

# **Public Works–Sanitation Division**

## **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 July 5th windstorm cost \$1.2 million to clean up yard waste. The 15 month \$5.00 per quarter surcharge (October 2003 – December 2004) will end and the rate will revert to the 2003 rate.
- The \$33.60 quarterly rate is expected to continue through 2006.

# Public Works–Sanitation Division

## Budget Summary

PUBLIC WORKS SANITATION DIVISION BUDGET SUMMARY					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$174,131	\$164,623	\$169,519	\$167,209	\$2,586
CONTRACTUAL	6,001,870	6,355,442	6,250,555	6,553,495	198,053
SUPPLIES	1,204	3,000	764	3,000	0
OTHER	1,675,560	2,340,930	2,340,930	1,382,050	(958,880)
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$7,852,765</u>	<u>\$8,863,995</u>	<u>\$8,761,768</u>	<u>\$8,105,754</u>	<u>(\$758,241)</u>

STAFFING REVIEW	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	INCREASE <u>(DECREASE)</u>
TOTAL	3.00	3.00	3.00	3.00	0.00

FUNDING SOURCE	2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES				
SANITATION	\$1,719,630	18.1	\$1,771,110	20.6
FRINGE BENEFIT REIMBURSEMENT	18,621	0.2	19,392	0.2
USER FEE	7,720,000	81.5	6,773,760	78.8
LANDFILL RENT	15,400	0.2	15,400	0.2
INTEREST INCOME	<u>4,400</u>	<u>0.0</u>	<u>20,300</u>	<u>0.2</u>
TOTAL	<u>\$9,478,051</u>	<u>100.0</u>	<u>\$8,599,962</u>	<u>100.0</u>

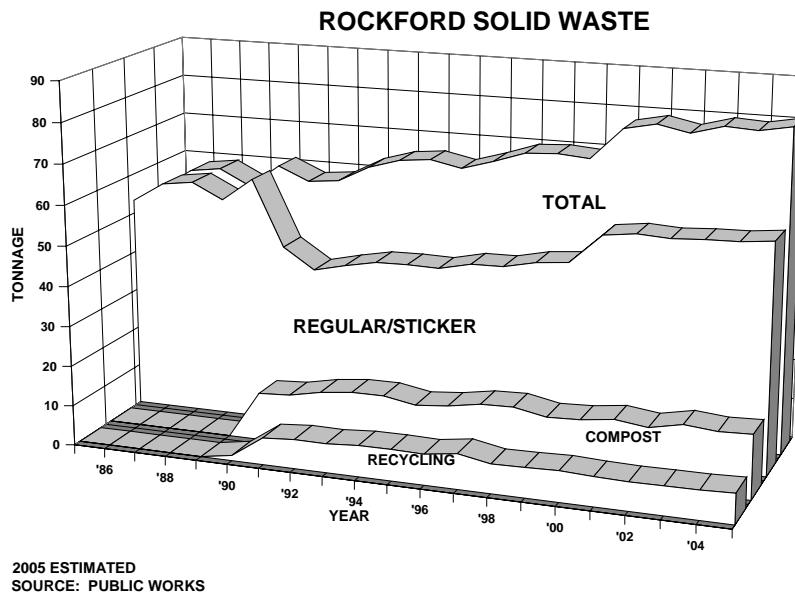
## Budget Analysis

The contractual budget for collection and disposal costs will increase \$187,000 or 3.0% from the previous year. Rate increases change by the CPI; 2004 CPI (to be released mid January 2005) is estimated to be 2.3%. The collection rate will increase from \$55.08 to \$56.35 per ton while the disposal rate will rise from \$31.72 to \$32.42 per ton. Growth assumptions include 400 dwelling units, 300 from new construction and 100 from annexations. Estimated 2004 tonnage is 1,400 tons less than the budgeted 79,900 while 2005's projected 80,500 tons is 600 tons more than 2004's budget and 2,000 tons more than the projected 2004 actual. Customers are estimated at 50,400 for the year.

# Public Works–Sanitation Division

<b>BUDGET BASIS</b>			
Regular Program			
Added Tonnage	\$36,456		
Rate Inc(Dec)	110,419	\$146,875	
Composting Program			
Added Tonnage	6,610		
Rate Inc(Dec)	20,053	26,663	
Recycling Program			
Added Tonnage	3,305		
Rate Inc(Dec)	9,474	12,779	
Sticker Program			
Added Tonnage	0		
Rate Inc(Dec)	420	<u>420</u>	
Total			<u>\$186,737</u>

Other than for collection and disposal costs, the budget decreases \$946,000. Personnel costs increase \$2,600 while supplies remain unchanged. With the storm cleanup cost recovery completed, the budget decreases \$1,000,000. Purchase of services increases \$62,700 reflecting the operations manager's expanded role. Reimbursement for street sweeping decreases (\$36,000) while it increases for mall maintenance (\$14,400). For 2003, total spending was 91.0% of the appropriation. 2004 spending is \$8,761,768, or 98.8% of the appropriation. Spending in past years has varied from 97% to 102% of the annual appropriation.



As the performance measurements schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. 29% of the waste stream, 23,430 tons, is projected to be diverted for 2005.

With the storm surcharge recovery complete, the user fee drops back to \$134.40 for 2005.

Rate changes since the introduction of the user fee in 1984 have been minimal and with good reason. In addition to the user fee that generates 80% of the funds, other funding sources include property tax proceeds of \$1.77 million, income from land rental, and interest earnings.

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<u>Year</u>	<u>Yearly Fee</u>	<u>Quarterly Fee</u>	<u>Monthly Fee</u>	<u>Notes</u>
1984	\$56.00	\$14.00	\$4.67	User fee introduced.
1989	60.00	15.00	5.00	Tonnage increase.
1990	76.00	19.00	6.33	Composting program introduced.
1991	100.00	25.00	8.33	Disposal fee increased and recycling program introduced.
1993	108.00	27.00	9.00	Fee increases for collection, disposal, composting, and recycling; tonnage increases.
1994	114.00	28.50	9.50	Fee increases for disposal and composting; tonnage increases. Tire recycling introduced.
1995	114.00	28.50	9.50	Collection, composting, recycling, and disposal contracts extended, recycling items expanded, hazardous household waste program introduced
1998	118.20	29.55	9.85	Rates unchanged for four years
1999	122.40	30.60	10.20	Fee increase for disposal as well as adjusting for past cost increases
2003	134.40	33.60	11.20	Fee increase to secure long term contract reduction
2003-2004	154.40	38.60	12.87	\$5/quarter surcharge for 15 months to pay for 2003 storm cleanup
2005	134.40	33.60	(20.00)	Storm surcharge ends

## Five Year Financial Forecast

The 2006-2010 five year forecast assumes that total tonnage will increase approximately 600 tons per year, that 400 new units will be added annually, and that each new unit will generate 1.5 tons of garbage, compost, and recycled materials. Costs are expected to increase 4% (the maximum) annually for collection, composting, and recycling, and disposal. Rates will remain unchanged through 2006 and then are expected to increase to cover increased costs and tonnages.

### SANITATION FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Recommended Rates	\$134.40	\$140.40	\$146.40	\$146.40	\$152.40
Revenues	\$8,663	\$9,082	\$9,510	\$9,633	\$10,061
Expenses	<u>8,565</u>	<u>8,937</u>	<u>9,326</u>	<u>9,732</u>	<u>10,156</u>
Excess(Deficit)	<u>98</u>	<u>146</u>	<u>184</u>	<u>(99)</u>	<u>(94)</u>
Beginning Balance	<u>999</u>	<u>1,097</u>	<u>1,243</u>	<u>1,427</u>	<u>1,328</u>
Ending Balance	<u>\$1,097</u>	<u>\$1,243</u>	<u>\$1,427</u>	<u>\$1,328</u>	<u>\$1,233</u>
RESERVE	12.8	13.9	15.3	13.6	12.1

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## Personnel Review

PUBLIC WORKS SANITATION DIVISION						
	POSITION RANGE	2004 BUDGET		2005 BUDGET		EMPLOYEE CHANGE
		DOLLARS BUDGETED	NUMBER OF EMPLOYEES	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	
<b>SALARIES</b>						
SOLID WASTE COORDINATOR	E-9	\$0	1.00	\$0	0.00	(1.00)
ENVR. PROJECTS COORDINATOR	E-7	37,078	0.00	36,130	1.00	1.00
SANITATION ENFORCEMENT OFFICER	A-29	72,672	2.00	73,882	2.00	0.00
TEMPORARY		5,500		5,500		
OVERTIME		500		500		
MERIT PAY		742		723		
SALARY ADJUSTMENTS		0		0		
SALARY SAVINGS		0		0		
	<b>SUBTOTAL</b>	<b>116,492</b>	<b>3.00</b>	<b>116,735</b>	<b>3.00</b>	<b>0.00</b>
<b>BENEFITS</b>						
ILLINOIS MUNICIPAL RETIREMENT		17,903		18,510		
UNEMPLOYMENT TAX		0		162		
WORKMEN'S COMPENSATION		118		120		
HEALTH INSURANCE		29,030		30,602		
LIFE INSURANCE		0		0		
PARKING BENEFITS		1,080		1,080		
	<b>SUBTOTAL</b>	<b>48,131</b>		<b>50,474</b>		
	<b>TOTAL</b>	<b>\$164,623</b>	<b>3.00</b>	<b>\$167,209</b>	<b>3.00</b>	

## Performance Measurements

	2002 Tonnage	2003 Tonnage	2004 Budgeted Tonnage	Estimated 2004 Tonnage	2005 Budgeted Tonnage	2004-2005	2004 Actual/ 2005 Budget
Regular	55,373	55,367	56,050	55,190	56,470	420	1,280
Composting	14,618	15,510	15,790	14,730	15,910	120	1,180
Recycling	7,087	7,201	7,460	7,147	7,520	60	373
Sticker	<u>149</u>	<u>201</u>	<u>600</u>	<u>236</u>	<u>600</u>	<u>0</u>	<u>364</u>
	77,227	78,279	79,900	77,303	80,500	600	3,197
Landfill	55,522	55,568	56,650	55,426	57,070	420	1,644
Baxter	14,618	15,510	15,790	14,730	15,910	120	1,180
Recycled	<u>7,087</u>	<u>7,201</u>	<u>7,460</u>	<u>7,147</u>	<u>7,520</u>	<u>60</u>	<u>373</u>
	77,227	78,279	79,900	77,303	80,500	600	3,197
Diversion Rate	28.1	29.0	29.1	28.3	29.1		