**Sandy**
HEART OF THE WASATCH

# BULK WASTE PROGRAM

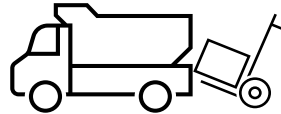# How Waste Collection Is Financed

**(1.)** Waste fees are collected from residents and put in the **Waste Fund** to finance weekly pickup and the bulk waste program
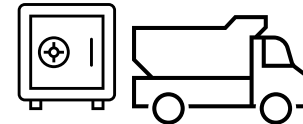
**(2.)** Revenue is first allocated towards weekly pickup

**(3.)** Remaining revenue is allocated to the bulk waste program which is operated by city streets crews

**(4.)** Any excess revenue drops to the fund balance for future capital costs or revenue shortfalls

# How Waste Collection Is Financed

**(1.)** Waste fees are collected from residents and put in the **Waste Fund** to finance weekly pickup and the bulk waste program

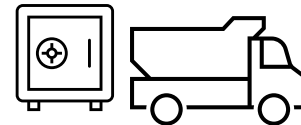**(2.)** Revenue is first allocated towards weekly pickup

The **General Fund** subsidizes the program indirectly since it pays for most street crew salaries and vehicle maintenance costs for Public Works

**(3.)** Remaining revenue is allocated to the bulk waste program which is operated by city streets crews

**(4.)** Any excess revenue drops to the fund balance for future capital costs or revenue shortfalls

# Waste Fund Historical Finances

| | 2016 Actual | 2017 Actual | 2018 Actual | 2019 Actual | 2020 Actual | 2021 Budget | 5-Year Average* |
|---|---|---|---|---|---|---|---|
| **Financing Sources:** | | | | | | | |
| Charges for Sales & Services | $ 4,527,520 | $ 4,607,254 | $ 4,609,447 | $ 5,011,349 | $ 5,797,999 | $ 5,704,227 | $ 4,910,714 |
| All Other Income | 11,138 | 543,185 | 101,653 | 30,570 | 23,092 | 4,000 | 141,141 |
| **Total Financing Sources** | $ 4,538,658 | $ 5,150,440 | $ 4,711,099 | $ 5,041,919 | $ 5,821,092 | $ 5,708,227 | $ 5,051,854 |
| | | | | | | | |
| **Financing Uses:** | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Weekly Pickup Program | $ 3,793,054 | $ 3,828,413 | $ 3,834,733 | $ 4,227,960 | $ 4,720,670 | $ 4,773,376 | $ 4,080,966 |
| Bulk Waste Program | 978,628 | 1,017,920 | 1,320,195 | 992,962 | 824,217 | 834,643 | 1,026,785 |
| **Total Financing Uses** | $ 4,771,681 | $ 4,846,334 | $ 5,154,928 | $ 5,220,923 | $ 5,544,888 | $ 5,608,019 | $ 5,107,751 |
| | | | | | | | |
| **Excess/(Deficit) Sources over Uses** | $ (233,024) | $ 304,106 | $ (443,828) | $ (179,004) | $ 276,204 | $ 100,208 | $ (55,896) |

| 5-Year Historical Average | | Bulk Waste Program | | Waste Fund Portion | | General Fund Portion |
|---|---|---|---|---|---|---|
| **Financing Sources:** | | | | | | |
| Excess Revenue from Weekly Pickup | $ | - | $ | 122,387 | $ | - |
| 318 Charges for Sales & Services | | 724,961 | | 724,961 | | - |
| 339 Sale of Fixed Assets | | 105,970 | | 105,970 | | - |
| 341 Transfers In from Other Funds | | 17,571 | | 17,571 | | - |
| **Total Financing Sources** | $ | **848,501** | $ | **970,888** | $ | **-** |
| | | | | | | |
| **Financing Uses:** | | | | | | |
| 411 Personnel Services | $ | 802,280 | $ | 258,767 | $ | 543,513 |
| 412 Materials & Supplies | | 14,719 | | 14,719 | | - |
| 413 External Services | | 2,819 | | 2,819 | | - |
| 414 Internal Services (including Fleet O&M) | | 422,200 | | 212,079 | | 210,121 |
| 415 External Services | | 202,080 | | 202,080 | | - |
| 417 Capital Equipment | | 8,050 | | 8,050 | | - |
| 434 Capitalized Internal Services (Fleet Purchases) | | 328,270 | | 328,270 | | - |
| **Total Financing Uses** | $ | **1,780,419** | $ | **1,026,785** | $ | **753,634** |
| | | | | | | |
| **Excess/(Deficit) Sources over Uses** | $ | **(931,917)** | $ | **(55,896)** | $ | **(753,634)** |

| Fiscal Year 2019-2020 | | Bulk Waste Program | | Waste Fund Portion | | General Fund Portion |
|---|---|---|---|---|---|---|
| **Financing Sources:** | | | | | | |
| | Excess Revenue from Weekly Pickup | $ - | $ | 312,703 | $ | - |
| 318 | Charges for Sales & Services | 783,783 | | 783,783 | | - |
| 339 | Sale of Fixed Assets | - | | - | | - |
| 341 | Transfers In from Other Funds | - | | - | | - |
| | **Total Financing Sources** | **$ 783,783** | **$** | **1,096,486** | **$** | **-** |
| | | | | | | |
| **Financing Uses:** | | | | | | |
| 411 | Personnel Services | $ 814,923 | $ | 231,394 | $ | 583,529 |
| 412 | Materials & Supplies | 18,112 | | 18,112 | | - |
| 413 | External Services | 14,093 | | 14,093 | | - |
| 414 | Internal Services (including Fleet O&M) | 437,735 | | 238,568 | | 199,167 |
| 415 | External Services | 322,051 | | 322,051 | | - |
| 417 | Capital Equipment | - | | - | | - |
| 434 | Capitalized Internal Services (Fleet Purchases) | - | | - | | - |
| | **Total Financing Uses** | **$ 1,606,913** | **$** | **824,217** | **$** | **782,696** |
| | | | | | | |
| **Excess/(Deficit) Sources over Uses** | | **$ (823,130)** | **$** | **272,269** | **$** | **(782,696)** |

# Budget Considerations

- **Currently, the Waste Fund *and* General Fund are both paying the costs of the bulk waste program**

  - ➢ The General Fund indirectly subsidized the program by **$783,000** in FY 2020

- **Budgeting for the entire cost of the program in the Waste Fund would provide more transparency**

  - ➢ This modification will necessitate a General Fund transfer to the Waste Fund or an increase in waste collection fees

"

Any questions?

...