

Environmental Services



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Environmental Services FY 2014 Update

- FY 2013 Net Assets was a positive \$2.2 million, net of the landfill closure liability
- FY 2014 revenues are expected to be \$0.2 million more than budget
- FY 2014 expenses are expected to be less than budget due to savings in personnel and fuel costs and capital projects not being completed as anticipated



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Environmental Services Projected FY 2014 Reserves

	<u>FY 2013</u>	<u>FY 2014</u>
Future Landfill CIP Projects	\$ 5,946,600	\$ 7,046,600
Landfill (Post) Closure	\$ 4,846,390	\$ 5,870,390
Groundwater Protection	\$ 1,228,660	\$ 1,728,660



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FY 2015 Proposed Budget

- No rate adjustment is anticipated
- Revenues are projected generally flat from FY 2014 projections
 - Residential Service Fees \$28.4 million
 - Commercial Service Fees \$7.0 million
 - Landfill Charges \$7.3 million
 - Ground Remediation Fee \$3.5 million
- Loss of Pima County contribution of \$274,760 for the Household Hazardous Waste Program



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FY 2015 Proposed Budget

(continued)

- Requested Operating Budget of \$48.9 million; an increase of \$2.0 million from FY 2014
 - Rebuilding landfill equipment
 - Increase for vehicle maintenance on remaining non-Compressed Natural Gas (CNG) vehicles
- Continued replacement of fleet CNG fueled trucks
 - Net fuel savings \$100,000
 - No fuel surcharge for collections



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Environmental Services FY 2015 Proposed Budget

(continued)

- Investment in technology improvements
 - Environmental/Regulatory Compliance Data System
 - New billing software for landfill and commercial customers
 - Landfill scale software upgrades



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Environmental Services FY 2015 Proposed Budget

(continued)

- Reduction of 3 FTEs due to change in Household Hazardous Waste Program
 - 1 FTE is vacant
 - 2 FTEs will transfer into operations



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Environmental Services Capital Improvement Plan

- Los Reales Landfill Improvements
- Partner in the (CNG) Plant project
- 10th Avenue maintenance facility
- Silverbell Pump & Treat System Project
 - First project using funding from the Groundwater Protection Fee



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Environmental Services Financial Plan

	Year 1 FY 2015	Year 2 FY 2016	Year 3 FY 2017	Year 4 FY 2018	Year 5 FY 2019
LANDFILL					
Revenues	\$ 7,030,381	\$ 7,077,731	\$ 7,167,544	\$ 7,261,225	\$ 7,355,842
Expenses	(6,630,985)	(6,616,271)	(6,315,475)	(6,964,338)	(7,007,566)
Annual Over/(Under) Recovery	\$ 399,396	\$ 461,460	\$ 852,069	\$ 296,887	\$ 348,276
RESIDENTIAL COLLECTIONS					
Revenues					
RESIDENTIAL	\$ 28,398,669	\$ 28,682,656	\$ 28,969,482	\$ 29,259,177	\$ 29,551,769
COMMERCIAL-Type	852,753	861,281	869,893	878,592	887,378
	<u>\$ 29,251,422</u>	<u>\$ 29,543,937</u>	<u>\$ 29,839,375</u>	<u>\$ 30,137,769</u>	<u>\$ 30,439,147</u>
Expenses	(29,215,437)	(29,189,615)	(29,181,014)	(29,973,584)	(30,620,861)
Annual Over/(Under) Recovery	\$ 35,985	\$ 354,322	\$ 658,361	\$ 164,185	\$ (181,714)
COMMERCIAL COLLECTIONS					
Roll-Off					
Revenues	\$ 792,119	\$ 792,119	\$ 792,119	\$ 792,119	\$ 792,119
Expenses	(965,550)	(759,843)	(771,320)	(804,371)	(827,468)
Annual Over/(Under) Recovery	\$ (173,431)	\$ 32,276	\$ 20,799	\$ (12,252)	\$ (35,349)
Front-Load					
Revenues	\$ 6,248,016	\$ 6,248,016	\$ 6,248,016	\$ 6,309,377	\$ 6,371,351
Expenses	(5,980,702)	(6,732,441)	(6,684,663)	(6,893,790)	(7,268,609)
Annual Over/(Under) Recovery	\$ 267,314	\$ (484,425)	\$ (436,647)	\$ (584,413)	\$ (897,258)
Total Revenues	\$ 7,040,135	\$ 7,040,135	\$ 7,040,135	\$ 7,101,496	\$ 7,163,470
Total Expenses	(6,946,253)	(7,492,283)	(7,455,983)	(7,698,161)	(8,096,077)
Total Annual Over/Under Recovery	\$ 93,882	\$ (452,148)	\$ (415,848)	\$ (596,665)	\$ (932,607)
GROUNDWATER PROTECTION PROGRAM					
Revenues	\$ 3,606,743	\$ 3,606,743	\$ 3,606,743	\$ 3,606,743	\$ 3,606,743
Expenses	(3,896,993)	(3,426,086)	(3,475,803)	(3,540,638)	(3,615,611)
	<u>\$ (290,250)</u>	<u>\$ 180,657</u>	<u>\$ 130,940</u>	<u>\$ 66,105</u>	<u>\$ (8,868)</u>
ENVIRONMENTAL SERVICES TOTAL					
Revenues	\$ 46,928,681	\$ 47,268,546	\$ 47,653,797	\$ 48,107,233	\$ 48,565,202
Expenses	(46,689,668)	(46,724,255)	(46,428,275)	(48,176,721)	(49,340,115)
Annual Over/(Under) Recovery	\$ 239,013	\$ 544,291	\$ 1,225,522	\$ (69,488)	\$ (774,913)

