



# **2017-18 BUDGET**

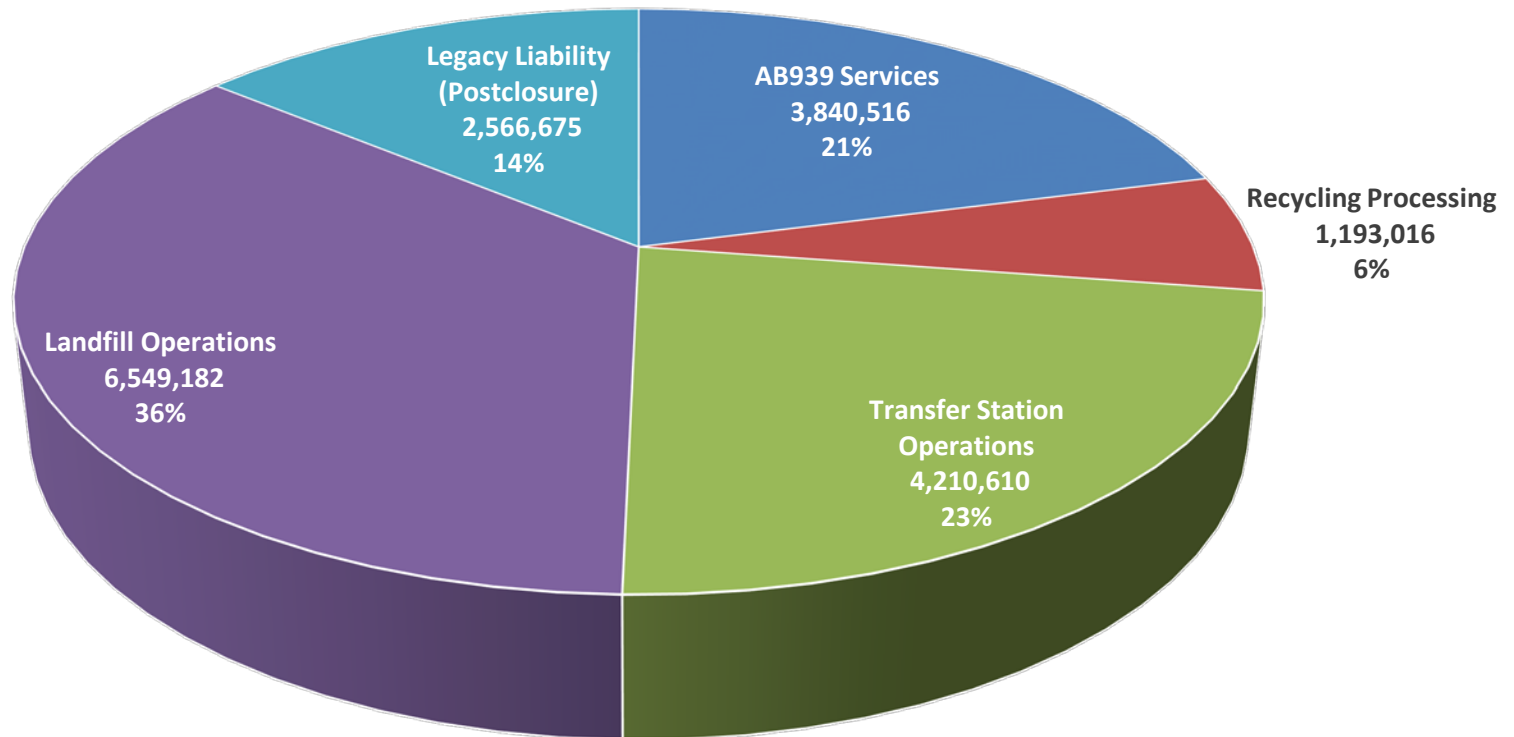
**Salinas City Council**

**April 18, 2017**

# Salinas Valley Recycles

## Total 17-18 Budget

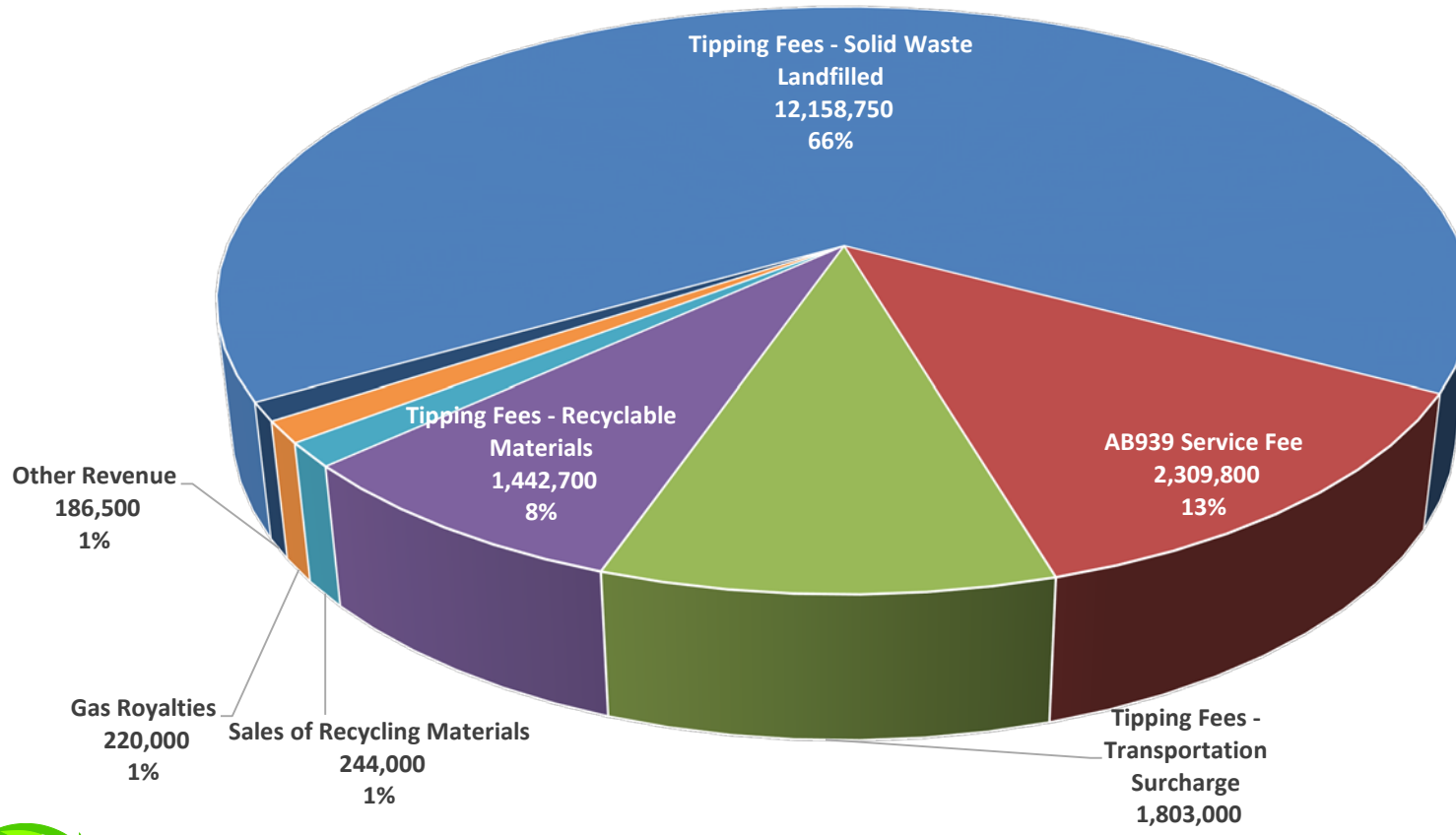
### \$18,360,000



# Salinas Valley Recycles

## Total 17-18 Revenues

### \$18,364,750



# FY 2017-18

## Operating Budget Increases

Payroll Increases	\$ 230,450
New C&D Driver	109,000
New Diversion Worker	80,900
Debt Service Increase	143,400
All Other Increases	<u>8,250</u>
Total Budget Increases (3.5%)	\$ 572,000

# Revenue Increases

7,500-ton increase in solid waste tonnage projection (4.4% increase)	513,150
3.6% AB939 Programs Increase	80,900
2.9% Increase to Franchise Transportation Surcharge	52,000
Other Revenue Adjustments (Net)	<u>(26,900)</u>
Total Revenue Increase (3.5%)	619,150

# Two-Year Budget Comparison

	<b>FY 2016-17</b>	<b>Proposed FY 2017-18</b>
Operating Revenue	17,745,600	18,364,750
Operating Expenditures	<u>16,148,000</u>	<u>16,720,000</u>
Operating Budget Surplus	1,597,600	1,644,750
CIP Allocations	(2,084,000)	(1,640,000)
Use of CIP Reserves (Loan)	<u>763,500</u>	<u>-</u>
Balance Used to Fund Reserves	<u>277,100</u>	<u>4,750</u>

# CIP Budget

Johnson Canyon LFG System (Vertical Wells)	60,000
Johnson Canyon Equipment Replacement	50,000
Johnson Canyon LFG System (Horizontal Wells)	30,000
Johnson Canyon Litter Control Fence	50,000
Johnson Canyon Module 7/8 Construction	540,000
Repayment of Expansion Fund Loan	376,000
Jolon Road Transfer Station Improvements	84,000
Jolon Road Equipment Purchase/Replacement (Repayment)	120,000
Lewis Road LFG Well Replacement	30,000
SSTS Equipment Replacement	<u>300,000</u>
Total Operating Surplus Allocations	<u>1,640,000</u>

# Sample 17-18 Rate Adjustments

## Republic Service – Salinas

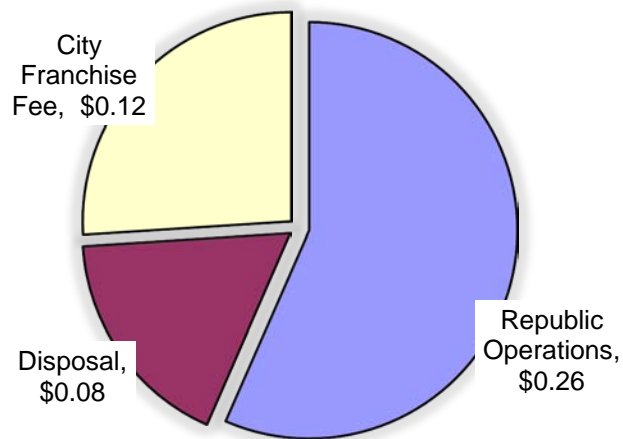
Service Type	Service Level	Current Rate	Republic Services CPI/Fuel Increase	SVR Disposal/Transp. Increase <sup>1</sup>	City Franchise Fee Increase	Total Increase <sup>2</sup>	New Rates
Residential	32 gal	\$ 24.44	\$ .26	\$ .08	\$ .12	\$ .46	\$ 24.90
	64 gal	\$ 33.88	\$ .30	\$ .13	\$ .15	\$ .58	\$ 34.46
Commercial	1 cy	\$ 281.58	\$ 4.68	\$ .27	\$ 1.74	\$ 6.69	\$ 288.27
	3 cy	\$ 402.11	\$ 5.57	\$ .80	\$ 2.23	\$ 8.60	\$ 410.71

1. SVR impact on total rate increases: 0.1% - 0.4%
2. Total Republic requested increase to rates: 1.7% and 2.4%
3. Based on SVR review of 17-18 rate package from Republic Services

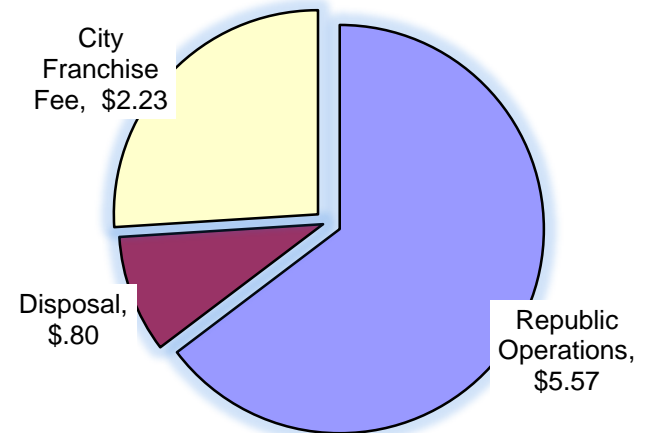


# Sample Distribution of Rate Increases

**2017 Rate Adjustment  
32 Gallon Residential  
Rate Increase of \$0.46/Month**



**2017 Rate Adjustment  
3 Yard 1 x Week  
Commercial  
Rate Increase of \$8.60 Per Month**



Charts from Republic Services rate package submittal 4-6-17

# Sample 17-18 Rates

## Republic Service – Salinas

Service Type	Service Level	Republic Services CPI/Fuel Rate	SVR Disposal/ Transp. Rate	City Franchise Fee Rate	Total Rates
Residential	32 gal	\$ 10.24	\$ 8.19	\$ 6.47	\$ 24.90
	64 gal	\$ 11.88	\$ 13.62	\$ 8.96	\$ 34.46
Commercial	1 cy	\$ 185.81	\$ 27.51	\$ 74.95	\$ 288.27
	3 cy	\$ 221.40	\$ 82.53	\$ 106.78	\$ 410.71

Based on SVR review of 17-18 rate package from Republic Services

# QUESTIONS?

