



# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

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[www.RRRASOC.org](http://www.RRRASOC.org)

**THE RECYCLING AUTHORITY**  
*Since 1989*

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**Agenda**  
**September 28, 2023**  
**RRRASOC Board of Directors**  
**Regular Meeting**  
**9:30 am**  
**Southfield Municipal Complex**  
**City of Southfield Parks and Recreation**  
**2nd Floor, Room 223**  
**26000 Evergreen Road, Southfield MI 48075**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Audience Participation
5. Matters for Discussion/Action
  - A. Audit of FY 2022 - 2023 Financial Statements**
  - B. Solid Waste Expenditure Study - 2023**
  - C. ERG Environmental Contract Extension**
  - D. Curbside Contract Update**
6. Manager's Report
7. Other
8. Consent Agenda
  - A. Payment of Bills Report
  - B. Investment Report
  - C. Revenue and Expenditure Report
  - D. Material Management Report
  - E. MRF Operations Report
  - F. Minutes of April 27, 2023 Regular Meeting
9. Adjournment



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**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Mike Csapo, General Manager  
Date: September 18, 2023

Re: **Audit of the RRRASOC FY 2022 - 2023 Financial Report**

## **Action Requested**

Accept the FY 2022 - 2023 Financial Report for filing with the appropriate agencies.

## **Overview**

Attached is a copy of the RRRASOC Financial Report for the period ending June 30, 2023, as audited by Plante & Moran, LLP. I believe you will find that the financial statements and accompanying audit letter indicate that RRRASOC conducted its financial affairs in conformity with generally accepted account principles.

The year ended with total revenue being \$54,676 more than the budgeted amount, due largely to larger than expected grant revenues, as well as host fees exceeding expectations.

Total expenditures ended the year \$152,316 less than the budgeted amount, due primarily to unavoidable project delays, which resulted in less than expected expenditures in contractual services and capital outlay. Those projects are on track to be completed in FY 2023 - 2024.

Representatives of Plante & Moran, LLP, will present an overview of the audit and be available to answer any questions you may have.

## **Recommendation**

Accept the FY 2022 - 2023 Financial Report for filing with the appropriate agencies.

Please let me know if you have any comments or questions.

RRRASOC Member Communities

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

August 21, 2023

To the Board of Directors  
Resource Recovery and Recycling Authority  
of Southwest Oakland County

We have audited the financial statements of the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC or the "Authority") as of and for the year ended June 30, 2023 and have issued our report thereon dated August 21, 2023. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility Under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated April 24, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

**Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 11, 2023.

**Significant Audit Findings**

***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during 2023.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant balances, amounts, or disclosures in the financial statements based on sensitive management estimates.

The disclosures in the financial statements are neutral, consistent, and clear.

***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in performing and completing our audit.

***Disagreements with Management***

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

***Significant Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated August 21, 2023.

***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

We would like to take this opportunity to thank the Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

To the Board of Directors  
Resource Recovery and Recycling Authority  
of Southwest Oakland County

August 21, 2023

This information is intended solely for the use of the board of directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

**Plante & Moran, PLLC**

A handwritten signature in black ink, appearing to read "Martin J. Olejnik".

Martin J. Olejnik, CPA

A handwritten signature in black ink, appearing to read "Keith Szymanski".

Keith Szymanski, CPA

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Resource Recovery and Recycling Authority of  
Southwest Oakland County

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**Financial Report**  
**with Supplementary Information**  
**June 30, 2023**

# Resource Recovery and Recycling Authority of Southwest Oakland County

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## Independent Auditor's Report

To the Board of Directors  
Resource Recovery and Recycling Authority  
of Southwest Oakland County

### **Opinions**

We have audited the financial statements of the General Administrative Fund and the governmental activities (modified accrual and full accrual columns, respectively) of the Resource Recovery and Recycling Authority of Southwest Oakland County (the "Authority") as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the General Administrative Fund and the governmental activities of the Authority as of June 30, 2023 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



To the Board of Directors  
Resource Recovery and Recycling Authority  
of Southwest Oakland County

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Plante & Moran, PLLC*

August 21, 2023

# Resource Recovery and Recycling Authority of Southwest Oakland County

## Management's Discussion and Analysis

Our discussion and analysis of the Resource Recovery and Recycling Authority of Southwest Oakland County's (RRRASOC or the "Authority") financial performance provides an overview of the Authority's financial activities for the year ended June 30, 2023. Please read it in conjunction with the Authority's financial statements.

### **Using This Annual Report**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the member communities have funded the full cost of providing waste management services.

The fund financial statements present a short-term view; they tell the member communities how the resources were spent during the year, as well as how much is available for future spending.

### **The Authority as a Whole**

	Governmental Activities				
	2021	2022	2023	Change	Percent Change
<b>Assets</b>					
Current and other assets	\$ 702,558	\$ 1,282,897	\$ 1,171,280	\$ (111,617)	(8.7)
Capital assets	7,304,859	7,130,851	6,873,313	(257,538)	(3.6)
Total assets	8,007,417	8,413,748	8,044,593	(369,155)	(4.4)
<b>Liabilities</b>					
Current liabilities	48,050	34,735	34,668	(67)	(0.2)
Noncurrent liabilities	68,834	65,815	74,103	8,288	12.6
Total liabilities	116,884	100,550	108,771	8,221	8.2
<b>Net Position</b>					
Net investment in capital assets	7,304,859	7,130,851	6,873,313	(257,538)	(3.6)
Unrestricted	585,674	1,182,347	1,062,509	(119,838)	(10.1)
Total net position	<b>\$ 7,890,533</b>	<b>\$ 8,313,198</b>	<b>\$ 7,935,822</b>	<b>\$ (377,376)</b>	(4.5)

The Authority's total net position decreased by approximately 4.5 percent from a year ago from \$8,313,198 to \$7,935,822. Unrestricted net position, the part of net position that can be used to finance day-to-day operations, decreased by \$119,838 for the governmental activities. The decreases were primarily due to decreased revenue sharing and host fees resulting from changes in the commodities markets and regional material flows.

**Resource Recovery and Recycling Authority of Southwest Oakland County**  
**Management's Discussion and Analysis (Continued)**

**The Authority's Changes in Net Position**

	Governmental Activities				Percent Change
	2021	2022	2023	Change	
<b>Revenue</b>					
Member contributions	\$ 344,025	\$ 344,026	\$ 360,054	\$ 16,028	4.7
Host fees	269,105	270,544	177,805	(92,739)	(34.3)
MRF revenue sharing	130,318	645,046	59,532	(585,514)	(90.8)
Other revenue:					
Grants and other	178,049	157,165	96,484	(60,681)	(38.6)
Interest income	1,124	1,888	9,071	7,183	380.5
Total revenue	922,621	1,418,669	702,946	(715,723)	(50.5)
<b>Expenses</b>					
Printing and publishing	24,494	49,049	48,498	(551)	(1.1)
Postage and mailing	3,925	15,707	16,447	740	4.7
Utilities	6,734	6,987	6,523	(464)	(6.6)
Salaries and benefits	288,421	283,921	308,431	24,510	8.6
Supplies	626	1,443	870	(573)	(39.7)
Professional services	182,597	112,161	161,463	49,302	44.0
Drop-off expenses	178,711	190,824	181,613	(9,211)	(4.8)
Training and travel	846	845	849	4	0.5
Other operating expenses	61,260	48,120	60,397	12,277	25.5
Contingency	4,241	-	-	-	-
Capital outlay	19,660	-	2,413	2,413	-
Depreciation	279,704	286,947	292,818	5,871	2.0
Total expenses	1,051,219	996,004	1,080,322	84,318	8.5
<b>Net Change in Net Position</b>	(128,598)	422,665	(377,376)	(800,041)	(189.3)
<b>Net Position - Beginning of year</b>	8,019,131	7,890,533	8,313,198	422,665	5.4
<b>Net Position - End of year</b>	<u>\$ 7,890,533</u>	<u>\$ 8,313,198</u>	<u>\$ 7,935,822</u>	<u>\$ (377,376)</u>	(4.5)

The Material Recovery Facility (MRF) revenue-sharing receipts of \$59,532 decreased substantially as a result of continued low pricing in the commodities market. Traditionally, those values have tended to fluctuate significantly due to market forces and in general cannot be depended upon for future revenue levels. Revenue from host fees decreased by \$92,739 due to a decrease in capacity utilization by the Authority's MRF contractor.

**General Administrative Fund Budgetary Highlights**

During the year, the budget was amended to reflect expected changes in revenue sharing, host fees, and grant-funded activities, as well as activities carried over from the prior fiscal year. Overall, the Authority's expenditures remained below budgeted amounts. The Authority's fund balance continues to be closely monitored, as it fell due to reduced cash flow during the period following the 2014 fire at the MRF. The assigned capital fund balance health is of vital importance, as critical investment in increased automation will likely be necessary to ensure that the MRF continues to provide cost-effective recycling processing for the Authority's members.

**Capital Assets Administration**

As described in Note 5, at the end of 2023, the Authority had \$6,873,313 invested in capital assets (net of depreciation), including land, building, and office furnishings and fixtures. Of this amount, \$1,550,000 relates to land.

**Resource Recovery and Recycling Authority of Southwest Oakland County**  
**Management's Discussion and Analysis (Continued)**

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***Economic Factors and Next Year's Budgets and Rates***

Commodity prices remain volatile, with global and domestic uncertainty having a continued presence. Prices fell significantly during the fiscal year, and low pricing is expected continue into the first two quarters of fiscal year 2023-2024, with less certainty for third and fourth quarters.

***Requests for Further Information***

This financial report is intended to provide our member communities with a general overview of the Authority's finances and demonstrate the Authority's accountability for the money it receives from the member communities. If you have questions about this report or need additional information, we welcome you to contact the Authority's office.

# Resource Recovery and Recycling Authority of Southwest Oakland County

## Statement of Net Position/Governmental Fund Balance Sheet

**June 30, 2023**

	Balance Sheet - Modified Accrual	Accrual Adjustments (Note 2)	Statement of Net Position - Full Accrual
<b>Assets</b>			
Cash and investments (Note 4)	\$ 1,094,515	\$ -	\$ 1,094,515
Receivables	51,454	-	51,454
Prepaid expenses and other assets	25,311	-	25,311
Capital assets:			
Assets not subject to depreciation (Note 5)	-	1,550,000	1,550,000
Assets subject to depreciation - Net (Note 5)	-	5,323,313	5,323,313
Total assets	<b><u>\$ 1,171,280</u></b>	6,873,313	8,044,593
<b>Liabilities</b>			
Accounts payable	\$ 31,511	-	31,511
Accrued liabilities and other	3,157	-	3,157
Compensated absences:			
Due within one year	-	16,757	16,757
Due in more than one year	-	57,346	57,346
Total liabilities	34,668	74,103	108,771
<b>Equity</b>			
Fund balance:			
Nonspendable	25,311	(25,311)	-
Unassigned	1,111,301	(1,111,301)	-
Total fund balance	1,136,612	(1,136,612)	-
Total liabilities and fund balance	<b><u>\$ 1,171,280</u></b>		
Net position:			
Net investment in capital assets		6,873,313	6,873,313
Unrestricted		1,062,509	1,062,509
Total net position		<b><u>\$ 7,935,822</u></b>	<b><u>\$ 7,935,822</u></b>

**Resource Recovery and Recycling Authority of Southwest Oakland County**  
**Statement of Activities/Governmental Fund Revenue, Expenditures, and**  
**Changes in Fund Balance**

**Year Ended June 30, 2023**

	Statement of Revenue, Expenditures, and Changes in Fund Balance - Modified Accrual	Accrual Adjustments (Note 2)	Statement of Activities - Full Accrual
<b>Revenue</b>			
Member contributions	\$ 360,054	\$ -	\$ 360,054
Host fees	177,805	-	177,805
MRF revenue sharing	59,532	-	59,532
Other revenue:			
Grants and other	108,300	(11,816)	96,484
Interest income	9,071	-	9,071
Total revenue	714,762	(11,816)	702,946
<b>Expenditures/Expenses</b>			
Printing and publishing	48,498	-	48,498
Postage and mailing	16,447	-	16,447
Utilities	6,523	-	6,523
Salaries and benefits	300,143	8,288	308,431
Supplies	870	-	870
Professional services	161,463	-	161,463
Drop-off expenses	181,613	-	181,613
Training and travel	849	-	849
Other operating expenses	60,397	-	60,397
Capital outlay	37,693	(35,280)	2,413
Depreciation	-	292,818	292,818
Total expenditures/expenses	814,496	265,826	1,080,322
<b>Net Change in Fund Balance/Net Position</b>	(99,734)	(277,642)	(377,376)
<b>Fund Balance/Net Position - Beginning of year</b>	1,236,346	7,076,852	8,313,198
<b>Fund Balance/Net Position - End of year</b>	<b>\$ 1,136,612</b>	<b>\$ 6,799,210</b>	<b>\$ 7,935,822</b>

June 30, 2023

### Note 1 - Significant Accounting Policies

#### ***Reporting Entity***

The Resource Recovery and Recycling Authority of Southwest Oakland County (the "Authority") is a municipal authority and body corporate, incorporated by the cities of Farmington, Farmington Hills, Novi, South Lyon, Southfield, Walled Lake, and Wixom, Michigan; the Village of Milford, Michigan; and the Charter Township of Milford, and was created pursuant to Act 179, Michigan Public Acts of 1947, as amended. Currently, the Authority is engaged in assisting the communities in the coordination of their solid waste management activities. Its ultimate purpose is the collection and disposal of rubbish and acquisition and operation of a waste management system.

#### ***Accounting and Reporting Principles***

The Resource Recovery and Recycling Authority of Southwest Oakland County conforms to accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. The following is a summary of the significant accounting policies used by the Resource Recovery and Recycling Authority of Southwest Oakland County:

#### ***Modified Accrual and Full Accrual Data***

The Authority consists of a single fund, which is presented in these financial statements on both the modified accrual basis and full accrual basis. The modified accrual column represents the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenue to be available if it is collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The full accrual column represents the total economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

#### ***Specific Balances and Transactions***

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

##### **Prepaid Items**

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

##### **Capital Assets**

Capital assets, which include land and building for the Material Recovery Facility (MRF) site, machinery and equipment, and office furniture and fixtures, are reported in the full accrual column. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

Note 1 - Significant Accounting Policies (Continued)

Capital assets are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Land (MRF site)	Not depreciated
Building	50
Machinery and equipment	5-15
Office furniture and fixtures	3-10

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

**Net Position**

Net position of the Authority is classified in two components: (1) net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets, and (2) unrestricted net position is the remaining net position that does not meet the definition of invested in capital assets.

**Net Position Flow Assumption**

The Authority will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Fund Balance Flow Assumptions**

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).



**Note 1 - Significant Accounting Policies (Continued)**

*Nonspendable:* Amounts that are not in spendable form or are legally or contractually required to be maintained intact

*Restricted:* Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose

*Committed:* Amounts that have been formally set aside by the board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the board of directors.

*Assigned:* Intent to spend resources on specific purposes expressed by the governing body

*Unassigned:* Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Administrative Fund and represents fund balance that has not been restricted, committed, or assigned to specific purposes in the General Administrative Fund.

**Member Contributions**

The Authority receives contributions from members based on a per capita charge and the most recent census.

**Host Fees**

The Authority receives host fees in accordance with pricing arrangements stipulated in the MRF operation agreement with the MRF operator. Revenue is calculated based on the incoming volume of material collected outside of the Authority's programs.

**Compensated Absences (Vacation and Sick Leave)**

It is the Authority's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. A portion of accumulated sick leave is payable upon death or retirement and is accrued. All vacation pay and the portion of sick leave eligible for payout upon death or retirement are accrued when incurred in the full accrual column. A liability for these amounts is reported in the governmental fund only for employee terminations as of year end.

As of June 30, 2023, there was \$74,103 of accrued compensated absences, of which \$16,757 was deemed a current liability. Activity during the year consisted of \$28,212 of reductions to the liability and \$19,924 of additional earned accrued compensated absences.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Upcoming Accounting Pronouncement**

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2025.

**Note 2 - Reconciliation of Individual Fund Column of the Statement of Net Position/Statement of Activities**

Net position reported in the statement of net position column is different than the fund balance reported in the individual fund column because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

<b>Fund Balance Reported in Governmental Fund</b>	\$ 1,136,612
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	6,873,313
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	<u>(74,103)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 7,935,822</u></u>

The change in net position reported in the full accrual column is different than the change in fund balance reported in the individual fund column because of the different measurements focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

<b>Net Change in Fund Balance Reported in Governmental Fund</b>	\$ (99,734)
Amounts reported for governmental activities in the full accrual column are different because:	
Governmental funds report capital outlays as expenditures; however, in the full accrual column, these costs are allocated over their estimated useful lives as depreciation:	
Depreciation expense	(292,818)
Capital outlay	35,280
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(11,816)
Some employee costs (compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	<u>(8,288)</u>
<b>Change in Net Position of Governmental Activities</b>	<u><u>\$ (377,376)</u></u>

**Note 3 - Stewardship, Compliance, and Accountability**

***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law. All annual appropriations lapse at fiscal year end. The budget is prepared by the general manager and approved by the board of directors. The budget document presents information by fund and line items. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the line item level. State law requires the Authority to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits entities to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

June 30, 2023

### Note 4 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority has designated two banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs but not the remainder of state statutory authority, as listed above. The Authority's investments comply with all required laws and regulations.

The Authority's cash and investments are subject to various types of risk, which are examined in more detail below:

#### ***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority had bank deposits totaling \$172,177 (checking and savings accounts) that were uninsured and uncollateralized. The Authority believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

#### ***Interest Rate Risk***

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. In accordance with its investment policy, the Authority manages its exposure to declines in fair value by limiting the weighted-average maturity of its investment portfolio to a range of 90 days to 3 years. The Authority's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity. As of year end, the Authority held \$624,568 invested in an investment pool with a weighted-average maturity of 1.18 years.

#### ***Credit Risk***

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Authority has no investment policy that would further limit its investment choices. As of year end, the Authority held \$624,568 in an investment pool that was not rated.

#### ***Concentration of Credit Risk***

The Authority places no limit on the amount it may invest in any one issuer. Approximately 56 percent of the Authority's total cash and investments are in the Oakland County Local Government Investment Pool (the "LGIP").

#### ***Fair Value Measurements***

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

**Note 4 - Deposits and Investments (Continued)**

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

**Investments in Entities that Calculate Net Asset Value per Share**

The Authority holds shares or interests in an investment pool wherein the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At June 30, 2023, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Carrying Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Oakland County Local Government Investment Pool	\$ 624,568	\$ -	No restrictions	None

The LGIP invests assets in a manner that will seek the highest investment return consistent with the preservation of principal and meet the daily liquidity needs of participants.

The Oakland County Local Government Investment Pool is not registered with the SEC and does not issue a separate report. The pool does not meet the requirements under GASB 79 to report its value for financial reporting purposes at amortized costs. Accordingly, the investment is reported at fair value. The fair value of the position in the pool is not the same as the value of the pool shares because the pool redeems shares at \$1 per share regardless of current fair value.

**Note 5 - Capital Assets**

Capital asset activity of the Authority was as follows:

**Governmental Activities**

	Balance July 1, 2022	Additions	Disposals and Adjustments	Balance June 30, 2023
Capital assets not being depreciated - Land (MRF site)	\$ 1,550,000	\$ -	\$ -	\$ 1,550,000
Capital assets being depreciated:				
Building	4,345,863	28,950	-	4,374,813
Machinery and equipment	3,012,757	5,554	-	3,018,311
Office furniture and fixtures	18,157	776	-	18,933
Subtotal	7,376,777	35,280	-	7,412,057
Accumulated depreciation:				
Buildings	608,419	87,303	-	695,722
Machinery and equipment	1,170,746	204,978	-	1,375,724
Office furniture and fixtures	16,761	537	-	17,298
Subtotal	1,795,926	292,818	-	2,088,744
Net capital assets being depreciated	5,580,851	(257,538)	-	5,323,313
Net governmental activities capital assets	<u>\$ 7,130,851</u>	<u>\$ (257,538)</u>	<u>\$ -</u>	<u>\$ 6,873,313</u>

Upon termination of the MRF operations agreement with Republic Services, ownership of any fixed equipment installed by Republic Services will be transferred to the Authority. The Authority will record the facility at its fair value, if any, at the time of transfer (the original cost of the Republic Services-owned equipment installed during fiscal year 2015-2016 was approximately \$6.5 million).

**Note 6 - Risk Management**

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for medical benefits, workers' compensation, and general liability claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**Note 7 - Retirement Plan**

The Authority provides a deferred compensation plan for employees. The employee manual provides for the Authority to make contributions equal to 5 percent of each employee's salary. The Authority also makes discretionary contributions. Contributions to the plan amounted to \$25,005 for the year ended June 30, 2023.

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## Required Supplementary Information

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# Resource Recovery and Recycling Authority of Southwest Oakland County

## Required Supplementary Information Budgetary Comparison Schedule - General Administrative Fund

**Year Ended June 30, 2023**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Member contributions	\$ 360,054	\$ 360,054	\$ 360,054	\$ -
Host fees	250,000	168,000	177,805	9,805
MRF revenue sharing:				
Curbside	125,000	56,337	56,337	-
Drop-off	7,000	3,195	3,195	-
Other revenue:				
Grants and other	15,000	66,500	108,300	41,800
Interest income	2,500	6,000	9,071	3,071
Total revenue	759,554	660,086	714,762	54,676
<b>Expenditures</b>				
Printing and publishing	39,915	48,915	48,498	417
Postage and mailing	17,400	17,400	16,447	953
Utilities	6,480	6,530	6,523	7
Salaries and benefits:				
Supervisory salaries	121,386	121,386	121,386	-
Permanent salaries	60,072	60,072	60,072	-
Overtime/Bonus/Longevity	7,334	7,335	7,334	1
FICA	16,356	16,356	16,355	1
Medical and dental insurance	68,000	67,708	67,708	-
Unemployment insurance	884	1,500	1,498	2
Workers' compensation	800	800	785	15
ICMA contribution	25,006	25,006	25,005	1
Supplies:				
Operating supplies	750	750	-	750
Office supplies	2,000	2,000	870	1,130
Professional services:				
Consulting services - Engineers	10,000	10,000	10,000	-
Consulting services - Legal	2,700	3,600	3,091	509
Contractual services	140,600	163,220	133,652	29,568
Audit	13,000	14,720	14,720	-
Drop-off expenses:				
Contractual services - Drop-off	174,216	164,900	157,066	7,834
Contractual services - Household hazardous waste	30,000	30,000	24,547	5,453
Training and travel:				
Conferences and workshops	2,000	2,000	-	2,000
Expenses and mileage	2,500	2,500	849	1,651
Other operating expenses:				
Magazines and periodicals	80	80	76	4
Membership dues	800	1,000	850	150
Vehicle allowance	4,800	4,800	4,800	-
Community relations	8,700	8,700	7,663	1,037
Building/Liability insurance	25,685	23,560	23,557	3
Equipment maintenance	24,914	26,888	20,850	6,038
Building and grounds maintenance	1,700	1,700	-	1,700
Office equipment rental	1,000	500	478	22
Computer software	685	825	818	7
Office equipment	2,500	2,500	1,305	1,195
Contingency	17,205	16,118	-	16,118
Capital outlay	45,000	113,443	37,693	75,750
Total expenditures	874,468	966,812	814,496	152,316
<b>Excess of Expenditures Over Revenue</b>	(114,914)	(306,726)	(99,734)	206,992
<b>Fund Balance - Beginning of year</b>	1,236,346	1,236,346	1,236,346	-
<b>Fund Balance - End of year</b>	<b>\$ 1,121,432</b>	<b>\$ 929,620</b>	<b>\$ 1,136,612</b>	<b>\$ 206,992</b>

# Resource Recovery and Recycling Authority of Southwest Oakland County

## Note to Required Supplementary Information

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**June 30, 2023**

### ***Excess of Expenditures Over Appropriations in Budgeted Fund***

During the year, the Authority's General Administrative Fund did not incur any expenditures in excess of the budget.





# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

Fax: 248.208.2273

www.RRRASOC.org

**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Mike Csapo, General Manager  
Date: September 18, 2023

Re: **Solid Waste Expenditure Benchmark Study**

## **Action Requested**

Review and accept the Solid Waste Expenditure Benchmark Study 2023.

## **Overview**

Attached for your review, comment, and acceptance is the Solid Waste and Expenditure Benchmark Study 2023.

As indicated in the document's Executive Summary, solid waste and recycling expenditures in the RRRASOC communities continue to compare favorably to the regional average and median of peer communities.

Among the specific findings are the following:

- Solid waste expenditures budgeted for the current fiscal year by the RRRASOC communities total \$13,047,735, which represents \$45.30 per capita or \$175.15 per serviced household unit;
- Expenditures in all of the RRRASOC communities continue to be among the lowest in the region on a per capita and per household basis, with all community expenditures well below the regional average and regional median;
- Total annual solid waste expenditures in the RRRASOC communities, when calculated on a per household basis, are \$4.82 million (37%) less than they would be if the expenditures were at the median level for the region;
- Total solid waste program expenditures for the RRRASOC communities are nearly \$6.2 million (36.4%) below where they would have been if annually adjusted for inflation and population growth over the past sixteen years.

Please let me know if you have any questions or comments.

attachment

RRRASOC Member Communities  
Farmington ♦ Farmington Hills ♦ Milford ♦ Milford Township  
Novi ♦ South Lyon ♦ Southfield ♦ Walled Lake ♦ Wixom

**Solid Waste Expenditure Benchmark Study  
2023**

**Resource Recovery and Recycling Authority of Southwest Oakland County**



## Executive Summary

The Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) recently completed an annual evaluation of the solid waste related expenditures in the RRRASOC communities and conducted a comparison to the solid waste related expenditures of other communities in southeast Michigan.

We reviewed municipal sanitation/solid waste expenditures as expressed in the current municipal budgets of communities in southeast Michigan. The expenditures of forty-one communities, as well as historical expenditure data for the RRRASOC communities, are included in the analysis.

In summary, we found the following:

- Solid waste expenditures budgeted for the current fiscal year by the RRRASOC communities total \$13,047,735, which is a 0.4% reduction from FY 2022 - 2023 and represents \$45.30 per capita or \$175.15 per serviced household unit;
- Expenditures in all of the RRRASOC communities continue to be among the lowest in the region on a per capita and per household basis, with all community expenditures well below the regional average and the regional median;
- Total annual solid waste expenditures in the RRRASOC communities, when calculated on a per household basis, are \$4.82 million (37%) less than they would be if the expenditures were at the median level for the region;
- Among the RRRASOC communities, solid waste program expenditures continue to be well contained, with total budgeted expenditures for FY 2023 - 2024 being only 13% above expenditures in FY 2007 - 2008. Per capita expenditures are only 5.5% more than they were sixteen years ago;
- Total solid waste program expenditures for the RRRASOC communities are nearly \$6.2 million (36.4%) below where they would have been if annually adjusted for inflation and population growth over the past sixteen years.

## **Findings**

The RRRASOC communities have collectively budgeted \$13,047,735 for solid waste expenditures in FY 2023 - 2024, for an aggregate per capita expenditure of \$45.30 or \$175.15 per serviced household.

### *Per Capita Comparisons*

As depicted in Graph 1, regional per capita expenditures range from \$33.83 to \$285.11, with an average of \$101.51 and a median of \$97.24. RRRASOC communities range from \$33.83 to \$90.40, with an average of \$52.37.

The aggregate expenditure in the RRRASOC communities of \$45.30 per capita is 55.4% below the regional average and 53.4% below the regional median.

### *Per Household Comparisons*

As depicted in Graph 2, regional expenditures per household range from \$144.10 to \$671.54, with an average of \$271.27 and a median of \$239.81. RRRASOC communities range from \$144.10 to \$215.02, with an average of \$181.95.

The aggregate per household cost in the RRRASOC communities of \$175.15 is 35.4% below the regional average and 27% below the regional median.

Another way in which to view the expenditures of the RRRASOC communities is to compare them to what the total budgeted expenditures would be if the communities all spent at the median per household level for the region. In that case, total expenditures would be \$17,865,203, or \$4,817,468 (36.9%) higher than budgeted for the current fiscal year.

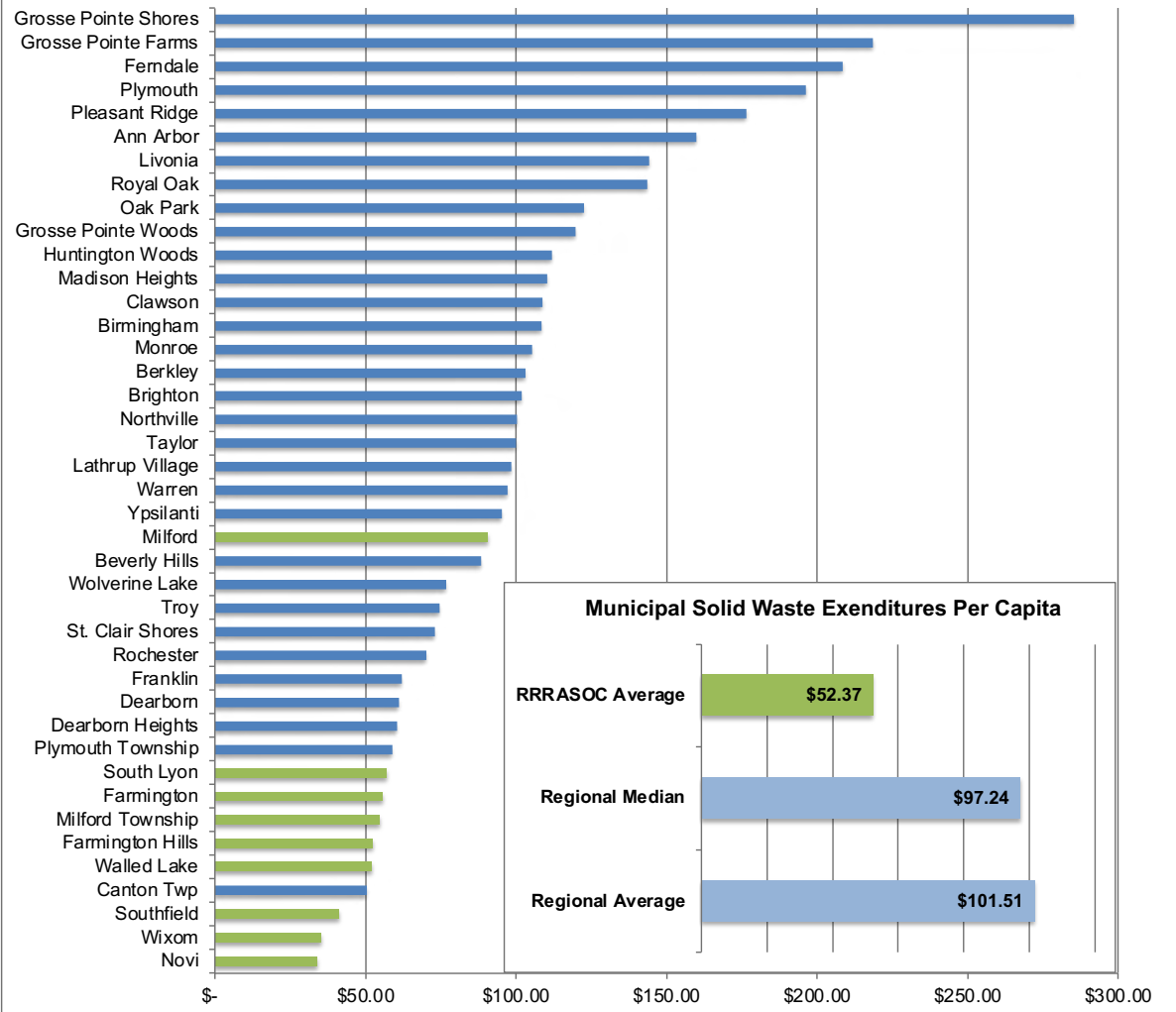
### *Blended Metric Comparisons*

The "blended cost" metric is the average of the first two figures and is designed to provide some mitigation to the influence of housing demographics, providing a more normalized measure of expenditures for purposes of comparisons.

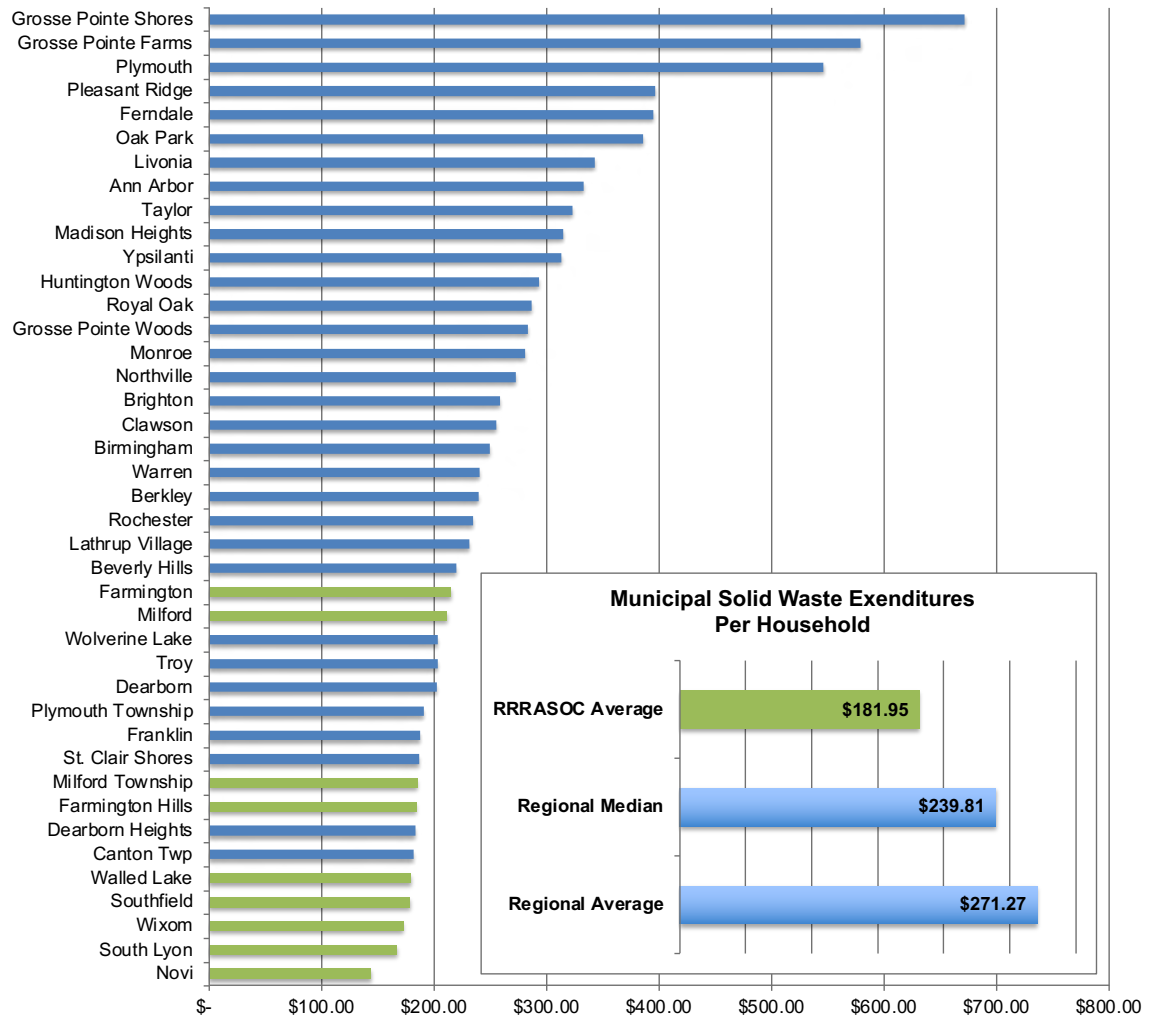
Depicted in Graph 3, the blended cost metric ranges from \$88.97 to \$478.33, with an average of \$186.39 and a median of \$168.73. RRRASOC communities range from \$88.97 to \$150.92, with an average of \$117.16.

The aggregate per blended cost in the RRRASOC communities is \$110.23, which is 40.9% below the regional average and 34.7% below the regional median.

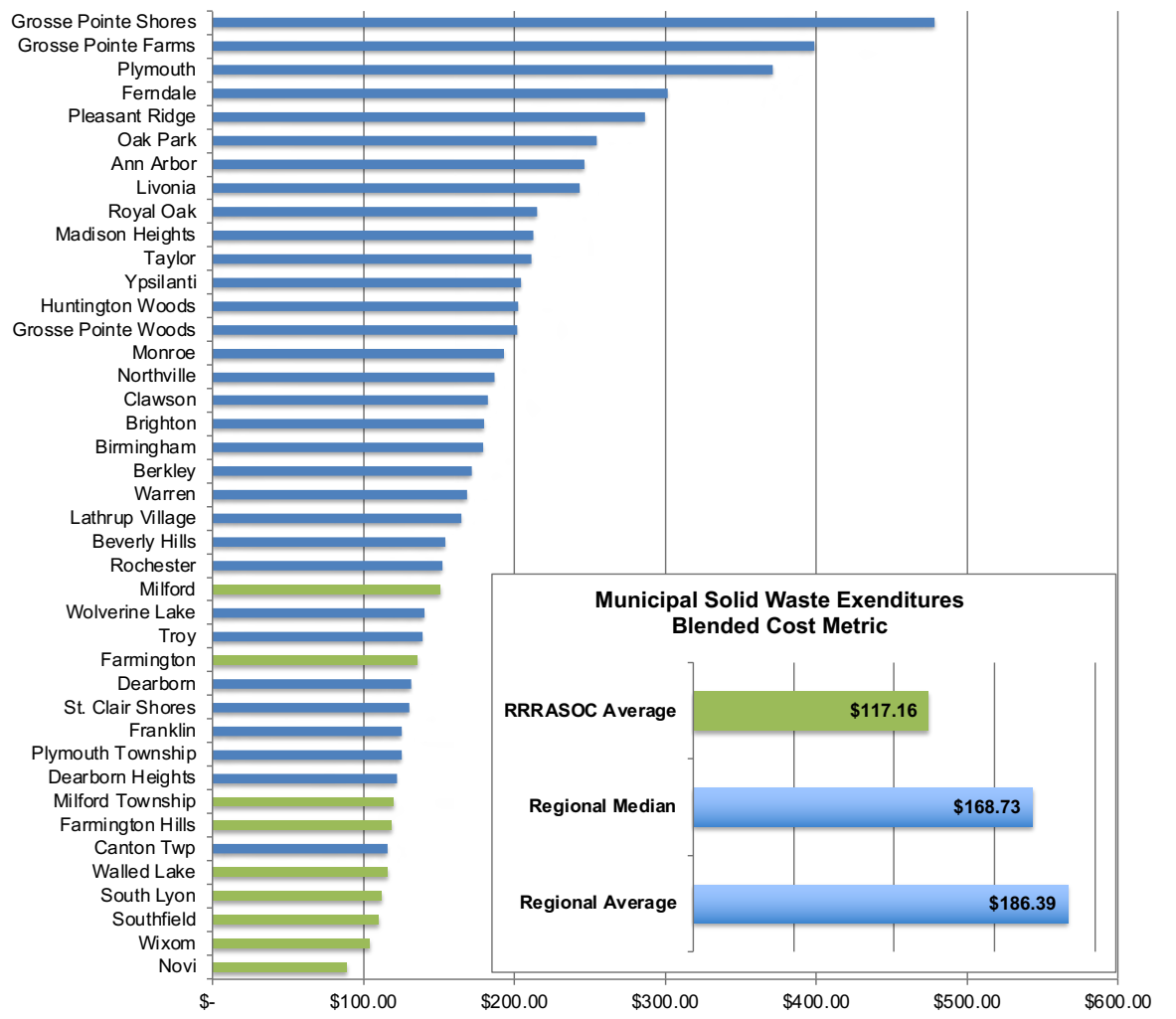
**Graph 1**  
**Budgeted Municipal Solid Waste Expenditures Per Capita**  
**FY 2023 - 2024**



**Graph 2**  
**Budgeted Municipal Solid Waste Expenditures Per Household**  
**FY 2023 - 2024**



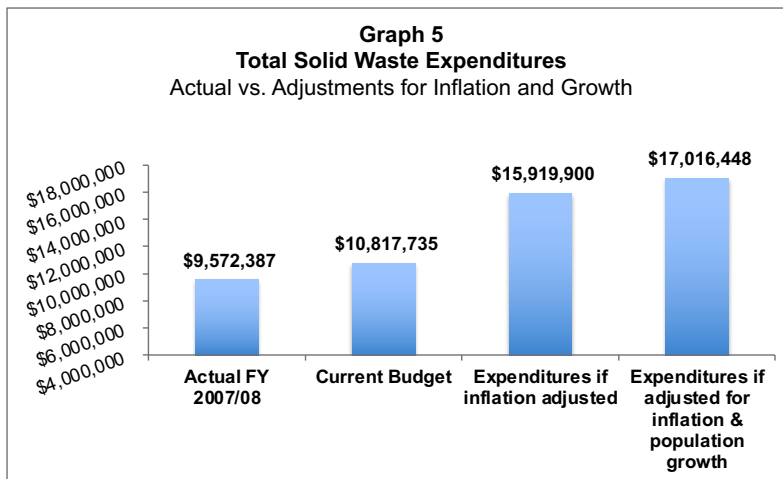
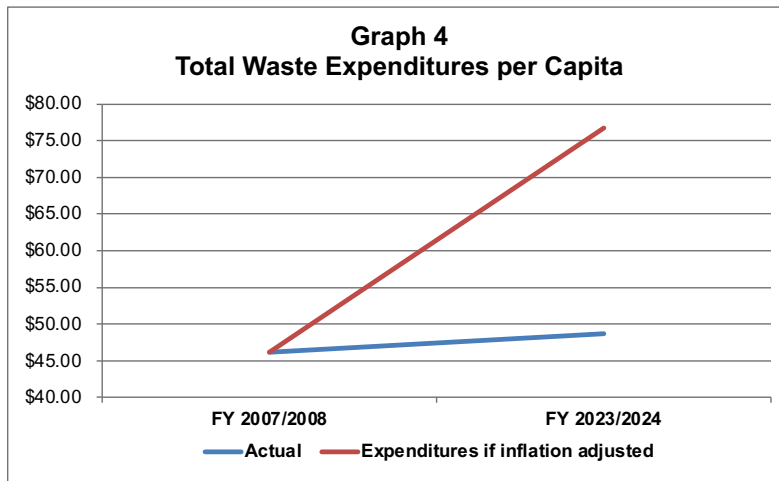
**Graph 3  
Blended Cost Metric  
FY 2023 - 2024**



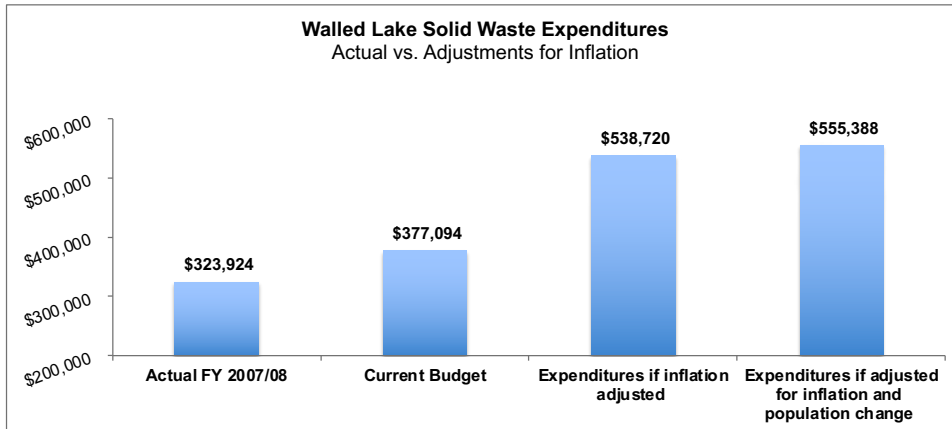
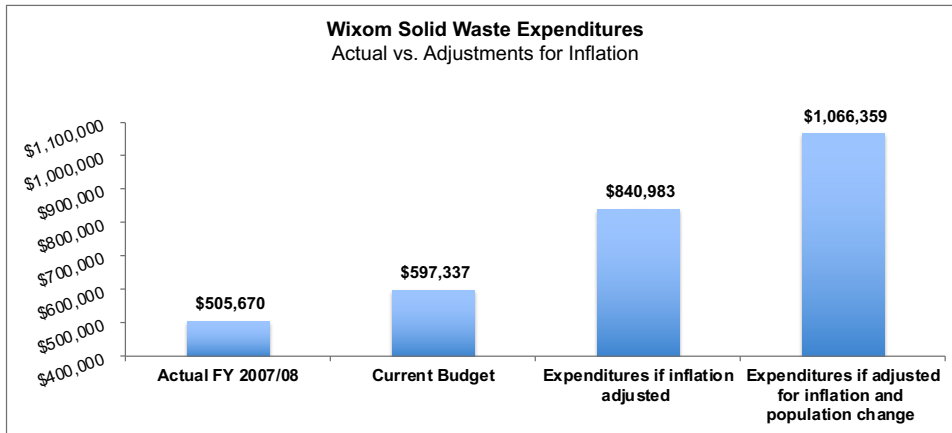
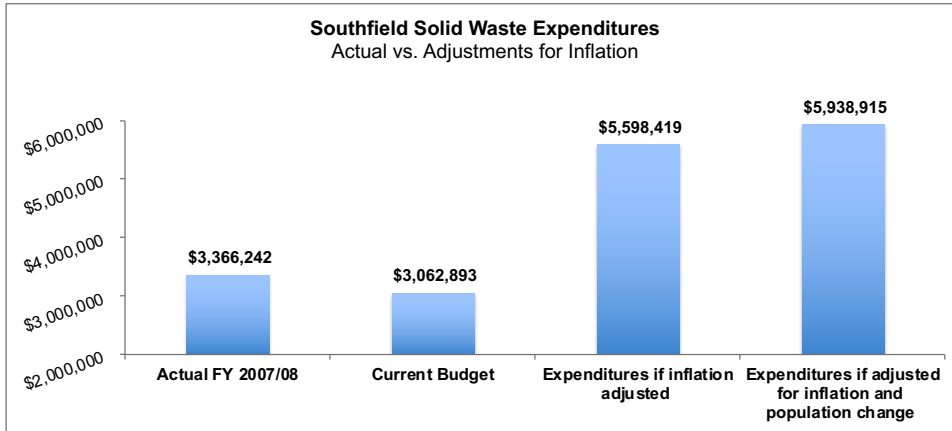
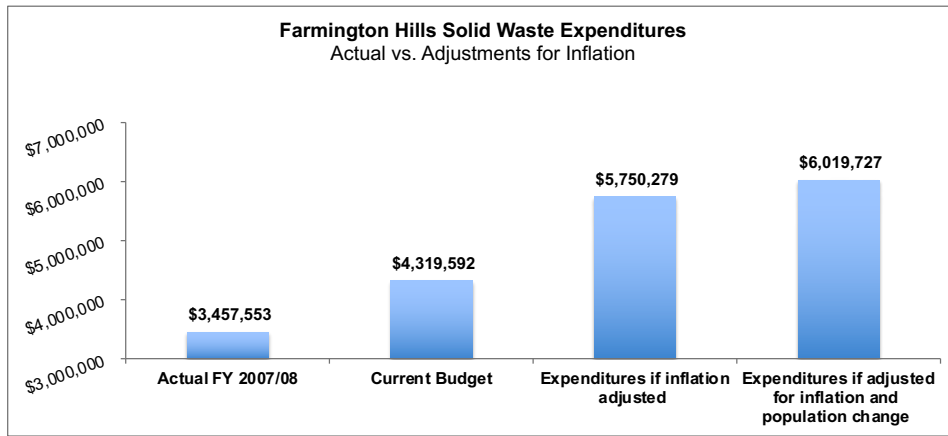
*Historical Findings*

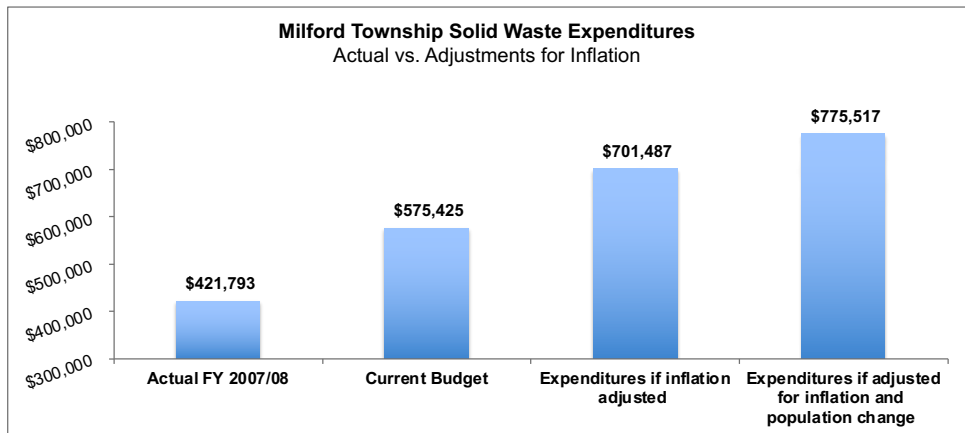
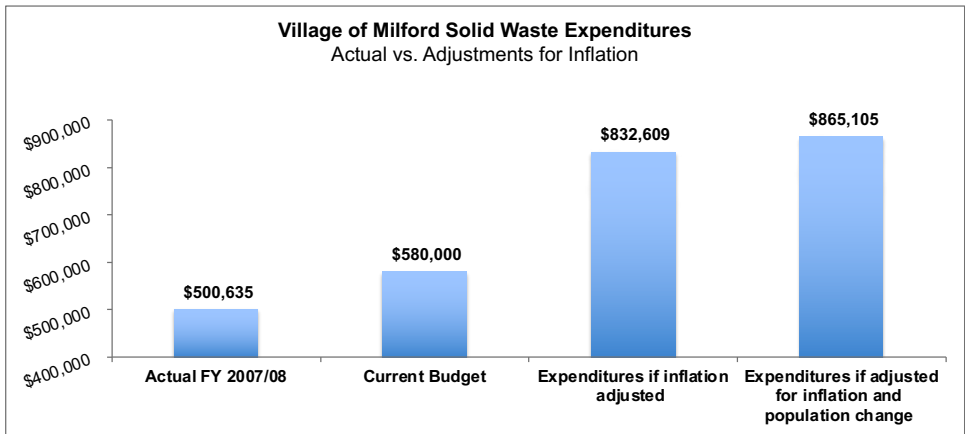
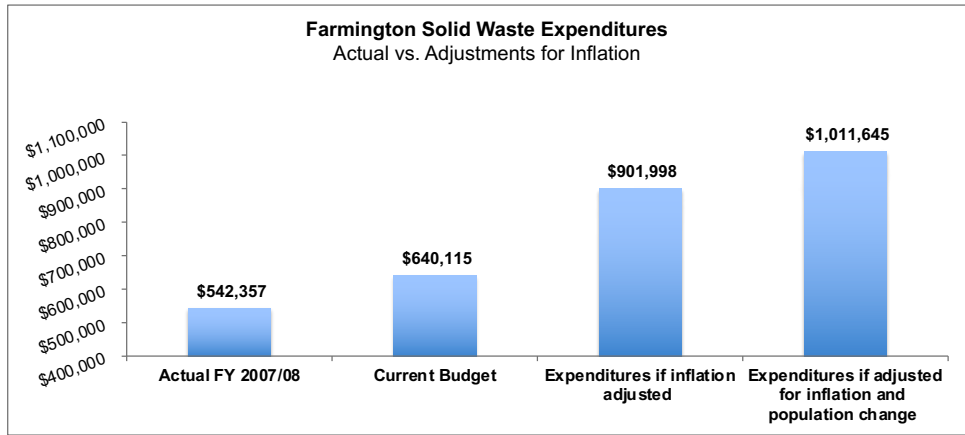
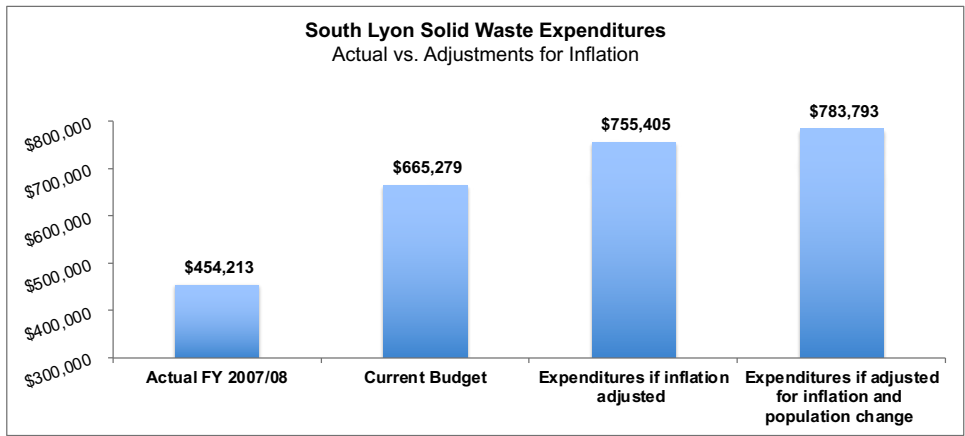
Total solid waste expenditures in the RRRASOC communities increased from \$9,572,387 in FY 2007 - 2008 to \$10,817,735 budgeted for FY 2023 - 2024, for an increase of 13%. When considering population growth, total per capita expenditures are only 5.5% more than they were sixteen years ago. Note that the City of Novi is not included in this longitudinal analysis because their curbside program began in 2015.

All eight of the evaluated RRRASOC communities have expenditures well below inflation-adjusted levels. Had the total FY 2007 - 2008 expenditure level been annually adjusted for inflation as reflected by the *Bureau of Labor Statistics Garbage and Trash Collection Index* and population growth, total expenditures would have risen to \$17,016,448. As such, expenditures would have been nearly \$6.2 million higher due to inflationary and growth adjustments. In other words, expenditures are 36.4% less than they would have been had they been annually adjusted for inflation and population growth.









## **Conclusions**

There is a wide variation in the expenditure metrics between communities. A number of factors contribute to that variation. Factors include service levels, service delivery type, program characteristics, community characteristics and demographics, contract terms, cost accounting procedures, and staffing levels.

Expenditures in the RRRASOC communities are among the lowest in the region, with all expenditures well below the regional average and the regional median. RRRASOC communities will spend \$4.82 million less this year, when compared to the region's median, per household expenditures.

Total expenditures in the RRRASOC communities have remained well contained, with per capita expenditures being 36.4% below the inflation and growth adjusted level of FY 2007 - 2008. In other words, total expenditures are nearly \$6.2 million less than they would have been had they kept pace with inflation and population growth over the past sixteen years.

## **Background and Methodology**

Through intergovernmental cooperation, public private partnerships, and contracting, the nine member communities of RRRASOC provide a suite of solid waste and recycling services that are cost-effective, environmentally responsible, and sustainable, as well as consistent with best practices.

RRRASOC annually evaluates solid waste related expenditures in the RRRASOC communities and conducts a comparison to the solid waste related expenditures of other communities in southeast Michigan. We reviewed municipal sanitation/solid waste expenditures as expressed in the current municipal budgets of communities in southeast Michigan. The expenditures of forty-one communities, as well as historical expenditure data for the RRRASOC communities, are included in the analysis.

The accompanying figures and graphs are designed to benchmark expenditures pertaining to municipal solid waste activities. It is recognized that service levels and/or service delivery methods may vary from community to community. It is understood that differences in service levels and delivery types can lead to cost differentials. For example, a community that provides curbside brush chipping incurs costs not incurred by a community that does not provide such service. Curbside collection unit costs, as another example, can vary depending upon a variety of factors, including service delivery type, density, community size, and proximity to disposal or recycling facilities.

This study is designed to identify cost metrics for individual communities without attempting to qualify, differentiate, or otherwise normalize service levels. For purposes of this effort, it is assumed that the service level and type selected by each community is consistent with the parameters established by the elected and/or administrative officials in each community. This document should be viewed in a positive rather than a normative sense.

Forty-one communities are included in the report. The communities included are those

that provide a minimum level of service that includes weekly curbside refuse, yard waste, and recycling collection. Most also have access to recycling and household hazardous waste drop off programs. Communities in which curbside services are not included in the municipal budget are specifically excluded from this report.

Expenditure information comes from the current fiscal year budget published by each municipality. Expenditures included are those items contained within the municipality's sanitation, rubbish, refuse, or solid waste budget, or within the municipality's public works or services budget and identified as being specifically related to solid waste.

It is recognized that municipalities may utilize different cost-accounting methods and that some communities may charge costs to a sanitation or solid waste budget that are not included by another community. Identifying and differentiating among differing accounting and cost management techniques is beyond the scope of this effort. In that regard, the expenditures included in this report are those costs that the communities have chosen themselves to allocate to sanitation or solid waste line items.

Information for the longitudinal analysis of expenditures in the RRRASOC communities was gathered from each community's audited financial statements as reported to the State of Michigan for the fiscal year ending in 2008.

This study does not evaluate the various revenue approaches among the communities. Those approaches include, but are not limited to, user fees and fees for services, property taxes, general fund appropriations, and material sales revenue.

Due to the variety of factors that influence a community's cost metrics, this report is best used to compare a community's costs to the average and the median, rather than to compare an individual community directly to another community. A more in-depth, case study approach would be required to directly compare communities.

### **Cost Metrics**

Three cost metrics are utilized in this report. The first is per capita cost. For purposes of this calculation, population means the household population as indicated in the 2020 U.S. Census.

While the per capita approach is a standard and useful approach, it does have its drawbacks. For example, curbside service tends to be offered only to single-family households and offered to multi-family units only on a limited basis. Communities with a high proportion of their population in multi-family units with limited service will experience a downward influence on their per capita costs as compared to communities with a higher proportion of single-family homes. However, the per capita metric is a well-accepted measure that merits inclusion in this report.

The second metric is the cost per household. This measure divides total expenditures by the number of household units receiving curbside service. Serviced units are either those reported by the community, its solid waste hauler, or the single-family, duplex, and townhome units as reported in the *U.S. Census Bureau*. If the community provides

commercial or multi-family services appropriate for inclusion in this metric, they are included. This measure is most useful when assessing only curbside service costs. However, its accuracy can skew in the opposite direction of the per capita measure when a community has a high proportion of multi-family units that utilize services such as household hazardous waste collection, recycling drop-offs, or other services.

Because the ratio of multi-family and single-family homes in a community can influence the first two metrics in opposite directions, a third measure has been included. The “blended cost” metric is the average of the first two figures and is designed to provide some mitigation to the influence of housing demographics, providing a more normalized measure of expenditures for purposes of comparisons.



# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

Fax: 248.208.2273

www.RRRASOC.org

**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Mike Csapo, General Manager  
Date: September 18, 2023

Re: **ERG Environmental Services HHW Contract Extension**

## **Action Requested**

Approve the HHW contract extension request from ERG Environmental Services.

## **Background**

The current HHW contract with ERG Environmental Services expires on December 31, 2023. The attached extension request from ERG Environmental Services establishes program pricing for 2024 and 2025.

The proposed pricing represents a 15.5% increase for events and 16.8% increase for drop off at the ERG facility in Livonia for the first year. The second year is a 19.4% increase for events and a 5.1% increase for drop off.

The price increase reflects ERG's increased costs associated with the program. Continued low commodity prices, increased labor and fuel costs, and increased costs for hazardous waste disposal at licensed facilities are among the contributing factors.

The proposed pricing does compare very favorably to other programs in the region. The attached page shows pricing from similar programs in the region. The average 2023 rate for programs sampled in southeast Michigan is \$88.95. If the Genesee County and MMWA programs are included, the average is \$109.78. The current and proposed rates for RRRASOC are well below those prices.

Based on the program's combined participation for the most recent fiscal year, the new price would result in increased program costs of \$75,825, which is 0.58% of the combined solid waste expenditures budgeted for the current fiscal year. The impact on individual communities ranges from 0.29% to 0.90%.

## **Recommendation**

Inasmuch as it doesn't appear there is any advantage to seeking competitive proposals for the HHW program, approval of the HHW contract request from ERG Environmental Services is recommend.

Please let me know if you have any questions or comments.

RRRASOC Member Communities  
Farmington ♦ Farmington Hills ♦ Milford ♦ Milford Township  
Novi ♦ South Lyon ♦ Southfield ♦ Walled Lake ♦ Wixom

	2023	2024	2025
RRRASOC	\$ 58.00	\$ 67.00	\$ 80.00
Wayne County	\$ 72.00	tbd	tbd
West Bloomfield	\$ 72.99	tbd	tbd
Sterling Heights	\$ 99.62	tbd	tbd
Oakland County NoHaz	\$ 100.00	\$ 106.00	tbd
Auburn Hlls	\$ 100.15	tbd	tbd
Mid Michigan Waste Authority	\$ 144.96	tbd	tbd
Genesee County	\$ 178.74	tbd	tbd



# ERG ENVIRONMENTAL SERVICES

13040 Merriman Road • Livonia, Michigan 48150  
734.437.9650 • FAX 734.437.9651 • ERGenvironmental.com

September 14, 2023

Mr. Michael Csapo  
General Manager  
RRRASOC  
20000 West 8 Mile Road  
Southfield, Michigan 48075

**RE: COST PROPOSAL – HHW SERVICES for CY 2024 & CY 2025**

Dear Mike,

Pursuant to the current contract between ERG Environmental Services (ERG) and RRRASOC for the period of CY 2022 & CY 2023, which allows residents of RRRASOC's communities to drop off household hazardous waste (HHW) at our Livonia office, please allow this letter to serve as a Cost Proposal to extend said contract to cover the period of **CY 2024** and **CY 2025**.

**HHW DROP-OFF PROGRAM SUMMARY**

- RRRASOC residents can drop off HHW at ERG's facility in Livonia year-round. Latex paint is not included in this program.
- Waste drop-off hours are 9:00 am – 5:00 pm, Monday through Friday, not including the following holidays: New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving Day (and the Friday after Thanksgiving), Christmas Eve and Christmas Day.
- ERG will submit copies of the residential sign-in pages, showing the resident's name, address, and signature, with our monthly invoices.

**COST PROPOSAL – HHW SERVICES (CY 2024 & CY 2025)**

Event Type – Contract Period	Cost Per Vehicle
Satellite Collection Events – CY 2024	\$ 67.00
Satellite Collection Events – CY 2025	\$ 80.00
Resident Drop-off at ERG Livonia – CY 2024	\$ 59.00
Resident Drop-off at ERG Livonia – CY 2025	\$ 62.00





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**Unacceptable Wastes**

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Explosives, weapons, radioactive waste, fireworks, compressed gas cylinders (larger than standard BBQ cylinders), DIY home foam sealant / insulation / adhesive cylinders (ie, with spray nozzles/guns), biologically active material, industrial and/or commercially-generated waste, appliances (white goods, air conditioners, etc), trash, tires, yard waste.

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**All other terms and conditions of ERG's existing contract with RRRASOC will be unchanged by this Cost Proposal and are incorporated herein by reference.**

ERG thanks RRRASOC for the opportunity to present this proposal for consideration. Please contact me at 734.564.3701 or via email to [edawkins@ERGenvironmental.com](mailto:edawkins@ERGenvironmental.com) if you have any questions and/or require additional information in this regard.

Sincerely,

**ERG Environmental Services**



Edward Dawkins  
Vice-President

---

**PROPOSAL ACCEPTANCE**

If this Cost Proposal (and the incorporated General Terms and Conditions thereof) are acceptable, please complete and sign below and return a copy of this document to me at [edawkins@ERGenvironmental.com](mailto:edawkins@ERGenvironmental.com).

**Certification and Acceptance:** By signing below I accept this Cost Proposal and certify that I am authorized to do so on behalf of the Client named herein, that I have read and understand the proposal and the (incorporated/existing) General Terms and Conditions thereof, and that I have had the opportunity to seek technical and legal advice in its regard.

**Printed Name:**

**Title:**

---

**Signature:**

**Date:**

---





# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

Fax: 248.208.2273

www.RRRASOC.org

**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Mike Csapo, General Manager  
Date: September 18, 2023

Re: **Curbside Contract Update**

## **Southfield**

The current service provider is GFL. The current contract went into effect in 2016 and expires June 30, 2024. An RFP was issued by the City on August 24, with a proposal due date of October 23.

Proposals are being solicited for As-Is Service, along with three options that include deploying more recycling carts and issuing trash carts for all units.

The voluntary pre-proposal meeting was attended by the following firms: GFL, Priority Waste, WM, and Titan.

## **Walled Lake**

The current service provider is GFL. The current contract was extended in 2021 for a period of three years and expires on June 30, 2024. GFL has submitted an extension request that includes a 14.2% increase, with subsequent annual increases tied to the CPI, with a ceiling of 4% and a floor of 2%. The proposal also includes a fuel surcharge formula.

The proposal is under evaluation by the City.

## **Farmington**

The current service provider is WM. The current contract was extended earlier this year and expires on June 30, 2024. The City may consider an extension proposal from WM. If a mutually acceptable extension agreement is not approved, the City will issue an RFP in October. The City is considering incorporating trash carts into the service specifications.

## **Farmington Hills**

The current service provider is GFL. The current contract went into effect July 1, 2022. Earlier this year, the City exercised an option to incorporate trash carts into the service specifications. Those carts are being deployed starting this month with a service start date of October 9.

Please let me know if you have any questions or comments.



# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

Fax: 248.208.2273

www.RRRASOC.org

**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Michael Csapo, General Manager  
Date: September 20, 2023

Re: **Manager's Report**

1. The audit of the FY 2022 - 2023 RRRASOC Financial Statements was completed. See agenda.
2. The Solid Waste Expenditure Study - 2023 was completed. See agenda.
3. An extension request from ERG Environmental Services for the HHW program was received and evaluated. See agenda.
4. Work on various curbside contracts took place. See agenda.
5. Installation of the Glacier scanner and robotic project began.
6. The spring/summer HHW events were completed. Preparation for the fall events began.
7. The 2024 HHW schedule was established.
8. The agreement for the most recent grant between The Recycling Partnership and RRRASOC was finalized and work began. The focus is multi-family recycling in Southfield and the Southfield drop off.
9. RRRASOC entered into grant agreement with EGLE for another robotic sorter.
10. RRRASOC received a Small Communities Education grant from TRP.
11. The Disaster Debris Management Planning agreement between RRRASOC, SOCRRA, and Tetra Tech was reviewed. A final version is expected soon, with a project start window of October - November.
12. Eight tours of the MRF were conducted.
13. Shred events (x4) were sponsored in Wixom and Farmington Hills.
14. RRRASOC produced new content with Southfield Cable 15.

RRRASOC Member Communities

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

15. A grant-funded MRF modeling project with RRS was started.

16. Staff attended or presented at the following:

- A. Earth Day event in Farmington Hills;
- B. Foodservice Packaging Institute (FPI) webinar;
- C. Farmington City Council meeting (x2);
- D. Village of Milford Council meeting;
- E. Milford Township Board meeting;
- F. NextCycle I2P3 CTIP meeting;
- G. HHW events in Southfield, Farmington Hills, Wixom, and Milford.

Check Register Report

Date: 09/18/2023

Time: 3:16 pm

Page: 1

RRRASOC

BANK: STANDARD FEDERAL BANK

Check Number	Check Date	Status	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
<b>STANDARD FEDERAL BANK Checks</b>							
13843	04/24/2023	Printed		124	BLUE CROSS BLUE SHIELD OF MICH	May 2023	4,999.28
13844	04/24/2023	Printed		429	CHASE	Visa	1,098.62
13845	04/24/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	March 2023	2,162.00
13846	04/24/2023	Printed		184	MISSION SQUARE	4/27/23 Payroll - #303663	1,135.02
13847	04/24/2023	Printed		148	PHOENIX INNOVATE	Flyers	1,034.00
13848	04/24/2023	Printed		33	SQS, INC.	Wixom HHW event-4/15/2023	51,620.00
13849	04/24/2023	Printed		130	THE HARTFORD	May 2023	527.09
13850	05/05/2023	Printed		94	COMCAST	Phone & internet	440.40
13851	05/05/2023	Printed		140	FIRE ROVER	Equipment repair	2,363.10
13852	05/05/2023	Printed		140	FIRE ROVER	May 2023	150.00
13853	05/05/2023	Printed		184	MISSION SQUARE	5/11/23 Payroll-Plane #303663	1,135.02
13854	05/05/2023	Printed		33	SQS, INC.	April 2023 appointments	10,504.00
13855	05/05/2023	Printed		33	SQS, INC.	Southfield Burning 4/5/23	3,065.70
13856	05/05/2023	Printed		33	SQS, INC.	South Lyon batteries	737.88
13857	05/05/2023	Printed		33	SQS, INC.	Farmington batteries	457.12
13858	05/05/2023	Printed		33	SQS, INC.	Southfield HHW-4/22/23	40,020.00
13859	05/15/2023	Printed		87	EMERGE KNOWLEDGE DESIGN, INC.	Ret-TRAC 7/23-6/24	1,750.00
13860	05/15/2023	Printed		137	GFL ENVIRONMENTAL	Novi Drop-Off-April 2023	9,150.00
13861	05/15/2023	Printed		160	KASTLE SYSTEMS LLC	June 2023	1,118.00
13862	05/15/2023	Printed		25	RESOURCE RECYCLING SYSTEMS, IN	Monthly Labor-DS	7,505.00
13863	05/15/2023	Printed		25	RESOURCE RECYCLING SYSTEMS, IN	Monthly Labor-DS	6,982.50
13864	05/15/2023	Printed		25	RESOURCE RECYCLING SYSTEMS, IN	Monthly Labor-CK	3,797.72
13865	05/15/2023	Void					0.00
13866	05/15/2023	Void					0.00
13867	05/15/2023	Printed		33	SQS, INC.	FH HHW Event-Demob Costs	5,923.00
13868	05/15/2023	Printed		33	SQS, INC.	FH HHW Event-5/6/2023	66,468.00
13869	05/26/2023	Printed		165	AMOS MFG., INC.	Shredder belts	532.99
13870	05/26/2023	Printed		124	BLUE CROSS BLUE SHIELD OF MICH	June 2023	4,999.28
13871	05/26/2023	Printed		429	CHASE	Visa	217.55
13872	05/26/2023	Printed		94	COMCAST	Phone & internet	428.80
13873	05/26/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	April 2023	2,899.38
13874	05/26/2023	Printed		184	MISSION SQUARE	5/25/2023 Payroll-Plan #303663	1,135.02
13875	05/26/2023	Printed		184	MISSION SQUARE	6/11/2023 Payroll-Plan #303663	1,135.02
13876	05/26/2023	Printed		33	SQS, INC.	Milford HHW Day 5/20/2023	47,850.00
13877	05/26/2023	Printed		33	SQS, INC.	Farmington batteries	457.59
13878	05/26/2023	Printed		33	SQS, INC.	South Lyon batteries	590.68
13879	05/26/2023	Printed		130	THE HARTFORD	June 2023	527.09
13880	06/07/2023	Printed		140	FIRE ROVER	June 2023	150.00
13881	06/07/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	App to Action Phase 3	618.75
13882	06/07/2023	Printed		160	KASTLE SYSTEMS LLC	July 2023	1,118.00
13883	06/07/2023	Printed		33	SQS, INC.	May appointments	11,514.00
13884	06/15/2023	Printed		124	BLUE CROSS BLUE SHIELD OF MICH	July 2023	4,999.28
13885	06/15/2023	Printed		429	CHASE	Visa-May 2023	741.67
13886	06/15/2023	Printed		137	GFL ENVIRONMENTAL	Novi Drop-Off-May 2023	10,950.00
13887	06/15/2023	Printed		184	MISSION SQUARE	6/22/2023 Payroll	1,135.02
13888	06/15/2023	Printed		35	SWANA	Membership dues	245.00
13889	06/15/2023	Printed		130	THE HARTFORD	July 2023	527.09
13890	06/15/2023	Printed		29	CITY OF NOVI	Host Fees 2022-2023	16,000.00
13891	06/26/2023	Printed		170	DOUGLAS J. KOESTER	ERG appointment	61.50
13892	06/26/2023	Printed		4	PLANTE & MORAN PLLC	2022-2023 Audit	11,400.00
13893	06/26/2023	Printed		126	SHREDCORP	Farmington Hills 6/13/23	1,100.00

Check Register Report

Date: 09/18/2023

Time: 3:16 pm

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RRRASOC

BANK: STANDARD FEDERAL BANK

Check Number	Check Date	Status	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
<b>STANDARD FEDERAL BANK Checks</b>							
13894	06/26/2023	Printed		126	SHREDCORP	Wixom 6/20/23	550.00
13895	06/26/2023	Printed		33	SQS, INC.	South Lyon batteries	475.22
13896	06/26/2023	Printed		33	SQS, INC.	Farmington batteries	270.67
13897	07/11/2023	Printed		94	COMCAST	Phone 7/2-8/1/23	378.56
13898	07/11/2023	Printed		140	FIRE ROVER	July 2023	161.00
13899	07/11/2023	Printed		137	GFL ENVIRONMENTAL	Novi Drop-Off-June 2023	10,650.00
13900	07/11/2023	Printed		184	MISSION SQUARE	7/20/23 Payroll-Plan #303663	1,243.14
13901	07/11/2023	Printed		184	MISSION SQUARE	7/6/23 Payroll-Plan #303663	1,243.14
13902	07/11/2023	Printed		33	SQS, INC.	June appointments	13,635.00
13903	07/13/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	May 2023	2,935.63
13904	07/13/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	June 2023	3,756.25
13905	07/19/2023	Printed		534	AMERICAN PUBLIC WORKS ASSOC.	Membership Dues	254.00
13906	07/19/2023	Printed		124	BLUE CROSS BLUE SHIELD OF MICH	August 2023	4,999.28
13907	07/19/2023	Printed		429	CHASE	Visa	523.48
13908	07/19/2023	Printed		33	SQS, INC.	Clean Sweep d/o-Holly	10.00
13909	07/19/2023	Printed		130	THE HARTFORD	August 2023	527.09
13910	07/28/2023	Printed		94	COMCAST	8/2-9/1/23	516.33
13911	07/28/2023	Printed		184	MISSION SQUARE	8/3/23 Payroll-Plan #303663	1,243.14
13912	07/28/2023	Printed		33	SQS, INC.	Wixom HHW-7/15/23	39,324.00
13913	08/10/2023	Printed		140	FIRE ROVER	August 2023	161.00
13914	08/10/2023	Printed		137	GFL ENVIRONMENTAL	Novi Drop-Off-July 2023	10,950.00
13915	08/10/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	July 2023	3,987.50
13916	08/10/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	App to Action-July 2023	13,176.29
13917	08/10/2023	Printed		63	JDCTEK LLC.	Repair to Laura's email	168.75
13918	08/10/2023	Printed		160	KASTLE SYSTEMS LLC	Novi Drop-Off-September 2023	1,118.00
13919	08/10/2023	Printed		184	MISSION SQUARE	8/3/2023 Payroll-Plan #303663	1,243.14
13920	08/10/2023	Printed		33	SQS, INC.	South Lyon batteries	820.25
13921	08/10/2023	Printed		33	SQS, INC.	Farmington batteries	520.81
13922	08/10/2023	Printed		160	KASTLE SYSTEMS LLC	August 2023	1,118.00
13923	08/29/2023	Printed		124	BLUE CROSS BLUE SHIELD OF MICH	September 2023	4,999.28
13924	08/29/2023	Printed		429	CHASE	Visa	1,088.33
13925	08/29/2023	Printed		94	COMCAST	Phone 9/2-10/1/23	177.78
13926	08/29/2023	Printed		63	JDCTEK LLC.	Office 365 migration	1,620.00
13927	08/29/2023	Printed		184	MISSION SQUARE	8/31/23 Payroll-Plan #303663	1,243.14
13928	08/29/2023	Printed		148	PHOENIX INNOVATE	Multi-Family mailer	4,587.11
13929	08/29/2023	Printed		129	ROUTEWARE	ReCollect 2023-2024	11,268.72
13930	08/29/2023	Printed		33	SQS, INC.	July 2023 appointments	13,635.00
13931	08/29/2023	Printed		130	THE HARTFORD	September 2023	527.09
13932	09/12/2023	Void				Void Check	0.00
13933	09/12/2023	Void				Void Check	0.00
13934	09/12/2023	Void				Void Check	0.00
13935	09/12/2023	Void				Void Check	0.00
13936	09/12/2023	Void				Void Check	0.00
13937	09/12/2023	Void				Void Check	0.00
13938	09/12/2023	Void				Void Check	0.00
13939	09/12/2023	Void				Void Check	0.00
13940	09/12/2023	Void					0.00
13941	09/12/2023	Void					0.00
13942	09/12/2023	Void					0.00
13943	09/12/2023	Printed		140	FIRE ROVER	September 2023	161.00
13944	09/12/2023	Printed		137	GFL ENVIRONMENTAL	August 2023	9,750.00
13945	09/12/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	August 2023	2,956.25

Check Register Report

Date: 09/18/2023

Time: 3:16 pm

Page: 3

RRRASOC

BANK: STANDARD FEDERAL BANK

Check Number	Check Date	Status	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
<b>STANDARD FEDERAL BANK Checks</b>							
13946	09/12/2023	Printed		123	IRIS WASTE DIVERSION SPECIAL	August 2023 grant work	21,502.67
13947	09/12/2023	Printed		63	JDCTEK LLC.	Set up of Laura's new computer	387.50
13948	09/12/2023	Printed		160	KASTLE SYSTEMS LLC	October 2023	1,118.00
13949	09/12/2023	Printed		125	MI MUNICIPAL RISK MANAGEMENT	General Fund 11/5/23-11/5/24	19,093.00
13950	09/12/2023	Printed		125	MI MUNICIPAL RISK MANAGEMENT	Retention Fund 11/5/23-11/5/24	8,000.00
13951	09/12/2023	Printed		184	MISSION SQUARE	9/14/2023 Payroll-Plan #303663	1,243.14
13952	09/12/2023	Printed		148	PHOENIX INNOVATE	Multi-Family Postcard	5,016.00
13953	09/12/2023	Printed		4	PLANTE & MORAN PLLC	Audit FY 2022-2023	3,250.00

**Total Checks: 111**

**Checks Total (excluding void checks): 573,060.84**

**Total Payments: 111**

**Bank Total (excluding void checks): 573,060.84**

**Total Payments: 111**

**Grand Total (excluding void checks): 573,060.84**

P.O. Box 15284  
Wilmington, DE 19850

**Customer service information**

AG 0915 0 002 279 21933 #@01 AV 0.498

RESOURCE RECOVERY AND RECYCLING  
AUTHORITY OF SOUTHWEST OAKLAND COUNTY  
20000 W 8 MILE RD  
SOUTHFIELD, MI 48075-5708

-  Customer service: 1.888.400.9009
-  [bankofamerica.com](http://bankofamerica.com)
-  Bank of America, N.A.  
P.O. Box 25118  
Tampa, FL 33622-5118

## Your Public Funds Interest Checking

for August 1, 2023 to August 31, 2023

Account number:

**RESOURCE RECOVERY AND RECYCLING    AUTHORITY OF SOUTHWEST OAKLAND COUNTY**

### Account summary

Beginning balance on August 1, 2023	\$397,185.57	# of deposits/credits: 1
Deposits and other credits	150.19	# of withdrawals/debits: 1
Withdrawals and other debits	-0.00	# of days in cycle: 31
Checks	-0.00	Average ledger balance: \$397,100.61
Service fees	-163.75	
<b>Ending balance on August 31, 2023</b>	<b>\$397,172.01</b>	

Annual Percentage Yield Earned this statement period: 0.45%.  
Interest Paid Year To Date: \$1,140.38.





**Oakland County Investment Pool  
Position Report - Portrait  
Investment**

Oakland County Treasury

**As Of September 7, 2023**

<b>Investment #</b>		<b>Managed Pool Accounts</b> <span style="float:right">(PA4)</span>	
<b>Fund</b>		<b>Begin Rate</b> 1.3522312	<b>Current</b> 0.8646862
<b>CUSIP</b>	<b>SYSTEM</b> SYS	<b>Rates as of</b> 08/01/2023	<b>Basis</b> 365
<b>Issuer</b>	99999 Pooled Investments	<b>Interest Period</b> ME	
<b>Cert./Acct#</b>		<b>First Interest Due</b> 06/01/2012	
<b>Dealer</b>	<b>GASB 3</b>	<input checked="" type="checkbox"/> <b>Add Interest to Account Balance</b>	
<b>Custodian</b>		<input type="checkbox"/> <b>Include in Yield Calculation</b>	
<b>Asset Class</b> Cash and Equivalents	<b>S&amp;P</b> <b>Moody's</b>	<input checked="" type="checkbox"/> <b>Clearing Account</b>	
<b>Investment Class</b> Book Value		<b>Market Price</b>	0
		<b>Market Price Date</b>	
<b>Beginning Balance Date</b>	10/01/2022	<b>Last Withdrawal Date</b>	09/01/2023
<b>Beginning Balance</b>	617,564.25	<b>Last Deposit Date</b>	
<b>Current Balance</b>	625,191.43		
<b>Deactivate Date</b>			
<b>Accrued Interest from Previous Fiscal Year</b>		<b>Comment</b>	
695.10		<b>Current Fiscal Year Interest Received to</b>	
		7,855.25	

**Passbook Transactions**

Trans. Dat	Deposit	Withdrawal	Int. Rcvd.	Balance	Rate	Cd Receipt	Comments
08/01/2023	0.00	19.48	197.36	624,745.73		FI	Interest Earnings
08/01/2023	0.00	0.00	0.00	624,745.73	0.865	R	Interest Earnings
09/01/2023	0.00	19.48	465.18	625,191.43		FI	Interest Earnings

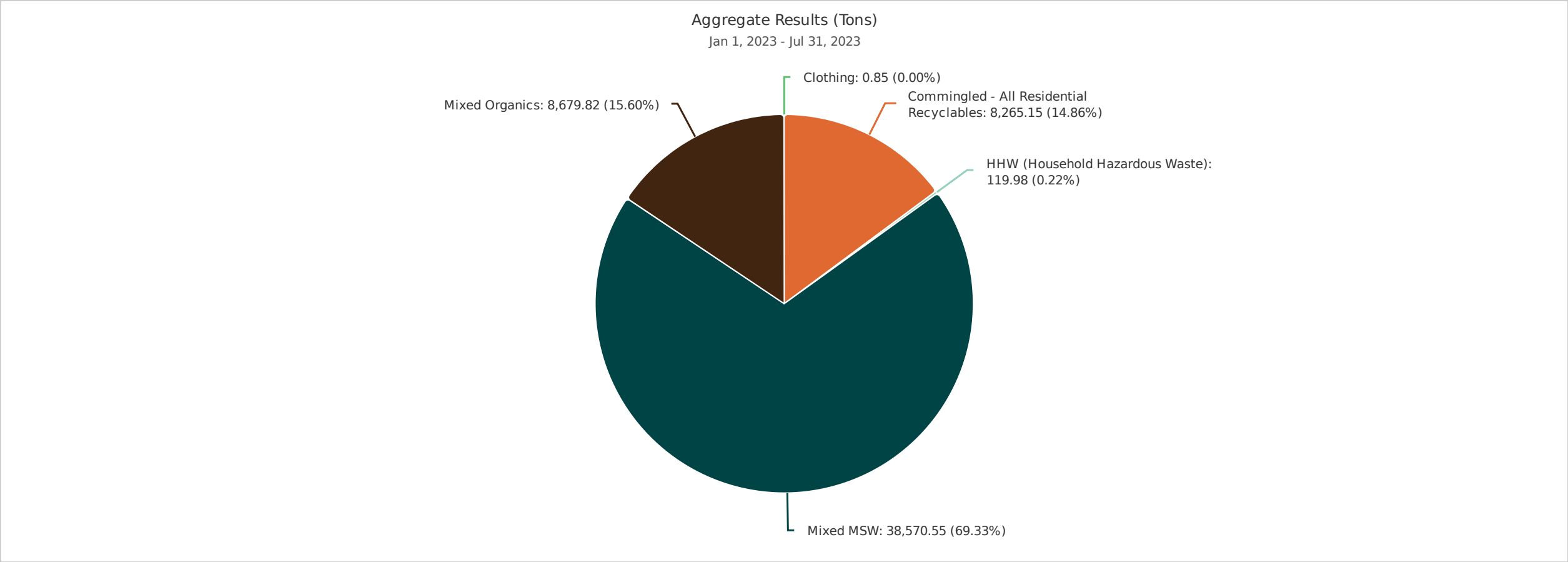
REVENUE/EXPENDITURE REPORT

RRRASOC

For the Period: 7/1/2023 to 8/31/2023

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Fund: 596 - GENERAL FUND - ADMINISTRATION</b>							
<b>Revenues</b>							
580.000 MEMBER CONTRIBUTIONS	388,858.00	388,858.00	374,588.55	205,561.80	0.00	14,269.45	96.3
645.000 REVENUE SHARING-RRRASOC	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	0.0
646.000 REVENUE SHARING-NON RRRASOC	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	0.0
647.000 HOST FEES	126,000.00	126,000.00	0.00	0.00	0.00	126,000.00	0.0
664.000 INTEREST INCOME	6,000.00	6,000.00	954.60	615.37	0.00	5,045.40	15.9
671.000 MISCELLANEOUS INCOME	60,000.00	60,000.00	0.00	0.00	0.00	60,000.00	0.0
<b>Revenues</b>	<b>607,058.00</b>	<b>607,058.00</b>	<b>375,543.15</b>	<b>206,177.17</b>	<b>0.00</b>	<b>231,514.85</b>	<b>61.9</b>
<b>Expenditures</b>							
702.000 SUPERVISORY SALARIES	132,311.00	132,311.00	25,444.40	15,266.64	0.00	106,866.60	19.2
703.000 PERMANENT SALARIES	65,480.00	65,480.00	12,592.30	7,366.50	0.00	52,887.70	19.2
705.000 OVERTIME	7,544.00	7,544.00	2,544.44	0.00	0.00	4,999.56	33.7
710.000 FICA	17,805.00	17,805.00	3,507.75	1,987.86	0.00	14,297.25	19.7
711.000 MEDICAL/DENTAL INSURANCE	69,250.00	69,250.00	16,579.11	5,526.37	0.00	52,670.89	23.9
712.000 UNEMPLOYMENT INSURANCE	1,046.00	1,046.00	0.00	0.00	0.00	1,046.00	0.0
713.000 WORKERS COMP.	800.00	800.00	0.00	0.00	0.00	800.00	0.0
715.000 ICMA	27,412.00	27,412.00	5,271.30	2,108.52	0.00	22,140.70	19.2
727.000 OPERATING SUPPLIES	750.00	750.00	0.00	0.00	0.00	750.00	0.0
728.000 OFFICE SUPPLIES	2,000.00	2,000.00	60.83	60.83	0.00	1,939.17	3.0
729.000 POSTAGE & MAILING	17,400.00	17,400.00	594.97	594.97	0.00	16,805.03	3.4
730.000 MAGAZINES & PERIODICALS	80.00	80.00	0.00	0.00	0.00	80.00	0.0
810.000 AUDIT	15,000.00	15,000.00	11,400.00	0.00	0.00	3,600.00	76.0
812.000 LEGAL COUNSEL	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	0.0
821.000 MEMBERSHIP DUES	1,000.00	1,000.00	499.00	0.00	0.00	501.00	49.9
822.000 CONTRACTUAL SERVICES-OTHER	150,800.00	150,800.00	22,765.55	20,416.74	0.00	128,034.45	15.1
822.002 DROP-PFF	165,000.00	165,000.00	14,304.00	13,186.00	0.00	150,696.00	8.7
822.003 HHW Wash	30,000.00	30,000.00	4,682.06	-34,641.94	0.00	25,317.94	15.6
830.000 TELEPHONE	6,480.00	6,480.00	1,212.67	317.78	0.00	5,267.33	18.7
831.000 VEHICLE EXPENSE	4,800.00	4,800.00	800.00	400.00	0.00	4,000.00	16.7
835.000 COMMUNITY RELATIONS	8,700.00	8,700.00	0.00	0.00	0.00	8,700.00	0.0
836.000 PRINTING & PUBLISHING	48,915.00	48,915.00	13,397.47	13,397.47	0.00	35,517.53	27.4
840.000 BUILDING/LIAB. INS.	26,593.00	26,593.00	0.00	0.00	0.00	26,593.00	0.0
850.000 EQUIPMENT MAINTENANCE	26,888.00	26,888.00	1,788.75	1,788.75	0.00	25,099.25	6.7
851.000 BUILDING MAINTENANCE	1,700.00	1,700.00	0.00	0.00	0.00	1,700.00	0.0
860.000 CONFERENCES & WORKSHOPS	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.0
890.000 MILEAGE EXPENSES	2,500.00	2,500.00	18.75	18.75	0.00	2,481.25	0.8
970.000 CAPITAL OUTLAY	45,000.00	45,000.00	0.00	0.00	0.00	45,000.00	0.0
975.000 COMPUTER SOFTWARE	685.00	685.00	182.53	182.53	0.00	502.47	26.6
978.000 OFFICE EQUIPMENT	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.0
979.000 CONTINGENCY	6,757.00	6,757.00	0.00	0.00	0.00	6,757.00	0.0
<b>Expenditures</b>	<b>892,196.00</b>	<b>892,196.00</b>	<b>137,645.88</b>	<b>47,977.77</b>	<b>0.00</b>	<b>754,550.12</b>	<b>15.4</b>
<b>Net Effect for GENERAL FUND - ADMINISTRATION</b>	<b>-285,138.00</b>	<b>-285,138.00</b>	<b>237,897.27</b>	<b>158,199.40</b>	<b>0.00</b>	<b>-523,035.27</b>	<b>-83.4</b>
Change in Fund Balance:			237,897.27				
<b>Grand Total Net Effect:</b>	<b>-285,138.00</b>	<b>-285,138.00</b>	<b>237,897.27</b>	<b>158,199.40</b>	<b>0.00</b>	<b>-523,035.27</b>	

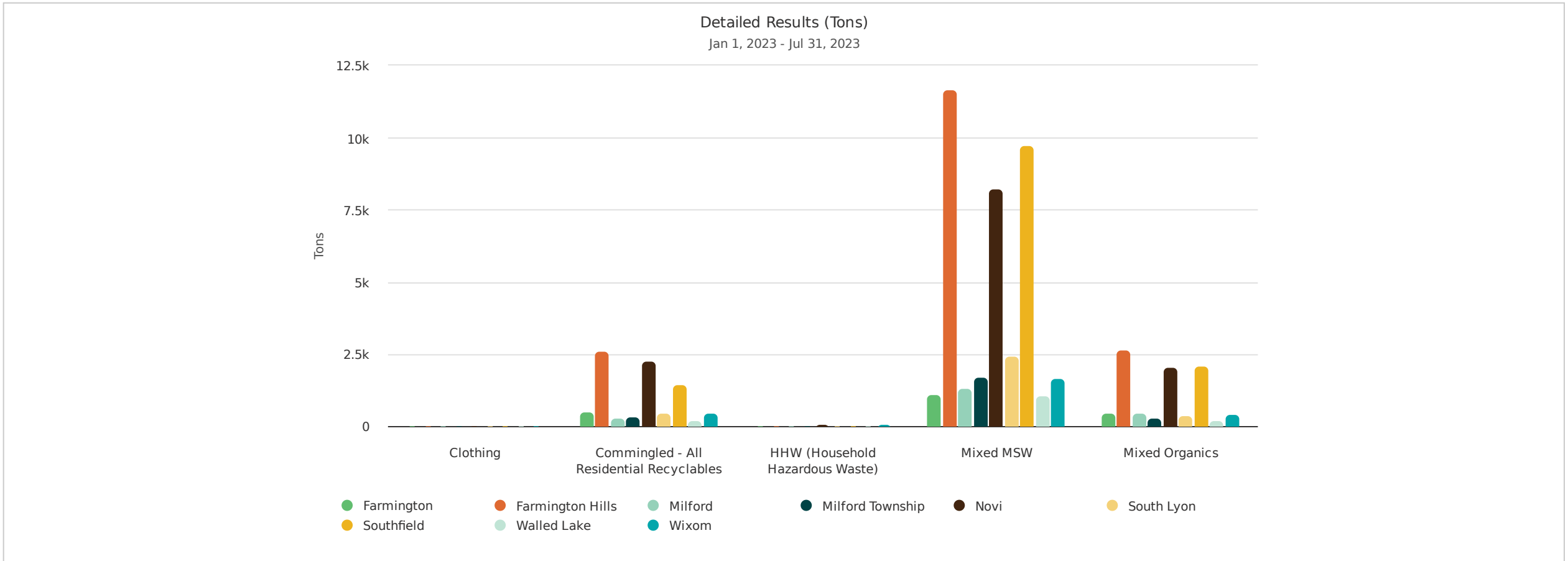
# Material Management Report



## Aggregate Results (Tons)

Displaying data collected for: Jan 1, 2023 - Jul 31, 2023

MATERIALS	TONS
Clothing	0.85
Commingled - All Residential Recyclables	8,265.15
HHW (Household Hazardous Waste)	119.98
Mixed MSW	38,570.55
Mixed Organics	8,679.82



### Detailed Results (Tons)

Displaying data collected for:

Jan 1, 2023 - Jul 31, 2023

ORGANIZATIONS	CLOTHING	COMMINGLED - ALL RESIDENTIAL RECYCLABLES	HHW (HOUSEHOLD HAZARDOUS WASTE)	MIXED MSW	MIXED ORGANICS
Farmington	0.10	472.71	2.80	1,054.55	415.45
Farmington Hills	0.27	2,581.74	16.21	11,627.60	2,610.05
Milford	0.07	269.38	10.90	1,275.83	410.38
Milford Township	0	285.10	13.67	1,654.66	244.00

Novi	0.19	2,252.73	28.30	8,193.26	2,033.16
South Lyon	0.06	415.93	5.76	2,384.28	341.87
Southfield	0.12	1,400.25	12.71	9,689.32	2,056.03
Walled Lake	0.01	159.97	4.48	1,046.85	167.39
Wixom	0.04	427.34	25.15	1,644.20	401.49
Total	0.85	8,265.15	119.98	38,570.55	8,679.82



# Resource Recovery & Recycling Authority of Southwest Oakland County

20000 W. 8 Mile Rd  
Southfield, MI 48075-5708

Office: 248.208.2270

Fax: 248.208.2273

www.RRRASOC.org

**THE RECYCLING AUTHORITY**  
*Since 1989*

To: RRRASOC Board of Directors  
From: Mike Csapo, General Manager  
Date: September 18, 2023

Re: **MRF Operations Report**

Attached are the MRF throughput figures through July of 2023. During the period, the MRF accepted more than 30,000 gross tons of material, which is 18% less than the same period in 2022.

The large drop is primarily due to the lack of material secured by Republic Services. Third party material during the period was 27% lower than the same period the prior year.

More than 9,500 tons, or 31.8%, came from RRRASOC Member Communities' programs in accordance with MRF Service Agreements or RRRASOC drop-off sites, which is 12.4% more than the same period in 2022.

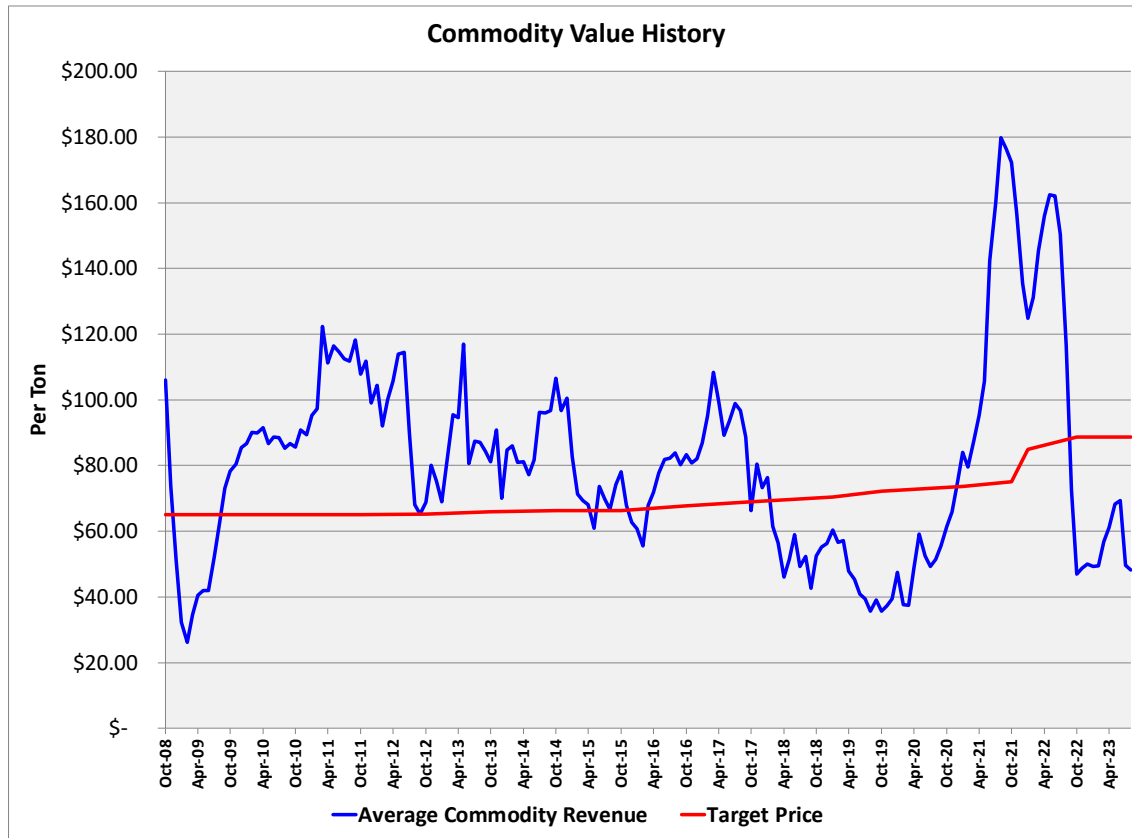
As shown on the attached graph, commodity prices remained volatile and below average but above the October 2022 low.

Please let me know if you have any questions or comments.

attachment

RRRASOC Member Communities  
Farmington ♦ Farmington Hills ♦ Milford ♦ Milford Township  
Novi ♦ South Lyon ♦ Southfield ♦ Walled Lake ♦ Wixom

MRF Throughput																		
Source:	Farmington	Farmington Hills	Village of Milford	Milford Twp	Novi	Novi DO	South Lyon	Southfield	Southfield DO	Walled Lake	Wixom	RRRASOC Total	Third Party	Total	RRRASOC %			
Jan-23	59.66	368.45	45.36	42.23	303.22	48.46	63.90	192.20	12.62	20.31	48.91	1,205.32	2,358.86	3,564.18	33.8%			
Feb-23	57.40	280.88	25.44	33.23	232.65	38.73	96.54	136.49	14.32	20.68	49.04	985.40	1,800.28	2,785.68	35.4%			
Mar-23	61.00	359.87	32.51	42.95	273.56	40.59	66.07	185.65	15.21	31.17	50.66	1,159.24	2,715.49	3,874.73	29.9%			
Apr-23	51.49	336.96	31.13	49.84	244.50	72.02	61.95	165.82	20.54	20.59	59.94	1,114.78	2,601.86	3,716.64	30.0%			
May-23	86.24	394.86	31.50	33.73	282.15	52.72	76.30	209.20	16.77	30.86	61.37	1,275.70	3,202.21	4,477.91	28.5%			
Jun-23	85.57	429.94	55.14	56.28	300.39	58.28	59.46	209.12	16.42	37.82	72.72	1,381.14	2,686.03	4,067.17	34.0%			
Jul-23	75.72	378.41	47.06	23.84	247.37	53.40	33.65	188.66	17.63	17.33	61.29	1,144.36	2,512.98	3,657.34	31.3%			
Aug-23	76.41	442.67	46.17	38.40	291.01	46.38	52.62	177.25	13.12	28.04	62.23	1,274.30	2,598.50	3,872.80	32.9%			
Sep-23																		
Oct-23																		
Nov-23																		
Dec-23																		
Total	553.49	2,992.04	314.31	320.50	2,174.85	410.58	510.49	1,464.39	126.63	206.80	466.16	9,540.24	20,476.21	30,016.45	31.8%			
Average	69.19	374.01	39.29	40.06	271.86	51.32	63.81	183.05	15.83	25.85	58.27	1,192.53	2,559.53	3,752.06	31.8%			





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**THE RECYCLING AUTHORITY**  
*Since 1989*

**Minutes of April 27, 2023**  
**RRRASOC Board of Directors Meeting**  
**9:30 am**  
**Southfield Municipal Complex**  
**City of Southfield Parks and Recreation**  
**2<sup>nd</sup> Floor, Room 223**  
**26000 Evergreen Road, Southfield, MI 48075**

**1. Call to Order**

Mr. Zorn called the meeting to order at 9:31 am.

**2. Roll Call**

Fred Zorn	Chairperson, Southfield
Don Green	Vice Chairperson, Charter Township of Milford
Christian Wuerth	Milford Village
Chuck Eudy	Farmington
Karen Mondora	Farmington Hills
L Dennis Whitt	Walled Lake
Tim Sikma	Wixom
Patrick Ryan	Southfield
Michael Csapo	RRRASOC
Laura Shaw	RRRASOC

**3. Approval of Agenda**

Mr. Wuerth moved to approve the agenda. Ms. Mondora supported and the motion passed unanimously by the Board.

**4. Audience Participation**

None.

**5. Public Hearing**

**A. Proposed FY 2023-2024 Budget**

Mr. Csapo summarized the proposed FY 2023-2024 Budget. Mr. Csapo informed the Board that the Public Hearing was duly advertised and recorded.

Mr. Green moved to open the Public Hearing. Mr. Wuerth supported and the motion passed unanimously by the Board. No public was in attendance. Mr. Wuerth moved to close the Public Hearing. Mr. Green supported and the motion passed unanimously by the Board.

RRRASOC Member Communities

Farmington ♦ Farmington Hills ♦ Milford ♦ Milford Township

Novi ♦ South Lyon ♦ Southfield ♦ Walled Lake ♦ Wixom



## **6. Matters for Discussion/Action**

### **A. Proposed FY 2023-2024 Budget**

Mr. Csapo presented the proposed FY 2023-2024 budget and the amended FY 2022-2023 Budget.

Mr. Wuerth made a motion to adopt the proposed FY 2023-2024 RRRASOC budget and the amended FY 2022-2023 budget as presented. Ms. Mondora supported and the motion passed unanimously by the Board.

### **B. MRF Services Agreement Extentions**

Mr. Csapo discussed the two-year extention of the Republic Services Agreement for Operation of the RRRASOC MRF.

Mr. Sikma made a motion to authorize RRRASOC to enter into MRF Services Agreement extensions, as necessary by community. Mr. Wuerth supported and the motion passed unanimously by the Board.

### **C. General Manager's Evaluation**

The Board entered into closed session to discuss the General Manager's evaluation. The Board returned from closed session at 9:55 am.

Mr. Whitt made a motion to increase staff salaries by 9%. Mr. Wuerth supported and the motion passed unanimously.

## **7. Manager's Report**

Mr. Csapo updated the Board on the HHW events that have been held in Wixom and Southfield. Mr. Csapo also informed the Board of Earth Day activities that staff attended. Mr. Csapo also informed the Board that RRRASOC will begn participating in the Farmington Farmer's Markets.

## **8. Other**

None.

## **9. Consent Agenda**

- A. Payment of Bills Report**
- B. Investment Report**
- C. Revenue and Expenditure Report**
- D. Material Management Report**
- E. MRF Operations Report**
- F. Minutes of March 30, 2023 Regular Meeting**

Mr. Wuerth moved to approve the Consent Agenda. Mr. Green supported and the motion passed unanimously by the Board.

## **10. Adjournment**

Mr. Wuerth made a motion to adjourn at 10:15 am. Ms. Mondora supported and the motion passed unanimously by the Board.