

# **Section VII**

## **Solid Waste Fund**

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Mission Statement

The mission of the Solid Waste Division is to provide an efficient, environmentally sound and cost-effective solid waste collection & disposal and recycling program for subscribers to the Town's curbside program.

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Highlights

- Revenues are budgeted to grow to \$1,018,965 in FY10 from \$951,575 in FY09 ( 7% increase).
- Expenditures are budgeted to rise to \$1,081,616 in FY10 from \$965,716 in FY09 (12% increase).
- In order to mitigate rate increases for FY10, funds from the current balance in the Solid Waste Fund will be used to offset the projected deficit of \$62,651.
- The proposed curbside subscription fee for FY10 is \$174.00 per year. This fee reflects anticipated FY10 contract costs and higher paper processing costs. There will be no price increase for barrel stickers (\$39.00 semi-annually) or weekly disposal tags (\$1.50). Overall, the average curbside subscriber will pay 6.8% more in FY10, still well below the rates charged by private haulers.

Income and Fund Balance Summary				
	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Estimated
Operating Income	\$ (37,128)	\$ 18,099	\$ (14,141)	\$ (62,651)
Net Income	\$ (37,128)	\$ 18,099	\$ (14,141)	\$ (62,651)
Fund Balance	\$ 195,823	\$ 213,920	\$ 199,779	\$ 137,128

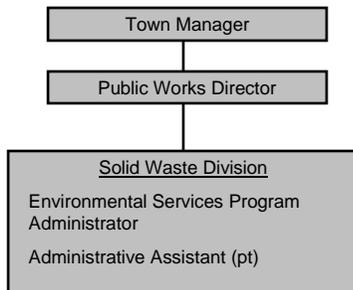
Description:

Concord's curbside collection program is open to all residents and small commercial facilities. Under the program, curbside collection, disposal and recycling services are provided to residents, municipal sites, and schools, under contract by Waste Management of Central Massachusetts.

The curbside collection program is a fee-based program that is not supported by tax dollars. Program subscribers pay a base fee, plus a charge per bag or barrel of trash.

The Solid Waste Division partners with REUSIT (Rescue the Environment and Us from being Smothered In Trash) twice-a-year for DropOff-SwapOff events for recyclable materials and oversized waste not collected at the curb.

The Solid Waste Division also co-sponsors two business recycling events per year, and collects fluorescent light bulbs and mercury products from residents on a daily basis. The division oversees the paint shed at the Compost Site, open Saturdays April through October for the collection of paint and paint products for re-use and proper disposal.



**Collection and Disposal Contract:**

The Town is in the fifth year of our five-year contract with Waste Management. The current contract with Waste Management expires on June 30, 2009. After an extensive vendor qualification process, the Town opted to extend the Waste Management contract for another year (FY10) instead of locking into a long-term contract. Since the current low commodity prices significantly affect recycling costs, more competitive pricing may be obtained when the commodity markets are more stable than they are now. An RFP for a new curbside solid waste and recycling contract is in development for FY11. This RFP will be delivered to pre-qualified vendors during the first half of FY10.

**Collection Rate Highlights**

***With the FY10 proposed Curbside Collection Rates, the average cost per household (based on 1 barrel per week is:***

**\$252.00**

- The FY10 cost represents a 6.8% increase over the FY09 amount of \$236.00.
- While the Trash and Recycling subscription fee is scheduled to increase by 10.1% (11.5% for a Recycling Only subscription), the amount charged for a barrel sticker or a weekly disposal tag remains the same.

**FY08 – FY10 Contract Charges and Collection Rates**

**Contract Charges**

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	
Trash and Recycling	\$137.00	\$142.00	\$174.00	per subscriber per year
Recycling Only	\$68.50	\$71.00	\$102.00	per subscriber per year
Dumpster Pickup	\$35.00	\$36.00	\$36.00	per pickup
Recycling Toter	no charge	no charge	no charge	
Public Barrels	\$1.95	\$2.05	\$2.05	per barrel per pickup
Trash Tonnage	\$79.50	\$81.00	\$77.00	per ton
Commingled Containers	\$25.00	\$25.00	\$25.00	per ton
Paper Processing Fee	\$25.00	\$25.00	\$25.00	per ton (subtracted from the Yellow Sheet News #6 - High New England market price for paper)

**Curbside Collection Rates**

(rates are implemented on May 1st)

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	
Trash and Recycling Subscription	\$148.00	\$158.00	\$174.00	per year
Recycling Only Subscription	\$72.00	\$78.00	\$87.00	per year
Weekly Disposal Tag	\$1.50	\$1.50	\$1.50	per barrel per week
Barrel Sticker	\$78.00	\$78.00	\$78.00	per year
Avg Cost per Household (Based on 1 barrel per week)	\$226.00	\$236.00	\$252.00	

**Key Performance Measures**

- Concord's Recycling Rate & Tonnage.
- Recycling Rates from other Towns
- Citizen Survey



**Recycling Rate & Tonnage**

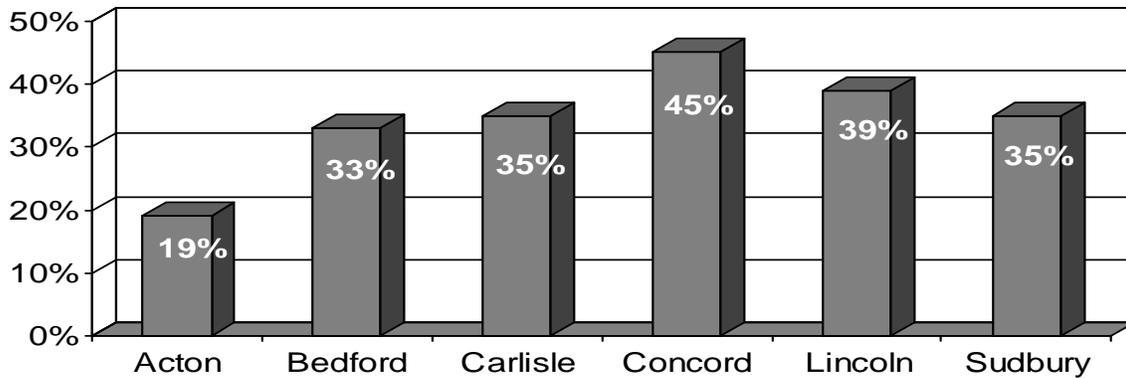
Concord's recycling rate ranks among the top ten percent in the Commonwealth. As of December 31, 2008, curbside subscribers recycled an average of 45% of the total materials collected. In FY08, subscribers to the municipal collection program disposed of 2,467 tons of trash, 1,469 tons of paper, and 556 tons of commingled containers. Historical tonnages and recycling rates are outlined below.

	No. of subscribers	Change	Trash	Recycling	Total	Percent Recycled
	as of 6/30/08	# subscribers	tons	tons	tons	%
FY95	2,117	-106	1,968	887	2,855	31%
FY96	2,309	192	1,984	1,312	3,296	40%
FY97	2,132	-177	2,226	1,189	3,415	35%
FY98	2,557	425	2,351	1,264	3,615	35%
FY99	2,724	167	2,173	1,598	3,771	42%
FY00	2,828	104	2,254	1,809	4,063	45%
FY01	2,907	79	2,269	1,830	4,099	45%
FY02	3,009	102	2,267	1,902	4,169	46%
FY03	3,077	68	2,376	1,954	4,330	45%
FY04	3,140	63	2,380	1,975	4,355	45%
FY05	3,218	78	2,571	1,998	4,569	44%
FY06	3,224	6	2,551	1,981	4,532	44%
FY07	3,270	46	2,559	1,982	4,541	44%
FY08	3,305	35	2,467	2,025	4,492	45%

### Benchmarking Recycling Rates

As shown on the graph below, the amount of materials that Concord recycles is greater than that of the surrounding towns. This achievement is a result to a large extent of the pay-as-you-throw pricing structure that the Town has implemented. With the pay-as-you-throw system, there is an added cost for each additional barrel of trash that is put out for collection.

## Municipal Recycling Percentage Comparison

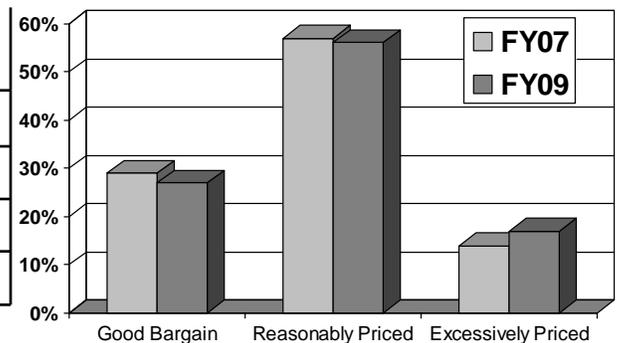


### Resident Survey

In September 2006 and November 2008, the Town conducted a telephone Survey of 300 residents and asked the following question: Do you consider the price of the Town’s trash and recycling pickup is a Good Bargain, Reasonably Priced, or Excessively Priced? For all respondents who said that they used the collection service, the results show that 27% think that it is a Good Bargain, 56% think that it is Reasonably Priced, and 17% think that it is Excessively Priced. There is a slight statistical variation in the results from the two polls.

### Opinion of Collection Rates

What is your opinion of the price of Town trash and recycling pickup?				
	FY07	FY08	FY09	FY10
Good Bargain	29%	N/A	27%	N/A
Reasonably Priced	57%	N/A	56%	N/A
Excessively Priced	14%	N/A	17%	N/A



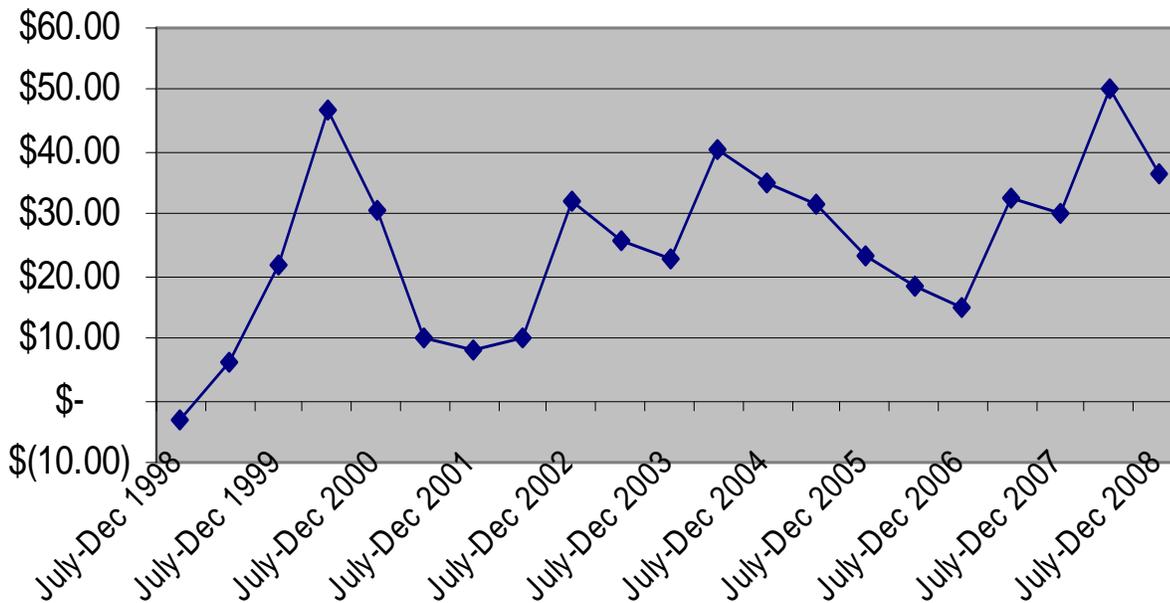
\*Data Source: September, 2006 and November, 2008 telephone surveys.

**Paper Revenue**

The current contract with Waste Management contains a provision whereby the Town receives revenue when the price for the Yellow Sheet News high price for New England #6 News exceeds \$25.00 per ton. Historically, when the Town receives paper revenue, re-subscribers to the municipal collection program have received a paper revenue rebate on their curbside subscription invoice. In 2008, curbside re-subscribers received paper rebate of \$7.00 on their Spring curbside invoice, and an additional \$7.00 paper rebate on their Fall curbside invoice.

It should be noted that the paper market plunged dramatically during late 2008 due to low demand associated with cutbacks in manufacturing production and other economic factors. Paper prices have yet to recover as this goes to print, and no paper revenue is anticipated for FY10. Revenue from paper is not budgeted due to unpredictable market conditions. This budget includes a net cost of \$20.00 per ton for processing paper.

**Paper Revenue in Dollars Per Ton**



(The above figures show six-month averages, net of processing fees)

**Program Implementation**

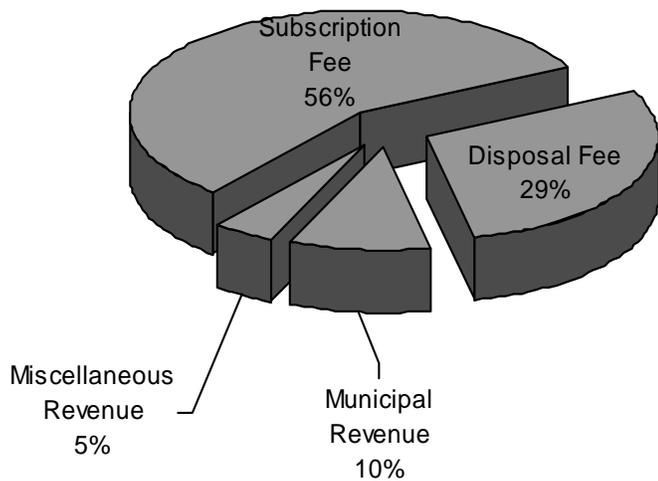
•Eighty-six percent of the Solid Waste Division’s revenues come from curbside subscriber subscription fees and disposal fees (\$871,242 of the total). Subscription fees and disposal fees (barrel stickers and weekly tags) are carefully calculated each year in a manner that will allow the Division to meet its yearly expenditures, while remaining competitive, typically well below the rate private haulers charge. Municipal revenue (schools, municipal buildings, parks & fields) is projected at \$101,584 ( approximately10% of the total). Revenue from DropOff Day, brush fees, and sales of recycling bins & compost bins are projected at \$46,140 (approximately 4%).

•The two expense categories of greatest magnitude are Collection and Disposal.

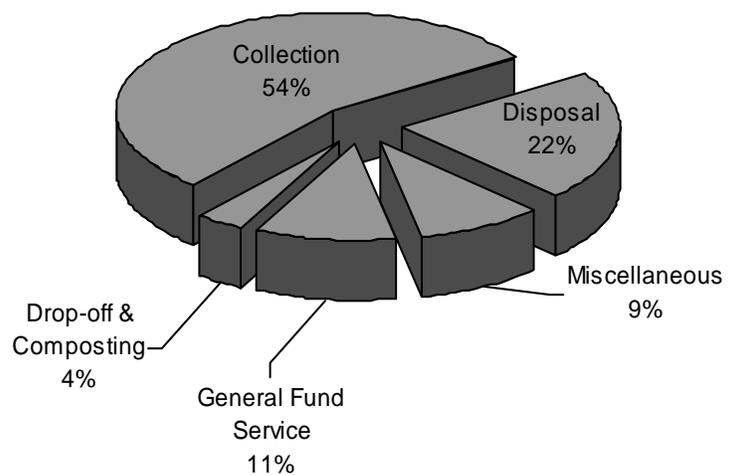
•Collection costs have risen significantly in the solid waste and recycling industry over the past several years, due in part to higher fuel costs and operating costs. The impact to the Town’s curbside program has been minimal during this time since the current contract was negotiated in 2004 (when fuel costs were far lower). FY09 is the fifth year of a five-year contract with Waste Management.

•FY10 collection costs, based on Waste Management’s FY10 contract pricing, are budgeted at \$591,088. This represents a 21% increase over the FY09 budget of \$487,977, however, the funds set aside by the Solid Waste Division for rate stabilization will significantly offset this increase. Solid Waste Disposal costs are projected to decrease by 10% in FY10. The Town expects to pay \$4.00 less per ton in FY10. Disposal is budgeted at \$193,553 for FY10.

**Operating Revenues**  
**Totaling \$1,018,966**



**Operating Expenditures**  
**Totaling \$1,081,616**



## OPERATING REVENUES (\$)

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Budget
Subscription Fees (Collection)	\$ 425,265	\$ 519,390	\$ 525,760	\$ 577,549
Disposal Fees (Tags & Stickers)	275,852	270,602	287,138	293,693
Town Facilities & Public Barrels	37,232	38,511	38,613	40,034
Schools	55,415	57,700	58,370	61,550
Compost Bins	2,114	3,199	2,500	3,000
Drop-off Day	31,246	34,843	30,754	36,000
Misc. (Incl. brush fees, chip sales)	8,447	6,769	8,440	7,140
Sale of Recycled Paper*	35,302	65,772	-	-
<b>Operating Revenues Totals</b>	<b>\$ 870,874</b>	<b>\$ 996,786</b>	<b>\$ 951,575</b>	<b>\$ 1,018,965</b>

## OPERATING EXPENSES (\$)

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Budget
<b>Curbside Program:</b>				
Personnel Service	\$ 51,497	\$ 61,631	\$ 69,100	\$ 70,615
Curbside Collection Contract	451,332	474,889	487,977	591,088
Contracted Disposal Services	195,631	197,485	214,956	193,553
Recycling Processing Fees	11,838	12,722	11,630	42,400
Customer Rebate*	25,600	46,417	-	-
Purchased Services	19,978	23,917	18,150	24,210
Supplies & Materials	10,910	4,822	5,038	5,861
Other Charges & Expenses	1,315	1,333	1,700	1,450
Capital Outlay	-	-	-	-
General Fund Services	74,381	78,586	108,127	114,275
<b>Curbside Program Subtotals</b>	<b>\$ 842,482</b>	<b>\$ 901,802</b>	<b>\$ 916,678</b>	<b>\$ 1,043,452</b>
<b>Drop-off Program:</b>				
Personnel Services	\$ 3,181	\$ 3,536	\$ 2,827	\$ 4,791
Oversized Waste Collection	3,150	4,324	3,300	3,000
Oversized Waste Disposal	4,586	3,956	4,760	5,270
Recyclable Materials Processing	17,691	17,232	17,151	19,343
Purchased Services & Supplies	1,277	2,342	1,000	1,260
<b>Drop-off Program Subtotals</b>	<b>\$ 29,885</b>	<b>\$ 31,390</b>	<b>\$ 29,038</b>	<b>\$ 33,664</b>
<b>Composting Site Program:</b>				
Personnel Services	\$ 10,769	\$ 8,652	\$ -	\$ -
Purchased Services	17,820	27,618	-	-
Supplies & Materials	-	196	-	-
Capital Outlay	-	1,500	-	-
General Fund Services	7,045	7,531	20,000	4,500
<b>Composting Site Subtotals</b>	<b>\$ 35,634</b>	<b>\$ 45,497</b>	<b>\$ 20,000</b>	<b>\$ 4,500</b>
<b>Operating Expenses Totals</b>	<b>\$ 908,001</b>	<b>\$ 978,689</b>	<b>\$ 965,716</b>	<b>\$ 1,081,616</b>

\* Note: Due to the volatility of the recycled paper market, no estimates of revenue from the sale of recycled paper or related customer rebates are projected for either FY09 or FY10.

**AUTHORIZED POSITIONS (\$)**

Code	Position Title	Grade	FY09 Revised Budget		FY10 Initial Budget	
			# Positions	\$ Amount	# Positions	\$ Amount
<b>Curbside Collection Program:</b>						
5111	Environmental Services Program Admin.	MP-4	1.0 FTE	\$ 68,100	1.0 FTE	\$ 69,615
	Administrative Asst.*	ACL-4	0.5 FTE	-	0.0	-
	Medicare Tax			1,000		1,000
	<b>Subtotals</b>			<u>\$ 69,100</u>		<u>\$ 70,615</u>
* Full-time ACL-4 position shared between CPW Administration (50%) and the Curbside Program (50%) in FY09. Funded directly by the Solid Waste Fund through a Transfer to the General Fund. The amount in FY09 is \$20,556 and in FY10 is \$21,705.						
<b>Drop-off Program:</b>						
5130	CPW Overtime		72 hrs.	\$ 2,507	100 hrs.	\$ 3,391
5131	Police Overtime		8 hrs.	320	40 hrs.	1,400
	<b>Subtotals</b>			<u>\$ 2,827</u>		<u>\$ 4,791</u>
<b>Personnel Services Totals</b>				\$ 71,927		\$ 75,406

**NET INCOME (\$)**

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Budget
<b>Statement of Net Income:</b>				
Operating Revenues	\$ 870,874	\$ 996,786	\$ 951,575	\$ 1,018,965
Less Operating Expenses	<u>(908,001)</u>	<u>(978,689)</u>	<u>(965,716)</u>	<u>(1,081,616)</u>
<b>Operating and Net Income</b>	\$ (37,128)	\$ 18,097	\$ (14,141)	\$ (62,651)
The FY10 Net Income deficit of \$62,651 will be offset by a planned withdrawal from the current fund balance in order to keep subscription rate increases to a reasonable level.				

**DETAIL OF GENERAL FUND SERVICES BY PROGRAM (\$)**

	<u>FY07 Actual</u>	<u>FY08 Actual</u>	<u>FY09 Revised</u>	<u>FY10 Budget</u>
<b>Curbside Collection/Drop-off Prog.:</b>				
Management & Engineering Svcs.	\$ 37,735	\$ 40,963	\$ 63,866	\$ 67,526 *
Financial & Administrative Svcs.	36,645	37,623	44,261	44,856
Salary Reserve	-	-	-	1,893
<b>Subtotals</b>	<b>\$ 74,380</b>	<b>\$ 78,586</b>	<b>\$ 108,127</b>	<b>\$ 114,275</b>
<b>Composting Site Program:</b>				
Management & Engineering Svcs.	\$ 5,131	\$ 5,261	\$ 20,000	\$ 4,500
Financial & Administrative Svcs.	1,914	2,270	-	-
Salary Reserve	-	-	-	-
<b>Subtotals</b>	<b>\$ 7,045</b>	<b>\$ 7,531</b>	<b>\$ 20,000</b>	<b>\$ 4,500</b>
<b>Combined Totals</b>	<b>\$ 81,425</b>	<b>\$ 86,117</b>	<b>\$ 128,127</b>	<b>\$ 118,775</b>

\* FY09 increase reflects 50% funding of Administrative Assistant time.

**DETAIL OF GENERAL FUND SERVICES BY FUNCTION (\$)**

	<u>FY07 Actual</u>	<u>FY08 Actual</u>	<u>FY09 Revised</u>	<u>FY10 Estimate</u>	<u>Allocation</u>	
					<u>Curbside</u>	<u>Comp.</u>
<b>Management &amp; Engineering Svcs.:</b>						
CPW Administration	\$ 32,621	\$ 35,907	\$ 56,283	\$ 59,993	100%	0%
Highway/Keyes Road	7,022	7,502	14,583	12,033	63%	37%
Engineering	3,500	3,500	13,000	-	0%	100%
<b>Subtotals</b>	<b>\$ 43,143</b>	<b>\$ 46,909</b>	<b>\$ 83,866</b>	<b>\$ 72,026</b>		
<b>Financial &amp; Administrative Services:</b>						
Town Manager	\$ 3,821	\$ 3,971	\$ 4,347	\$ 4,361	100%	0%
Personnel	715	806	788	979	100%	0%
Town Accountant / Audit	3,952	3,880	3,534	3,760	100%	0%
Treasurer-Collector / Finance	28,786	29,531	34,605	34,769	100%	0%
Town House	1,008	1,020	987	987	100%	0%
	<b>\$ 38,282</b>	<b>\$ 39,208</b>	<b>\$ 44,261</b>	<b>\$ 44,856</b>		
<b>Salary Reserve</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,893</b>	<b>100%</b>	<b>0%</b>
<b>Totals</b>	<b>\$ 81,425</b>	<b>\$ 86,117</b>	<b>\$ 128,127</b>	<b>\$ 118,775</b>		
<b>Curbside Collection Program</b>	<b>\$ 74,380</b>	<b>\$ 78,586</b>	<b>\$ 108,127</b>	<b>\$ 114,275</b>		
<b>Composting Site Program</b>	<b>\$ 7,045</b>	<b>\$ 7,531</b>	<b>\$ 20,000</b>	<b>\$ 4,500</b>		

**STATEMENT OF FUND BALANCE (\$)**

	FY07	FY08	FY09	FY10
	Actual	Actual	Revised	Budget
Revenues	\$ 870,874	\$ 996,787	\$ 951,575	\$ 1,018,965
Less Expenses	(908,001)	(978,688)	(965,716)	(1,081,616)
<b>Net</b>	<b>\$ (37,127)</b>	<b>\$ 18,099</b>	<b>\$ (14,141)</b>	<b>\$ (62,651)</b>
<b>Beginning Fund Balance</b>	<b>\$ 232,951</b>	<b>\$ 195,823</b>	<b>\$ 213,920</b>	<b>\$ 199,779</b>
<b>Ending Fund Balance</b>	<b>\$ 195,823</b>	<b>\$ 213,920</b>	<b>\$ 199,779</b>	<b>\$ 137,128</b>

**FUND BALANCE DETAIL BY PROGRAM (\$)**

	FY07	FY08	FY09	FY10
<b>Curbside Collection Program</b>				
<b>(includes Drop-off):</b>				
Revenues	\$ 863,586	\$ 991,017	\$ 944,275	\$ 1,012,965
Less Expenses	(872,367)	(933,192)	(945,716)	(1,077,116)
Other Adjustments	-	-	-	-
<b>Net</b>	<b>\$ (8,781)</b>	<b>\$ 57,825</b>	<b>\$ (1,441)</b>	<b>\$ (64,151)</b>
<b>Beginning Fund Balance</b>	<b>\$ 146,693</b>	<b>\$ 137,912</b>	<b>\$ 195,737</b>	<b>\$ 194,297</b>
<b>Ending Fund Balance</b>	<b>\$ 137,912</b>	<b>\$ 195,737</b>	<b>\$ 194,297</b>	<b>\$ 130,146</b>
<b>Landfill/Composting Site Optns.:</b>				
Revenues	\$ 7,288	\$ 5,770	\$ 7,300	\$ 6,000
Less Expenses	(35,635)	(45,497)	(20,000)	(4,500)
Other Adjustments	-	-	10,821	-
<b>Net</b>	<b>\$ (28,347)</b>	<b>\$ (39,727)</b>	<b>\$ (1,879)</b>	<b>\$ 1,500</b>
<b>Beginning Fund Balance</b>	<b>\$ 75,437</b>	<b>\$ 47,090</b>	<b>\$ 7,363</b>	<b>\$ 5,484</b>
<b>Ending Fund Balance</b>	<b>\$ 47,090</b>	<b>\$ 7,363</b>	<b>\$ 5,484</b>	<b>\$ 6,984</b>
<b>Landfill Capping/Closure:</b>				
Revenues	\$ -	\$ -	\$ -	\$ -
Less Capital Expense	-	-	-	-
Other Adjustments	-	-	(10,821)	-
<b>Net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (10,821)</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>\$ 10,821</b>	<b>\$ 10,821</b>	<b>\$ 10,821</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>	<b>\$ 10,821</b>	<b>\$ 10,821</b>	<b>\$ -</b>	<b>\$ -</b>

## MUNICIPAL INCENTIVE GRANT PROGRAM (\$)

	FY07 Actual	FY08 Estimate	FY09 Revised	FY10 Estimate
<b>Municipal Recycling Incentive Program (MRIP Grant):</b>				
Revenues	\$ -	\$ -	\$ -	\$ -
Expenses	(16,007)	(12,055)	(3,000)	(5,989)
Capital Outlay	-	-	-	-
<b>Net Incr/(Decr) in Cash</b>	<b>\$ (16,007)</b>	<b>\$ (12,055)</b>	<b>\$ (3,000)</b>	<b>\$ (5,989)</b>
<b>Cash, Beginning of Year</b>	<b>\$ 37,051</b>	<b>\$ 21,044</b>	<b>\$ 8,989</b>	<b>\$ 5,989</b>
<b>Cash, End of Year</b>	<b>\$ 21,044</b>	<b>\$ 8,989</b>	<b>\$ 5,989</b>	<b>\$ -</b>
<i>Segregated in Fund 28 (State Grant Fund)</i>				

**DropOff-SwapOff**

Concord Public Works co-sponsors two DropOff –SwapOff events a year with REUSIT (Rescue The Environment and Us From Being Smothered In Trash). These events provide opportunities for Concord residents to recycle, reuse, or dispose of items that no longer have a useful life, including bulky, over-size items that are not collected at the curb.

The DropOff portion of the event is primarily fee-based, whereas the SwapOff is a free take-it-or-leave-it area. The May 10, 2008 DropOff – SwapOff was largest event to date, with a record 974 vehicles in attendance. The October 18, 2008 DropOff – SwapOff, was the largest fall event to date, with 918 vehicles in attendance.

**Business Recycling**

CPW partners with CRS (Complete Recycling Solutions) for two business recycling events a year. These events are typically held on the first Friday in April and October, at the 300 Baker Ave. parking lot. These events are an opportunity for Concord businesses to properly dispose of old computers, printers, fax machines, other electronics, and fluorescent light bulbs. Thirty-two Concord businesses attended the most recent event in October 2008 at which 5,963 lbs. of electronics were collected.

**Minute Man Household Hazardous Products Facility**

Curbside subscribers are given one free pass per year to the Minute Man Household Hazardous Products Facility in Lexington, where they can drop off chemicals and other hazardous waste for proper disposal. Concord is one of eight Minute Man communities that help manage hazardous waste collection events at the site. The site is open one weekend day a month from April – November. Fifty-three curbside subscribers visited the site in 2008, along with ten non-curbside subscribers, who paid full price.

**Paint Shed / Compost Site**

The Paint Shed is open on Saturdays, April – October. During the 2008 season, 222 residents dropped off paint and 138 residents picked up paint for re-use. Concord residents are permitted to drop off yard waste and brush at the Compost Site. The Compost Site is open Saturdays from April – early December, and an additional four days in January for Christmas tree disposal. Residents can pick up compost and wood chips free of charge.