

**DISCUSSION REGARDING TULSA AUTHORITY FOR THE RECOVERY OF ENERGY (TARE) – FY24/25 BUDGET (COUNCIL BUDGET MEETING – 5.03.2023)**

- TARE has four main contracts to provide refuse and recycling services:
  - Refuse and Recycling Hauling – Commenced on October 1, 2012. Expires on September 30, 2026.
  - Recycling Processing Services – Commenced on May 29, 2012. Expires on September 30, 2023. Currently negotiating a new contract.
  - Landfill Solid Waste Disposal – Current contract with Quarry Landfill commenced on July 1, 1998. Expires on June 30, 2023. The new contract with American Environmental Landfill begins on July 1, 2023.
  - Waste to Energy – Contract began on January 1, 2023 with Covanta. The new contract goes to December 31, 2037, with the option of one 5-year extension.
- TARE Contracts for Service Costs:

<b>VENDOR</b>	<b>FY23</b>	<b>FY24</b>
Covanta	\$47.81/ton (1/1 – 6/30)	\$47.81/ton (7/1 – 12/31) \$26.87/ton (1/1 – 6/30)
TRT	\$49.54/ton	\$49.54/ton (7/1 – 9/30) \$TBD/ton (10/1 – 6/30)
Waste Management - Quarry	\$22.28/ton	na
American Landfill – Shell Creek	na	\$26.25/ton

- Annual estimated tonnage of municipal waste is 125,000 tons/year.
- Annual estimated tonnage of recycling is 20,000 tons/year.
- Contracts have annual consumer price index (CPI) increases available up to a maximum of 5%. These CPIs are the largest annual increase in TARE’s annual budget.
- TARE continues to study all services provided and the fees associated with each. The review of the green waste facility and bulky waste services will be the focus of review of fees for service in FY24.

**STREETS & STORMWATER  
DEPARTMENT**

- Title 11-B Solid Waste Management, Chapter 5, Section 500 (Residential Services Rate Structure - Current)
  - Standard Services (Once Per Week)
    - Curbside (96 gallon) - \$18.50/month
    - Curbside (64 gallon) - \$16.70/month
    - Curbside (32 gallon) - \$14.90/month
  - Premium Services
    - Backyard Collection – add \$7.80 to standard services
    - Extended Backyard – add \$15.60 to standard services
    - Twice a Week Collection – add \$12.00 to standard services
    - Additional 96-gallon Cart – add \$7.20 to standard services
  - Physically Limited Services (includes backyard or extended backyard)
    - 96 Gallon - \$18.50/month
    - 64 Gallon - \$16.70/month
    - 32 Gallon - \$14.90/month
  - Other Charges
    - Cart Replacement - \$71.00
    - Change Cart Size - \$12.00
    - Bulky Waste Collection - \$10.00 per 8 cubic yards
    - Extra Refuse Sticker - \$0.50 per bag
    - Recycling Cart – No Charge
- Green Waste Disposal – Residents are not charged for disposal of green waste. Non-residents, commercial customers, and other governmental agencies are charged \$0.55/cubic yard for disposal at the Green Waste Site at 2100 North 145<sup>th</sup> East Avenue. Mulch and firewood are available at no charge. The facility is open 7 days a week (Mon-Sat, 7:30am-5:00pm; Sun, 12:00pm-5:00pm). Last load accepted into the facility at 4:30pm. Residents can also place up to 15 bags of green waste curbside if placed in clear bags.
- Household Pollutants Disposal – Residents can dispose of household pollutants at the facility located at 4502 South Galveston. The facility is open on Wednesday and Saturday 8:00am - 4:30pm. Use of the facility is free of charge for residents of Tulsa. An agreement exists with the M.E.T. to allow regional communities' residents to use the facility and the City of Tulsa is reimbursed for the cost of the services.

# RESIDENTIAL WASTE COLLECTION SERVICES

## RATE INCREASE | CONSIDERATIONS

### IMPACT STATEMENT

SCENARIO 02 | Rates = 16% | 10% | 5% | 3%

Customer Rate Class	Monthly Cost		
	Current Rate*	Rate Increase of 16%	Increase
Residential - Curbside - 96	\$ 18.50	\$ 21.46	\$ 2.96
Residential - Curbside - 64	16.70	19.38	2.67
Residential - Curbside - 32	14.90	17.29	2.38
Residential - Backyard - 96	26.30	30.51	4.21
Residential - Backyard - 64	24.50	28.42	3.92
Residential - Backyard - 32	22.70	26.34	3.63
Residential - Ext Backyard - 96	34.10	39.56	5.46
Residential - Ext Backyard - 64	32.30	37.47	5.17
Residential - Ext Backyard - 32	30.50	35.38	4.88
Residential - Curbside - 96 - 2X	30.50	35.38	4.88
Residential - Curbside - 64 - 2X	28.70	33.30	4.59
Residential - Curbside - 32 - 2X	26.90	31.21	4.30
Residential - Backyard - 96 - 2X	38.30	44.43	6.13
Residential - Backyard - 64 - 2X	36.50	42.34	5.84
Residential - Backyard - 32 - 2X	34.70	40.26	5.55
Residential - Ext Backyard - 96 - 2X	46.10	53.48	7.38
Residential - Ext Backyard - 64 - 2X	44.30	51.39	7.09
Residential - Ext Backyard - 32 - 2X	42.50	49.30	6.80
Residential - Curbside - 96 - 2 Carts	25.70	29.82	4.11
Residential - Backyard - 96 - 2 Carts	33.50	38.86	5.36
Residential - Ext Backyard - 96 - 2 Carts	41.30	47.91	6.61
Residential - Curbside - 96 - 2 Carts - 2X	37.70	43.74	6.03
Residential - Backyard - 96 - 2 Carts-2X	45.50	52.78	7.28
Residential - Ext Backyard - 96 - 2 Carts-2X	53.30	61.83	8.53
Residential - Physically Limited - Backyard - 96	18.50	21.46	2.96
Residential - Physically Limited - Backyard - 64	16.70	19.38	2.67
Residential - Physically Limited - Backyard - 32	14.90	17.29	2.38

## QUICK TABLE

CUSTOMER BASE	MONTHLY				ANNUAL			
	RATE			DIF	RATE			DIF
	CURRENT	INCREASE	NEW		CURRENT	NEW		
Residential - Curbside - 96	\$ 18.50	0%	\$ 18.50	\$ -	\$ 222.05	\$ 222.05	\$ -	
Residential - Curbside - 96	\$ 18.50	16%	\$ 21.46	\$ 2.96	\$ 222.05	\$ 257.58	\$ 35.53	
Residential - Curbside - 96	\$ 18.50	20%	\$ 22.20	\$ 3.70	\$ 222.05	\$ 266.46	\$ 44.41	
Residential - Curbside - 96	\$ 18.50	24%	\$ 22.94	\$ 4.44	\$ 222.05	\$ 275.34	\$ 53.29	

**TARE OPERATING FUND CASH FLOW PROJECTIONS**

\* Contracts for residential solid waste, recycling & green waste collection. City crews performing bulky waste collections, illegal dumping cleanup and neighborhood dumpster program.

\* Service charge rates last updated effective November 2022.

\* Base year is FY22/23 approved budget. FY23/24 is the in-process budget. FY24/25 is the in- process financial plan. FY25/26 and forward are projected budgets.

\* Payment in lieu of taxes increased to 6.7% in FY23 and forward for all years.

\* Operating reserve is set at two months expenditures (average).

\* Capital replacement projections are from the TARE equipment study completed in FY17.

Last budget update: 04/10/23

**VERSION**

**SCENARIO 02 | Rates = 16% | 10% | 5% | 5% | 3%**

Line #		FY 21/22 Last Year Actuals	FY22/23 Current Budget	FY 23/24 In-Process Budget	FY24/25 In-Process Financial Plan	FY25/26 Projection	FY26/27 Projection	FY27/28 Projection
1	<b>REVENUE*</b>	<b>UNAUDITED</b>	<b>ESTIMATED</b>					
2	Operating Revenue:							
3	Residential	\$ 22,812,000	\$ 25,855,121	\$ 30,133,658	\$ 33,358,997	\$ 35,383,087	\$ 37,085,075	\$ 38,397,752
4	Commercial	3,993,885	3,774,996	3,775,000	3,775,000	3,775,000	3,775,000	3,775,000
5	City Facility	225,000	225,000	225,000	225,000	225,000	225,000	225,000
6	Green Waste Pickup	-	-	-	-	-	-	-
7	Bulky Waste Pickup	186,314	225,000	225,000	225,000	225,000	225,000	225,000
8	Green Waste Processing	130,404	99,996	100,000	100,000	100,000	100,000	100,000
9	Recycling Processing	-	-	-	-	-	-	-
10	Refuse Sticker Fees	86,243	69,996	70,000	70,000	70,000	70,000	70,000
11	<b>Total Operating Revenue</b>	<b>27,433,845</b>	<b>30,250,109</b>	<b>34,528,658</b>	<b>37,753,997</b>	<b>39,778,087</b>	<b>41,480,075</b>	<b>42,792,752</b>
12	Other Revenue:							
13	Interest on Pooled Investments	163,478	179,604	309,000	250,000	250,000	250,000	250,000
14	Miscellaneous Revenue	125,578	124,992	125,000	125,000	125,000	125,000	125,000
15	Field Service Fees - ADD TO MISC	-	-	-	-	-	-	-
16		289,056	304,596	434,000	375,000	375,000	375,000	375,000
17	<b>Total Revenue</b>	<b>27,722,901</b>	<b>30,554,705</b>	<b>34,962,658</b>	<b>38,128,997</b>	<b>40,153,087</b>	<b>41,855,075</b>	<b>43,167,752</b>
19	<b>EXPENSES</b>	<b>UNAUDITED</b>	<b>BUDGETED</b>					
20	Solid Waste Services Administration	\$ 996,906	\$ 973,549	\$ 1,107,213	\$ 1,120,742	\$ 1,161,867	\$ 1,194,596	\$ 1,228,255
21	Residential Services (Recycling)	872,727	1,147,882	1,176,705	1,188,465	1,233,234	1,267,647	1,303,028
22	Residential Services - Collection contract	11,988,595	14,451,346	15,173,914	15,932,609	16,729,239	17,140,779	17,562,442
23	Residential Services - Disposal	1,552,417	2,868,375	4,651,200	4,754,220	4,991,931	5,114,733	5,240,555
24	Commercial Services	345,174	394,773	422,322	429,607	442,830	456,020	469,603
25	Emergency Response	71,941	500,000	500,000	500,000	500,000	500,000	500,000
26	Recycling (Education)	478,103	929,421	811,625	812,185	849,649	871,425	893,763
27	The Metropolitan Environmental Trust	406,812	445,000	433,719	455,405	478,175	489,938	501,991
28	Household Pollutant Collection Program	210,669	264,831	298,749	300,324	312,470	320,955	329,672
29	Intergovernmental Services	387,114	439,484	464,828	479,765	499,587	513,036	526,850
30	Bulky Waste & Rolloffs	853,639	1,070,341	1,240,653	1,247,549	1,290,285	1,327,488	1,365,771
31	Illegal Dumping / Dead Animal Pickup	342,972	408,313	422,353	430,475	444,142	457,253	470,752
32	Land Reclamation	210,178	52,848	31,337	31,550	32,642	33,580	34,545
33	Green Waste Site	771,166	1,357,157	1,451,141	1,359,408	1,412,475	1,451,366	1,491,339
34	Stormwater & Land Management Admin	113,749	139,310	77,882	78,960	81,612	83,980	86,417
35	Streets & Stormwater -- Administration	230,303	318,419	641,231	572,617	595,487	611,738	628,437
36	Supervised Litter Collection	731,570	804,384	758,388	766,122	801,584	822,094	843,132
37	Security	24,013	30,520	35,695	36,039	37,471	38,495	39,549
38	Facilities Maintenance	38,259	40,646	42,476	42,975	44,792	45,987	47,213
39	Asset Management -- Administration	4,118	4,177	4,018	4,086	4,209	4,335	4,465
40	Utilities Services - Billing / Credit	505,109	617,781	515,172	516,866	536,416	551,362	566,728
41	Customer Care	185,113	293,665	328,289	331,411	341,901	352,003	362,404
42	Field Customer Service - Collections	58,209	65,002	76,706	77,678	80,098	82,476	84,924
43	Information Technology	287,383	350,760	472,288	483,234	501,987	515,840	530,079
44	Finance - Warehouse, PCs, software and training	4,913	5,418	5,123	5,985	6,284	6,439	6,597
45	Auditing Services	21,600	25,000	26,000	26,000	27,300	27,972	28,660
46	Equipment Management - Maintenance / Fuel	991,148	1,017,500	1,396,008	1,358,058	1,425,961	1,461,040	1,496,981
47	Indirect Cost Expense - Shared City Services	530,271	571,443	696,938	696,938	731,785	749,787	768,232
48	Payments in Lieu of Taxes (Transfer to General Fund)	1,676,013	1,823,000	2,313,420	2,529,518	2,665,132	2,779,165	2,867,114
49	Debt Service	-	-	-	-	-	-	-
50	<b>Total Operating Expenses</b>	<b>24,890,185</b>	<b>31,410,345</b>	<b>35,575,391</b>	<b>36,568,792</b>	<b>38,260,544</b>	<b>39,271,526</b>	<b>40,279,498</b>
51	Capital Additions/Replacements - Carts	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
52	Capital Additions/Replacements - All Other	831,330	1,673,126	2,383,000	1,602,000	796,000	995,000	629,000
53	<b>Total Operating Expenses and Capital</b>	<b>25,721,515</b>	<b>34,583,471</b>	<b>39,458,391</b>	<b>39,670,792</b>	<b>40,556,544</b>	<b>41,766,526</b>	<b>42,408,498</b>
54	<b>(Addition to (Use of) Fund Balance)</b>	<b>2,001,385</b>	<b>(4,028,766)</b>	<b>(4,495,733)</b>	<b>(1,541,795)</b>	<b>(403,458)</b>	<b>88,549</b>	<b>759,255</b>
55	Beginning of Year Fund Balance	15,649,615	17,651,000	13,622,234	9,126,502	7,584,706	7,181,249	7,269,797
56	Capital Equipment Reserve	-	-	-	-	-	-	-
57	Operating Reserve - Two Months Expenditures (average)	4,594,000	5,663,000	5,929,000	6,095,000	6,377,000	6,545,000	6,713,000
58	Reserve for OPEB	-	-	-	-	-	-	-
59	<b>Ending Year Fund Balance</b>	<b>\$ 13,057,000</b>	<b>\$ 7,959,234</b>	<b>\$ 3,197,502</b>	<b>\$ 1,489,706</b>	<b>\$ 804,249</b>	<b>\$ 724,797</b>	<b>1,316,052</b>
60	Rate Change	0.0%	20.0%	16.0%	10.0%	5.0%	5.0%	3.0%
61	Cumulative Rate Change	0.0%	20.0%	16.0%	27.6%	34.0%	40.7%	44.9%

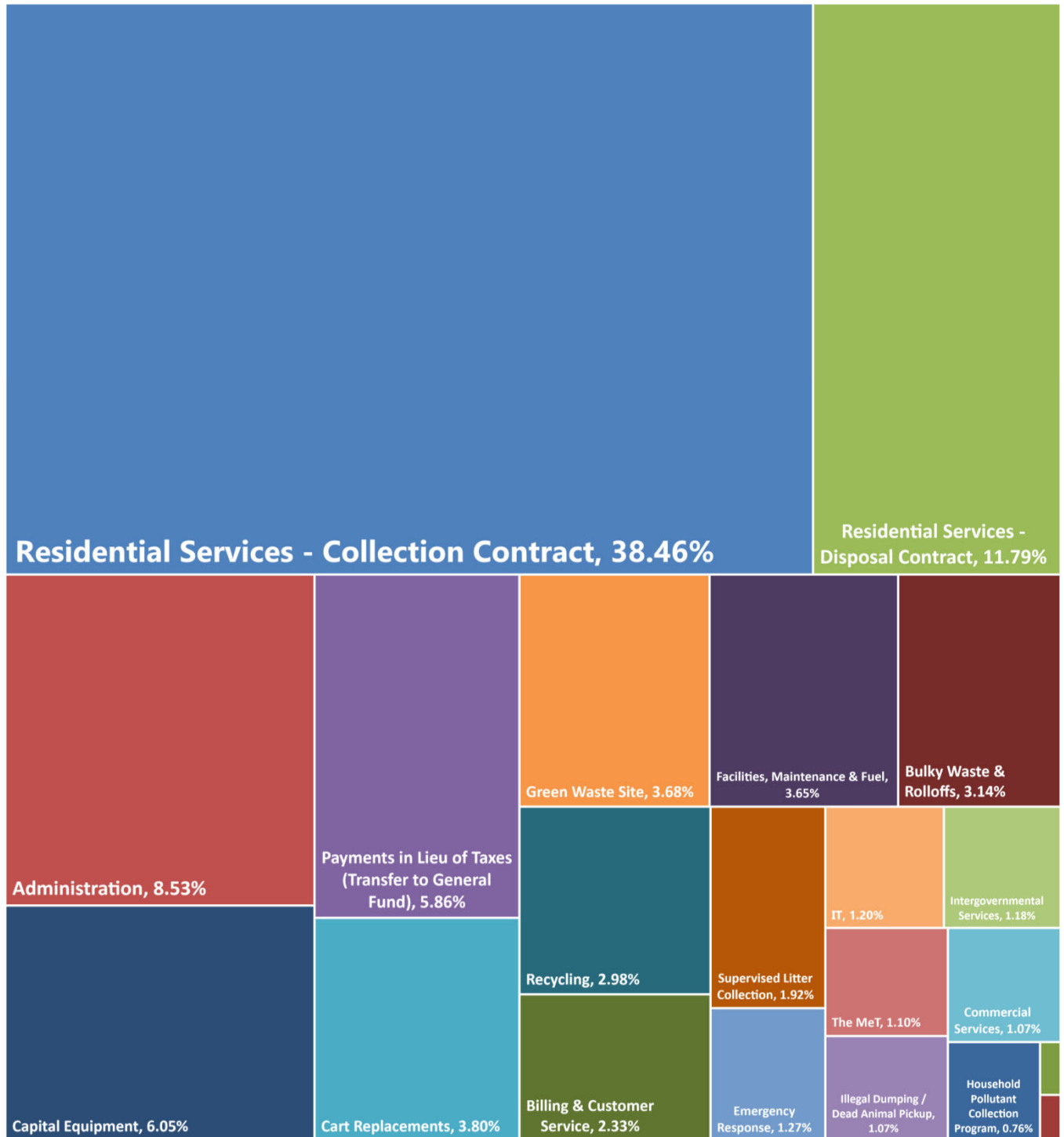


# TARE SERVICES FY24 BUDGET

Proposed  
**\$39.5 Million**

## SERVICES | By Percent

- Residential Services - Collection Contract
- Residential Services - Disposal Contract
- Cart Replacements
- Capital Equipment
- Billing & Customer Service
- Recycling
- Emergency Response
- Intergovernmental Services
- Commercial Services
- Household Pollutant Collection Program
- Administration
- Payments in Lieu of Taxes (Transfer to General Fund)
- Green Waste Site
- Bulky Waste & Rolloffs
- Facilities, Maintenance & Fuel
- Supervised Litter Collection
- The MeT
- Illegal Dumping / Dead Animal Pickup
- IT
- Land Reclamation



# TARE REFUSE OPERATING

FY 2023 - 2024 & FY 2024 - 2025

OPERATING FUND

**730**

PROPRIETARY FUND  
BUDGETED ON A  
ACCRUAL BASIS

## OVERVIEW

The Tulsa Authority for the Recovery of Energy (TARE) was created November 11, 1977, as a trust of the City of Tulsa. It manages the City's solid waste pickup and disposal programs.

The TARE fund was established to account for the revenues and expenditures involved with collection and disposal of trash within the city. Revenues are derived from charges on trash collection and disposal. The solid waste service revenues are used for collection of refuse and recycling, disposal of refuse, membership in the Metropolitan Environmental Trust (Met), liter pickup, green waste site and bulky waste programs.

## BUDGET SUMMARY

The solid waste system is cart based with rates set on a "pay as you throw" basis. Contractors provide refuse collection, recycling collection and recycling processing. City staff provides collection service for bulky waste and neighborhood cleanup programs. City staff also manages a green waste dump site.

TARE has an operating reserve policy to maintain funds equal to two (2) months of average monthly expenditures.

TARE will begin FY24 with a fund balance of approximately \$8.5 million after reserving for encumbrances and the operating reserve. The payment in lieu of taxes to the General Fund is 6.7% (6.7%). Rates for collection of residential waste will be increased by 16 percent (16.0%) in FY24 and 10 percent (10.0%) in FY25.

## ANNUAL RESOURCES AND OUTLAYS

(amounts expressed in thousands)

	FY 22 ACTUAL	FY 23 ORIGINAL	FY 23 ESTIMATE	FY 24 BUDGET	PERCENT DIFF. FROM FY 23 EST.	FY 25 FINANCIAL PLAN
<b>Annual Resources</b>						
Revenue	\$ 27,933	\$ 27,512	\$ 29,728	\$ 34,963	17.6%	\$ 38,129
Transfers In	0	0	0	0	N/A	0
<b>Total Resources</b>	<b>27,933</b>	<b>27,512</b>	<b>29,728</b>	<b>34,963</b>	<b>17.6%</b>	<b>38,129</b>
<b>Annual Outlays</b>						
Budget	23,464	32,618	32,295	37,146	15.0%	37,344
Transfers Out	1,603	1,962	2,012	2,312	14.9%	2,324
<b>Total Outlays</b>	<b>25,067</b>	<b>34,580</b>	<b>34,307</b>	<b>39,458</b>	<b>15.0%</b>	<b>39,668</b>
<b>Resources Less Outlays</b>	<b>2,866</b>	<b>(7,068)</b>	<b>(4,579)</b>	<b>(4,495)</b>		<b>(1,539)</b>
<b>Fund Balance</b>						
Beginning Unassigned Fund Balance	15,854	18,004	18,720	14,141		9,646
Addition to/(Use of)	2,866	(7,068)	(4,579)	(4,495)		(1,539)
Operating Reserve (16.00%)	(5,663)	(5,663)	(5,663)	(5,915)		(6,075)
End of Year	<b>\$ 13,057</b>	<b>\$ 5,273</b>	<b>\$ 8,478</b>	<b>\$ 3,731</b>		<b>\$ 2,032</b>

## ANNUAL RESOURCES

(amounts expressed in thousands)

	FY 22 ACTUAL	FY 23 ORIGINAL	FY 23 ESTIMATE	FY 24 BUDGET	PERCENT DIFF. FROM FY 23 EST	FY 25 FINANCIAL PLAN
<b>REVENUE ACCOUNT</b>						
<b><u>Enterprise</u></b>						
Refuse Revenue	\$ 27,557	\$ 27,207	\$ 29,328	\$ 34,529	17.7%	\$ 37,754
Miscellaneous Utility Revenue	119	100	106	100	-5.7%	100
<b>Total Enterprise</b>	<b>27,676</b>	<b>27,307</b>	<b>29,434</b>	<b>34,629</b>	<b>17.6%</b>	<b>37,854</b>
<b><u>Investment Income</u></b>						
Interest Earnings	163	180	286	309	8.0%	250
<b>Total Investment Income</b>	<b>163</b>	<b>180</b>	<b>286</b>	<b>309</b>	<b>8.0%</b>	<b>250</b>
<b><u>Miscellaneous</u></b>						
Sale of City Property	87	0	0	0	N/A	0
Other	7	25	8	25	212.5%	25
<b>Total Miscellaneous</b>	<b>94</b>	<b>25</b>	<b>8</b>	<b>25</b>	<b>212.5%</b>	<b>25</b>
<b>TOTAL ANNUAL RESOURCES</b>	<b>\$ 27,933</b>	<b>\$ 27,512</b>	<b>\$ 29,728</b>	<b>\$ 34,963</b>	<b>17.6%</b>	<b>\$ 38,129</b>

## ANNUAL OUTLAYS

(amounts expressed in thousands)

	FY 22	FY 23	FY 24	PERCENT DIFF. FROM	FY 25
	ACTUAL	ORIGINAL	BUDGET	FY 23 ORIG	FINANCIAL PLAN
<b>PUBLIC WORKS AND TRANSPORTATION</b>					
<b><u>Public Works</u></b>					
Personal Services	3,748	4,388	4,711	7.4%	4,770
Materials and Supplies	231	200	201	0.5%	199
Other Services/Charges	18,622	24,053	27,592	14.7%	28,507
Capital Outlay	26	3,058	3,776	23.5%	2,995
<b>Total</b>	<b>22,627</b>	<b>31,699</b>	<b>36,280</b>	<b>14.5%</b>	<b>36,471</b>
<b>Total Public Works &amp; Transportation</b>	<b>22,627</b>	<b>31,699</b>	<b>36,280</b>	<b>14.5%</b>	<b>36,471</b>
<b>ADMINISTRATIVE AND SUPPORT SERVICES</b>					
<b><u>Information Technology</u></b>					
Capital Outlay	0	52	52	0.0%	52
<b>Total</b>	<b>0</b>	<b>52</b>	<b>52</b>	<b>0.0%</b>	<b>52</b>
<b><u>Asset Management</u></b>					
Personal Services	58	72	141	95.8%	142
Materials and Supplies	46	55	56	1.8%	59
Other Services/Charges	628	677	562	-17.0%	565
Capital Outlay	105	63	55	-12.7%	55
<b>Total</b>	<b>837</b>	<b>867</b>	<b>814</b>	<b>-6.1%</b>	<b>821</b>
<b>Total Administrative &amp; Support Services</b>	<b>837</b>	<b>919</b>	<b>866</b>	<b>-5.8%</b>	<b>873</b>
<b>TOTAL BUDGET</b>	<b>23,464</b>	<b>32,618</b>	<b>37,146</b>	<b>13.9%</b>	<b>37,344</b>
<b>(Expenditures or appropriations)</b>					

	FY 22	FY 23	FY 24	PERCENT DIFF. FROM	FY 25
	ACTUAL	ORIGINAL	BUDGET	FY 23 ORIG	FINANCIAL PLAN
<b><u>Transfers Out</u></b>					
Operational support - Asset Mgt	68	76	83	9.2%	83
Operational support - Info Tech	303	347	472	36.0%	483
Operational support - Finance	529	623	520	-16.5%	523
Operational support - Customer Care	185	294	328	11.6%	331
Operational support - Streets&Storm	460	557	833	49.6%	827
Operational support - Water&Sewer	58	65	76	16.9%	77
<b>TOTAL TRANSFERS OUT</b>	<b>1,603</b>	<b>1,962</b>	<b>2,312</b>	<b>17.8%</b>	<b>2,324</b>
<b>TOTAL ANNUAL OUTLAYS</b>	<b>\$ 25,067</b>	<b>\$ 34,580</b>	<b>\$ 39,458</b>	<b>14.1%</b>	<b>\$ 39,668</b>