



Legislation Details (With Text)

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Title: Receive a report, hold a discussion and give staff direction on the Solid Waste Fiscal Year 2017-18 Operating and Capital Budget.
Sponsors:
Indexes:
Code sections:
Attachments: 1. Exhibit 1 Baseline Budget, 2. Exhibit 2 Proposed Budget, 3. Exhibit 3 Presentation

Date	Ver.	Action By	Action	Result
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Agenda Information Sheet

DEPARTMENT: Finance

DCM: Bryan Langley

Date: May 9, 2017

SUBJECT

Receive a report, hold a discussion and give staff direction on the Solid Waste Fiscal Year 2017-18 Operating and Capital Budget.

BACKGROUND

The City's emphasis for this year's budget process is on cost containment while maintaining excellent customer service and strong financial management of the City's Solid Waste System. The budgetary focus for this fund is on the continued extension of the landfill's lifespan through the City's expanding recycling program, landfill mining operation and progressive environmental program. There are two budget exhibits attached to this report, a baseline budget that include no rate adjustments over the next five fiscal years (Exhibit 1) and a proposed budget that includes average rate adjustments of 1.0% over the last year of the five year budgeting period (Exhibit 2). The first four fiscal years are identical in the baseline and proposed budgets and the five year capital programs are identical.

For FY 2017-18 no rate increase is recommended, which is below the average 3.0% increase estimated in the prior year. The following cost containment measures are recommended in the FY 2017-18 budget:

- Reduction of 2.0 FTE's in the public outreach division
- Budgeting of salary savings due to regular turnover at 1.5% of salaries and benefits
- Reduction in several line item expenses by \$620,294 based on reviews of historical expenses
- Reduction in FY 2016-17 CIP and associated debt issuance by \$9.4 million

- Reduction in communication service and equipment expense

The PowerPoint presentation for this agenda item is attached as Exhibit 3. I look forward to the discussion of this proposed budget and working with the Public Utilities Board during this budget season.

RECOMMENDATION

No formal recommendations is required at this meeting. Staff will continue discussion of the proposed utility budgets during the next few meetings and request consideration of Solid Waste Budget at the June 26, 2017 meeting.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Public Infrastructure

Related Goal: 2.3 Promote superior utility services and facilities

EXHIBITS

1. Baseline FY 2017-18 Budget
2. Proposed FY 2017-18 Budget
3. Presentation

Respectfully submitted:
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