

MEMORANDUM

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

FROM: William A. Rabbia, Executive Director

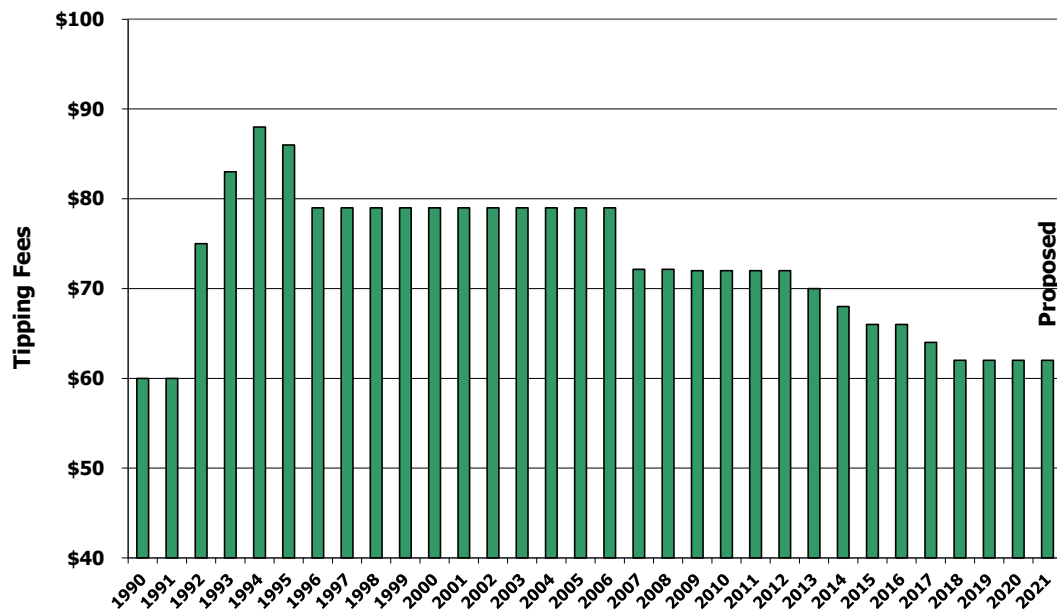
DATE: October 30, 2020

RE: Proposed 2021 Budget

I am pleased to submit the attached proposed 2021 budget for the Oneida-Herkimer Solid Waste Authority, pursuant to Article IX, Section 9.2 of the Authority Bylaws and the Public Authorities Accountability Act of 2005. Highlights of the Authority's proposed budget and rates for 2021 include:

- The Authority will maintain rates charged in 2020 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.
- The Authority has developed two new reduced tip fee programs to assist Oneida-Herkimer Counties and its municipalities. The first program provides for reduced tip fees for disposal of debris following a disaster, such as a flood (\$42.00 per ton). The second program provides for reduced tipping fees to assist Industrial Development Agencies and Developers related to Brownfield clean-up and Industrial Development Projects (\$42.00 per ton). Both programs require an application and Board approval.

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



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REVENUE HIGHLIGHTS

- 2021 projected tonnage estimates based upon 8-month actual tonnage in 2020 and a review of historical data.
- Sale of recyclables revenues forecasted with 8-month data from 2020, historical review and market projections for 2021.
- The out of county recyclables processing revenue has slightly increased with the projected annual tonnage from Oswego, Lewis and Fulton Counties. Projected revenue is \$840,000.
- 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 through December 2021. The contracted amount per ton is \$3.25 for 2021. Projected revenue is \$540,000.
- The Authority will continue to waive the permit fee for the haulers/businesses and municipalities for 2021.

EXPENSE HIGHLIGHTS

- Health insurance expense budgeted at 10% increase over 2020 premiums.
- 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 \$413,700 for 2021.
- 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 2020 costs as rates have remained relatively the same.
- Reduced Debt Service based upon defeasance of the Authority's 2011 bonds in March 2021.

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.

A public hearing and an overview of the proposed 2021 budget will be held preceding the November 16, 2020 Board meeting at 4:30 PM. A vote on the proposed 2021 budget is anticipated at the December 21, 2020 meeting.

Please feel free to contact me if you have any questions.

WAR/jmt



**The
Authority**™
ONEIDA-HERKIMER SOLID WASTE AUTHORITY

2021 PROPOSED BUDGET

2021 PROPOSED FEE SCHEDULE WASTE CLASS	CONTRACT PERMITTED HAULER RATE PER TON OR RATE PER ITEM	NON-CONTRACT PERMITTED HAULER RATE PER TON OR RATE PER ITEM	RESIDENT RATE PER TON OR RATE PER ITEM
Municipal Solid Waste (MSW) [Non-Recyclable Waste]	\$62.00	\$115.00	\$62.00
Local Solid Waste (LSW) [Non-Recyclable Waste]	\$52.00	N/A	N/A
Sludge	\$62.00	\$115.00	N/A
Source Separated Organics (SSO) *	\$40.00	\$115.00	N/A
Construction & Demolition (C&D)	\$58.00	\$115.00	\$58.00
C&D Trucking & Disposal Roll-Off	\$73.00	N/A	N/A
C&D Trucking & Disposal Trailer	\$58.00	N/A	N/A
C&D - Trailer Direct Haul	\$50.00	N/A	N/A
SSO Mixed with 25% MSW/ 25% Recyclables *	\$124.00	\$230.00	\$124.00
Waste Mixed with 25% Recyclables	\$124.00	\$230.00	\$124.00
Select C&D (Clean Fill Only i.e., asphalt, concrete, brick and stone)	\$25.00	N/A	\$25.00
Clean Wood Pallets	\$15.00	\$15.00	\$15.00
Direct Haul Special Waste	\$55.00	\$87.00	N/A
Direct Haul Asbestos (1 ton minimum up to 4,000 tons)	\$80.00	\$159.00	N/A
Direct Haul Bulk Asbestos (> 4,000 tons per year to 8,000 tons per year)	\$70.00	\$159.00	N/A
Direct Haul Bulk Asbestos (> 8,000 tons per year)	\$60.00	\$159.00	N/A
ADC/Contaminated Soil – Regional Landfill Cover	\$15-\$30	N/A	N/A
Single Stream Recyclables(Oneida & Herkimer County)	\$0.00	\$49.00	\$0.00
Out of Region Single Stream Recyclables (Prior Authorization Needed)	TBD	N/A	N/A
Recyclables Mixed with Unacceptable Material	\$62.00	\$115.00	\$62.00
Green Waste/Wood Chip Disposal	\$15.00	\$18.50	\$5.00 Flat Fee P/U Truck
Green Waste/Wood Chip Disposal - Minimum Charge	\$5.00	\$5.00	\$5.00
Bagged Compost Out	N/A	N/A	\$2.00 Per Bag or 3 Bags for \$5.00
Bulk Compost Out - Large P/U Truck [3 buckets] (we load)	N/A	N/A	\$20.00 Flat Fee
Bulk Compost Out - Small P/U Truck [up to 2 buckets] (we load)	N/A	N/A	\$15.00 Flat Fee
Bulk Compost Out - Less than 100 yd. (we load)	N/A	N/A	\$15.00 Per Yard
Bulk Compost Out - Greater than 100 yd. (we load)	N/A	N/A	\$12.00 Per Yard - By Appointment Only
Bulk Compost Out - Greater than 500 yards per year (we load)	N/A	N/A	\$10.00 Per Yard
Stumps, Root Balls & Oversized Limbs	\$15.00	\$18.50	N/A
Tires up to 20" (Per Tire)	\$2.50	\$3.00	\$2.50
Tires Bulk	\$190.00	\$235.00	\$190.00
Tires on a Rim Add for Each	\$2.00	\$2.00	\$2.00
Household White Goods (i.e. Washers) Per Item	\$0.00	\$0.00	\$0.00
Household Items w/CFCs (i.e. Freezers) Per Item	\$10.00	\$15.00	\$10.00
35-Gallon Bag of MSW/SSO	N/A	N/A	\$2.00
One Bulk Item (i.e. Chair/Sofa/Table)	N/A	N/A	\$5.00
Minimum Load Charge - MSW 0 to 250 lbs.	\$7.75 Flat Fee	\$15.00 Flat Fee	\$7.75 Flat Fee
Minimum Load Charge - MSW 251 to 500 lbs.	\$15.50 Flat Fee	\$28.75 Flat Fee	\$15.50 Flat Fee
Minimum Load Charge - MSW 501 to 750 lbs.	\$23.25 Flat Fee	\$43.25 Flat Fee	\$23.25 Flat Fee
Minimum Load Charge - MSW 751 to 1,000 lbs.	\$31.00 Flat Fee	\$57.50 Flat Fee	\$31.00 Flat Fee
Minimum Load Charge - LSW 0 to 250 lbs.	\$6.50 Flat Fee	N/A	N/A
Minimum Load Charge - LSW 251 to 500 lbs.	\$13.00 Flat Fee	N/A	N/A
Minimum Load Charge - LSW 501 to 750 lbs.	\$19.50 Flat Fee	N/A	N/A
Minimum Load Charge - LSW 751 to 1,000 lbs.	\$26.00 Flat Fee	N/A	N/A
Minimum Load Charge - C & D 0 to 250 lbs.	\$7.25 Flat Fee	\$15.00 Flat Fee	\$7.25 Flat Fee
Minimum Load Charge - C & D 251 to 500 lbs.	\$14.50 Flat Fee	\$28.75 Flat Fee	\$14.50 Flat Fee
Minimum Load Charge - C & D 501 to 750 lbs.	\$21.75 Flat Fee	\$43.25 Flat Fee	\$21.75 Flat Fee
Minimum Load Charge - C & D 751 to 1,000 lbs.	\$29.00 Flat Fee	\$57.50 Flat Fee	\$29.00 Flat Fee
Minimum Load Charge - SSO 0 to 250 lbs. *	\$5.00 Flat Fee	\$15.00 Flat Fee	\$5.00 Flat Fee
Minimum Load Charge - SSO 251 to 500 lbs. *	\$10.00 Flat Fee	\$28.75 Flat Fee	\$10.00 Flat Fee
Minimum Load Charge - SSO 501 to 750 lbs. *	\$15.00 Flat Fee	\$43.25 Flat Fee	\$15.00 Flat Fee
Minimum Load Charge - SSO 751 to 1,000 lbs. *	\$20.00 Flat Fee	\$57.50 Flat Fee	\$20.00 Flat Fee
Penalty for Untarped Loads	\$10.00	\$10.00	\$10.00
Manually Removing Frozen Loads	\$0.00	\$25.00	N/A
Vehicle Weight Fee	\$5.00	\$10.00	\$5.00
Natural Disaster Debris Tipping Fee- Must be approved through Application	\$42.00	N/A	N/A
Brownfield Clean-Up/ IDA Project Tipping Fee- Must be approved through Application	\$42.00	N/A	N/A
MSW = Municipal Solid Waste (Non-Recyclable Waste) LSW = Local Solid Waste (Non-Recyclable Waste) ADC = Alternate Daily Cover C&D = Construction & Demolition Debris SSO= Source Separated Organics T&D = Trucking & Disposal * Rates will be Applicable upon commencement of operation of SSO Processing Facility ! Annual Limit of 5,000 tons on a First Come First Serve Basis N/A = Non-Applicable			
TBD = To Be Determined			

2021 PROJECTED TONNAGE

Waste Class	2018 Actual Tons	2019 Actual Tons	2020 Projected Tons	2020 Adopted Rates	2020 Budgeted Revenue	2020 Actual Tons 6 months	2020 Revenue 6 Mo.	2021 Projected Tons	2021 Proposed Rates	2021 Budgeted Revenue
MSW	159,583	164,039	157,500	\$62.00	\$9,765,000	77,488	\$4,851,527	157,500	\$62.00	\$9,765,000
C&D	57,220	57,176	49,500	\$58.00	\$2,871,000	24,161	\$1,436,998	49,500	\$58.00	\$2,871,000
C&D/T&D Trailer	2,997	1,941	1,000	\$58.00	\$58,000	1,458	\$84,540	1,000	\$58.00	\$58,000
C&D/ Trailer Direct	1,624	4,931	500	\$50.00	\$25,000	18,833	\$941,654	500	\$50.00	\$25,000
C&D/T&D Roll-off	246	1,139	300	\$73.00	\$21,900	0	\$0	300	\$73.00	\$21,900
Direct Haul Special	8,216	3,182	3,000	\$55.00	\$165,000	2,332	\$132,078	3,000	\$55.00	\$165,000
Local Waste	7,010	7,355	6,700	\$52.00	\$348,400	3,290	\$171,118	6,700	\$52.00	\$348,400
Sludge	12,591	20,387	18,000	\$62.00	\$1,116,000	12,591	\$763,815	24,000	\$62.00	\$1,488,000
Asbestos	4,878	16,228	4,500	\$80.00	\$360,000	19,910	\$1,405,512	4,500	\$80.00	\$360,000
Source Separated Organics Processing	N/A	1,352	2,000	\$40.00	\$80,000	1,531	\$60,749	3,000	\$40.00	\$120,000
ADC/Cover****	88,450	86,342	43,000	\$15 - \$30	\$1,075,000	46,047	\$1,154,478	45,000	\$15 - \$30	\$1,125,000
TOTAL	342,816	364,072	286,000	----	\$15,885,300	207,641	\$11,002,469	295,000	----	\$16,347,300

**** Revenue is estimated at \$25 per ton for 2020 and 2021

PROPOSED 2021 AUTHORITY REVENUES

CATEGORY	2019 ACTUAL	2020 SIX MONTHS ACTUAL	2020 BUDGET	2021 PROPOSED BUDGET
System Tipping Fee (STF)	\$19,599,607	\$10,873,025	\$15,885,300	\$16,347,300
Sale of Recyclables	\$1,311,787	\$715,247	\$980,000	\$1,380,000
Recyclable Processing Fees	\$824,838	\$420,282	\$810,000	\$840,000
Compost Tipping Fees	\$192,500	\$77,646	\$175,000	\$175,000
Interest Earnings	\$1,021,289	\$509,883	\$740,000	\$605,000
Recycling Fees-Tires	\$166,574	\$77,409	\$145,000	\$165,000
Department Transfers	\$75,000	\$37,500	\$75,000	\$75,000
NYS Grants	\$1,661,107	\$18,440	\$185,000	\$210,700
CESQG Fees	\$38,395	\$9,986	\$34,000	\$30,000
Sale of Equipment	\$51,236	\$22,100	\$102,000	\$125,000
Discounts	(\$10,975)	(\$7,246)	(\$10,000)	(\$10,000)
Penalties	\$21,880	\$9,159	\$10,000	\$8,000
Recovery of Bad Debt	\$100,199	\$0	\$0	\$0
Sale of Compost/Grinding	\$77,533	\$65,638	\$85,000	\$85,000
Miscellaneous Income	\$79,270	\$32,414	\$68,700	\$69,000
Landfill Gas Revenues	\$322,253	\$160,932	\$320,000	\$320,000
Sale of Carbon Credits	\$474,965	\$215,933	\$215,000	\$540,000
Electronics Recycling	\$0	\$0	\$0	\$0
Solar Array Net Meter Credits	\$135,310	\$68,987	\$130,000	\$135,000
Subtotal	26,142,767	\$13,307,337	\$19,950,000	\$21,100,000

PROPOSED 2021 LOCAL GOVERNMENT REVENUES

CATEGORY	2019 ACTUAL	2020 SIX MONTHS ACTUAL	2020 BUDGET	2021 PROPOSED BUDGET
Toter Revenue	\$774,332	\$413,588	\$760,100	\$889,650
Sale of Bags	\$2,401,552	\$1,287,766	\$2,319,775	\$2,480,850
User Fees	\$2,276,128	\$1,177,515	\$2,280,000	\$2,280,000
Interest Earnings	\$8,476	\$2,877	\$8,300	\$6,200
Penalties	\$52,869	\$35,073	\$55,000	\$60,000
Miscellaneous Income	\$3,414	\$1,630	\$1,825	\$2,300
Subtotal	\$5,516,770	\$2,918,448	\$5,425,000	\$5,719,000
TOTAL REVENUES	\$31,659,536	16,225,785	\$25,375,000	\$26,819,000

PROPOSED 2021 AUTHORITY EXPENSES

CATEGORY	2019 ACTUAL	2020 SIX MONTHS ACTUAL	2020 BUDGET	2021 PROPOSED BUDGET
Salaries & Wages	\$3,748,027	\$1,935,589	\$4,100,053	\$4,314,834
Overtime/Shift Differential	\$396,526	\$188,530	\$405,300	\$422,300
Other Fees & Services	\$881,973	\$389,478	\$849,633	\$1,083,350
Temporary Labor	\$402,600	\$227,659	\$160,400	\$113,000
Office Equipment & Supplies	\$17,546	\$6,864	\$18,750	\$18,250
Insurance	\$184,541	\$96,936	\$205,328	\$216,421
Rent/Lease of Equipment	\$15,771	\$7,988	\$16,350	\$15,650
Utilities	\$240,549	\$120,589	\$251,900	\$260,800
Telephone	\$45,661	\$22,175	\$48,500	\$47,500
Postage/Shipping	\$9,159	-\$1,572	\$9,800	\$7,800
Training	\$11,162	\$3,905	\$12,025	\$10,275
Public Information	\$85,638	\$11,912	\$75,000	\$75,000
Uniforms & Safety	\$45,851	\$31,634	\$58,300	\$56,500
Auto Supplies/Repairs	\$259,477	\$129,412	\$221,500	\$233,500
Travel	\$15,653	\$5,293	\$17,750	\$3,750
Gas & Oil	\$793,929	\$305,943	\$871,500	\$924,500
Materials & Supplies	\$283,199	\$137,124	\$313,500	\$318,300
Maintenance Service Contracts	\$221,703	\$102,149	\$215,500	\$228,500
Transportation	\$2,738,903	\$1,325,603	\$2,579,200	\$2,649,800
Disposal Fees	\$929,430	\$426,358	\$592,500	\$664,500
Host Community Fee	\$731,237	\$358,346	\$724,000	\$724,000
Other Expenses	\$175,138	\$113,816	\$178,000	\$193,000
Retirement	\$624,699	\$303,514	\$607,029	\$738,510
Social Security	\$296,799	\$153,304	\$344,661	\$362,392
Workers Compensation	\$144,167	\$54,201	\$153,010	\$153,243
Unemployment	\$348	\$174	\$0	\$0
Health Insurance	\$912,732	\$481,970	\$1,141,212	\$1,188,437
GASB 75 Contribution	\$55,228	\$58,415	\$195,500	\$195,500
Debt Service	\$576,113	\$250,602	\$3,003,880	\$2,877,369
Capital Projects	\$1,736,226	\$0	\$281,000	\$413,700
Depreciation	\$4,195,669	\$2,222,577	\$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	\$2,100,000	\$2,400,000
Contingency	\$0	\$0	\$182,920	\$173,320
Bad Debt	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$20,791,655	9,479,239	\$19,950,000	\$21,100,000

PROPOSED 2021 LOCAL GOVERNMENT EXPENSES

CATEGORY	2019 ACTUAL	2020 SIX MONTHS ACTUAL	2020 BUDGET	2021 PROPOSED BUDGET
Salaries & Wages	\$181,822	\$92,895	\$187,304	\$190,249
Overtime/Shift Differential	\$13,849	\$4,609	\$16,000	\$16,000
Other Fees & Services	\$347,341	\$189,102	\$382,950	\$399,000
Temporary Labor	\$0	\$0	\$0	\$0
Office Equipment & Supplies	\$763	\$210	\$1,500	\$1,500
Insurance	\$9,950	\$4,961	\$10,000	\$10,000
Rent/Lease of Equipment	\$52,170	\$27,075	\$52,200	\$59,741
Utilities	\$0	\$0	\$0	\$0
Telephone	\$633	\$316	\$650	\$650
Postage/Shipping	\$16,156	\$16,916	\$16,250	\$21,800
Training	\$0	\$0	\$0	\$0
Public Information	\$1,075	\$2,463	\$500	\$2,500
Uniforms & Safety	\$1,564	\$960	\$2,500	\$2,000
Auto Supplies/Repairs	\$1,788	\$822	\$2,500	\$2,500
Travel	\$0	\$0	\$0	\$0
Gas & Oil	\$6,780	\$2,244	\$7,000	\$6,000
Materials & Supplies	\$464	\$725	\$1,000	\$1,000
Maintenance Service Contracts	\$1,622	\$784	\$1,520	\$1,700
Transportation	\$0	\$0	\$0	\$0
Disposal Fees	\$1,521,388	\$807,843	\$1,476,395	\$1,622,800
Collection Fees	\$2,766,168	\$1,389,007	\$2,778,125	\$2,919,250
Other Expenses	\$39,262	\$17,261	\$35,000	\$37,000
Retirement	\$35,464	\$15,944	\$31,888	\$37,537
Social Security	\$13,966	\$6,935	\$15,553	\$15,778
Workers Compensation	\$6,464	\$2,476	\$6,990	\$6,757
Health Insurance	\$44,890	\$23,944	\$47,780	\$50,944
Debt Service	\$0	\$0	\$0	\$0
Capital Projects		\$0	\$50,000	\$0
Depreciation	\$37,036	\$18,518	\$0	\$0
GASB 75	\$7,491	\$7,931	\$29,500	\$29,500
Contingency	\$0	\$0	\$20,829	\$33,728
Transfers to Other Departments	\$35,000	\$17,500	\$35,000	\$35,000
Bad Debt	\$216,060	\$108,212	\$216,066	\$216,066
TOTAL EXPENSES	\$5,359,166	\$2,759,652	\$5,425,000	\$5,719,000