



R·R·R·A·S·O·C

FY 2025 – 2026 Budget
Adopted April 24, 2025
and
amendments to FY 2024 – 2025
adopted June 26, 2025

Member Communities

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

Board of Directors

Chairman

Gary Mekjian, City Manager, Farmington Hills

Vice Chairman

Steve Brown, City Manager, Wixom

Treasurer

Chelsea Pesta, Assistant City Manager, Walled Lake

Secretary

Fred Zorn, City Administrator, Southfield

David Murphy, City Manager, Farmington

Christian Wuerth, Village Manager, Milford

Victor Cardenas, City Manager, Novi

Paul Zelenak, City Manager, South Lyon

L. Dennis Whitt, City Manager, Walled Lake

Matthew Best, Township Manager, Milford Township

Designated Board Alternates

Chuck Eudy, Director, Farmington Department of Public Services

Karen Mondora, Assistant City Manager, Farmington Hills

Jacob Rushlow, Director, Farmington Hills Department of Public Services

Derrick Schueller, Superintendent, Farmington Hills Department of Public Works

Mike Karll, Director, Village of Milford Department of Public Services

Jeff Herczeg, Director, Novi Department of Public Works

John Michrina, Deputy City Administrator, Southfield

Abdul Siddiqui, Director, Southfield Department of Public Works

Tim Sikma, Director, Wixom Department of Public Works

RRRASOC Staff

Michael Csapo, General Manager

Laura Shaw, Administrative Secretary

IRIS Waste Diversion Specialists, Education and Outreach Coordinators

**Resource Recovery and Recycling Authority of Southwest Oakland County
Adopted FY 2025 – 2026 Budget**

Executive Summary

The adopted FY 2025-2026 RRRASOC budget continues a full range of services, incorporates grant-funded programs, and maintains the Authority's fund balance in a healthy position. It also integrates potential new costs and revenues anticipated following the expiration of the financial arrangements in the current MRF operating agreement.

Fund Balance

The budget for FY 2025-2026 maintains a total ending fund balance of \$399,564, which represents an operating fund balance of 25% of operating expenditures not related to capital outlay or anticipate curbside recycling fees, and an assigned capital fund balance of \$147,503.

Revenue

The budget shows total revenue of \$1,530,734, of which \$576,086 or 37.6% is from member contributions. Per capita rates are set at \$2.00. Contributions are based on the 2020 Census.

Other sources of revenue combine for \$954,648. Revenue projected from curbside recycling is \$350,300 and \$21,500 from drop off recycling. \$150,000 in host fees are projected. Community reimbursement for recycling costs is estimated at \$350,300. Revenue from these sources is highly dependent upon market prices and recyclable volumes. Projections are based historical and anticipated prices and volumes and will be adjusted as necessary to accommodate movements in the market.

Grant revenue of \$72,548 is included in the budget.

Expenditures

Expenditures for FY 2025-2026 total \$1,753,842. RRRASOC's efforts include activities such as anticipated recycling processing costs, inspections, solid waste program management and analysis, legislative and policy analysis, outreach and education, contract management, facility oversight, recycling drop-off center costs, and special collections.

Line-Item Narrative

The following is a description of various revenue and expenditure items, which warrant a more detailed treatment. Expenditures more than \$9,000, and thereby deemed material, are included.

Revenue

580.00 - Member Contributions Total: \$576,086
 Membership contributions are set at \$2.00 per capita and are based on the 2020 Census.
 Individual community costs are as follows:

| | | | | | | | | |
|------------|------------------|----------|-------------|-----------|------------|------------|-------------|----------|
| Farmington | Farmington Hills | Milford | Milford Twp | Novi | South Lyon | Southfield | Walled Lake | Wixom |
| \$22,992 | \$165,502 | \$12,832 | \$21,140 | \$131,822 | \$23,358 | \$149,722 | \$14,500 | \$34,218 |

582.00 - Member Tip Fee Reimbursement Total: \$350,300
Membership net tip fee reimbursement for recycling processing is based on projected volume.
Individual community costs are as follows:

| | | | | | | | | |
|------------|------------------|----------|-------------|----------|------------|------------|-------------|----------|
| Farmington | Farmington Hills | Milford | Milford Twp | Novi | South Lyon | Southfield | Walled Lake | Wixom |
| \$18,500 | \$120,100 | \$10,025 | \$11,525 | \$86,700 | \$18,625 | \$60,975 | \$6,900 | \$16,950 |

645.00 - Revenue Sharing (curbside) Total: \$350,300
Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected curbside within the RRRASOC Member Communities. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

646.00 - Revenue Sharing (drop-off) Total: \$21,500
Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected through the drop-off centers. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

647.00 - Host Fees Total: \$150,000
Revenue is calculated based on the incoming volume of material collected outside of the RRRASOC programs.

671.00 – Miscellaneous Income Total: \$72,548
This includes grants and revenue from state and third-party sources.

Expenditures

702.00 - 715.00 - Human Resources Total: \$347,524

These items account for the costs associated with RRRASOC's FTEs. These items include salaries and wages, deferred compensation, employer FICA costs, medical benefits, unemployment, and worker's compensation insurance.

729.00 - Postage & Mailing Total: \$19,516

This item includes costs associated general postage, as well as direct-mail postcards and "new resident" packets to inform residents about various programs.

810.00 – Audit Total: \$18,500

This item consists of the cost of the annual third-party audit of RRRASOC's annual financial statements.

822.00 - Contractual Services Total: \$171,974

This item consists of charges and fees associated with various contracted services, including payroll services, banking fees, data management systems, the contracted Education Coordinator, grant-funded robotics data services, and the Fire Rover fire protection system.

822.02 – Contractual Services: Drop-Off Total: \$267,000

Costs associated with recycling processing costs, vendor services, and host fees at the Novi recycling drop-off center are charged to this account.

822.03 – Contractual Services: HHW Total: \$35,000

This includes costs associated with vendor services for household hazardous waste and shredding services as well as special events.

822.04 – Contractual Services: Tip Fees Total: \$700,600

This includes projected gross processing costs associated the processing of curbside volume.

836.00 - Printing/Publishing Total: \$55,053

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

840.00 – Building/Property Insurance Total: \$25,000

This item includes building, property and liability insurance associated with the MRF.

850.00 – Equipment Maintenance Total: \$30,500

This item includes office equipment and preventative maintenance activities, as well as engineering review of Republic Services' MRF maintenance and repair activity.

970.00 – Capital Outlay Total: \$45,000

This item includes costs for potential major capital equipment repairs and replacement.

| REVENUE | | | | | |
|--------------|----------------------------------|---------------------|----------------------|----------------------|----------------------|
| Account | Description | Actual 2023-2024 | Adopted 2024-2025 | Amended 2024-2025 | Adopted 2025-2026 |
| 580.000 | Member Contributions | \$ 388,858 | \$ 403,260 | \$ 403,260 | \$ 576,086 |
| 582.000 | Member Tip Fee Reimbursement | 0 | 0 | 0 | 350,300 |
| 664.000 | Interest Income | 13,173 | 23,000 | 23,000 | 10,000 |
| 645.000 | Revenue Sharing (curbside) | 32,920 | 32,285 | 51,166 | 350,300 |
| 646.000 | Revenue Sharing (drop-off) | 1,847 | 2,175 | 3,121 | 21,500 |
| 647.000 | Host Fees | 191,607 | 240,000 | 248,000 | 150,000 |
| 671.000 | Misc. Income | 423,166 | 175,425 | 137,320 | 72,548 |
| | | | | | |
| | Total Revenue | \$ 1,051,571 | \$ 876,145 | \$ 865,867 | \$ 1,530,734 |
| | | | | | |
| | Beginning Fund Balance (7/1) | \$ 1,136,612 | \$ 893,898 | \$ 893,898 | \$ 622,673 |
| | Total Funds Available | 2,188,183 | 1,770,043 | 1,759,765 | 2,153,406 |
| | Total Expenditures | 1,294,285 | 1,130,714 | 1,137,092 | 1,753,842 |
| | Total Ending Fund Balance (6/30) | \$ 893,898 | \$ 639,329 | \$ 622,673 | \$ 399,564 |
| | Assigned Capital Fund Balance | 678,216 | 407,551 | 389,300 | 147,503 |
| | Operating Fund Balance | 215,682 | 231,778 | 233,373 | 252,061 |
| | Operating FB % | 25.0% | 25.0% | 25.0% | 25.0% |
| | | | | | |
| EXPENDITURES | | | | | |
| Account | Description | Actual 2023-2024 | Adopted 2024-2025 | Amended 2024-2025 | Adopted 2025-2026 |
| 702.000 | Supervisory Salaries | \$ 132,311 | \$ 138,926 | \$ 142,049 | \$ 143,789 |
| 703.000 | Permanent Salaries | 65,480 | 68,754 | 70,263 | 71,160 |
| 705.000 | Overtime/Bonus/Longevity | 7,544 | 7,672 | 7,672 | 7,766 |
| 710.000 | FICA | 17,805 | 18,629 | 19,283 | 19,244 |
| 711.000 | Medical/Dental Insurance | 66,900 | 71,519 | 71,519 | 75,094 |
| 712.000 | Unemployment Insurance | 532 | 505 | 505 | 532 |
| 713.000 | Workers Compensation | 1,039 | 952 | 968 | 1,100 |
| 715.000 | ICMA RC | 27,411 | 27,658 | 28,917 | 28,838 |
| 727.000 | Operating Supplies | 0 | 250 | 250 | 250 |
| 728.000 | Office Supplies | 1,482 | 1,500 | 1,500 | 1,500 |
| 729.000 | Postage & Mailing | 18,659 | 19,516 | 19,516 | 19,516 |
| 730.000 | Magazines/Periodicals | 24 | 160 | 160 | 160 |
| 810.000 | Audit | 14,650 | 18,180 | 18,180 | 18,500 |
| 811.000 | Consulting Services:Engr. | 0 | 0 | 0 | 0 |
| 812.000 | Consulting Services:Legal | 0 | 4,000 | 4,000 | 4,000 |
| 821.000 | Membership Dues | 1,129 | 1,148 | 1,148 | 1,148 |
| 822.000 | Contractual Services | 203,732 | 171,479 | 171,479 | 171,974 |
| 822.002 | Contractual Services: Drop-Off | 147,661 | 201,500 | 201,500 | 267,000 |
| 822.003 | Contractual Services: HHW | 32,162 | 37,300 | 37,300 | 35,000 |
| 822.004 | Curbside Recycling Tip Fees | 0 | 0 | 0 | 700,600 |
| 830.000 | Utilities | 5,410 | 4,980 | 4,980 | 4,980 |
| 831.000 | Vehicle Allowance | 4,800 | 4,800 | 4,800 | 4,800 |
| 835.000 | Community Relations | 8,052 | 9,300 | 9,300 | 9,300 |
| 836.000 | Printing/Publishing | 55,913 | 55,053 | 55,053 | 55,053 |
| 840.000 | Building/Liability Insurance | 23,909 | 21,599 | 21,599 | 25,000 |
| 850.000 | Equipment Maintenance | 20,382 | 30,500 | 30,500 | 30,500 |
| 851.000 | Building/Grounds Maintenance | 0 | 500 | 500 | 500 |
| 852.000 | Office Equipment Rental | 0 | 0 | 0 | 0 |
| 860.000 | Conferences & Workshops | 0 | 500 | 500 | 500 |
| 890.000 | Expenses & Mileage | 1,961 | 2,500 | 3,500 | 2,500 |
| 970.000 | Capital Outlay | 431,558 | 203,600 | 203,600 | 45,000 |
| 975.000 | Computer Software | 2,159 | 2,234 | 2,310 | 2,234 |
| 978.000 | Office Equipment | 1,620 | 500 | 500 | 500 |
| 979.000 | Contingency | 0 | 5,000 | 3,742 | 5,804 |
| | | | | | |
| | Total | \$ 1,294,285 | \$ 1,130,714 | \$ 1,137,092 | \$ 1,753,842 |



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