



**R·R·R·A·S·O·C**

FY 2024 – 2025 Budget  
Adopted 25, 2024

**Resource Recovery and Recycling Authority of Southwest Oakland County  
Adopted FY 2024 – 2025 Budget**

**Member Communities**

**Farmington  
Farmington Hills  
Milford  
Milford Township  
Novi  
South Lyon  
Southfield  
Walled Lake  
Wixom**

**Board of Directors**

**Chairman**

Fred Zorn, City Administrator, Southfield

**Vice Chairman**

Don Green, Township Supervisor, Milford Township

**Treasurer**

Chelsea Pesta, Assistant City Manager, Walled Lake

**Secretary**

Gary Mekjian, City Manager, Farmington Hills

David Murphy, City Manager, Farmington

Christian Wuerth, Village Manager, Milford

Victor Cardenas, City Manager, Novi

Paul Zelenak, City Manager, South Lyon

L. Dennis Whitt, City Manager, Walled Lake

Steve Brown, City Manager, Wixom

**Designated Board Alternates**

Chuck Eudy, Director, Farmington Department of Public Services

Karen Mondora, Assistant City Manager, Farmington Hills

Derrick Schueller, Superintendent, Farmington Hills Department of Public Works

Mike Karll, Director, Village of Milford Department of Public Services

Jeff Herczeg, Director, Novi Department of Public Works

John Michrina, Deputy City Administrator, Southfield

Patrick Ryan, Director, Southfield Department of Public Works

Tim Sikma, Director, Wixom Department of Public Works

**RRRASOC Staff**

Michael Csapo, General Manager

Laura Shaw, Administrative Secretary

IRIS Waste Diversion Specialists, Education and Outreach Coordinators

### **Executive Summary**

The FY 2024-2025 RRRASOC budget continues a full range of services, incorporates grant-funded programs, and maintains the Authority's fund balance in a healthy position. It also includes near-term MRF improvements, such as robotics and AI cameras, and long-range planning to ensure the MRF continues to cost-effectively serve the RRRASOC communities.

### **Fund Balance**

The budget for FY 2024-2025 maintains a total ending fund balance of \$518,613, which represents an operating fund balance of 25% of operating expenditures not related to capital outlay and an assigned capital fund balance of \$302,149.

Long-term projections show the Authority's fund balance remaining healthy. However, the projections assume contractual arrangements similar to those currently in place, MRF throughput levels consistent with current projections, and commodity markets returning to near historical norms.

### **Revenue**

The budget shows total revenue of \$829,823, of which \$403,260 or 48.6% is from member contributions. Per capita rates are set at \$1.40. Contributions are based on the 2020 Census.

Other sources of revenue combine for \$426,563. Projected from the MRF in Southfield are \$180,000 in host fees and \$10,550 in revenue from material sales. Revenue from these sources is highly dependent upon market prices and recyclable volumes. Projections are based on year-to-date and anticipated prices and volumes and will be adjusted as necessary to accommodate movements in the market.

Grant and third-party revenue of \$226,013 is included in the budget.

### **Expenditures**

Expenditures for FY 2024-2025 total \$1,018,098. RRRASOC's efforts include activities such as anticipated MRF capital repairs, maintenance and improvements, solid waste program management and analysis, legislative and policy analysis, outreach and education, contract management, facility oversight, recycling drop-off center costs, and special collections.

**Line Item Narrative**

The following is a description of various revenue and expenditure items, which warrant a more detailed treatment. Expenditures more than \$9,000, and thereby deemed material, are included.

**Revenue**

580.00 - Member Contributions Total: \$403,260  
Membership contributions are set at \$1.40 per capita and are based on the 2020 Census.  
Individual community costs are as follows:

Farmington	Farmington Hills	Milford	Milford Twp	Novi	South Lyon	Southfield	Walled Lake	Wixom
\$16,094	\$115,851	\$8,982	\$14,798	\$92,275	\$16,351	\$104,805	\$10,150	\$23,953

645.00 - Revenue Sharing (curbside) Total: \$10,000  
RRRASOC receives revenue in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected curbside within the RRRASOC Member Communities. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

646.00 - Revenue Sharing (drop-off) Total: \$550  
RRRASOC receives drop-off center revenue in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on incoming volume and the average commodity revenue (ACR) of material collected through the drop-off centers. Projections are based on an estimate of commodity values and will be adjusted as necessary. Prices for individual commodities vary over time.

647.00 - Host Fees Total: \$180,000  
RRRASOC receives host fees in accordance with pricing arrangements stipulated in the MRF operations agreement with Republic Services. Revenue is calculated based on the incoming volume of material collected outside of the RRRASOC programs.

671.00 – Miscellaneous Income Total: \$226,013  
This includes grants from state and third-party sources.

**Expenditures**

702.00 - 715.00 - Human Resources Total: \$330,478  
These items account for the costs associated with RRRASOC's FTEs. These items include salaries and wages, deferred compensation, employer FICA costs, medical benefits, unemployment, and worker's compensation insurance.

729.00 - Postage & Mailing Total: \$18,816  
This item includes costs associated general postage, as well as direct-mail postcards and “new resident” packets to inform residents about various programs.

810.00 – Audit Total: \$15,000  
This item consists of the cost of the annual third-party audit of RRRASOC's annual financial statements.

822.00 - Contractual Services Total: \$160,800  
This item consists of charges and fees associated with various contracted services, including payroll services, banking fees, data management systems, the contracted Education Coordinator, grant-funded robotics data services, and the Fire Rover fire protection system.

822.02 – Contractual Services: Drop-Off Total: \$154,800  
Costs associated with vendor services and host fees at the Novi recycling drop-off center are charged to this account. Also included is the Board-approved monitoring cost for the grant-funded cameras installed in 2021.

822.03 – Contractual Services: HHW Total: \$32,000  
This includes costs associated with vendor services for household hazardous waste and shredding services and special events.

836.00 - Printing/Publishing Total: \$53,114  
This item includes costs associated with direct-mail postcards to inform residents about various programs, including RRRASOC's HHW collection and E-waste events. Also included in this item are costs associated with website maintenance, e-newsletter development, and the ReCollect search directory.

840.00 – Building/Property Insurance Total: \$23,909  
This item includes building, property and liability insurance associated with the MRF.

850.00 – Equipment Maintenance Total: \$30,500  
This item includes office equipment and preventative maintenance activities, as well as engineering review of Republic Services' MRF maintenance and repair activity.

970.00 – Capital Outlay Total: \$151,600  
This item includes costs for potential major capital equipment repairs and replacement to which RRRASOC is obligated under the MRF operating agreement with Republic Services.

<b>REVENUE</b>						
<b>Account</b>	<b>Description</b>	<b>Actual 2021-2022</b>	<b>Actual 2022-2023</b>	<b>Adopted 2023-2024</b>	<b>Amended 2023-2024</b>	<b>Adopted 2024-2025</b>
580.00	Member Contributions	\$ 344,026	\$ 360,054	\$ 388,858	\$ 388,858	\$ 403,260
664.00	Interest Income	1,888	9,071	6,000	12,000	10,000
645.00	Revenue Sharing (curbside)	610,765	56,337	25,000	7,654	10,000
646.00	Revenue Sharing (drop-off)	34,281	3,195	1,200	447	550
647.00	Host Fees	270,544	177,805	126,000	180,000	180,000
671.00	Misc. Income	145,349	108,300	60,000	363,453	226,013
	<b>Total Revenue</b>	<b>\$ 1,406,853</b>	<b>\$ 714,762</b>	<b>\$ 607,058</b>	<b>\$ 952,412</b>	<b>\$ 829,823</b>
	Beginning Fund Balance (7/1)	\$ 654,508	\$ 1,236,346	\$ 929,621	\$ 1,136,612	\$ 706,246
	Total Funds Available	2,061,361	1,951,108	1,536,679	2,089,024	1,536,069
	Total Expenditures	825,015	814,496	892,195	1,382,778	1,018,098
	Total Ending Fund Balance (6/30)	<b>\$ 1,236,346</b>	<b>\$ 1,136,612</b>	<b>\$ 644,483</b>	<b>\$ 706,246</b>	<b>\$ 517,971</b>
	Assigned Capital Fund Balance	1,058,327	942,411	432,684	475,407	301,346
	Operating Fund Balance	178,019	194,201	211,799	230,840	216,625
	Operating FB %	25.0%	25.0%	25.0%	25.0%	25.0%
<b>EXPENDITURES</b>						
<b>Account</b>	<b>Description</b>	<b>Actual 2021-2022</b>	<b>Actual 2022-2023</b>	<b>Adopted 2023-2024</b>	<b>Amended 2023-2024</b>	<b>Adopted 2024-2025</b>
702.00	Supervisory Salaries	\$ 116,717	\$ 121,386	\$ 132,311	\$ 132,311	\$ 138,926
703.00	Permanent Salaries	57,761	60,072	65,480	65,480	68,754
705.00	Overtime/Bonus/Longevity	7,245	7,334	7,544	7,545	7,673
710.00	FICA	15,613	16,355	17,805	17,806	18,075
711.00	Medical/Dental Insurance	65,584	67,708	69,250	66,901	67,760
712.00	Unemployment Insurance	1,045	1,498	1,046	1,216	532
713.00	Workers Compensation	586	785	800	1,039	1,100
715.00	ICMA RC	22,389	25,005	27,412	27,412	27,658
727.00	Operating Supplies	37	0	750	250	250
728.00	Office Supplies	1,406	870	2,000	1,500	1,500
729.00	Postage & Mailing	15,707	16,447	17,400	18,654	18,816
730.00	Magazines/Periodicals	76	76	80	80	80
810.00	Audit	12,690	14,720	15,000	14,650	15,000
811.00	Consulting Services:Engr.	0	10,000	0	0	0
812.00	Consulting Services:Legal	0	3,091	5,000	4,000	4,000
821.00	Membership Dues	783	850	1,000	1,100	1,100
822.00	Contractual Services	99,471	133,652	150,800	235,757	160,800
822.02	Contractual Services: Drop-Off	164,866	157,066	165,000	154,416	154,800
822.03	Contractual Services: HHW	25,958	24,547	30,000	31,720	32,000
830.00	Utilities	6,987	6,523	6,480	5,880	5,880
831.00	Vehicle Allowance	4,800	4,800	4,800	4,800	4,800
835.00	Community Relations	6,610	7,663	8,700	9,300	9,300
836.00	Printing/Publishing	49,049	48,498	48,915	53,114	53,114
840.00	Building/Liability Insurance	23,478	23,557	26,593	23,909	23,909
850.00	Equipment Maintenance	10,987	20,850	26,888	30,247	30,500
851.00	Building/Grounds Maintenance	0	0	1,700	500	500
852.00	Office Equipment Rental	720	478	0	0	0
860.00	Conferences & Workshops	0	0	2,000	500	500
890.00	Expenses & Mileage	845	849	2,500	1,500	1,500
970.00	Capital Outlay	112,939	37,693	45,000	459,419	151,600
975.00	Computer Software	645	818	685	2,172	2,172
978.00	Office Equipment	21	1,305	2,500	4,600	500
979.00	Contingency	0	0	6,757	5,000	15,000
	<b>Total</b>	<b>\$ 825,015</b>	<b>\$ 814,496</b>	<b>\$ 892,195</b>	<b>\$ 1,382,778</b>	<b>\$ 1,018,098</b>



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