

# **Community Development Sanitation Fund**

## **Mission Statement**

It is the mission of the Sanitation Division to provide for the collection and disposal of solid waste in a manner that is consistent with federal and state regulations, as well as to encourage the recycling efforts of the community.

**Primary Functions** → The four primary functions of the Sanitation Division include collection and disposal, composting, recycling, and technical and financial services.

- **Collection and Disposal**→ Provides weekly unlimited collection to all residential buildings of four units or less through a private contractor.
- **Composting Program**→ Contractor collects yard wastes, including leaves, grass, and pruning, and composts them at a City owned landfill site and uses material for landfill cover.
- **Recycling Program**→ Provides curbside recycling as part of regular weekly collection. Residents can recycle 32 items and Christmas trees are recycled seasonally.
- **Technical and Financial Services**→ Contract monitoring, purchase of service for billing and collecting, and reimbursement for street cleaning services are included.

## **Fund and Rate Information**

- Contracts for collection and disposal of solid waste extend to 2013 with contract annual price changes tied to Consumer Price Index (CPI), both positive and negative, not to exceed 4% per year.
- The Council has approved a two year increase, \$3.00 per month, to \$14.20 effective January 1, 2010. At the end of 2011, rates will be reviewed.

# Community Development Sanitation Fund

## Budget Summary

COMMUNITY DEVELOPMENT SANITATION DIVISION BUDGET SUMMARY					
APPROPRIATION	2008 <u>ACTUAL</u>	2009 <u>BUDGET</u>	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$97,102	\$0	\$768	\$0	\$0
CONTRACTUAL	6,948,658	7,238,802	6,882,379	7,371,550	132,748
SUPPLIES	5,769	25,500	1,439	25,500	0
OTHER	<u>1,805,860</u>	<u>1,656,940</u>	<u>1,613,244</u>	<u>1,293,600</u>	<u>(363,340)</u>
TOTAL	<u>\$8,857,389</u>	<u>\$8,921,242</u>	<u>\$8,497,830</u>	<u>\$8,690,650</u>	<u>(\$230,592)</u>
STAFFING REVIEW					
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	INCREASE (DECREASE)
TOTAL	3.00	1.00	0.00	0.00	0.00
FUNDING SOURCE					
	2009 <u>AMOUNT</u>	2009 <u>PERCENTAGE</u>	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	
PROPERTY TAXES					
SANITATION	\$2,100,000	23.3	\$21,000	0.2	
FRINGE BENEFIT REIMBURSEMENT	690	0.0	700	0.0	
USER FEE	6,840,960	76.0	8,463,800	99.1	
LANDFILL RENT	15,400	0.2	15,400	0.2	
INTEREST INCOME	<u>43,000</u>	<u>0.5</u>	<u>41,400</u>	<u>0.5</u>	
TOTAL	<u>\$9,000,050</u>	<u>100.0</u>	<u>\$8,542,300</u>	<u>100.0</u>	

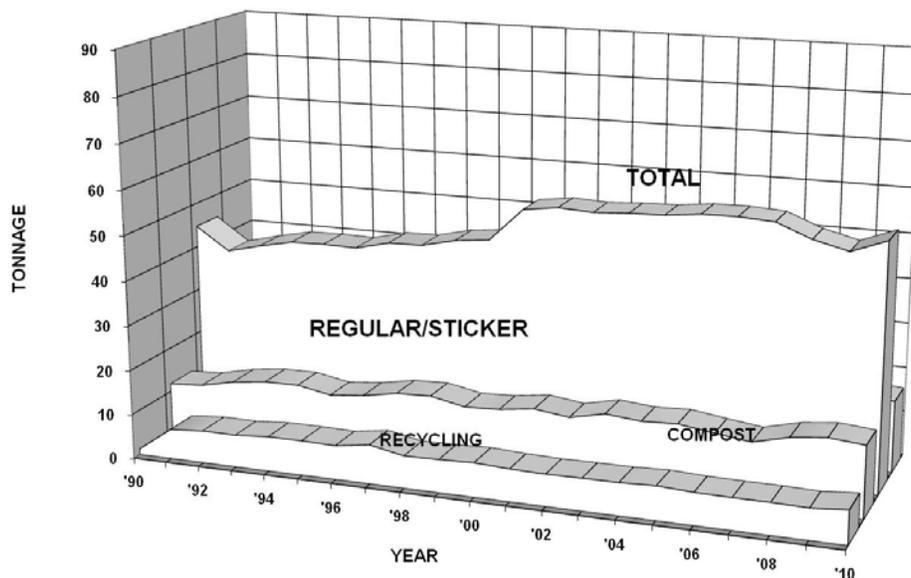
## Budget Analysis

The contractual budget for collection and disposal costs will increase \$49,600 or 0.7% from the previous year. Rate increases change by the CPI; 2009 CPI (to be released mid January 2010) is estimated to be 1.5%. The collection rate will increase from \$62.77 to \$63.71 per ton while the disposal rate will rise from \$35.99 to \$36.51 per ton. Estimated 2009 tonnage is 74,500, 2,750 tons less than the budgeted 77,250 while 2010's projected 79,500 tons is 2,250 tons more than 2009's budget and 5,000 tons more than the estimated 2009 actual. Customers are estimated at 49,670 for the year.

Code Enforcement Division staff monitor and enforce the contract. Supplies remain unchanged. Purchase of services decreases \$363,340 reflecting a decrease, \$175,240, in street sweeping expenses and elimination, \$196,100, of mall maintenance expense.

# Community Development Sanitation Fund

## ROCKFORD SOLID WASTE



SOURCE: COMMUNITY DEVELOPMENT

As the performance measurement schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. It is anticipated 29% of the waste stream, or 23,500 tons, will be diverted for 2010.

Rate changes since the introduction of the user fee in 1984 have been minimal and with good reason. Previously, a ten cent property tax rate, generating \$2.0 million annually, added to the user fee in paying for this service. With this rate transferred to the General Fund to pay public safety expenses, the 2010 user fee has been increased to pay for this service. The user fee increases to \$170.40 for 2010. Other income includes land rental and interest earnings.

In 2009, the Sanitation Fund spent \$8,497,830 or 95.3% of the budgeted allocation. In the past several years, 91% to 99% of the budget has been spent.

### Five Year Financial Forecast

The 2011-2015 five year forecast assumes that total tonnage will increase approximately 300 tons per year. Costs are expected to increase 3.0% (4% is the maximum) annually for collection, composting, and recycling, and disposal. Rates will remain unchanged through 2011 and then will be reviewed.

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## SANITATION FUND 2011-2015 FINANCIAL FORECAST (IN 000'S)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Recommended Rates	\$170.40	\$180.00	\$186.00	\$192.00	\$198.00
Revenues	\$8,646	\$9,191	\$9,568	\$9,948	\$10,336
Expenses	<u>9,139</u>	<u>9,300</u>	<u>9,770</u>	<u>9,951</u>	<u>10,445</u>
Excess(Deficit)	(493)	(109)	(202)	(4)	(109)
Beginning Balance	<u>2,481</u>	<u>1,987</u>	<u>1,879</u>	<u>1,676</u>	<u>1,672</u>
Ending Balance	<u>\$1,987</u>	<u>\$1,879</u>	<u>\$1,676</u>	<u>\$1,672</u>	<u>\$1,563</u>
RESERVE	21.7	20.2	17.2	16.8	15.0

## Performance Measurements

	2007	2008	2009	(Est)	2010	2009-2010
	<u>Tonnage</u>	<u>Tonnage</u>	Budgeted <u>Tonnage</u>	2009 <u>Tonnage</u>	Budgeted <u>Tonnage</u>	
Regular	56,436	56,436	54,700	52,500	56,000	1,300
Composting	15,378	15,378	14,960	15,200	16,000	1,040
Recycling	7,006	7,006	7,100	6,800	7,500	400
Sticker	<u>166</u>	<u>166</u>	<u>10</u>	<u>0</u>	<u>0</u>	(10)
	78,986	78,986	76,770	74,500	79,500	2,730
Landfill	56,602	56,602	54,710	52,500	56,000	1,290
Baxter	15,378	15,378	14,960	15,200	16,000	1,040
Recycled	<u>7,006</u>	<u>7,006</u>	<u>7,100</u>	<u>6,800</u>	<u>7,500</u>	<u>400</u>
	78,986	78,986	76,770	74,500	79,500	2,730
Diversion Rate	28.3	28.3	28.7	29.5	29.6	