

City of Key West

FY 2011 Solid Waste Fund

Commission Presentation
September, 2010

CDM

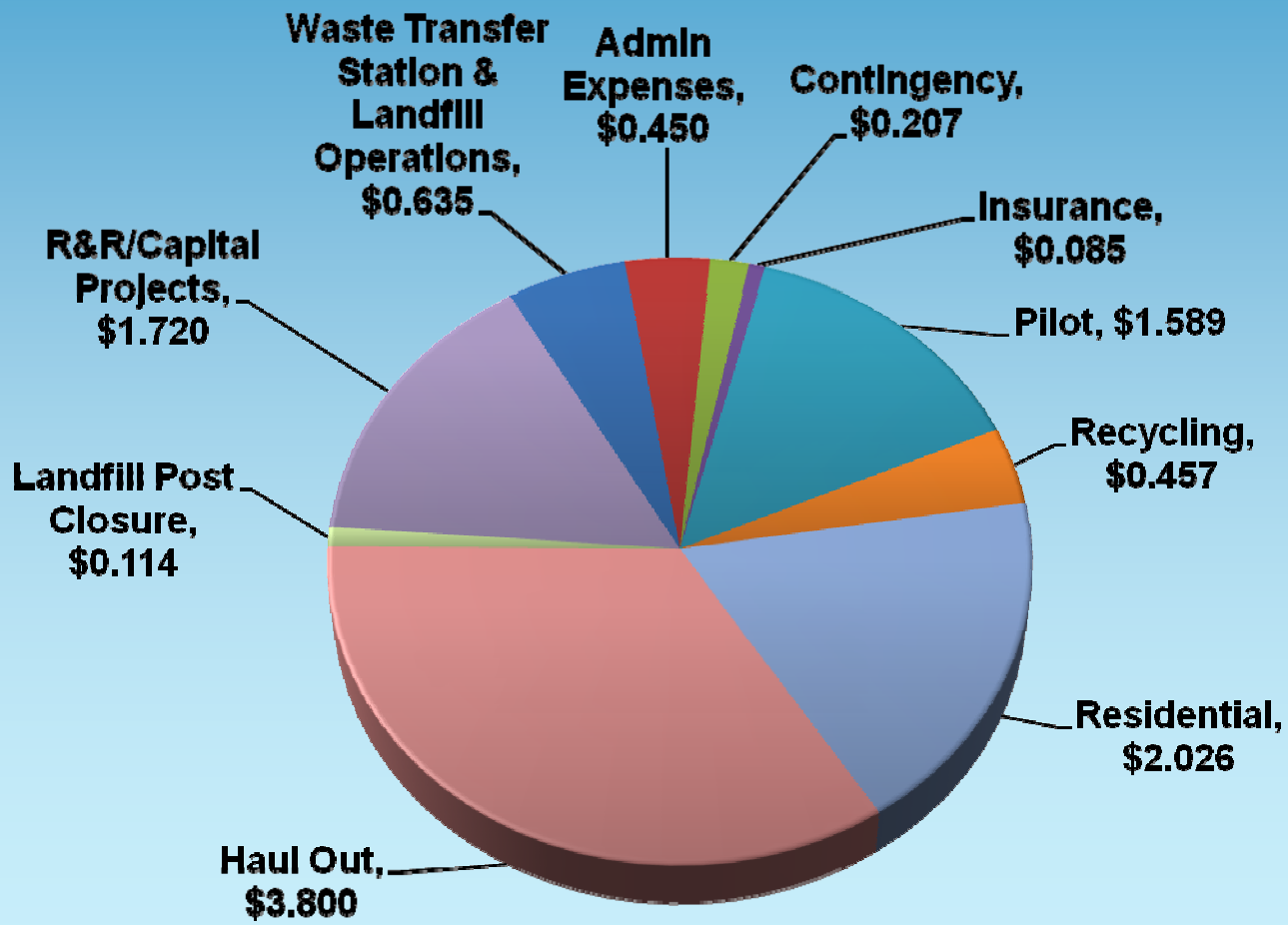
Key Features

- ◆ **We calculate 2.92% rate increase for FY 2011:**
 - ◆ Residential from \$310.11 to \$319.17 per year
 - ◆ Tipping fee from \$161.26 to \$165.97 per ton
- ◆ **Thereafter, 83% of CPI-U increase assumed**
- ◆ **Under current policy, residential recycling costs recovered through the tonnage rate on all tons**
- ◆ **Provision of solid waste service to general government at no charge, including public housing. Stranded cost equals \$26 per ton**

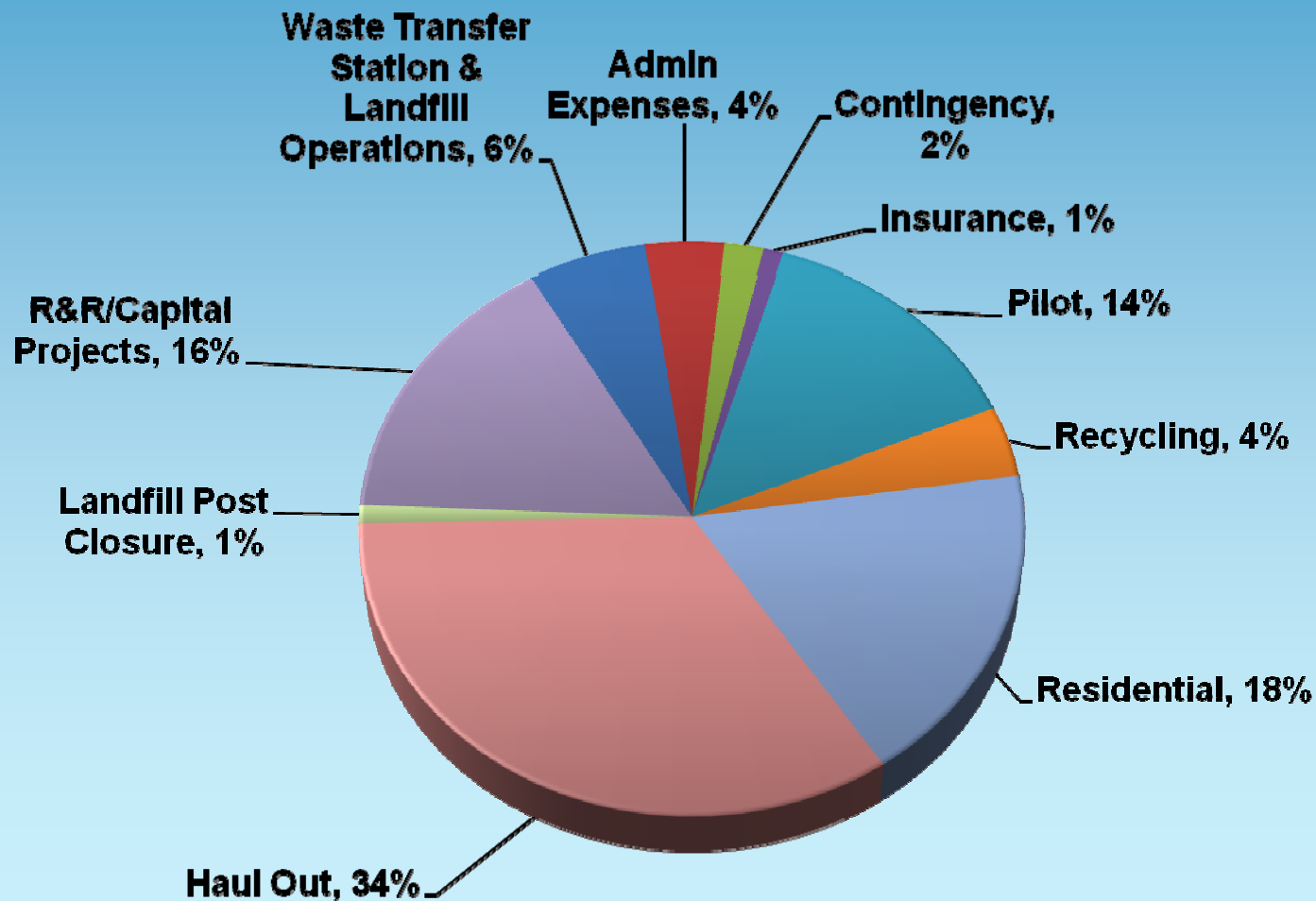
Financial Highlights with Continued Annual Adjustment

*millions	2011	2012	2013	2014	2015	2016
Total Expenses *	\$11.083	\$9.882	\$10.172	\$10.533	\$11.091	\$11.531
Total Revenue *	\$9.459	\$9.762	\$10.136	\$10.525	\$10.928	\$11.345
Tip Fee Per Ton	\$166	\$171	\$176	\$181	\$186	\$192
Residential Rate	\$319	\$328	\$338	\$348	\$338	\$369

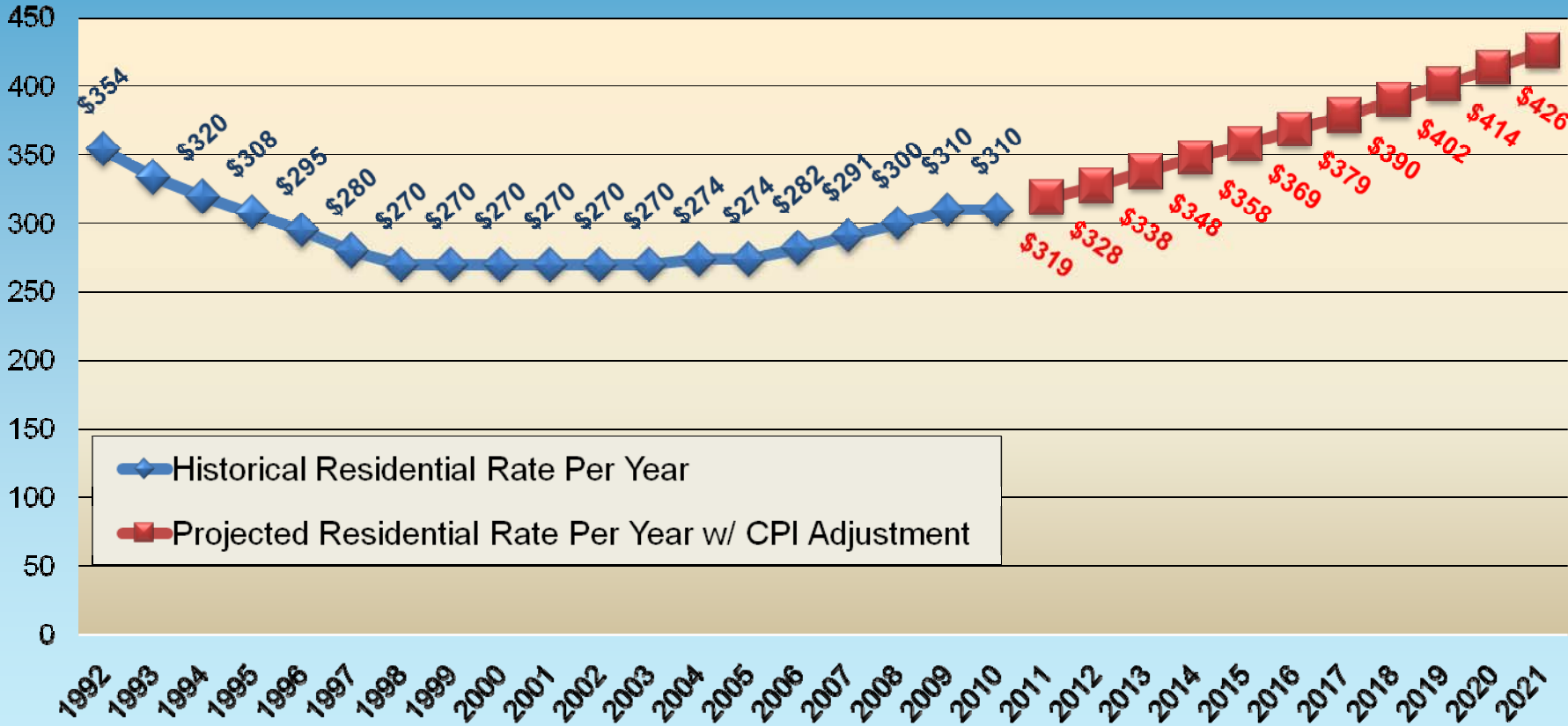
FY 2011 Solid Waste Expenses by Cost Center (\$ millions)



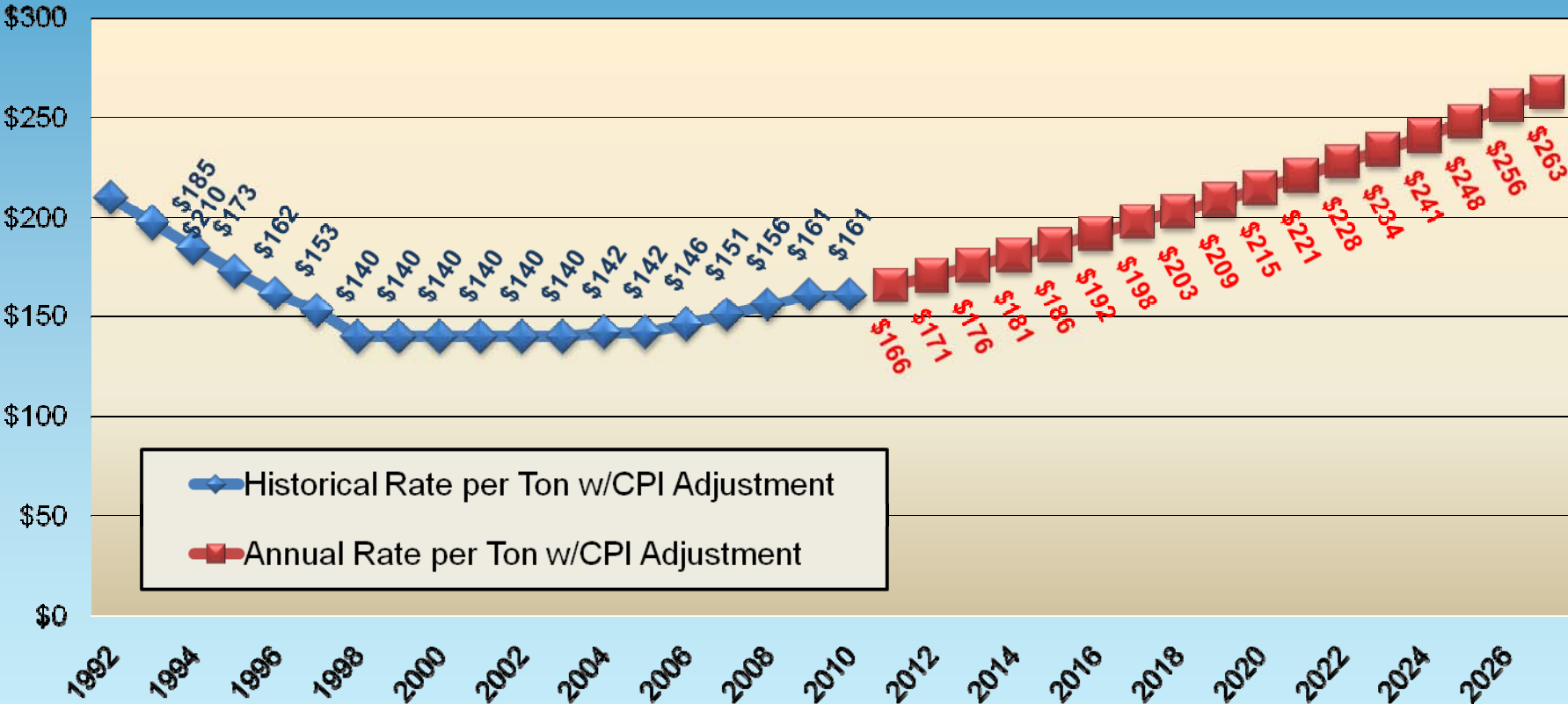
FY 2011 Solid Waste Expenses by Cost Center (%)



Residential Rate w/ CPI Adjustment



Rate Per Ton w/ CPI Adjustment



Commercial Customer Typical Bill

Customers Bills	Large Hotel	Medium Hotel	Small Hotel	Guest House	Restaurant	Grocery	Small Contractor	Downtown Shop	Laundry
Current Year FY10									
Estimated Annual Bill	\$99,100	\$35,044	\$4,325	\$4,954	\$8,507	\$65,978	\$606	\$909	\$2,205
Typical Monthly Bill	\$8,258	\$2,920	\$360	\$413	\$709	\$5,498	\$51	\$76	\$184
Proposed Year FY11									
2.92% Increase									
Estimated Annual Bill	\$101,994	\$36,067	\$4,451	\$5,099	\$8,755	\$67,905	\$624	\$936	\$2,269
Typical Monthly Bill	\$8,500	\$3,006	\$371	\$425	\$730	\$5,659	\$52	\$78	\$189
Difference in Annual Bill	\$2,894	\$1,023	\$126	\$145	\$248	\$1,927	\$18	\$27	\$64

Projected Cash Balances With Rate Adjustments

Ending Cash Balance in FY	With Annual Rate Adjustment
2011	\$5,070,652
2012	\$5,148,720
2013	\$5,065,069
2014	\$4,997,571
2015	\$4,742,405
2016	\$4,484,417
2017	\$4,523,186
2018	\$4,550,631
2019	\$4,249,606
2020	\$4,189,151
2021	\$3,803,829
2022	\$3,427,184

Projected Cash Balances Without Rate Adjustments

Ending Cash Balance in FY	Without Annual Rate Adjustment
2011	\$3,717,270
2012	\$2,998,303
2013	\$1,671,859
2014	\$16,614
2015	(\$2,169,612)
2016	(\$4,704,622)
2017	(\$7,307,426)
2018	(\$10,280,267)
2019	(\$13,945,775)
2020	(\$17,744,787)
2021	(\$22,253,028)
2022	(\$27,101,080)