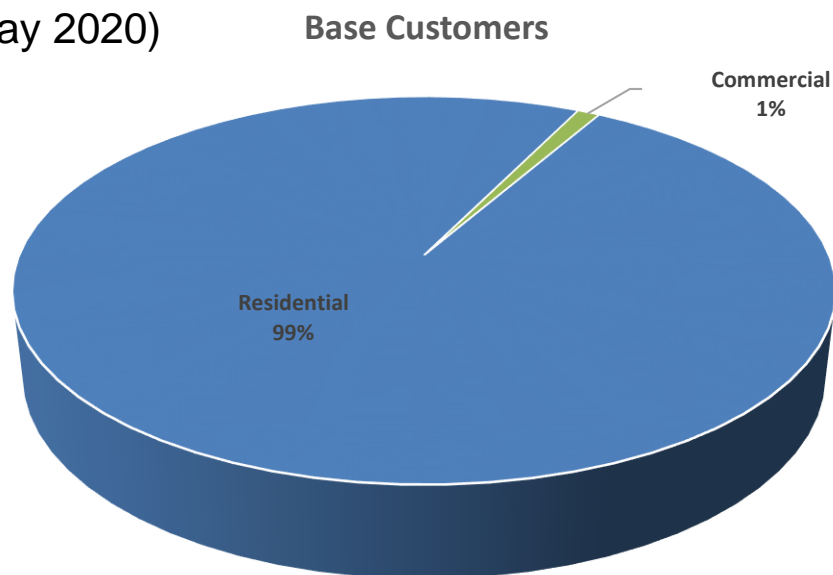
Residential

Trash Cart Size	Jan 2016	Jan 2017	Jan 2018	Jan 2019	Jan 2020
24 gallon	5%	7%	8%	9%	10%
32 gallon	22%	22%	23%	24%	24%
64 gallon	60%	59%	57%	55%	54%
96 gallon	13%	12%	12%	12%	12%

Trash Cart Size	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected
24 gallon	11%	12%	14%	15%	16%
32 gallon	25%	25%	26%	27%	27%
64 gallon	53%	52%	50%	48%	47%
96 gallon	11%	11%	10%	10%	10%

Curbside Collection Services

- Supported by Base Customer Fee
 - Recycling Collection
 - Yard Trimming and Organics Collection
 - Brush Collection and Processing
 - Bulk Collection
 - Residential 204,640 (as of May 2020)
 - Commercial 2,160 (as of May 2020)





Curbside Collection Customers

	Jan 2016	Jan 2017	Jan 2018	Jan 2019	Jan 2020
Residential Base	190,594	192,716	197,598	200,067	203,753
Commercial Base	2,435	2,356	2,233	2,100	2,124
Organics Customers	~14,000	~14,000	~52,000	~90,000	~145,000

	FY 2021 Projected		FY 2022 Projected		FY 2023 Projected		FY 2024 Projected		FY 2025 Projected	
	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.	Growth	Total Cust.
Residential Base	2.954	206,707	2,997	209,704	3,041	212,745	2,766	215,511	2,694	218,205
Commercial Base	(106)	2,018	(101)	1,917	(96)	1,821	(91)	1,730	(87)	1,643
Organics Customers	61,508	206,707	2,997	209,704	3,041	212,745	2,766	215,511	2,694	218,205

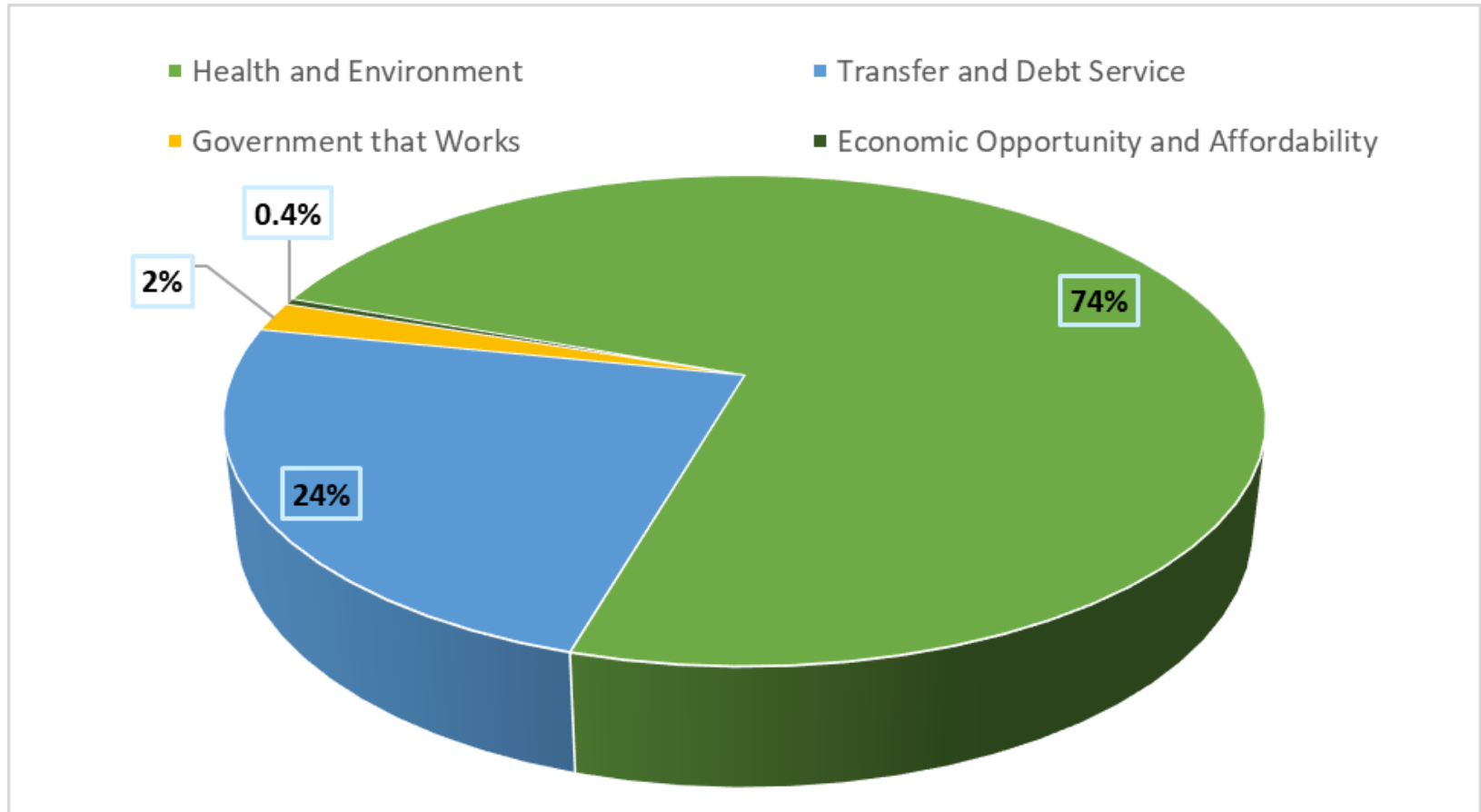


FY21 Curbside Collection Cost of Service

Service Provided	Direct Annual Expenses	Indirect Annual Expenses	Total Annual Cost of Service	Average Monthly Cost Per Residential Customer	
	(\$ in millions)				
Residential Recycling	\$13.4	\$8.8	\$22.2	\$	8.86
Composting Collection	\$8.3	\$8.1	\$16.3	\$	6.52
Brush Collection	\$2.0	\$1.8	\$3.8	\$	1.51
Bulk Collection	\$3.6	\$2.5	\$6.1	\$	2.43
Brush Processing	\$0.9	\$0.8	\$1.8	\$	0.70
Base Curbside Collection COS	\$28.2	\$22.0	\$50.2	\$	20.02
Other Offsetting Revenue		\$2.4		\$	0.94
Net Cost of Base Curbside Collection Services				\$	19.08
Trash Collection Cost of Service	\$16.2	\$12.8	\$29.9	\$	11.22
Other Offsetting Revenue		\$0.5		\$	0.21
Net Cost of Curbside Trash Collection Service				\$	11.01

Proposed Budget FY21

Council Strategic Outcomes





Proposed Rate Changes

Residential

Base Customer Fee \$2.60

96-Gallon Cart Fee \$1.90

Typical Residential Customer Monthly Bill Example:

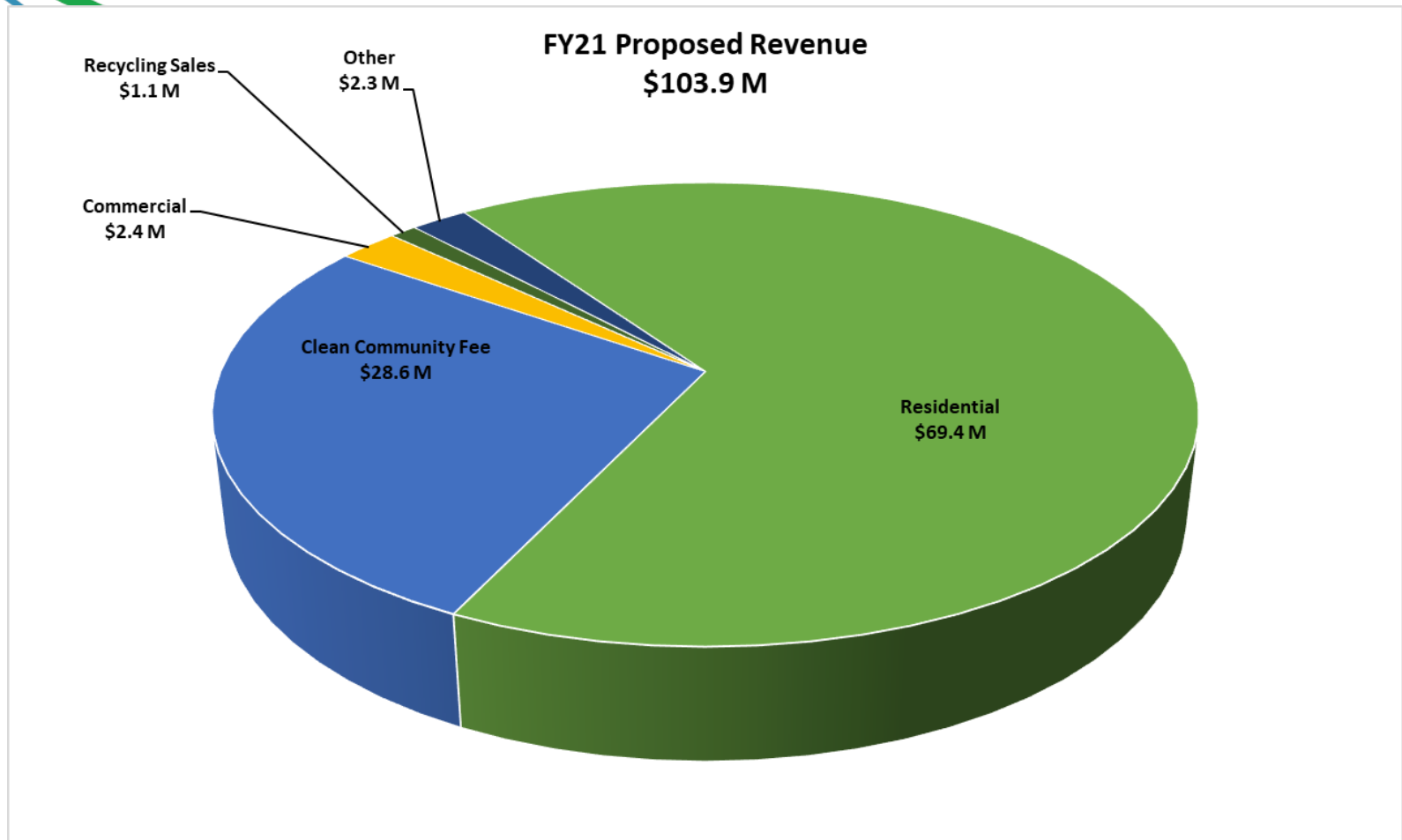
	FY20	FY21	Change
Clean Community Fee	\$4.70	\$4.70	-
Base Fee	\$14.70	\$17.30	\$2.60
64-Gallon Trash Cart	\$10.25	\$10.25	-
Total Bill	\$29.65	\$32.25	\$2.60



FY21 Proposed Fund Summary Snapshot

(in Millions)	2017-18	2018-19	2019-20	2019-20	2020-21
	Actual	Actual	Estimated	Amended	Proposed
Beginning Balance	\$12.0	\$17.2	\$17.5	\$17.8	\$12.2
Revenue					
Total Available Funds	\$93.9	\$94.5	\$95.9	\$97.1	\$103.9
Program Requirements					
Collection Services	\$37.8	\$40.3	\$42.1	\$41.4	\$44.6
Support Services	\$9.8	\$9.4	\$10.3	\$11.3	\$11.7
Litter Abatement	\$5.7	\$6.3	\$7.3	\$8.0	\$8.1
Operations Support	\$4.8	\$5.4	\$6.8	\$7.6	\$7.4
Waste Diversion	\$4.9	\$5.1	\$4.8	\$6.2	\$5.8
Remediation	\$1.6	\$1.6	\$1.2	\$1.3	\$1.4
Total Program Requirements	\$64.6	\$68.1	\$72.5	\$75.8	\$78.9
Other Requirements					
Total Other Requirements	\$1.9	\$2.3	\$1.8	\$2.6	\$2.1
Transfers Out					
Total Transfers Out	\$22.4	\$24.6	\$26.9	\$27.1	\$25.2
Total Requirements	\$88.9	\$95.0	\$101.2	\$105.5	\$106.1
Excess (Deficiency) of Total Available Funds Over Total Requirements	\$4.9	(\$.5)	(\$5.3)	(\$8.4)	(\$2.3)
Adjustment to GAAP	\$.2	\$.8	\$.0	\$.0	\$.0
Ending Balance	\$17.2	\$17.5	\$12.2	\$9.4	\$10.0
<i>Note: Numbers may not add due to rounding.</i>					

Proposed Revenue





Top 10 FY21 Proposed Expense Categories

Expense Category	FY21 Proposed Budget (in millions)	Percent of Total FY21 Proposed Budget
Personnel (Wages, Overtime, Insurance, Taxes, etc.)	\$45.5	43%
Capital Spending – vehicles, equipment and others	\$11.7	11%
Preventative maintenance and repairs on ARR fleet	\$10.5	10%
Payment for debt financed Capital Items	\$4.8	5%
Recycling processing contracts	\$5.0	5%
Landfill disposal contract	\$4.7	4%
Citywide allocation for Controller's office, Treasury, City Manager Office, Budget Office, etc.	\$3.7	3%
Fuel for ARR fleet	\$2.3	2%
Billing System Support	\$1.8	2%
Replacement Cart Purchases	\$1.6	2%
TOTAL	\$91.7	86% *

*Department-wide Contractuals and Commodities 14%



Capital Improvement Plan

Subprojects by Category	FY21 Spending Plan
Vehicles and Equipment	
Light, Medium, and Heavy Duty Equipment and Vehicles	\$11,600,005
ARR Vehicle Fleet Technology Upgrades	\$1,363,198
Multi-Year Specialty CBD and Public Litter & Recycling Containers	\$60,000
Buildings and Improvements	
Northeast Service Center – Feasibility Study	\$194,299
Security System Upgrades	\$110,000
Landfill	
Mabel Davis Leachate Investigation and Remediation	\$130,021
TOTAL	\$13,457,523

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 Texas state flags. The middle truck has 'TYNOR' and '141' on its back. The truck on the right has the number 390. A large green banner with the word 'QUESTIONS' in white capital letters is overlaid across the middle of the image.

QUESTIONS