



City of Berkeley Zero Waste Commission Budget Presentation

October 24, 2011

Tonight's Presentation

- Review Operational Changes
- Update on Health of Refuse Fund
- Possible Future Actions & Effect on Fund
- Questions



Operations Changes, Transitions & Efficiencies

- ✓ New technology: installation of RouteSmart & PC Scale software
- ✓ Optimized commercial collection routes with reduction of:
 - 3 Saturday commercial routes: consolidated to Mon – Fri schedule
 - 1 commercial refuse route: shifted from nights to week days
- ✓ Reduced 2 long haul routes/trucks
- ✓ Consolidated commercial recycling collection
- ✓ Improved C&D waste loads
- ✓ New Landfill & C&D contracts
- ✓ Optimized residential collection routes by consolidation into existing trucks;
- ✓ Conversion underway to single-operator trucks in FY 2013 & FY 2014
- ✓ Instituted customer service improvements in Solid Waste Division
- ✓ SEIU Local 1021 Mtce & Clerical Chapter – no COLAs thru FY 2015

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Update – Refuse Fund Forecast

4-Year Forecast Summary	FY 2011 Actuals	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Beginning Gross Fund Balance/Deficit	\$424,899	\$704,498	\$0	\$0
Total Revenue	\$33,391,272	\$32,306,260	\$32,864,421	\$33,521,708
Total Expenses	\$32,910,523	\$32,464,515	\$32,762,794	\$32,977,161
Personnel	\$15,583,661	\$16,116,586	\$15,547,500	\$15,013,335
Non-Personnel	\$17,326,862	\$16,347,929	\$17,215,294	\$17,963,826
Annual Operating Balance/Deficit	\$480,749	(\$158,255)	\$101,626	\$544,547
Capital Improvement Costs (CIP)	\$201,150	\$1,890,000	\$1,298,369	\$500,000
Ending Annual Balance/Deficit (with CIP)	\$279,599	(\$2,048,255)	(\$1,196,742)	\$44,547
Ending Gross Fund Balance/Deficit	\$704,498	(\$1,343,757)	(\$1,196,742)	\$44,547
Interfund Loan		\$1,343,757	\$1,196,742	

- Requires 2 interfund loans in FY 2012 and FY 2013 to pay for capital costs
 - Interfund loans to be paid back by FY 2015
- Projections assume all balancing measures are implemented and revenue remains stable with 2% annual CPI increases in collection rates
- No rate increase needed

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Update – Refuse Fund Revenues

4-Year Forecast Revenue Detail	FY 2011 Actuals	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Residential Collection	\$16,152,749	\$16,295,476	\$16,621,385	\$16,953,813
Commercial Collection	\$7,106,530	\$7,238,496	\$7,383,266	\$7,530,931
Transfer Station	\$6,105,579	\$6,105,579	\$6,166,635	\$6,289,967
Franchise Fees	\$891,428	\$903,294	\$903,294	\$921,360
Recycling Fee	\$997,573	\$0	\$0	\$0
Recycling Food Waste	\$1,260,175	\$1,295,460	\$1,321,369	\$1,347,796
Recycled Material Sales	\$687,549	\$250,000	\$250,000	\$255,000
Misc. Recycling	\$172,198	\$217,956	\$218,472	\$222,841
Misc. Revenue	\$11,916	\$0	\$0	\$0
Interest	\$5,575	\$0	\$0	\$0
Total Revenue	\$33,391,272	\$32,306,260	\$32,864,421	\$33,521,708

- CPI increase of 2.8% in FY 2012 and projected 2% in FY 2013 and FY 2014 in Residential & Commercial Collection & Food Waste.
- Diversion Fee was in effect during FY 2011 only.

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Update – Refuse Fund Expenditures

4-Year Forecast Expenditure Detail	FY 2011 Actuals	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
Personnel	\$15,583,661	\$16,116,586	\$15,547,500	\$15,013,335
Non-Personnel				
Professional and Technical Services	\$8,913,989	\$7,944,718	\$7,789,600	\$7,921,160
Government Payments	\$14,379	\$12,093	\$12,093	\$12,093
Other Services (utilities, phones & dues)	\$595,045	\$516,069	\$516,069	\$516,069
Rentals/Leases	\$32,959	\$21,703	\$22,127	\$22,127
Mail Services	\$12,352	\$13,230	\$13,230	\$13,230
Supplies	\$157,147	\$162,313	\$162,313	\$162,313
Property (carts, equipment, furniture)	\$247,707	\$392,917	\$312,917	\$312,917
Property (single-operator trucks)	\$0	\$662,390	\$1,198,075	\$0
Internal Services	\$7,037,496	\$6,101,789	\$6,510,633	\$7,135,385
Interfund Transfers (insurance)	\$110,870	\$110,870	\$110,870	\$110,870
Debt Service	\$204,918	\$409,837	\$567,367	\$1,757,662
Total Non-Personnel	\$17,326,862	\$16,347,929	\$17,215,294	17,963,826
Total Expenditures before Capital	\$32,910,523	\$32,464,515	\$32,762,794	\$32,977,161
1X Capital Improvement Expenses	\$201,150	\$1,890,000	\$1,298,369	\$500,000
TOTAL EXPENDITURES	\$33,111,673	\$34,354,515	\$34,061,163	\$33,477,161

- During FY 2011 & FY 2012 the City reduced 15 solid waste positions; another 7 reductions are included in FY 2013, & 5 more in FY 2014
- New Landfill & C&D contracts will come to Council on November 8th

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Future Actions – Impact on Refuse Fund

- Enhanced Revenue Collection
 - Route Billing Audit
- New State Legislation AB 341
 - Mandatory Multifamily & Commercial Recycling
 - Additional Costs > Create rate for this service
- Strategic Planning Process

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QUESTIONS