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## CUMBERLAND JOINT SERVICES MANAGEMENT AUTHORITY

SOLID WASTE SERVICES

### MEMORANDUM

**TO:** CJSMA Board Members  
**FROM:** David Scott  
**DATE:** January 24, 2019  
**RE:** Draft 2020 Budget

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For clarity, capital financing is now presented separately (on page 1 of the attached draft budget). In the coming fiscal year two projects are proposed. The first is cell closure, since this is presently in the design/engineering phase final costs have not been determined. The current listed expenditure are based on previous estimates and existing reserve funds. The second project is the construction of a building suitable as a recycling transfer station. This is also currently in the design phase and final cost will be determined later. Financing for this project will be a combination of insurance proceeds for old recycling building and a loan. This coming fiscal year is the last year of principal repayment for the leachate facility, current expectations is that these currently expended funds will cover a significant portion of the payments in future years. No other significant capital expenditures are planned in the year.

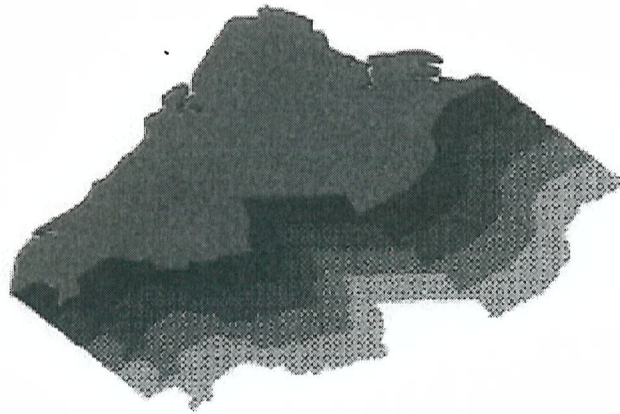
No changes in tipping fees are included in this budget. Projected volumes are consistent with historic amounts. This has resulted in overall revenues remaining consistent with past budgets. Obviously this means that expectations for expenditures is consistent with previous years. Some minor changes are noted below.

Education has been reduced slightly as the extra advertising for implementation of the dual stream program was completed last year.

Labour costs will be slightly higher this year. The cpi increase (based on 2018 results) is currently estimated at 2.3%. Canada Pension increased in 2019 by .15%. WCB rates also increased by .5% in 2019. Also it should be noted that when looking at specific facilities, landfill labour appears to have increased by a significant amount. This is not an increase in total labour but is largely comprised on a recognition of labour hours spent by recycling staff for site maintenance. This means much of the landfill labour costs are offset by reduction in labour costs for the recycling facility.

A slight decrease has been budgeted for recycling tip fees paid. These are based on potential savings from dual stream recycling.

As alluded to, this is a typical operating budget and does not incorporate any major changes. Thanks



**Cumberland Joint Services Management Authority**  
*Solid Waste Services*

**Draft 2019/2020 BUDGET**

January 18, 2018

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	18/19 <u>Projection</u>	18/19 <u>Budget</u>	19/20 <u>Budget</u>
<b>Capital Funding</b>			
<b>Reserve Transfers</b>			
Cell Development	1,051,261	1,600,000	0
Equipment Reserve	194,058	320,000	850,000
Closure Reserve	48,739	100,000	3,218,446
<b>Operations</b>	0	0	135,300
<b>External Funding</b>			
Municipal Financing	0	0	400,000
Proceeds on Disposal of Capital	35,000	0	0
<b>Total Funding</b>	<b>1,329,058</b>	<b>2,020,000</b>	<b>4,603,746</b>
<b>Capital Expenditures</b>			
<b>Landfill</b>			
Cell Development	1,051,261	1,600,000	0
Cell Closure (Design)	48,739	100,000	3,353,746
<b>Total Landfill Capital</b>	<b>1,100,000</b>	<b>1,700,000</b>	<b>3,353,746</b>
<b>Compost</b>			
Loader	200,254	220,000	0
<b>Total Compost Capital</b>	<b>200,254</b>	<b>220,000</b>	<b>0</b>
<b>Recycling</b>			
Recycling Design	1,200	100,000	0
Building	27,604	0	0
Recycling Transfer Building	0	0	1,250,000
<b>Total Recycling Capital</b>	<b>28,804</b>	<b>100,000</b>	<b>1,250,000</b>
<b>Total Expenditures</b>	<b>1,329,058</b>	<b>2,020,000</b>	<b>4,603,746</b>
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>0</b>

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	<u>17/18</u> <u>Actual</u>	<u>18/19</u> <u>Apr - Dec 18</u>	<u>18/19</u> <u>Projection</u>	<u>18/19</u> <u>Budget</u>	<u>19/20</u> <u>Budget</u>
<b>Solid Waste Operations</b>					
Revenues	3,826,031	2,377,820	3,186,622	3,886,550	2,188,950
Administrative Expenses	507,144	376,965	529,761	538,596	541,901
Operation Expenses	2,882,037	1,255,831	1,960,637	2,566,933	956,722
Surplus (Deficit)	436,850	745,024	696,224	781,021	690,327
<b>Compost Operation</b>					
Revenues	350,910	505,261	559,673	654,800	400,500
Operation Expenditures	175,704	270,558	304,146	389,501	170,839
Surplus (Deficit)	175,206	234,703	255,527	265,299	229,661
<b>Recycling Operations</b>					
Revenues	458,174	110,371	118,554	134,750	42,000
Operation Expenditures	1,098,959	791,222	1,072,415	1,182,819	971,829
Surplus (Deficit)	(640,785)	(680,851)	(953,861)	(1,048,069)	(929,829)
<b>Total Revenues</b>	4,635,115	2,993,452	3,864,848	4,676,100	2,631,450
<b>Total Expenses</b>	4,663,844	2,694,576	3,866,959	4,677,850	2,641,292
<b>Surplus (Deficit)</b>	<b>(28,729)</b>	<b>298,876</b>	<b>(2,110)</b>	<b>(1,750)</b>	<b>(9,842)</b>
<b>Transfer From Surplus</b>			<b>2,110</b>	<b>1,750</b>	<b>9,842</b>
<b>Total</b>			<b>(0)</b>	<b>0</b>	<b>0</b>

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<b>REVENUE - LANDFILL OPERATIONS</b>					
Tipping Fees	1,710,806	1,662,589	1,989,872	2,072,750	2,071,000
Other Income	132,472	13,483	13,000	32,850	35,950
Funding/Grants	88,463	73,450	83,750	80,950	82,000
Reserve Transfer	1,894,290	628,298	1,100,000	1,700,000	0
<b>Total Revenue</b>	<b>3,826,031</b>	<b>2,377,820</b>	<b>3,186,622</b>	<b>3,886,550</b>	<b>2,188,950</b>
<b>EXPENSES - ADMINISTRATION</b>					
Bad Debt Allowance	0	0	0	0	0
Bank Charges	706	328	500	500	500
Advertising	857	1,426	2,500	2,500	2,500
Administration Salaries & Benefits	407,804	301,648	412,782	412,496	422,801
Electricity	5,662	4,132	6,509	6,400	6,400
Travel & Training	15,151	12,676	16,901	22,000	22,000
Payroll Admin	2,641	1,675	2,380	2,750	2,750
Total Telephone	11,304	7,346	9,795	11,500	10,500
Professional Fees	17,800	15,679	29,200	29,000	30,000
Meeting Expense	3,007	265	1,000	2,000	1,000
Office Expense	16,117	6,320	10,693	9,950	10,950
Waste Diversion	26,095	25,469	37,500	39,500	32,500
<b>Total Administration Expense</b>	<b>507,144</b>	<b>376,965</b>	<b>529,761</b>	<b>538,596</b>	<b>541,901</b>
<b>EXPENSES - LANDFILL OPERATIONS</b>					
Hazardous Waste Program	33,469	37,857	37,627	30,000	30,000
Total Staffing Costs	226,614	158,450	215,867	216,884	272,753
Utilities	8,124	6,500	12,000	12,000	12,500
Insurance	22,315	17,119	22,825	20,000	21,000
Capital	1,896,845	641,605	1,100,000	1,700,000	0
Video Cameras/Security System	1,378	1,708	1,300	1,000	1,000
Total Safety	5,850	2,914	3,885	4,500	4,500
Total Scale House	8,536	4,442	9,121	9,400	10,400
Consulting Services	0	0	0	10,000	10,000
Site Maintenance	36,810	20,739	23,612	21,500	21,500
Equipment	134,373	100,464	134,978	152,904	160,704
Fuel & Oil	57,982	48,714	64,952	63,500	63,500
Communications Eqp.	1,684	0	1,500	3,000	3,000
Leachate System	101,290	49,923	124,217	113,995	126,065
Monitoring	44,488	41,923	52,500	52,500	52,500
Sediment Management	0	0	0	2,000	2,000
Cell Development Reserve	127,822	0	0	0	0
Cell Closure	144,457	100,975	126,251	123,750	135,300
Transfer to Equipment Reserve	30,000	22,500	30,000	30,000	30,000
<b>Total SW Expenditures</b>	<b>2,882,037</b>	<b>1,255,831</b>	<b>1,960,637</b>	<b>2,566,933</b>	<b>956,722</b>
<b>Total Administrative Expense</b>	<b>507,144</b>	<b>376,965</b>	<b>529,761</b>	<b>538,596</b>	<b>541,901</b>
<b>Solid Waste Contribution</b>	<b>436,850</b>	<b>745,024</b>	<b>696,224</b>	<b>781,021</b>	<b>690,327</b>
<b>Waste Tonnages</b>					
Residual	7,354	5,928	7,421	7,400	7,400
C & D	5,112	4,819	4,890	5,150	5,100
Oily Soils	1,167	547	547	900	900
Recycling Waste	1,395	191	226	100	800
<b>Total Landfill Tonnage</b>	<b>15,029</b>	<b>11,485</b>	<b>13,084</b>	<b>13,550</b>	<b>14,200</b>
Cost/Tonne	65.55	53.48	149.86	189.44	67.37
Net Revenue/Tonne	155.28	120.73	53.21	57.64	48.61

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<b>REVENUE - COMPOST FACILITY</b>					
Tipping Fees	319,137	317,472	371,876	414,000	382,500
Compost Sales	4,632	3,783	3,783	7,000	5,000
Transfer From Reserves (Loader)	0	165,264	165,264	220,000	0
Diversion Credits	27,140	18,742	18,750	13,800	13,000
<b>Total Revenues</b>	<b>350,910</b>	<b>505,261</b>	<b>559,673</b>	<b>654,800</b>	<b>400,500</b>
<b>EXPENSES - COMPOST FACILITY</b>					
Wages & Benefits	48,973	39,487	49,035	48,551	49,889
Safety Eqp. & Clothing	656	355	1,500	1,500	1,500
Equipment Costs	84,756	34,019	40,724	63,450	63,450
Compost Building & Site	3,841	3,153	5,000	6,000	6,000
Analysis Expense	0	0	0	6,000	6,000
Capital	0	165,254	165,000	220,000	0
Insurance	16,329	12,289	16,386	17,500	17,500
Biofilter Mgmt	0	0	1,000	1,000	1,000
Equipment Reserve	20,000	15,001	20,001	20,000	20,000
Leachate Mgmt	1,150	1,000	5,500	5,500	5,500
<b>Total Organic Expenses</b>	<b>175,704</b>	<b>270,558</b>	<b>304,146</b>	<b>389,501</b>	<b>170,839</b>
<b>Contribution from Compost</b>	<b>175,206</b>	<b>234,703</b>	<b>255,527</b>	<b>265,299</b>	<b>229,661</b>
Compostable Materials	4,792.92	4,478	5,082	4,600	4,250
Cost/Ton	36.66	60.43	59.85	84.67	40.20
Net Revenue/Ton	36.56	52.42	50.28	57.67	54.04
<b>REVENUE - RECYCLING OPERATIONS</b>					
Recycling Sales	321,173	45,137	44,750	25,000	25,000
Diversion Credits	19,063	13,242	13,500	9,750	17,000
Labour Costs Recovered	30,058	23,188	31,500		
Reserve Transfer	87,880	28,804	28,804	100,000	
<b>Total Recycling Revenue</b>	<b>458,174</b>	<b>110,371</b>	<b>118,554</b>	<b>134,750</b>	<b>42,000</b>
<b>RECYCLING EXPENSES</b>					
Total Supplies & Materials	17,159	2,510	3,347	1,250	3,000
Total Staff Expense	416,382	198,437	272,730	287,829	249,589
Capital (Transfer Station)	212,915	28,804	28,900	100,000	0
Insurance	12,352	10,024	13,366	10,000	15,000
Clothing Allowance	4,628	1,787	2,383	2,500	2,500
Safety Expense	23,483	2,508	3,344	5,000	5,000
Plant Costs	98,746	74,164	100,485	127,000	82,000
Equipment Costs	52,155	11,895	17,860	19,740	19,740
Recycle Transport	99,561	171,568	240,000	240,000	240,000
Tipping Fees	141,578	274,523	370,000	369,500	335,000
Equip. Reserve	20,000	15,001	20,000	20,000	20,000
<b>Total Recycling Expenses</b>	<b>1,098,959</b>	<b>791,222</b>	<b>1,072,415</b>	<b>1,182,819</b>	<b>971,829</b>
<b>Recycling Contribution</b>	<b>(640,785)</b>	<b>(680,851)</b>	<b>(953,861)</b>	<b>(1,048,069)</b>	<b>(929,829)</b>
Recyclable Tonnages	3,465	2,414	3,102	3,350	3,150
Cost/Ton	317.16	327.82	345.72	353.08	308.52
Net Cost/Ton	184.93	282.09	307.50	312.86	295.18

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**SCHEDULE 1**

**Tipfees Estimated Tonnages By Source**

	2018 Tonnages	Projected 2019 Tonnages	Budgeted 2020 Tonnages	Tip Fee \$/TON	Budgeted 2019 Revenue
<b>Solid Waste</b>					
Regular Garbage	7,350	7,441	7,400	\$215.00	\$1,591,000
Recycling/Compost Waste	1,376	300	800		
	8,726	7,741	8,200		
<b>Other Materials</b>					
Regular C & D	4,494	4,500	4,500	\$90.00	\$405,000
Sorted C&D	617	350	600	\$35.00	21,000
Oily Soils	1,167	550	900	\$60.00	54,000
					\$2,071,000
					To L/F Revenues
<b>Compost</b>					
Source Separated	4,797	4,540	4,250	\$90.00	\$382,500
					To Compost Revenues
<b>Recycling</b>					
Recyclables:	3,448	3,133	3,150	\$0.00	0
Residual, Organics and Recyclables	15,595	15,114	14,800		
Total Of All	23,249	20,814	21,600		

**SCHEDULE 2**

**Allocation of Diversion Credits**

	2018	Projected 2019	Budget 2020	
<b>Facility</b>				
Landfill	\$7,754	\$6,722	\$6,000	16.67%
Compost	\$19,063	13,241	13,000	36.11%
Recycling	\$27,140	17,778	17,000	47.22%
<b>Total</b>	\$53,957	\$37,741	\$36,000	
<b>Materials Diverted</b>				
Landfill	1,884	1,000	1,600	
Compost	4,797	4,540	4,250	
Recycling	2,072	2,833	2,350	
<b>Total</b>	8,753	8,373	8,200	
<b>Diversion Per Ton</b>	6	5	3	



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**SCHEDULE 3 -  
Change in Reserve Balances**

	Operating Reserve	Equipment Reserve	Cell Development	Closure/ Post-Closure	Total Reserves
Beginning Balances (3/31/18)	219,288	763,242	1,265,819	3,092,195	5,340,544
2019 Projected Transfers From Operations	(2,110)	697,139	(1,100,000)	126,251	(278,720)
2020 Transfers From (To) Operations					
Loader		-			-
Recycling Transfer Station		(850,000)			(850,000)
Closure				(3,353,746)	(3,353,746)
Transfer to Operations	(15,401)				(15,401)
Cell Construction			-		-
Scheduled Allocation and Transfers		70,000	-	135,300	205,300
Net 2020 Budgeted Transfers From Operation	(15,401)	(780,000)	-	(3,218,446)	(4,013,847)
Ending Balances (03/31/18)	201,777	680,381	165,819	0	1,047,977