

**SAN FRANCISCO
QUARTERLY RATE REPORT**

**1st Quarter of Rate Year 2020
Quarter Ending September 30, 2019**

Recology Sunset Scavenger
Recology Golden Gate
Recology San Francisco

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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 2020 (RY 2020).

LOW-INCOME AND DISABLED SERVICES PROGRAMS

As of September 30, 2019, 7,909 customers participated in the low-income program. As of the same date, there were 534 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 Incentives

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 2019

	Actual	Tier 1	Tier 2	Tier 3	Tier 4
Tons Disposed	109,048	94,140	92,890	90,640	87,500

Table 2
Alternative Daily Cover Tonnage
Recology San Francisco
July - September 2019

Source	Tonnage
Composting Overs	65
iMRF Fines	6,267
BVON Allocation	52
Clean Wood	12
Total Alternative Daily Cover	6,396

Table 3
Recovery and Disposal Tonnage Breakdown
July - September 2019

	Received	Recovered	Disposed	% Recovered
Recycle Central Recyclables				
Collected	35,924	27,204	8,720	75.7%
Buyback	3,625	3,625	-	100.0%
Total Recyclables	39,549	30,829	8,720	78.0%
Tunnel Avenue Compostables				
Collected	44,902	38,610	6,292	86.0%
San Francisco Public Works	609	609	-	100.0%
Other City of San Francisco Departments	124	124	-	100.0%
Account Customers	79	79	-	100.0%
Non-Account Customers	273	273	-	100.0%
Total Compostables	45,987	39,695	6,292	86.3%
Tunnel Avenue iMRF				
Collected	17,031	10,730	6,301	63.0%
San Francisco Public Works	635	400	235	63.0%
Other City of San Francisco Departments	27	17	10	63.0%
Account Customers	4,276	2,694	1,582	63.0%
Total iMRF	21,969	13,841	8,128	63.0%
Other Tunnel Avenue				
Collected	62,024	-	62,024	0.0%
San Francisco Public Works	8,440	1,443	6,997	17.1%
Other City of San Francisco Departments	909	-	909	0.0%
Public Refuse Receptacles	4,841	-	4,841	0.0%
Account Customers	3,276	437	2,840	13.3%
Non-Account Customers	10,242	2,145	8,097	20.9%
Bulky Item Recycling & Abandoned Materials Collection	3,759	2,541	1,218	67.6%
Collected Inerts	4,447	4,447	-	100.0%
Construction Material Reuse	284	284	-	100.0%
Other Recycling	747	747	-	100.0%
Total Other Tunnel Avenue	98,968	12,043	86,925	12.2%
Sustainable Crushing				
	21,913	21,913	-	100.0%
Adjustments (Inventory, moisture, etc.)				
	(1,017)	-	(1,017)	
Total Tons	227,370	118,322	109,048	52.0%

Disposal Breakdown	
Covanta (RBVON residual)	217
Ostrom Road Landfill (RBVON residual)	4,588
Recology Hay Road Landfill	100,816
Recology Hay Road Landfill (RBVON residual)	1,487
Zanker Material Processing Facility (C&D residual)	1,940
Total Disposal	109,048

Table 4
Number of Accounts, Service and Compliance
Recology Sunset Scavenger & Recology Golden Gate
July - September 2019

	Number of Accounts	Trash Compliant		Recycling Compliant		Composting Compliant	
Residential	140,483	140,468	100.0%	140,263	99.8%	139,931	99.6%
Apartment	8,323	8,323	100.0%	8,311	99.9%	8,301	99.7%
Commercial	16,333	16,306	99.8%	16,205	99.2%	16,028	98.1%
City and County of San Francisco	369	367	99.5%	366	99.2%	359	97.3%
School District & UC	182	179	98.4%	181	99.5%	177	97.3%
Other	78	75	96.2%	71	91.0%	60	76.9%
Total	165,768	165,718	100.0%	165,397	99.8%	164,856	99.4%

Residential Single Dwelling Unit Accounts	
16-Gallon Trash Bins	52,402
20-Gallon Trash Bins	28,841

Table 5
Toxics Collection and Participation
July - September 2019

Program	Collection Weight Tons Handled	Service Standard	
		Number	Unit
HHW Facility Drop Off	65.56	2,368	Customers Served
HHW Home Collection	29.26	577	Pickups
HHW Home Collection		1,096	Equivalent Loads
Very Small Quantity Generator	15.61	120	Business Appointments
Residential Curbside Battery Collection	9.47		
Apartment Building Battery Collection	2.90	122	Pickups
Retail Collection Partners	18.87	236	Pickups
Gigantic 3 Collection Events	0.72	216	Customers Served
Waste Acceptance Control Program	10.34		
Bulky Item Recycling - E-Waste	95.00	21,447	Pickups
Public Drop Off - E-Waste	54.17		

* Bulky item pickups include non-e-waste customers

Table 6
Recology Sunset Scavenger and Recology Golden Gate
Revenue
July - September 2019

	Projected	Actual	Variance
Residential	\$ 21,001,398	\$ 23,744,016	13%
Apartment	16,771,622	18,701,819	12%
Commercial	37,722,454	43,521,988	15%
Commercial Compactors	8,035,567	7,706,003	-4%
Special Reserve and ZWI Rebate Revenue	1,566,237	1,566,237	0%
ZWI Facility Improvements	2,927,507	2,927,507	0%
REVENUE SUBJECT TO RATE	\$ 88,024,784	\$ 98,167,570	12%
Revenue not Subject to Rate:			
Debris Box Revenue	\$ 5,928,982	\$ 7,077,967	19%
Equipment & Supply Sales	467,192	676,006	45%
Miscellaneous Income	79,112	300,367	280%
Total Other Revenue not Subject to Rate:	\$ 6,475,286	\$ 8,054,340	24%
Impound Account Funding	\$ (5,215,904)	\$ (5,215,905)	0%
Zero Waste Incentive Funding	(1,193,503)	(1,193,502)	0%
TOTAL	\$ 88,090,663	\$ 99,812,504	13.31%

Table 7
Recology San Francisco
Tipping Charge Revenues
July - September 2019

	Tonnage			Revenue		
	Projection	Actual	Variance	Projection	Actual	Variance
Tonnage & Revenue from Tipping Charge						
Recology Sunset Scavenger/Golden Gate						
Recycle Central	36,434	35,982	-1%	\$ 7,089,041	\$ 7,000,641	-1%
Compostables	43,192	44,902	4%	8,403,778	8,736,139	4%
iMRF	18,209	17,049	-6%	3,542,828	3,317,094	-6%
Trash	66,034	62,080	-6%	12,848,303	12,078,234	-6%
Other	3,351	4,111	23%	651,985	799,805	23%
Subtotal (Recology Sunset Scavenger/Golden Gate)	167,220	164,124	-2%	\$ 32,535,935	\$ 31,931,914	-2%
Public Customers	9,621	10,510	9%	1,871,968	2,044,775	9%
Commercial Customers	6,155	8,407	37%	1,197,541	1,635,722	37%
Total San Francisco	182,996	183,041	0%	\$ 35,605,444	\$ 35,612,411	0%
Total Non-San Francisco	654	2,896	343%	127,194	563,364	343%
Non-rate Tonnage	43,416	41,433				
Total Tonnage & Revenue from Tipping Charge	227,065	227,370	0%	\$ 35,732,638	\$ 36,175,775	1%
Net Recycling Revenue				\$ 5,555,233	\$ 3,948,250	-29%
Non-rate Revenue				237,461	471,946	99%
Intercompany Dirt, Inerts & Others				377,122	180,083	-52%
Rental Income				11,919	11,100	-7%
Total Other Commercial Revenue				\$ 6,181,735	\$ 4,611,379	-25%
Zero Waste Incentive Funding				\$ (741,240)	\$ (741,240)	0%
Total Revenue	-	-		\$ 41,173,133	\$ 40,045,914	-3%

Table 8
Recycling Revenue
Recology San Francisco
July - September 2019

	Tons			Revenue			Price Per Ton		
	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Recycle Central									
Mixed Paper	19,088	11,308	-41%	\$2,283,659	\$ 319,384	-86%	\$ 119.64	\$ 28.24	-76%
Cardboard	7,890	11,966	52%	1,338,058	1,017,240	-24%	169.59	85.01	-50%
Aseptic Carton	-	113	n/a	-	4,731	n/a	-	41.81	n/a
EPS Foam	-	24	n/a	-	13,274	n/a	-	558.18	n/a
Aluminum	100	165	65%	436,860	610,503	40%	4,368.60	3,706.53	-15%
Metal/Ferrous	400	430	8%	53,859	38,995	-28%	134.65	90.63	-33%
PET	350	616	76%	739,518	1,041,960	41%	2,112.91	1,692.18	-20%
HDPE Blend	325	271	-17%	246,051	123,261	-50%	757.08	455.04	-40%
Plastic Film	-	-	n/a	-	-	n/a	-	-	n/a
Mixed Plastics 3-7	275	83	-70%	18,101	2,881	-84%	65.82	34.91	-47%
Flint Glass	88	69	-21%	21,684	16,800	-23%	247.82	244.30	-1%
Amber Glass	81	44	-46%	19,738	10,266	-48%	242.93	236.00	-3%
Green Glass	54	22	-59%	12,490	5,011	-60%	232.37	228.70	-2%
Mixed Glass	5,750	5,614	-2%	754,094	647,552	-14%	131.15	115.35	-12%
Glass Fines	363	-	-100%	46,362	-	-100%	127.90	-	-100%
Total Recycle Central	34,763	30,723	-12%	\$5,970,473	\$3,851,857	-35%			n/a
Tunnel Avenue									
Metal	3,541	3,548	0%	\$ 556,839	\$ 306,587	-45%	\$ 157.28	\$ 86.40	-45%
Wood	3,577	-	-100%	67,505	-	-100%	-	-	n/a
Mixed Rigid Plastic	453	637	41%	70,595	42,341	-40%	155.94	66.50	-57%
SB20/50 E-Waste	121	59	-51%	32,685	5,821	-82%	270.57	98.47	-64%
Total Tunnel Avenue	7,691	4,244	-45%	\$ 727,625	\$ 354,748	-51%			
Sustainable Crushing				\$ 189,412	\$ 423,531	124%			
Total Recycling Revenue				\$6,887,510	\$4,630,136	-33%			
Processing Expenses				\$ (235,436)	\$ (197,498)	-16%			
Purchases				(1,096,841)	(562,730)	-49%			
Net Recycling Revenues				\$5,555,233	\$3,869,908	-30%			

Table 9
Recology Sunset Scavenger and Recology Golden Gate
Expenses - RY 2020
July 2019 - September 2019

Item Description	Projected	Actual	Variance
Payroll	\$ 21,227,208	\$ 20,682,347	-3%
Payroll Taxes	1,608,758	1,501,694	-7%
Pension	3,713,813	3,021,024	-19%
Health Insurance	6,580,114	5,614,871	-15%
Workers Compensation	2,717,567	1,846,487	-32%
Total Payroll & Related	\$ 35,847,460	\$ 32,666,422	-9%
Corporate Allocations	\$ 1,934,304	\$ 2,406,773	24%
Bad Debt	39,466	308,146	681%
O/S Billing Services	84,204	81,255	-4%
Office	111,497	120,359	8%
Postage	86,992	87,559	1%
Professional Services	194,369	292,297	50%
Security & Janitorial	122,686	152,834	25%
Taxes	468,850	897,539	91%
Telephone	154,075	132,899	-14%
Total Administrative	\$ 3,196,441	\$ 4,479,661	40%
Building & Facility Repair	\$ 41,296	\$ 130,243	215%
Depreciation	62,533	195,644	213%
Environmental Compliance	158,508	63,949	-60%
Freight	18,672	18,635	0%
Fuel	1,365,758	1,115,900	-18%
I/C Disposal	12,848,011	12,452,819	-3%
I/C Processing	19,926,649	19,742,778	-1%
Lease	3,529,746	3,232,139	-8%
Liability Insurance	838,033	651,276	-22%
Licenses & Permits	436,798	577,536	32%
O/S Disposal	9,090	11,337	25%
O/S Equipment Rental	55,777	93,806	68%
Parts	637,350	914,315	43%
Property Rental	461,633	391,394	-15%
Repairs & Maintenance	347,279	658,555	90%
Supplies	625,428	772,234	23%
Tires & Tubes	223,971	170,569	-24%
Utilities	132,381	228,870	73%
T&G Maintenance Allocation	(15,392)	-	-100%
Total Operating	\$ 41,703,521	\$ 41,421,999	-1%
Contract Services	\$ 306,573	\$ 296,770	-3%
Other	533,640	1,022,044	92%
Total Other	\$ 840,212	\$ 1,318,814	57%
Total Expenses	\$ 81,587,635	\$ 79,886,896	-2%

Table 10
Recology San Francisco
Expenses - RY 2020
July 2019 - September 2019

Item Description	Projected	Actual	Variance
Payroll	\$ 12,402,594	\$ 11,865,929	-4%
Payroll Taxes	969,676	857,219	-12%
Pension	1,692,012	1,346,382	-20%
Health Insurance	4,027,749	3,494,624	-13%
Workers Compensation	987,972	576,785	-42%
Total Payroll & Related	\$ 20,080,003	\$ 18,140,939	-10%
Corporate Allocations	\$ 415,435	\$ 28,667	-93%
Bad Debt	14,384	(43,558)	-403%
Office	59,125	69,661	18%
Postage	881	2,988	239%
Professional Services	672,838	362,108	-46%
Repairs & Maintenance	206,822	265,528	28%
Security & Janitorial	180,811	277,558	54%
Taxes	488,197	789,610	62%
Telephone	72,791	68,980	-5%
Total Administrative Expenses	\$ 2,111,283	\$ 1,821,541	-14%
Bridge Tolls	\$ 338,462	\$ 320,227	-5%
Building & Facility Repair	193,745	1,118,802	477%
Depreciation	365,258	828,492	127%
Environmental Compliance	11,620	779	-93%
Freight	459,156	412,817	-10%
Fuel	1,011,723	906,371	-10%
I/C Processing & Disposal	7,252,168	7,486,556	3%
Lease	1,324,112	682,399	-48%
Liability Insurance	238,560	249,635	5%
Licenses & Permits	909,306	1,568,496	72%
O/S Disposal	370,793	954,186	157%
O/S Equipment Rental	65,468	395,503	504%
Parts	473,836	740,742	56%
Property Rental	1,531,105	2,430,565	59%
Supplies	632,695	720,442	14%
Tires & Tubes	92,332	97,797	6%
Utilities	431,604	513,768	19%
Total Operating Expenses	\$ 15,701,941	\$ 19,427,578	24%
Contract Services	\$ 78,367	\$ 31,837	-59%
Other	233,719	721,138	209%
Total Other Expenses	\$ 312,086	\$ 752,975	141%
Total Expenses	\$ 38,205,314	\$ 40,143,033	5%

APPENDIX A
RECOLOGY SAN FRANCISCO
Account Details
Balances for RY 2020

Table A-1

Account Details	Special Reserve	Reserve Fund	Impound	ZWI
Beginning Balance 7/1/2019	\$ 5,925,186	\$ 6,336,858	\$ 1,887,376	\$ 13,058,946
Receipts	-	2,000,000	5,078,778	1,934,742
Interest	27,427	34,025	1,029	32,256
Administrative Fees	1,045	-	-	(5)
Disbursements	(3,250,000)	-	(5,170,196)	48,705
Ending Balance 09/30/19	\$ 2,703,658	\$ 8,370,883	\$ 1,796,987	\$ 15,074,645

Table A-2

Interest	Special Reserve	Reserve Fund	Impound	ZWI
Jul-19	\$ 11,046	\$ 12,174	\$ 347	\$ 10,410
Aug-19	9,569	11,002	406	10,908
Sep-19	6,812	10,850	277	10,937
Total	\$ 27,427	\$ 34,025	\$ 1,029	\$ 32,256

Table A-3

Administrative Fees	Special Reserve	Reserve Fund	Impound	ZWI
Jul-19	\$ 316	\$ -	\$ -	\$ (5)
Aug-19	382	-	-	-
Sep-19	347	-	-	-
Total	\$ 1,045	\$ -	\$ -	\$ (5)

RECOLOGY SAN FRANCISCO
Special Reserve
Cash Disbursements for RY 2020

Table A-4

Transaction Date	Check #	Description	Amount
8/26/19	ACH	Apr - Jun RY 19 Offset	\$ 625,000
8/26/19	ACH	Jul - Sep RY 20 Offset	625,000
9/25/19	ACH	Annual Transfer to Reserve Fund RY20	2,000,000
TOTALS			\$ 3,250,000

RECOLOGY SAN FRANCISCO**Reserve**Deposit Detail for RY 2020**Table A-5**

Month	Special Reserve	Recology Golden Gate	Recology Sunset Scavenger	Total Deposit Amount
Jul-19	\$ -	\$ -	\$ -	\$ -
Aug-19	-	-	-	-
Sep-19	2,000,000	-	-	2,000,000
TOTALS	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000

RECOLOGY SAN FRANCISCO**Reserve**Cash Disbursements for RY 2020**Table A-6**

Transaction Date	Check #	Description	Amount
			\$ -
TOTALS			\$0.00

RECOLOGY SAN FRANCISCO**Impound**Deposit Detail for RY 2020**Table A-7**

Month	Recology Golden Gate	Recology Sunset Scavenger	Total Deposit Amount
Jul-19	\$ 733,125	\$ 959,801	\$ 1,692,926
Aug-19	733,125	959,801	1,692,926
Sep-19	733,125	959,801	1,692,926
Total	\$ 2,199,376	\$ 2,879,402	\$ 5,078,778

RECOLOGY SAN FRANCISCO**Impound**Disbursements for RY 2020**Table A-8**

Payee	Date	Check #	Total Disbursements
City & County of San Francisco (SF Public Works)	07/03/19	1016	\$ 730,024
San Francisco Department of Environment	07/03/19	1017	962,902
City & County of San Francisco (SF Public Works)	08/06/19	1026	752,920
San Francisco Department of the Environment	08/06/19	1027	985,715
City & County of San Francisco (SF Public Works)	08/28/19	1028	752,920
San Francisco Department of the Environment	08/28/19	1029	985,715
TOTALS			\$ 5,170,196

RECOLOGY SAN FRANCISCO**Zero Waste Incentives**Deposit Detail For RY 2020**Table A-9**

Month	Recology Golden Gate	Recology Sunset Scavenger	Recology San Francisco	Total Deposit Amount
Jul-19	\$ 172,283	\$ 225,551	\$ 247,080	\$ 644,914
Aug-19	172,283	225,551	247,080	644,914
Sep-19	172,283	225,551	247,080	644,914
Totals	\$ 516,848	\$ 676,654	\$ 741,240	\$ 1,934,742

RECOLOGY SAN FRANCISCO**Zero Waste Incentives**Cash Disbursements For RY 2020**Table A-10**

Transaction Date	Payee	Description	Amount
08/14/19		Withdraw RY17 balance	\$ 121,295
09/27/19		Rate Rebate adjustment	(170,000)
Totals			\$ (48,705)