

**RESIDENTIAL SOLID WASTE FUND
REVENUE FOOTNOTES**

1. **Trash Disposal Revenue: (\$1,180,000)** This figure is based on weekly solid waste disposal service for approximately 7,100 residential addresses (single-family and 2-family duplex housing units) and also includes charges to pay for the once-a-month, no-sticker, branch and brush pick-up program which runs from May through October each year. These revenues are collected on the Village’s monthly utility bill. Additional stickers must be purchased for the disposal of yard waste and refuse which is placed at the curb in addition to the standard wheeled cart. Our solid waste contract does not service multi-family complexes or commercial properties.

User fees collected to pay for solid waste disposal services are determined based on the costs of various contract service providers and other costs of administering the program (account maintenance, customer service and billing). Also factored into rate determination is the availability of revenues from other sources such as recycling rebates the Village receives through its current waste hauling contract.

Beginning August 1, 2005 the Village began a new 5-year waste hauling contract with Allied Waste Services which introduced for the first time, standardized wheeled refuse carts. At that time, the base rate charged to Glen Ellyn customers was decreased by 17% compared to the previous contract. Due to the availability of recycling rebates to offset contract cost increases, rates charged to Glen Ellyn residents have not increased for the first 4 years of the contract. In December 2008, the Village was notified that due to extreme volatility in the recyclable materials market, rebates previously received would no longer be available. Absent these rebates, we need to again look to increases in service fees to Glen Ellyn customers to cover the cost of providing services.

Proposed for August 1, 2009 is a 5% increase in monthly customer charges for solid waste removal services. The amount of the proposed rate increase only partially recovers some of the recycling rebates lost. The result of this is a budgeted operating deficit for FY10. This deficit however, will be covered by the use of available cash reserve balances in the fund.

	Current	Projected
Service	Monthly	Monthly
Type	Rate ¹	Rate ²
35 gallon cart	\$11.70	\$12.30
65 gallon cart	\$14.95	\$15.70
95 gallon cart	\$16.95	\$17.80

1 Not adjusted since 8/1/05.

2 5% base increase proposed for 8/1/09.

Note: Of the 7,100 total residential refuse accounts, the following represents the distribution of wheeled cart size choices as of January, 2009:

35 gallon cart	62%
65 gallon cart	26%
95 gallon cart	12%

2. **Other / Miscellaneous Revenue: (FY09/10 Budget - \$6,000)** This amount represents the resale of replacement recycle bins to customers.

(FY08/09 Estimated Actual - \$146,000) The Village receives revenue generated from the sale of recyclable materials as a part of its contract with its solid waste hauler. The market and price received for these materials can fluctuate greatly. Last year in FY07/08, the Village received nearly \$200,000 in recycling rebates. In December, 2008, these rebates abruptly came to an end, with a collapse in the resale market for recycled materials. We are projecting no revenues from this source in our FY09/10 budget year.

RESIDENTIAL SOLID WASTE FUND EXPENDITURE FOOTNOTES

3. **Banking Services: (\$3,000)** The Village prepares monthly billings for monthly solid waste services. The Solid Waste Fund will now assume a portion of the retail lockbox services the Village utilizes in collecting and processing monthly remittances.
4. **Postage: (\$22,000)** Included in this line item are postage costs for mailing of monthly solid waste billings to our 7,100 residential customers (shared with the Water and Sanitary Sewer Fund) and postage costs for the mailing of one annual "special edition" environmental publication.
5. **Professional Services / Other: (\$22,000)** The Village uses a third-party vendor to process, print, and mail the monthly Village utility bills (This cost is shared with the Water and Sanitary Sewer Fund - \$18,000). An additional \$4,000 one-time costs has been added to complete a required update to our customer billing software.
6. **Waste Removal Services: (\$1,015,000)** This amount is based on our current contract with Allied Waste Services and historical service volumes. An allowance for growth in the Consumer Price Index has been added as included in the waste hauler's contract.
7. **Professional Services / Branch Removal: (\$150,000)** This line includes funds for the six month tree branch and brush collection program (May – October) undertaken by a separate vendor, not our weekly solid waste hauling contractor.

8. **Disposal Costs: (\$23,000)** Transferred from the General Fund are annual disposal costs associated with our street sweeping and catch basin cleaning program.
9. **Service Charge: (\$83,100)** This service charge represents a transfer to the General Fund as a reimbursement for staff and other support services provided in connection with the solid waste program including monthly billings, account maintenance, and customer service. This amount has been increased to more accurately reflect the actual cost of administering the program.
10. **Equipment / Capital Outlay: (\$5,000)**

In FY08/09, a total of \$275,000 was set aside as a “placeholder” estimate for the possible purchase of 7,500 65-gallon wheeled carts for recycled materials to be used in lieu of the square and round bins currently used by our customers. This purchase will not be possible until Allied Waste Services is able to convert their recycling trucks to those with mechanical arms to pick up/dump wheeled recycle carts.

At such time as the Village determines that this program becomes feasible, the planned purchase of recycling carts would be made from available cash reserve balances and the budget would be amended to reflect Village Board authorization of the purchase.

\$5,000 has been allocated for the purchase of five additional permanent refuse receptacles for placement throughout the Village.