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**To:** Members of the Waste Management Steering Committee

**From:** J. Istchenko, Manager of Environmental Services

**Meeting Date:** July 30, 2019

**Subject:** Report WMC19-008  
First Draft of the 2020 Budget for the Peterborough  
County/City Waste Management Facility

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## **Purpose**

A report to present the first draft of the 2020 Budget for the Peterborough County/City Waste Management Facility along with an explanation of the assumptions behind the budget.

## **Recommendations**

That the Waste Management Committee endorse the recommendations as outlined in Report WMC19-008 dated July 30, 2019, of the Manager of Environmental Services as follows:

- a) That Report WMC19-008 providing information on the first draft of the Peterborough County/City Waste Management Facility 2020 Budget and the underlying assumptions made in the preparation of this draft budget be received for information;
- b) That staff be requested to report further at the September meeting of the Waste Management Committee with any proposed changes and/or updates to the Draft Budget;

## Budget and Financial Implications

The assumptions presented in this report will form the basis for the 2020 Draft Budget submission for the Peterborough County/City Waste Management Facility. The final budget forms part of the City budget and is expected to be adopted in December 2019.

## Background

The 2020 Budget process has started with the goal to have the final budget for the Peterborough County/City Waste Management Facility (the “Landfill”) adopted in December 2019.

The budget for the Landfill forms part of the overall City of Peterborough budget. The Waste Management Committee provides input to the budget process together with staff from both the County and City.

Appendix A provides a list of assumptions used in the preparation of the first draft of the 2020 Budget. The assumptions consider the actual performance of various elements of the budget factored by what staff can reasonably foresee occurring in the immediate economic environment (i.e. household growth) and more global reaching environments (i.e. price paid for recyclable material).

These assumptions are being made some 6 to 18 months before actually occurring and, accordingly, there is an element of risk and uncertainty involved. Given this long prediction period, staff suggests that a second budget report be submitted to the September meeting of the Committee to allow further discussion and/or comments.

The conservative approach has been used for all assumptions.

### 1. Operating Budget

Appendix B provides Budget and Actual information from 2018 to 2020 with an estimated 2020 Budget. Comparing the 2019 and 2020 Budgets, it can be seen that:

- Budgeted revenues are up by almost 23%, the vast majority of which is through tipping fees. This is the first draft and staff will examine this part of the budget in more detail to ensure the tipping fee revenue is not overstated. The only fee increase included in the draft 2019 budget is an increase in the fee to drop off mattresses from \$11.00 per mattress or box spring to \$12.00.

The next report on the draft budget should be able to talk more fully on this issue.

- The expenditures for Leachate Disposal and Township Royalty Fees have been reduced to more accurately reflect the 2018 actuals.

- The increase in Landfill Recyclables is reflective of a new contract with higher fees.
- The increase in Rental Property Expenses is the beginning of a more pro-active maintenance program.

## **2. Capital Budget**

The Landfill Capital Budget 2020-2032 is presented in Appendix C.

The major item added to the 2020 budget is the implementation of the Neal Drive Odour Control Facility. The \$700,000 cost includes the construction and construction supervision for this facility.

As with previous years, the major capital cost is the removal of excess soil from the Landfill site. The capital cost shown includes the removal of approximately 20,000 cubic metres of excess soil to a site on Wallace Point as well as the use of approximately 30,000 cubic metres of excess soil on the Landfill site.

Submitted by,

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### **Attachments:**

- Appendix A: Peterborough County/City Waste Management Facility 2019 Draft Budget Assumptions
- Appendix B: Summary of Peterborough County/City Waste Management Facility Activity 2017-2019
- Appendix C: Peterborough County/City Waste Management Facility Estimated Capital Budget (as of July 12, 2018)