

Preserving the environment through integrated recovery and disposal.

MEMORANDUM

TO: Elected Officials, ABO, Investors, Contractors and Interested Individuals

FROM: William A. Rabbia, Executive Director

DATE: December 17, 2019

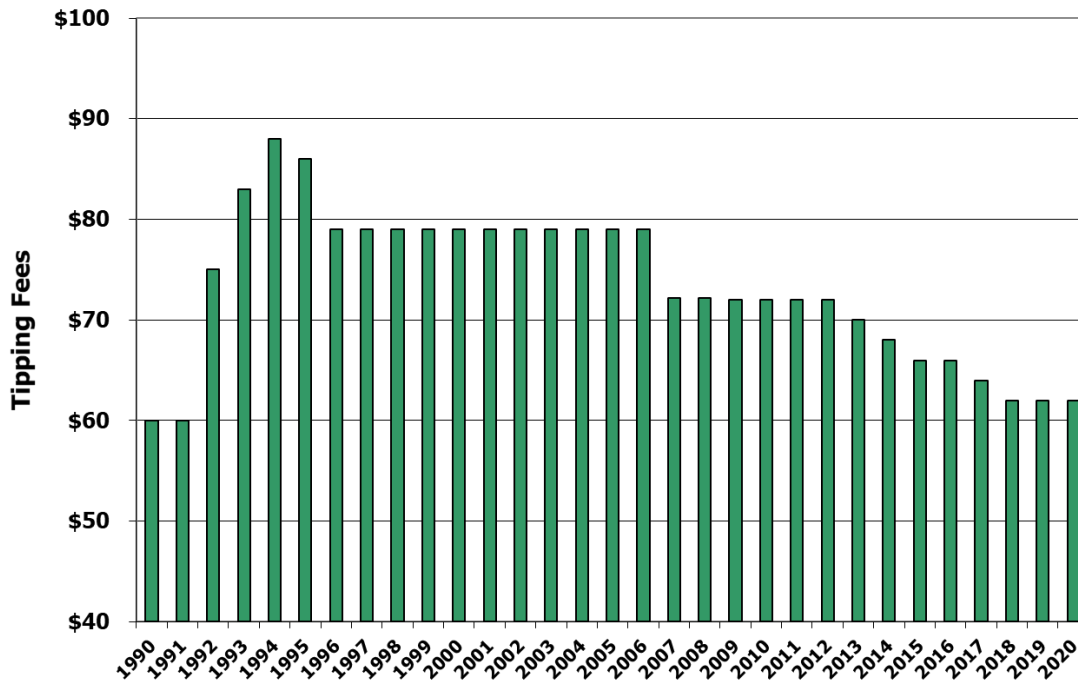
RE: Adopted 2020 Budget

On December 16, 2019, the Oneida-Herkimer Solid Waste Authority adopted the proposed 2020 budget and rate schedule. The adopted 2020 budget summary and rate schedule are posted on the Authority’s website at www.ohswa.org.

Highlights of the Authority’s Adopted Budget and Rates for 2020 include:

- The Authority will maintain rates charged in 2019 with no increases.
- The Authority will maintain rate for source separated organics (SSO) [food waste] of \$40 per ton. The Authority’s SSO processing facility became operational in second quarter 2019 and will process SSO to be diverted from the landfill and converted to electricity.

**ONEIDA-HERKIMER SOLID WASTE AUTHORITY
 Historical MSW Tipping Fees 1990 - 2020**



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December 17, 2019

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REVENUE HIGHLIGHTS

- 2020 projected tonnage estimates based upon 8-month actual tonnage in 2019 and a review of historical data.
- Sale of recyclables revenues forecasted with 8-month data from 2019, historical review and market projections for 2020.
- The out of county recyclables processing revenue has slightly increased with the projected annual tonnage from Oswego, Lewis and Fulton Counties.
- The Authority will continue to operate two engines at its power facility as per its agreement with WM Renewable Energy.
- Carbon credit revenue is budgeted only through July 14, 2020. Carbon credits are typically valued only for the first 10 years of a project.
- The Authority will continue to waive the permit fee for the haulers/businesses and municipalities for 2020.

EXPENSE HIGHLIGHTS

- Health insurance expense budgeted at 6% increase over 2019 premiums (depending upon plan selected).
- Budget reflects \$460,000 of contracted direct payments made to the Town of Ava and the Town and Villages of Boonville, consistent with our Host Community Agreements.
- Fuel expense was budgeted at \$2.50 per gallon as the result of industry forecasts.
- Capital projects funded through tipping fees will be \$281,000 for 2020.
- Public education expenses are projected to be \$75,000.
- Workers' compensation budget is based upon 5-year average of the Authority's actual claims.
- The annual contributions to the NYS Retirement System will stay consistent with 2019 costs as rates have remained relatively the same.
- Reduced Debt Service based upon defeasance of the Authority's 2007 bonds.

MUNICIPAL BUDGETS

- The Authority manages the waste and recyclables collection systems for the City of Utica and the Village of Ilion, Frankfort, Mohawk, Herkimer and Dolgeville. The Authority currently maintains a separate accounting system for each municipality.

If you would like more information on the 2020 budget, or have any questions, please feel free to contact me.

WAR/jmt



The
AuthorityTM
ONEIDA-HERKIMER SOLID WASTE AUTHORITY



2020

ADOPTED BUDGET

Preserving the environment through integrated recovery and disposal.

Introductory No. 18

Resolution No. 18

Introduced by: Mr. Bono

Seconded by: Mr. Hertline

RE: APPROVAL OF 2020 ONEIDA-HERKIMER SOLID WASTE MANAGEMENT AUTHORITY BUDGET, 2020 RATE SCHEDULE, AND THE SOLID WASTE COLLECTION AND DISPOSAL PERMIT RULES AND REGULATIONS

WHEREAS, the Authority commenced the budget preparation process in August; and

WHEREAS, the Finance Committee of the Board of Directors reviewed financial information, revenue estimates, and expenditure requests and the Committee evaluated alternatives and compiled a proposed budget for 2020; and

WHEREAS, the proposed budget for the Oneida-Herkimer Solid Waste Management Authority for 2020 was distributed on October 28, 2019 in conformance with the Public Authorities Accountability Act, the Authority statute and bylaws; and

WHEREAS, the proposed budget has been available for public comment since October 28, 2019 and it was also the subject of a public briefing at the Authority meeting on November 18, 2019; and

WHEREAS, a public hearing was held on November 18, 2019 to receive and consider public comment on the proposed budget; and

WHEREAS, all other provisions of the Public Authorities Accountability Act, Authority Statute and Bylaws were met with respect to the proposed budget; and

WHEREAS, the proposed budget for the Authority covers the revenues and expenditures for the Administrative function, the Western Transfer Station, the Eastern Transfer Station, the Green Waste Compost Facility, the Recycling Center, the Household Hazardous Waste Facility, Debt Service, the Regional Landfill Facility, the Utica collection function, the Ilion collection function, the Frankfort collection function, the Mohawk collection function, the Dolgeville collection function and the Herkimer collection function; and

WHEREAS, the Authority is continuing a system of fees and charges which meet all its obligations and support its functions and also provide direct economic incentives to maximize recycling; and

RESOLVED, that the Authority hereby adopts the 2020 proposed budget; and be it further

RESOLVED, the attached schedule of charges be adopted for Authority Services for 2020; and be it further

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RESOLVED, that the Authority hereby approves the Solid Waste Collection and Disposal Permit Rules and Regulations as attached; and be it further

RESOLVED, that the Authority reserves the right to establish or amend fees, as it may deem necessary, at a later date.

Adopted by the following vote:

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Dated: December 16, 2019

2020 PROJECTED TONNAGE

Waste Class	2017 Actual Tons	2018 Actual Tons	2019 Projected Tons	2019 Adopted Rates	2019 Budgeted Revenue	2019 Actual Tons 6 months	2019 Revenue 6 Mo.	2020 Projected Tons	2020 ADOPTED Rates	2020 Budgeted Revenue
MSW	157,591	159,583	156,000	\$62.00	\$9,672,000	79,974	\$5,005,066	157,500	\$62.00	\$9,765,000
C&D	54,245	57,220	48,000	\$58.00	\$2,784,000	25,537	\$1,511,941	49,500	\$58.00	\$2,871,000
C&D/T&D Trailer	10,203	2,997	1,000	\$58.00	\$58,000	393	\$22,790	1,000	\$58.00	\$58,000
C&D/ Trailer Direct	1,835	1,624	500	\$50.00	\$25,000	38	\$1,879	500	\$50.00	\$25,000
C&D/T&D Roll-off	1,354	246	300	\$73.00	\$21,900	913	\$66,680	300	\$73.00	\$21,900
Direct Haul Special	2,714	8,216	3,000	\$55.00	\$165,000	1,418	\$78,717	3,000	\$55.00	\$165,000
Local Waste	7,035	7,010	6,700	\$52.00	\$348,400	3,179	\$163,293	6,700	\$52.00	\$348,400
Sludge	11,384	12,591	11,000	\$62.00	\$682,000	7,424	\$446,955	18,000	\$62.00	\$1,116,000
Asbestos	5,677	4,878	4,500	\$80.00	\$360,000	6,829	\$546,065	4,500	\$80.00	\$360,000
Source Separated Organics Processing	N/A	N/A	2,000	\$40.00	\$80,000	36	\$1,429	2,000	\$40.00	\$80,000
ADC/Cover****	73,508	88,450	45,000	\$15 - \$30	\$1,125,000	21,591	\$545,342	43,000	\$15 - \$30	\$1,075,000
TOTAL	325,546	342,816	278,000	----	\$15,321,300	147,332	\$8,390,156	286,000	----	\$15,885,300
**** Revenue is estimated at \$25 per ton for 2019 and 2020										

ADOPTED 2020 AUTHORITY REVENUES

CATEGORY	2018 ACTUAL	2019 SIX MONTHS ACTUAL	2019 AMENDED BUDGET	2020 ADOPTED BUDGET
System Tipping Fee (STF)	\$18,121,253	\$8,486,130	\$15,321,300	\$15,885,300
Sale of Recyclables	\$1,764,985	\$685,666	\$1,850,000	\$980,000
Recyclable Processing Fees	\$781,285	\$397,228	\$775,000	\$810,000
Compost Tipping Fees	\$189,611	\$89,082	\$160,000	\$175,000
Interest Earnings	\$579,493	\$553,960	\$400,000	\$740,000
Recycling Fees-Tires	\$164,171	\$71,501	\$140,000	\$145,000
Department Transfers	\$75,000	\$37,500	\$75,000	\$75,000
HHW Grant/Recycling Grant	\$732,083	\$1,172,343	\$115,000	\$185,000
CESQG Fees	\$41,026	\$13,990	\$37,000	\$34,000
Sale of Equipment	\$53,629	\$5,107	\$35,000	\$102,000
Discounts	(\$9,705)	(\$7,503)	(\$10,000)	(\$10,000)
Penalties	(\$18,066)	\$13,337	\$2,000	\$10,000
Recovery of Bad Debt	\$29	\$100,199	\$0	\$0
Sale of Compost/Grinding	\$101,870	\$41,441	\$95,000	\$85,000
Miscellaneous Income	\$82,244	\$30,007	\$61,700	\$68,700
Landfill Gas Revenues	\$332,837	\$163,647	\$320,000	\$320,000
Sale of Carbon Credits	\$432,221	\$160,000	\$320,000	\$215,000
Electronics Recycling	\$0	\$0	\$0	\$0
Solar Array Net Meter Credits	\$146,434	\$58,245	\$125,000	\$130,000
Subtotal	\$23,570,399	\$12,071,880	\$19,822,000	\$19,950,000

ADOPTED 2020 LOCAL GOVERNMENT REVENUES

CATEGORY	2018 ACTUAL	2019 SIX MONTHS ACTUAL	2019 AMENDED BUDGET	2020 ADOPTED BUDGET
Toter Revenue	\$752,728	\$382,897	\$748,890	\$760,100
Sale of Bags	\$2,223,951	\$1,161,823	\$2,257,604	\$2,319,775
User Fees	\$2,215,136	\$1,179,085	\$2,280,000	\$2,280,000
Interest Earnings	\$6,496	\$3,706	\$4,360	\$8,300
Penalties	\$52,013	\$40,946	\$50,000	\$55,000
Miscellaneous Income	\$6,118	\$1,599	\$3,446	\$1,825
Subtotal	\$5,256,441	\$2,770,057	\$5,344,300	\$5,425,000
TOTAL REVENUES	\$28,826,840	\$14,841,936	\$25,166,300	\$25,375,000

ADOPTED 2020 AUTHORITY EXPENSES

CATEGORY	2018 ACTUAL	2019 SIX MONTHS ACTUAL	2019 AMENDED BUDGET	2020 ADOPTED BUDGET
Salaries & Wages	\$3,631,893	\$1,818,722	\$3,927,766	\$4,100,053
Overtime/Shift Differential	\$453,448	\$183,224	\$418,950	\$405,300
Other Fees & Services	\$915,180	\$404,858	\$853,000	\$849,633
Temporary Labor	\$350,417	\$195,512	\$158,500	\$160,400
Office Equipment & Supplies	\$26,722	\$11,579	\$22,100	\$18,750
Insurance	\$187,748	\$95,213	\$182,291	\$205,328
Rent/Lease of Equipment	\$17,096	\$8,749	\$16,750	\$16,350
Utilities	\$230,512	\$121,193	\$262,800	\$251,900
Telephone	\$46,371	\$22,941	\$53,000	\$48,500
Postage/Shipping	\$10,304	\$2,875	\$8,800	\$9,800
Training	\$12,543	\$8,592	\$12,000	\$12,025
Public Information	\$82,163	\$35,749	\$120,000	\$75,000
Uniforms & Safety	\$24,303	\$31,679	\$49,500	\$58,300
Auto Supplies/Repairs	\$226,315	\$107,633	\$208,000	\$221,500
Travel	\$17,664	\$8,216	\$17,250	\$17,750
Gas & Oil	\$815,333	\$405,944	\$826,125	\$871,500
Materials & Supplies	\$337,757	\$134,497	\$308,000	\$313,500
Maintenance Service Contracts	\$209,844	\$101,234	\$206,500	\$215,500
Transportation	\$2,617,693	\$1,337,414	\$2,380,300	\$2,579,200
Disposal Fees	\$762,649	\$523,811	\$552,500	\$592,500
Host Community Fee	\$721,980	\$312,432	\$718,000	\$724,000
Other Expenses	\$178,973	\$75,156	\$203,000	\$178,000
Retirement	\$512,193	\$305,180	\$610,360	\$607,029
Social Security	\$293,590	\$144,777	\$332,517	\$344,661
Workers Compensation	\$152,261	\$72,084	\$145,470	\$153,010
Unemployment	\$11,201	\$0	\$0	\$0
Health Insurance	\$907,755	\$458,001	\$1,198,412	\$1,141,212
GASB 75 Contribution	\$126,684	\$55,228	\$195,500	\$195,500
Debt Service	\$654,204	\$288,056	\$2,979,597	\$3,003,880
Capital Projects	\$154,285	\$0	\$483,000	\$281,000
Depreciation	\$3,501,513	\$2,011,562	\$0	\$0
Transfers to Other Departments	\$12,000	\$6,000	\$12,000	\$12,000
Trustee Fees	\$4,000	\$2,750	\$4,000	\$4,000
Reserves	\$0	\$0	\$2,000,000	\$2,100,000
Contingency	\$0	\$0	\$356,011	\$182,920
Bad Debt	\$38,168	\$0	\$0	\$0
TOTAL EXPENSES	\$18,244,761	\$9,290,863	\$19,822,000	\$19,950,000

ADOPTED 2020 LOCAL GOVERNMENT EXPENSES

CATEGORY	2018 ACTUAL	2019 SIX MONTHS ACTUAL	2019 AMENDED BUDGET	2020 ADOPTED BUDGET
Salaries & Wages	\$174,487	\$90,282	\$176,100	\$187,304
Overtime/Shift Differential	\$15,087	\$7,846	\$16,500	\$16,000
Other Fees & Services	\$363,956	\$185,993	\$378,050	\$382,950
Temporary Labor	\$0	\$0	\$0	\$0
Office Equipment & Supplies	\$1,347	\$588	\$1,200	\$1,500
Insurance	\$9,959	\$4,981	\$10,000	\$10,000
Rent/Lease of Equipment	\$51,046	\$24,339	\$52,006	\$52,200
Utilities	\$0		\$0	\$0
Telephone	\$706	\$315	\$800	\$650
Postage/Shipping	\$15,588	\$11,653	\$16,950	\$16,250
Training	\$75	\$0	\$0	\$0
Public Information	\$0	\$150	\$500	\$500
Uniforms & Safety	\$550	\$1,384	\$2,500	\$2,500
Auto Supplies/Repairs	\$944	\$759	\$2,000	\$2,500
Travel	\$0	\$0	\$0	\$0
Gas & Oil	\$6,988	\$3,322	\$6,500	\$7,000
Materials & Supplies	\$1,011	\$464	\$1,000	\$1,000
Maintenance Service Contracts	\$1,557	\$982	\$2,400	\$1,520
Transportation	\$0	\$0	\$0	\$0
Disposal Fees	\$1,492,450	\$730,041	\$1,463,047	\$1,476,395
Collection Fees	\$2,628,523	\$1,384,081	\$2,753,727	\$2,778,125
Other Expenses	\$32,210	\$23,537	\$34,000	\$35,000
Retirement	\$29,451	\$15,474	\$30,947	\$31,888
Social Security	\$13,566	\$7,005	\$14,734	\$15,553
Workers Compensation	\$7,773	\$3,232	\$6,522	\$6,990
Health Insurance	\$46,904	\$25,962	\$49,139	\$47,780
Debt Service	\$0	\$0	\$0	\$0
Capital Projects	\$0	\$0	\$0	\$50,000
Depreciation	\$37,300	\$18,518	\$0	\$0
GASB 75	\$16,439	\$7,491	\$29,500	\$29,500
Contingency	\$0	\$0	\$45,137	\$20,829
Transfers to Other Departments	\$35,000	\$17,500	\$35,000	\$35,000
Bad Debt	\$211,613	\$108,027	\$216,041	\$216,066
TOTAL EXPENSES	\$5,194,531	\$2,673,926	\$5,344,300	\$5,425,000