



R·R·R·A·S·O·C

FY 2023 – 2024 Budget
Adopted April 27, 2023

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
Victor Cardenas, Interim 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
Jeff Herczeg, Director, Novi Department of Public Works
John Michrina, Deputy City Administrator, Southfield
Tim Sikma, Director, Wixom Department of Public Works
Mike Karll, Director, Village of Milford Department of Public Services

RRRASOC Staff

Michael Csapo, General Manager
Laura Shaw, Administrative Secretary
Sarah Archer, Education Coordinator

Executive Summary

The FY 2023-2024 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 for FY 2023-2024 maintains a total ending fund balance of \$644,484, which represents an operating fund balance of 25% of FY 2023-2024 operating expenditures not related to capital outlay and an assigned capital fund balance of \$432,684.

Long-term projections show the Authority's fund balance remaining healthy. However, the projections assume contractual arrangements similar to those currently in place, MRF throughput levels consistent with current projections, and commodity markets returning to near historical norms.

Revenue

The budget shows total revenue of \$607,058, of which \$388,858 or 64% is from member contributions. Per capita rates are set at \$1.35. Contributions are based on the 2020 Census.

Other sources of revenue combine for \$218,200. Projected from the MRF in Southfield are \$126,000 in host fees and \$26,200 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 \$60,000 is included in the budget.

Expenditures

Expenditures for FY 2023-2024 total \$892,195. RRRASOC's efforts include activities such as anticipated MRF capital repairs, maintenance and improvements, solid waste program management and analysis, legislative and policy analysis, outreach and education, contract management, facility oversight, recycling drop-off center costs, 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 \$9,000, and thereby deemed material, are included.

Revenue

580.00 - Member Contributions Total: \$388,858
Membership contributions are set at \$1.35 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
\$15,520	\$111,714	\$8,662	\$14,270	\$88,980	\$15,767	\$101,062	\$9,788	\$23,097

645.00 - Revenue Sharing (curbside) Total: \$25,000
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: \$1,200
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: \$126,000
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: \$60,000
This includes State grant income of \$25,000 from the Michigan Department of Agriculture’s Clean Sweep program, designed to provide funding assistance for the collection of pesticides. Also included is \$35,000 in State grant income from EGLE’s Renew Michigan fund.

Expenditures

702.00 - 715.00 - Human Resources Total: \$321,648
These items account for the costs associated with RRRASOC's 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: \$15,000
This item consists of the cost of the annual third-party audit of RRRASOC’s annual financial statements.

822.00 - Contractual Services Total: \$150,800
This item consists of charges and fees associated with various contracted services, including payroll services, banking fees, data management systems, the contracted Education Coordinator, grant-funded multi-family recycling promotion, and the Fire Rover fire protection system. It also includes contracted Disaster Debris Management Planning. Additionally, it includes service plan costs associated with anticipated grant-funded robotics.

822.02 – Contractual Services: Drop-Off Total: \$165,000
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: \$48,915
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: \$26,593
This item includes building, property and liability insurance associated with the MRF.

850.00 – Equipment Maintenance Total: \$26,888
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 2021-2022	Adopted 2022-2023	Amended 2022-2023	Adopted 2023-2024
580.00	Member Contributions	\$ 344,026	\$ 360,054	\$ 360,054	\$ 388,858
664.00	Interest Income	1,888	2,500	6,000	6,000
645.00	Revenue Sharing (curbside)	610,765	125,000	56,337	25,000
646.00	Revenue Sharing (drop-off)	34,281	7,000	3,195	1,200
647.00	Host Fees	270,544	250,000	168,000	126,000
671.00	Misc. Income	145,349	15,000	66,500	60,000
	Total Revenue	\$ 1,406,853	\$ 759,554	\$ 660,086	\$ 607,058
	Beginning Fund Balance (7/1)	\$ 654,508	\$ 966,463	\$ 1,236,346	\$ 929,621
	Total Funds Available	2,061,361	1,726,017	1,896,432	1,536,679
	Total Expenditures	825,015	874,468	966,811	892,195
	Total Ending Fund Balance (6/30)	\$ 1,236,346	\$ 851,549	\$ 929,621	\$ 644,483
	Assigned Capital Fund Balance	1,058,327	644,182	716,278	432,684
	Operating Fund Balance	178,019	207,367	213,342	211,799
	Operating FB %	25.0%	25.0%	25.0%	25.0%
EXPENDITURES					
Account	Description	Actual 2021-2022	Adopted 2022-2023	Amended 2022-2023	Adopted 2023-2024
702.00	Supervisory Salaries	\$ 116,717	\$ 121,386	\$ 121,386	\$ 132,311
703.00	Permanent Salaries	57,761	60,072	60,072	65,480
705.00	Overtime/Bonus/Longevity	7,245	7,334	7,335	7,544
710.00	FICA	15,613	16,356	16,356	17,805
711.00	Medical/Dental Insurance	65,584	68,000	67,708	69,250
712.00	Unemployment Insurance	1,045	884	1,500	1,046
713.00	Workers Compensation	586	800	800	800
715.00	ICMA RC	22,389	25,006	25,006	27,412
727.00	Operating Supplies	37	750	750	750
728.00	Office Supplies	1,406	2,000	2,000	2,000
729.00	Postage & Mailing	15,707	17,400	17,400	17,400
730.00	Magazines/Periodicals	76	80	80	80
810.00	Audit	12,690	13,000	14,720	15,000
811.00	Consulting Services:Engr.	0	10,000	10,000	0
812.00	Consulting Services:Legal	0	2,700	3,600	5,000
821.00	Membership Dues	783	800	1,000	1,000
822.00	Contractual Services	99,471	140,600	163,220	150,800
822.02	Contractual Services: Drop-Off	164,866	174,216	164,900	165,000
822.03	Contractual Services: HHW	25,958	30,000	30,000	30,000
830.00	Utilities	6,987	6,480	6,530	6,480
831.00	Vehicle Allowance	4,800	4,800	4,800	4,800
835.00	Community Relations	6,610	8,700	8,700	8,700
836.00	Printing/Publishing	49,049	39,915	48,915	48,915
840.00	Building/Liability Insurance	23,478	25,685	23,560	26,593
850.00	Equipment Maintenance	10,987	24,914	26,888	26,888
851.00	Building/Grounds Maintenance	0	1,700	1,700	1,700
852.00	Office Equipment Rental	720	1,000	500	0
860.00	Conferences & Workshops	0	2,000	2,000	2,000
890.00	Expenses & Mileage	845	2,500	2,500	2,500
970.00	Capital Outlay	112,939	45,000	113,443	45,000
975.00	Computer Software	645	685	825	685
978.00	Office Equipment	21	2,500	2,500	2,500
979.00	Contingency	0	17,205	16,118	6,757
	Total	\$ 825,015	\$ 874,468	\$ 966,811	\$ 892,195

**Resource Recovery and Recycling Authority of Southwest Oakland County
Adopted FY 2023 – 2024 Budget**



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