

Presentation to Radnor Township
Environmental Advisory Committee



Solid Waste Collection Costs

April 23, 2009

Aimee Cuthbertson
Director of Finance

Agenda

Radnor Township provides reardoor solid waste and recycled material collection services on a weekly basis.

This presentation provides an overview of the cost of that service and will attempt to help the EAC in its efforts to reduce solid waste within the community.

-  Operating Costs
-  Disposal Costs
-  Total Cost of Solid Waste Service
-  Recycling Environment

Operating Costs

	Actual 2008	Anticipated 2009
Personnel Costs (currently 26 FT employees, 7 PT, 6 seasonal employees)	\$2,458,882	\$2,473,418
Truck Operating Costs (gasoline, tires, batteries, repairs, insurance)	234,069	162,309
Disposal Costs	20,001	235,000
Operating supplies (carts, uniforms, gloves, safety kits, recycling containers)	18,537	19,076
Less: Revenues - open truck fees, sale of recyclables & white goods, performance grant	(241,002)	(167,000)
Total Operating Costs	\$2,490,487	\$2,722,803

Disposal Costs

- Prior to 2009 - all disposal costs per absorbed by Delaware County through the Delaware County Solid Waste Authority (DCSWA)
- August 2008 - due to its own budget issues, advised municipalities of a pending fee to be imposed on ALL municipalities in Delaware County
- Initial fee was \$30/ton = \$293,000 per year
- Final fee for 2009 is \$15.90/ton = \$155,000
- Final fee for 2010 & beyond will be \$23.45/ton = \$229,000

BASED ON 9,772 TONS ANNUALLY

Total Cost of Service

	Actual 2008	Anticipated 2009
Total Annual Costs		
Operating Costs	\$2,490,487	\$2,722,803
Capital Costs	<u>165,000</u>	<u>165,000</u>
Total Annual Costs	2,655,487	2,887,803
Illustrative Cost per Household (7,659)	\$347	\$377
Millage (avg residential property \$313,000)	1.1 mills	1.2 mills
% of Total Average Real estate tax bill (\$942)	36.5%	39.8%



Recycling Environment

- Prior to November 2008, recycled materials were sold to a wholesaler which brought approximately \$100,000 into the Township's general fund
- November 2008 – recycling market bottoms out and.....
- Began PAYING \$20/ton of newspaper and \$40/ton of commingled materials or \$26.36 per ton of single stream recycling
- Township recycles approximately 750 tons of commingled & 1,700 tons of newspaper



Recycling Environment

Which resulted in not only the loss of \$100,000 in revenues but the added expense of approximately \$50,000-60,000 to dispose of the recycled materials for a total financial impact of between \$150,000 and \$160,000 per year



Future Financial Challenges

- Identify strategies for keeping solid waste disposal fees down by keeping waste tonnage down
- Keep on top of re-sale recycling markets and wait for market to stabilize
- Continue to evaluate any potential savings by switching to alternative collection methods
- Continue to keep operating costs as low as possible without jeopardizing levels of service



Questions??

Any questions, contact either of us at:

Bill Hagan, Director of Public Works

610-688-5600 x 156

whagan@radnor.org

Or

Aimee Cuthbertson, Director of Finance

610-688-5600 x131

acuthbertson@radnor.org