

**CITY OF BLOOMINGTON
CITY COUNCIL WORK SESSION
109 E. OLIVE ST.
MONDAY, OCTOBER 28, 2013, 5:30 P.M.**

1. Recommend Changes to Solid Waste Rates and Service Levels (*45 minutes*)
2. Sunnyside Park – Park Naming Policy Discussion (*10 minutes*)
3. Adjourn at 6:25pm



FOR COUNCIL: October 28, 2013

SUBJECT: Financial Analysis Related to Solid Waste Program

RECOMMENDATION/MOTION: Discussion and Council Direction.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: Staff is submitting for Council review a thorough summary of the "Financial Analysis Related to Solid Waste Program" report prepared by Raftelis (see attached copy). Staff has ordered new carts for the weekly household waste collection program. It would be advantageous for residents to know if the City is going to convert from the single rate structure to a new variable rate structure. Furthermore, the Solid Waste Fund has a \$2.6 million structural deficit that will have to be addressed in FY 2015.

Staff is recommending that the City Council give careful consideration to the following:

1. Adopt a new variable rate structure for solid waste collection services.
2. Consider strongly Scenario 2 Medium Transition Alternative.
3. Begin charging for all bulky item collections at \$25.00 per bucket load.
4. Provide customers, upon request, with a second recycle cart at no charge.
5. Implement a Pay As You Throw (PAYT) refuse sticker program to complement the automated cart system.

Under the assumption that the City desires a financially solvent solid waste program the draft report from Raftelis Financial Consultants proposes three alternative rate adjustment scenarios. The three proposed scenarios offer the options of a fast, medium, or slow transition to higher rates for solid waste customers which all lead to a balanced solid waste fund:

1. The *fast scenario* would have the solid waste fund balanced by FY2016 and represents the most aggressive approach to reducing the general fund subsidy. This scenario proposes a 44% increase in fees for a majority of the City's solid waste customers in FY2015 charging \$23.00 per month to customers utilizing a 95 gallon trash cart.

2. The *medium scenario* proposes more gradual increases to the solid waste fee that would effectively eliminate the solid waste subsidy from the general fund by FY2018. This approach would leave the monthly fee for customers desiring a 35 gallon cart at \$16 per month in FY2015 and increase the fee for those desiring a 65 gallon cart to \$18 and \$20.00 for those with a 95 gallon cart.
3. The *slow scenario* relies the most on continued general fund subsidies until FY2018. This option proposes a 12.5% increase in fees for a majority of the City's solid waste customers in FY2015 charging \$18.00 per month to customers utilizing a 95 gallon trash cart.

The report notes that the general fund transfer for FY2014 will be higher than previously projected. Due to increased debt service and a budget shortfall in FY2013, the general fund transfer for FY2014 will be approximately \$2.6 million. All three proposed scenarios account for these increased expenses.

The findings also recommend introducing a Pay As You Throw (PAYT) sticker program to complement the City's automated cart system. The stickers would be used by customers to pay for overflow bags of refuse set outside of the automated carts. At the start of the program it is recommended the City offer 'starter packs' of free stickers to allow customers to feel comfortable with the program. After they have utilized their free stickers they would be made available at local grocery stores for \$3.00. It is estimated that the City would receive approximately \$150,000 in additional revenue per year utilizing such a program.

A final significant proposed change is the elimination of free bulky collection. The report recommends charging customers \$25.00 for every front end loader scoop of brush or large items (no additional fee is intended for the collection of leaves). The fee is stated to not cover the cost of the service but is intended to incentivize customers to containerize more of their refuse which reduces the City's collection costs.

The findings and recommendations are intended to serve as a final component to the solid waste program analysis.

Respectfully submitted for Council consideration.

Prepared by: Alex McElroy, Assistant to the City Manager

Reviewed by: Barbara J. Adkins, Deputy City Manager

Reviewed by: Jim Karch, Director of Public Works

Recommended by: David A. Hales, City Manager

Attachments: Attachment 1. Raftelis Report
Attachment 2. Low Income Report and Research



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October 8, 2013

David A. Hales
City Manager
City of Bloomington
109 E. Olive Street
Bloomington, Illinois 61701

Financial Analysis Related to Solid Waste Program

Dear Mr. Hales:

As you requested, we have prepared this report of our financial analysis related to the City's solid waste program. This report describes our findings, recommends a new rate structure, and offers three alternative rate adjustment scenarios. Our findings and recommendations are based on our review of the 'Solid Waste Analysis – Final Draft Report' dated July 22, 2013, our review of the City's budget, and our discussions with City staff.

Findings

- 1. The City's current rate structure sends faulty pricing signals to residents. As a result, the current rate structure: 1) does not give customers an incentive to conserve resources, 2) leads the City toward inefficient collection methods, and, 3) creates inequity among customers.**

Under the City's current rate structure, all single-family residents pay \$16.00 per month to receive regular weekly unlimited manual collection of refuse, and every-other-week automated collection of recyclables. Residents are also offered curbside collection of brush and bulky waste on a weekly basis on the same day as their refuse collection.

For collection of brush and/or bulky waste, residents are allowed to dispose of two loader buckets of brush or bulky waste per week at no charge. Residents are charged \$25.00 per loader bucket for any waste in excess of the two buckets per week.

The City provides regularly scheduled curbside collection of refuse and recyclables using rear loaders with three person crews (a driver, and two helpers). The City provides brush and bulky waste collection using three each five-person crews (one operator, three truck drivers, and one laborer).

According to a survey conducted by the City, an overwhelming majority of customers typically request bulky item collection only once per month or less. Below in Table 1, we compare the revenue per ton and the cost per ton of bulky waste collection and regular curbside collection.

Table 1 - Comparison between Bulky and Regular Curbside Collection		
Description	Bulky Collection	Regular Curbside Collection
Rate Revenue per Ton		
Annual Rate Revenue	\$25,000	\$4,725,000
Annual Tons - Curbside (a)	3,445	17,705
Rate Revenue per Ton	\$7.26	\$266.87
Operating Cost per Ton		
Annual Operating Cost	\$3,436,000	\$1,462,000
Annual Tons - Curbside (a)	3,445	17,705
Operating Cost per Ton Collected	\$997.39	\$82.58
(a) From pg. 13 of SW Analysis report; excludes drop off tons.		

Table 1 shows that, on a per-ton basis, bulky collection service is far more expensive to provide, and generates significantly less revenue per ton compared to regular curbside service.

Because the first two loader buckets per week are free, there is less incentive for customers to containerize their trash, even when it may be feasible to do so, and set it out for collection in such a manner that it can be more efficiently collected by the City. As a result, the City spends more time collecting bulky waste than it might otherwise if customers were required to pay a fee each time they placed an order for on-call bulky collection service. In addition, customers who more often containerize their waste for efficient collection are subsidizing the cost of collection for those customers who more frequently use bulky collection service.

2. Without significant reductions in its current operating costs, the structural deficit in the Solid Waste Enterprise Fund is projected to be significantly greater than in recent years.

Since its inception in FY 2011, the customer rate revenues in the City's Solid Waste Enterprise Fund have not been sufficient to cover its operating expenditures. As a result, the City has subsidized the Solid Waste Enterprise Fund with contributions from the General Fund. The Solid Waste Enterprise Fund's historical and projected revenues and expenditures are shown on the following page in Table 3.

Table 3 shows that the amount of the General Fund contribution was approximately \$1.5 million and \$1.3 million in the fiscal years ended April 30, 2012 and 2013, respectively. However, in FY 2013, the amount of the General Fund contribution was not enough to cover the entire shortfall. As a result, notwithstanding the General Fund contribution, the Solid Waste Enterprise Fund realized a shortfall of approximately \$491,000 in FY 2013.

Description	Actual		Projected				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenue							
Curbside Rate Revenue	\$ 4,284	\$ 4,725	\$ 4,833	\$ 4,833	\$ 4,833	\$ 4,881	\$ 4,881
Bulky/Brush Revenue	\$ 29	\$ 24	\$ 26	\$ 26	\$ 26	\$ 27	\$ 27
General Fund Contribution	\$ 1,500	\$ 1,304	\$ 2,556	\$ 2,261	\$ 2,586	\$ 2,409	\$ 1,825
Other Revenue	255	166	212	213	213	214	215
Total Revenue	\$ 6,068	\$ 6,219	\$ 7,627	\$ 7,333	\$ 7,658	\$ 7,531	\$ 6,948
Expenses							
Labor and Labor-related	\$ 3,343	\$ 3,482	\$ 3,848	\$ 3,542	\$ 3,600	\$ 3,644	\$ 3,687
Materials and Supplies	\$ 2,467	\$ 2,197	\$ 2,464	\$ 2,474	\$ 2,546	\$ 2,608	\$ 2,670
Debt Service	\$ 37	\$ 791	\$ 1,074	\$ 1,074	\$ 1,266	\$ 1,032	\$ 341
Transfers	\$ 209	\$ 240	\$ 240	\$ 242	\$ 245	\$ 247	\$ 250
Total Expenses	6,056	6,710	7,626	7,332	7,657	7,531	6,948
Surplus/(Shortfall)	12	(491)	1	1	1	0	0

Based on our review of the City's budget projections, we found that the City's expenditures in the solid waste fund are expected to rise significantly in the current fiscal year (FY 2014). Although the City's expenditures are expected to decrease somewhat in FY 2015, they are expected to remain at these current higher levels in fiscal years 2016 and 2017. Although we have not performed a detailed review of the City's cost structure, it appears that these increases are primarily due to the purchase of trucks and containers for the City's automated collection system.

Table 3 shows that the contribution amount from the General Fund needed to balance the budget in the solid waste fund in FY 2014 is projected to be approximately \$2.6 million, and that General Fund contributions of similar magnitude will be required through FY 2017.

Recommended Changes to Rates and Service Levels

Our recommendations are as follows:

1. Begin charging for all bulky item collections.

We recommend that the City charge \$25.00 for each bucket load of bulky waste. This charge will not cover the actual cost of service. However, it will give customers more of an incentive to containerize more of their waste so that it can be collected more efficiently. While a subsidy among customers will continue to exist, it will be less than the current rate structure.

2. Implement a variable rate structure for automated cart service.

We recommend that, in conjunction with the rollout of the automated cart service for refuse collection, the City implement a variable rate structure. This will provide customers with an incentive to divert more material into their recyclables carts, and reduce the amount of waste landfilled. We have developed specific variable rates for three different scenarios. These are described further below and included as attachments to this report.

3. Provide customers, upon request, with a second recycle cart at no charge.

The current policy of requiring customers who want a second recycling cart to purchase carts at a cost of \$60.00 per unit deters customers from taking an additional recycle cart and diverting more of their waste from the landfill. Offering a second recycling cart at no charge is appropriate especially given the City's every-other-week schedule for collecting recyclables.

We believe providing recyclable collection every-other-week is an efficient approach (as opposed to weekly collection of recyclables). Providing customers with an additional recycling cart at no charge would give customers the option of having more capacity to store more recyclables over the two week period between pickups. This enables the City to more efficiently collect more recyclables on a per-stop basis.

Two 95-gallon recycling carts should be adequate for most customers. For customers that desire a three or more recycling carts, we recommend a modest charge of \$2.00 per cart per month to deter customers from taking carts they may not use.

4. Implement a Pay As You Throw (PAYT) refuse sticker program to complement the automated cart system.

We recommend that the City implement a refuse sticker program to complement the automated cart system. The stickers would be used by customers to pay for overflow bags of refuse set outside the automated carts. This would give customers a further pricing signal to containerize more of their waste, and more of an incentive to divert more material into their recycling carts. It would also give them the flexibility to occasionally set bags outside the automated carts. We recommend that the value of the stickers be \$3.00.

The stickers would be printed by the City and offered for sale to residents at various retail outlets in the City (supermarkets, hardware stores, garden centers, etc.). At the rollout of the program, the City should consider providing all residents with a complimentary 'starter pack' of perhaps six to twelve stickers for the first year of the program.

5. Wait on implementing a new policy for servicing multi-family customers.

We recommend that the City consider holding off on giving up any multi-family customers until it has been able to assess the productivity savings from the automated collection system. It would not be prudent for the City to give up a portion of its business only to find that it had excess capacity in its system resulting from the productivity improvements of automated collection.

Alternative Rate Adjustment Scenarios

We have designed variable refuse rates for three different scenarios. For each scenario, the impact on customers, and the impact on the City's budget, are summarized in the three attachments. Each scenario depends upon how quickly the City desires for the Solid Waste Enterprise Fund to transition to a balanced budget, and end the contributions from the General Fund.

Scenario 1 – Fast Transition

Under Scenario 1, the fastest scenario, the Solid Waste Enterprise Fund would only require a contribution from the General Fund of \$150,000 in FY 2015 and achieve a balanced budget by FY 2016. However, this scenario would require a rate increase for most customers of approximately 44% effective May 1, 2014, followed by about a 4% increase on May 1, 2015.¹

Scenario 2 – Medium Transition

Under Scenario 2, the medium scenario, the Solid Waste Enterprise Fund would require contributions from the General Fund of \$1,075,000, \$625,000, and \$500,000 in fiscal years 2015, 2016, and 2017, respectively. Under this scenario, the Solid Waste Enterprise Fund would achieve a balanced budget by FY 2018. However, this scenario would require a rate increases for most customers of approximately 25% effective May 1, 2014, followed by about a 10% increase on May 1, 2015.

Scenario 3 – Slow Transition

Under Scenario 3, the slow scenario, the Solid Waste Enterprise Fund would require contributions from the General Fund of \$1,600,000, \$950,000, and \$500,000 in fiscal years 2015, 2016, and 2017, respectively. Under this scenario, the Solid Waste

¹ The scenarios are based on the assumption that rates are adjusted at the beginning of the fiscal year. If rates are adjusted sooner than May 1st, the City would generate more revenue and expedite the transition to a balanced budget.

Mr. David A. Hales
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Enterprise Fund would achieve a balanced budget by FY 2018. However, this scenario would require a rate increases for most customers of approximately 13% effective May 1, 2014, followed by about a 17% increase on May 1, 2015.

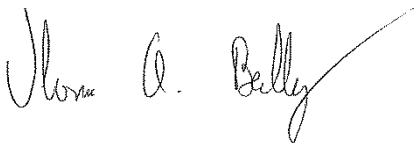
Each of these scenarios is based upon the City's current projected operating results. The City's cost structure may change significantly in the near future, especially considering the transition to automated service, potential changes to multi-family service, and the closure of the McLean County Landfill. As a result, there will likely be differences between the City's projected and actual operating results, and those differences may be material.

* * *

We very much appreciate the opportunity to be of service to the City. If you have any questions or comments or if we can be of further assistance, please feel free to contact me at (816)285-9024 or tbeckley@raftelis.com.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.



Thomas A. Beckley
Manager



William G. Stannard
Chief Executive Officer

Scenario 1 - Fast Transition to Balanced Budget in Solid Waste Enterprise Fund

Description	Actual		Projected				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Basic Rates for Curbside Service:							
Flat Rate per Home	\$14.00	\$16.00	\$16.00				
1 ea. 35 gallon refuse cart				\$19.00	\$20.00	\$20.00	\$20.00
1 ea. 65 gallon refuse cart				\$21.00	\$22.00	\$22.00	\$22.00
1 ea. 95 gallon refuse cart				\$23.00	\$24.00	\$24.00	\$24.00
Refuse Stickers (for extra bags)				\$3.00	\$3.00	\$3.00	\$3.00
Bulky/Brush Collection:							
Bucket Load Charge	\$25.00	\$25.00	\$25.00				
Bulky/Brush Collection (charge for all Bulky/Brush collections)				\$25.00	\$25.00	\$25.00	\$25.00
Annual Percent Increase:							
Extra 35 gallon refuse cart				18.8%	5.3%	0.0%	0.0%
Extra 65 gallon refuse cart				31.3%	4.8%	0.0%	0.0%
Extra 95 gallon refuse cart				43.8%	4.3%	0.0%	0.0%
Summary of Revenue and Expenses (in 000s)							
Revenue							
Curbside Rate Revenue	\$4,285	\$4,725	\$4,833	\$6,934	\$7,408	\$7,408	\$7,408
Bulky/Brush Revenue	29	24	25	38	38	38	38
General Fund Transfer	1,500	1,304	2,556	150	0	0	0
Other Revenue	255	166	212	213	213	214	215
Total Revenue	\$6,069	\$6,219	\$7,626	\$7,334	\$7,658	\$7,659	\$7,660
Expenses							
Labor and Labor-related	3,343	3,482	3,848	3,542	3,600	3,644	3,687
Materials and Supplies	2,467	2,197	2,464	2,474	2,546	2,608	2,670
Debt Service	37	791	1,074	1,074	1,266	1,032	341
Transfers	209	240	240	242	245	247	250
Total Expenses	6,056	6,710	7,626	7,332	7,657	7,531	6,948
Surplus/(Shortfall)	13	(491)	0	2	1	128	712
Surplus/(Shortfall) as % of Revenue	0.2%	-7.9%	0.0%	0.0%	0.0%	1.7%	9.3%

Scenario 2 - Medium Transition to Balanced Budget in Solid Waste Enterprise Fund

Description	Actual		Projected				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Basic Rates for Curbside Service:							
Flat Rate per Home	\$14.00	\$16.00	\$16.00				
1 ea. 35 gallon refuse cart				\$16.00	\$18.00	\$18.00	\$19.00
1 ea. 65 gallon refuse cart				\$18.00	\$20.00	\$20.00	\$21.00
1 ea. 95 gallon refuse cart				\$20.00	\$22.00	\$22.00	\$23.00
Refuse Stickers (for extra bags)				\$3.00	\$3.00	\$3.00	\$3.00
Bulky/Brush Collection:							
Bucket Load Charge	\$25.00	\$25.00	\$25.00				
Bulky/Brush Collection (charge for all Bulky/Brush collections)				\$25.00	\$25.00	\$25.00	\$25.00
Annual Percent Increase:							
Extra 35 gallon refuse cart				0.0%	12.5%	0.0%	5.6%
Extra 65 gallon refuse cart				12.5%	11.1%	0.0%	5.0%
Extra 95 gallon refuse cart				25.0%	10.0%	0.0%	4.5%
Summary of Revenue and Expenses (in 000s)							
Revenue							
Curbside Rate Revenue	\$4,285	\$4,725	\$4,833	\$6,007	\$6,781	\$6,781	\$7,084
Bulky/Brush Revenue	29	24	25	38	38	38	38
General Fund Transfer	1,500	1,304	2,556	1,075	625	500	0
Other Revenue	255	166	212	213	213	214	215
Total Revenue	\$6,069	\$6,219	\$7,626	\$7,333	\$7,657	\$7,533	\$7,336
Expenses							
Labor and Labor-related	3,343	3,482	3,848	3,542	3,600	3,644	3,687
Materials and Supplies	2,467	2,197	2,464	2,474	2,546	2,608	2,670
Debt Service	37	791	1,074	1,074	1,266	1,032	341
Transfers	209	240	240	242	245	247	250
Total Expenses	6,056	6,710	7,626	7,332	7,657	7,531	6,948
Surplus/(Shortfall)	13	(491)	0	1	0	2	388
Surplus/(Shortfall) as % of Revenue	0.2%	-7.9%	0.0%	0.0%	0.0%	0.0%	5.3%

Scenario 3 - Slow Transition to Balanced Budget in Solid Waste Enterprise Fund

Description	Actual		Projected				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Basic Rates for Curbside Service:							
Flat Rate per Home	\$14.00	\$16.00	\$16.00				
1 ea. 35 gallon refuse cart				\$16.00	\$17.00	\$18.00	\$19.00
1 ea. 65 gallon refuse cart				\$17.00	\$19.00	\$20.00	\$21.00
1 ea. 95 gallon refuse cart				\$18.00	\$21.00	\$22.00	\$23.00
Refuse Stickers (for extra bags)				\$3.00	\$3.00	\$3.00	\$3.00
Bulky/Brush Collection:							
Bucket Load Charge	\$25.00	\$25.00	\$25.00				
Bulky/Brush Collection (charge for all Bulky/Brush collections)				\$25.00	\$25.00	\$25.00	\$25.00
Annual Percent Increase:							
Extra 35 gallon refuse cart				0.0%	6.3%	5.9%	5.6%
Extra 65 gallon refuse cart				6.3%	11.8%	5.3%	5.0%
Extra 95 gallon refuse cart				12.5%	16.7%	4.8%	4.5%
Summary of Revenue and Expenses (in 000s)							
Revenue							
Curbside Rate Revenue	\$4,285	\$4,725	\$4,833	\$5,483	\$6,463	\$6,781	\$7,084
Bulky/Brush Revenue	29	24	25	38	38	38	38
General Fund Transfer	1,500	1,304	2,556	1,600	950	500	0
Other Revenue	255	166	212	213	213	214	215
Total Revenue	\$6,069	\$6,219	\$7,626	\$7,333	\$7,664	\$7,533	\$7,336
Expenses							
Labor and Labor-related	3,343	3,482	3,848	3,542	3,600	3,644	3,687
Materials and Supplies	2,467	2,197	2,464	2,474	2,546	2,608	2,670
Debt Service	37	791	1,074	1,074	1,266	1,032	341
Transfers	209	240	240	242	245	247	250
Total Expenses	6,056	6,710	7,626	7,332	7,657	7,531	6,948
Surplus/(Shortfall)	13	(491)	0	1	7	2	388
Surplus/(Shortfall) as % of Revenue	0.2%	-7.9%	0.0%	0.0%	0.1%	0.0%	5.3%

Contributory Report – Solid Waste Analysis

To: David A. Hales, City Manager
CC: Barbara J. Adkins, Deputy City Manager; Jim Karch, Public Works Director; Robbie Henson, Solid Waste Supervisor
From: Alex McElroy, Assistant to the City Manager
Date: October 15, 2013
Subject: Solid Waste Rates – Low-Income Discount

Background

City Officials are currently analyzing alternative variable rate fee structures in efforts to reduce the City's general fund subsidy to solid waste operations. Based on current findings, potential changes to the current rates would result in higher fees for a majority of the City's solid waste customers. The final impact to customers will be a policy decision established by the City Council. The purpose of this report is to investigate potential mitigating programs City Officials may employ in concert with variable rates to assist those in dire financial situations.

Summary

Unfortunately, adjusting fees for service to cover rising operational costs is common practice in today's challenging economy. Costs for goods and services nation-wide continue to rise for both consumers and service providers. Over the course of FY2014, the City Council has taken a diligent, responsible, and thorough approach to analyzing the City's solid waste operations before considering alternative fees. If the Council is to decide to increase fees for service, potential programs may be utilized to offset some costs for customers that would be most adversely impacted by such increases. With this objective in mind, it is first important to ensure the appropriate and intended customers are identified for such a program.

One option would be to offer a senior citizen discount to qualifying customers. Before the proliferation of automated refuse collection services with automated cart systems and variable cart sizes, customers were typically charged uniform rates. During this time, it was not highly uncommon for service providers to offer senior citizen discounts to qualifying customers. The motivation was equity in fee for service as it was assumed older customers generated less waste. However, over the past several years, there has been a notable trend away from senior citizen discounts due to a couple of factors:

Typically, automated collection with variable cart sizes is accompanied with volume based rates (i.e. variable rates based on the size of the cart). With volume based rates, an additional discount for less volume becomes less justified.

Increased lifespan and increased number of senior citizens. The foregone revenue that is essentially transferred to non-senior ratepayers would continue to increase.

However, if the goal is to identify those individuals that would be the most adversely affected by an increased fee, a low- income discount would then be a more appropriate program. It may be prudent to note, however; that the City does not provide this option for other services such as water, sewer, or stormwater. These are services which are currently undergoing separate master plans, the findings of which may include recommendations for increased fees for service.

Certain programs offered by the City do provide the opportunity to apply for a reduction in fees. In the Parks, Recreation and Cultural Arts Department the City offers qualifying individuals discounts for various youth

Contributory Report – Solid Waste Analysis

recreation programs based on extenuating financial circumstances. This may be due to unemployment, extensive hospital bills, or other justifications. In FY2013, a total of 27 individuals participated in the Parks and Recreation discount program for youth recreation camps representing \$2,004 in waived fees. In FY2014, so far there have been 21 individuals participate representing \$2,390 in foregone revenue. The City also utilized a program 4 to 5 years ago whereby the City would fund the replacement of failed water service lines to low-to-moderate income households, as determined by federal guidelines through the PACE Department, but this program has since been discontinued.

Other Service Providers

Online research into current practices of Low-Income Programs administered by solid waste service providers reveals various discount levels as well as diverse qualifying criteria. One more popular method observed was the establishment of low-income guidelines with an adjusting accumulative number per household scale¹.

Jurisdiction	Qualifying Criteria	Discount
Boise, ID	Based on City’s Community Development Block Grant Low Income Guidelines. 1 person household income threshold is \$12,600. Increases \$1,800 each additional person.	30% discount on utility bills
Peters Township, PA	Have an Annual Household Income Below \$35,000; must also either be disabled, widow or widower, or a senior citizen	Low Income Discount ranges from 10% - 100% depending on level of income
Newark, CA	Must qualify for lifeline services or be a senior citizen	18% discount for collection services
San Joaquin, CA	This discount is taken off the first can for the curbside residential refuse collection rate.	30% discount
Santa Fe County, CA	The applicant must present proof of income by presenting, along with a written application for the Permit, a copy of their last current year federal tax return showing that their Adjusted Gross Income was less than \$24,000.00	Standard fee is reduced by \$10
Seattle, WA	Income levels established by the City based on the state’s definition of low income	Up to 50% discount
Alhambra, CA	Income levels based on number of people in household	1 person in the household income threshold is \$47,250. Each additional person increases income threshold by \$6,750
Bernalillo County, NM	The Solid Waste Low Income Program staff determines economic need based upon current HUD guidelines. Eligible households are required to have a gross annual income at or less than 50% as stipulated in HUD guidelines. Income guidelines are updated annually by HUD. The household’s income is based on the GROSS (taxable and non-taxable income) amount of their most recent federal income tax form or SSI benefit form.	Bernalillo County Solid Waste Department offers two levels of low income discounts to qualifying customers. Discounts vary based on household size and income. The largest discounts one may qualify for on a 3 month bill is 72% reduction. The second level of discounts one may qualify for on a 3 month bill is 43% reduction.
Toppenish, WA	Must also be a senior citizen (65+) have a maximum annual household income at or below 125 percent of federal poverty guidelines	25% reduction of solid waste fee
Woodland, CA	Income limit based on household size. 1 person threshold is \$36,800. Threshold increases \$5,250 for each additional person	10% discount off the Waste Management service fees of qualifying households for a 12 month period
Kauai County, HI	Any residence that qualifies for a low income exemption on their property tax under Section 5A-11.4 (d) of the Kaua’i County Code (with gross income of \$60,200 per year or less)	50% reduction in the applicable refuse collection assessment.

¹ See: “2013 Community Development Block Grant income Guidelines.pdf”

Contributory Report – Solid Waste Analysis

Financial Impact of Qualifying Criteria

The overall financial impact of a low-income program for solid waste services would be based on the discount amount, qualifying criteria, and the newly established fees. A quick case study into the Boise, ID Low-Income Program may provide some further insight into some potential pitfalls:

The City of Boise recently amended their Low-Income Program to be less expansive due to an exposure of potential revenue loss of \$1.22 million based on qualifying customers. In 2009, the City of Boise provided a 30% discount on solid waste fees to qualifying customers based on the City’s Community Block Grant Moderate Income Guidelines. The City’s Community Block Grant Program developed Moderate, Low/Moderate, and Low Income guidelines based on an 80%, 50%, and 30% of the median family income respectively². Anyone in the City satisfying these income criteria would be eligible for a 30 percent discount on their solid waste fee.

Although Boise staff found that only 0.35% of their trash customers took advantage of the low-income discount, 36.7% of Boise families actually qualified for the program. With the City’s customer base of 66,800 and a trash rate of \$13.80 the maximum potential cost to the trash fund was \$1.22 million (0.367 x 66,800 x 13.80 = 1,219,935).

Upon review of these findings, Boise staff analyzed all of their low-income applications received in 2008 which produced the following results:

Customers with family income between Moderate and Low/Moderate Income Guidelines	0%
Customers with family income between Low/Moderate and Low Income Guidelines	7%
Customers with family income below Low Income Guidelines	93%

The analysis revealed that 93% of their participating customers were found to be below Low-Income Guidelines. It was also found that only 7% of those currently participating in the program were in the higher income brackets of Low/Moderate and Moderate.

Assuming the bell curve of gross income is a normal distribution, the maximum revenue loss to the City’s solid waste fund under the three income guidelines is broken down below:

Income Guidelines	Qualified Customers	Discount	Revenue Loss
Moderate	13,360	30%	\$1,217,657
Low / Moderate	8,950	30%	\$553,923
Low	2,200	30%	\$109,296

Due to the very low participation numbers of the individuals who qualified for the Low/Moderate and Moderate criteria, City officials decided to amend the program to allow for only individuals satisfying the criteria of Low-Income to participate in the program. With this amendment, the City’s total revenue loss exposure is \$109 thousand, however; staff reports that only approximately 300 customers participate in this program representing an annual cost of \$15 thousand.

² See: “2013 Community Development Block Grant income Guidelines.pdf”

Contributory Report – Solid Waste Analysis

Decisions made by the City of Boise may be advantageous to reflect upon when establishing qualifying criteria for a low-income program. It is recommended that a Low-Income Program be structured to assist those who would receive the greatest benefit from such a program.

Recommendation

In efforts to provide financial relief to solid waste customers that would be most adversely impacted by increased fees for solid waste services, a Low-Income Program should be adopted. Recognizing the City's solid waste fund is undergoing a comprehensive analysis with the goal of reducing the general fund subsidy; such a program must efficiently identify the intended recipients. The City of Boise, ID had previously adopted a Low-Income Program that was unsustainable due to the expansive number of eligible customers. It is recommended the City utilize the federal poverty guidelines as qualifying criteria for a Low-Income Program. The 2013 Federal Poverty Guidelines are issued each year in the Federal Register by the Department of Health and Human Services and are very similar to the revised low-income schedule adopted by Boise, ID³. The Federal Poverty Guidelines are regularly used by the Federal Government for the administrative purposes of determining financial eligibility for certain federal programs and are based on household family numbers⁴.

The proposed eligibility criteria are as follows:

2013 Poverty Guidelines for the 48 Contiguous States and the District of Columbia	
Persons in family/household	Poverty guideline
1	\$11,490
2	15,510
3	19,530
4	23,550
5	27,570
6	31,590
7	35,610
8	39,630
For families/households with more than 8 persons, add \$4,020 for each additional person.	

³ See: "2013 Community Development Block Grant income Guidelines.pdf"

⁴ See: <http://aspe.hhs.gov/poverty/13poverty.cfm#guidelines>



Housing & Community Development

Address:
1025 S. Capitol Boulevard
Boise, Idaho 83706-3000

Phone: 208/384-4158
Fax: 208/384-4195
TTY/Relay: 800/377-3529
Website: www.cityofboise.org/housing

2013 Community Development Block Grant Income Guidelines

Boise City Median Income is \$60,000

Moderate Income Guidelines (80% of Median Income)

Family Size	Annual Gross Income
1 Person	\$33,600
2 Person	\$38,400
3 Person	\$43,200
4 Person	\$48,000
5 Person	\$51,850
6 Person	\$55,700
7 Person	\$59,550
8 Person	\$63,400

Low-Moderate Income Guidelines (50% of Median Income)

Family Size	Annual Gross Income
1 Person	\$21,000
2 Person	\$24,000
3 Person	\$27,000
4 Person	\$30,000
5 Person	\$32,400
6 Person	\$34,800
7 Person	\$37,200
8 Person	\$39,600

Low Income Guidelines (30% of Median Income)

Family Size	Annual Gross Income
1 Person	\$12,600
2 Person	\$14,400
3 Person	\$16,200
4 Person	\$18,000
5 Person	\$19,450
6 Person	\$20,900
7 Person	\$22,350
8 Person	\$23,800

ASPE.hhs.gov
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2013 Poverty Guidelines

One Version of the [U.S.] Federal Poverty Measure

[[Federal Register Notice, January 24, 2013](#) — Full text]

[[Prior Poverty Guidelines and Federal Register References Since 1982](#)]

[[Frequently Asked Questions](#) (FAQs)]

[[Further Resources on Poverty Measurement, Poverty Lines, and Their History](#)]

[[Computations for the 2013 Poverty Guidelines](#)]

There are two slightly different versions of the federal poverty measure:

- The [poverty thresholds](#), and
- The [poverty guidelines](#).

The **poverty thresholds** are the original version of the federal poverty measure. They are updated each year by the **Census Bureau**. The thresholds are used mainly for **statistical purposes** — for instance, preparing estimates of the number of Americans in poverty each year. (In other words, all official poverty population figures are calculated using the poverty thresholds, not the guidelines.) [Poverty thresholds since 1973 \(and for selected earlier years\)](#) and [weighted average poverty thresholds since 1959](#) are available on the Census Bureau's Web site. For an example of how the Census Bureau applies the thresholds to a family's income to determine its poverty status, see "[How the Census Bureau Measures Poverty](#)" on the Census Bureau's web site.

The **poverty guidelines** are the other version of the federal poverty measure. They are issued each year in the *Federal Register* by the **Department of Health and Human Services (HHS)**. The guidelines are a simplification of the poverty thresholds for use for **administrative purposes** — for instance, determining financial eligibility for certain federal programs. The [Federal Register notice of the 2013 poverty guidelines](#) is available.

The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

Key differences between poverty thresholds and poverty guidelines are outlined in a table under [Frequently Asked Questions](#) (FAQs). See also the [discussion of this topic](#) on the Institute for Research on Poverty's web site.

The following figures are the 2013 HHS poverty guidelines which are scheduled to be published in the *Federal Register* on January 24, 2013. (Additional information will be posted after the guidelines are published.)

2013 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
1	\$11,490
2	15,510
3	19,530
4	23,550
5	27,570
6	31,590
7	35,610
8	39,630
For families/households with more than 8 persons, add \$4,020 for each additional person.	

2013 POVERTY GUIDELINES FOR ALASKA

Persons in family/household	Poverty guideline
1	\$14,350
For families/households with more than 8 persons, add \$5,030 for each additional person.	

Persons in family/household	Poverty guideline
2	19,380
3	24,410
4	29,440
5	34,470
6	39,500
7	44,530
8	49,560
For families/households with more than 8 persons, add \$5,030 for each additional person.	

2013 POVERTY GUIDELINES FOR HAWAII

Persons in family/household	Poverty guideline
1	\$13,230
2	17,850
3	22,470
4	27,090
5	31,710
6	36,330
7	40,950
8	45,570
For families/households with more than 8 persons, add \$4,620 for each additional person.	

SOURCE: *Federal Register*, Vol. 78, No. 16, January 24, 2013, pp. 5182-5183

The separate poverty guidelines for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. Note that the poverty thresholds — the original version of the poverty measure — have never had separate figures for Alaska and Hawaii. The poverty guidelines are not defined for Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, and Palau. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office which administers the program is responsible for deciding whether to use the contiguous-states-and-D.C. guidelines for those jurisdictions or to follow some other procedure.

The poverty guidelines apply to both aged and non-aged units. The guidelines have never had an aged/non-aged distinction; only the Census Bureau (statistical) poverty thresholds have separate figures for aged and non-aged one-person and two-person units.

Programs using the guidelines (or percentage multiples of the guidelines — for instance, 125 percent or 185 percent of the guidelines) in determining eligibility include Head Start, the Food Stamp Program, the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program. Note that in general, cash public assistance programs (Temporary Assistance for Needy Families and Supplemental Security Income) do NOT use the poverty guidelines in determining eligibility. The Earned Income Tax Credit program also does NOT use the poverty guidelines to determine eligibility. For a more detailed list of programs that do and don't use the guidelines, see the [Frequently Asked Questions](#) (FAQs).

The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. For instance, the guidelines issued in January 2013 are designated the 2013 poverty guidelines. However, the 2013 HHS poverty guidelines only reflect price changes through calendar year 2012; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 2012. (The 2012 thresholds are expected to be issued in final form in September 2013; a preliminary version of the 2012 thresholds is now available from the Census Bureau.)

The [computations for the 2013 poverty guidelines](#) are available.

The poverty guidelines may be formally referenced as "the poverty guidelines updated periodically in the *Federal Register* by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)."

Go to [Further Resources on Poverty Measurement, Poverty Lines, and Their History](#)

Go to [Frequently Asked Questions \(FAQs\)](#)

Return to the main [Poverty Guidelines, Research, and Measurement](#) page.

CITY OF BLOOMINGTON, COMMUNITY DEVELOPMENT DIVISION

HUD INCOME GUIDELINES FOR FY 2013-14/ PROJECT YEAR 39

(Effective 1-1-2013)

Size of Household	<30% Ext. Low	31-50% Low	51-80% Moderate
1	\$0 - \$17,700	\$17,701 - \$29,500	\$29,501 - \$45,100
2	\$0 - \$20,200	\$20,201 - \$33,700	\$33,701 - \$51,550
3	\$0 - \$22,750	\$22,751 - \$37,900	\$37,901 - \$58,000
4	\$0 - \$25,250	\$25,251 - \$42,100	\$42,101 - \$64,400
5	\$0 - \$27,300	\$27,301 - \$45,500	\$45,501 - \$69,600
6	\$0 - \$29,300	\$29,301 - \$48,850	\$48,851 - \$74,750
7	\$0 - \$31,350	\$31,351 - \$52,250	\$52,251 - \$79,900
8	\$0 - \$33,350	\$33,351 - \$55,600	\$55,601 - \$85,050

**Bloomington Parks and Recreation
Policy on
NAMING (RENAMING) PARKS AND FACILITIES**

- 1.0 Statement of Purpose. The parks and facilities of the City of Bloomington are important parts of community life and the selection of names for these recreation areas, if any, is a matter of considerable public interest. The following statements shall govern the naming or renaming of parks and facilities when the city council determines it appropriate that a specific park or facility be designated by a name.

- 2.0 Community and Neighborhood Parks as Defined in the Comprehensive Park and Recreation Plan, November 1997.

- 2.1 The following criteria in the order listed in sections 2.11 through 2.14 shall be given priority over each succeeding paragraph in the naming and renaming of community and neighborhood parks:
 - 2.11 Park features such as topography, natural assets, the purpose of the park or activities to be held in the park (i.e. Prairie Vista).

 - 2.12 Names of areas, such as the neighborhood in which a park is located or after schools when park is adjacent (i.e. Northpointe, Pepperidge).

 - 2.13 Major street names surrounding the park site (i.e. White Oak, Clearwater).

 - 2.14 Former Presidents of the United States or significant historical events (i.e. Lincoln Leisure Center, Marie Litta).

- 2.2 The additional criteria set forth in 2.21 and 2.22 below may also be used in the naming or renaming of neighborhood parks only.
 - 2.21 Donations to the City wherein the donor's name or that of a third party is used.

 - 2.22 Names of former City Council members, Mayors, City Officials or citizens who have contributed substantial services in the expansion and growth of the Parks and Recreation Department or who were closely associated with a significant community event.

- 3.0 Special Conditions. The following special conditions shall prevail in the naming or renaming of parks:
- 3.1 A formal written request must be received by the City Council. A councilman member may also submit a written request to his/her fellow councilman. The request must specify the proposed name and rationale in support of the request.
- 3.2 A minimum of 60-days shall transpire from the Council's initial discussion of a request to name (or rename) until a formal vote may be taken.
- 3.3 A 2/3 affirmative vote of the Council is required to name or rename a park.
- 3.4 No park shall be name by reason of a donation to the City, unless:
- 3.41 The donation is of land for the park site or cash, services, or personal property donated equals the market value of the park site for which the name is proposed.
- 3.42 The proposed name to be used receives the consent of the person to be honored, if living, or if deceased, consent of the closest living family member(s).
- 3.5 When a park is named (or renamed) by reason of a donation, the term (length) of the naming (or renaming) shall be mutually agreed to by the prospective donor and the City Council at the time the naming request is discussed.
- 3.6 A park may be named after a former Mayor, Councilmen, City Official only after the individual has been retired from office for a minimum of five (5) years. The waiting period may be waived if the individual is being honored posthumously.
- 3.7 The Council may conduct a public contest for the naming of parks. Such contest shall be conducted in accordance with these policies.
- 4.0 Facilities. Facilities (or portions thereof) and/or amenities within parks may be named or renamed in accordance with Section 3 above.

9/24/2013

Bloomington City Council

My name is Dodie Dunson and I was born and raised on Bloomington's west side of the city and attended the Bloomington Public School District. I am currently the Director of the Lawrence Irvin Neighborhood Community Center (LINC) and have been employed there for the past 23 years. I have been associated with the 'center' since the late 1960s. Why am I giving you this history? There is a park located down from LINC called Sunnyside Park. Children from the center and from the housing projects often play at this park. I am writing you today with a request. This request is to honor an extraordinary man from the Bloomington area that has been instrumental in many aspects of the black community. His name is Willie Brown. It would mean so much to the community to rename the Sunnyside Park to the *Willie Brown Park* in honor of his loyalty and dedication to the community.

Willie Brown is well-known not only the Bloomington but also the Normal community for so many positive reasons. He has been a life-long resident who has been inspirational to many. He has dedicated his entire life to investing in the others, especially our youth. He has invested over 4 decades of his time as well as financially. He is someone that has made a huge impact in the black community and renaming this park is just one way to honor him for his outstanding commitment. I have no doubt that this request will be supported by many individuals in Bloomington-Normal.

Sincerely,



Dodie Dunson