

# **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**→ Purchase of service for contract monitoring, 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.
- City Council 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	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$768	\$0	\$0	\$0	\$0
CONTRACTUAL	6,882,379	7,288,405	6,567,498	7,138,632	(149,773)
SUPPLIES	1,439	25,500	1,100	500	(25,000)
OTHER	1,613,244	1,293,600	1,293,600	1,367,775	74,175
TOTAL	<u>\$8,497,830</u>	<u>\$8,607,505</u>	<u>\$7,862,198</u>	<u>\$8,506,907</u>	<u>(\$100,598)</u>
STAFFING REVIEW					
TOTAL	2008	2009	2010	2011	INCREASE (DECREASE)
	1.00	0.00	0.00	0.00	0.00
FUNDING SOURCE					
	2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE	
PROPERTY TAXES					
SANITATION	\$21,000	0.2	\$21,000	0.2	
FRINGE BENEFIT REIMBURSEMENT	700	0.0	700	0.0	
USER FEE	8,463,800	99.1	8,571,100	99.1	
LANDFILL RENT	15,400	0.2	15,400	0.2	
INTEREST INCOME	41,400	0.5	39,000	0.5	
TOTAL	<u>\$8,542,300</u>	<u>100.0</u>	<u>\$8,647,200</u>	<u>100.0</u>	

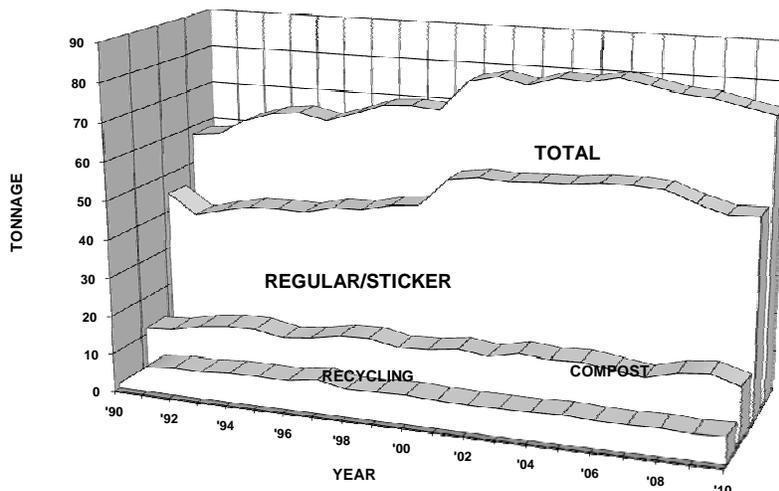
## Budget Analysis

The contractual budget for collection and disposal costs will decrease \$128,800 or 1.8% from the previous year. Rate increases change by the CPI; 2010 CPI (to be released mid January 2011) is estimated to be 2.5%. The collection rate will increase from \$64.46 to \$66.07 per ton while the disposal rate will rise from \$36.93 to \$37.85 per ton. Estimated 2010 tonnage is 73,650, 5,850 tons less than the budgeted 79,500 while 2011's projected 74,820 tons is 4,680 tons less than 2010's budget and 1,170 tons more than the estimated 2010 actual. Customers are estimated at 49,670 for the year.

Code Enforcement Division staff monitor and enforce the contract. Supplies decrease \$25,000 with the elimination of budgeted dollars for site improvement at the household hazardous waste collection site. Purchase of services increases \$74,175 reflecting an increase in street sweeping expenses.

# 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 21,820 tons, will be diverted for 2011.

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 was increased to pay for this service. The user fee remains at the same rate for 2011, \$170.40. Other income includes land rental and interest earnings.

In 2010, the Sanitation Fund spent \$7,862,198 or 91.3% of the budgeted allocation. In the past several years, 91% to 99% of the budget has been spent.

### Five Year Financial Forecast

The 2012-2016 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.

#### SANITATION FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Recommended Rates	\$180.00	\$186.00	\$192.00	\$198.00	\$204.00
Revenues	\$9,203	\$9,593	\$9,986	\$10,388	\$10,794
Expenses	<u>8,687</u>	<u>9,138</u>	<u>9,298</u>	<u>9,771</u>	<u>9,953</u>
Excess(Deficit)	<u>516</u>	<u>455</u>	<u>687</u>	<u>617</u>	<u>841</u>
Beginning Balance	<u>2,609</u>	<u>3,126</u>	<u>3,581</u>	<u>4,268</u>	<u>4,885</u>
Ending Balance	<u>\$3,126</u>	<u>\$3,581</u>	<u>\$4,268</u>	<u>\$4,885</u>	<u>\$5,726</u>
RESERVE	36.0	39.2	45.9	50.0	57.5

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## Performance Measurements

	2008 <u>Tonnage</u>	2009 <u>Tonnage</u>	2010 Budgeted <u>Tonnage</u>	(Est) 2010 <u>Tonnage</u>	2011 Budgeted <u>Tonnage</u>	<u>2010-2011</u>	<u>2010 Actual/ 2011 Budget</u>
Regular	53,875	51,786	56,000	52,120	53,210	(2,790)	1,090
Composting	15,854	16,620	16,000	14,320	14,560	(1,440)	240
Recycling	7,239	6,830	7,500	7,210	7,330	(170)	120
Sticker	<u>3</u>	<u>17</u>	<u>20</u>	<u>3</u>	<u>20</u>	<u>0</u>	<u>17</u>
	76,971	75,253	79,520	73,653	75,120	(4,400)	1,467
Landfill	53,878	51,803	56,020	52,123	53,230	(2,790)	1,107
Baxter	15,854	16,620	16,000	14,320	14,560	(1,440)	240
Recycled	<u>7,239</u>	<u>6,830</u>	<u>7,500</u>	<u>7,210</u>	<u>7,330</u>	<u>(170)</u>	<u>120</u>
	76,971	75,253	79,520	73,653	75,120	(4,400)	1,467
Diversion Rate	30.0	31.2	29.6	29.2	29.1		