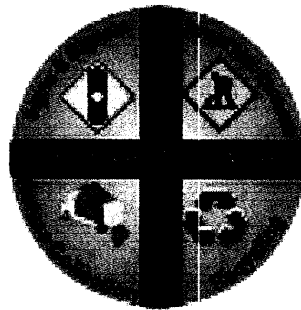
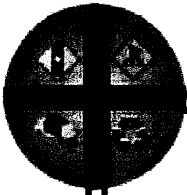


Department of Public Works Street Maintenance & Integrated Waste Management Division



2006 Operations Plan





Introduction

In November 2003, the City Council approved the 2004 Integrated Waste Management (IWM) Operations Plan. The Operations Plan is a formalized approach to bridge the gap between today's reality and our vision of the future. It identifies the relationship of the components that we will use to build our future.

The 2006 Operations Plan provides the goals, objectives and strategies for the current year and updates the activities identified in the 2004 Operations Plan.

The Integrated Waste Management Section has evolved into a multi-faceted operation merging standard refuse collection and disposal techniques with a wide variety of dynamic recycling programs. As the City of Pasadena looks ahead to the next decade, it is important to continue a process of evaluation, assessment, and action to ensure continuity with the waste and recycling industry and compliance with current and future legislation.

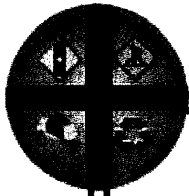


Mission Statement

The IWM Section is committed to providing efficient refuse and recycling collection programs that will ensure that the City is aesthetically pleasing, protects the community's health, and reduces the City's waste stream.

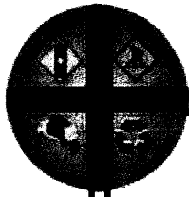
We are committed to enhancing our business practices through continuous improvements and innovation and will be supported by the following factors:

- Provide quality, best value municipal services
- Work to create effective solutions
- Ensure satisfied customers
- Foster a positive work environment that promotes valued employees



2006 Goals

1. Perform an audit of all residential refuse and recycling containers to ensure accurate billing at each residence receiving service.
2. Balance refuse collection routes and reduce overtime costs.
3. Replace older diesel-powered refuse collection fleet with newer and reliable, alternative fuel vehicles.
4. Improve the financial stability of the Refuse Fund.
5. Continue to increase recycling efforts and diversion of reusable materials from the waste stream.
6. Transfer the Bulky Item program from the General Fund to Refuse and increase bulky item service levels to all residential accounts.



Goals and Objectives

Goal 1

Perform an audit of all residential refuse and recycling containers to ensure accurate billing at each residence receiving service.

Objectives

- Ensure revenue is collected based on actual containers provided to residential customers.
- Maintain an accurate container inventory.

Strategy

- Hire a consultant to perform an audit of the number of residential refuse containers by size, per each residence.
- Reconcile container audit findings with the City's billing system and make billing adjustments as necessary.
- Develop internal controls to maintain accurate container inventory and update continually to ensure accurate residential billing.



Goals and Objectives

Goal 1 (continued)

Timeline

- Issue RFP and hire consultant by July 31, 2005.
- Complete audit by third quarter of FY 2006.
- Notify customers of audit findings and issue revised bills by end of FY 2006.

Performance Measure

Ensure that residents are billed for the actual containers in use at residence.

- Complete residential container audit by third quarter FY 2006
- Create container inventory database
- Issue revised bills to residential customers by June 2006.



Goals and Objectives

Goal 2

Balance refuse collection routes and reduce overtime costs.

Objectives

- Establish productivity standards for refuse collection staff
- Balance collection routes
- Reduce overtime costs

Strategy

- Hire a consultant to develop new refuse collection routes Citywide which will level out the number of stops on a daily basis.



Goals and Objectives

Goal 2 (continued)

Timeline

- Issue RFP and hire consultant by July 31, 2005.
- Develop new routes by second quarter of FY 2006.
- Implement new routes by fourth quarter of FY 2006.

Performance Measure

Increase efficiency and productivity of refuse collection program

- New balanced routes in place by fourth quarter of FY 2006
- Reduce overtime costs in FY 2007 by 10 percent over FY 2006
- Provide refuse collection service to 600+ households per day, per route, per driver.



Goals and Objectives

Goal 3

Replace older diesel-powered refuse collection fleet with newer and reliable alternative fuel vehicles.

Objectives

- Comply with the South Coast Air Quality Management District's Rule 1193 requiring that private and public waste haulers acquire alternative fuel vehicles whenever procuring or leasing future collection vehicles.
- Replace older deteriorating vehicles which exceed their useful life in order to reduce downtime and maintenance costs. Replacement of these vehicles will ensure greater service to residents.

Strategy

- Purchase seven alternative fuel residential refuse vehicles in FY 2006.
- Annually procure vehicles based on established vehicle replacement schedule



Goals and Objectives

Goal 3 (continued)

Timeline

- Purchase seven refuse vehicles in FY 2006 and place in service by first quarter of FY 2007

Performance Measures

Realize program efficiencies due to purchase of new vehicles

- Seven new refuse vehicles in service by first quarter of FY 2007
- Reduce vehicle maintenance costs in FY 2007 by five percent over FY 2006 costs.
- Reduce overtime by 10 percent in FY 2007 over FY 2006 costs.



Goals and Objectives

Goal 4

Improve the financial stability of the Refuse Fund.

Objectives

- Reduce the FY 2005 beginning negative Refuse Fund balance of (\$965,547) by 40 percent by the end of FY 2005.
- Eliminate the negative Refuse Fund balance by the end of FY 2008.
- Establish the City required cash reserves by FY 2009.

Strategy

- Implement residential rate adjustments as follows:
 - ✓ CPI increase of 3.48 percent and a 1.52 residential refuse rate adjustment effective July 1, 2005.
 - ✓ Residential rate adjustment of five percent (including CPI) effective July 1, 2006.
 - ✓ Residential rate adjustment of five percent (including CPI) effective July 1, 2007.



Goal 4 (continued)

Strategy (cont.)

➤ Adjust Franchise Solid Waste Non-Excl Fee from 14 to 16 percent.

Timeline

Implement CPI adjustment to residential refuse rates of 3.48 percent and a 1.52 percent rate adjustment effective on the July 1st 2005 billing cycle.

Implement five percent rate adjustments to the residential refuse rates effective on the July 1st 2006 and 2007 billing cycle.

Implement Franchise Solid Waste Non-Excl Fee adjustment in FY 2006.

Performance Measures

Improve financial stability of the Refuse Fund.

- Reduce the FY 2005 beginning negative fund balance of (\$965,547) by 40 percent by end of FY 2005
- Eliminate negative fund balance by end of FY 2008.



Goals and Objectives

Goal 5

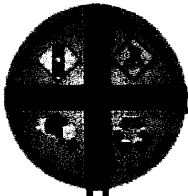
Continue to increase recycling efforts and diversion of reusable materials from the waste stream.

Objectives

- Sustain and/or exceed the State mandated goal of 50 percent diversion established by AB 939 by aggressively promoting source reduction, reuse and recycling.
- Reduce the level of yard waste contamination and refuse overfilling.

Strategy

- ✓ Increase public outreach in the form of media awareness campaigns, direct mail, contests, awards and public recognition.
- ✓ Increase interaction with business and commercial sector through communication with the Chamber of Commerce, business districts, professional organizations and trade association.



Goals and Objectives

Goal 5 (continued)

- ✓ Audit non-exclusive franchisees to ensure that accurate records are being maintained and that these organizations are in compliance with non-exclusive franchise ordinance.
- ✓ Enhance the yard waste and refuse inspection programs and ensure consistent enforcement of City regulations.

Timeline

- ✓ Performance measures shall be provided quarterly.

Performance Measure

Increase recycling efforts and reduction of yard waste contamination

- Collect 11,500 tons of curbside recycling in FY 2006
- Recycle/divert 31,300 tons of material in FY 2006
- Reduce yard waste contamination by 5% percent over FY 2005.
- Divert 54% of total waste stream from landfills in FY 2006



Goals and Objectives

Goal 6

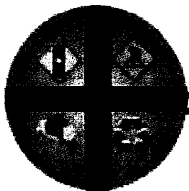
Transfer Bulky Item Program from the General Fund to the Refuse Fund and increase bulky item service levels to all residential accounts.

Objectives

➤ Realize program efficiencies by incorporating bulky item collections within the existing waste management infrastructure. Also, the bulky item routes will be included in the new route study, and outreach efforts for the expanded service will be included in existing outreach publications at no additional cost.

Strategy

- ✓ Transfer of three staff (SA III; Maintenance Worker II and Maintenance Worker III) totaling \$218,149 to Refuse
- ✓ Landfill and recycling costs of Bulky Item Program totaling \$18,091 to be borne by Refuse Fund



Goals and Objectives

Goal 6 (continued)

Timeline

✓ Transfer Bulky Item Program to Refuse effective July 1, 2005.

Performance Measure

Increase efficiency and service levels of Bulky Item Program

Increase the number of free bulky item collections from one to two per year per household in FY 2006



Financial Plan

Revenue Assumptions

◆ Adjust residential and commercial refuse revenues

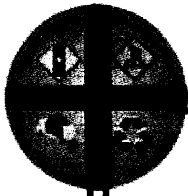
- Continue to adjust residential and commercial refuse rates annually by the consumer price index.
- Adjust residential refuse rates by an additional 1.52 percent in FY 2006 and five percent adjustments in FYs 2007 and 2008 (includes CPI) to be effective on the July 1st billing cycle of each year.
- Adjust Franchise Solid Waste Non-Excl fees by two percent, from 14 percent to 16 percent in FY 2006.

Recycling Revenue

- Generate recycling revenue totaling \$450,000 in FY 2006

◆ Grant Revenue

- Per AQMD grant award rules, complete conversion of five remaining refuse packers and receive reimbursement of \$184,000 in FY 2006.



Financial Plan (cont.)

Operating Assumptions

❖ Transfer Bulky Item Program from the General Fund to Refuse in FY 2006

- Transfer of three staff (SA III; Maintenance Worker II and Maintenance Worker III) totaling \$218,149
- Landfill and recycling costs totaling \$18,091 borne by Refuse Fund
- Increase the number of free bulky item collections from one to two per year per household.

❖ Replacement of refuse fleet

- New loan of \$1.8 million paid over 10 years beginning FY 2006 for the purchase of seven new refuse packers
- Annual purchase of refuse vehicles based on established vehicle replacement schedule

❖ Debt service payments

- Existing COP paid off in FY 2010

❖ Operational savings

- In FY 2007 realize \$200,000 savings from reduced overtime and vehicle maintenance costs.

Attachment B

City of Pasadena

FY 2004-2014 Budget

Ten Year Projection - Revenue & Expenses

Operations Plan Fund Sheet

Status Quo Scenario

Fund 406 Refuse Collection Fund		FY 2004 Budget	FY 2004 Operations Plan	FY 2004 Actuals	FY 2005 Budget	FY 2005 Est. Actuals	FY 2006 Proposed	FY 2007 Proposed	FY 2008 Proposed	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed	FY 2013 Proposed	FY 2014 Proposed
		(1,005,157)	(1,005,157)	(1,014,192)	(965,547)	(965,547)	(409,655)	(395,551)	(509,191)	(645,202)	(759,587)	(1,492,125)	(2,158,261)	(3,525,480)	(5,590,813)
Revenues															
6106	Franchise Solid Waste Non-Excl	780,371	780,371	791,599	803,782	942,235	970,502	989,912	1,009,710	1,029,905	1,050,503	1,071,513	1,092,943	1,114,802	1,137,098
6466	Calif Waste Management Board	42,785	42,785	38,507	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785
6528	Department Of Conservation	38,948	38,948	39,140	38,948	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463
6716	So Coast Air Quality Mgmt District	81,900	81,900	55,421	81,900	26,333	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
6725	RBOC Billable Rev for Services	0	0	3,291	81,900	56,491	38,437	59,626	60,819	62,035	63,276	64,541	65,832	67,149	68,492
6926	Administrative Review Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6933	Investment Earnings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7002	Gain/Loss on Pooled Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7018	Claim Settlements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7018	Salvage Sales	0	0	43,665	0	0	0	0	0	0	0	0	0	0	0
7023	Gain/Loss on Pooled Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7025	Miscellaneous Revenue	44,804	168,272	161,048	173,320	167,509	172,534	177,710	183,042	188,533	194,189	200,014	206,015	210,135	214,338
7136	Reimbursement Admin. Fee	6,656,864	6,656,864	6,432,117	6,756,298	6,638,237	6,889,943	7,027,742	7,168,297	7,311,653	7,457,896	7,607,054	7,759,195	7,914,379	8,072,667
7137	Refuse Collectn Municipal Bins	112,001	115,123	120,386	118,577	126,755	(64,076)	(65,338)	(66,665)	(67,998)	(69,338)	(70,745)	(72,161)	(73,604)	(75,076)
7138	Special Services	20,000	0	0	0	0	131,166	133,789	136,465	139,194	141,978	144,818	147,714	150,668	153,682
7139	Bin Collection Service	1,117,490	1,146,609	1,151,963	1,195,898	1,206,707	1,248,700	1,273,674	1,299,148	1,325,131	1,351,633	1,378,666	1,406,239	1,434,364	1,463,052
7140	Solid Waste Appl Processing Fee	0	7,000	6,200	1,000	0	23,006	23,697	24,408	25,140	25,894	26,671	27,471	28,295	29,144
7141	Curbside Recycling Revenue	338	41,667	153,475	250,000	453,011	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
7209	Roll-Off Service Fee	0	0	0	0	0	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
7279	Refuse Fee-1 Time/Mnth Arrears	36,050	48,934	68,145	48,934	1,028	26,880	24,102	33,100	42,616	52,674	63,296	75,195	88,295	102,000
7280	Refuse Temporary Bin Service	4,760	4,760	35,565	48,934	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380
7281	Refuse Change Out Service	0	0	1,890	4,760	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049
7282	Refuse Damaged Container	5,120	5,120	3,125	5,120	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860
7304	Gain Or Loss On Capital Assets	0	0	0	5,120	3,860	0	0	0	0	0	0	0	0	0
Total Revenues		8,941,451	9,148,354	9,125,611	9,531,322	9,808,274	10,270,198	10,247,407	10,470,823	10,548,008	10,811,657	11,018,299	11,330,938	11,445,858	11,665,101

*NOTE: The FY 05 Adopted Revenue Budget reflects Refuse Collection Fees at \$6,756,298 which was based on the assumption that CPI would be increased by 3%. The budgeted figure should have been \$6,686,110 which represents the actual 1.93% CPI increase

Refuse Collection and Bin Collection Revenue increased by CPI at 1.93% in FY 05; estimated at 3.48% in FY 06 and 2% thereafter

Bad Debt Expense estimated at 0.93% beginning in FY 05

Attachment B

City of Pasadena

FY 2004-2014 Budget

Ten Year Projection - Revenue & Expenses

Operations Plan Fund Sheet

Status Quo Scenario

Fund 406 Refuse Collection Fund	FY 2004 Budget	FY 2004 Operations Plan	FY 2004 Actuals	FY 2005 Budget	FY 2005 Est. Actuals	FY 2006 Proposed	FY 2007 Proposed	FY 2008 Proposed	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed	FY 2013 Proposed	FY 2014 Proposed
Expenses														
Personnel														
Debt Service Interest (2000 COP Equip Purchase)	2,506,403	2,506,403	2,758,517	2,882,892	3,073,393	3,793,297	3,907,096	4,024,309	4,145,038	4,269,389	4,397,471	4,529,395	4,665,277	4,805,235
Services And Supplies														
Debt Service on PW Bldg @ Yards (Ends 2017)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Debt Service Principal - 2000 COP Equip Purchase	912,111	754,308	749,414	677,000	640,808	204,030	351,371	351,371	351,371	351,371	204,030	204,030	204,030	204,030
New Loan of \$1.8M - 7 Refuse Vehicles														
Contract Services Costs														
Leavitt Charges (Comm& Ret)														
Recycling Contract	1,700,000	1,700,000	1,339,329	1,700,000	1,749,923	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874
Other Misc Contracts	482,760	281,610	321,840	0	0	0	0	0	0	0	0	0	0	0
Program Expenditures (abatements)	218,480	218,480	361,154	261,480	312,181	462,791	312,050	321,411	331,054	346,945	351,215	361,751	371,604	383,782
All other Service & Supplies	1,207,457	1,207,457	1,140,712	1,180,816	1,180,813	1,216,240	1,252,728	1,290,310	1,329,019	1,368,889	1,409,956	1,452,235	1,495,822	1,540,697
Services And Supplies Total	4,610,312	4,566,559	4,742,123	4,122,811	4,193,273	4,359,453	4,251,926	4,395,705	4,361,098	4,418,153	4,125,548	4,186,078	4,248,423	4,312,638
Capital Outlay														
Vehicles	15,900	15,900	0	0	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
Capital Outlay Total	15,900	15,900	0	0	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
Fuel/Lubricants														
Equipment Maintenance														
Internal Service Total	1,446,559	1,462,941	1,387,412	1,009,026	1,062,744	1,134,850	1,168,896	1,203,962	1,240,081	1,277,284	1,315,602	1,355,070	1,395,722	1,437,594
ANTICIPATED SAVINGS														
Total Operating Expenses	8,579,174	8,551,803	8,588,052	8,302,885	9,054,144	10,015,352	10,232,807	10,318,594	10,464,854	11,315,463	11,486,195	12,399,886	12,598,107	13,428,001
8705 Transfers To General Fund	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240
8720 Transfer to Bldg Services Fund (one-time GIS cost costs)	8,377,414	8,353,563	8,389,812	8,104,645	8,855,904	9,817,112	10,034,567	10,120,354	10,266,614	11,117,223	11,287,955	12,201,646	12,400,867	13,229,761
FY 2005 Estimated Actuals														
Personnel expenses increased to account for overtime costs														
Capital Outlay Vehicles will use remaining COP funds for the purchase of two side loaders and require an additional \$129,071 for the purchase of three salvaged vehicles														
Services & Supplies expenses increased to include cost of CNG retrofit per AQMD grant (three vehicles)														
Internal Services increased for maintenance of the aforementioned additional vehicles and increased fuel costs														
On-going Changes														
Personnel and Internal Services expenses increased by 3% each year														
Vehicle purchases beginning in FY 2006 based on revised vehicle replacement schedule														
Operational savings anticipated beginning FY 2007 due to new vehicles, balanced routes and program efficiencies														
FY 2006 Operating Expenses include addbacks in Personnel (OT), the transfer of the Bulky Item Pick-up Program from the GF; bins for residential recycling; new \$1.8M loan repayment; cost of route audit and remaining CNG retrofits (5 vehicles)														
Loan of \$1.8M for vehicle purchases will be paid over 10 years beginning FY 2006 thru 2015														
Debt Service Principal Payments will be paid thru 2010														

Attachment B

City of Pasadena

FY 2004-2014 Budget

Ten Year Projection - Revenue & Expenses

Operations Plan Fund Sheet

Status Quo Scenario

Fund 406 Refuse Collection Fund	FY 2004 Budget	FY 2004 Operations Plan	FY 2004 Actuals	FY 2005 Budget	FY 2005 Est. Actuals	FY 2006 Proposed	FY 2007 Proposed	FY 2008 Proposed	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed	FY 2013 Proposed	FY 2014 Proposed
Net Income	164,037	388,311	26,092	592,797	555,890	14,106	(203,640)	(46,011)	(114,386)	(732,538)	(666,136)	(1,367,169)	(65,384)	237,102
Non-Income Statement Items/ Adjustments:														
Change in Restricted Cash														
Other Changes in Balance Sheet Accounts			22,553											
Total Adjustments			22,553											
Ending Amount Available for Appropriate	(841,119)	(60,684)	(96,554)	(372,750)	(409,657)	(395,551)	(599,191)	(645,302)	(759,587)	(1,492,425)	(2,158,261)	(3,525,430)	(3,590,813)	(3,353,711)
Less Cash Reserve (1/12 prior year's expenditures)														
Amount Available less Reserve							85,467	87,021	876,403	888,591	950,475	973,703	1,049,842	959,270
							(1,453,865)	(1,516,122)	(1,635,990)	(2,380,716)	(3,117,386)	(4,499,153)	(4,640,656)	(4,312,981)

Attachment C

City of Pasadena

FY 2005-2014 Budget

Ten Year Projection - Revenue & Expenses

Operations Plan Fund Sheet

FY 2006 Scenario (with Addback Requests & New Loan)

Rate Adjustment of 5% (FYs 06 - 08); Franchise Fee Adjustment to 16% in FY 2006; and Operating Reductions beginning in FY 2007

Fund 406 Refuse Collection Fund	FY 2004 Budget	FY 2004 Operations Plan	FY 2004 Actuals	FY 2005 Budget	FY 2005 Est. Actuals	FY 2006 Proposed	FY 2007 Proposed	FY 2008 Proposed	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed	FY 2013 Proposed	FY 2014 Proposed
	(1,005,157)	(1,005,157)	(1,014,192)	(965,547)	(965,547)	(409,657)	(219,502)	21,976	649,169	1,382,937	1,524,344	1,758,817	1,319,819	2,211,095
Revenues														
6106 Franchise Solid Waste Non-Excl	780,371	780,371	791,599	803,782	942,235	1,105,536	1,138,723	1,172,884	1,208,071	1,244,313	1,281,642	1,320,092	1,359,694	1,400,485
6461 Calif Waste Management Board	42,785	42,785	38,507	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785	42,785
6466 Department Of Conservation	38,948	38,948	39,140	38,948	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463	39,463
6528 So Coast Air Quality Mgmt District	81,900	81,900	55,421	81,900	26,333	183,667	59,626	60,819	62,035	63,276	64,541	65,832	67,149	68,492
6716 RBOC Billable Rev for Services	0	0	3,291	0	90,000	58,457	0	0	0	0	0	0	0	0
6725 Administrative Review Fee	0	0	43,665	0	1,079	0	0	0	0	0	0	0	0	0
7018 Claim Settlements	0	0	0	0	273	0	0	0	0	0	0	0	0	0
7018 Salvage Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7023 Miscellaneous Revenue	44,804	168,272	161,048	173,320	167,509	172,534	177,710	183,042	188,533	194,189	200,014	206,015	210,135	214,338
7136 Refuse Collection Fees *	6,656,864	6,656,864	6,452,117	6,756,298	6,658,237	6,991,149	7,340,706	7,707,741	7,861,896	8,019,134	8,179,517	8,343,107	8,509,969	8,680,169
7137 Refuse Collectn Mmncipi Bins	112,001	115,123	120,386	118,577	(61,922)	(65,018)	(68,269)	(71,682)	(73,116)	(74,378)	(76,070)	(77,591)	(79,143)	(80,726)
7138 Special Services	20,000	0	0	118,577	126,755	131,166	133,789	136,465	139,194	141,978	144,818	147,714	150,668	153,682
7139 Bin Collection Service	1,117,490	1,146,609	1,151,963	1,195,898	1,206,707	1,248,700	1,273,674	1,299,148	1,325,131	1,351,633	1,378,666	1,406,239	1,434,564	1,463,052
Increased Commercial due to New Services	0	7,000	6,200	1,000	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
7140 Solid Waste Appl Processing Fee	358	41,667	153,475	250,000	453,011	450,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
7141 Curbside Recycling Revenue	0	0	0	0	0	10,500	24,102	33,100	42,616	52,674	63,296	74,000	85,000	96,000
Roll-Off Service Fee	0	0	0	0	0	26,880	59,905	79,872	99,840	119,808	139,776	159,744	179,712	199,680
Roll-Off Disposal Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7209 Refuse Fee-1 Time/Minth-Arrears	0	0	68,145	0	1,028	1,059	1,080	1,102	1,124	1,146	1,169	1,192	1,216	1,241
7279 Refuse Temporary Bin Service	36,050	48,934	35,565	48,934	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380
7280 Refuse Change Out Service	4,760	4,760	1,890	4,760	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049
7281 Refuse Damaged Container	0	0	75	0	0	0	0	0	0	0	0	0	0	0
7282 Refuse Bulky Item Charge	5,120	5,120	3,125	5,120	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860
Total Revenues	8,941,451	9,438,354	9,125,611	9,521,432	9,808,274	10,456,187	10,682,584	11,144,027	11,396,861	11,655,110	11,918,907	12,159,109	12,402,518	12,651,211

*NOTE: The FY 05 Adopted Revenue Budget reflects Refuse Collection Fees at \$6,756,298 which was based on the assumption that CPI would be increased by 3%. The budgeted figure should have been \$6,686,110 which represents the actual 1.93% CPI increase.

Assumptions

Refuse Collection and Bin Collection Revenue increased by CPI at 1.93% in FY 05; estimated at 3.48% in FY 06 and 2% thereafter

Bad Debt Expense estimated at 0.93% beginning in FY 05

CPI increase of 3.48% in FY 2006 for commercial and residential rates; adjustment of 1.52% in residential rates in FY 2006; and 5% adjustments in residential rates in FY 2006 and 2007 (including CPI)

Attachment C
City of Pasadena
FY 2005-2014 Budget
Ten Year Projection - Revenue & Expenses
Operations Plan Fund Sheet

FY 2006 Scenario (with Adback Requests & New Loan)
Rate Adjustment of 5% (FY's 06 - 08); Franchise Fee Adjustment to 16% in FY 2006; and Operating Reductions beginning in FY 2007

Fund 406 Refuse Collection Fund	FY 2004 Budget	FY 2004 Operations Plan	FY 2004 Actuals	FY 2005 Budget	FY 2005 Est. Actuals	FY 2006 Proposed	FY 2007 Proposed	FY 2008 Proposed	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed	FY 2013 Proposed	FY 2014 Proposed
Expenses														
Personnel	2,506,403	2,506,403	2,758,517	2,882,892	3,073,993	3,793,297	3,907,096	4,024,309	4,145,038	4,269,389	4,397,471	4,529,395	4,665,277	4,805,235
Debt Service Interest (2000 COP Equip Purchase)				235,111	114,000	79,542	43,230	7,392						
Services And Supplies														
Debt Service on PW Bldg @ Yards (Ends 2017)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Debt Service Principal - 2000 COP Equip Purchase	912,111	754,808	749,414	677,000	640,808	351,371	351,371	351,371	351,371	351,371	0	0	0	0
New Loan of \$1.8M - Refuse Vehicles				204,030	204,030	204,030	204,030	204,030	204,030	204,030	204,030	204,030	204,030	204,030
Contract Services Costs														
Landfill Charges (Contract Res)	1,700,000	1,700,000	1,839,329	1,700,000	1,749,923	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874	1,803,874
Recycling Contract	482,760	281,610	321,840	0	0	0	0	0	0	0	0	0	0	0
Other Misc Contracts	218,480	218,480	361,181	261,480	312,181	462,701	312,450	321,411	331,054	340,985	351,215	361,751	372,084	383,782
All other Service & Supplies	224,615	304,204	229,674	203,515	209,547	227,873	234,709	241,751	249,003	256,473	264,167	272,092	279,922	280,255
Program Expenditures (abatements)	1,207,457	1,207,457	1,140,712	1,180,816	1,180,813	1,216,240	1,252,728	1,290,310	1,329,019	1,368,889	1,409,956	1,452,255	1,495,822	1,540,697
Services And Supplies Total	4,610,312	4,566,559	4,742,123	4,122,811	4,193,273	4,359,453	4,251,926	4,305,705	4,361,098	4,418,153	4,125,548	4,186,078	4,248,423	4,312,638
Capital Outlay	15,900	15,900	0	0	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
Vehicles	0	0	0	0	129,071	155,068	530,425	359,931	259,800	849,763	1,104,150	1,742,825	373,463	0
Capital Outlay Total	15,900	15,900	0	0	144,971	170,968	546,325	375,831	275,700	865,663	1,120,050	1,758,725	389,363	15,900
Fuel/Lubricants				283,332	278,656	314,452	323,886	333,602	343,610	353,918	364,536	375,472	386,736	398,338
Equipment Maintenance				1,009,026	1,062,744	1,134,850	1,168,896	1,203,962	1,240,081	1,277,284	1,315,602	1,355,070	1,395,722	1,437,594
Remaining Internal Service				197,113	187,127	205,290	211,449	217,792	224,326	231,056	237,987	245,127	252,481	260,055
ANTICIPATED SAVINGS				(200,000)	(200,000)	(200,000)	(200,000)	(150,000)	(150,000)	(100,000)	(75,000)	(50,000)	(25,000)	
Total Operating Expenses	8,579,174	8,551,803	8,888,052	8,530,285	9,051,144	10,085,853	10,252,807	10,538,594	10,464,854	11,315,466	11,486,105	12,309,867	11,313,002	11,239,766
8705 Transfer to General Fund	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240	198,240
8720 Transfer to Bldg Services Fund (one-time GIS core cost)	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227	13,227
Total Expenses	8,777,414	8,750,013	9,099,519	8,928,535	9,252,484	10,256,092	10,451,007	10,536,834	10,668,094	11,515,706	11,684,435	12,598,107	11,511,242	11,458,000

FY 2005 Estimated Actuals

Personnel expenses increased to account for overtime costs
 Capital Outlay Vehicles will use remaining COP funds for the purchase of two side loaders and require an additional \$129,071 for the purchase of three salvaged vehicles
 Services & Supplies expenses increased to include cost of CNG retrofit per AQMD grant (three vehicles)
 Internal Services increased for maintenance of the aforementioned additional vehicles and increased fuel costs

On-going Changes
 Personnel and Internal Services expenses increased by 3% each year
 Vehicle purchases beginning in FY 2006 based on revised vehicle replacement schedule
 Operational savings anticipated beginning FY 2007 due to new vehicles, balanced routes and program efficiencies
 FY 2006 Operating Expenses include addbacks in Personnel (OT); the transfer of the Bulky Item Pick-up Program from the GF; bins for residential recycling; new \$1.8M loan repayment; cost of route audit and remaining CNG retrofits (5 vehicles)
 Loan of \$1.8M for vehicle purchases will be paid over 10 years beginning FY 2006 thru 2015
 Debt Service Principal Payments will be paid thru 2010

Attachment C

City of Pasadena

FY 2005-2014 Budget

Ten Year Projection - Revenue & Expenses

Operations Plan Fund Sheet

FY 2006 Scenario (with Adback Requests & New Loan)

Rate Adjustment of 5% (FYs 06 - 08); Franchise Fee Adjustment to 16% in FY 2006; and Operating Reductions beginning in FY 2007

Fund 406 Refuse Collection Fund	FY 2004	FY 2004	FY 2004	FY 2004	FY 2004	FY 2004	FY 2005	FY 2005	FY 2005	FY 2006	FY 2006	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY 2014	FY 2014				
	Operations Plan	Budget	Actuals	Budget	Est. Actuals	Proposed	Budget	Est. Actuals	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed			
Net Income	164,037	164,037	388,311	26,002	592,707	555,800	231,518	627,193	533,767	141,408	234,472	488,988	891,270	1,223,210	1,488,988	1,758,817	1,319,819	1,524,344	1,882,937	1,482,937	1,882,937	1,319,819	1,524,344	1,882,937	1,482,937	1,882,937	1,319,819	1,524,344	1,882,937		
Non-Income Statement Items/ Adjustments:																															
Change in Restricted Cash			22,553																												
Other Changes in Balance Sheet Accounts																															
Total Adjustments			22,553																												
Ending Amount Available for Appropriation	(844,119)	(844,119)	(616,816)	(965,547)	(372,750)	(409,657)	21,976	649,169	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937	1,482,937
Less Cash Reserve (1/12 prior year's expenditures)																															
Amount Available less Reserve																															

Refuse Container Monthly Rate Comparison

Container Size	Pasadena Current Rate	Pasadena Proposed Rate	Alhambra	Arcadia	Azusa	Baldwin Park	Burbank	Diamond Bar	Glendale	Monrovia
32	\$ 10.74	\$ 11.28	\$ 17.44	N/A	\$ 19.82	\$ 14.90	\$ 10.10	\$ 14.07	N/A	N/A
60	\$ 17.82	\$ 18.71	\$ 17.44	\$ 11.97	N/A	\$ 17.77	\$ 18.45	\$ 17.51	\$ 11.64	\$ 8.97
100	\$ 27.90	\$ 29.30	N/A	\$ 14.16	N/A	\$ 20.43	\$ 29.15	\$ 20.95	\$ 14.41	\$ 11.47

Notes:

Alhambra offers two sizes of cans, the rate is the same for each size.

Arcadia container sizes include 60 and 90 gallon.

Azusa residents provide their own cans which can not exceed 32 gallon. Rate is monthly, no restriction on number of cans.

Baldwin Park container sizes include 35, 64, and 96 gallon. Anticipate rate increase in July 2005.

Diamond Bar container sizes include 35, 64, and 96 gallon. Includes rate increase effective July 2005.

Monrovia container sizes include 60, and 90 gallon. Anticipate CPI and landfill rate increase in July 2005.

Franchise Fee Comparison

Pasadena Current Rate	Pasadena Proposed Rate	Arcadia	Azusa	Burbank	Glendale	L.A.
14%	16%	9.50%	10%	16%	15%	10%

Notes:

In Azusa commercial haulers pay 10% of receipts collected, plus \$9.38 per bin, plus an additional \$3.53 AB939 fee, per bin, per month.