

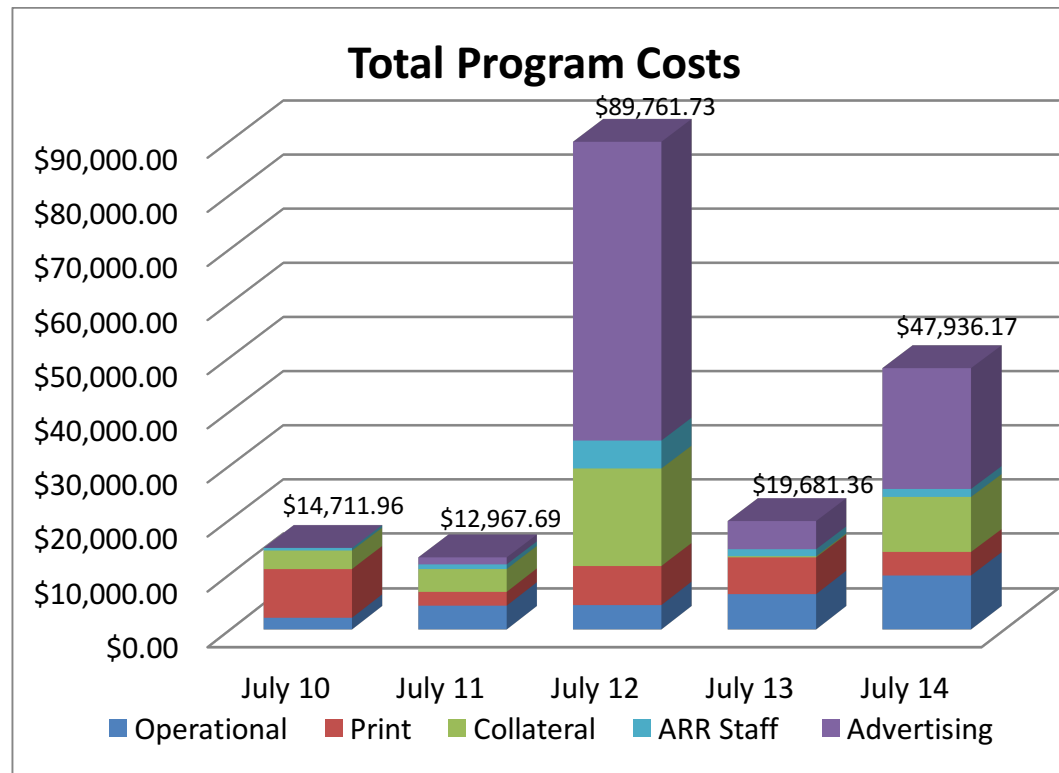
July 14 Composting Rebate Program

Methodology. Utilizing data from the last 5 years of the rebate, program staff conducted a cost benefit analysis for the program. To quantify the costs for the rebate program, staff narrowed the cost factors down to the following areas:

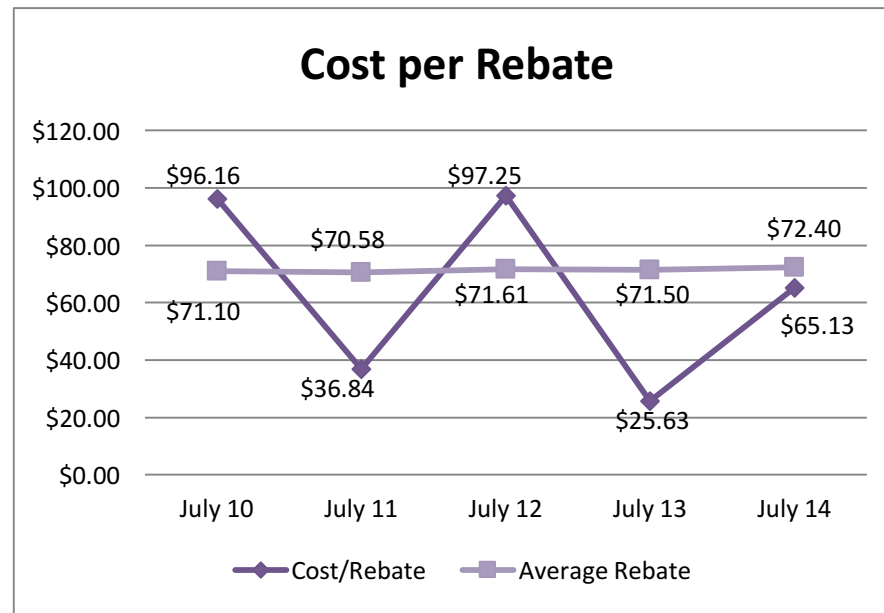
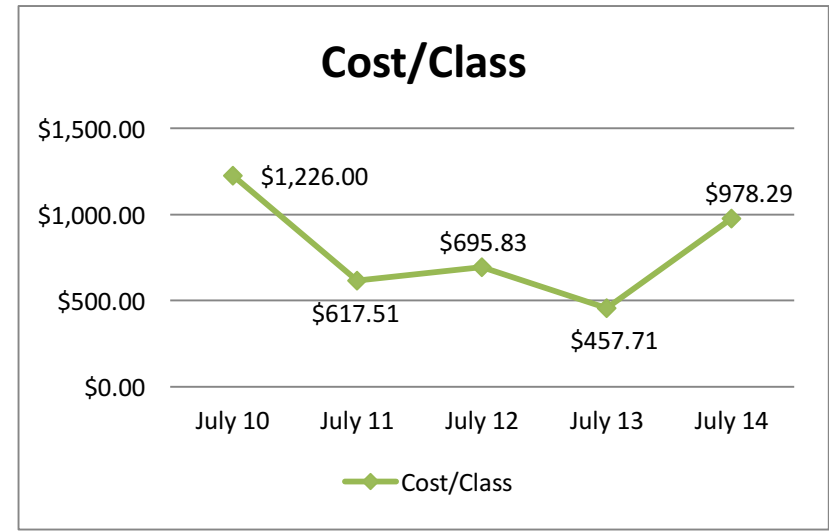
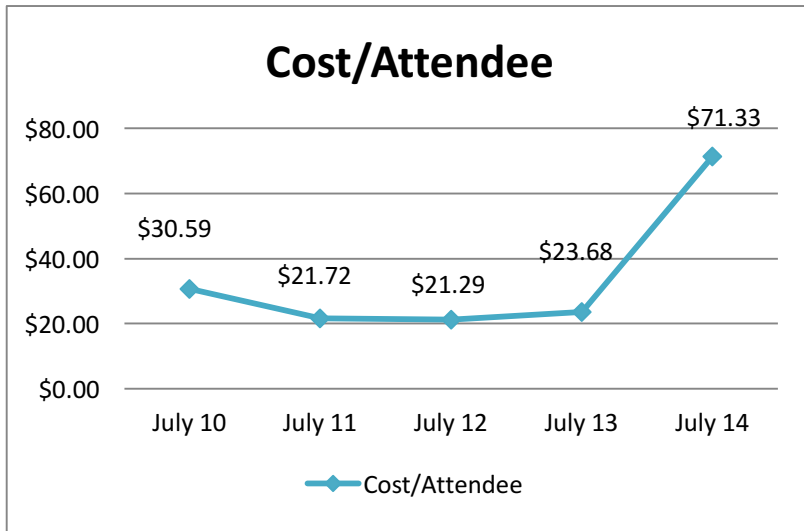
- Total cost for program operation per year
- Cost per attendee per year
- Cost per class per year
- Cost per rebate processed per year

Total Cost of Rebate Program. Analysis of the program's total cost includes five components. By adding these components, staff can utilize the total cost per year to calculate the average cost per attendee, cost per class, and cost per rebate. The five components are:

1. Operational costs (tent rental and instructors)
2. Printed instructional materials
3. Collateral (kitchen compost collectors)
4. Staff time
5. Advertising

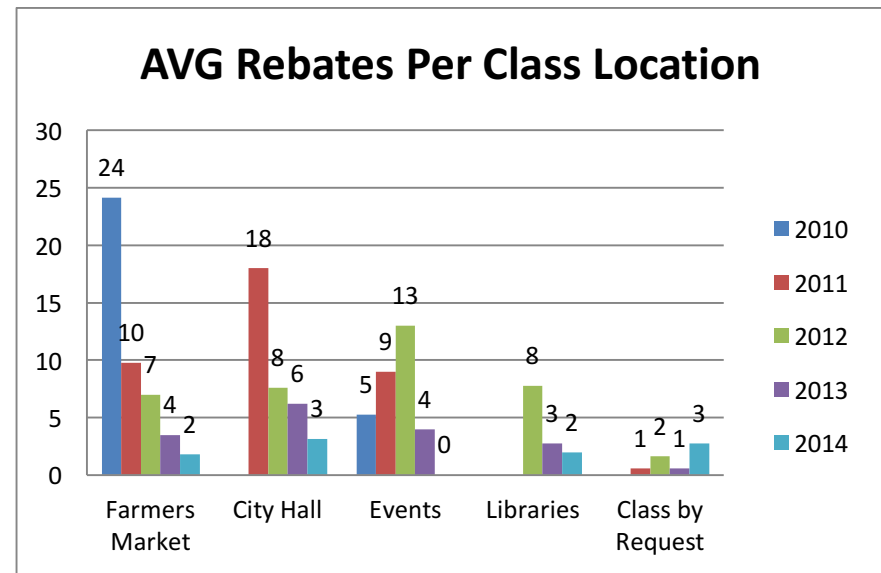
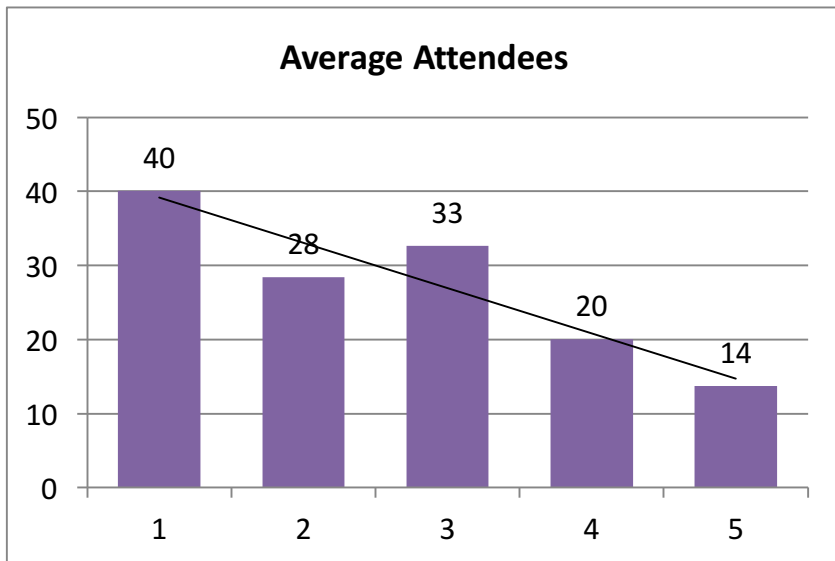
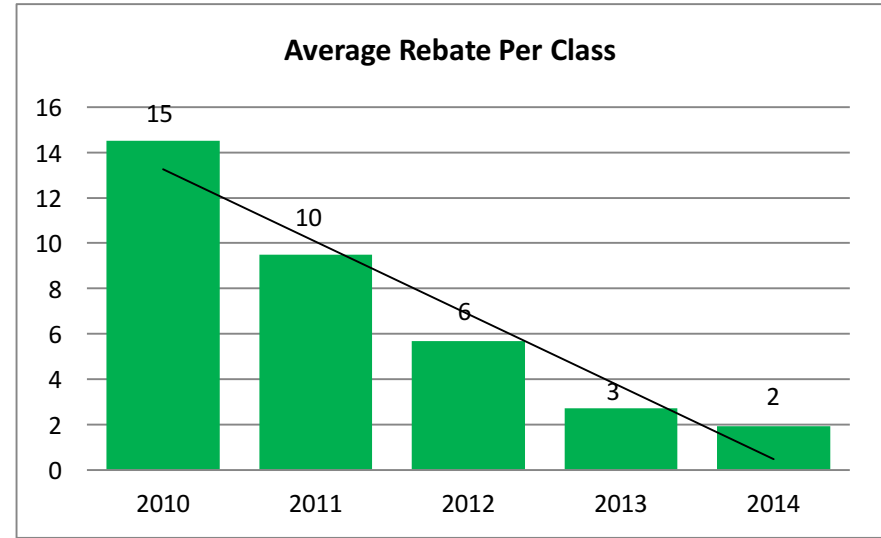
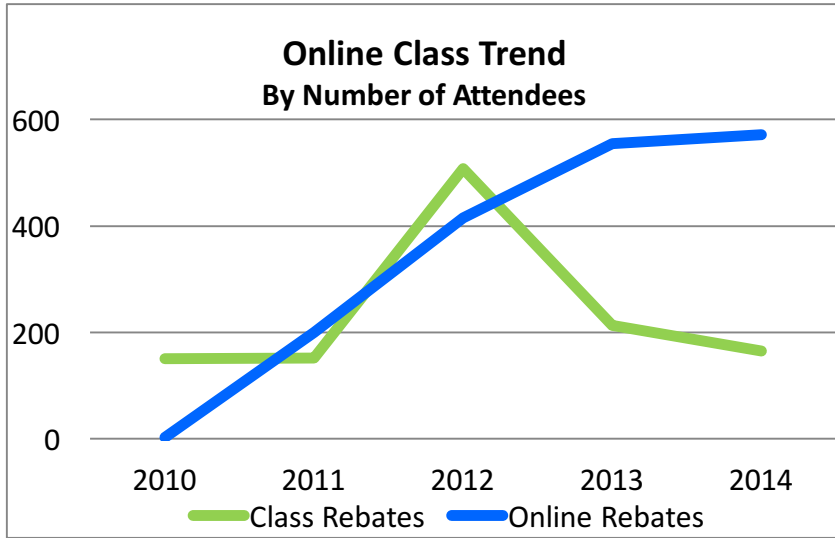


Costs per Attendee, per Class and per Rebate. In order to calculate the costs per attendee, per class and per rebate (units), staff utilizes the total cost for the rebate program within a fiscal year (FY) and divides it by the total number of units within the same FY. These measures provide staff an indication of the program's total cost efficiency.



Trend Analysis. Staff also looked at the following trends over the course of the program operation:

- Trend of Online Class
- Trend of Class Attendance
- Trend of 2013 Class Location
- Year-at-a-glance & 4 Year Summary
- Compost & Waste Research Study



Year-at-a-Glance

Year	2012			2013								
Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Attendees	38	99	18	4	86	8	21	27	66	104	143	58
Rebates Recvd	49	42	149	74	43	32	38	28	49	90	106	67

4 Year Summary

July to July Analysis Year	July 09 - 10	July 10 - 11	July 11 - 12	July 12 - 13	July 13 - 14	TOTALS
Class Attendees	481	597	4,217	861	672	6828
Total Attendees including Online	483	797	4,632	1,416	1,243	8571
Classes	12	21	129	43	49	254
Average Attendees	40	28	33	20	14	135
Rebates Rcvd	153	352	923	768	736	2932
Class Rebates	151	152	508	213	165	1189
Online Rebates	2	200	415	555	571	1743
% Rebates Rcvd/Total Attendees	32%	44%	20%	54%	59%	33%
Amount Paid Per Spreadsheet	\$10,878.10	\$24,844.49	\$66,099.04	\$54,909.83	\$53,288.22	\$210,019.68
Average Rebate Amount	\$71.10	\$70.58	\$71.61	\$71.50	\$72.40	\$71.44

FINDINGS

Based on the analysis from the rebate program, staff determined the following:

- **Staff was able to normalize costs in FY13 and the cost per rebate is lower than average rebate costs**
- **Targeted marketing has the greatest impact on the number rebates received, as seen in July, August and September**
- **Trend towards online class increasing while class attendance and rebates per in person class are declining**
- **Implementation of the online application increased the number of rebates received**
- **Class by request contract provided adequate support and was cost effective**
- **Composting & Waste Research Study will allow for tangible diversion metrics**
- **Based on the Composting & Waste Research Study in 2013 rebate participants helped the department:**
 - **Divert over 2 TONS of organic material a week (5.4 lbs x 768 participants = 2.07 tons)**
 - **Save \$3,116.18 in annual tipping fees (\$28.95 tipping fee per ton x 107.64)**

RECOMMENDATIONS:

Staff recommends implementing the following program improvements for FY14:

- Expand eligibility to Clean Community Fee Customers
- Continue to improve the online application process
- Implement the new and improved online class video in conjunction with ATXN
- Implement voucher program
- Develop master contract for regularly scheduled classes and classes by request
- Reduce classes at City Hall due to attendance
- Continue to promote SFC farmers' market, branch out to other farmers' markets
- Utilize local nurseries to teach classes that qualify, compile list of locations that currently teach composting class
- Establish Criteria for external classes and create an External Class Packet to include:
 - How To Watch the Online Class
 - Fact Sheet
 - Power Point
- Host classes at all 20 Austin libraries
- Consider commercial and multifamily rebate for organic valet or collection services
- Annual analysis to run from July 1 to July 1