

2024 DRAFT (OCTOBER 11, 2023)

OPERATING & CAPITAL BUDGETS

Delaware County Solid Waste Authority

Brooks Stayer, CEO & James Warner, Consultant

2024 PROPOSED DISPOSAL RATES

- \$87/Ton for Residential and Commercial Waste Delivered to Transfer Stations #1 & #3
- \$87/Ton for Residential and Commercial Waste Delivered Directly to Covanta (adjusted for 2024 discount policy)
- Rolling Hills Landfill Municipal Waste Gate Rate of \$80/Ton

2024 BUDGET OBJECTIVES

1. Maintain environmental excellence at DCSWA Facilities
2. Balance fees with needs, fairness, and competitiveness
3. Maintain workforce alignment with budget tasks and fiscal objectives
4. Ensure fiscal stability through detailed operational planning
5. Manage capacity assurances by developing Transfer Station rebuild plans and RHL Landfill Phase 2 A-B expansions
6. Manage capital spending for maximum functionality and value
7. Work with PRAG to develop Authority capacity funding plan
8. Increase transfer of Delco waste to Rolling Hills Landfill by 5,000 tons (11.2%)
9. Increase funding of RHL Closure/Post closure account (synchronized with capacity)
10. Budget for Strategic Reorganization (TBD) and assist Delco with Sustainability Initiatives

2024 BUDGET ASSUMPTIONS

TIPPING FEE REVENUE

Delaware County: Transfer Stations and Direct Delivery

- No increase or decrease in tonnages (98% of anticipated tonnage)
- Tipping Fee increase of 4.82% for Residential Waste to \$87.00/ton
- Tipping Fee increase of 4.82% for Commercial Waste to \$87.00/ton
- Small increase in direct delivery fee discounts (+\$2 for municipal, +\$1 for commercial)
- Transfer of 50,000 tons to RHL (increase of 10%)

Berks County: Rolling Hills Landfill

- Little change in tons from both Berks and Montgomery Counties
- Slight decrease in ash from Covanta Del Val
- Large decrease in ash from Covanta Mont. County of 30,000 tons (none after April 30th)
- Price increases range from 3% to 10%

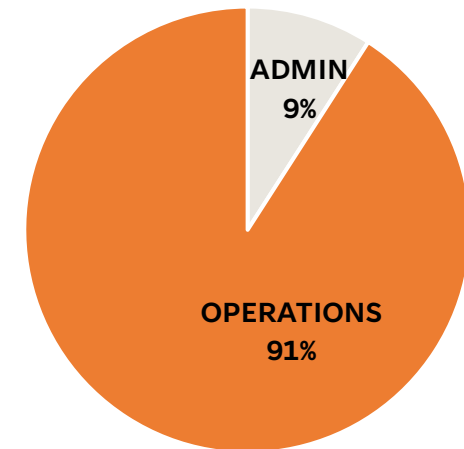
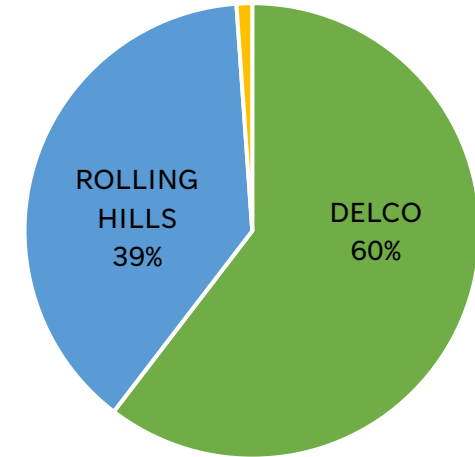
EXPENSES

- Total operating expenses up 4.6%. Total payroll -8.5% from '23 budget, +13% '23 forecast
- Contract hauling up \$470k due to mix of higher \$/ton and more tons to RHL
- Covanta processing +4.5% as of May 1st (to \$47.58), but only +\$8,000 due to less tons delivered .Host Fees and DEP Fees +\$964k due to tonnage/facility mix

2024 BUDGET SUMMARY

2023 FORECAST vs 2024 BUDGET

	<u>2023 FORECAST</u>	<u>2024 BUDGET</u>	<u>VARIANCE</u>	
TONNAGE	1,062,073	989,955	72,118	-7.3%
DELCO	\$32,044,616	\$32,428,901	384,285	1.2%
ROLLING HILLS	\$22,035,475	\$21,894,734	140,741	-0.6%
NON-OPERATING	\$200,000	\$597,668	397,668	66.5%
TOTAL REVENUE	\$54,280,091	\$54,921,303	641,212	1.2%
			-	
ADMINISTRATION	\$ 2,934,450	\$ 3,770,878	\$ 836,428	22.2%
OPERATIONS	\$ 36,634,687	\$ 37,717,387	1,082,700	2.9%
TOTAL EXPENSES	\$ 39,569,137	\$ 41,488,265	1,919,128	4.6%
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NET OPERATING INCOME	\$ 14,710,954	\$ 13,433,038	1,277,916	-9.5%
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TOTAL DEBT SERVICE	\$ 731,400	\$ 2,472,988	1,741,588	70.4%
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NET OPERATING SURPLUS	\$ 13,979,554	\$ 10,960,050	\$ 3,019,504	-27.6%
CONTRIBUTION MARGIN	25.8%	20.0%		
			-	
CAPITAL SPENDING	\$ 6,200,000	\$ 3,743,497	2,456,503	
CONTRIBUTION TO CLOSURE/PC	\$ (1,200,000)	\$ (1,500,000)	300,000	
CONTRIBUTION TO RESERVES	\$ 7,779,554	\$ 5,716,553	2,063,001	



2024 BUDGET SUMMARY BY LOCATION

TRANSFER
STATIONS 1-3

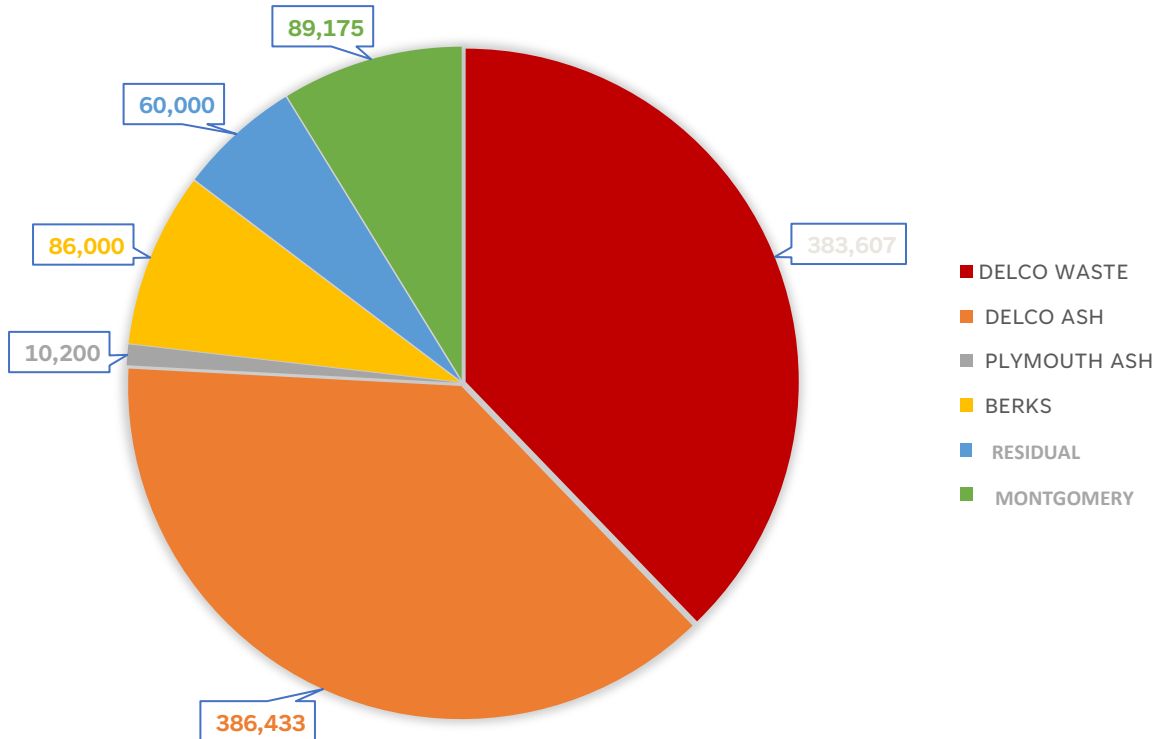
ROLLING HILLS
LANDFILL

TOTALS

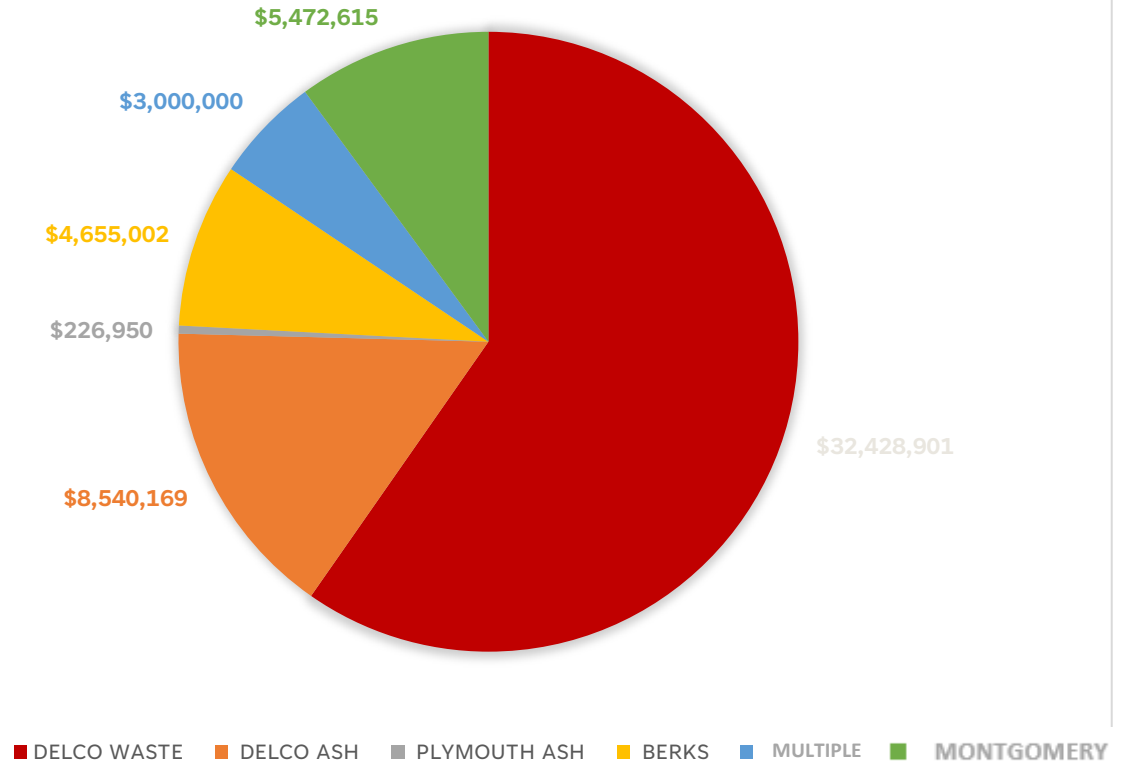
2024 BUDGET SUMMARY BY LOCATION					
	DELCO	%	ROLLING HILLS	%	TOTAL
TONNAGE	383,607		632,348		1,015,955
REVENUE	\$ 32,428,901	60%	\$ 21,894,734	40%	\$ 54,323,635
OTHER & NON-OPS	\$ 298,834	50%	\$ 298,834	50%	\$ 597,668
TOTAL REVENUES	\$ 32,727,735	60%	\$ 22,193,568	40%	\$ 54,921,303
OPERATIONS	\$ 28,288,040	75%	\$ 9,429,347	25%	\$ 37,717,387
ADMIN	\$ 1,093,554	29%	\$ 2,677,324	71%	\$ 3,770,878
TOTAL EXPENSES	\$ 29,381,594	71%	\$ 12,106,671	29%	\$ 41,488,265
NET OPERATING INCOME	\$ 3,346,141	25%	\$ 10,086,897	75%	\$ 13,433,038

2024 REVENUE TONS & REVENUE ORIGINS

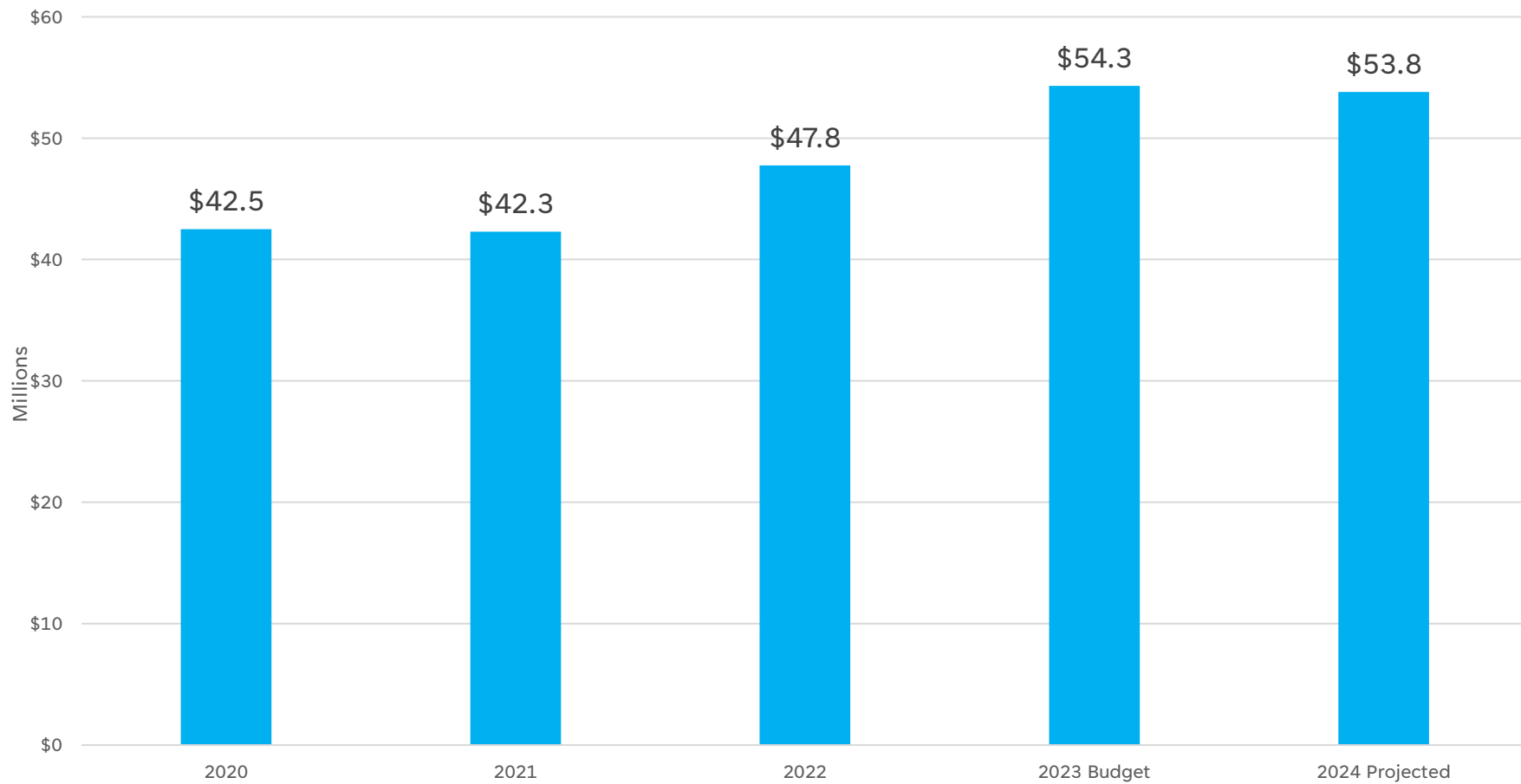
2024 TONS



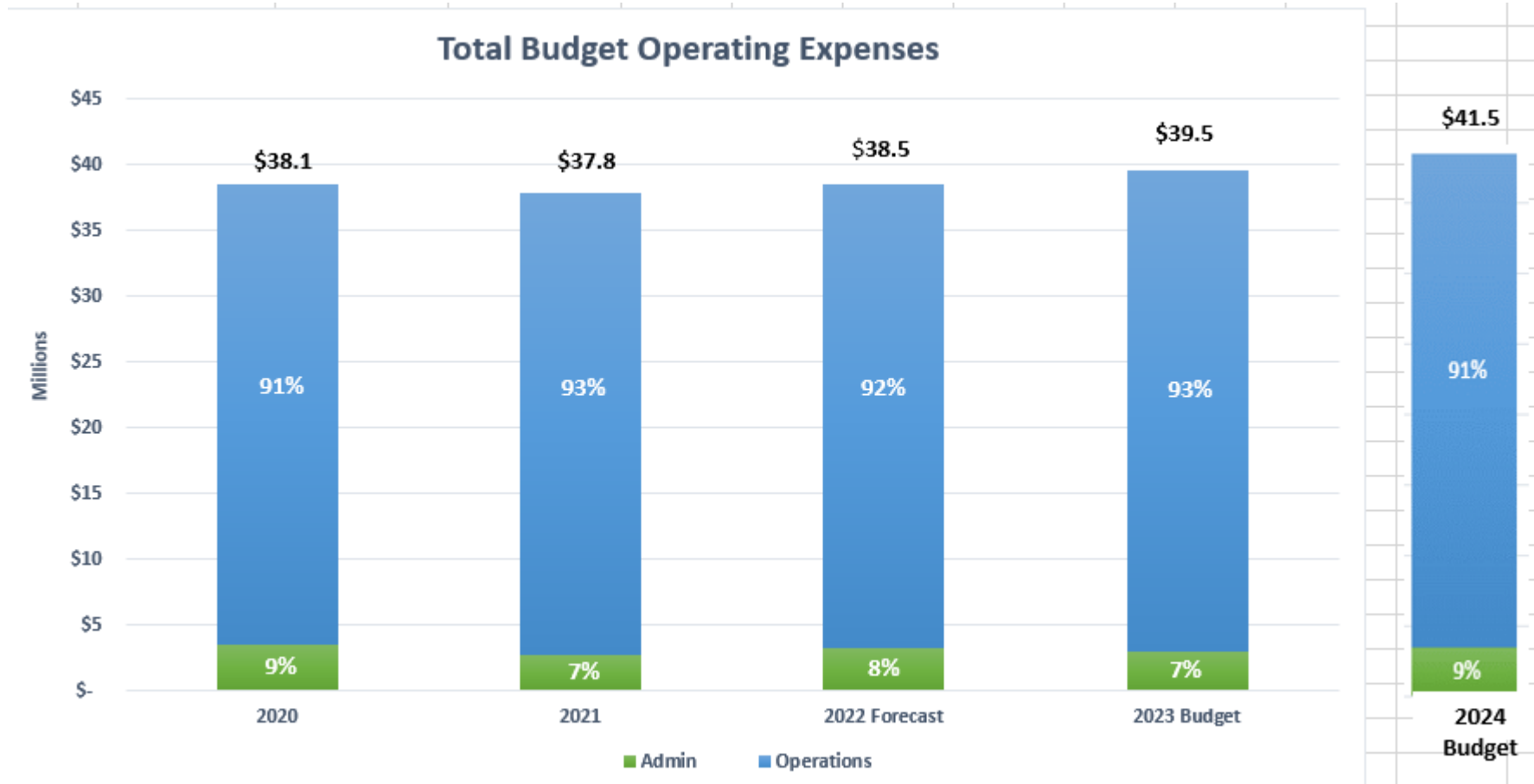
2024 REVENUES



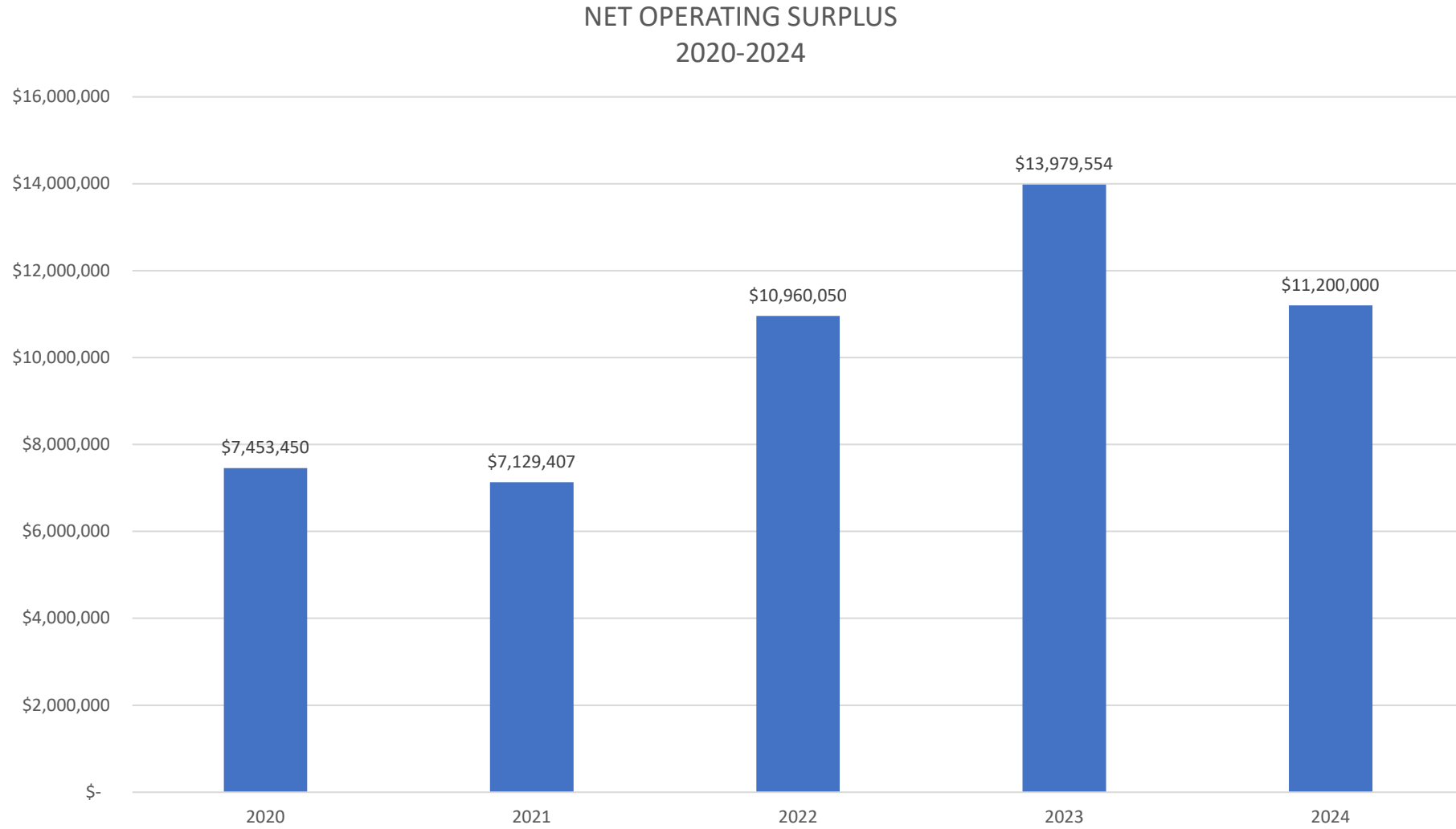
OPERATING BUDGET REVENUES 2020 - 2024



OPERATING BUDGET EXPENSES 2020 - 2024



NET OPERATING SURPLUS 2020 - 2024



RHL Construction (Capacity & Leachate)	
Phase 2A -Engineering and Construction	\$14,505,000
Phase 2A Structural Soil Cost	\$6,150,000
Leachate Storage (2-Million gallon tanks)	\$4,000,000
Gas Well (15 Gas Wells)	\$380,000
Gas Flare Restoration	\$180,000
Construction Stone	\$75,000
Construction Subtotal	\$25,290,000

Heavy Equipment	
Compactor	\$1,400,000
Service Truck -Body	\$180,000
Backhoe	\$150,000
Service Truck	\$72,000
Maintenance & Schedule Repairs/Rebuilds	\$160,000
Heavy Equipment Subtotal	\$1,962,000

CAPITAL EXPENDITURES TOTAL
\$29,033,497

2024 BUDGET CAPITAL EXPENDITURES PROPOSAL

Site Maintenance/Repairs/Safety	
RHL	
Paving, Tire Wash Pumps, RHL Admin (AC), Etc.	\$315,000
Safety & Security (Lights, Fencing, Cameras)	\$213,497
Misc.	\$73,000
Transfer Stations	
Building Repairs & Camera System	\$180,000
Site Maintenance/Repairs/Safety Subtotal	\$781,497

Consulting	
Transfer Stations	\$700,000
Finance	\$100,000
Ash Berm	\$200,000
Consulting Subtotal	\$1,000,000

Source of Funds
Operating Surplus: \$3,743,497
Bond Proceeds: \$25,290,000

YEAR-END CASH POSITION (IN MILLIONS)

