



DRAFT



2023 PRELIMINARY
**OPERATING &
CAPITAL BUDGETS**

Delaware County Solid Waste Authority

James Warner, Interim CEO

2023 BUDGET OBJECTIVES

- Maintain environmental excellence at DCSWA Facilities
- Balance fees with needs, fairness, and competitiveness
- Maintain workforce alignment with budget tasks and fiscal objectives
- Ensure fiscal stability through detailed operational planning
- Manage capacity assurances by developing Transfer Station rebuild plans and RHL Landfill Pad 107 expansion
- Manage capital spending for maximum functionality and value
- Work with PRAG to develop Authority capacity funding plan
- Initiate plan to transfer 15% Delco waste to Rolling Hills Landfill
- Initiate funding of RHL Closure/Post closure account
- Minimize and delay debt issuance through responsible site planning and management innovation while improving fiscal strength

2023 BUDGET ASSUMPTIONS

TIPPING FEE REVENUE

Delaware County: Transfer Stations and Direct Delivery

- No increase or decrease in tonnages
- Tipping Fee increase of 6% for Residential Waste to \$83.00/ton
- Tipping Fee increase of 3.6% for Commercial Waste to \$83.00/ton
- Maintain direct delivery fee discount of \$5.00 ton or \$78.00 ton
- Transfer of 40,000 tons to RHL

Berks County: Rolling Hills Landfill

- Slight increase in tons from both Berks and Montgomery Counties
- Slight increase in ash from Covanta Del Val
- Slight decrease in ash from Covanta Mont Co: (40,000/t contract limit)
- Price increases range from 5% to 7.5%

EXPENSES

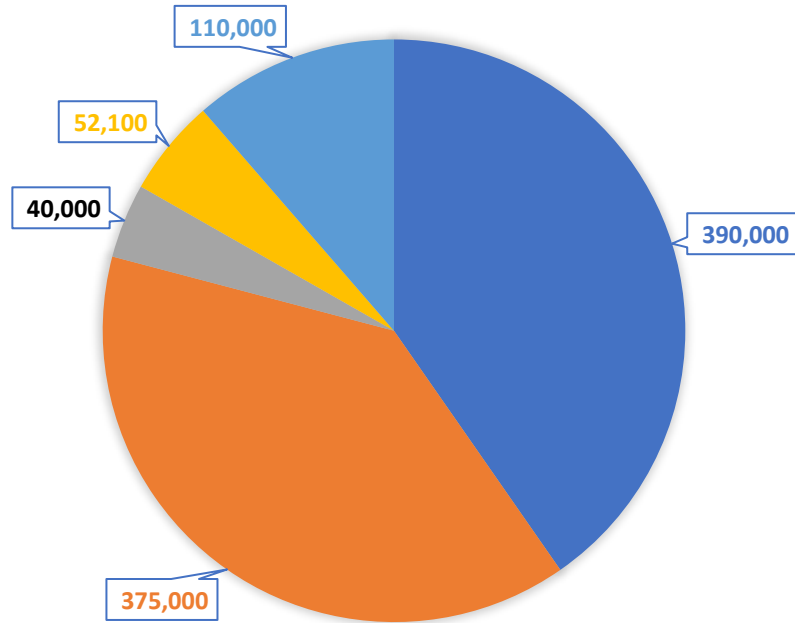
- Total expenses up 5.4% INCLUSIVE of a \$1.2 million contribution to Closure/Post Closure Fund (only 2.6% w/o)
- Wages increase 5%. Total payroll -8.5% from '22 budget, +13% '22 forecast
- Contract hauling up 14% due to combination of annual contract increase, full year of higher fuel adjustment and increase costs to haul waste to RHL
- Covanta processing +5% as of May 1st (to \$46.04), but -5% (\$859k) due to less tons delivered
- Host Fees and DEP Fees +\$964k due to tonnage/facility mix

2022 FORECAST VS 2023 BUDGET

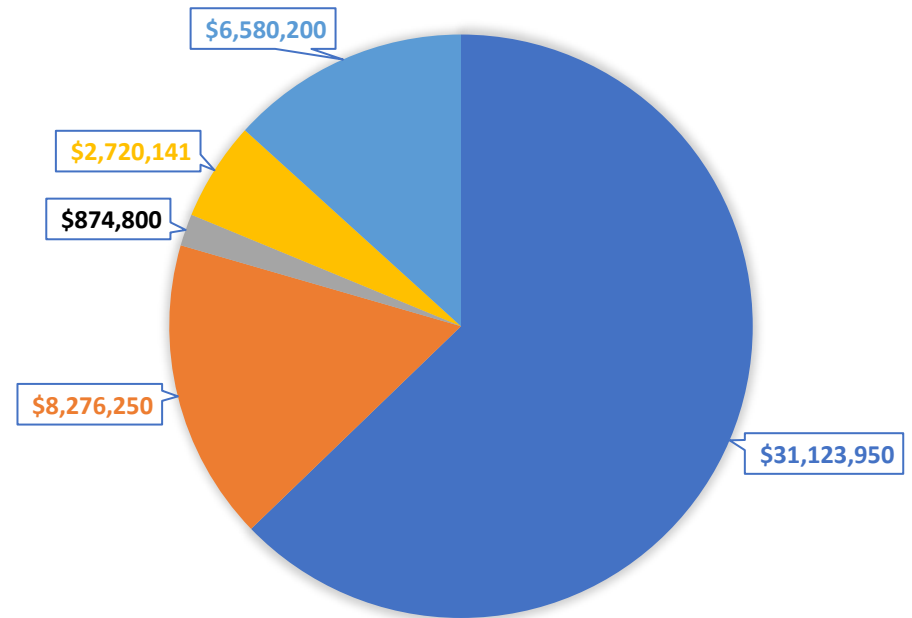
	2022 FORECAST	2023 BUDGET	VARIANCE	
TONNAGE	934,551	1,007,100	72,549	7.2%
DELCO	\$30,297,882	\$31,123,950	826,068	2.7%
ROLLING HILLS	\$16,850,443	\$18,451,391	1,600,948	8.7%
OTHER & NON OP	\$610,088	\$200,000	(410,088)	-205.0%
TOTAL REVENUE	\$47,758,413	\$49,775,341	2,016,928	4.1%
			-	
ADMINISTRATION	\$ 3,206,944	\$ 2,934,450	(272,494)	-9.3%
OPERATIONS	\$ 35,306,917	\$ 36,634,687	1,327,770	3.6%
TOTAL EXPENSES	\$ 38,513,861	\$ 39,569,137	1,055,276	2.7%
			-	
NET OPERATING INCOME	\$ 9,244,552	\$ 10,206,204	961,652	9.4%
			-	
TOTAL DEBT SERVICE	\$ 731,677	\$ 731,400	(277)	0.0%
			-	
NET OPERATING SURPLUS	\$ 8,512,875	\$ 9,474,804	961,929	10.2%
CONTRIBUTION MARGIN	17.8%	19.0%		
			-	
CAPITAL SPENDING	\$ 11,791,695	\$ 6,200,000	(5,591,695)	
CONTRIBUTION TO CLOSURE/PC	\$ -	\$ (1,200,000)	(1,200,000)	
CONTRIBUTION TO RESERVES	\$ (3,278,820)	\$ 2,074,804	5,353,624	

2023 REVENUE TONS & REVENUE ORIGINS

2023 REVENUE TONS
967,100



2023 REVENUE ORIGINS
\$49,575,341



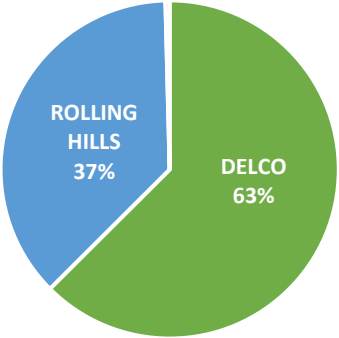
■ DELCO WASTE ■ DELCO ASH ■ PLYMOUTH ASH ■ BERKS ■ MONTGOMERY

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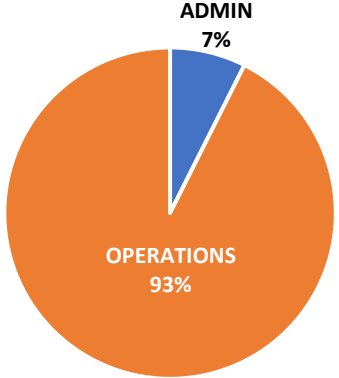
2023 BUDGET SUMMARY

TONNAGE	1,007,100
DELCO	\$ 31,123,950
ROLLING HILLS	\$ 18,451,391
OTHER & NON-OPS	\$ 200,000
TOTAL REVENUE	\$ 49,775,341
ADMINISTRATION	\$ 2,934,450
OPERATIONS	\$ 36,634,687
TOTAL EXPENSES	\$ 39,569,137
NET OPERATING INCOME	\$ 10,206,204
TOTAL DEBT SERVICE	\$ 731,400
NET OPERATING SURPLUS	\$ 9,474,804
CAPITAL SPENDING	\$ 6,200,000

REVENUE



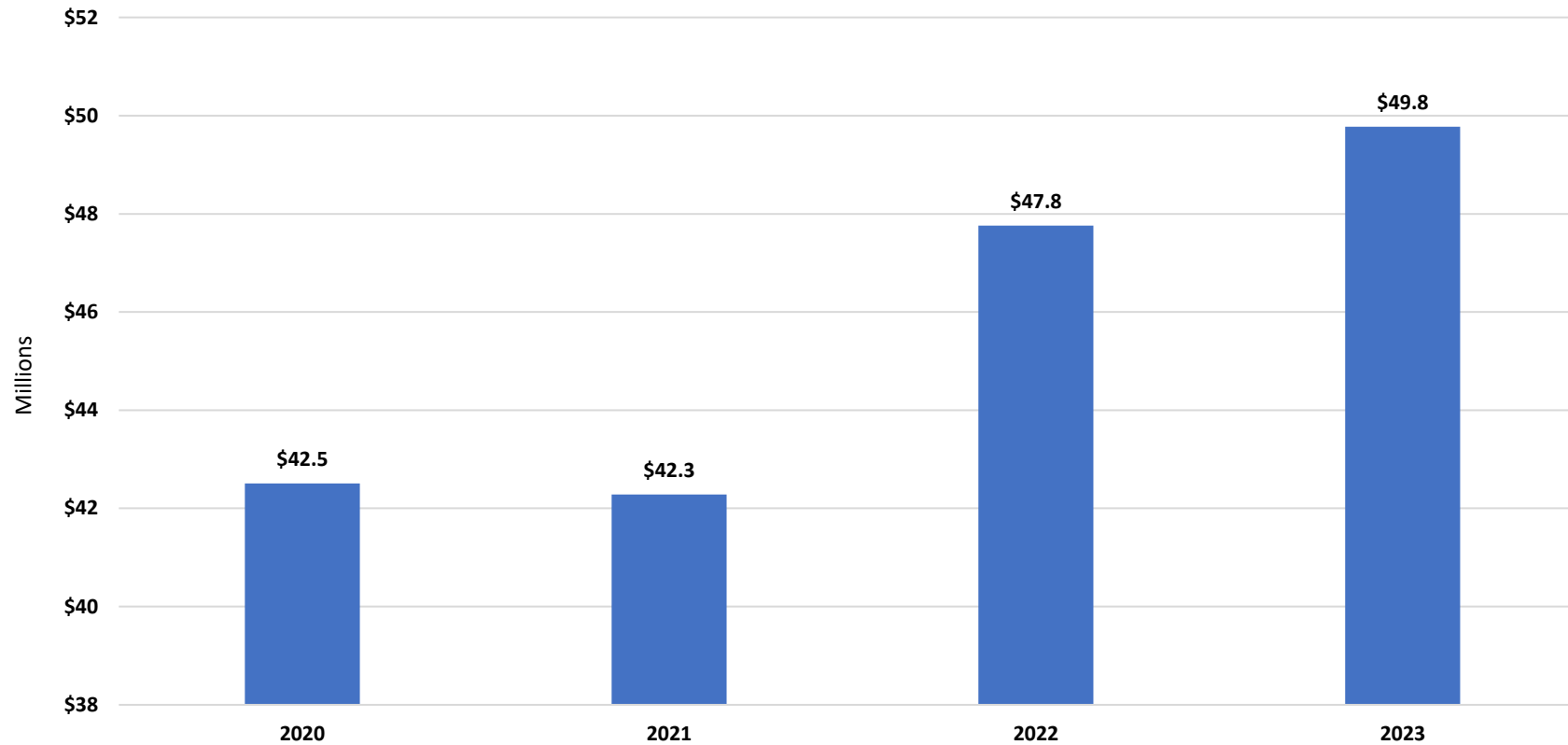
EXPENSES



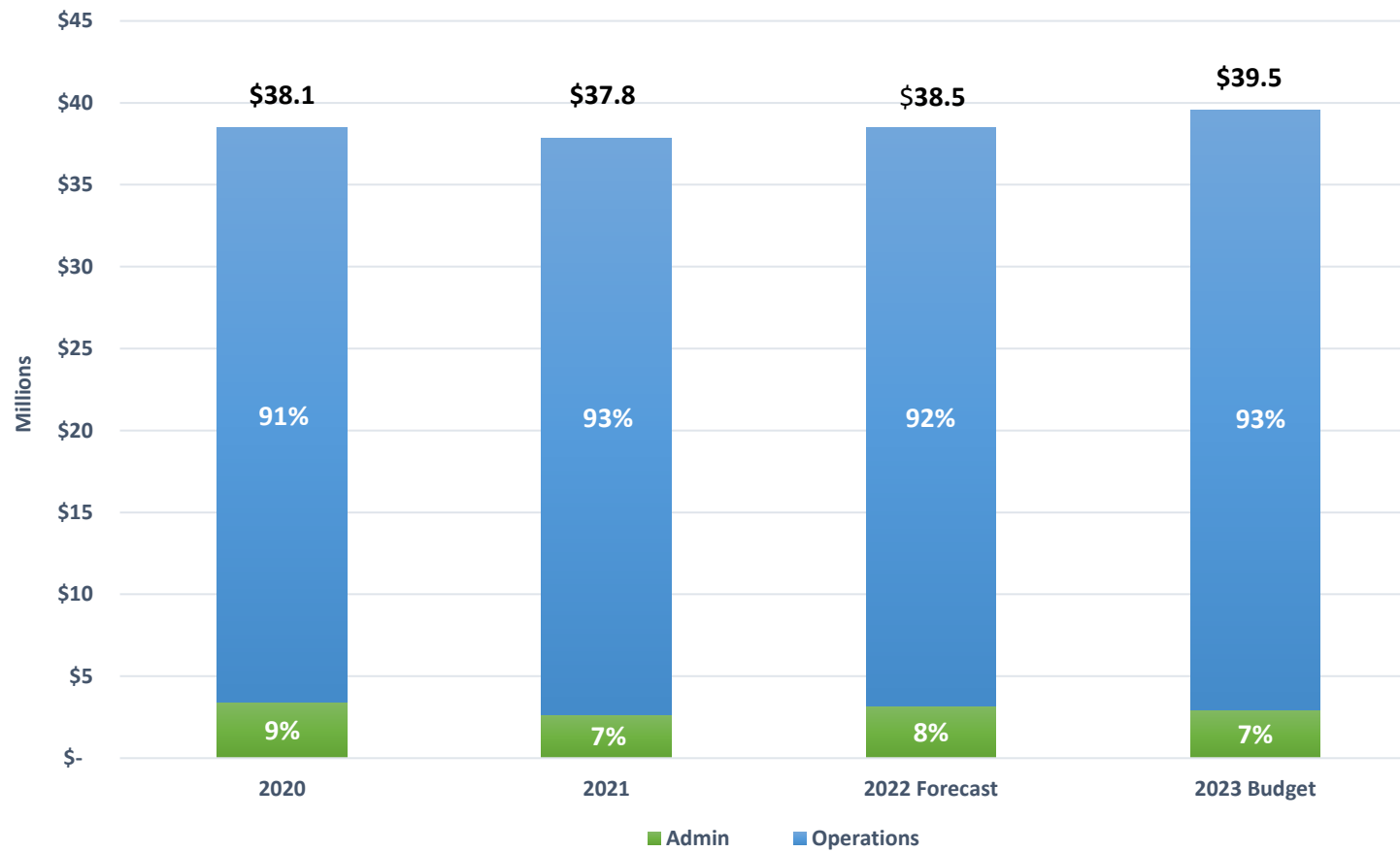
2023 BUDGET SUMMARY BY LOCATION

	DELCO	%	ROLLING HILLS	%	TOTAL
TONNAGE	390,000		617,100		1,007,100
REVENUE	\$ 31,223,950	63%	\$ 18,551,391	37%	\$ 49,775,341
OPERATIONS	\$ 27,322,609	75%	\$ 9,312,077	25%	\$ 36,634,687
ADMIN	\$ 850,991	29%	\$ 2,083,460	71%	\$ 2,934,450
TOTAL EXPENSES	<u>\$ 28,173,600</u>	71%	<u>\$ 11,395,537</u>	29%	<u>\$ 39,569,137</u>
NET OPERATING INCOME	\$ 3,050,350	30%	\$ 7,155,854	70%	\$ 10,206,204
CONTRIBUTION MARGIN	9.8%		38.6%		

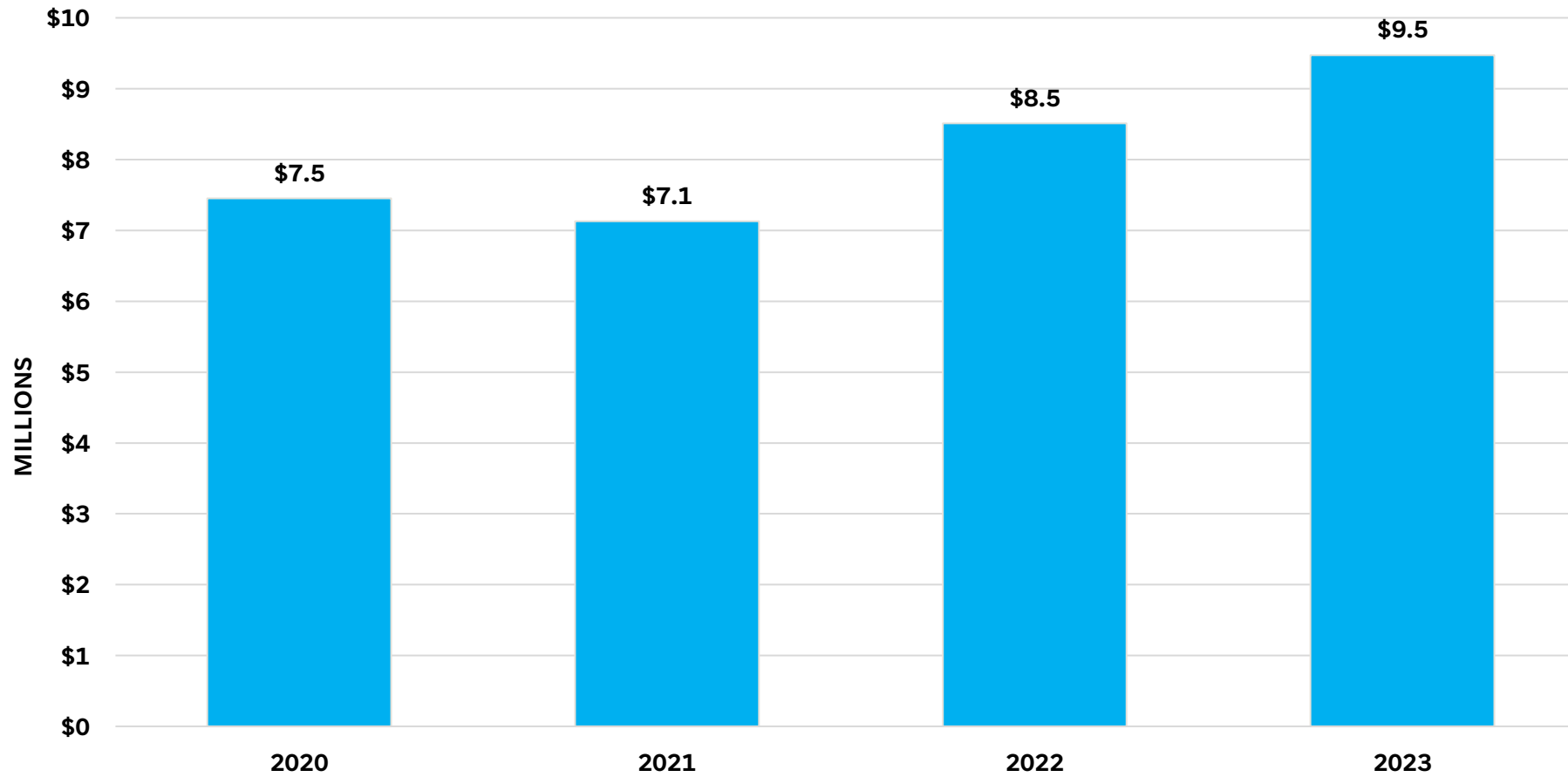
OPERATING BUDGET REVENUES 2020 - 2023



OPERATING BUDGET EXPENSES 2020 - 2023



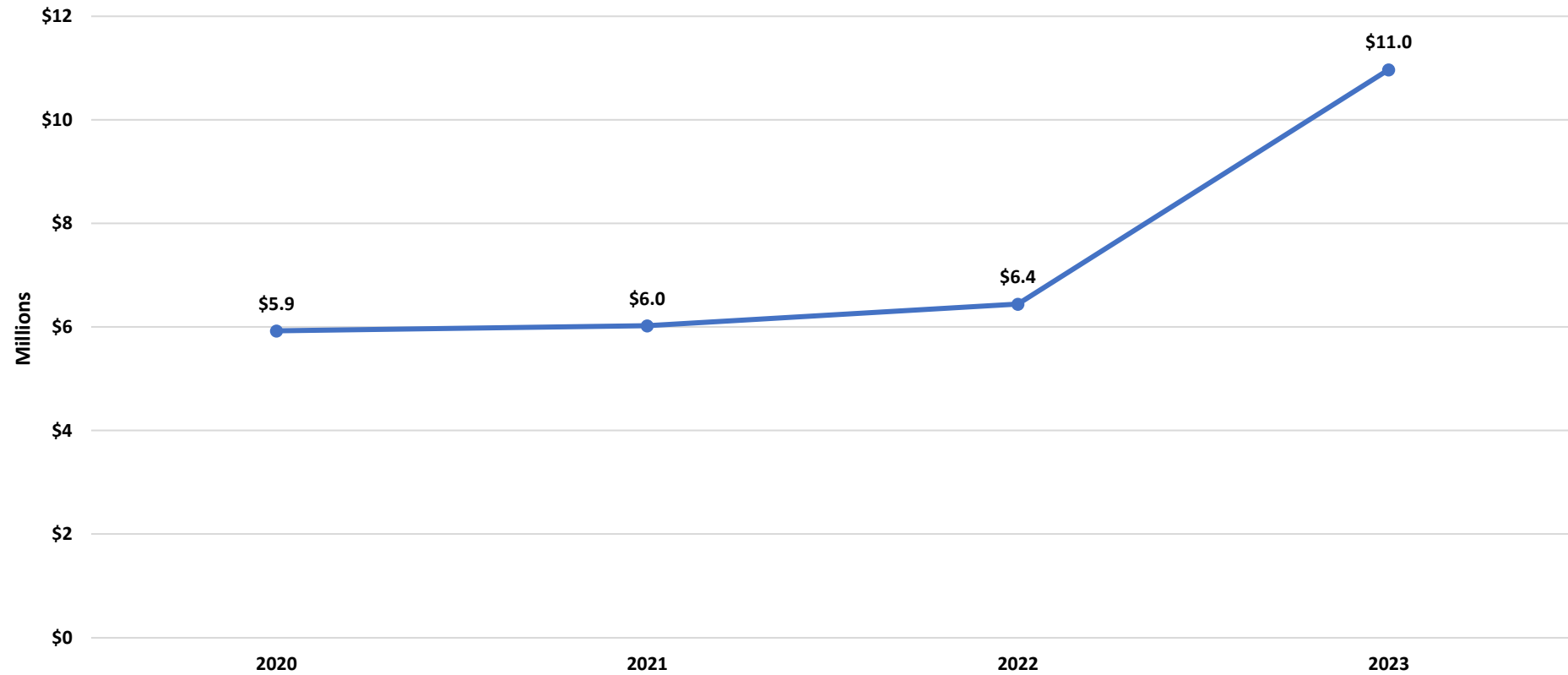
NET OPERATING SURPLUS 2020 -2023



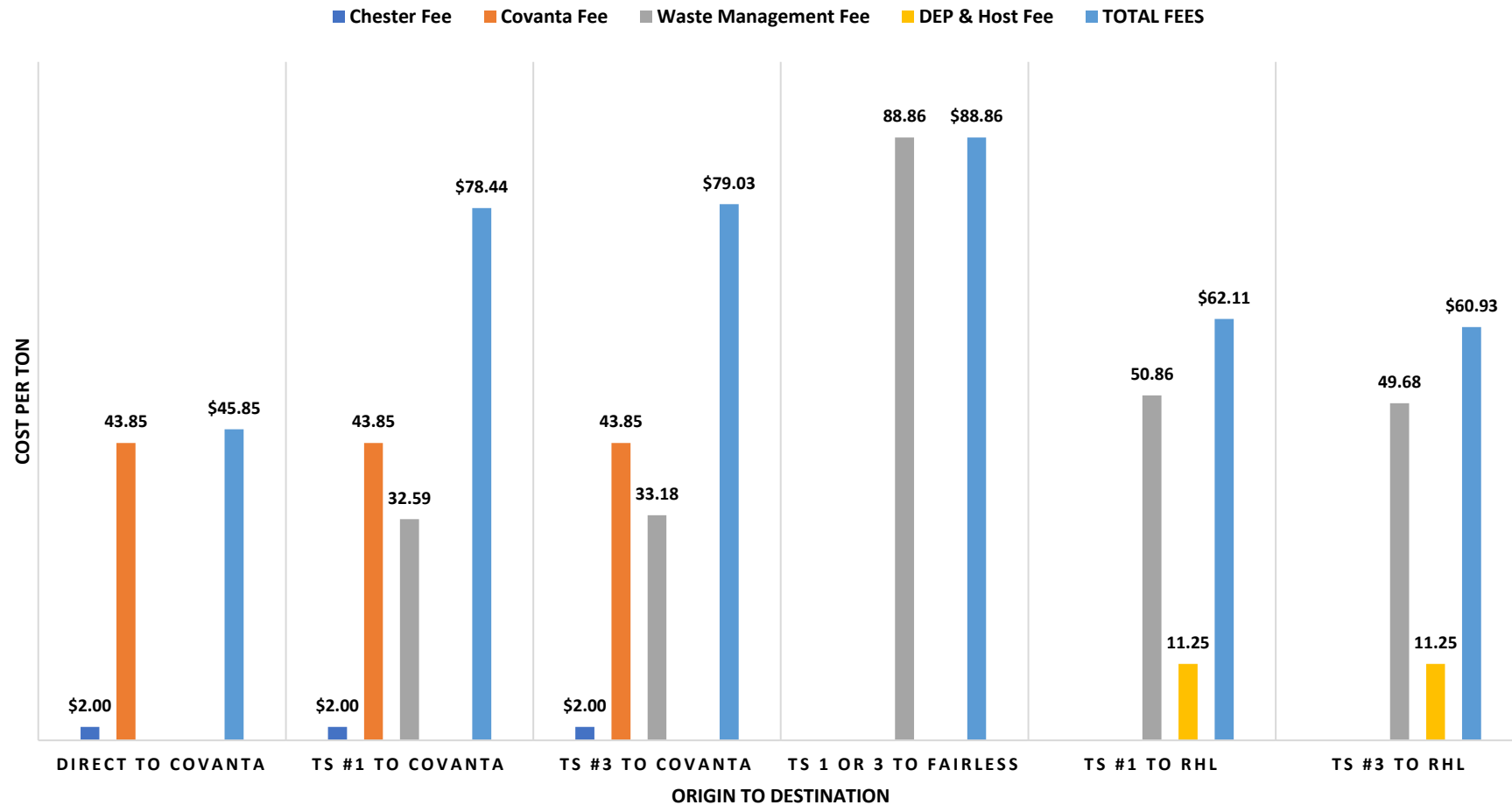
2023 BUDGET CAPITAL EXPENDITURES

PROJECTS		EQUIPMENT	
Pad 107	\$ 1,200,000	John Deere Track Dozer	\$ 380,000
Capping	\$ 2,600,000	Street Sweeper	\$ 255,000
Maintenance Building Restore	\$ 120,000	Plow Truck	\$ 110,000
Replace Asphalt	\$ 300,000	Trash Fence	\$ 50,000
Replace Roof Admin Building	\$ 80,000	Auto Gate- Main Entrance	\$ 45,000
Stone for Phase 1	\$ 320,000	Camera system	\$ 20,000
PROJECTS SUBTOTAL	\$ 4,620,000	Two Pickup Trucks	\$ 100,000
		Trade-Ins:	
		2016 D6T	\$ (60,000)
		2015 TYNCO	\$ (20,000)
		EQUIPMENT SUBTOTAL	\$ 880,000
CONSULTING		CAPITAL EXPENDITURES TOTAL	
Transfer Stations	\$ 400,000	\$6,200,000	
Leachete Treatment	\$ 150,000		
Ash	\$ 50,000		
Finance	\$ 100,000		
CONSULTING SUBTOTAL	\$ 700,000		

YEAR-END CASH POSITION



2023 DELCO WASTE DISPOSAL DIRECT FEES



Thank you!

