



SOLID WASTE SERVICES UTILITY PROFILE

ORGANIZATION: Solid Waste Services (SWS) is composed of two separate utilities. The Refuse Collections Utility provides refuse collection service to residential and commercial customers in the City of Anchorage Service Area. The Solid Waste Disposal Utility operates multiple transfer stations and a regional landfill providing affordable and environmentally responsible services for the entire Municipality. SWS is divided into four organizations. The organizations include Refuse Collections, Solid Waste Disposal, Vehicle Maintenance and Administration. Vehicle Maintenance and Administration are support organizations that fully charge to Refuse Collections and Disposal Utilities.

The profile for both Refuse Collections and Solid Waste Disposal is shown separately below:

REFUSE COLLECTIONS UTILITY

HISTORY: Refuse Collections Utility was originally owned by the former City of Anchorage. When the City and Borough merged in 1975 the Municipality of Anchorage became the new owner. Since at least 1952 there has been mandatory service for all residents who live in the Refuse Collections Utility service area.

SERVICE: Refuse Collections Utility provides service to the former City of Anchorage, which is approximately 20% of the population of the Municipality of Anchorage. The Refuse Collections Utility has three main types of collection vehicles: frontload, rearload, and sideload. The frontload vehicles are used to empty dumpsters and normally handle commercial or multifamily residential. Rearload vehicles service mainly can/bag residential and a few two-yard(small) dumpsters. Sideload vehicles service residential can/bag only. Refuse Collections Utility services approximately 4,503 dumpsters, and 12,065 can/bag pickups per week. Refuse Collections operates six dumpster routes per day M-F and two routes on Saturday, six sideload routes per day M-F, one rearload route per day M-F, and one-half rearload route on Saturday.

REGULATION: Refuse Collections Utility is regulated by the Regulatory Commission of Alaska as having the right to collect solid waste, but is not economically regulated.

Refuse Collections Utility as a part of Solid Waste Services also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital budget, rules, regulations, and administrative guidelines for the Refuse Collections Utility.

ENVIRONMENTAL MANDATES: Although there are no specific state or federally mandated regulations for Refuse Collections there are a number of federal and state mandated regulations that the Refuse Collections Utility must comply with. These regulations include but are not limited to the Federal Clean Air Act, The Clean Water Act and OSHA. These regulations have and will continue to have an economic and operational impact on Refuse Collections Utility.

PHYSICAL PLANT:

Specialized truck fleet

- 7 frontload trucks for dumpster collection
- 2 rearload trucks for curbside pickup and small dumpsters
- 8 sideload trucks for curbside pickup only

Refuse Collections warm storage building, a 27,000 square foot building that contains vehicle maintenance, storage space and administrative offices.

SOLID WASTE DISPOSAL

HISTORY: The Municipal landfill at Merrill Field was closed during 1987 following approximately 50 years of usage. This brings the total of closed, official landfill sites within the Municipality of Anchorage to five. The Anchorage Regional Landfill (ARL), an award winning "state-of-the-art" fully lined modern landfill, was built in 1987 and is the only operating landfill in MOA.

SERVICE: The Solid Waste Disposal Utility serves the entire MOA. The services include the disposal of solid waste and collection of household hazardous waste. Normal solid waste is received at any of the three transfer stations located within MOA. The waste is then transported by the Utility to ARL for final disposal.

The ARL has a total land area of approximately 275 acres and is being developed in phases called cells. Currently 6 out of a total of 12 base cells have been constructed. ARL is projected to have a total capacity in excess of 42.3 million cubic yards. It is estimated that ARL will reach full capacity in the year 2037. In 2004, 367,614 tons were deposited in ARL which was 9,168 tons more than in 2003.

Solid Waste Disposal Utility also operates three transfer stations. They are located at Girdwood, midtown Anchorage (Central Transfer Station-CTS), and ARL. They allow Solid Waste Disposal Utility to restrict access to the face of the landfill. CTS, by far, receives the largest amount of solid waste, having received over 262,877 tons in 2004. CTS has a total capacity of 1,600 tons per day. The 2004 quantity was 2.6% greater than that in budget year 2003. The Solid Waste Disposal Utility operates a fleet of 20 tractor and trailer units that transport the solid waste from the transfer stations to the landfill. The trailers have a capacity of 120 yards each.

Household hazardous waste can be dropped off at CTS or the Hazardous Waste Facility located at ARL. The hazardous waste is then handled by a contractor who puts the hazardous waste in proper containers and safely ships the containers out of state to federally approved hazardous waste disposal sites. In March 2000 a new program that allows citizens to take good, usable hazardous materials at no cost to them was successfully implemented. In 2004, more than 9,198 items, totaling 2,900 gallons of waste were diverted from the landfill. In 2003, a program was added to recycle E-waste from commercial customers. 1,034 monitors and various electronic items totaling 44,838 pounds were collected in 2004.

Solid Waste Disposal Utility operates a 6,000 square foot household hazardous waste collection facility built in 1989. The facility, located at ARL, is operated by a private contractor. In 1992, the facility was the only Hazardous Waste facility in North America to receive Solid Waste Association of North America's "System Excellence" award. Through 2003 the facility has collected a total of 15.9 million pounds of hazardous waste that otherwise may have been improperly disposed of in the landfill, storm drain system or people's backyards.

REGULATION: The Solid Waste Disposal Utility is not economically regulated by any non-municipal agencies. However, the Utility operates under numerous permits and many EPA regulations. ARL is operated under a permit issued by the Alaska Department of Environmental Conservation. This permit must be renewed every five years. The Disposal Utility operates under two permits from AWWU for industrial water discharge. ARL has permits from the US Department of Fish and Wildlife and the Alaska Department of Fish and Game for bird predation. ARL construction and certain operations must comply with the EPA Resource Conservation and Recovery Act (RCRA) subtitle D.

The Solid Waste Disposal Utility, as a part of Solid Waste Services, also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital budget, rules, regulations, and administrative guidelines for the Utility.

ENVIRONMENTAL MANDATES: The Solid Waste Disposal Utility must operate under and comply with numerous environmental mandates. These mandates have a significant economic impact on the cost of operations and construction for the Utility. The main environmental mandates that have a significant impact on the Disposal Utility are RCRA subtitle D, Clean Air Act, Clean Water Act, SARA Title 3 (Super Fund), NESAP (asbestos), and NPDES (storm water discharge). It is projected that in the future the environmental mandates regarding operating and constructing a landfill will become even more stringent.

PHYSICAL PLANT:

Anchorage Regional Landfill

- 275 acres, estimated to last through the year 2037
- 43 million cubic yard capacity
- Phased construction of cells based on Airspace Consumption Rate
- Currently have constructed six of the twelve base cells
- Located on municipal land
- Scalehouse and 22,000 square foot shop and storage facility
- Heavy equipment fleet: dozers, loaders, dump trucks, boom truck, water truck, leachate trucks, tankers, lube trucks, grader and compactors
- Two leachate storage, treatment lagoons with a 2.9 million gallon capacity

Three transfer stations provide intermediate disposal, easy access for public

- Girdwood, Central, and ARL
- 20 transfer tractor and trailers haul from stations to landfill

Hazardous waste management

- 6000 sq. ft collection facility for household hazardous waste
- Opened in 1989, operated by private contractor
- Received the only "System Excellence Award" in North America from Solid Waste Association of North America

**SOLID WASTE SERVICES
2006 - 2007
OPERATING AND CAPITAL BUDGET ASSUMPTIONS**

Below are general and specific budget assumptions/guidelines provided to Refuse Collections and Solid Waste Disposal for preparation of the 2006-07 Operating and Capital Budgets.

- Refuse Collections Utility will continue to hold the Alaska Regulatory Commission Certificate for waste collection in the City Service Area.
- Refuse Collections and Solid Waste Disposal Utilities will continue under Municipal ownership in 2006-07.
- Rate increase for Disposal Utility is \$50.00/ton in 2006 and \$55.00/ton in 2007.
- The increased rate revenue is determined to be the most prudent funding source for maintaining the utility's plant in a cost-effective working condition.
- The mill rates for MUSA (in lieu of taxes) will be the same as 2005 mill rates. The 1.25% MUSA applies to both the Solid Waste Disposal and Refuse Collection Utilities.
- The revenue distribution for Refuse Collections and Solid Waste Disposal Utilities are calculated at 5% of gross receipts budget (operating and non-operating).
- New debt service interest on revenue bonds assumed to be 5.375%. Interest income calculated assuming a rate of 3%.
- The IGC's from General Government are based on 11.4% over 2005 Revised Budget dated 4/27/2005.
- Anchorage's population will be approximately 277,498 in 2005 and 281,300 in 2006.
- In general, inflation (i.e., CPI – all urban consumers) is anticipated to be approximately 2.6% in 2006.
- Salaries for Non-represented, AMEA, Operating Engineers, Teamster, and Machinist employee's wage will increase by 3.3 percent in 2006 and 3.4% in 2007 per the Bargaining Agreement. AMEA Benefit costs are \$11,730 per year and \$11,470 for the former AJCC employees.

SOLID WASTE SERVICES

Highlights and Future Events

REFUSE COLLECTIONS UTILITY

The Refuse Collections Utility historically has been a very stable utility with respect to its customer base, operating expense and revenues. The continuous decline in interest earnings and years of cumulative incline in operating expenses have required the Utility to increase rates in July 2004 and in March 2005. Pro-forma 2005 presents a rate increase for Commercial Collection of 12.77% for 10 months in 2005. A 5% Revenue Distribution and 1.25% MUSA will be imposed. Total revenues are projected to be \$6,503,650 in 2005 and \$6,590,900 in 2006. Non-operating revenues are increasing due to the higher interest rate than last year.

In 2005 and 2006, the utility will continue to make available to commercial customers, the use of larger sized dumpsters, a program initiated in mid-2000.

The variable (volume based) rate analysis for the residential customers as recommended in the Waste Reduction and Recycling Management Plan was initiated yet in 2004 and will continue on into 2006.

The Refuse Collections Utility capital budget will be used for purchase of vehicles and equipment, which is necessary for continued efficient operation.

SOLID WASTE DISPOSAL UTILITY

In 2004, the Solid Waste Disposal Utility processed 367,614 tons of waste. This was 9,168 tons increase from 2003. The increase is primarily attributable to the increase in local construction activities. Solid Waste Services believes the total annual waste quantity will remain at/or around 350,000 tons for a number of years.

Overall the Solid Waste Disposal Utility's 2006 operating budgeted expense is projected to increase by \$3,253,220 from the 2005 revised budget. The 2006 budget includes expenses associated with revenue distribution, facility maintenance and repair of Central Transfer Station (CTS), Anchorage Regional Landfill (ARL) and Merrill Field Landfill, plus the increased cost and amortization for PERS program. The Utility anticipates disposal rate increase effective July 1, 2006.

Funding for the recycling grants program and increased materials recovery at the Anchorage Regional Landfill and Central Transfer Station is again included in the 2006 Operating budget.

The Solid Waste Disposal Capital budget for 2006 includes funding for replacement vehicles and equipment, which continues throughout the five projection years. The 2006 Capital budget also includes funds necessary for designing the Landfill Sequencing Plan with construction beginning in 2004. As required by ARL's Operating Air Permit, an active gas extraction system is required to be constructed in 2005 with initial start up operation in early 2006. Funds for the Gas System have been budgeted in the 2004 and 2005 period. The utility will begin the landfill partial closure (20 acres) and Central Transfer Station Improvements in 2006. The funding source for these projects includes funding from operations and issuance of Alaska Clean Water Loan funds, which have a low interest rate compared to other funding sources.

SOLID WASTE SERVICES Budget Impacts

SOLID WASTE SERVICES – REFUSE COLLECTIONS

Overall the Refuse Collections 2006 operating budget is projected to increase \$850,760 or 13.6% compared to the 2005 revised budget. This is mainly the combination of increased services and material costs. Total revenues have increased \$125,730 compared to the 2005 budget. This is due to the rate increase in March 2005 and the higher interest earnings on investments.

SOLID WASTE SERVICES – DISPOSAL UTILITY

Overall the Solid Waste Disposal 2006 operating budget is projected to increase \$3,253,220 compared to the 2005 budget. The repair and maintenance of Central Transfer Station and Landfill facilities will continue into 2006. In addition, Merrill Field Landfill will require improvement of the leachate system. The Utilities total revenues include anticipated \$50.00/ton rate increase in 2006.

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS Financial Overview	UTILITY FORMAT - 2006-2011 OPERATING BUDGET (\$ in Thousands)										
	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Proforma 2005	Budget 2006	Budget 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011
Revenues	5,939	5,815	5,655	6,083	6,504	6,591	6,645	6,688	6,732	6,777	6,821
Expenses	5,429	5,707	5,670	5,904	6,261	6,440	6,636	6,701	6,845	7,031	7,102
Net Income (Regulatory)	510	109	(15)	179	243	151	9	(13)	(113)	(254)	(281)
Workforce Authorized per Budget (FT)	20	20	20	20	20	19	19	19	19	19	19
Capital Improvement Program	449	370	73	278	696	525	419	504	341	470	341
Bond Sales	0	0	0	0	0	0	0	0	0	0	0
Net Plant (12/31)	3,028	2,879	2,457	2,293	2,140	2,290	2,260	2,290	2,200	2,310	2,270
Utility Revenue Distribution	6	0	2,500	283	304	325	330	332	334	337	339
Net Assets (12/31)	8,660	8,761	6,246	6,140	6,080	5,910	5,590	5,240	4,790	4,200	3,580
General Cash Pool	5,779	5,671	3,016	2,241	2,910	2,678	2,421	2,121	1,901	1,377	872
Construction Cash Pool	414	322	578	1,366	400	300	200	200	200	200	200
Bond Redemption Cash	349	356	358	0	0	0	0	0	0	0	0
Total Cash (12/31)	6,543	6,349	3,952	3,607	3,310	2,978	2,621	2,321	2,101	1,577	1,072
IGC's - General Government	240	234	256	244	347	375	394	413	434	456	479
MUSA - 1.25%	0	0	0	0	75	80	81	0	0	0	0
MUSA - Regular	56	52	48	40	37	35	37	37	37	36	38
Total Outstanding Debt	955	650	330	0	0	0	0	0	0	0	0
Total Annual Debt Service	349	347	345	335	0	0	0	0	0	0	0
Debt Service Coverage	3.27	2.08	1.59	2.12	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Debt/Equity Ratio	10/90	7/93	5/95	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Rate Change Percent**											
Residential Cost (\$16.35/Mo)**											
Commercial (3Yd-1x/Wk) (\$64.50/Mo)**					12.77%						
Statistical/Performance Trends											
Waste Collected (Tons)	44,503	45,419	44,623	44,001	44,500	43,766	43,810	43,854	43,897	43,941	43,985
Average Residential Services	12,122	12,178	12,187	12,065	12,077	12,089	12,101	12,113	12,125	12,138	12,150
Average Dumpsters Services	4,718	4,648	4,522	4,503	4,512	4,521	4,530	4,539	4,548	4,557	4,566

* Excludes budgeted positions for SWS Admin (23) and Vehicle Maintenance (8)

**The rate Increase for Residential collection 9% (\$15.00/Mo to \$16.35/Mo) and commercial collection 15% (\$50.50/Mo to \$58.05/Mo) was effective 7/01/2
The rate increase for Commercial Collection 12.77% (from \$58.05/mo to \$64.50/mo) was effective 3/01/20C

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL Financial Overview	UTILITY FORMAT - 2006-2011 OPERATING BUDGET (\$ in Thousands)										
	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Proforma 2005	Budget 2006	Budget 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011
Revenues	15,751	17,961	15,815	16,205	16,091	16,009	16,359	16,529	16,745	16,959	17,268
Expenses	12,039	14,128	12,889	13,063	15,050	16,965	16,772	17,356	17,299	17,616	17,739
Net Income (Regulatory)	3,712	3,833	2,926	3,142	1,041	(955)	(414)	(827)	(554)	(657)	(471)
Workforce Authorized per Budget (FT)*	32	33	37	37	39	39	39	39	39	39	39
Capital Improvement Program	866	955	2,481	762	13,037	13,581	3,628	4,436	3,835	6,212	2,610
Bond Sales/ New Debt	0	0	548	0	5,705	7,725	0	500	2,000	2,500	0
Net Plant (12/31)	45,158	43,672	43,632	41,832	41,927	48,674	49,225	50,228	50,951	54,045	53,725
Utility Revenue Distribution	6	0	0	791	807	805	800	818	826	837	848
Net Assets (12/31)	25,232	29,065	31,991	34,343	34,576	32,816	31,602	29,957	28,577	27,083	25,764
General Cash Pool	9,022	10,749	9,792	1,207	11,234	19,128	15,825	16,196	14,942	16,137	14,354
Future Landfill Closure Cash Reserve	8,765	9,558	10,325	11,111	11,887	9,067	9,850	8,635	9,424	6,516	9,911
Construction Cash Pool	3,674	3,643	5,285	13,837	6,000	1,000	1,000	1,000	1,000	1,000	1,000
Bond Redemption Cash	369	376	379	370	370	370	370	370	370	0	0
Total Cash (12/31)	21,830	24,326	25,780	26,525	29,491	29,565	27,045	26,202	25,736	23,653	22,666
IGC's - General Government	415	691	580	466	703	738	775	814	854	897	942
MUSA - 1.25%	172	176	190	189	192	186	188	190	193	196	199
MUSA - Regular	587	558	567	567	554	590	535	560	551	575	567
Total Outstanding Debt	28,568	25,367	22,590	19,087	21,134	25,336	23,437	22,017	22,078	22,998	21,419
Total Annual Debt Service	4,485	4,283	4,295	4,274	4,254	4,057	2,450	2,423	2,388	1,983	1,947
Revenue Bond Coverage	4.37	4.97	4.36	4.41	3.36	2.14	1.61	1.59	1.57	1.83	1.85
Debt/Equity Ratio	49/51	43/57	38/62	34/66	35/65	32/68	39/61	39/61	40/60	42/58	41/59
Rate Change Percent											
User Rate/Ton (\$45.00/Ton)**											
Pickup Rate (\$10.00/Load)***											
Car Rate (\$5.00/Load)**											
Statistical/Performance Trends											
Tons Disposed	339,550	370,257	358,446	367,614	362,475	364,350	367,994	371,673	375,390	379,144	382,936
Vehicle Count	237,831	265,389	270,155	277,038	273,195	274,608	277,354	280,128	282,929	285,758	288,616

* Excludes budgeted positions for SWS Admin (23) and Vehicle Maintenance (8)

** Last rate increase was in 1989

*** Last rate increase was in 1993

SOLID WASTE SERVICES WORK FORCE PROJECTIONS

<u>BUDGET UNIT</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
ADMINISTRATION:						
Regular Fulltime	23	23	23	23	23	23
REFUSE COLLECTIONS:						
Regular Fulltime	19	19	19	19	19	19
Regular Parttime	0	0	0	0	0	0
Temporary	2	2	2	2	2	2
Budgeted Positions Subtotal	21	21	21	21	21	21
SOLID WASTE DISPOSAL						
Regular Fulltime	39	39	39	39	39	39
Regular Parttime	8	8	8	8	8	8
Temporary	5	5	5	5	5	5
Budgeted Positions Subtotal	52	52	52	52	52	52
VEHICLE MAINTENANCE						
Regular Fulltime	8	8	8	8	8	8
TOTAL SOLID WASTE SERVICES						
Regular Fulltime	89	89	89	89	89	89
Regular Parttime	8	8	8	8	8	8
Temporary	7	7	7	7	7	7
TOTAL	104	104	104	104	104	104
EXECUTIVE	2	2	2	2	2	2
NON-REPRESENTED	9	9	9	9	9	9
AMEA	23	23	23	23	23	23
OPERATING ENGINEERS	46	46	46	46	46	46
MACHINIST	4	4	4	4	4	4
TEAMSTERS	20	20	20	20	20	20
TOTAL	104	104	104	104	104	104

REFUSE COLLECTIONS UTILITY STATEMENT OF REVENUE AND EXPENSES

	2004 <u>ACTUAL</u>	2005 <u>PROFORMA</u>	2006 <u>BUDGET</u>	2007 <u>BUDGET</u>
OPERATING REVENUE				
Commercial Collections	3,272,599	3,538,940	3,589,130	3,639,380
Residential Collections	2,285,719	2,362,400	2,396,360	2,396,360
Other Collections	128,964	100,000	100,100	100,200
Container Rental Fees	311,179	370,800	370,800	371,730
TOTAL OPERATING REVENUE	5,998,461	6,372,140	6,456,390	6,507,670
OPERATING EXPENSE				
Labor	1,441,718	1,516,360	1,575,280	1,669,390
Supplies	28,867	33,500	34,210	34,940
Contracted Services	152,449	171,650	213,800	204,900
Utilities	72,000	72,000	73,870	75,790
Other Expenses	102,545	99,180	123,650	99,060
Depreciation	448,330	460,280	366,650	383,070
MUSA	39,750	112,180	114,550	117,910
SWS Disposal Fees	1,980,040	2,002,500	1,969,470	1,971,440
IGC'S	1,633,923	1,793,320	1,968,250	2,079,890
TOTAL OPERATING EXPENSE	5,899,622	6,260,970	6,439,730	6,636,390
OPERATING INCOME	98,839	111,170	16,660	(128,720)
NON-OPERATING REVENUE				
Sale of Assets	11,529	0	0	0
Interest Income	49,745	108,320	111,080	113,970
Other Revenue	23,285	23,190	23,430	23,670
TOTAL NON-OPERATING REVENUE	84,559	131,510	134,510	137,640
NON-OPERATING EXPENSE				
Interest on Long-term Debt	4,804	0	0	0
TOTAL NON-OPERATING EXPENSE	4,804	0	0	0
NET INCOME (REGULATORY)	178,594	242,680	151,170	8,920

REFUSE COLLECTIONS UTILITY

STATEMENT OF SOURCES AND USES OF CASH

	2004 <u>ACTUAL</u>	2005 <u>PROFORMA</u>	2006 <u>BUDGET</u>	2007 <u>BUDGET</u>
SOURCES OF CASH FUNDS:				
Net Income GAAP	178,594	242,680	151,170	8,920
Depreciation	448,330	460,280	366,650	383,070
Grants	0	0	0	0
Bonds	0	0	0	0
Other	0	0	0	0
TOTAL SOURCES OF CASH FUNDS	<u>626,924</u>	<u>702,960</u>	<u>517,820</u>	<u>391,990</u>
USES OF CASH FUNDS:				
Additions to Plant	277,690	695,580	524,960	419,360
Bond Principal Payment	330,000	0	0	0
Other	81,872	0	0	0
Utility Revenue Distribution	282,765	304,150	325,180	329,550
TOTAL USES OF CASH FUNDS	<u>972,327</u>	<u>999,730</u>	<u>850,140</u>	<u>748,910</u>
NET INCREASE (DECREASE) IN CASH FUNDS	(345,403)	(296,770)	(332,320)	(356,920)
CASH BALANCE JANUARY 1,	3,952,097	3,606,690	3,309,920	2,977,600
CASH BALANCE DECEMBER 31,	<u><u>3,606,694</u></u>	<u><u>3,309,920</u></u>	<u><u>2,977,600</u></u>	<u><u>2,620,680</u></u>
DETAIL OF CASH BALANCE				
Equity In General Cash Pool	2,241,054	2,909,920	2,677,600	2,420,680
Equity In Construction Cash Pool	1,365,640	400,000	300,000	200,000
Bond Redemption Cash	0	0	0	
TOTAL CASH DECEMBER 31,	<u><u>3,606,694</u></u>	<u><u>3,309,920</u></u>	<u><u>2,977,600</u></u>	<u><u>2,620,680</u></u>

REFUSE COLLECTIONS UTILITY

2006-07 OPERATING BUDGET DETAIL

	2004 ACTUAL	2005 PROFORMA	2006 BUDGET	2007 BUDGET
Labor				
Wages	880,245	919,350	913,910	949,690
Overtime	77,372	73,910	77,510	81,210
Benefits	483,729	521,570	582,280	636,860
Other	372	1,530	1,580	1,630
Subtotal	1,441,718	1,516,360	1,575,280	1,669,390
Supplies				
Office supplies	1,174	1,500	1,530	1,560
Operating Supplies	23,968	25,000	25,500	26,010
Repair and Maintenance Supplies	3,725	7,000	7,180	7,370
Subtotal	28,867	33,500	34,210	34,940
Other Expenses				
Professional Services	2,489	14,650	29,500	29,500
Contractual Services	149,960	157,000	184,300	175,400
Utilities	72,000	72,000	73,870	75,790
Other Expenses	102,545	99,180	123,650	99,060
Depreciation	448,330	460,280	366,650	383,070
MUSA	39,750	112,180	114,550	117,910
SWS Disposal Charges	1,980,040	2,002,500	1,969,470	1,971,440
Subtotal	2,795,114	2,917,790	2,861,990	2,852,170
Intergovernmental Charges				
Solid Waste Administration	860,151	837,500	954,210	1,027,280
Solid Waste Vehicle Maintenance	513,168	596,030	625,910	645,730
Solid Waste Disposal	41,942	38,100	38,100	38,100
General Government IGC's	243,662	346,690	375,030	393,780
Charges to Others	(25,000)	(25,000)	(25,000)	(25,000)
Subtotal	1,633,923	1,793,320	1,968,250	2,079,890
Interest on Long-term Debt	4,804	0	0	0
TOTAL EXPENSES	5,904,426	6,260,970	6,439,730	6,636,390

**REFUSE COLLECTIONS UTILITY
2006-2011 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT CATEGORY	2006	2007	2008	2009	2010	2011	TOTAL
VEHICLE REPLACEMENT	343	171	384	171	350	171	1,590
CONTAINERS	100	100	100	100	100	100	600
EQUIPMENT	0	78	0	0	0	0	78
OFFICE EQUIPMENT	7	5	10	10	10	10	52
DATA PROCESSING	15	15	10	10	10	10	70
BUILDING IMPROVEMENTS	60	50	0	50	0	50	210
TOTAL	525	419	504	341	470	341	2,600

SOURCE OF FUNDING	2006	2007	2008	2009	2010	2011	TOTAL
G.O. BONDS							
REVENUE BONDS							
LOAN							
EQUITY/OPERATIONS	525	419	504	341	470	341	2,600
STATE GRANT							
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	525	419	504	341	470	341	2,600

SOLID WASTE DISPOSAL UTILITY STATEMENT OF REVENUE AND EXPENSES

	<u>2004 ACTUAL</u>	<u>2005 PROFORMA</u>	<u>2006 BUDGET</u>	<u>2007 BUDGET</u>
OPERATING REVENUE				
Reimbursed Costs	227,366	208,080	208,080	208,080
Disposal Fees	15,217,043	14,912,530	15,033,900	15,232,280
Hazardous Waste Fees	127,819	127,000	127,000	127,000
Other	116,974	103,380	109,380	110,050
TOTAL OPERATING REVENUE	15,689,202	15,350,990	15,478,360	15,677,410
OPERATING EXPENSE				
Labor	3,245,276	3,560,550	3,859,000	4,013,380
Supplies	77,780	90,990	104,310	106,270
Contracted Services	1,478,466	1,980,460	3,208,050	2,851,830
Utilities	415,831	428,680	439,830	451,270
Other Expenses	308,383	415,480	433,480	425,600
Depreciation	2,479,615	2,952,500	3,233,470	3,078,370
MUSA	755,842	745,400	776,320	723,150
Landfill Closure Cost	786,694	775,700	779,710	782,790
IGC'S	2,704,646	3,418,530	3,578,380	3,778,440
TOTAL OPERATING EXPENSE	12,252,533	14,368,290	16,412,550	16,211,100
OPERATING INCOME (LOSS)	3,436,669	982,700	(934,190)	(533,690)
NON-OPERATING REVENUE				
Sale of Assets	97,840	200,980	50,000	50,000
Interest Income	322,742	521,850	465,120	617,450
Other Revenue	95,153	17,150	16,000	14,000
TOTAL NON-OPERATING REVENUE	515,735	739,980	531,120	681,450
NON-OPERATING EXPENSE				
Interest on Long-term Debt	810,456	682,180	552,410	561,380
TOTAL NON-OPERATING EXPENSE	810,456	682,180	552,410	561,380
NET INCOME (REGULATORY)	3,141,948	1,040,500	(955,480)	(413,620)

SOLID WASTE DISPOSAL UTILITY

STATEMENT OF SOURCES AND USES OF CASH

	2004 <u>ACTUAL</u>	2005 <u>PROFORMA</u>	2006 <u>BUDGET</u>	2007 <u>BUDGET</u>
SOURCES OF CASH FUNDS:				
Net Income (Loss) GAAP	3,084,923	1,040,500	(955,480)	(413,620)
Depreciation (Includes Contributed Plant)	2,479,615	2,952,500	3,233,470	3,078,370
Future Landfill Closure Costs	786,694	775,700	779,710	782,790
Grants	57,025	5,230	0	
New Debt	0	5,704,520	7,725,000	
Other	0	0	3,600,000	
TOTAL SOURCES OF CASH FUNDS	6,408,257	10,478,450	14,382,700	3,447,540
USES OF CASH FUNDS:				
Additions to Plant (CWIP)	761,778	3,047,370	9,981,050	3,628,450
Bond Principal Payment	2,595,000	2,750,000	2,615,000	320,000
Loan Principal Payment	907,931	907,930	907,930	1,219,410
Other Uses of Cash	607,274	0	0	0
Utility Revenue Distribution	790,755	807,130	804,550	800,470
TOTAL USES OF CASH FUNDS	5,662,738	7,512,430	14,308,530	5,968,330
NET INCREASE (DECREASE) IN CASH FUNDS	745,519	2,966,020	74,170	(2,520,790)
CASH BALANCE JANUARY 1,	25,779,345	26,524,860	29,490,880	29,565,050
CASH BALANCE DECEMBER 31,	26,524,864	29,490,880	29,565,050	27,044,260
DETAIL OF CASH BALANCE				
Equity In General Cash Pool	1,207,092	11,233,850	19,128,310	15,824,730
Future Landfill Closure Cash Reserve	11,111,326	11,887,030	9,066,740	9,849,530
Equity In Construction Cash Pool	13,836,634	6,000,000	1,000,000	1,000,000
Bond Redemption Cash	369,812	370,000	370,000	370,000
TOTAL CASH DECEMBER 31,	26,524,864	29,490,880	29,565,050	27,044,260

SOLID WASTE DISPOSAL UTILITY

2006-07 OPERATING BUDGET DETAIL

	2004 <u>ACTUAL</u>	2005 <u>PROFORMA</u>	2006 <u>BUDGET</u>	2007 <u>BUDGET</u>
Labor				
Wages	1,922,453	1,980,710	2,097,080	2,194,630
Overtime	304,461	309,860	326,450	340,280
Benefits	1,010,573	1,261,820	1,427,040	1,469,750
Other	<u>7,789</u>	<u>8,160</u>	<u>8,430</u>	<u>8,720</u>
Subtotal	3,245,276	3,560,550	3,859,000	4,013,380
Supplies				
Office Supplies	1,145	2,080	2,130	2,190
Operating Supplies	63,972	68,910	70,700	72,540
Fuel(Kerosene)	0	0	2,920	2,980
Repair and Maintenance Supplies	<u>12,663</u>	<u>20,000</u>	<u>28,560</u>	<u>28,560</u>
Subtotal	77,780	90,990	104,310	106,270
Other Expenses				
Professional Services	175,161	236,260	472,650	385,600
Utilities	415,831	428,680	439,830	451,270
Contractual Services	1,303,305	1,744,200	2,735,400	2,466,230
Other	308,383	415,480	433,480	425,600
Depreciation	2,479,615	2,952,500	3,233,470	3,078,370
MUSA, Gross Receipts Tax	755,842	745,400	776,320	723,150
Landfill Closure Costs	<u>786,694</u>	<u>775,700</u>	<u>779,710</u>	<u>782,790</u>
Subtotal	6,224,831	7,298,220	8,870,860	8,313,010
Interest on Long-term Debt	810,456	682,180	552,410	561,380
Intergovernmental Charges				
Solid Waste Administration	1,038,350	1,236,260	1,411,310	1,520,910
Solid Waste Vehicle Maintenance	1,379,978	1,611,500	1,692,280	1,745,850
Other IGC's	466,457	702,750	737,890	774,780
Charges to Others	<u>(180,138)</u>	<u>(131,980)</u>	<u>(263,100)</u>	<u>(263,100)</u>
Subtotal	2,704,646	3,418,530	3,578,380	3,778,440
Total Expenses	<u>13,062,989</u>	<u>15,050,470</u>	<u>16,964,960</u>	<u>16,772,480</u>

**SOLID WASTE DISPOSAL UTILITY
2006-2011 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT CATEGORY	2006	2007	2008	2009	2010	2011	TOTAL
EQUIPMENT	2,731	1,983	1,446	1,445	1,972	1,870	11,447
ARL IMPROVEMENTS	10,825	1,620	2,970	2,370	4,220	720	22,725
OFFICE /DP EQUIPMENT	25	25	20	20	20	20	130
TOTAL	13,581	3,628	4,436	3,835	6,212	2,610	34,302

SOURCE OF FUNDING	2006	2007	2008	2009	2010	2011	TOTAL
LOAN	7,725	0	500	2,000	2,500	0	12,725
EQUITY/OPERATIONS	5,856	28	1,936	1,835	12	2,610	12,277
LF CLOSURE RESERVE		3,600	2,000		3,700		9,300
TOTAL	13,581	3,628	4,436	3,835	6,212	2,610	34,302