

REFUSE COLLECTION

MUNICIPALITY OF ANCHORAGE

Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988
<u>RECONCILIATION FROM 1987 REVISED TO 1988 BUDGET</u>		
1987 REVISED BUDGET:	\$5,416,100	28FT, 2T
REDUCTIONS IN EXISTING PROGRAMS:		
Reductions in the cost due to improved routing, improved equipment utilization and reduced labor costs	(157,800)	(2FT)
NEW/EXPANDED PROGRAMS:		
Addition of Route Survey Technician Operation and maintenance of Refuse Warm Storage Building expansion	16,800 90,000	1T
MISCELLANEOUS INCREASES:		
Increase in solid waste disposal expense	<u>464,000</u>	<u> </u>
1988 BUDGET	\$5,829,100	26FT, 3T

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RATE FORECAST

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
Residential (curbside can/bag)	\$13.60	\$15.60 15%(1)	\$15.60	\$16.40 5%(2)	\$16.40	\$16.40	\$16.40
Commercial (3 yard dumpster)	\$43.40	\$49.80 15%(1)	\$49.80	\$52.30 5%(2)	\$52.30	\$52.30	\$52.30

- (1) The 15% increase planned for January 1988 is a result of increased disposal costs incurred in 1987 and 1988. The 1988 projected cost for disposal fees is \$896,000 more than the 1986 expenditure for approximately the same quantity. This increase alone accounts for an 18% increase in total refuse collection expenditures. Cost reductions in other areas has enabled SWS to limit the projected rate increase to 15%.
- (2) The 5% rate increase projected for 1990 is primarily due to an additional disposal fee increase of \$352,000 expected in 1989. This single item accounts for a 6% increase in projected expenditures between 1988 and 1989.

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<u>RESOURCE IMPACTS</u>						
<u>Growth Factors</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
Tons Collected	48,000	48,490	48,965	49,454	49,949	50,448
Billed Customers	11,900	11,950	12,000	12,050	12,100	12,150
Bond Sales	0	0	0	0	0	0
Grants Anticipated	0	0	0	0	0	0
Personnel Increases	(2FT),1T	0	0	0	0	0
Total Personnel	26FT,3T	26FT,3T	26FT,3T	26FT,3T	26FT,3T	26FT,3T
<u>Revenue</u>	6,350,600	6,422,900	6,803,600	6,880,400	6,947,800	7,015,800
<u>Expense</u>	5,829,100	6,366,500	6,498,700	6,634,000	6,772,300	6,914,700
<u>Net Income Regulatory</u>	521,500	56,400	304,900	246,400	175,500	101,100

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Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION							Budget Year 1988	
<u>STATISTICAL/PERFORMANCE TRENDS</u>									
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	Pro Forma <u>1987</u>	Budget <u>1988</u>
Waste Collected (tons)	38,114	40,691	45,319	47,167	48,990	48,066	47,124	48,000	48,000
Residential Services	11,468	11,677	11,772	11,881	11,912	11,901	12,016	12,066	12,066
Billed Customers	11,550	11,652	11,753	11,856	11,912	11,906	11,825	11,900	11,900
Municipal Owned Containers	1,347	1,651	1,819	1,901	1,951	2,051	2,076	2,151	2,151
Average Commercial Dumpster Collections Per Week	5,239	5,382	5,505	5,317	5,048	5,188	4,908	5,058	5,058
Cost/Customer Percent Change	\$219.00 6.4	\$231.26 5.6	\$286.03 23.7	\$326.97 14.3	\$396.18 21.2	\$409.62 3.4	\$426.20 4.0	\$455.13 6.8	\$489.84 7.6
Cost/Collected Ton Percent Change	\$ 66.36 5.7	\$ 65.16 -1.8	\$ 74.17 13.8	\$ 82.19 10.8	\$ 96.33 17.2	\$101.46 5.3	\$106.95 5.4	\$112.84 5.5	\$121.44 7.6
Tons Collected/Employee Percent Change	1,314 2.9	1,427 8.6	1,563 9.5	1,627 4.1	1,689 3.8	1,755 3.9	1,625 -7.4	1,655 1.9	1,745 5.5
Employees (FTE)	29	29	29	29	29	29	29	29	27.5

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Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION		Budget Year 1988
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>Operating Budget</u>			
Revenue	5,947,900	5,914,700	6,350,600
Expense	5,039,800	5,416,100	5,829,100
Net Income - Governmental	908,100	498,600	521,500
Adjustments	0	0	0
Net Income - Regulatory	908,100	498,600	521,500
<u>Capital Budget</u>			
Project Category			
Buildings	0	1,200,000	0
Equipment	640,600	614,800	535,000
Total Capital	640,600	1,814,800	535,000

Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988	
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>STATEMENT OF REVENUE AND EXPENSE</u>			
Commercial Collections	3,173,900	3,458,900	3,659,500
Residential Collections	1,942,800	2,108,300	2,303,300
Other Collections	10,300	9,500	11,800
Container Rental Fees	213,600	218,000	256,000
Contracted Services	405,600	0	0
TOTAL OPERATING REVENUE	5,746,200	5,794,700	6,230,600
<u>OPERATING EXPENSE</u>			
Personal Services	1,612,200	1,665,900	1,631,800
Supplies	19,500	44,700	39,200
Other Services and Charges	1,501,900	1,724,400	2,145,400
Charges From Other Departments	1,236,300	1,198,300	1,124,900
Depreciation (Non-Contributed)	431,500	551,700	664,900
TOTAL OPERATING EXPENSE	4,801,400	5,185,000	5,606,200
OPERATING INCOME (LOSS)	944,800	609,700	624,400
<u>NON-OPERATING REVENUE</u>			
Sale of Property	800	0	0
Short-Term Interest	197,900	120,000	120,000
Miscellaneous	3,000	0	0
TOTAL NON-OPERATING REVENUE	201,700	120,000	120,000
<u>NON-OPERATING EXPENSE</u>			
Interest on Long-Term Debt	238,400	231,100	222,900
TOTAL NON-OPERATING EXPENSE	238,400	231,100	222,900
NON-OPERATING INCOME (LOSS)	(36,700)	(111,100)	(102,900)
NET INCOME (LOSS)	908,100	498,600	521,500

Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988		
Municipality of Anchorage Financial Data				
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget	
<u>STATEMENT OF SOURCES AND USES OF CASH FUNDS</u> :				
SOURCES OF CASH FUNDS:				
Net Income (Loss)	908,100	498,600	521,500	
Depreciation	431,500	551,700	664,900	
Bond Proceeds	0	1,208,900	0	
Other	51,000	0	0	
TOTAL SOURCES OF CASH FUNDS	1,390,600	2,259,200	1,186,400	
USES OF CASH FUNDS:				
Additions to Plant	640,600	1,814,800	535,000	
Bond Principal Payment	25,000	0	105,000	
Other	38,400	0	0	
TOTAL USES OF CASH FUNDS	704,000	1,814,800	640,000	
Net Increase (Decrease) In Cash Funds	686,600	444,400	546,400	
Cash Balance January 1,	2,169,900	2,856,500	3,300,900	
Cash Balance December 31,	2,856,500	3,300,900	3,847,300	
DETAIL OF CASH BALANCE:				
Equity In General Cash Pool	2,510,500	2,953,100	3,010,600	
Equity In Construction Cash Pool	61,000	6,800	495,700	
Bond Redemption Reserve Cash	285,000	341,000	341,000	
TOTAL CASH DECEMBER 31,	2,856,500	3,300,900	3,847,300	

Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988	
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>STATEMENT OF CHANGES IN FUND EQUITY</u>			
Balance January 1, Net Income (Loss)	3,016,500 908,100	3,924,600 498,600	4,423,200 521,500
Balance December 31,	3,924,600	4,423,200	4,944,700
Detail of Fund Equity			
Retained Earnings Contributed Capital	3,787,500 137,100	4,286,100 137,100	4,807,600 137,100
Total Fund Equity December 31,	3,924,600	4,423,200	4,944,700

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Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION		Budget Year 1988
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>STATEMENT OF DEBT SERVICE COVERAGE</u>			
Income Available for Debt Service	1,711,800	1,250,900	1,375,700
Debt Service Requirement	260,500	231,100	327,900
Debt Coverage	6.6	5.4	4.2

Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988	
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>SELECTED RATIOS</u>			
Operating Income	944,800	609,700	624,400
Operating Revenue	5,746,200	5,794,700	6,230,600
Operating Margin	16.4%	10.5%	10.0%
Operating Expense (Controllable)(1)	4,369,900	4,633,300	4,941,300
Operating Revenue	5,746,200	5,794,700	6,230,600
Operating Ratio	76.0%	80.0%	79.3%
Debt/Equity Ratio	31/69	45/55	42/58
Net Income	908,100	498,600	521,500
Operating Revenue	5,746,200	5,794,700	6,230,600
Net Profit Margin	15.8%	8.6%	8.4%

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Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION		Budget Year 1988
Municipality of Anchorage Financial Data			
Line Item Description	Year: <u>1986</u> Actual	Year: <u>1987</u> Pro-Forma	Year: <u>1988</u> Budget
<u>1988 OPERATING BUDGET DETAIL</u>			
<u>Personal Services</u>			
Salaries and Wages	1,002,099	984,600	995,400
Overtime	124,288	140,000	130,000
Benefits	485,659	531,300	496,400
Other	154	10,000	10,000
TOTAL PERSONAL SERVICES	1,612,200	1,665,900	1,631,800
<u>Supplies</u>			
Office Supplies	708	700	700
Operating Supplies	11,150	35,500	30,000
Repair and Maintenance Supplies	7,607	8,500	8,500
TOTAL SUPPLIES	19,465	44,700	39,200
<u>Other Services</u>			
Depreciation	431,540	551,700	664,900
Solid Waste Disposal Fees	989,604	1,440,000	1,904,000
MUSA	24,527	30,500	33,600
Other	487,769	253,900	207,800
TOTAL OTHER SERVICES	1,933,440	2,276,100	2,810,300
<u>Debt Service</u>			
TOTAL DEBT SERVICE	238,403	231,100	222,900
<u>Intragovernmental Charges</u>			
SWS Administration	348,373	513,800	512,100
Equipment Maintenance	486,411	542,500	453,700
Other	401,516	142,000	159,100
TOTAL INTRAGOVERNMENTAL	1,236,300	1,198,300	1,124,900
TOTAL EXPENSES	5,039,808	5,416,100	5,829,100

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Utility SOLID WASTE SERVICES	Division REFUSE COLLECTION	Budget Year 1988
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1988 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>Project Category</u>	<u>Total Project Cost</u>	<u>FUNDING SOURCE</u>		
		<u>Bonds</u>	<u>Operations</u>	<u>Grants</u>
Equipment	<u>576</u>	<u>0</u>	<u>576</u>	<u>0</u>
TOTAL	<u>576</u>	<u>0</u>	<u>576</u>	<u>0</u>

Dollars in Thousands

BUDGET YEAR PROJECTS						Budget Year 1988
Utility <u>Refuse Collection</u>			Funding			
Project Category	Project Title	Location	Bonds G-GO Bonds R-Rev Bonds	Operations	Grants F-Federal S-State	Total
Equipment	Vehicle Replacement	Refuse Warm Storage	0	474	0	474
	Containers	Customer Locations	0	51	0	51
	Office Equipment	Refuse Warm Storage	0	10	0	10
	Data Processing	Refuse Warm Storage	0	41	0	41
Prepared by <u>J.E. Sinz</u> Date <u>6/18/87</u> Total			G R	576	F S	576

Utility	Division	Budget Year
SOLID WASTE SERVICES	REFUSE COLLECTION	1988

1988-93 CAPITAL IMPROVEMENT PROGRAM FINANCIAL SUMMARY

<u>Project Category</u>	<u>ANNUAL PROJECT COST</u>						<u>FUNDING SOURCE</u>			<u>Total Program</u>
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>Bonds</u>	<u>Operations</u>	<u>Grant</u>	
Equipment	576	535	533	886	715	570	0	3,815	0	3,815
TOTAL	<u>576</u>	<u>535</u>	<u>533</u>	<u>886</u>	<u>715</u>	<u>570</u>	<u>0</u>	<u>3,815</u>	<u>0</u>	<u>3,815</u>
 <u>Source of Funds</u>										
Revenue Bonds	0	0	0	0	0	0	0	0	0	0
G.O. Bonds	0	0	0	0	0	0	0	0	0	0
Operating	576	535	533	886	715	570	0	3,815	0	3,815
State Grant	0	0	0	0	0	0	0	0	0	0
Federal Grant	0	0	0	0	0	0	0	0	0	0
TOTAL	<u>576</u>	<u>535</u>	<u>533</u>	<u>886</u>	<u>715</u>	<u>570</u>	<u>0</u>	<u>3,815</u>	<u>0</u>	<u>3,815</u>

Dollars In Thousands

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS							Budget Year 1988	
Utility <u>Refuse Collection</u>								
Project Category	Project Title	Location	BUDGET BY YEAR					
Equipment	Vehicle Replacement	Refuse Warm Storage	400	443	618	619	471	
	Containers	Customer Locations	53	54	56	57	59	
	Office Equipment	Refuse Warm Storage	11	11	12	12	13	
	Data Processing	Refuse Warm Storage	71	25	200	27	27	
Source of Funding:			G.O. Bonds					
			Revenue Bonds					
			Operations	535	533	886	715	570
			State Grants					
			Federal Grants					
Prepared by <u>J.E. Sinz</u> Date <u>6/18/87</u>			Total	535	533	886	715	570