

FY 2023 Budget Status Update Sanitation

City Council Meeting
June 1, 2022



Punta Gorda

Sanitation Fund

History from FY 2006 to FY 2022

Category	Actual FY 2006	Projected FY 2022	% +/-
Personnel	\$ 975,615	\$ 1,445,775	48.2%
Operating (excl. recycling)	\$ 1,159,860	\$ 1,600,445	38.0%
Recycling	\$ 255,690	\$ 941,810	268.3%
Total Operations	\$ 2,391,165	\$3,988,030	66.8%

* 1st rate increase for Sanitation Refuse and Yardwaste rates was \$0.10 in FY 2021 since FY 2006, with 2nd rate increase of \$0.50 in FY 2022.



Sanitation Fund

History from FY 2006 to FY 2022

Category	Actual FY 2006	Actual FY 2022	% +/-
# of Staff	19	20	5.3%
Approx. Residential Units (Single & Multi- Family)	9,900	12,120	22.4%



Sanitation Fund

Rate History from FY 2006 to FY 2022

	FY 2006	FY 2022	% +/-
Refuse & Yardwaste	17.00	17.60	3.5%
Recycling	2.20	6.45	193.2%
Total	19.20	24.05	25.3%



Sanitation Fund

Comparison FY 2022 to FY 2023

Category	Orig Budget FY 2022	Proposed FY 2023	% +/-
Personnel	\$ 1,512,145	\$ 1,549,525	2.5%
Operating (excl. recycling)	\$ 1,419,375	\$ 1,674,755	18.0%
Recycling	\$ 935,000	\$ 1,026,880	9.8%
Total Operations	\$ 3,866,520	\$4,251,160	9.9%



Sanitation Fund SFR

Proposed fee of \$25.56

Current Fee	\$24.05
Refuse/yardwaste fee increase	1.00
Recycling fee increase	<u>.51</u>
Proposed SFR Fee	\$25.56

Sanitation Fund

- FY 2023 Balanced, with recommended increases
- Recycling has budgeted increase based on requested increase on contract (8.06%)
- Fuel budgeted at estimated diesel rate of \$5.50 (120% increase from FY 2021)
- Yardwaste disposal budgeted based on requested increase (8%)
- Landfill increase estimated at 3%

Sanitation Fund

- Contractual Services for temporary labor increased \$25,000 to cover for vacations, sick, FMLA, injuries or employee turnover
- Cost for commodities, such as tires, have seen increases of approximately 21% during the current year and expected to increase an additional 7.5%
- Increases in equipment costs, such as packers, estimated at 16% increase from prior year estimates

Sanitation Fund Vehicle and Equipment Program

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
EQUIPMENT:						
2014 Packer replacement	325	325	0	0	0	0
2008 Flat bed dump truck replace with pickup	36	36	0	0	0	0
2014 Packer replacement	341	0	341	0	0	0
2012 Clam shell loader replacement	184	0	0	184	0	0
2018 Packer replacement	395	0	0	0	0	395
TOTAL		361	341	0	0	395

Note: Division will continue to review packer repair costs to determine if a planned year of replacement could be delayed.



Sanitation Fund Challenges

- Attracting and retaining employees with CDL licenses
- Pay and classification study is under way but changes that may occur as a result are not included in proposed budget
- Fuel was reduced to \$4 estimate in FY 2024 and beyond, but it is very unpredictable at the moment what fuel rate will be in the future
- Economic predictions vary widely (recession vs reduction inflation increases)

Sanitation Fund

Proforma FY 2023 - 2027

	Proposed FY 2023	Proforma FY 2024	Proforma FY 2025	Proforma FY 2026	Proforma FY 2027
REVENUES	\$ 4,325,675	\$ 4,562,840	\$ 4,805,045	\$ 5,051,965	\$ 5,303,605
Personnel	\$ 1,549,525	\$ 1,621,230	\$ 1,703,690	\$ 1,790,415	\$ 1,881,645
Operating	2,701,635	2,724,815	2,839,245	2,959,575	3,086,155
Capital Outlay	361,000	341,250	183,750	0	395,040
TOTAL EXPENDITURES	\$ 4,612,160	\$ 4,687,295	\$ 4,726,685	\$ 4,749,990	\$ 5,362,840
Beg. Operating Reserve	\$ 843,186	\$ 836,701	\$ 712,246	\$ 790,606	\$ 842,581
Beg. Capital Reserve	280,000	0	0	0	250,000
End. Capital Reserve	0	0	0	250,000	250,000
End. Operating Reserve	\$ 836,701	\$ 712,246	\$ 790,606	\$ 842,581	\$ 783,346
End. Op. Resrv. as a % of Exp.	18.14%	15.20%	16.73%	17.74%	14.61%

Sanitation Fund

Tentative Rate Changes

Based on Recycling Contract (estimated 6% increases),
Overall Operation Increases, and 5 Year Capital Outlay
Needs

	FY 2023	Estimated FY 2024	Estimated FY 2025	Estimated FY 2026	Estimated FY 2027
Refuse & Yardwaste	18.60	19.60	20.60	21.60	22.60
Recycling	6.96	7.38	7.82	8.29	8.79
Total	25.56	26.98	28.42	29.89	31.39

Sanitation Fund

Comparison with Surrounding Communities

Jurisdiction	Actual FY 2022 Cost/Year	Proposed FY 2023 Cost/Year	Outsourced
Naples	\$377.88		no
City of Sarasota	\$294.60		no
Punta Gorda	\$288.60	\$306.72	no
Charlotte County	\$281.80	\$292.28	yes
Fort Myers	\$267.86		no
Cape Coral	\$265.50		yes
Venice	\$253.08		no
North Port	\$250.00		no
Lee Co. (Avg 6 districts)	\$237.55		yes
Sarasota County	\$233.59		yes
Collier County	\$226.29		yes
Manatee County	\$171.96		yes

Note: Punta Gorda is twice per week refuse pickup and Charlotte County is once per week refuse pickup.

Sanitation Fund

Possible Considerations

- Move to Fully Automated Packers (could reduce # of employees)
 - Possibly start as a pilot program (1 packer)
 - Level of service would be decreased slightly in that employees would not be able to pick up bags or some furniture. Would require households to use cart only.
- City take over Recycling program
 - Would need a detailed analysis for City that includes many factors
 - This would be a future possibility; not feasible currently with staffing issues