



REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and Members of the City Council

From: Patrick Urich, City Manager

AGENDA DATE REQUESTED: November 15, 2011

ACTION REQUESTED: REQUEST TO PROVIDE ADDITIONAL INFORMATION AND SEEK DIRECTION REGARDING THE FY2012 CITY OF PEORIA BUDGET AND OTHER MATTERS.

BACKGROUND: The City Manager will provide additional information and seek direction from the City Council on the IFY2012 City of Peoria Budget and Other Matters.

FINANCIAL IMPACT: N/A

NEIGHBORHOOD CONCERNS: N/A

IMPACT IF APPROVED: N/A

IMPACT IF DENIED: N/A

ALTERNATIVES: Choose an alternate meeting date or fold budget discussion into a regular meeting.

EEO CERTIFICATION NUMBER: N/A

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Have an efficient government.

REQUIRED SIGNATURES

Department Director

City Manager

Finance Director

(Certification of Availability of Funds)

Corporation Counsel

City Manager



Office of the City Manager

*Hand out at 11/15/11
Special Meeting*

TO: Honorable Mayor and Members of the City C
FROM: Patrick Urich, City Manager
DATE: November 15, 2011
SUBJECT: Additional Information Regarding Garbage F

Following the discussion on November 10, 2011, Staff met with representatives of PDC regarding the proposed contract extension. On Wednesday November 16, 2011, the Federal Bureau of Labor Statistics will release the new consumer price index for October 2011. This is the month used to calculate the year over year increase in the base contract for Peoria Disposal Company. Staff has been discussing several points raised by Council on November 10, notably: the 2012 increase and a lower annual cost escalator than 3.8%; the cost for amortizing the cost of the toters; the cost for managing the toter program; the ownership of the carts; and the length of the agreement extension. Following the release of the CPI numbers tomorrow, staff will reconvene with PDC and prepare a more detailed report with options for Council to consider.

The expenses for managing the refuse collection are on page 247 in the budget book. These expenses total \$5,621,600. Included in these figures are the following expenses:

- City Disposal – the cost of city trash disposal and street sweepings are \$100,000
- Disposal Other – the cost of special waste collections are \$14,500
- Other – the billing cost from Illinois American Water Company are \$88,000
- City Wide Collection - Funds for Solid Waste Collection are currently included in the 3011 Cost Center and are budgeted for 2012 as follows:
 - Collection Contract \$5,252,600
 - Recycling Pickups \$ 25,000 (City Buildings & Condos)
 - District 150 Contract \$ 103,000
 - PARC Services \$ 35,000 (Downtown Trash Containers)
 - Toter Carts \$ 1,000 (Misc Expense)
 - Downtown Trash Cans \$ 2,500 (Also covers neighborhood containers)
 - Total Proposed Budget \$5,419,100

In creating a separate fund for refuse collection, staff recommends that additional staff costs for managing the program be allocated to the fund. This would include the staff time for a portion of Director Barber and other Public Works staff salaries attributable to managing the program, approximately \$50,000.

These expenses, \$5,671,600, divided by the 39,619 households PDC currently bills for, amounts to \$11.93 per month for of the collection costs associated with refuse collection in the City of Peoria.

Springdale Cemetery Management Authority
Draft Budget Numbers--For Discussion Purposes Only

Proposed
2012

Revenue:

Lot sales	\$	34,000
Crypt & niche sales		16,000
Pet cemetery sales		2,500
Openings and closings		66,000
Refund/Bad Debt		(5,000)
Disinterments		0
Research fees		100
Miscellaneous income		6,000
Markers		31,000
Flowers and Wreaths		800
Urns		750
Internet Retail Sales		10,000
Engraving		4,400
Total Revenue	\$	<u>166,550</u>

Cost of Sales:

Crypts	0
Markers	15,500
Flowers and Wreaths	600
Urns	375
Pets	500
Internet Sales	5,000
Engraving	1,400
Cost of Sales	<u>23,375</u>
Gross Margin	\$ <u>143,175</u>

Selling Expenses:

Personnel Expenses:	
Salaries	\$ 30,000
Commissions paid	0
Payroll taxes	2,550
Workmens Comp Insurance	500
Advertising Expenses:	
Print ads	0
Radio	0
Television	0
Brochures and printing	1,000
Postage and mailings	1,000
Telephone expense	400

Marketing consultants		10,000
Total Selling Expense	\$	<u>45,450</u>

Grounds and Maintenance:

Personnel Expenses:		
Salaries and wages regular	\$	132,000
Salaries and wages overtime		15,000
Payroll taxes		12,500
Workmens Comp Insurance		7,000
Equipment repairs		25,000
Equipment rental		500
Fuel expense		17,000
Ground supplies (seeds, etc.)		4,000
Shop supplies		2,600
Small tools		1,500
Uniforms		4,000
Garbage and disposal fees		1,800
Restoration expenses		1,000
Miscellaneous expense		1,500
Depreciation expense		70,000
Total Grounds & Maintenance	\$	<u>295,400</u>

Administrative Expenses:

Personnel Expenses:		
Salaries and wages regular	\$	109,000
Salaries and wages overtime		2,000
Payroll taxes		9,500
Workmens Comp Insurance		1,000
Insurance - General liability		5,000
Accounting and audit fees		13,000
Computer support fees		1,800
Internet services		1,500
Contractual services		2,000
Payroll service fees		0
Security expenses		1,400
Office supplies		1,700
Telephone expense		8,000
Postage and shipping		600
Dues and subscriptions		1,000
Equipment repairs		250
Equipment rental		250
Miscellaneous expense		1,000
Special events		500
Credit card fees		1,600
Bank charges		400
Depreciation expense		26,000
Total Administration Costs	\$	<u>187,500</u>

Facilities Expenses:

Offices/Maintenance Buildings:

Repairs and maintenance	\$	6,500
Utilities and water		8,500
Insurance		4,000
Depreciation expense		8,500

Mausoleum:

Repairs and maintenance		1,200
Utilities and water		4,800
Insurance		200
Depreciation expense		9,400
Total Facilities Expense	\$	<u>43,100</u>

Other Income:

Contributions - General	\$	2,000
Contributions - SHPF		20,000
Operating subsidy - City of Peoria		0
Operating subsidy - Peoria County		60,000
Operating subsidy - Peoria Park District		40,000
Capital subsidy - City of Peoria		0
Investment income - Care Funds		10
Investment income - Decoration Funds		1,500
Investment income - Pre-need Funds		750
Gain (Loss) on asset disposals		0
Total Other Income	\$	<u>124,260</u>

Total Operating Income (Loss) with Depreciation	\$	<u><u>(304,015)</u></u>
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Adustments:

Depreciation Expense		113,900
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Total Operating Income (Loss) w/o Depreciation		<u><u>(190,115)</u></u>
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Springdale Cemetery Management Authority

Comparative Income Statement

For the One Month Ending October 2011 and 2010, and

For the Ten Month Period Ending October 31, 2011 and 2010

NOTE FOR INTERNAL USE PURPOSES ONLY

THIS REPORT NOT APPROVED BY BOARD

AT BOARD MEETING

	October 2011	October 2010	Year To Date 2011	Year To Date 2010
Revenue:				
Lot sales	\$ 3,853	\$ -	\$ 30,961	\$ 31,265
Crypt & niche sales	-	-	8,160	(89)
Pet cemetery sales	-	418	1,860	1,493
Openings and closings	9,770	4,535	61,759	81,494
Refund/Bad Debt	(235)	-	(2,960)	(12,157)
Disinterments	-	-	-	-
Research fees	-	-	-	80
Miscellaneous income	6	195	4,269	6,445
Markers	630	4,519	25,198	39,278
Flowers and Wreaths	246	366	831	974
Urns	-	-	550	139
Internet Retail Sales	-	-	-	-
Engraving	225	663	2,848	4,846
Total Revenue	\$ 14,494	\$ 10,696	\$ 133,476	\$ 153,768
Cost of Sales:				
Crypts	\$ -	\$ -	\$ -	\$ -
Markers	-	1,938	16,123	42,360
Flowers and Wreaths	-	164	-	785
Urns	-	-	-	-
Pets	-	-	100	-
Internet Sales	-	-	-	-
Engraving	-	-	642	299
Cost of Sales	-	2,101	16,865	43,443
Gross Margin	\$ 14,494	\$ 8,595	\$ 116,612	\$ 110,325
Selling Expenses:				
Personnel Expenses:				
Salaries (Wages)	\$ 1,731	\$ -	\$ 21,180	\$ -
Commissions paid	-	-	-	3,604
Payroll taxes	199	-	3,128	-
Workmens Comp Insurance	-	-	-	-
Advertising Expenses:		5,802		7,215
Signage	-	-	16	-
Print ads	-	-	-	-
Radio	-	-	-	-
Television	-	-	-	-
Brochures and printing	-	-	-	-
Postage and mailings	-	-	-	-
Telephone expense	-	-	-	-
Marketing consultants	-	-	-	-
Total Selling Expense	\$ 1,930	\$ 5,802	\$ 24,324	\$ 10,819

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AT BOARD MEETING

	October 2011	October 2010	Year To Date 2011	Year To Date 2010
Grounds and Maintenance:				
Personnel Expenses:				
Salaries and wages regu \$	11,134 \$	11,525 \$	111,158 \$	141,641
Salaries and wages overtim	840	2,228	10,623	21,065
Payroll taxes	994	971	15,639	14,523
Workmens Comp Insurance	1,630	4,579	7,188	11,129
Equipment repairs	1,631	547	29,846	20,150
Equipment rental	-	37	31	378
Fuel expense	893	-	14,586	14,610
Ground supplies (seeds, etc.)	12	56	3,020	14,134
Shop supplies	198	623	2,223	2,155
Small tools	146	222	836	578
Uniforms	354	459	3,525	2,866
Garbage and disposal fees	23	102	1,426	898
Restoration expenses	-	933	-	20,226
Miscellaneous expense	-	-	-	4,927
Depreciation expense	5,512	6,511	61,111	65,111
Total Grounds & Mai \$	23,366 \$	28,795 \$	261,211 \$	334,390

Administrative Expenses:

Personnel Expenses:				
Salaries and wages regu \$	8,759 \$	8,846 \$	90,039 \$	109,452
Salaries and wages overtim	301	380	2,205	3,006
Payroll taxes	596	809	9,383	12,102
Workmens Comp Insurance	93	509	771	1,247
Insurance - General liability	541	-	4,473	4,817
Accounting and audit fees	-	-	12,250	9,750
Computer support fees	2,931	-	3,792	2,600
Internet services	45	45	499	419
Contractual services (Computer /Office	59	-	4,561	-
Payroll service fees	242	227	2,488	2,368
Security expenses	-	-	1,024	-
Office supplies	106	494	1,511	4,091
Telephone expense	583	622	6,474	5,695
Postage and shipping	88	-	463	930
Dues and subscriptions	-	-	770	260
Equipment repairs				
Equipment rental				
Miscellaneous expense	42	-	1,060	15,719
Special events	-	-	-	300
Credit card fees	172	197	1,553	929
Bank charges	-	-	185	221
Depreciation expense	1,925	2,274	21,340	22,737
Total Administration \$	16,482 \$	14,402 \$	164,842 \$	196,644

Springdale Cemetery Management Authority
Comparative Income Statement
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For the Ten Month Period Ending October 31, 2011 and 2010

NOTE FOR INTERNAL USE PURPOSES ONLY
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AT BOARD MEETING

	<u>October 2011</u>		<u>October 2010</u>		<u>Year To Date 2011</u>		<u>Year To Date 2010</u>
Facilities Expenses:							
Offices/Maintenance Buildings:							
Repairs and maintenance	\$ 50		\$ 91		\$ 3,600		\$ 7,767
Utilities and water	532		118		6,838		6,361
Insurance	448		-		3,701		3,455
Depreciation expense	612		723		6,790		7,235
Mausoleum:							
Repairs and maintenance	-		-		617		1,405
Utilities and water	243		373		4,141		7,862
Insurance	19		-		154		112
Depreciation expense	700		827		7,760		8,268
Total Facilities Expen	\$ 2,603		\$ 2,132		\$ 33,602		\$ 42,464
Other Income:							
Contributions - General	\$ 1,600		\$ 2		\$ 2,774		\$ 1,592
Contributions - SHPF	-		-		1,200		8,793
Operating subsidy - City of Peoria	-		-		-		-
Operating subsidy - Peoria County	-		-		-		-
Operating subsidy - Peoria Park District	-		-		-		-
Capital subsidy - City of Peoria	2,854		-		2,854		19,194
Investment income - Care Funds	-		-		-		4
Investment income - Decoration Funds	111		101		3,885		1,423
Interest income - Pre-need Fund	-		16		60		600
Dividends (Pre-need Fund)	117		-		350		-
Unrealized Gain (Loss) on Funds	(2,783)		-		(7,260)		-
Gain (Loss) on asset disposals	(445)		-		(445)		7,835
Total Other Income	1,454		120		3,418		39,440
Total Operating Income (Loss)	\$ (28,433)		\$ (42,416)		\$ (363,949)		\$ (434,552)