

Discussion of Issuance of Certificates of Obligation for Solid Waste





Chronology of Events

- **November 18, 2014** – City Council approved a resolution authorizing and approving publication of the Notice of Intention to issue Certificates of Obligation for Solid Waste.
 - **November 18, 2014** – City Council approved an ordinance appropriating \$1,100,000 from the unreserved fund balance in the No. 1020 General Fund and transferring to and appropriating in the No. 2010 Debt Service Fund to pay principal and interest in fiscal year 2014-2015 for Solid Waste Certificates of Obligation;
 - **December 14, 2014** and **December 21, 2014** – Notice of Intention to issue Certificates of Obligation for Solid Waste was advertised in the Corpus Christi Caller-Times.
 - **January 13, 2015** – First reading ordinance for the authorization to issue \$14,500,000 of Certificates of Obligation for Solid Waste was presented to the City Council. The item was tabled to give staff the opportunity to present the financial impact on Solid Waste rates.
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Solid Waste Collection Fees

Residential Collection Rates

\$16.91	Single Family
0.20	State Fee
3.42	MSWSSC
0.25	Recycling Education
0.68	Recycle Bank
1.00	Recycling Cart
1.85	Sales Taxes
\$24.31	Monthly Total

Commercial Collection Rates

\$33.82	Commercial
0.20	State Fee
4.17	MSWSSC
0.25	Recycling Education
0.68	Recycle Bank
1.00	Recycling Cart
3.31	Sales Taxes
\$43.43	Monthly Total

<u>Solid Waste Department</u>	ADOPTED 2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
REVENUE	37,279,134	38,172,400	38,553,657	38,938,821	39,327,932
Decision Packages:					
\$1 rate reduction for Carts		(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)
Revenue after \$1 rate reduction		37,072,400	37,453,657	37,838,821	38,227,932
\$1 rate increase for \$14.5M Debt		1,100,000	1,100,000	1,100,000	1,100,000
Add \$0.60 Fee Increase		660,000	660,000	660,000	660,000
Rate Increase-.10/month in 2017, .15 in 2018 & 2019			110,000	276,500	444,500
Expenditures	27,681,250	28,071,197	28,471,827	28,883,554	29,306,817
Decision Packages:					
Equipment Lease Purchase		65,000	314,000	490,000	500,000
Expenditure after increase in leases		28,136,197	28,785,827	29,373,554	29,806,817
\$14.5M in Add'l Debt		984,000	984,000	984,000	984,000
SW Contribution to General Fund	9,597,884	9,597,884	9,597,884	9,597,884	9,597,884
SW Contrib.-rate red./Add leases		8,936,202	8,667,830	8,465,267	8,421,115
Surplus (Shortfall)		(661,681)	(930,053)	(1,132,616)	(1,176,769)
Add \$0.60 Fee Increase		660,000	660,000	660,000	660,000
Surplus (Shortfall)		(1,681)	(270,053)	(472,616)	(516,769)
\$14.5M in Add'l Debt		(984,000)	(984,000)	(984,000)	(984,000)
Surplus (Shortfall)		(985,681)	(1,254,053)	(1,456,616)	(1,500,769)
\$1 rate increase for \$14.5M Debt		1,100,000	1,100,000	1,100,000	1,100,000
Surplus (Shortfall)		114,319	(154,053)	(356,616)	(400,769)
Rate Increase-.10/month in 2017, .15 in 2018 & 2019			110,000	276,500	444,500
Surplus (Shortfall)			(44,053)	(80,116)	43,731
Rates:					
Residential	24.31	24.91	25.01	25.16	25.31
Commercial	43.43	44.63	44.83	45.13	45.43



Questions