



MEMORANDUM

To: Hamilton County Recycling and Solid Waste District Policy Committee Members

From: Michelle Balz, Solid Waste Manager

Re: 2021 District Budget Preparation

Date: July 10, 2020

Attached you will find information relating to the District's proposed 2021 budget. The information provided on the following pages presents the 2021 budget information in several different ways:

- Page 2 is a summary of the 2021 budget.
- Pages 3 and 4 provide the budget in narrative form.
- Page 5 shows how the budget compares to the solid waste management plan budget projections.
- Page 6 details line item budgets for each District section
- Page 7 provides a graphical representation of the District expenditures.

Budget Discussions

This budget will be placed on the agenda for approval at the July 15, 2020 Policy Committee meeting. In the meantime, contact me at 946-7789 with any questions or concerns.



Hamilton County Solid Waste Management District - 2021 Budget Briefing

Staff Summary: The 2021 proposed budget totals \$3,714,949.60 (as of July 9, 2020). The proposed 2021 expenditures exceed the projected revenue of \$3.25 million.

Key Inclusions or Modifications

The 2021 proposed budget amount of approximately \$3.71 million is similar to the 2020 budget. Key differences include:

- **\$43,457 increase in Department staffing.** Funds pay for the solid waste portion of an additional full-time Department of Environmental Services Public Relations Coordinator.
- **\$100,000 for Plan Update consultant.** These funds will pay for a consultant to help with the Solid Waste Management Plan Update process.
- **\$35,000 for Solid Waste vehicle.** The District is in need of a larger capacity vehicle.
- **\$50,000 increase for Household Hazardous Waste.** Staff anticipates costs for this program will increase in 2021.
- **\$19,654 increase for Yard Trimmings Drop-Off.** Staff anticipates costs for this program will increase in 2021.
- **\$68,000 increase in advertising.** This increase boosts residential recycling and reducing wasted food advertising by \$20,000 each and increases general promotion of the District's programs by \$18,000.
- **\$40,000 increase in District Outreach Priority of organics.** This includes a \$10,000 increase to the community compost initiative, \$10,000 for reducing wasted food workshops, and a \$20,000 increase to the Waste Reduction Innovation grant.

Draft 2021 Budget vs. Solid Waste Plan Revenue Projection

According to the Solid Waste Management Plan, 2021 revenues were projected to be approximately \$2.5 million. For 2021, the District now projects \$3.25 million in revenue. The following table details annual revenues received along with expenditures since 2015.

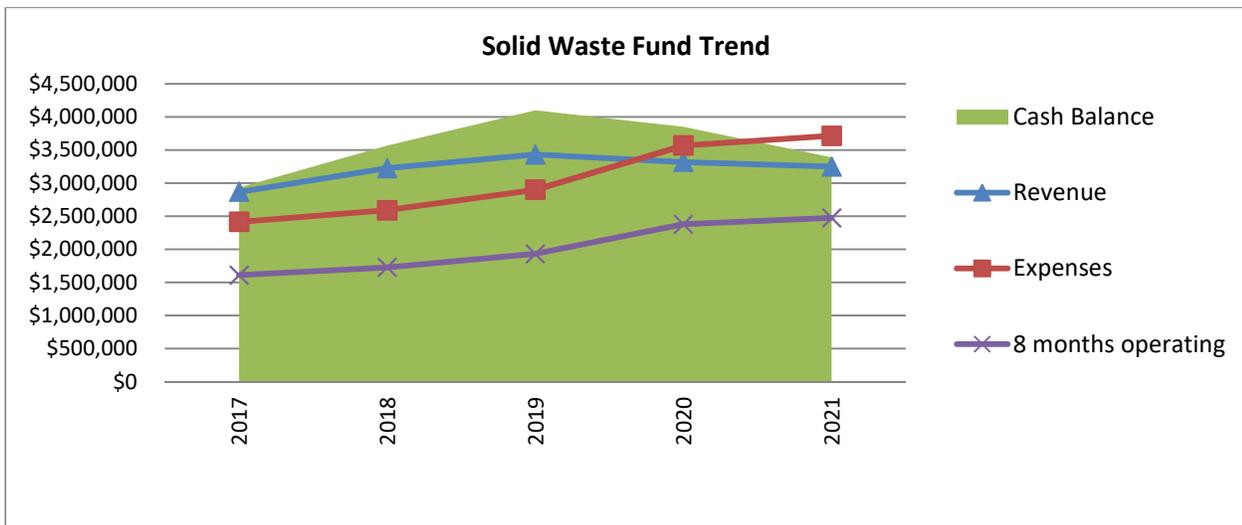
<u>Year</u>	<u>Revenues (Plan Projected)</u>	<u>Actual Revenues¹</u>	<u>Actual Expenditures</u>
2015	\$2,758,816	\$2,203,890	\$2,519,546
2016	\$2,744,828	\$2,647,266	\$2,327,108
2017	\$2,742,317	\$2,867,410	\$2,415,183
2018	\$2,500,000	\$3,226,196	\$2,592,057
2019	\$2,500,000	\$3,433,039	\$2,900,039
2020 (Projected)	\$2,500,000	\$3,320,200	\$3,213,493
2021 (Projected)	\$2,500,000	\$3,250,000	\$3,714,950

1- Includes tiered disposal fee plus other reimbursements.

Carry-Over Balance Analysis

The Policy Committee recommends the District maintain a carryover balance equal to eight months operating costs. Based on a \$3,714,949.60 budget, eight months carryover is equal to \$2,476,633.

The District's carryover balance totaled \$4.1 million on January 1, 2020. The carryover balance is projected to total \$3.85 million on January 1, 2021. Based upon 2021 expenditures of \$3.71 million and revenues of \$3.25 million, the carryover balance will be \$3.39 million as of December 31, 2021.



2020 Proposed Budget – Program Narrative

<u>Program Name</u>	<u>Budget</u>
Residential Recycling Incentive (RRI)	\$900,000
The RRI Program provides grant funding to communities based on how much residents recycle and compost.	
Personnel	\$857,109
This category contains funding for all District positions and partial funding for several Department of Environmental Services (DOES) employees. The District fully funds the following positions: Solid Waste Manager, Business Specialist, Community Outreach Coordinator (2), Outreach Specialist, Assistant Solid Waste Specialist, and Solid Waste Intern. The following DOES employees are partially funded: Director, PT Receptionist, Public Relations Specialists (2), Operations Manager, Assistant Director, and Operations Coordinator. The 2020 budget includes hiring a new additional full-time Public Relations Coordinator partially funded by the District.	
Health Departments	\$350,000
The District contracts with the Cincinnati Health Department and Hamilton County Public Health to enforce solid waste laws.	
Yard Trimmings Drop-off Sites	\$300,000
The District contracts for the operation of three yard trimmings drop-off sites for residents.	
Waste Reduction Awareness	\$255,000
The District implements programs to enhance awareness of recycling and waste reduction. These programs include: residential recycling advertising, residential wasted food reduction, assistance to lower performing communities, household hazardous waste reduction, and general program promotion..	
Administrative	\$132,050
Administrative costs include everything from legal service to capital costs and indirect costs for use of County services. This line item also includes training/travel-related costs for District staff.	
Illegal Dumping Enforcement	\$170,040
The District contracts for a Sheriff Deputy to investigate illegal dumping with a primary focus on tire dumping.	

Priority Waste Stream **\$198,000**

The District identified organics as its priority waste stream. This line item includes the waste reduction innovation grant, compost bin sale, backyard composting outreach, Smart Kitchen Initiative, Community Composting Initiative, and a Wasted Food Awareness event.

Household Hazardous Waste Collection Program **\$251,000**

The District will provide an HHW program. The amount budgeted also includes advertising.

Schools **\$31,750**

Resources are dedicated to educate students and teachers on waste reduction and recycling. This category includes \$1,500 to restock the public recycling containers when needed.

Business Programs **\$115,000**

Let's Stop Waste

District staff helps commercial businesses, schools, institutions, and bars/restaurants implement recycling programs and fund materials necessary for the recycling program to be effective (i.e., recycling collection containers). \$65,000 is budgeted for this program.

513Green Workplace Certification

\$2,000 will be used for this certification program that recognizes and promotes businesses in Hamilton County that voluntarily operate in an environmental responsible manner.

Industrial Pollution Prevention Internship

\$18,000 is budgeted for the hiring of up to three full-time interns to work on-site with local industry to help them with solid waste and recycling issues.

Waste Assessments

The District will contract with a consulting firm to conduct waste assessments for large industrial/institutional facilities, upon request. \$30,000 is budgeted for this program.

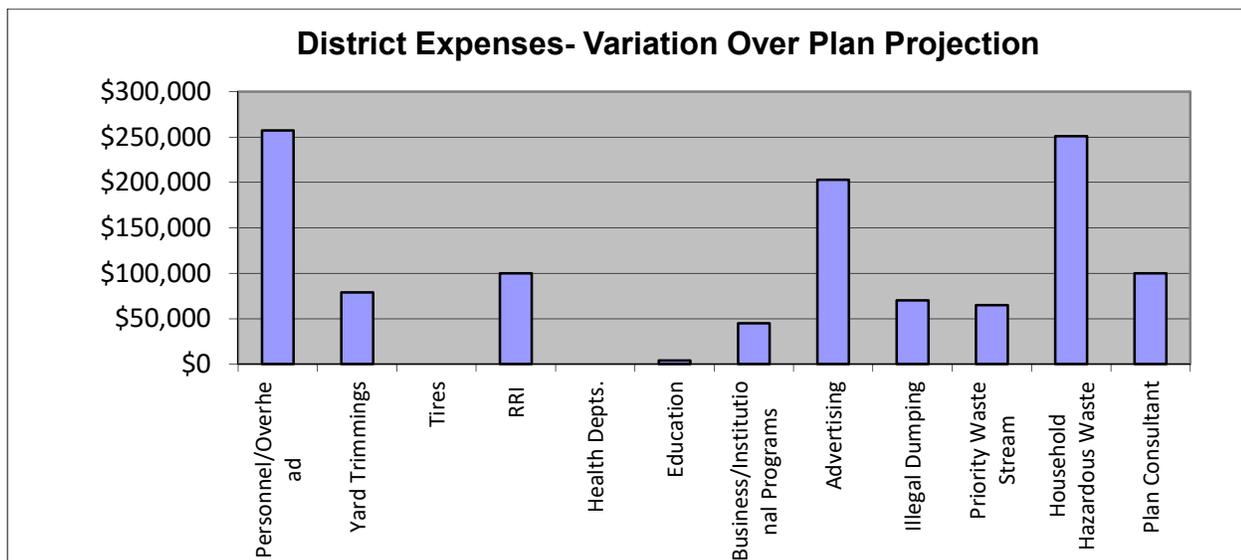
Tires **\$20,000**

Program Summary: Funding is provided for the continuation of the District's partnership with Keep Cincinnati Beautiful (KCB) to collect scrap tires in Hamilton County in the amount of \$19,000. The remaining amount in this line item will be used for miscellaneous tire clean ups.

2021 Proposed Expenditures vs. Solid Waste Management Plan Projected Expenditures

The Plan outlines projected annual expenditures. As these projections were made in early 2016, it is not a surprise that some costs have increased. The major differences between the proposed budget and the projected expenditures outlined in the Plan include:

- **Residential Recycling Incentive Program** – Incorporated in the Plan is a budget contingency that outlines what program budgets will increase or decrease based on changes in revenue (from a baseline of \$2.5 million). As stated in the Plan, if revenue is \$2.5 million, \$800,000 is budgeted for the RRI program. If revenue is \$2.6 million or higher, \$900,000 is budgeted for the RRI program.
- **Household Hazardous Waste** – The Plan also includes a budget contingency for a household hazardous waste collection program. If revenue is at or above \$2.7 million, a collection event will be conducted
- **Yard Trimmings Drop-Off Sites** – The District expects an increase in costs after a Request for Bids is issued in 2020 for the operation of its three yard trimmings drop-off sites. As a result, the costs to operate the sites may increase by \$79,000 annually.
- **Illegal Dumping Enforcement** - \$70,040 was added to the cost of a Sheriff Deputy based on changes to the actual costs versus the estimates provided by the Sheriff Department during the writing of the Plan.
- **Advertising/Awareness** – The Plan includes \$100,000 for advertising focused on residential waste reduction. The District recommends increasing this line item to have a broader impact. This budget category also includes programs such as the annual awards ceremony and postage for any direct mail pieced (these costs were not originally included in the Plan).
- **Priority Waste Stream** - \$65,000 was added to the Priority Waste Stream line item (organics). The additional funding will be used on the following initiatives: industrial kitchen outreach and support to reduce wasted food, a community composting initiative, and a waste diversion grant.



Administration Budget (Does not include personnel costs)	
2020 Proposed Budget	
Line Item	Budget
Small Office Equip	\$1,200
Office Supplies	\$1,500
Fuel/Oil	\$1,300
Building Supplies	\$1,800
Legal Service	\$13,000
Travel	\$4,000
Telephone	\$3,000
Postage	\$1,500
Payment to ACSIS	\$1,100
Messenger Service	\$100
Mileage	\$100
Advertising	\$1,500
Printing	\$700
Car Repair	\$1,000
Rent Copy Machine	\$200
Rent Stamp Machine	\$400
Computer Support Service	\$1,100
Misc. Contract Service	\$119,550
Subscription/Memberships	\$11,200
SW Vehicle	\$35,000
Training	\$3,000
Indirect Cost	\$43,200
Total	\$245,450

Education Budget (Does not include personnel costs)	
2020 Proposed Budget	
Line Item	Budget
Recycling Education/Awareness	
Workshop Supplies	\$6,750
Special Events	\$500
Student Handouts	\$2,500
Public Recycling	\$1,500
Travel	\$4,000
Transportation Services	\$8,000
Mileage	\$250
Contracted Outreach	\$12,500
Training	\$3,000
Total	\$39,000

Community/Business Budget (Does not include personnel costs)	
2020 Proposed Budget	
Line Item	Budget
Travel	\$6,000
Postage	\$3,700
Mileage	\$150
Yard Trimmings Drop Off Sites	\$300,000
HHW Event	\$251,000
Tire Collection	\$20,000
Residential Recycling Incentive	\$900,000
Institution/Business Assistance	
Public Space Recycling	\$5,000
Let's Stop Waste	\$60,000
513Green Certification	\$2,000
P2 Internship Program	\$18,000
Waste Assessments	\$30,000
Advertising	\$255,000
Health Departments	\$350,000
Training	\$4,500
Illegal Dumping Enforcement	\$170,040
Education Awareness	
Awards Ceremony	\$5,000
Backyard Composting	\$15,000
Wasted Food Event	\$23,000
Reuse Outreach	\$5,000
Outreach Priority (organics)	
Community Composting	\$20,000
Wasted Food Educator	\$10,000
Smart Kitchen Initiative	\$20,000
Waste Reduction Innovation	\$100,000
Total	\$2,573,390

2021 Recommended Budget

