

**SAN FRANCISCO  
QUARTERLY RATE REPORT**

**Three Months Ended September 30, 2017**

Recology Sunset Scavenger  
Recology Golden Gate  
Recology San Francisco

## **INTRODUCTION**

San Francisco Public Works Director's Reports include quarterly reporting requirements. The requirements address several areas, including refuse tonnages and accounts, toxics collection, revenues and expenses, and various accounts. This report covers rate year 2018 (RY 2018).

## **LOW-INCOME AND DISABLED SERVICES PROGRAMS**

As of September 30, 2017, 7,313 customers participated in the low-income program. As of the same date, there were 470 participants in the disabled services program.

## **ACCOUNT REPORTING**

Appendix A contains account reports for the Special Reserve, Reserve Fund, Impound, and Zero Waste Incentives. The reports include beginning balances, deposits, disbursements, and ending balances for the accounts.

### **Special Reserve and Reserve Fund**

On December 16, 2015, the Refuse Collection and Disposal Rate Board issued a resolution to create a new account to serve as the Reserve Fund for the July 2015 landfill agreement with Recology Hay Road by withdrawing \$13,250,000 from the Special Reserve. As directed in the resolution, \$1,250,000 is an initial deposit and \$12,000,000 will be used to cover the increase in disposal and transportation costs. The 2017 rate process requires \$2,000,000 to be transferred from the Special Reserve to the Reserve Fund at the start of RY18, RY19, and RY20. Also, \$2,500,000 will be transferred from the Special Reserve to Recology to offset revenues in RY18, RY19, and RY20. Finally, any remaining funds in the Special Reserve will be transferred to the Reserve Fund at the end of RY20.

### **Impound**

Recology made monthly deposits to the Impound in accordance with procedures and the approved rates.

### **Zero Waste Incentive**

Recology makes deposits to the Zero Waste Incentives monthly in amounts determined by the rate process. Funds held in Zero Waste Incentives will be applied against future rate adjustments and certain amounts may be used to support additional material recovery programs.

**Table 1**  
**Disposal Tonnage Summary**  
**Recology San Francisco**  
**July - September 2017**

	Actual	Tier 1	Tier 2	Tier 3	Tier 4
Tons Disposed	112,724	97,268	96,518	95,018	92,500

**Table 2**  
**Alternative Daily Cover Tonnage**  
**Recology San Francisco**  
**July - September 2017**

Source	Tonnage
Composting Overs	-
iMRF Fines	8,257
<b>Total Alternative Daily Cover</b>	<b>8,257</b>

**Table 3**  
**Recovery and Disposal Tonnage Breakdown**  
**July - September 2017**

	Received	Recovered	Disposed	% Recovered
<b>Recycle Central Recyclables</b>				
Fantastic 3	30,748	28,744	2,004	93.5%
Source Separated	6,515	6,515	-	100.0%
Mixed Commercial	31	12	18	40.0%
Mixed Paper	3,857	2,858	1,000	74.1%
<b>Total Recyclables</b>	<b>41,151</b>	<b>38,130</b>	<b>3,022</b>	<b>92.7%</b>
<b>Tunnel Avenue Compostables</b>				
Fantastic 3	15,283	12,712	2,570	83.2%
Commercial	28,003	23,293	4,710	83.2%
San Francisco Public Works	423	423	-	100.0%
Other City of San Francisco Departments	213	213	-	100.0%
Commercial Customers	322	322	-	100.0%
Public Customers	222	222	-	100.0%
<b>Total Compostables</b>	<b>44,465</b>	<b>37,185</b>	<b>7,280</b>	<b>83.6%</b>
<b>Tunnel Avenue iMRF</b>				
Roll-off	18,235	7,860	10,375	43.1%
San Francisco Public Works	1,318	568	750	43.1%
Other City of San Francisco Departments	21	9	12	43.1%
Commercial Customers	2,758	1,189	1,569	43.1%
<b>Total iMRF</b>	<b>22,331</b>	<b>9,626</b>	<b>12,706</b>	<b>43.1%</b>
<b>Other Tunnel Avenue</b>				
Fantastic 3	40,193	336	39,857	0.8%
Commercial	14,878	-	14,878	0.0%
Roll-off	9,726	-	9,726	0.0%
San Francisco Public Works	6,659	1,269	5,390	19.1%
Other City of San Francisco Departments	1,077	-	1,077	0.0%
Public Refuse Receptacles	4,841	-	4,841	0.0%
Commercial Customers	3,074	689	2,385	22.4%
Public Customers	10,881	3,404	7,477	31.3%
Bulky Item Recycling & Abandoned Materials Collection	3,151	1,601	1,551	50.8%
Inerts	6,055	6,055	-	100.0%
Construction Material Reuse	188	188	-	100.0%
Other Recycling	396	396	-	100.0%
<b>Total Other Tunnel Avenue</b>	<b>167,915</b>	<b>60,747</b>	<b>107,167</b>	<b>36.2%</b>
<b>Sustainable Crushing</b>	<b>13,289</b>	<b>13,289</b>	<b>-</b>	<b>100.0%</b>
<b>Adjustments (Inventory, moisture, etc.)</b>	<b>2,535</b>	<b>-</b>	<b>2,535</b>	
<b>Total Tons</b>	<b>224,890</b>	<b>112,166</b>	<b>112,724</b>	<b>49.9%</b>
<b>Disposal Breakdown</b>				
Covanta (RBVON residual)			939	
Forward Landfill (RBVON residual)			7,280	
Recology Hay Road Landfill			104,197	
Zanker Material Processing Facility (C&D residual)			307	
<b>Total Disposal</b>			<b>112,724</b>	

**Table 4**  
**Number of Accounts, Service, and Compliance**  
**Recology Sunset Scavenger & Recology Golden Gate**  
**July - September 2017**

	<b>Number of Accounts</b>	<b>Trash Compliant</b>		<b>Recycling Compliant</b>		<b>Composting Compliant</b>	
Residential	141,540	141,525	100.0%	141,262	99.6%	140,974	99.8%
Apartment	8,290	8,290	100.0%	8,279	99.8%	8,269	99.9%
Commercial	16,450	16,428	100.0%	16,311	98.9%	16,213	98.0%
City and County of San Francisco	351	337	96.0%	324	92.3%	287	81.8%
School District & UC	183	178	97.3%	181	98.9%	175	95.6%
Other	102	98	96.1%	84	82.4%	69	67.7%
<b>Total</b>	<b>166,916</b>	<b>166,856</b>	<b>100.0%</b>	<b>166,441</b>	<b>99.7%</b>	<b>165,987</b>	<b>99.4%</b>

<b>Residential Single Dwelling Unit Accounts</b>	
16-gallon Trash Bins	3,806
20-gallon Trash Bins	33,354

**Table 5**  
**Toxics Collection and Participation**  
**July - September 2017**

<b>Program</b>	<b>Collection Weight</b>	<b>Goal</b>	<b>Service Standard</b>	
	<b>Tons Handled</b>	<b>Tons Handled</b>	<b>Number</b>	<b>Unit</b>
HHW Facility Drop Off	78.30		2,291	Customers Served
HHW Home Collection	27.24	32.69	505	Pickups
HHW Home Collection			977	Equivalent Loads
Very Small Quantity Generator	16.32		160	Business Appointments
Residential Curbside Battery Collection	7.10	7.80		
Apartment Building Battery Collection	2.06	2.26	96	Pickups
Retail Collection Partners	24.06		257	Pickups
Gigantic 3 Collection Events	1.47		441	Customers Served
Waste Acceptance Control Program	8.55			
Bulky Item Recycling - E-Waste	95.00		17,651	Pickups
Public Drop Off - E-Waste	53.95			

\* Bulky item pickups include non-E-Waste customers

**Table 6**  
**Revenue**  
**Recology Sunset Scavenger and Recology Golden Gate**  
**July - September 2017**

	Projected	Actual	Variance
Residential	\$ 22,816,657	\$ 22,528,501	-1%
Apartment	\$ 18,221,280	\$ 18,452,558	1%
Commercial	\$ 39,381,733	\$ 39,245,758	0%
Commercial Compactors	\$ 8,730,122	\$ 7,334,065	-16%
<b>REVENUE SUBJECT TO RATE</b>	<b>\$ 89,149,793</b>	<b>\$ 87,560,883</b>	<b>-2%</b>
Revenue not Subject to Rate:			
Debris Box Revenue	\$ 5,928,982	\$ 6,200,345	5%
Equipment & Supply Sales	467,192	316,299	-32%
Miscellaneous Income	79,112	153,538	94%
<b>Total Other Revenue not Subject to Rate:</b>	<b>\$ 6,475,286</b>	<b>\$ 6,670,181</b>	<b>3%</b>
Impound Account Funding	\$ (4,923,204)	\$ (4,923,204)	0%
Zero Waste Incentive Funding	\$ (1,126,527)	\$ (1,126,527)	0%
<b>Total Revenue</b>	<b>\$ 89,575,347</b>	<b>\$ 88,181,333</b>	<b>-1.56%</b>

**Table 7**  
**Recology San Francisco**  
**Tipping Charge Revenues**  
**July - September 2017**

	Tonnage			Revenue		
	Projection	Actual	Variance	Projection	Actual	Variance
<b><u>Tonnage &amp; Revenue from Tipping Charge</u></b>						
Recology Sunset Scavenger/Golden Gate						
Recycle Central	36,434	34,733	-5%	\$ 6,601,913	\$ 6,293,552	-5%
Compostables	43,192	43,274	0%	7,826,307	7,841,253	0%
iMRF	18,209	18,270	0%	3,299,380	3,310,591	0%
Trash	66,034	64,853	-2%	11,965,424	11,751,297	-2%
Other	3,351	3,298	-2%	607,183	597,607	-2%
Subtotal (Recology Sunset Scavenger/Golden Gate)	167,220	164,428	-2%	\$ 30,300,208	\$ 29,794,299	-2%
Public Customers	9,621	11,081	15%	1,743,334	2,007,915	15%
Commercial Customers	6,155	7,074	15%	1,115,252	1,281,768	15%
Total San Francisco	182,996	182,583	0%	\$ 33,158,794	\$ 33,083,982	0%
Total Non-San Francisco	654	803	23%	118,454	145,454	23%
<b>Total Tonnage &amp; Revenue from Tipping Charge</b>	<b>183,649</b>	<b>183,385</b>	<b>0%</b>	<b>\$ 33,277,248</b>	<b>\$ 33,229,436</b>	<b>0%</b>
Net Recycling Revenue				\$ 5,173,619	\$ 6,436,573	24%
Non-rate Revenue				221,149	446,233	102%
Intercompany Dirt, Inerts & Others				263,965	248,446	-6%
Rental Income				11,100	11,100	0%
Product Stewardship				87,250	-	-100%
Total Other Commercial Revenue				\$ 5,757,083	\$ 7,142,352	24%
Zero Waste Incentive Funding				\$ (690,321)	\$ (690,321)	0%
ZWI Facility Improvements				3,247,569	3,247,569	0%
<b>Total Revenue</b>	<b>-</b>	<b>-</b>		<b>\$ 41,591,579</b>	<b>\$ 42,929,036</b>	<b>3%</b>

**Table 8**  
**Recycling Revenue**  
**Recology San Francisco**  
**July - September 2017**

Recycle Central	Tons			Revenue			Price Per Ton		
	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Mixed Paper	19,088	16,112	-16%	\$ 2,126,784	\$ 2,324,752	9%	\$ 111.42	\$ 144.29	29%
Cardboard	7,890	9,728	23%	1,246,141	2,147,711	72%	157.94	220.77	40%
Aluminum	100	143	43%	406,850	555,171	36%	4,068.50	3,895.66	-4%
Metal/Ferrous	400	600	50%	50,159	73,910	47%	125.40	123.22	-2%
PET	350	518	48%	688,718	754,452	10%	1,967.76	1,455.99	-26%
HDPE Blend	325	305	-6%	229,148	133,656	-42%	705.07	437.77	-38%
Plastic Film	-	17	n/a	-	2,411	n/a	-	145.00	n/a
Mixed Plastics 3-7	275	163	-41%	16,858	2,454	-85%	61.30	15.01	-76%
Flint Glass	88	85	-3%	20,194	20,463	1%	230.79	240.88	4%
Amber Glass	81	57	-30%	18,382	13,275	-28%	226.24	234.13	3%
Green Glass	54	41	-23%	11,632	9,383	-19%	216.41	227.02	5%
Mixed Glass	5,750	7,114	24%	702,292	1,093,473	56%	122.14	153.70	26%
Glass Fines	363	-	-100%	43,177	-	-100%	119.11	-	-100%
<b>Total Recycle Central</b>	<b>34,763</b>	<b>34,883</b>	<b>0%</b>	<b>\$ 5,560,335</b>	<b>\$ 7,131,111</b>	<b>28%</b>			<b>n/a</b>
<b>Tunnel Avenue</b>									
Metal	3,297	3,319	1%	\$ 518,588	\$ 372,463	-28%	\$ 157.28	\$ 112.20	-29%
Wood	3,331	-	-100%	62,868	(2,267)	-104%	18.87	-	-100%
Mixed Rigid Plastic	422	487	16%	65,745	37,742	-43%	155.94	77.47	-50%
SB20/50 E-Waste	113	70	-37%	30,440	7,184	-76%	270.58	102.06	-62%
<b>Total Tunnel Avenue</b>	<b>7,163</b>	<b>3,877</b>	<b>-46%</b>	<b>\$ 677,641</b>	<b>\$ 415,123</b>	<b>-39%</b>			
<b>Sustainable Crushing</b>				<b>\$ 176,400</b>	<b>\$ 255,591</b>	<b>45%</b>			
<b>Total Recycling Revenue</b>				<b>\$ 6,414,376</b>	<b>\$ 7,801,826</b>	<b>22%</b>			
Processing Expenses				\$ (219,263)	\$ (130,894)	-40%			
Purchases				\$ (1,021,494)	\$ (1,234,359)	21%			
<b>Net Recycling Revenues</b>				<b>\$ 5,173,619</b>	<b>\$ 6,436,573</b>	<b>24%</b>			

**Table 9**  
**Recology Sunset Scavenger and Recology Golden Gate**  
**Expenses**  
**July - September 2017**

<b>Item Description</b>	<b>Projected</b>	<b>Actual</b>
Payroll	\$ 20,018,539	\$ 18,596,589
Payroll Taxes	1,517,156	1,359,192
Pension	3,713,813	2,785,397
Health Insurance	6,066,288	4,851,347
Workers Compensation	2,562,830	2,840,655
<b>Total Payroll &amp; Related</b>	<b>\$ 33,878,625</b>	<b>\$ 30,433,180</b>
Corporate Allocations	\$ 1,824,165	\$ 2,069,725
Bad Debt	36,952	75,163
O/S Billing Services	78,636	86,267
Office	104,395	123,468
Postage	81,450	74,492
Professional Services	181,046	175,024
Security & Janitorial	114,276	120,333
Taxes	437,845	419,967
Telephone	144,260	127,667
<b>Total Administrative</b>	<b>\$ 3,003,024</b>	<b>\$ 3,272,105</b>
Building & Facility Repair	\$ 38,565	\$ 112,392
Depreciation	62,533	121,509
Environmental Compliance	149,483	110,165
Freight	17,546	18,640
Fuel	1,046,077	634,280
I/C Disposal	11,965,424	12,132,370
I/C Processing	18,557,798	18,010,416
Lease	3,529,746	3,100,152
Liability Insurance	790,315	768,393
Licenses & Permits	408,974	409,698
O/S Disposal	8,489	9,170
O/S Equipment Rental	52,224	4,176
Parts	596,751	674,259
Property Rental	432,227	395,359
Repairs & Maintenance	324,313	533,090
Supplies	585,588	656,932
Tires & Tubes	209,704	184,671
Utilities	123,949	245,658
T&G Maintenance Allocation	(14,374)	(21,306)
<b>Total Operating</b>	<b>\$ 38,885,333</b>	<b>\$ 38,100,023</b>
Contract Services	\$ 285,558	\$ 334,522
Other	498,350	977,508
<b>Total Others</b>	<b>\$ 783,908</b>	<b>\$ 1,312,030</b>
<b>Total Operating Expenses</b>	<b>\$ 76,550,891</b>	<b>\$ 73,117,338</b>



**Table 10**  
**Recology San Francisco**  
**Expenses - RY 2018**  
**July 2017 - September 2017**

<b>Item Description</b>	<b>Projected</b>	<b>Actual</b>
Payroll	\$ 11,435,205	\$ 11,295,857
Payroll Taxes	894,043	817,337
Pension	1,692,012	2,449,873
Health Insurance	3,713,231	3,200,337
Workers Compensation	910,911	763,698
<b>Total Payroll &amp; Related Expenses</b>	<b>\$ 18,645,402</b>	<b>\$ 18,527,102</b>
Corporate Allocations	\$ 383,032	\$ 421,275
Bad Debt	13,468	29,631
Office	55,359	52,650
Postage	825	708
Professional Services	626,717	422,526
Repairs & Maintenance	193,647	170,997
Security & Janitorial	168,417	196,348
Taxes	455,912	384,284
Telephone	68,154	69,927
<b>Total Administrative Expenses</b>	<b>\$ 1,965,531</b>	<b>\$ 1,748,345</b>
Bridge Tolls	\$ 316,902	\$ 320,621
Building & Facility Repair	180,933	318,857
Depreciation	365,258	779,431
Environmental Compliance	10,713	10,141
Freight	426,600	426,119
Fuel	840,131	866,810
I/C Processing & Disposal	6,772,587	7,155,138
Lease	1,324,112	1,116,814
Liability Insurance	219,953	309,877
Licenses & Permits	851,384	622,605
O/S Disposal	346,273	505,089
O/S Equipment Rental	61,297	30,102
Parts	443,653	458,237
Property Rental	1,433,574	2,069,286
Supplies	592,393	585,072
Tires & Tubes	86,450	96,193
Utilities	404,111	524,499
<b>Total Operating Expenses</b>	<b>\$ 14,676,323</b>	<b>\$ 16,194,893</b>
Contract Services	\$ 72,995	\$ 22,415
Other	218,263	197,139
<b>Total Other Expense</b>	<b>\$ 291,258</b>	<b>\$ 219,554</b>
<b>Total Expenses</b>	<b>\$ 35,578,514</b>	<b>\$ 36,689,893</b>

**APPENDIX A**  
**RECOLOGY SAN FRANCISCO**  
**Account Details**  
Balances for RY 2018

<b>Account Details</b>	<b>Special Reserve</b>	<b>Reserve Fund</b>	<b>Impound</b>	<b>ZWI</b>
Beginning Balance 7/1/2017	\$ 16,593,720	\$ 4,662,596	\$ 1,466,353	\$ 17,017,579
Receipts	-	-	4,923,204	1,816,848
Interest	37,088	10,538	516	39,617
Administrative Fees	(988)	-	-	-
Disbursements	-	-	(6,201,052)	(3,247,569)
<b>Ending Balance 12/31/2017</b>	<b>\$ 16,629,821</b>	<b>\$ 4,673,133</b>	<b>\$ 189,021</b>	<b>\$ 15,626,475</b>

<b>Interest</b>	<b>Special Reserve</b>	<b>Reserve Fund</b>	<b>Impound</b>	<b>ZWI</b>
Jul-17	\$ 12,138	\$ 3,449	\$ 160	\$ 12,587
Aug-17	12,559	3,568	172	13,024
Sep-17	12,391	3,520	184	14,006
<b>Total</b>	<b>\$ 37,088</b>	<b>\$ 10,538</b>	<b>\$ 516</b>	<b>\$ 39,617</b>

<b>Administrative Fees</b>	<b>Special Reserve</b>	<b>Reserve Fund</b>	<b>Impound</b>	<b>ZWI</b>
Jul-17	\$ (330)	\$ -	\$ -	\$ -
Aug-17	(322)	-	-	-
Sep-17	(336)	-	-	-
<b>Total</b>	<b>\$ (988)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**RECOLOGY SAN FRANCISCO****Impound**Deposit Detail for RY 2018

<b>Month</b>	<b>Recology Golden Gate</b>	<b>Recology Sunset Scavenger</b>	<b>Total Deposit Amount</b>
Jul-17	\$ 710,668	\$ 930,400	\$ 1,641,068
Aug-17	710,668	930,400	1,641,068
Sep-17	710,668	930,400	1,641,068
<b>Total</b>	<b>\$ 2,132,004</b>	<b>\$ 2,791,200</b>	<b>\$ 4,923,204</b>

**RECOLOGY SAN FRANCISCO****Impound**Disbursements for RY 2018

<b>Payee</b>	<b>Date</b>	<b>Check #</b>	<b>Total Disbursements</b>
City & County of San Francisco (SF Public Works)	06/20/17	966	\$ 500,199
San Francisco Department of the Environment	06/20/17	967	777,648
Void		968	-
Void		969	-
San Francisco Department of the Environment	08/02/17	970	933,407
City & County of San Francisco (SF Public Works)	08/02/17	971	707,662
San Francisco Department of the Environment	08/11/17	972	933,407
City & County of San Francisco (SF Public Works)	08/11/17	973	707,662
San Francisco Department of the Environment	09/29/17	975	933,407
City & County of San Francisco (SF Public Works)	09/29/17	974	707,662
<b>TOTALS</b>			<b>\$ 6,201,052</b>

**RECOLOGY SAN FRANCISCO**  
**Zero Waste Incentives**  
Deposit Detail For RY 2018

<b>Month</b>	<b>Recology Golden Gate</b>	<b>Recology Sunset Scavenger</b>	<b>Recology San Francisco</b>	<b>Total Deposit Amount</b>
Aug-17	\$ 325,230	\$ 425,788	\$ 460,214	\$ 1,211,232
Sep-17	\$ 162,615	\$ 212,894	\$ 230,107	\$ 605,616
<b>Totals</b>	<b>\$ 487,845</b>	<b>\$ 638,682</b>	<b>\$ 690,321</b>	<b>\$ 1,816,848</b>

**RECOLOGY SAN FRANCISCO**  
**Zero Waste Incentives**  
Cash Disbursements For RY 2018

<b>Transaction Date</b>	<b>Payee</b>	<b>Description</b>	<b>Amount</b>
09/29/17	RSF	Recycle Central Improvement - 2017 Director's Report Approval	\$ 3,247,569
<b>Totals</b>			<b>\$ 3,247,569</b>