

# Fiscal Year 2018 Solid Waste & Recycling Materials Forecast



PUBLIC UTILITIES BOARD  
FEBRUARY 27, 2017

# Background & Assumptions

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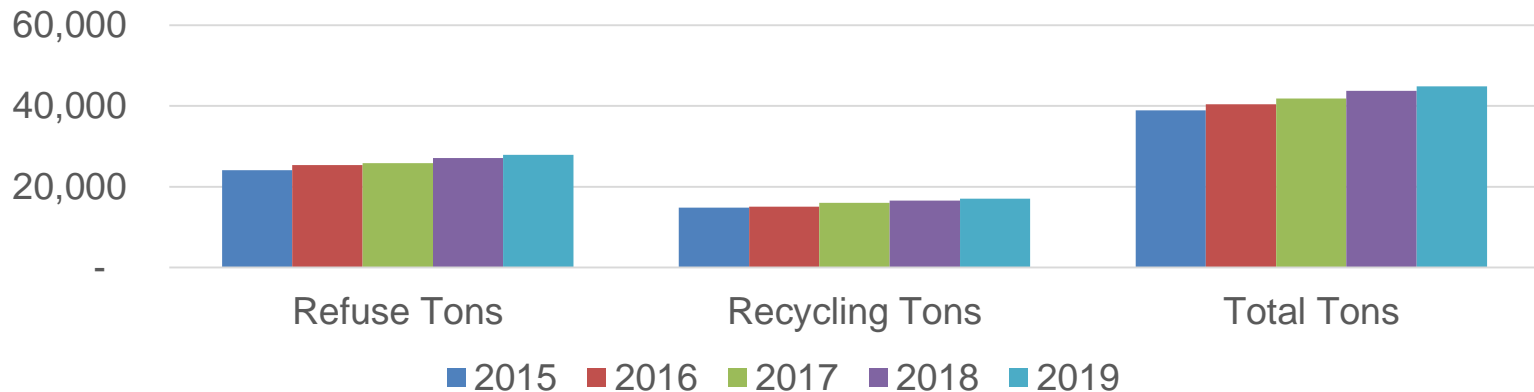
- Residential growth based on building permits and historical growth patterns.
- Commercial growth based on development review project projections and historical growth information.
- Landfill growth is based on residential and commercial growth within the City and forecasted private volumes.
- Five year historical revenue forecasts versus actual revenues are 0.52% higher than budgeted.
- Five year historical expense forecasts versus actual expenses are 0.84% lower than budgeted.

# Residential Collection Services

## Refuse and Recycling



Fiscal Year	Monthly Average Customer	Refuse Cart Tons	Recycling Cart Tons	Yard Waste	Total Tons	Recycle %
2015	29,491	24,110	7,625	7,171	38,906	38.0%
2016	30,288	25,338	8,153	6,909	40,400	37.3%
2017	31,661	25,821	8,523	7,461	41,804	38.2%
2018	32,516	27,135	8,909	7,662	43,706	37.9%
2019	33,394	27,868	9,150	7,869	44,886	37.9%

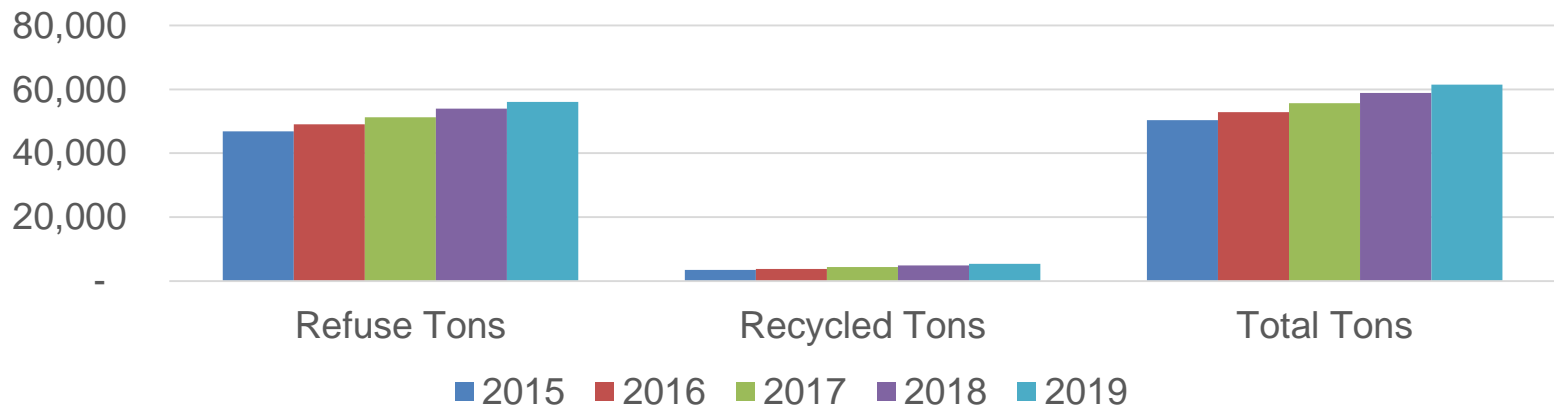


# Commercial Collection Services

## Front & Side Load Service

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Fiscal Year	Refuse Containers in Field	Recycling Containers in Field	Refuse Tons	Recycled Tons	Total % Recycled Tons	Total % Recycled Tons
2015	2,481	334	46,845	3,533	50,378	7.0%
2016	2,658	440	49,069	3,790	52,859	7.2%
2017	2,768	500	51,293	4,360	55,653	7.8%
2018	2,878	555	53,986	4,883	58,868	8.3%
2019	2,988	610	56,049	5,405	61,454	8.8%



# Solid Waste & Recycling Services

## Materials Forecast Summary

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	Actual 2016	Forecast 2017	Forecast 2018	Forecast 2019
<b>Materials Tons Managed</b>				
COD Residential Refuse	40,448	41,853	43,846	45,223
COD Commercial Refuse	88,218	93,345	100,115	105,674
Facility Customers	257,374	286,728	314,509	345,920
<b>Total Annual</b>	<b>386,040</b>	<b>421,926</b>	<b>458,470</b>	<b>496,818</b>
<b>Recycled &amp; Diverted Tons</b>				
Residential Curbside	8,153	8,523	8,909	9,150
Commercial Recycling	3,790	4,360	4,883	5,405
Building Materials Recovery	1,869	2,019	2,180	2,354
Asphalt / Concrete	70,800	77,880	85,668	94,235
Household Chemical Collection	46	47	138	335
Drug Kiosk	2	2	2	2
Sludge (Dry)	3,713	3,899	4,094	4,298
Organics (Foods)	487	543	605	674
Total Yard Waste Tons	24,884	26,223	26,931	27,658
Mining Materials Recovered	-	17,510	39,527	39,610
<b>Recycled &amp; Diverted Tons</b>	<b>113,744</b>	<b>141,004</b>	<b>172,935</b>	<b>183,721</b>
	<b>29.5%</b>	<b>33.4%</b>	<b>37.7%</b>	<b>37.0%</b>
<b>Landfilled Tons</b>	<b>276,009</b>	<b>302,330</b>	<b>329,155</b>	<b>357,005</b>

# Revenue Sources

## Forecasts

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Pratt Recycling Agreement Fees	\$ 33,480
Public Education Fees	\$ 58,000
Tenant Agreements: American Biodiesel, Opala, Denton Municipal Electric	\$142,000
Denton Power, LLC (DTE): Renewable Energy Power Sales	\$157,500
Soil & Rock Sales	\$350,000

# Reserves

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	<b>Solid Waste &amp; Recycling</b>
<b>Working Capital</b>	8%
<b>Operating Reserves</b>	6-10%
<b>Total</b>	14-18%
<b>Operating Days</b>	(52-66 days)

- Working capital (“WC”) provides liquidity for payables and payment cycles. Funds above this level are applied to the operating reserve.
- Operating reserves (“OR”) help managing expense and demand volatility, cover emergencies, and improve overall resiliency. In general, Funds with more stable revenue collection can consider lower OR targets.
- As outlined in the Utilities Financial Strategies, Funds above operating reserves may be used for debt reduction payments, one-time capital expenses, capital funding using cash, or various rate increase mitigation strategies.

# Questions ?



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