

Garbage & Rubbish



City of Sylvan Lake

Garbage and Rubbish Contract

Currently

Units = 854

Monthly unit fee \$14.45

Total Cost = \$148,084

Rizzo Environmental Services proposal

Waste, Recycling, Compost , Leaf Vac		15.45	15.80	15.75	15.75	16.10
Annual Total Cost for Current Services		\$158,332	\$161,918	\$161,406	\$161,406	\$164,993
Waste, Recycling , Compost NO Leaf Vac		11.45	11.80	11.75	11.75	12.10
Per Unit Cost for Leaf Collection (only)		4.00	4.00	4.00	4.00	4.00
Annual Cost for Leaf Collection only		\$40,992	\$40,992	\$40,992	\$40,992	\$40,992

3-Year Extension Option

Waste, Recycling, Compost , Leaf Vac		16.47	16.47	16.85
Annual Total Cost for Current Services		\$168,785	\$168,785	\$172,679
Waste, Recycling , Compost NO Leaf Vac		12.47	12.47	12.85
Per Unit Cost for Leaf Collection (only)		4.00	4.00	4.00
Annual Cost for Leaf Collection only		\$40,992	\$40,992	\$40,992

Garbage and Rubbish Fund

Why are we here?

Assessed Value Vs. Taxable Value

Recap the increases from 2013/14 to 2016/17 (appx.)

Assessed Value of Real Property **37.5%**

Taxable Value of Real Property **8%**

Total Tax Revenue **5%**

Allowable Millage Levy

Prior Year Taxable	83,045,160
Current Year Taxable	84,628,350
Additions	783,496
Losses	325,980
CPI	1.003

Prior Year Tax Rates	
General Fund	6.8191
2-Mill (exp. 2019)	1.9782
5-Mill Public Safety	4.9456
G&R	1.9782
Library	0.2224
Total	15.9435

Millage Reduction Fraction (MRF) = $\frac{(\text{Prior year Taxable} - \text{Losses}) \times \text{CPI}}{(\text{Current Year Taxable} - \text{Additions})}$

$$\text{New MRF} = \frac{82,967,338}{83,844,854} = 0.98953$$

$$\text{New MRF} = 0.9895$$

Current year Millage Reduction Fraction	PROPOSED TAX RATE			
General Fund	0.9895	x	6.8191	= 6.747731
2-Mill Operating	0.9895	x	1.9782	= 1.957496
5-Mill Public Safety	0.9895	x	4.9456	= 4.893839
G & R	0.9895	x	1.9782	= 1.957496
Library	0.9895	x	0.2224	= 0.220072

	2015	2016
Real Taxable (value)	80,298,100	82,054,720

Garbage and Rubbish Millage Comparisons

Garbage & Rubbish as approved	1.9575
Garbage & Rubbish as proposed	0.8890
Garbage & Rubbish without Headlee rollback	3.0000

(Real Taxable x tax rate) + (Personal Taxable x tax rate)

As Approved

$$\begin{array}{r}
 82,045,720 \times 1.9575 + 2,573,630 \times 1.9575 \\
 160,622 + 5,038 = \mathbf{\$165,660}
 \end{array}$$

As Proposed

$$\begin{array}{r}
 82,045,720 \times 0.8890 + 2,573,630 \times 0.8890 \\
 72,947 + 2,288 = \mathbf{\$75,235}
 \end{array}$$

If not subject to Headlee

$$\begin{array}{r}
 82,045,720 \times 3.0000 + 2,573,630 \times 3.0000 \\
 246,164 + 7,721 = \mathbf{\$253,885}
 \end{array}$$

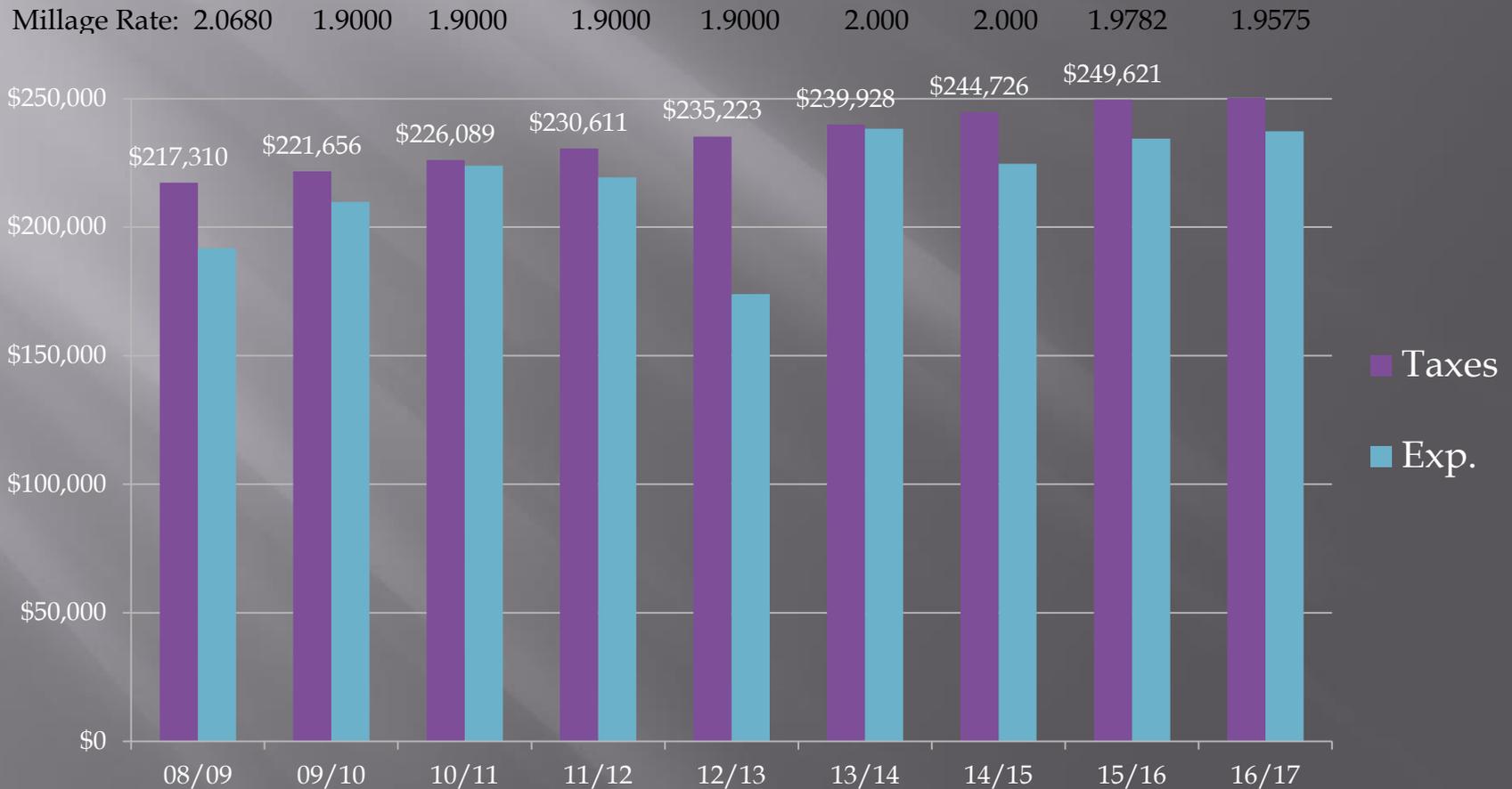
Garbage and Rubbish Fund

31% drop in Revenue from 08/09 to 12/13



Garbage and Rubbish Fund

No Housing Crash and 2% increase in taxes



Garbage and Rubbish Budget

- ▣ The entire Garbage and Rubbish Budget consists of more than just the G&R Contract.
- ▣ It includes trash collection in parks, streets, storm cleanup, Household Hazardous Waste Collection, Spring and Fall cleanup, etc.
- ▣ The Entire budget is estimated to be \$233,968
The revenue from taxes for G&R is estimated to be \$165,660.

Funding Option Proposed

- ▣ Set an annual fee to cover the cost of the collection of trash, recycling, yard waste and leaves (curbside).
- ▣ Reduce the Millage rate to cover only the cost of the remainder of the budget.
- ▣ Flat fee = \$185.40/household annually.
- ▣ Millage rate = .8890 (reduced from 1.9782)

Variables:	Homes	Total TV	Total G&R Fund	G&R Contract	Contract w/out leaves	Total Add'l	
	854	84,628,350	233,968	158,332	117,340	75,236	
Total Millage to Fund G&R Budget = 2.76465							
2016 TAXABLE VALUE: RESIDENTIAL Range	Count	2016 Total TV in each range	Current millage 1.9575 Cost (high end)	Annual Cost by household	Add'l by millage 0.8890	Total	Difference = Proposed minus Current
1 - 25,000	30	469,060	\$48.94	\$185.40	\$22.23	\$207.63	\$158.69
25,001 - 50,000	189	8,206,730	\$97.88	\$185.40	\$44.45	\$229.85	\$131.98
50,001 - 75,000	300	19,393,550	\$146.81	\$185.40	\$66.68	\$252.08	\$105.26
75,001 - 100,000	115	9,895,560	\$195.75	\$185.40	\$88.90	\$274.30	\$78.55
100,001 - 125,000	55	6,672,250	\$244.69	\$185.40	\$111.13	\$296.53	\$51.84
125,001 - 150,000	31	4,241,080	\$293.63	\$185.40	\$133.35	\$318.75	\$25.13
150,001 - 175,000	24	3,886,900	\$342.56	\$185.40	\$155.58	\$340.98	-\$1.58
175,001 - 200,000	13	2,404,860	\$391.50	\$185.40	\$177.80	\$363.20	-\$28.30
200,001 - 225,000	34	4,454,530	\$440.44	\$185.40	\$200.03	\$385.43	-\$55.01
225,001 - 250,000	8	1,875,670	\$489.38	\$185.40	\$222.25	\$407.65	-\$81.72
250,001 - 275,000	7	1,833,270	\$538.31	\$185.40	\$244.48	\$429.88	-\$108.43
275,001 - 300,000	7	2,031,720	\$587.25	\$185.40	\$266.70	\$452.11	-\$135.14
300,001 - 325,000	4	1,262,780	\$636.19	\$185.40	\$288.93	\$474.33	-\$161.86
325,001 - 350,000	3	1,004,130	\$685.13	\$185.40	\$311.16	\$496.56	-\$188.57
350,001 - 375,000	3	1,087,030	\$734.06	\$185.40	\$333.38	\$518.78	-\$215.28

Can't we just pay the shortfall in the Garbage and Rubbish From the General Fund?

The Short answer is, "Yes"
But not without consequences.

	Actual	Actual	Estimated	Proposed	Projected	Projected	Projected
Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Revenue	\$1,768,612	\$1,704,211	\$1,715,212	\$1,701,150	\$1,740,005	\$1,755,629	1,799,198
Expenditure	1,393,910	1,543,858	1,776,346	2,057,820	1,830,411	1,840,805	1,859,048
Difference	374,702	160,353	-61,134	-356,670	-90,406	-85,175	-59,851
Fund Balance	\$993,644	\$1,153,997	\$1,092,863	\$736,192	\$645,787	\$560,612	\$500,761
Fund Balance as % of Budget	71.2%	74.7%	61.5%	35.8%	35.3%	30.5%	26.9%
G&R Shortage				68,000	68,000	68,000	68,000
Fund Balance	<i>Including lower income from interest</i>			\$668,192	\$509,787	\$356,612	\$226,721
FB as %	<i>Policy = minimum 30%</i>			31.4%	26.9%	18.7%	11.8%