



City of Boynton Beach
Public Works Department

Fiscal Year 18/19 Solid Waste Fund Budget

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Proposed Budget

Division	Amended 17/18 Budget	Proposed 18/19 Budget	Percent (%) Increase/Decrease
Solid Waste 431-2515-534	\$10,670,404	\$11,077,993	3.8% Increase

Highlighted Changes

- **Solid Waste** (*3.8% Increase*)
 - Increase in employee benefit costs.
 - Hiring of two (2) new Heavy Equipment Operator positions.
 - Waste disposal fees increased.
 - Carts/containers increased based on new customers and replacements.
 - Vehicle service costs increased based on cost of materials and inflation.
 - Other contractual services increased based on expected landfill closure costs.



Successes, Challenges, Initiatives

- Successes
 - Implementation of online payment portal for customer payments.
- Challenges
 - Truck equipment failure and staffing.
 - Fee & payment structure for roll off services.
 - Illegal dumping and litter.
 - Solid Waste Reserve balance.
- Initiatives
 - Solid Waste Routeware system.
 - Rebranding of Solid Waste vehicles.

Questions





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Solid Waste Fund Rate Increase

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Solid Waste Rate Increase

- It is critical for the Solid Waste Division to continually maintain, repair, and improve the assets it holds and keep pace with increasing operating costs.
- Solid Waste Vehicle replacements are just now catching up based on the changing the vehicle life expectancy from 4 to 7 years.
- Additional costs include labor to service increased route sizes, additional landfill trips, and increased maintenance and fuel costs.

Solid Waste Rate Increase

- Beginning in 2009 the general fund transfer from the Solid Waste Fund was increased to balance the City budget.

FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
\$750K	\$2.43M	\$3.43M	\$5.075M	\$4.0M	\$4.0M	\$4.5M	\$4.0M	\$1.8M	\$1.1M

- As a result the reserves are currently negative and need to be replenished to maintain a healthy fund reserve.

Solid Waste Rate Increase

SOLID WASTE FUND (An Enterprise Fund)

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Adopted Budget	2018-19 Projected Budget	2019-20 Projected Budget
Net Assets, October 1	\$ 415,695	\$ (3,247,160)	\$ (4,192,169)	\$ (4,511,744)	\$ (4,226,148)	\$ (3,999,441)
Operating Revenues	\$ 10,881,915	\$ 11,322,781	\$ 11,854,871	\$ 10,946,000	\$ 11,294,700	\$ 11,633,541 (1)
Operating Expenses	\$ (6,959,048)	\$ (7,300,868)	\$ (8,647,204)	\$ (8,216,775)	\$ (8,578,574)	\$ (8,835,931) (2)
Operating Income (Loss)	\$ 3,922,867	\$ 4,021,913	\$ 3,207,667	\$ 2,729,225	\$ 2,716,126	\$ 2,797,610
Nonoperating Revenue (Expense)	\$ 4,980	\$ 5,348	\$ -	\$ (70,513)	\$ (70,513)	\$ (73,721)
Transfers In (To) Other Funds						
Golf Course Fund	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Water & Sewer Fund	\$ (101,000)	\$ (101,000)	\$ -	\$ -	\$ -	\$ -
Self Insurance (Risk Mgmt) Fund	\$ -	\$ -	\$ (13,573)	\$ (30,930)	\$ (30,930)	\$ (30,930)
Vehicle Service Fund - Fleet Replacement	\$ (870,681)	\$ (881,270)	\$ (1,723,669)	\$ (1,252,186)	\$ (1,297,976)	\$ (1,200,000)
General Fund	\$ (4,500,000)	\$ (4,000,000)	\$ (1,800,000)	\$ (1,100,000)	\$ (1,100,000)	\$ (1,100,000)
Net Transfers In (To) Other Funds	\$ (5,461,681)	\$ (4,972,270)	\$ (3,527,242)	\$ (2,373,116)	\$ (2,418,906)	\$ (2,320,930)
Increase (Decrease) In Net Assets	\$ (1,533,834)	\$ (945,009)	\$ (319,575)	\$ 285,596	\$ 226,707	\$ 402,959
Net Assets, September 30	\$ (1,118,139)	\$ (4,192,169)	\$ (4,511,744)	\$ (4,226,148)	\$ (3,999,441)	\$ (3,596,482)
Less Investment in Capital Assets	\$ (2,129,021)	\$ -	\$ -	\$ -	\$ -	\$ -
Undesignated Net Assets Available	\$ (3,247,160)	\$ (4,192,169)	\$ (4,511,744)	\$ (4,226,148)	\$ (3,999,441)	\$ (3,596,482)

(1) Prior Year + 3%, based on 3yr trend



Solid Waste Rate Increase

- According to Government Finance Officers Associations (GFOA) a minimum reserve fund balance should be the equivalent to three (3) months regular, ongoing operating expenses including transfers out.
- The proposed rate increase will be used to ensure the Solid Waste fund collects sufficient revenue to cover fixed expenses, to fund capital expenditures and to replenish reserves.

Proposed Rate Increase

Fiscal Year	Residential Rate	Multi-Family Rate	Net Increase
2015-16	\$16.00	\$12.75	-
2016-17	\$16.00	\$12.75	-
2017-18	\$16.00	\$12.75	(Current Rate)
2018-19	\$17.00	\$13.75	\$1.00
2019-20	\$17.50	\$14.25	\$0.50
2020-21	\$18.00	\$14.75	\$0.50

Questions

