

Ordinance/Motion No. 00-
 Title: 2004 Budget Supplemental
 Affected Agency and/or Agencies: Solid Waste Division/ Natural Resources and Parks
 Note Prepared By: Greg Pelton, Solid Waste Division/Ann Shigeta, Solid Waste Division
 Note Reviewed By: Lisa Youngren, Office of Management and Budget

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
Solid Waste/ Natural Resources	4040	Tip Fees	2,646,576	2,949,411	3,014,995	3,081,593
						0
SW Construction Fund	3901	Fund Balance	85,000			
TOTAL			2,731,576	2,949,411	3,014,995	3,081,593

Expenditures from:

Fund/Agency	Fund Code	Department	Current Year	1st Year	2nd Year	3rd Year
Solid Waste/ Natural Resources	4040	720	2,646,576	2,949,411	3,014,995	3,081,593
SW Construction Fund	3901	701	85,000			
TOTAL			2,731,576	2,949,411	3,014,995	3,081,593

Expenditures by Categories

		Current Year	1st Year	2nd Year	3rd Year
Salaries and Benefits	(A)	\$ 780,804	\$ 1,623,361	\$ 1,663,945	\$ 1,705,543
Supplies and services	(B)	\$ 1,340,000	\$ 954,000	\$ 979,000	\$ 1,004,000
Transfers	(C)	\$ 372,050	\$ 372,050	\$ 372,050	\$ 372,050
Contra	(D)	\$ 500,000			
Capital Improvement Program	(E)	\$ 85,000			
Savings in 2004 Debt Service	(F)	\$ (346,278)			
TOTAL		2,731,576	2,949,411	3,014,995	3,081,593

Assumptions:

(General) Waste Management has indicated 150,000 additional tons per year will be sent through our transfer system. It was formerly regional direct tonnage. The change commenced on May 18, 2004 and projected tonnage redirected through our transfer system is 96,000 tons for 2004.

- (A) See statements 1 and 2
- (B) See statements 3, 4, 5 and 6
- (C) Landfill Reserve Fund transfer increases due to tonnage increase. We project 35,000 additional tons for 2004 over our adopted budget tonnage. See statements 3 and 7.
- (D) Re-instatement of \$500,000 covered by veto proviso. See statement 3.
- (E) Expanded the scope of the Algona Transfer Station Safety Improvement Project - add a 2nd outbound scale to enhance customer service and decrease customer waiting time. See attached CIP request forms.
- (F) Savings realized in refinancing.

	<u>Request</u>	<u>Salaries based on</u>	<u>Amount</u>
Scale Operators	3	8 months	\$ 103,194
TSOs	10	5 - 6 months, \$\$ only 2 - 8 months 3 - 0\$; only FTE authority (1 FTE; \$\$ for 7)	\$ 250,498
Truck Drivers	10	4 - 8 months 6 - 6 months, \$\$ only (2 FTEs; \$\$ for 10)	\$ 378,790
Supervisor	1	6 months, \$\$ only	<u>\$ 48,321</u>
		Total Labor and Benefits	<u><u>\$ 780,804</u></u>

Org Job Class Position

Transfer Station Operator

	FTE	Positions	Salary	Flex	Fica	Ret	L&I	Full year Total	6 months	8 months
1688 8682 Lay off recall - step D	Note 1	1	\$ 48,963	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 68,611	\$ 34,305	\$ 40,846
1688 8682 Lay off recall - step C	Note 1	1	\$ 44,720	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 64,368	\$ 32,184	\$ 40,247
1688 8682 Lay off recall - step D	Note 1	1	\$ 48,963	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 68,611	\$ 34,305	\$ -
1688 8682 Lay off recall - step D	Note 1	1	\$ 48,963	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 68,611	\$ 34,305	\$ -
1688 8682 Lay off recall - step D	Note 1	1	\$ 48,963	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 68,611	\$ 34,305	\$ -
1688 8682 Lay off recall - step B	Note 1	1	\$ 41,621	\$ 12,144	\$ 3,811	\$ 1,649	\$ 2,044	\$ 61,269	\$ 30,371	\$ -
1688 8682 New hire - Step B	1.00		\$ 41,621	\$ 12,144	\$ 3,184	\$ 1,378	\$ 2,044	\$ 60,371	\$ -	\$ -
1688 8682 FTE authority only - LHWMP Money in budget	Note 1	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1688 8682 FTE authority only - LHWMP Money in budget	Note 1	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1688 8682 FTE authority only - LHWMP Money in budget	Note 1	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	1.00	10	\$ 323,814	\$ 85,008	\$ 26,048	\$ 11,270	\$ 14,310	\$ 460,451	\$ 169,406	\$ 81,093

Truck driver III

	FTE	Positions	Salary	Flex	Fica	Ret	L&I	Full year Total	6 months	8 months
1689 8681 Lay off recall - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ 46,301
1689 8681 Lay off recall - step B	Note 1	1	\$ 42,245	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 62,004	\$ 31,002	\$ 46,301
1689 8681 Lay off recall - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ 40,780
1689 8681 Lay off recall - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ -
1689 8681 Lay off recall - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ -
1689 8681 Lay off recall - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ -
1689 8681 Lay off recall from TD II - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ 46,301
1689 8681 Lay off recall from TD II - step D	Note 1	1	\$ 49,691	\$ 12,144	\$ 3,889	\$ 1,683	\$ 2,044	\$ 69,451	\$ 34,725	\$ 46,301
1689 8681 New hire - Step B	1.00	1	\$ 42,245	\$ 12,144	\$ 3,306	\$ 1,430	\$ 2,044	\$ 61,170	\$ 30,371	\$ 40,780
1689 8681 New hire - Step B	1.00	1	\$ 42,245	\$ 12,144	\$ 3,306	\$ 1,430	\$ 2,044	\$ 61,170	\$ 30,371	\$ 40,780
	2.00	10	\$ 474,573	\$ 121,440	\$ 37,723	\$ 16,322	\$ 20,442	\$ 670,500	\$ 204,629	\$ 174,161

Scale Operator

	FTE	Positions	Salary	Flex	Fica	Ret	L&I	Full year Total	6 months	8 months
7574 8382 New hire (Current contract has no steps)	1.00	1	\$ 33,638	\$ 12,144	\$ 2,632	\$ 1,139	\$ 2,044	\$ 51,597	\$ 25,798	\$ 34,398
7574 8382 New hire (Current contract has no steps)	1.00	1	\$ 33,638	\$ 12,144	\$ 2,632	\$ 1,139	\$ 2,044	\$ 51,597	\$ 25,798	\$ 34,398
7574 8382 New hire (Current contract has no steps)	1.00	1	\$ 33,638	\$ 12,144	\$ 2,632	\$ 1,139	\$ 2,044	\$ 51,597	\$ 25,798	\$ 34,398
Supervisor	3.00	3	\$ 100,914	\$ 36,432	\$ 7,896	\$ 3,417	\$ 6,132	\$ 154,791	\$ -	\$ 103,194
	-	-	\$ -	\$ 12,144	\$ 5,758	\$ 2,491	\$ 983	\$ 96,642	\$ 48,321	\$ -

1688 8662 Supervisor

Total

24

\$ 422,356 \$ 358,448
\$ 780,804

Note 1 FTE authority is in the budget, but the position was funded for 1/2 year only.

Note 2 Full year salaries and benefits in years 2005, 2006 and 2007, assuming a 2.6% COLA, are as follows:

	2005	2006	2007
	\$1,623,361	\$1,663,945	\$1,705,543

2004-379Item RequestedAmountSupplies and Services

Diesel (increase in fuel costs & fuel use) Supplies \$ 420,000

Automotive Supplies (more transportation) Supplies \$ 410,000

Shop Operations (more transportation) Supplies \$ 100,000

Rental - Haul Tractors Services \$ 100,000

Additional legal fees Services \$ 310,000

\$ 1,340,000TransfersLandfill Reserve Fee increase (due to more tonnage) \$ 372,050

Fiscal Note
 2004 Supplemental
 Solid Waste Division O and M Expenditures

Item Requested	2004	2005	2006	2007
<u>Supplies and Services</u>				
Diesel	Supplies \$ 420,000	431,000	442,000	453,000
Automotive Supplies	Supplies \$ 410,000	420,000	431,000	442,000
Shop Operations	Supplies \$ 100,000	103,000	106,000	109,000
Rental - Haul Tractors	Services \$ 100,000			
Additional legal fees (One time cost)	Services \$ 310,000			
	<u>\$ 1,340,000</u>	<u>\$ 954,000</u>	<u>\$ 979,000</u>	<u>\$ 1,004,000</u>
<u>Transfers</u>				
Landfill Reserve Fee increase (due to more tonnage)	\$ 372,050	\$ 372,050	\$ 372,050	\$ 372,050
<u>Contra</u>				
Reinstatement of vetoed proviso	\$ 500,000			

2004-379

Statement 5

Fiscal Note
2004 Supplemental
Solid Waste Division Supplies

Account	Description	Total Budget	Actuals thru 5/04	Budget thru 5/04	Actual spending rate	% tons compared to adopted	Estimated Cost increases	Needed Budget	Increase (rounded)
52221	AUTOMOTIVE SUPPLIES	\$ 957,000	\$ 420,111	\$ 398,750	105%	118%		\$ 1,189,755	\$ 230,000
52225	TIRES & TUBES	\$ 340,000	\$ 182,558	\$ 141,667	129%	118%		\$ 517,005	\$ 180,000
	Subtotal automotive								\$ 410,000
52227	DIESEL	\$ 1,153,806	\$ 483,836	\$ 480,753	101%	118%	115%	\$ 1,575,757	\$ 420,000
53633 (1)	HEAVY EQUIP REPAIR/MAINT	\$ 250,000	\$ 122,822	\$ 104,167	118%	118%		\$ 347,832	\$ 100,000

(1) Account 53633 adjusted for capital repairs that will be paid by CERP.
The \$122, 822 amount reflects the adjustment after the CERP transaction is complete.

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Haul tractors

Rent 4 tractors for 2 months	\$ 25,000
Rent 7 tractors for 3 months	<u>73,500</u>
	98,500
Total (rounded)	<u><u>\$ 100,000</u></u>

Transfers

Landfill Reserve Fee increase (due to more tonnage)

2004 Re-estimate of tonnage	990,000
2004 Adopted tonnage	<u>955,000</u>
Increase in tonnage	35,000
Rate per ton	\$ 10.63
Increase in transfer	<u>\$ 372,050</u>

Solid Waste Division (SWD) Fund/4040
Non-CX Financial Plan

2004-379

	2003 Actual ¹	2004 Adopted	2004 Revised	2004 Estimated ²
Beginning Undesignated Fund Balance	16,283,548	18,399,234	20,954,637	20,954,637
Prior Year Carryovers	3,296,467		4,114,290	4,114,290
Adjusted Beginning Fund Balance	19,580,015	18,399,234	25,068,927	25,068,927
Revenues				
Net Disposal Fees ³	75,673,022	74,031,261	74,031,261	77,851,200
Moderate Risk Waste	2,839,659	3,426,000	3,426,000	3,426,000
CDL Revenues	532,217	680,000	680,000	453,333
Grants	714,643	838,100	838,100	838,100
Insurance Revenue, Brighton	1,172,500			
Bond Payment from Rabanco ⁴				1,168,980
Harbor Island Lease Revenue ⁵		264,000	264,000	264,000
Land Fill Gas to Energy				
Other Revenues ⁶	1,790,025	902,150	902,150	902,150
DNRP Administration	4,646,463	5,060,860	4,857,224	4,857,224
Total Revenues	87,368,529	85,202,371	84,998,735	89,760,987
Expenditures				
Solid Waste Division ⁷	(54,329,271)	(56,120,734)	(56,120,734)	(58,281,538)
Landfill Reserve Fund Transfer ⁷	(10,835,726)	(10,151,650)	(10,151,650)	(10,523,700)
CERP Fund Transfer	(2,369,600)	(1,880,000)	(1,880,000)	(1,780,000)
Construction Fund Transfer ⁸	0	(4,090,000)	(4,090,000)	(4,090,000)
Rent, Cedar Hills		(7,000,000)	(7,000,000)	(7,000,000)
Litigation Costs				(560,000)
Debt Service - Existing	(6,392,848)	(6,598,552)	(6,598,552)	(6,252,274)
Risk Abatement		(183,917)	(183,917)	(183,917)
Expenditures from prior year carryover	(3,296,467)	0	(4,114,290)	(4,114,290)
2nd Quarter Omnibus Ordinance - SWD (CX O/H Adj)			0	(49,351)
2nd Quarter Omnibus Ordinance - SWD (UAC)				(33,783)
DNRP Administration	(4,655,706)	(4,857,224)	(4,857,224)	(4,857,224)
2nd quarter Omnibus Ordinance - DNRP Admin (CX O/H Adj)			0	(3,755)
Total Expenditures	(81,879,618)	(90,882,077)	(94,996,367)	(97,729,832)
Estimated Underexpenditures⁹		1,555,699	1,555,699	1,620,523
Other Fund Transactions				
*				
Total Other Fund Transactions	0	0	0	0
Ending Fund Balance	25,068,927	14,275,227	16,626,994	18,720,605
Reserves & Designations				
Reserve for Encumbrance Carryover - SWD	(3,721,782)			
Reserve for Encumbrance Carryover - DNRP Admin.	(169,440)			
Unencumbered Carryovers	(223,068)			
Total Reserves & Designations	(4,114,290)	0	0	0
Ending Undesignated Fund Balance	20,954,637	14,275,227	16,626,994	18,720,605
Target Fund Balance ¹⁰	6,791,159	7,015,092	7,015,092	7,285,192

Footnotes:

- 1) 2003 Actuals are from the 2003 CAFR.
- 2) 2004 Estimated is based on disposal of 990,000 tons; the 2004 adopted budget is based on disposal of 955,000 tons.
- 3) Regional direct tip fee revenues are based on the May 4, 2004 legal decision. Waste Mgmt. shifted regional direct tonnage to transfer stations following a regional direct fee increase to \$69.50 per ton on May 18, 2004. Rabanco's regional direct fee remains at \$59.50 per ton. The forecast assumes that the final legal decision will allow the solid waste division to increase Rabanco's regional direct fee to \$69.50 beginning in January 2005 and that Rabanco will stop bringing tonnage at the regional direct rate.
- 4) The forecast assumes that the final legal decision will allow the solid waste division to increase the regional direct fee in December 2004 and that the division will receive bond payments made by Rabanco under the terms of the May 4, 2004 court order. (See footnote 3)
- 5) Harbor Island lease revenues were budgeted in the adopted 2004 solid waste operating fund budget. Since they will be recognized as revenues to the solid waste construction fund, the "estimated 2004" column does not include these revenues.
- 6) Other Revenues includes WRR revenues, interest earnings, and other miscellaneous revenues.
- 7) 2004 estimated SWD expenditures & the LRF transfer are revised from the adopted budget based on current tonnage assumptions.
- 8) The \$4.09 million transfer to the construction fund reimburses the construction fund for a portion of the cost of the purchase of Harbor Island.
- 9) Underexpenditures equals 3% of Solid Waste Division operating expenditures, excluding grant funded expenditures.
- 10) Minimum fund balance target based on 45-day cash reserve policy (SWD operating expenditures x 45/360).