

**Mayor  
Mark Begich**

**Municipal Manager  
Michael Abbott**

**Director  
Solid Waste Services**

Finance &  
Administration

Operations

Engineering &  
Planning

Vehicle  
Maintenance

Solid Waste  
Disposal Utility

Refuse  
Collections Utility

# 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 waste disposal 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 all costs back to Refuse Collections and Disposal Utilities.

Solid Waste Services 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 and Solid Waste 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 Greater Anchorage Area Borough (GAAB) 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 which encompasses the former City of Anchorage and adjacent annexed areas.

**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 two main types of collection vehicles: frontload, and sideload. The frontload vehicles are used to empty dumpsters, for commercial and multifamily residential customers. Refuse Collections operates six dumpster routes per day M-F and two routes on Saturday, and services approximately 4,455 dumpsters. Residential can/bag service is provided using both sideload and frontload collection vehicles. The Collection Utility currently services 12,826 can/bag pickups per week. Residential can bag refuse is collected from six routes per day Monday through Friday using residential frontload and sideload equipment. The Utility has one rear-load truck which services an office paper recycling route for Municipal buildings. The Utility also services public waste receptacles in the Downtown business district three times per week.

**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.

**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

- 8 frontload trucks for dumpster collection
- 1 rearload trucks for mixed paper recycling
- 4 sideload trucks for curbside pickup only
- 4 residential frontload trucks for curbside pickup

Refuse Collections warm storage building, a 27,000 square foot building that contains vehicle maintenance, storage space and administrative offices in the combined Solid Waste Services.

### **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. Municipal solid waste is received at the landfill or any of the three transfer stations located within MOA. Waste received at the transfer stations 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 7 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 2043. In 2006, 356,387 tons were deposited in ARL which was 11,795 tons less than in 2005.

ARL produces leachate and landfill gas as byproducts of waste decomposition. The Disposal Utility operates a fleet of three 6,000-gallon tanker trucks which haul leachate from the landfill to the AWWU dump station near the intersection of Turpin St. and the Glenn Highway for discharge and treatment in the municipal wastewater treatment

system. In 2006, the Utility hauled 13,000,000 gallons of leachate. Landfill gas is collected in a Gas Collection and Control System (GCCS) which includes collection wells, piping and a blower-flare station. Construction of this system was completed in 2006. The system collects and flares approximately 1,000 cubic feet of landfill gas per minute (cfm).

Solid Waste Disposal Utility operates three transfer stations. They are located at Girdwood, midtown Anchorage (Central Transfer Station - CTS), and ARL. They allow the 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 244,636 tons in 2006. CTS has a total capacity of 1,600 tons per day. The 2006 quantity was 3.2% less than that in budget year 2005. 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 properly packages and safely ships the containers out of state to federally approved hazardous waste disposal sites. Since 2000, a program has operated that allows citizens to take usable materials delivered to the facilities for re-use at no cost. In 2006, more than 14,636 items, totaling 4,186 gallons of waste were diverted from the landfill. In 2003, a program was added to recycle E-waste from commercial customers. 394 monitors and various electronic items totaling 45,705 pounds were collected in 2006.

The Hazardous Waste facility at ARL is a 6,000 square foot collection facility built in 1989. The facility 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 2006 the facility has collected a total of 17.8 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 State and Federal permits and regulations. ARL is operated under a Solid Waste 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 pretreatment of 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. Landfill gas emissions, collection and disposal is regulated under Title V of the Clean Air Act as a New Source Performance Site (NSPS). The landfill also holds a Research Development and Demonstration (RD&D) Permit which allows limited leachate recirculation.

**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.

The Solid Waste Disposal utility performs post-closure care and monitoring at the former Merrill Field and Peters Creek landfill sites as a condition of the Alaska Solid Waste Permit closure requirements for these sites. Post closure care at Merrill Field includes operating of an active landfill gas collection system to limit gas migration to buildings adjacent to the waste, and a groundwater and leachate collection system to protect surface and groundwater in the area. Both of these sites require annual surface- and groundwater monitoring and reporting. The Disposal utility also performs annual groundwater monitoring at former GAAB landfill site located south of International Airport Rd and Northwood St. Construction and operation of post closure monitoring and control systems is funded as part of the Utility's annual operating budget.

### **PHYSICAL PLANT:**

#### Anchorage Regional Landfill

- 275 acres, estimated to last through the year 2043
- 43 million cubic yard capacity
- Phased construction of cells based on Airspace Consumption Rate
- Currently have constructed seven 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
- Landfill gas collection system with a capacity to collect and destroy 1,500 cfm

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

#### Closed landfill sites

- Merrill Field Landfill (landfill gas collection, leachate collection, water quality monitoring, landfill gas monitoring)
- Peters Creek Landfill (water quality and landfill gas monitoring)
- International Airport Road – former GAAB Landfill (water quality and landfill gas monitoring)

## **Budget Impacts**

### **SOLID WASTE SERVICES – REFUSE COLLECTIONS**

Overall the Refuse Collections 2008 operating budget is projected to decrease \$319,700 or 4.5% compared to the 2007 revised budget. This cost reduction consists of no disposal tipping fee increase and the labor cost reduction. Total revenues have decreased \$44,220 compared to the 2007 revised budget.

### **SOLID WASTE SERVICES – DISPOSAL UTILITY**

Overall the Solid Waste Disposal 2008 operating budget is projected to increase \$1,008,328 compared to the 2007 revised budget. The repair and maintenance of Central Transfer Station and Landfill facilities will continue into 2008. In addition, Merrill Field Landfill will require repair and improvement of gas collection system. As same as Refuse Collections, Disposal Utility anticipates the labor cost reduction.

# **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. Even with the implementation of the more efficient one person residential collection trucks, the years of cumulative price increase in operating materials have reduced Utility operating margins such that increased operating costs may result in a loss of net income in 2007. Total revenues are projected to be \$7,049,910 in 2007 and \$7,005,690 in 2008. Non-operating revenues are increasing due to the higher interest rate than last year. In 2008, a comprehensive cost of service study will examine the rate structure to insure that the rates are equitable and that the cost causer is the cost payer. In addition, the cost of service study will set rates for new services such as recycling. The Refuse Collection Utility will seek a rate increase in 2008 to ensure generated revenues are adequate to cover operating costs.

The Refuse Collections Utility capital budget includes minor upgrades to the administration building, purchase of automated residential collection vehicles and equipment, which is necessary for continued efficiency increases. In 2007 and 2008, the utility will continue to make available to commercial customers, the use of larger sized dumpsters, a program initiated in mid-2000.

### **SOLID WASTE DISPOSAL UTILITY**

In 2006, the Solid Waste Disposal Utility processed 356,387 tons of waste. This was 11,795 tons less than 2005. Solid Waste Services believes the total annual waste quantity will remain at or around 350,000 tons for a number of years.

Even with expenses projected to be substantially less than the 2007 budget, the Solid Waste Disposal Utility is projected to lose approximately \$800,000 in 2007. The 2008 operating budgeted expense is projected to decrease by \$359,030 from the 2007 revised budget. The 2008 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 amortization for PERS program. To cover future projected losses and expense increases, the Utility anticipates the reduction of operating costs through closure of a major transfer site. Like the Refuse Collection Utility, the Disposal Utility will also conduct a comprehensive cost of service study for the services provided and develop an equitable rate structure. The Solid Waste Disposal Utility will seek a rate increase in 2008 to ensure generated revenues are adequate to cover operating costs.



The 2008 Operating Budget includes funding for a new Recycle Manager position responsible for the implementation and coordination of MOA recycle activities. Currently, \$1.00 per revenue ton collected from the disposal tipping fees is allocated for recycling programs. This funding will remain in the SWS Disposal Utility operating budget to support recycle programs and grants. A study is currently underway which will present various recycle program options for SWS and the Municipality. It is likely that one or more of these options will be initiated in 2008 which could have an impact on the available resources of SWS which are currently stretched to the maximum.

The Solid Waste Disposal Utility Capital budget for 2008 includes funding for replacement vehicles and equipment, which continues throughout the six projection years. The 2008 Capital budget also includes funds necessary for designing the next cell in the Landfill Sequencing Plan. The utility will begin the Central Transfer Station Replacement and Expansion in 2008. The funding source for these projects includes funding from operations, issuance of Alaska Clean Water Loan funds, which have a low interest rate compared to other funding sources, and revenue bonds.



## SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS Financial Overview	UTILITY FORMAT - 2014 OPERATING BUDGET (\$ in Thousands)										
	Actual 2004	Actual 2005	Actual 2006	Proforma 2007	Budget 2008	Budget 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast 2014
Revenues	6,083	6,729	7,069	7,050	7,006	6,959	7,367	7,296	7,530	7,439	7,684
Expenses	5,904	6,238	6,632	7,157	6,837	7,212	8,444	8,623	8,818	8,949	9,109
Net Income	179	491	437	(107)	168	(253)	(1,077)	(1,328)	(1,288)	(1,511)	(1,424)
Total Authorized per Budget (FT)*	97 (20)	102 (20)	104 (19)	104 (19)	95 (19)	99 (19)	112 (19)	112 (19)	112 (19)	112 (19)	112 (19)
Capital Improvement Program	278	443	418	419	1,787	1,319	585	445	712	319	552
Bond Sales	0	0	0	0	0	0	0	0	0	0	0
Net Plant (12/31)	2,293	2,375	2,464	2,495	3,922	4,762	4,725	4,537	4,612	4,309	4,223
Utility Revenue Distribution	283	295	323	330	339	350	348	368	365	377	372
Net Assets (12/31)	6,140	6,630	7,070	6,960	7,128	6,875	5,798	4,470	3,182	1,671	247
General/Construction Cash Pool	3,607	4,198	4,898	4,190	2,932	1,839	800	(340)	(1,702)	(2,910)	(4,248)
Bond Redemption Cash	0	0	0	0	0	0	0	0	0	0	0
Total Cash (12/31)	3,607	4,198	4,898	4,190	2,932	1,839	800	(340)	(1,702)	(2,910)	(4,248)
IGC's - General Government	244	272	233	299	314	330	346	364	382	401	421
MUSA - 1.25% Gross Receipts	0	0	0	81	81	82	87	89	93	93	97
MUSA - PILOT	40	37	36	36	50	61	60	58	59	54	53
Total Outstanding Debt	0	0	0	0	0	0	0	0	0	0	0
Total Annual Debt Service	335	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage	2.12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt/Equity Ratio	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Rate Change Percent**							9%		5%		5%
Residential Cost (\$16.35/Mo)**							\$17.82		\$18.70		\$19.65
Commercial (3Yd-1x/Wk) (\$64.45/Mo)**							9%		5%		5%
Statistical/Performance Trends											
Waste Collected (Tons)	44,001	43,092	41,920	41,962	42,004	42,046	42,088	42,130	42,172	42,214	42,257
Average Residential Services	12,065	12,080	11,824	11,836	11,848	11,860	11,871	11,883	11,895	11,907	11,919
Average Dumpsters Services	4,503	4,400	4,455	4,464	4,473	4,482	4,491	4,500	4,509	4,518	4,527

\* Excludes budgeted positions for SWS Admin (22) and Vehicle Maintenance (6)

\*\*The rate increase 9% (Commercial and Residential) increase in 2010, 5% increase in 2012 and 2014

## REFUSE COLLECTIONS UTILITY STATEMENT OF REVENUE AND EXPENSES

	2006 <u>ACTUAL</u>	2007 <u>PROFORMA</u>	2008 <u>BUDGET</u>	2009 <u>BUDGET</u>
<b>OPERATING REVENUE</b>				
Commercial Collections	3,795,344	3,747,140	3,589,130	3,589,130
Residential Collections	2,414,332	2,362,390	2,396,360	2,396,360
Other Collections	119,465	137,110	119,580	119,700
Container Rental Fees	371,617	366,910	370,800	444,960
<b>TOTAL OPERATING REVENUE</b>	<u>6,700,758</u>	<u>6,613,550</u>	<u>6,475,870</u>	<u>6,550,150</u>
<b>OPERATING EXPENSE</b>				
Labor	1,737,457	1,779,800	1,763,510	1,839,320
Supplies	105,121	107,500	109,140	110,820
Contracted Services	118,625	230,330	242,000	242,000
Utilities	82,837	103,040	106,750	109,530
Other Expenses (1)	345,429	439,620	459,090	537,090
Depreciation	418,419	388,500	360,220	478,950
MUSA	35,620	116,530	73,260	84,510
SWS Disposal Fees	1,887,866	1,836,930	1,845,850	1,848,130
IGC'S	1,900,653	2,154,910	1,877,640	1,961,720
<b>TOTAL OPERATING EXPENSE</b>	<u>6,632,027</u>	<u>7,157,160</u>	<u>6,837,460</u>	<u>7,212,070</u>
<b>OPERATING INCOME</b>	68,732	(543,610)	(361,590)	(661,920)
<b>NON-OPERATING REVENUE</b>				
Sale of Assets	41,280	11,400	41,690	42,110
Interest Income	232,591	315,050	274,070	145,900
Other Revenue	94,571	109,910	214,060	220,540
<b>TOTAL NON-OPERATING REVENUE</b>	<u>368,442</u>	<u>436,360</u>	<u>529,820</u>	<u>408,550</u>
<b>NON-OPERATING EXPENSE</b>				
Interest on Long-term Debt	0	0	0	0
<b>TOTAL NON-OPERATING EXPENSE</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET INCOME (REGULATORY)</b>	<u>437,173</u>	<u>(107,250)</u>	<u>168,230</u>	<u>(253,370)</u>

(1) Includes Revenue Distribution \$338,600 in 2008

## REFUSE COLLECTIONS UTILITY STATEMENT OF SOURCES AND USES OF CASH

	2006 <u>ACTUAL</u>	2007 <u>PROFORMA</u>	2008 <u>BUDGET</u>	2009 <u>BUDGET</u>
<b>SOURCES OF CASH FUNDS:</b>				
Net Income GAAP	437,173	(107,250)	168,230	(253,370)
Depreciation	418,419	388,500	360,220	478,950
Grants	0	0	0	0
Bonds	0	0	0	0
Other	721,957	0	0	0
<b>TOTAL SOURCES OF CASH FUNDS</b>	<u>1,577,549</u>	<u>281,250</u>	<u>528,450</u>	<u>225,580</u>
<b>USES OF CASH FUNDS:</b>				
Additions to Plant	553,563	660,000	1,786,520	1,318,600
Bond Principal Payment	0	0	0	0
Other	0	0	0	0
Utility Revenue Distribution	323,260	329,550	338,600	350,280
<b>TOTAL USES OF CASH FUNDS</b>	<u>876,823</u>	<u>989,550</u>	<u>2,125,120</u>	<u>1,668,880</u>
<b>NET INCREASE (DECREASE) IN CASH FUNDS</b>	700,726	(708,300)	(1,258,070)	(1,093,020)
<b>CASH BALANCE JANUARY 1,</b>	4,197,673	4,898,400	4,190,100	2,932,030
<b>CASH BALANCE DECEMBER 31,</b>	<u>4,898,399</u>	<u>4,190,100</u>	<u>2,932,030</u>	<u>1,839,010</u>
<b>DETAIL OF CASH BALANCE</b>				
Equity In General Cash Pool	3,430,274	3,990,100	2,432,030	1,339,010
Equity In Construction Cash Pool	1,468,125	200,000	500,000	500,000
Bond Redemption Cash	0	0	0	0
<b>TOTAL CASH DECEMBER 31,</b>	<u>4,898,399</u>	<u>4,190,100</u>	<u>2,932,030</u>	<u>1,839,010</u>

## REFUSE COLLECTIONS UTILITY 2008-09 OPERATING BUDGET DETAIL

	2006 <u>ACTUAL</u>	2007 <u>PROFORMA</u>	2008 <u>BUDGET</u>	2009 <u>BUDGET</u>
<b>Labor</b>				
Wages	965,734	937,080	885,910	904,350
Overtime	73,648	64,530	67,520	81,380
Benefits	591,281	641,820	688,140	723,070
Other	106,794	136,370	121,940	130,520
Subtotal	<u>1,737,457</u>	<u>1,779,800</u>	<u>1,763,510</u>	<u>1,839,320</u>
<b>Supplies</b>				
Office supplies	2,298	4,140	4,180	4,220
Operating Supplies	39,200	44,770	45,220	45,670
Repair and Maintenance Supplies	63,623	58,590	59,740	60,930
Subtotal	<u>105,121</u>	<u>107,500</u>	<u>109,140</u>	<u>110,820</u>
<b>Other Expenses</b>				
Professional Services	2,664	25,000	4,500	4,500
Contractual Services	115,961	205,330	242,000	242,000
Utilities	82,837	103,040	106,750	109,530
Other Expenses	345,429	439,620	454,590	532,590
Depreciation	418,419	388,500	360,220	478,950
MUSA	35,620	116,530	73,260	84,510
SWS Disposal Charges	1,887,866	1,836,930	1,845,850	1,848,130
Subtotal	<u>2,888,796</u>	<u>3,114,950</u>	<u>3,087,170</u>	<u>3,300,210</u>
<b>Intergovernmental Charges</b>				
Solid Waste Administration	1,039,911	1,234,220	1,006,330	1,056,840
Solid Waste Vehicle Maintenance	614,200	633,490	569,150	587,020
Solid Waste Disposal	38,100	38,100	38,100	38,100
General Government IGC's	233,442	299,100	314,060	329,760
Charges to Others	<u>(25,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>
Subtotal	<u>1,900,653</u>	<u>2,154,910</u>	<u>1,877,640</u>	<u>1,961,720</u>
<b>Interest on Long-term Debt</b>	0	0	0	0
<b>TOTAL EXPENSES</b>	<u><u>6,632,027</u></u>	<u><u>7,157,160</u></u>	<u><u>6,837,460</u></u>	<u><u>7,212,070</u></u>

**REFUSE COLLECTIONS UTILITY  
2008-2014 CAPITAL IMPROVEMENT BUDGETS  
FINANCIAL SUMMARY (000)**

<b>PROJECT CATEGORY</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>TOTAL</b>
VEHICLE REPLACEMENT	894	694	250	295	597	204	437	3,370
CONTAINERS	200	200	150	100	100	100	100	950
EQUIPMENT	78	50	50	0	0	0	0	178
OFFICE EQUIPMENT	5	5	5	5	5	5	5	35
DATA PROCESSING	90	70	30	10	10	10	10	230
BUILDING IMPROVEMENTS	520	300	100	35	0	0	0	955
<b>TOTAL</b>	<b>1,787</b>	<b>1,319</b>	<b>585</b>	<b>445</b>	<b>712</b>	<b>319</b>	<b>552</b>	<b>5,718</b>

<b>SOURCE OF FUNDING</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>TOTAL</b>
G.O. BONDS								
REVENUE BONDS								
LOAN								
EQUITY/OPERATIONS	1,787	1,319	585	445	712	319	552	5,718
STATE GRANT								
FEDERAL GRANT								
DIRECT APPROPRIATION								
<b>TOTAL</b>	<b>1,787</b>	<b>1,319</b>	<b>585</b>	<b>445</b>	<b>712</b>	<b>319</b>	<b>552</b>	<b>5,718</b>

## SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL Financial Overview	UTILITY FORMAT - 2014 OPERATING BUDGET (\$ in Thousands)										
	Actual 2004	Actual 2005	Actual 2006	Proforma 2007	Budget 2008	Budget 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast 2014
Revenues	16,205	16,250	16,004	15,766	16,930	16,624	21,508	22,615	22,818	22,872	22,976
Expenses	13,063	14,435	15,300	16,573	16,214	16,559	20,285	21,861	22,523	22,483	22,669
Net Income (Regulatory)	3,142	1,815	704	(807)	716	66	1,223	754	295	389	309
Total Authorized per Budget (FT)*	97 (37)	102 (39)	104 (41)	104 (43)	95 (37)	99 (41)	112 (51)	112 (51)	112 (51)	112 (51)	112 (51)
Capital Improvement Program	762	2,394	2,757	1,973	5,536	12,087	24,867	11,079	7,391	3,388	3,445
Bond Sales/ New Debt	0	266	8,952	40	1,755	6,000	23,000	9,020	4,000	2,720	2,720
Net Plant (12/31)	41,832	41,467	41,434	40,612	43,127	52,343	74,339	82,127	86,158	85,900	86,083
Utility Revenue Distribution	791	780	775	798	774	833	816	1,063	1,117	1,125	1,126
Net Assets (12/31)	34,343	36,157	36,861	35,286	36,002	36,002	37,225	37,979	38,274	38,663	38,972
General/Construction Cash Pool	15,044	4,603	3,597	5,430	6,914	13,525	30,275	12,853	9,208	5,244	5,341
Future Landfill Closure Cash Reserve	11,111	11,899	12,911	9,850	9,158	10,443	8,070	9,330	10,632	11,977	13,366
Bond Redemption Cash	370	382	382	370	400	400	570	570	570	570	570
Total Cash (12/31)	26,525	16,884	16,890	15,650	16,472	24,368	38,915	22,753	20,410	17,791	19,277
IGC's - General Government	466	561	519	641	613	644	676	710	746	783	822
MUSA - 1.25% Gross Receipts	189	190	185	182	178	190	189	252	252	260	262
MUSA - PILOT	567	554	507	481	511	560	735	776	788	768	752
Total Outstanding Debt	19,087	15,695	21,124	20,358	18,972	27,307	44,522	52,057	54,572	55,371	56,034
Total Annual Debt Service	4,274	4,271	3,844	1,796	2,249	2,383	6,675	3,312	3,283	3,716	3,785
Revenue Bond Coverage	4.41	3.49	2.90	1.59	2.14	1.68	3.23	2.10	2.06	1.74	1.64
Debt/Equity Ratio	34/66	28/72	34/66	34/66	31/69	40/60	58/42	58/42	59/41	59/41	59/41
Rate Change Percent							8%		3%		
User Rate/Ton (\$45.00/Ton)**							\$60.00		\$62.00		
Pickup Rate (\$10.00/Load)***							\$20.00				
Car Rate (\$5.00/Load)**											
Statistical/Performance Trends											
Tons Disposed	367,614	368,182	356,387	354,834	358,382	361,966	365,586	369,242	372,934	376,663	380,430
Vehicle Count	277,038	279,735	267,639	267,398	267,158	266,971	266,784	266,611	266,438	266,265	266,092

\* Excludes budgeted positions for SWS Admin (22) and Vehicle Maintenance (6)

\*\* Last rate increase was in 1989; requesting rate increase to \$60/ton in 2010, and additional \$2/ton in 2012

\*\*\* Last rate increase was in 1993; requesting additional \$10 pickup load in 2010



# SOLID WASTE DISPOSAL UTILITY STATEMENT OF REVENUE AND EXPENSES

	<u>2006</u> <u>ACTUAL</u>	<u>2007</u> <u>PROFORMA</u>	<u>2008</u> <u>BUDGET</u>	<u>2009</u> <u>BUDGET</u>
<b>OPERATING REVENUE</b>				
Reimbursed Costs	204,306	212,110	225,000	225,000
Disposal Fees	14,533,253	14,257,700	15,196,860	15,132,000 <sup>1)</sup>
Hazardous Waste Fees	171,397	147,240	157,000	157,000
Gas Sales				
Care/Closure Interest			584,080	518,830
Other	106,257	92,880	141,500	141,500
<b>TOTAL OPERATING REVENUE</b>	<b>15,015,213</b>	<b>14,709,930</b>	<b>16,304,440</b>	<b>16,174,330</b>
<b>OPERATING EXPENSE</b>				
Labor	3,970,285	3,868,630	3,667,840	4,094,260
Supplies	239,853	252,940	256,670	257,390
Contracted Services	1,679,297	2,147,500	2,578,560	2,574,660
Utilities	490,166	635,710	721,450	748,140
Other Expenses (2)	1,159,718	1,239,700	882,080	762,330 <sup>1)</sup>
Depreciation	2,624,779	2,795,230	3,021,290	2,871,140
MUSA	692,385	662,450	634,820	694,780
Landfill Closure Cost	1,012,139	1,007,730	1,013,410	1,009,900 <sup>3)</sup>
IGC'S	3,174,419	3,600,640	3,073,470	3,228,210
<b>TOTAL OPERATING EXPENSE</b>	<b>15,043,042</b>	<b>16,210,530</b>	<b>15,849,590</b>	<b>16,240,810</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(27,829)</b>	<b>(1,500,600)</b>	454,850	<b>(66,480)</b>
<b>NON-OPERATING REVENUE</b>				
Sale of Assets	96,737	0	200,000	200,000
Interest Income	737,476	797,150	199,510	0 <sup>4)</sup>
Other Revenue	154,464	259,310	226,480	250,110
<b>TOTAL NON-OPERATING REVENUE</b>	<b>988,676</b>	<b>1,056,460</b>	<b>625,990</b>	<b>450,110</b>
<b>NON-OPERATING EXPENSE</b>				
Interest on Long-term Debt	256,926	362,450	364,360	317,980
<b>TOTAL NON-OPERATING EXPENSE</b>	<b>256,926</b>	<b>362,450</b>	<b>364,360</b>	<b>317,980</b>
<b>NET INCOME (REGULATORY)</b>	<b>703,921</b>	<b>(806,590)</b>	<b>716,480</b>	<b>65,650</b>

(1) Excludes Recycle Grant \$303,000 in 2008, \$302,000 in 2009

(2) Includes Revenue Distribution \$773,550 in 2008

(3) Excludes Care/Closure inflation cost

(4) Excludes Closure Reserve Interest

## SOLID WASTE DISPOSAL UTILITY STATEMENT OF SOURCES AND USES OF CASH

	2006 <u>ACTUAL</u>	2007 <u>PROFORMA</u>	2008 <u>BUDGET</u>	2009 <u>BUDGET</u>
<b>SOURCES OF CASH FUNDS:</b>				
Net Income (Loss) GAAP	703,921	(806,590)	716,480	65,650
Depreciation (Includes Contributed Plant)	2,624,779	2,795,230	3,021,290	2,871,140
Future Landfill Closure Costs	1,012,139	1,007,730	1,013,410	1,009,900
Grants	0	0	0	0
New Debt	8,951,514	39,500	1,755,000	10,400,000
Other	0	0	0	0
<b>TOTAL SOURCES OF CASH FUNDS</b>	<b>13,292,353</b>	<b>3,035,870</b>	<b>6,506,180</b>	<b>14,346,690</b>
<b>USES OF CASH FUNDS:</b>				
Additions to Plant (CWIP)	2,757,239	1,973,450	5,535,850	12,087,050
Bond Principal Payment	2,615,000	320,000	340,000	360,000
Loan Principal Payment	907,931	1,185,330	1,545,330	1,705,330
Other Uses of Cash	6,068,573	0	0	0
Utility Revenue Distribution	775,480	797,580	773,550	832,780
<b>TOTAL USES OF CASH FUNDS</b>	<b>13,124,223</b>	<b>4,276,360</b>	<b>8,194,730</b>	<b>14,985,160</b>
<b>NET INCREASE (DECREASE) IN CASH FUNDS</b>	<b>168,130</b>	<b>(1,240,490)</b>	<b>(915,000)</b>	<b>194,310</b>
<b>CASH BALANCE JANUARY 1,</b>	<b>17,125,302</b>	<b>17,293,430</b>	<b>16,052,940</b>	<b>15,137,940</b>
<b>CASH BALANCE DECEMBER 31,</b>	<b>17,293,432</b>	<b>16,052,940</b>	<b>15,137,940</b>	<b>15,332,250</b>
<b>DETAIL OF CASH BALANCE</b>				
Equity In General Cash Pool	1,279,558	1,533,900	1,378,360	1,438,150
Future Landfill Closure Cash Reserve	5,201,507	3,938,310	7,823,780	1,407,300
Equity In Construction Cash Pool	10,430,549	10,180,930	5,536,000	12,087,000
Bond Redemption Cash	381,819	399,800	399,800	399,800
<b>TOTAL CASH DECEMBER 31,</b>	<b>17,293,432</b>	<b>16,052,940</b>	<b>15,137,940</b>	<b>15,332,250</b>

## SOLID WASTE DISPOSAL UTILITY 2008-09 OPERATING BUDGET DETAIL

	2006 <u>ACTUAL</u>	2007 <u>PROFORMA</u>	2008 <u>BUDGET</u>	2009 <u>BUDGET</u>
<b>Labor</b>				
Wages	2,121,471	2,210,000	1,941,270	2,198,210
Overtime	447,840	390,000	417,250	388,290
Benefits	1,124,102	1,100,190	971,920	1,133,640
Other	276,873	168,440	337,400	374,120
Subtotal	<u>3,970,285</u>	<u>3,868,630</u>	<u>3,667,840</u>	<u>4,094,260</u>
<b>Supplies</b>				
Office Supplies	733	2,680	2,680	2,680
Operating Supplies	80,111	117,390	117,390	117,390
Fuel(Kerosene)	27,441	35,160	35,860	36,580
Repair and Maintenance Supplies	131,569	97,710	100,740	100,740
Subtotal	<u>239,853</u>	<u>252,940</u>	<u>256,670</u>	<u>257,390</u>
<b>Other Expenses</b>				
Professional Services	196,914	349,940	405,160	404,960
Utilities	490,166	635,710	721,450	748,140
Contractual Services	1,482,382	1,797,560	2,173,400	2,169,700
Other	1,159,718	1,239,700	882,080	762,330
Depreciation	2,624,779	2,795,230	3,021,290	2,871,140
MUSA, Gross Receipts Tax	692,385	662,450	634,820	694,780
Landfill Closure Costs	1,012,139	1,007,730	1,013,410	1,009,900
Subtotal	<u>7,658,484</u>	<u>8,488,320</u>	<u>8,851,610</u>	<u>8,660,950</u>
<b>Interest on Long-term Debt</b>	256,926	362,450	364,360	317,980
<b>Intergovernmental Charges</b>				
Solid Waste Administration	1,247,527	1,438,120	1,489,500	1,565,260
Solid Waste Vehicle Maintenance	1,533,040	1,644,490	1,093,750	1,142,060
Other IGC's	518,601	641,130	613,320	643,990
Charges to Others	(124,749)	(123,100)	(123,100)	(123,100)
Subtotal	<u>3,174,419</u>	<u>3,600,640</u>	<u>3,073,470</u>	<u>3,228,210</u>
<b>Total Expenses</b>	<u>15,299,968</u>	<u>16,572,980</u>	<u>16,213,950</u>	<u>16,558,790</u>

**SOLID WASTE DISPOSAL UTILITY  
2008-2014 CAPITAL IMPROVEMENT BUDGETS  
FINANCIAL SUMMARY (000)**

<b>PROJECT CATEGORY</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>TOTAL</u>
EQUIPMENT	1,446	1,597	1,972	2,034	1,546	643	700	9,937
ARL IMPROVEMENTS	5,870	7,370	7,220	6,520	5,820	2,720	2,720	38,240
CTS EXPANSION	200	3,100	19,350	2,500	0			25,150
OFFICE /DP EQUIPMENT	20	20	25	25	25	25	25	165
<b>TOTAL</b>	<b>7,536</b>	<b>12,087</b>	<b>28,567</b>	<b>11,079</b>	<b>7,391</b>	<b>3,388</b>	<b>3,445</b>	<b>73,492</b>

<b>SOURCE OF FUNDING</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>TOTAL</u>
BONDS			22,870	7,020				29,890
LOAN	1,655	6,000	0	2,000	4,000	2,720	2,720	19,095
EQUITY/OPERATIONS	3,881	6,087	1,997	2,059	3,391	668	725	18,807
STATE GRANT								
FEDERAL GRANT								
OTHER	2000		3700					5,700
<b>TOTAL</b>	<b>7,536</b>	<b>12,087</b>	<b>28,567</b>	<b>11,079</b>	<b>7,391</b>	<b>3,388</b>	<b>3,445</b>	<b>73,492</b>