

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 of refuse, composting and recycling. In addition, the fund provides purchase of service for contract monitoring, billing and collecting, and reimbursement for street cleaning and forestry services.

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 rate remained unchanged for 2014. After successful negotiation of a new contract for garbage collection and disposal, necessary rate adjustments for 2014 were recommended and adopted by City Council.

SANITATION FUND BUDGET SUMMARY

APPROPRIATION	2012 <u>ACTUAL</u>	2013 <u>BUDGET</u>	2013 <u>ESTIMATED</u>	2014 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$6,251,782	\$6,879,360	\$6,460,752	\$8,235,700	\$1,356,340
SUPPLIES	0	500	0	0	(500)
OTHER	<u>2,215,632</u>	<u>2,810,886</u>	<u>2,810,886</u>	<u>3,926,206</u>	<u>1,115,320</u>
TOTAL	<u>\$8,467,414</u>	<u>\$9,690,746</u>	<u>\$9,271,638</u>	<u>\$12,161,906</u>	<u>\$2,471,160</u>

FUNDING SOURCE	2011 <u>ACTUAL</u>	2012 <u>ACTUAL</u>	2013 <u>BUDGET</u>	2014 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PROPERTY TAXES					
SANITATION	\$21,000	\$20,692	\$21,000	\$21,000	\$0
FRINGE BENEFIT REIMBURSEMENT	700	700	700	700	0
USER FEE	8,571,100	9,056,967	9,355,800	11,089,680	1,733,880
LANDFILL RENT	15,400	27,052	15,400	27,100	11,700
INTEREST INCOME	<u>39,000</u>	<u>60,240</u>	<u>42,900</u>	<u>82,200</u>	<u>39,300</u>
TOTAL	<u>\$8,647,200</u>	<u>\$9,165,651</u>	<u>\$9,435,800</u>	<u>\$11,220,680</u>	<u>\$1,784,880</u>

BUDGET HIGHLIGHTS

- The contractual budget for collection increased \$1,359,540 or 11.9% from the previous year as a result of the new garbage contract.
- Actual 2013 tonnage is 65,583, 4,417 tons less than the budgeted 70,000 while 2014's projected 67,400 tons is 2,600 tons less than 2013's budget and 1,800 tons less than the 2013 actual.
- Customers are estimated at 49,000 for the year.
- Purchase of services increases \$276,100 reflecting an increase to cover purchase of service. The street sweeping contract for 2014 increased \$180,000 and forestry increased \$101,100.
- A General Fund transfer for \$975,000 was established to increase demolition activity and provide property tax relief.

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SANITATION FUND FIVE YEAR FORECAST

The 2015-2019 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.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Recommended Rates	\$233.11	\$240.10	\$247.31	\$254.73	\$262.37
Revenues	\$11,557	\$11,904	\$12,261	\$12,629	\$13,008
Expenses	<u>12,527</u>	<u>12,903</u>	<u>13,290</u>	<u>13,688</u>	<u>13,124</u>
Excess(Deficit)	<u>(969)</u>	<u>(999)</u>	<u>(1,029)</u>	<u>(1,059)</u>	<u>(116)</u>
Beginning Balance	<u>4,834</u>	<u>3,865</u>	<u>2,866</u>	<u>1,837</u>	<u>778</u>
Ending Balance	<u>\$3,865</u>	<u>\$2,866</u>	<u>\$1,837</u>	<u>\$778</u>	<u>\$662</u>
RESERVE	30.9	22.2	13.8	5.7	5.0

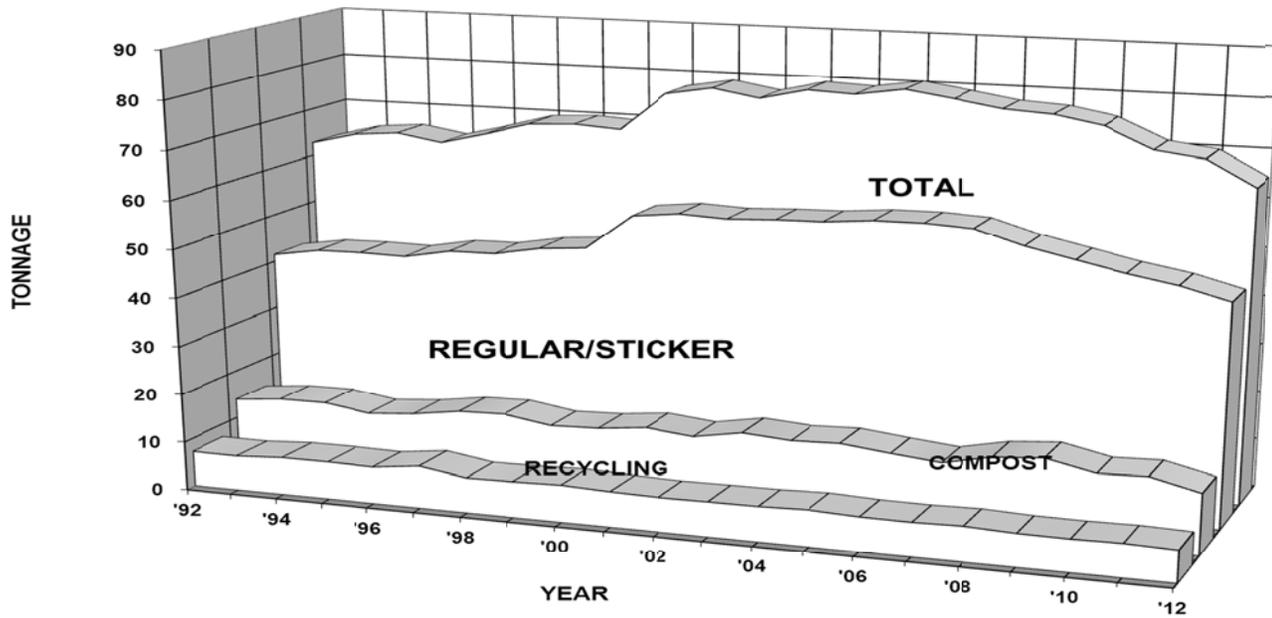
SANITATION FUND PERFORMANCE MEASUREMENTS

	2012 ACTUAL	2013 BUDGET	2013 ACTUAL	2014 BUDGET
WASTE TONNAGE	45,497	50,000	45,970	48,000
COMPOST TONNAGE	12,440	14,100	13,114	12,900
RECYCLING TONNAGE	6,064	7,200	6,499	6,500
LANDFILL TONNAGE	45,497	50,000	45,970	48,000
DIVERTED TONNAGE	18,504	21,300	19,613	19,400
DIVERSION RATE	28.9%	29.9%	29.9%	28.8%

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SANITATION FUND OPERATIONAL INFORMATION

ROCKFORD SOLID WASTE



As the performance measurement schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. It is anticipated 29.6% of the waste stream, or 19,100 tons, will be diverted for 2013.