



R·R·R·A·S·O·C

FY 2022 – 2023 Budget
Adopted April 28, 2022

Member Communities

**Farmington
Farmington Hills
Milford
Milford Township
Novi
South Lyon
Southfield
Walled Lake
Wixom**

Board of Directors

Chairman

Fred Zorn, City Administrator, Southfield

Vice Chairman

Don Green, Township Supervisor, Milford Township

Treasurer

Chelsea Pesta, Assistant City Manager, Walled Lake

Secretary

Gary Mekjian, City Manager, Farmington Hills

David Murphy, City Manager, Farmington
Christian Wuerth, Village Manager, Milford
Pete Auger, City Manager, Novi
Paul Zelenak, City Manager, South Lyon
L. Dennis Whitt, City Manager, Walled Lake
Steve Brown, City Manager, Wixom

Designated Board Alternates

Chuck Eudy, Director, Farmington Department of Public Services
Karen Mondora, Director, Farmington Hills Department of Public Services
Victor Cardenas, Assistant City Manager, Novi
Jeff Herczeg, Director, Novi Department of Public Works
John Michrina, Deputy City Administrator, Southfield
Tim Sikma, Director, Wixom Department of Public Works
Mike Karl, Director, Village of Milford Department of Public Services

RRRASOC Staff

Michael Csapo, General Manager
Laura Shaw, Administrative Secretary
Saundra Porter, Education Coordinator

Executive Summary

The adopted FY 2022-2023 RRRASOC budget provides a full range of services, incorporates grant-funded programs, and maintains the Authority's fund balance in a healthy position. It also includes near-term MRF improvements, such as robotics, and long-range planning to ensure the MRF continues to cost-effectively serve the RRRASOC communities.

Fund Balance

The budget adopted for FY 2022-2023 maintains a total ending fund balance of \$855,981, which represents an operating fund balance of 25% of FY 2022-2023 operating expenditures not related to capital outlay and an assigned capital fund balance of \$648,615.

Long-term projections show the Authority's fund balance remaining healthy. However, the projections assume MRF throughput levels remain consistent with historical market conditions and commodity markets continue to remain near historical norms.

Revenue

The budget shows total revenue of \$763,986, of which \$360,054 or 47% is from member contributions. Per capita rates have been lowered to \$1.25. Contributions are based on the 2020 Census.

Other sources of revenue combine for \$403,932. Projected from the MRF in Southfield are \$250,000 in host fees and \$132,000 in revenue from material sales. Revenue from these sources is highly dependent upon market prices and recyclable volumes. Projections are based on year-to-date and anticipated prices and volumes and will be adjusted as necessary to accommodate movements in the market.

State grant revenue of \$19,432 is included in the budget.

Expenditures

Expenditures for FY 2022-2023 total \$874,468. RRRASOC's efforts include activities such as anticipated MRF capital repairs, maintenance and improvements, MRF capital planning, solid waste program management and analysis, legislative and policy analysis, outreach and education, contract management, facility oversight, and special collections.

Line Item Narrative

The following is a description of various revenue and expenditure items, which warrant a more detailed treatment. Items in excess of \$8,000, and thereby deemed material, are included.

Revenue

580.00 - Member Contributions Total: \$360,054
Membership contributions are lowered to \$1.25 per capita and are based on the 2020 Census. Individual community costs are as follows:

Farmington	Farmington Hills	Milford	Milford Twp	Novi	South Lyon	Southfield	Walled Lake	Wixom
\$14,370	\$103,439	\$8,020	\$13,213	\$82,389	\$14,599	\$93,576	\$9,063	\$21,386

645.00 - Revenue Sharing (curbside) Total: \$125,000
RRRASOC receives revenue in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected curbside within the RRRASOC Member Communities. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

646.00 - Revenue Sharing (drop-off) Total: \$7,000
RRRASOC receives drop-off center revenue in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected through the drop-off centers. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

647.00 - Host Fees Total: \$250,000
RRRASOC receives host fees in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on the incoming volume of material collected outside of the RRRASOC programs.

671.00 – Miscellaneous Income Total: \$19,432
This includes State grant income of \$15,000 from the Michigan Department of Agriculture’s Clean Sweep program, designed to provide funding assistance for the collection of pesticides. It also includes receipt of “hold back” funds from prior year grants.

Expenditures

702.00 - 715.00 - Human Resources Total: \$299,838
These items account for the costs associated with RRRASOC's two FTEs. These items include salaries and wages, deferred compensation, employer FICA costs, medical benefits, unemployment and worker's compensation insurance.

729.00 - Postage & Mailing Total: \$17,400
This item includes costs associated general postage, as well as direct-mail postcards and “new resident” packets to inform residents about various programs.

810.00 – Audit Total: \$13,000
This item consists of the cost of the annual third party audit of RRRASOC's annual financial statements.

811.00 – Consulting Services: Engineer Total: \$10,000
This item consists of the cost of the annual third party engineering assessment of the MRF building and systems.

822.00 - Contractual Services Total: \$140,600
This item consists of charges and fees associated with various contracted services, including payroll services, banking fees, data management systems, the contracted Education Coordinator, and the Fire Rover fire protection system. It also includes a long-range planning to ensure the MRF continues to cost-effectively serve the RRRASOC communities. Additionally, it includes service plan costs associated with anticipated grant-funded robotics.

822.02 – Contractual Services: Drop-Off Total: \$174,216
Costs associated with vendor services and host fees at the Novi recycling drop-off center are charged to this account. Also included is the Board-approved monitoring cost for the grant-funded cameras installed in 2021.

822.03 – Contractual Services: HHW Total: \$30,000
This includes costs associated with vendor services for household hazardous waste and shredding services and special events.

836.00 - Printing/Publishing Total: \$39,915
This item includes costs associated with direct-mail postcards to inform residents about various programs, including RRRASOC's HHW collection and E-waste events. Also included in this item are costs associated with website maintenance, e-newsletter development, and the ReCollect search directory.

840.00 – Building/Property Insurance Total: \$25,685
This item includes building, property and liability insurance associated with the MRF.

850.00 – Equipment Maintenance Total: \$24,914
This item includes office equipment and preventative maintenance activities, as well as engineering review of Republic Services' MRF maintenance and repair activity.

970.00 – Capital Outlay Total: \$45,000
This item includes costs for potential major capital equipment repairs and replacement to which RRRASOC is obligated under the MRF operating agreement with Republic Services.

REVENUE					
Account	Description	Actual 2020-2021	Adopted 2021-2022	Amended 2021-2022	Adopted 2022-2023
580.00	Member Contributions	\$ 344,025	\$ 344,025	\$ 344,025	\$ 360,054
664.00	Interest Income	1,124	2,500	2,000	2,500
645.00	Revenue Sharing (curbside)	123,471	25,000	475,750	125,000
646.00	Revenue Sharing (drop-off)	6,847	1,000	26,400	7,000
647.00	Host Fees	269,105	265,000	265,000	250,000
671.00	Misc. Income	178,049	78,294	154,797	19,432
	Total Revenue	\$ 922,621	\$ 715,819	\$ 1,267,972	\$ 763,986
	Beginning Fund Balance (7/1)	\$ 600,707	\$ 502,825	\$ 654,508	\$ 966,463
	Total Funds Available	1,523,328	1,218,644	1,922,480	1,730,449
	Total Expenditures	868,820	819,982	956,017	874,468
	Total Ending Fund Balance (6/30)	\$ 654,508	\$ 398,663	\$ 966,463	\$ 855,981
	Assigned Capital Fund Balance	470,110	224,698	772,209	648,615
	Operating Fund Balance	184,398	173,966	194,254	207,367
	Operating FB %	25.0%	25.0%	25.0%	25.0%
EXPENDITURES					
Account	Description	Actual 2020-2021	Adopted 2021-2022	Amended 2021-2022	Adopted 2022-2023
702.00	Supervisory Salaries	\$ 113,870	\$ 116,717	\$ 116,717	\$ 121,386
703.00	Permanent Salaries	56,353	57,762	57,762	60,072
705.00	Overtime/Bonus/Longevity	4,590	4,645	7,245	7,334
710.00	FICA	15,042	15,416	15,615	16,356
711.00	Medical/Dental Insurance	60,845	66,317	65,600	68,000
712.00	Unemployment Insurance	870	106	874	884
713.00	Workers Compensation	769	774	800	800
715.00	ICMA RC	21,818	22,389	22,390	25,006
727.00	Operating Supplies	112	750	750	750
728.00	Office Supplies	514	2,000	2,000	2,000
729.00	Postage & Mailing	3,925	17,400	17,400	17,400
730.00	Magazines/Periodicals	76	50	80	80
810.00	Audit	12,140	12,500	12,690	13,000
811.00	Consulting Services:Engr.	0	0	0	10,000
812.00	Consulting Services:Legal	85	2,700	2,700	2,700
821.00	Membership Dues	916	800	800	800
822.00	Contractual Services	170,372	49,200	110,200	140,600
822.02	Contractual Services: Drop-Off	148,968	164,216	174,216	174,216
822.03	Contractual Services: HHW	29,743	30,000	30,000	30,000
830.00	Utilities	6,734	6,780	7,380	6,480
831.00	Vehicle Allowance	4,800	4,800	4,800	4,800
835.00	Community Relations	7,700	7,500	8,700	8,700
836.00	Printing/Publishing	24,494	37,456	49,815	39,915
840.00	Building/Liability Insurance	25,435	25,685	25,685	25,685
850.00	Equipment Maintenance	19,473	24,514	24,914	24,914
851.00	Building/Grounds Maintenance	0	1,700	1,700	1,700
852.00	Office Equipment Rental	776	1,000	1,000	1,000
860.00	Conferences & Workshops	0	2,000	2,000	2,000
890.00	Expenses & Mileage	846	2,500	2,500	2,500
970.00	Capital Outlay	131,229	124,120	179,000	45,000
975.00	Computer Software	975	685	685	685
978.00	Office Equipment	1,109	2,500	2,500	2,500
979.00	Contingency	4,241	15,000	7,500	17,205
	Total	\$ 868,820	\$ 819,982	\$ 956,017	\$ 874,468



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