

# ENTERPRISE FUND

**City of Springfield**

**Trash Fee**

# FY12 Solid Waste Services

## **Includes:**

- Weekly Trash Collection
- Bi-Weekly Recycling Collection
- Bi-Weekly Curbside Yard Waste Collection (April-December)
- Year round Yard Waste drop off at Bondi's Island Landfill
- Curbside Bulk Collection Program
- 4 Annual Household Hazardous Waste Collections

# If We Continue with the FY12 Trash System... (No Changes)

## ASSUMPTIONS:

- \$75 Annual Fee / 95 Gallon Bin
- Revenue remains level
- Salaries increase by 2% annually
- Expenses increase by 3% annually

## PROS

- No Fee increase to residents
- No change to current structure (barrel sizes, trash routes etc.)

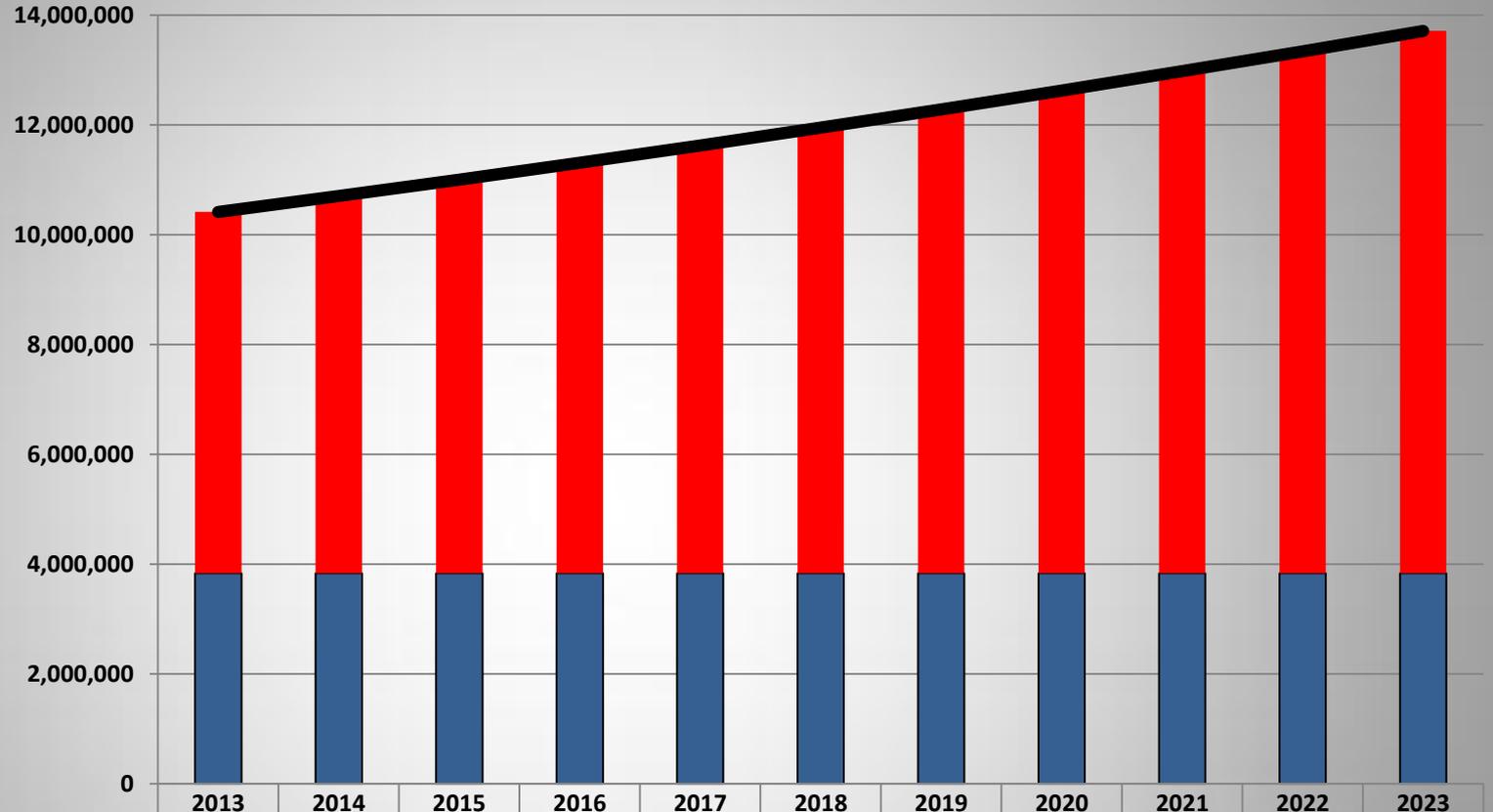
## CONS

- General Fund Supplement will continually increase
- General Fund Supplement will reach 90M over 10 years
- Enterprise Fund will never be self-sufficient
- Other City services may be eliminated due to cuts across all depts.
- No incentive to recycle
- Tonnage and tipping fees will increase
- City will not meet its DEP mandated trash reduction



**To achieve self sufficiency in FY13, each trash bin would cost \$237 and increase annually for inflation!**

# Current Trash System (Revenue and Spending)



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<span style="color: red;">■</span> GENERAL FUND SUPPLEMENT	6,586,195	6,875,835	7,173,707	7,480,049	7,795,106	8,119,129	8,452,379	8,795,122	9,147,632	9,510,193	9,883,095
<span style="color: blue;">■</span> REVENUE	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000	3,830,000
<span style="color: black;">—</span> EXPENSES	10,416,19	10,705,83	11,003,70	11,310,04	11,625,10	11,949,12	12,282,37	12,625,12	12,977,63	13,340,19	13,713,09

# FY13 Options

## Curb It/ W

### 65 Gallon Bin



# FY13 Solid Waste Services

## **Includes:**

- Weekly Trash Collection
- Weekly Recycling Collection
- Bi-Weekly Curbside Yard Waste Collection Using Old 95 Gallon Barrels(April-December)
- Year round Yard Waste drop off at Bondi's Island Landfill
- Curbside Bulk Collection Program
- 4 Annual Household Hazardous Waste Collections
- Continuation of Senior Discount at Current Rate

# Curb It (65 Gallon Bin)

## THE GOAL OF CHANGING THE FEE IS TO MOVE TOWARD A SELF SUFFICIENT TRASH SYSTEM THAT IS ENVIRONMENTALLY AND FISCALLY SUSTAINABLE

### ASSUMPTIONS:

- Increasing Fee / 65 Gallon Bin / Weekly Recycling Pick-up/Yard Waste using 95 gallon barrels
- Salaries Increase by 2%
- Expenses Increase by 3%

### TRASH FEE INCREASE OPTIONS

- Option 1: FY13 – FY17 \$29 ANNUAL INCREASES = FY13 EST. REVENUE INCREASE OF \$1.2 MIL (self-supporting in 5 years)
- Option 2: FY13 – FY17 \$10 ANNUAL INCREASES = FY13 EST. REVENUE INCREASE OF \$450K (self supporting in 10+ years; spreads costs to the residents over a longer period of time)
- Option 3: FY13 \$10 INCREASE / FY14-FY17 \$5 ANNUAL INCREASES = FY13 EST. REVENUE INCREASE OF \$450K (Maintains the General Fund support relatively level)

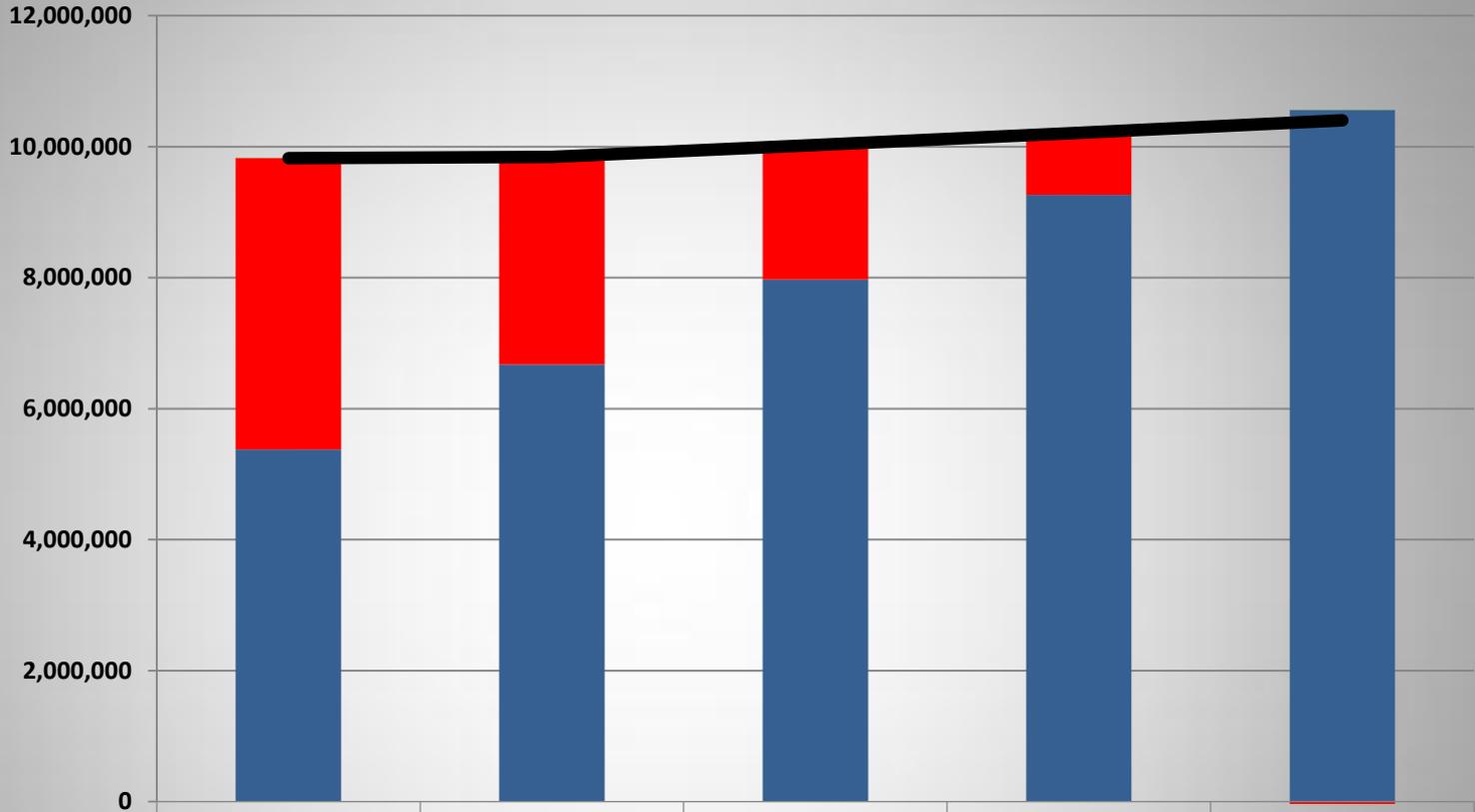
### PROS

- Option 1: Self sustaining in 5 years
- Option 2: Self sustaining in 10+ years; spreads the costs to residents over time
- Option 3: Minimum increases needed to maintain GF supplement and meet our goals of environmentally and fiscally sustainable
- The RFID system will allow GPS Tracking of Barrels, Productivity Reports and Accurate Barrel counts
- Change to new barrels size will decrease tonnage by about 4,000 tons the first year.
- Estimated Tipping savings of about 10% or \$355K because in all options the bin size is reduced to 65 gallons
- Combination of Curb It and weekly recycling pick-up will encourage residents to recycle more
- Opportunity to educate residents on trash and recycling
- City will be closer to meeting 30% DEP mandated trash reduction by 2020

### CONS

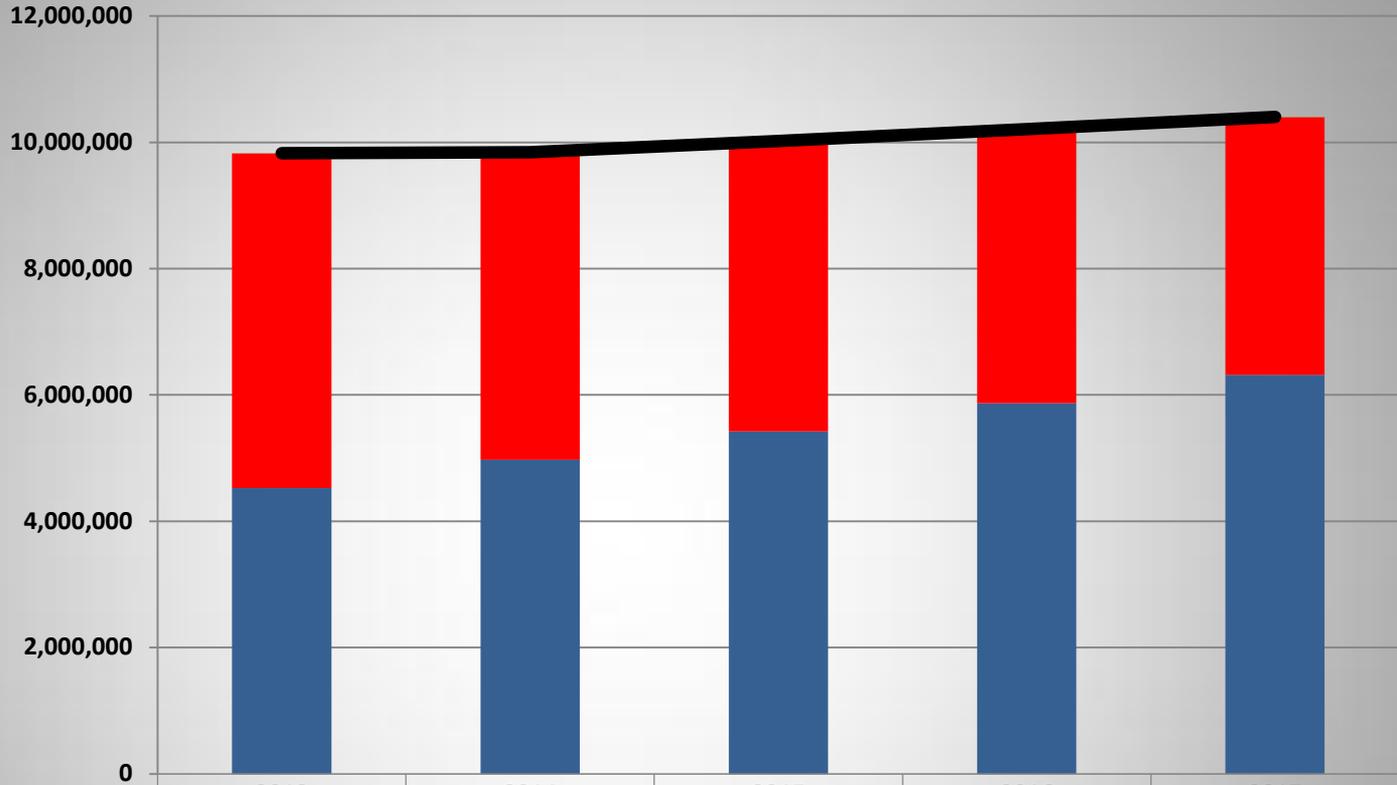
- Annual fee increases to residents
- New trash system will change pick up days

# Option 1: CURB IT W / \$29 ANNUAL INCREASES



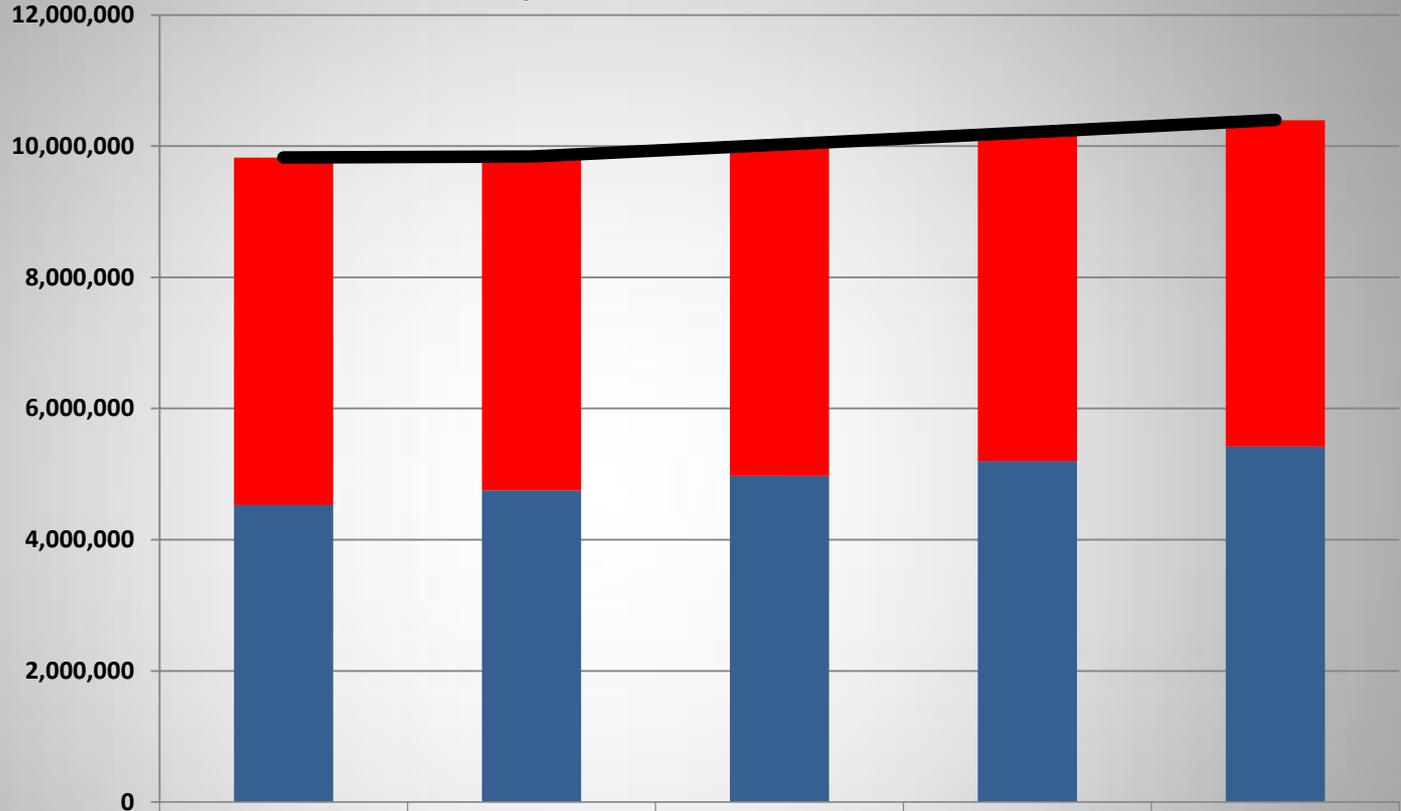
FEE INCREASES	104	133	162	191	220
GENERAL FUND SUPPLEMENT	4,448,676	3,168,925	2,053,851	943,737	-161,279
REVENUE	5,377,448	6,673,371	7,969,294	9,265,217	10,561,140
EXPENSES	9,826,124	9,842,296	10,023,145	10,208,954	10,399,861

## Option 2: CURB IT W / \$10 ANNUAL INCREASES



	2013	2014	2015	2016	2017
<span style="color: green;">■</span> FEE INCREASES	85	95	105	115	125
<span style="color: red;">■</span> GENERAL FUND SUPPLEMENT	5,297,729	4,867,031	4,601,010	4,339,949	4,083,986
<span style="color: blue;">■</span> REVENUE	4,528,395	4,975,265	5,422,135	5,869,005	6,315,875
<span style="color: black;">—</span> EXPENSES	9,826,124	9,842,296	10,023,145	10,208,954	10,399,861

## Option 3: CURB IT W / FY13 \$10 INCREASE, FY14 - FY17 \$5 ANNUAL INCREASE



<span style="color: green;">■</span> FEE INCREASES	85	90	95	100	105
<span style="color: red;">■</span> GENERAL FUND SUPPLEMENT	5,297,729	5,090,466	5,047,880	5,010,254	4,977,726
<span style="color: blue;">■</span> REVENUE	4,528,395	4,751,830	4,975,265	5,198,700	5,422,135
<span style="color: black;">—</span> EXPENSES	9,826,124	9,842,296	10,023,145	10,208,954	10,399,861