

SOLID WASTE MANAGEMENT FUNDS

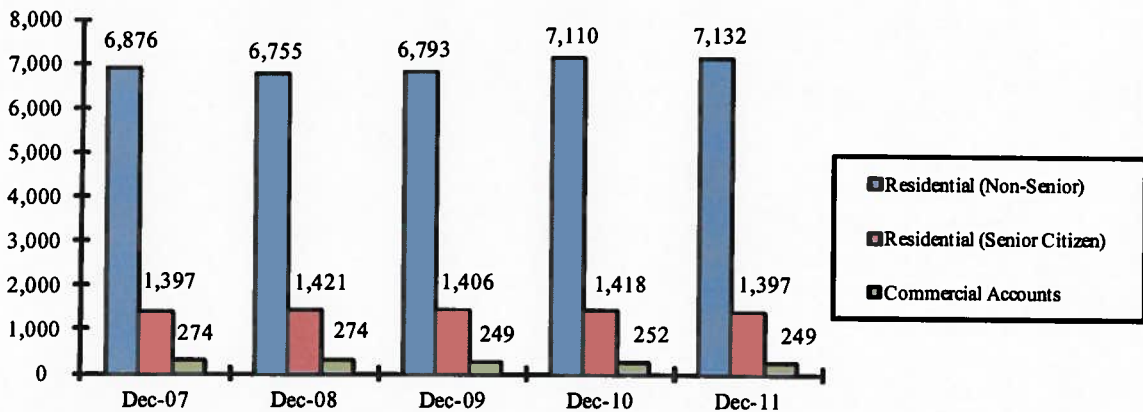
REFUSE COLLECTION

GENERAL INFORMATION:

The Solid Waste Management functions of the City are accounted for in three (3) separate funds - Landfill Operations, Transfer Station Operations, and Refuse Collection. Separating the three activities is required to properly analyze the fee structure and costs within each of the operations. The Landfill operation and Transfer Station operation are detailed in separate activity budgets which follow.

The Refuse Collection activity involves the pickup of solid waste by refuse trucks in the City of Muscatine. Refuse at residential dwellings is collected once each week. The department also collects refuse from some apartment complexes, commercial businesses and industrial customers. Non-residential refuse collection is made only upon request, as many businesses contract with private haulers for this service. The breakdown of the number of customers in December for the last five years is as follows:

Refuse Customers by Type



* January 2010 and 2011 Residential (Non-Senior) customers includes 325 residences in Fruitland.

In April 2011, the City began a contracted single-sort curbside recycling program for all residential refuse collection customers. Allied Waste was selected as the contractor. This replaced the previous program which involved recycling trailers located throughout the community. Funding for the curbside recycling program has been incorporated into the refuse collection rates. The cost per customer per month for the curbside recycling program is \$3.05 in the first year of the contract. This increases to \$3.14, \$3.23, \$3.33, and \$3.43, respectively, for the 2nd through the 5th years of the contract. Allied Waste provided the containers for each customer as part of that fee.

The City realized savings from discontinuing the previous drop-off trailer recycling program. These savings were in the reduction of one fulltime refuse collection driver, decreased temporary services, decreased overtime, and decreased fuel and maintenance costs. Temporary services and overtime were reduced since the drop-off trailers were emptied seven days per week which resulted in approximately \$23,900 of overtime annually.

The Refuse Collection activity is performed by six (6) full-time refuse drivers, one (1) solid waste leadworker, and a Solid Waste Supervisor. In addition to regular weekly garbage pickup service, the City provides a curbside pickup service for large refuse items.

As an enterprise fund, it has been necessary to increase rates to assure the service fees properly cover the cost of this operation. The following chart reflects fee charges on a monthly basis for residential customers. The rates increased to \$20.00 and \$15.00 respectively, for regular and senior customers, effective April 1, 2011 when the single sort curbside recycling program was implemented.

Refuse Collection Rate History (Rates Per Month)



CURRENT TRENDS AND ISSUES:

The Transfer Station opened in August of 1995. All refuse from the City's refuse collection division is delivered to the transfer station, compacted and then taken to the landfill. The 2012/2013 budget includes \$450,000 for Transfer Station fees at the budgeted rate of \$60.00 per ton. This amount is based on an estimated 7,500 tons of refuse compared to the 8,535 actual waste volume in 2009/2010. This reduction is due to the addition of the contracted curbside recycling service beginning in April, 2011.

The 2011/2012 revised estimate includes \$319,100 for the curbside recycling service and this increases to \$329,400 in 2012/2013 based on the per customer rate for each year of the contract.

The 2011/2012 revised estimate expenditures are \$24,600 more than the budgeted amount primarily due to the addition of a \$50,000 transfer to the Transfer Station fund to eliminate the deficit in that fund. Reductions in other line items offset a portion of the increase in the transfer amount. The 2010/2011 budget also included a transfer to the Transfer Station fund of \$200,000.

The budget for 2012/2013 is \$40,376 (2.0%) more than the 2011/2012 budget primarily due to an increased allocation for capital outlay. Capital outlay items for 2012/2013 include \$35,000 for a one-ton truck with plow and \$5,000 for additional dumpsters.

The 2012/2013 budget continues to include the allocation of 50% of the Senior Health and Housing Inspector position. This position works out of the Community Development department and is involved in addressing nuisance complaints including garbage and junk removal responsibilities. The budget also continues to fund the City of Muscatine's portion of the Solid Waste Management Agency assessment which began in 2008/2009 (\$64,800).

GOAL STATEMENT:

To provide an efficient and cost effective solid waste collection system providing once per week pickup in all residential areas and providing service upon request to commercial and industrial customers to provide a clean and healthy environment for the citizens of Muscatine.

PERFORMANCE MEASURES:

	Actual 2008/2009	Actual 2009/2010	Actual 2010/2011	Estimated 2011/2012	Estimated 2012/2013
Tons of Refuse Collected	8,023	8,535	7,731	7,500	7,500
Regular Residential Customers - December	6,755	6,793	6,785	6,807	6,810
Senior Residential Customers - December	1,421	1,406	1,418	1,397	1,400
Commercial and Industrial Customers - December	274	249	252	249	250
Fruitland Residential Customers – December	N/A	325	325	325	325
Cleanup Week Collections (Tons)	440	558	526	500	500
Number of Recycling Trailers	11	16	16/5 *	5 *	5 *
Recycling Trailer Collections (Tons)	1,240	1,300	892 *	250 *	250 *
Single Sort Curbside Recycling (Tons)	0	0	294	1,200	1,200
Curbside Pickups (calendar year)	1,216	1,227	1,245	1,250	1,250

* With the implementation of the curbside recycling program in April 2011, the recycling trailers located throughout the community were discontinued with the exception of those at one drop-off location at the Transfer Station.

RECENT ACCOMPLISHMENTS:

This division was heavily involved in the implementation of the single sort curbside recycling program which began in April 2011. This program provides curbside recycling services for all residential customers in the City, all City facilities, and all of the Muscatine Community School district facilities. This program is also in place at several apartment complexes as well as downtown apartments. This program has assisted in reducing the amount of waste going into the landfill.

The Refuse Collection division and the Code Enforcement officers worked together to address downtown garbage and recycling collection issues, primarily garbage that is placed in front of the downtown storefronts from businesses and apartments. Joint collaboration continues for these businesses and residents to have their garbage and recycling collected from the alleys.

While the main focus of this division is to provide refuse and recycling services to residential customers, providing these services to certain businesses is also part of the refuse collection program. There are approximately 250 commercial accounts adding over \$120,000 in annual revenue. Along with providing regular refuse collection services to these customers, staff works with City Carton to assist these businesses with their recycling needs.

This division has begun implementing “Lean” concepts into the Refuse Collection operation. When curbside recycling began in April 2011, all of the former recycling drop-off trailer locations, except for the Transfer Station, were discontinued. The reduction in the number of trailer locations reduced both overtime and temporary staffing costs.

OBJECTIVES TO BE ACCOMPLISHED IN 2012/2013:

- * To evaluate adding containers and tippers to the current refuse trucks to allow for the automated collection of solid waste.
- * To continue working with the Code Enforcement officers on downtown garbage and recycling collection issues.
- * To collaborate with Parks and Recreation staff to provide for recycling at park facilities and at community events.
- * To continue public education outreach on services provided by this division for refuse collection, the compost site, and the curbside recycling program.
- * To continue providing employee safety programs in an effort to continue this division’s outstanding safety record.
- * To research the use of GPS technology for more efficient routing and better daily communication with staff.
- * To research and implement “Lean” concepts in the Refuse Collection operation. **(Management Agenda High Priority)**

REFUSE COLLECTION FUND

STATEMENT OF BOND AND INTEREST REQUIREMENTS

General Obligation Refunding Bonds
Refuse Collection Portion of
Refunding of Advance Refunding of November 1, 1994 Solid Waste Transfer
Station and Recycling Center (Series A) Issue Dated June 1, 1998
and December 1, 1995 Issue
\$536,392 of \$6,560,000 Issue Dated June 1, 2008 (Series B)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2011/12	\$ 90,750	\$ 9,143	\$ 99,893
2012/13	93,775	6,194	99,969
2013/14	<u>96,800</u>	<u>3,146</u>	<u>99,946</u>
Total	<u>\$ 281,325</u>	<u>\$ 18,483</u>	<u>\$ 299,808</u>

Principal and interest payments for this general obligation bond issue are made from the Debt Service Fund. Bond proceeds from the original issues financed construction of the Transfer Station including the separate Refuse Collection building. Accordingly, transfers from the Refuse Collection Fund to the Debt Service Fund are made annually to fund principal and interest payments on the Refuse Collection portion of this issue as they become due.

Refuse Collection Fund

Fund Statement

	Actual 2009/2010	Actual 2010/2011	Budget 2011/2012	Revised Estimate 2011/2012	Budget 2012/2013
Beginning Balance, July 1	\$ 136,765	\$ 206,671	\$ 102,344	\$ 149,400	\$ 200,907
Revenues					
Charges for Services	\$ 1,888,793 (2)	\$ 1,941,062	\$ 2,090,000	\$ 2,090,000	\$ 2,090,000
Sales - Yard Waste Bags	12,140	14,856	12,000	12,000	12,000
Commercial Brush Fee	205	1,236	2,000	2,000	2,000
Rental of Dumpsters	0	0	100	100	100
Interest	268	327	500	200	200
Sales Tax	4,216	4,235	4,500	4,500	4,500
FEMA Reimbursement	0	149	0	0	0
Miscellaneous	289	0	0	0	0
Sale of Equipment	0	9,311	0	0	0
Total Revenues	\$ 1,905,911	\$ 1,971,175	\$ 2,109,100	\$ 2,108,800	\$ 2,108,800
Funds Available	\$ 2,042,676	\$ 2,177,846	\$ 2,211,444	\$ 2,258,200	\$ 2,309,707
Expenditures (1)	1,836,005	2,028,446 (3)	2,032,693	2,057,293 (4)	2,073,069
Ending Balance, June 30	\$ 206,671	\$ 149,400	\$ 178,751	\$ 200,907	\$ 236,638
Increase (Decrease) in Fund Balance	\$ 69,906	\$ (57,271)	\$ 76,407	\$ 51,507	\$ 35,731

1. Expenditures include changes in compensated absences and other post-employment benefits.
2. Charges for services includes those for the City of Fruitland beginning July 1, 2009.
3. The actual 2010/2011 expenditures included a \$200,000 transfer to the Transfer Station fund to reduce the deficit in that fund.
4. The Revised Estimate expenditures include an additional \$50,000 transfer to the Transfer Station fund to eliminate the deficit in that fund.

Function:
Business Type Activity

Department:
Public Works

Activity:
Refuse Collection

	Actual 2009/2010	Actual 2010/2011	Budget 2011/2012	Revised Estimate 2011/2012	Budget 2012/2013	Percent Change
Expenditure Summary						
Personal Services	\$ 691,385	\$ 684,222	\$ 695,600	\$ 679,100	\$ 705,500	1.42%
Commodities	59,377	74,820	89,000	86,500	86,500	-2.81%
Contractual Services	857,835	895,760	1,083,300	1,076,900	1,079,400	-0.36%
Capital Outlay	57,634	9,938	5,000	5,000	40,000	700.00%
Transfers	155,502	359,827	159,793	209,793	161,669	1.17%
Total Expenditures	\$ 1,821,733	\$ 2,024,567	\$ 2,032,693	\$ 2,057,293	\$ 2,073,069	1.99%
Funding Sources						
Charges for Services	\$ 1,888,793	\$ 1,941,062	\$ 2,090,000	\$ 2,090,000	\$ 2,090,000	0.00%
Sales - Yard Waste Bags	12,140	14,856	12,000	12,000	12,000	0.00%
Other Fees	205	1,236	2,000	2,000	2,000	0.00%
Sales Tax	4,216	4,235	4,500	4,500	4,500	0.00%
Interest	268	327	500	200	200	-60.00%
Sale of Equipment	-	9,310	-	-	-	
Other	289	149	100	100	100	
Total Funding Sources	\$ 1,905,911	\$ 1,971,175	\$ 2,109,100	\$ 2,108,800	\$ 2,108,800	-0.01%

Personnel Schedule						
	Actual 2009/2010	Actual 2010/2011	Budget 2011/2012	Revised Estimate 2011/2012	Budget 2012/2013	Budget Amount 2012/2013
Full Time:						
Solid Waste Manager	0.34	0.39	0.50	0.50	0.50	
Solid Waste Supervisor	1.00	1.00	1.00	1.00	1.00	
Refuse Truck Driver I	7.00	6.25	6.00	6.00	6.00	
Refuse Collection Leadworker	1.00	1.00	1.00	1.00	1.00	
Sr. Health & Housing Inspector	0.50	0.50	0.50	0.50	0.50	
Maintenance Worker II	0.33	0.33	0.33	0.33	0.33	
Clerk	0.33	0.39	0.50	0.50	0.50	
Total Full Time	10.50	9.86	9.83	9.83	9.83	
Part Time:						
Compost Site Attendant	0.83	0.83	0.83	0.48	0.83	
Total	11.33	10.69	10.66	10.31	10.66	\$ 466,200
Employee Benefits						239,300
Total Personal Services						\$ 705,500

Capital Outlay		
Item	Replacement	Amount
One Ton Truck with Plow Package	Yes	\$ 35,000
Dumpsters	Yes	5,000
		\$ 40,000