



Integrated Waste Fund Financial Update

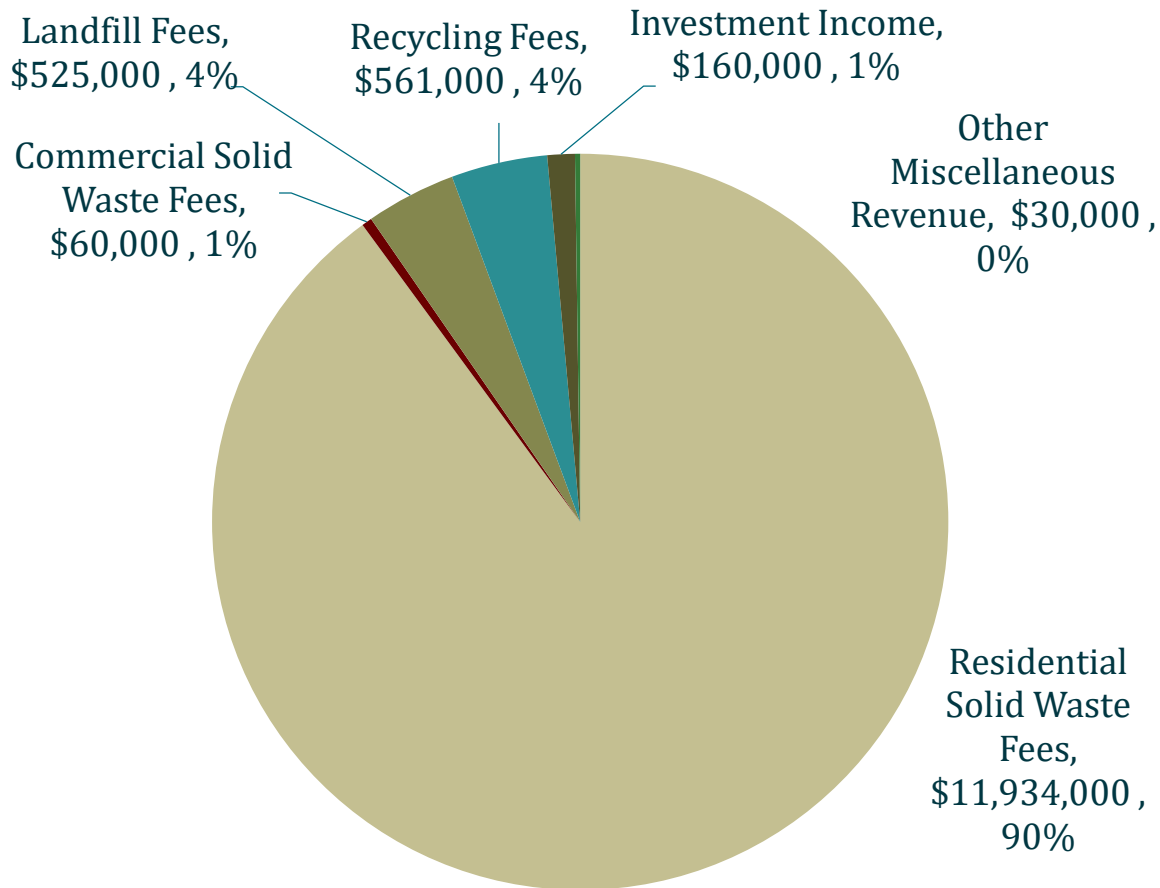
June 22, 2021

What is an Enterprise Fund?

- Funds that charge fees for services provided to outside customers including other local governments are known as Enterprise Funds.
- Enterprise Funds account for external activities that are usually self-sustaining, principally through user charges for services rendered.
- They are operated as a separate enterprises similarly to commercial enterprises found in the private sector and its accounting records are maintained on the same basis as a commercial business to reflect its business-type activities.

FY21 Integrated Waste Fund Budget Summary

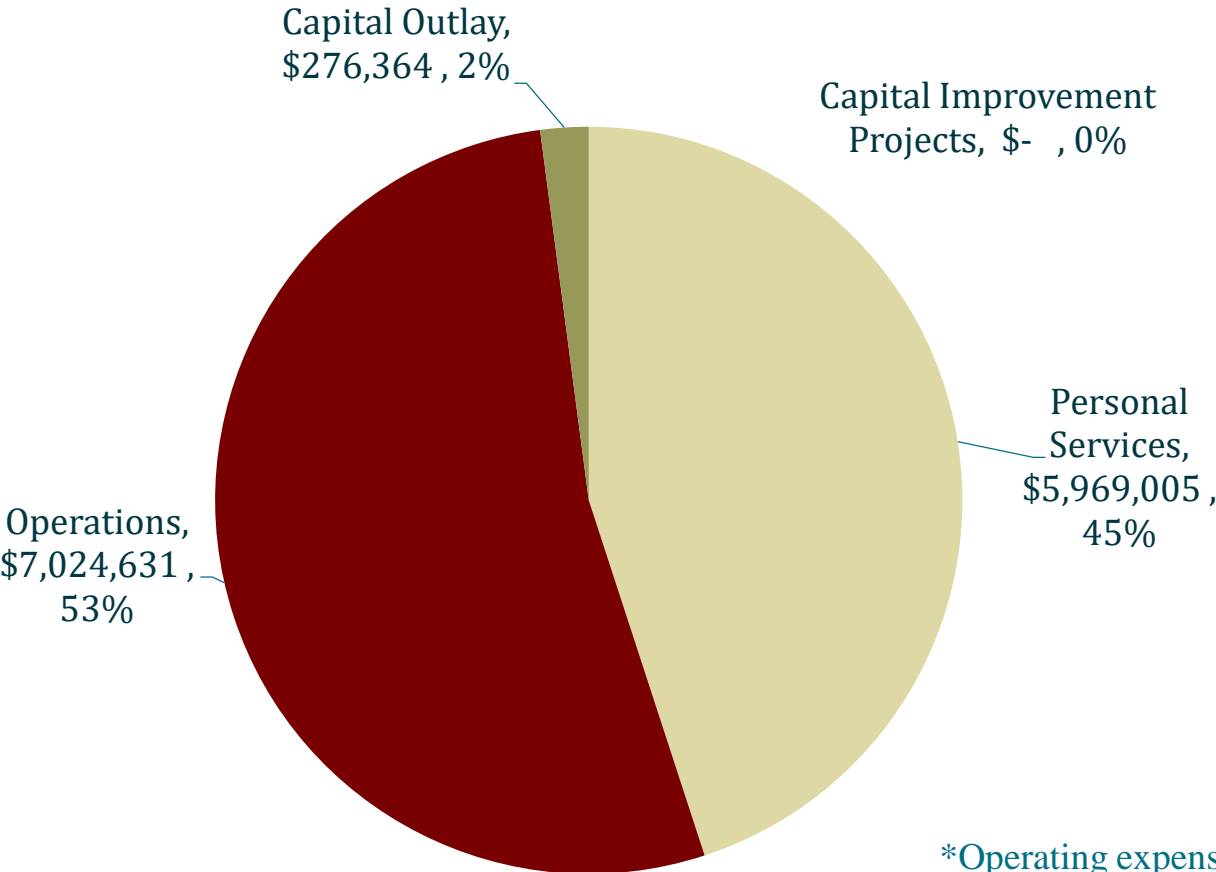
Where the money comes from:



Revenue Source	Amount	% of Revenue
Residential Solid Waste Fees	\$11,934,000	90%
Commercial Solid Waste Fees	60,000	1%
Recycling Fees	561,000	4%
Landfill Fees	525,000	4%
Investment Income	160,000	1%
Other Miscellaneous Revenue	<u>30,000</u>	<u>0%</u>
Total Revenue	\$13,270,000	100%

FY21 Integrated Waste Fund Budget Summary

Where the money goes:



Expenditures	Amount	% of Expenditures
Personal Services	\$5,969,005	45%
*Operations	7,024,631	53%
Capital Outlay	276,364	2%
Capital Improvement Projects	<u>0</u>	<u>0%</u>
Total Expenditures	\$13,270,000	100%

Note: Capital Outlay is defined as tangible items such as tools, equipment, machinery, and vehicles costing more than \$500 each and having a useful life of more than one year.

*Operating expenses include existing lease payments for 34 Garbage Trucks, 4 Grab-Alls, 2 Hauls Trucks, 2 F150 Trucks and 2 Bull Dozers.

CASH VS FUTURE LANDFILL OBLIGATIONS

As of May 2021 (unaudited)

Note: Investments consists of Municipal Bonds and a deposit account at the Georgia Fund One Investment Pool.

\$10.9 million

INVESTMENTS & CASH ON HAND (RESERVES)

(\$3.3 million)

**PENDING USE OF RESERVES TO PURCHASE CRITICAL
LANDFILL EQUIPMENT & SUPPLEMENTAL CONTRACT**

\$7.6 million

REVISED INVESTMENTS & CASH ON HAND

(\$13.5 million)

**CURRENT LANDFILL CLOSURE/POST-CLOSURE
LIABILITY**

(\$5.9 million)

DEFICIT

CHRONOLOGY OF INTEGRATED WASTE FUND DISCUSSIONS

2008

February

**Financial
Outlook/Strategic
Planning Session**

2008

July

**Fuel
Conservation
Measures**

2008

August

**Public
Meetings/Once
Per Week
Proposal**

2009

January

**Rate Study
Presented**

2009

December

**Status of
Fund
Presented**

CHRONOLOGY OF INTEGRATED WASTE FUND DISCUSSIONS

2010

March

Public Meetings on Status of Fund/Rate

2010

March

Presentation on Public Meeting Results

2010

April

Chronology of Fund Discussions & Rate Options/ Recommendations

2012

January

Fund Status Update

2012

November

Public Works Annual Update

CHRONOLOGY OF INTEGRATED WASTE FUND DISCUSSIONS

2013

February

**Integrated
Waste
Program
Update**

2014

April

**Budget
Review
Presentation/
Fund Status
Update**

2014

May

**Established
Driver Pool for
Integrated
Waste Fund**

2015

May

**Budget
Review
Presentation/
Fund Status
Update**

2015

November

**Integrated
Waste
Program -
Biodegradable
Bags**

CHRONOLOGY OF INTEGRATED WASTE FUND DISCUSSIONS

2015

December

**Status of
Waste
Collection
Equipment**

2016

January

**Fleet Replacement
Recommendations
Based on Employee
Concerns**

2016

April

**Internal Audit
Presentation on
Fund/Equipment**

2017

January

**Integrated
Waste Fund
Management
Update**

2018

May

**Chronology of
Fund Discussions
Provided During
Budget Review**

CHRONOLOGY OF INTEGRATED WASTE FUND DISCUSSIONS

2019

July

**Integrated
Waste Fund
Budget
Summary**

2019

September

**Solid Waste
Management
Plan/Friday Route
Collection Change**

2021

May

**Budget Review
Session
Presentation for
Integrated Waste**

2021

May

**Yard Waste
Collection
Contract Update**

2021

June

**Waste
Collection
Update & CM
Yard Waste
Plan**

Points to Consider

- Enterprise Funds are usually self-sustaining, principally through user charges for services rendered.
- They are operated as a separate enterprises similarly to commercial enterprises found in the private sector due to their business-type activities.
- Maintenance of existing services and equipment consumes virtually all of our budgeted resources.
- Current reserves do not adequately cover future obligations such as closure/post-closure costs.
- Funding for closure/post-closure costs as well as funding for additional capital equipment will require an adjustment in current garbage collection rates.

As a reminder...

**One Month
Fee Waiver
(Not Recommended)**

- CWW will need a 2 week notice and copy of the ordinance to implement a fee change.
- They would make the rate change for those customers on record in the billing system for applicable garbage fees the month CCG makes effective and then the following month make the rate change back to the normal fee amount. The current fee is \$18.
- Loss of Revenue for a one-month waiver is \$1M.
- The estimated total current cost of the landfill closure and post-closure care is \$26.3M. This amount is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2020. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.