

2024

SANITATION FUND BUDGET

BUDGET
APPROVED BY
CITY COUNCIL



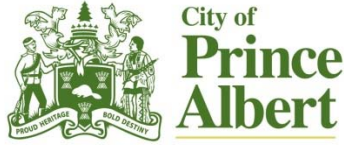
City of
**Prince
Albert**

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

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BUDGET OVERVIEW AND FINANCIAL HIGHLIGHTS



The Sanitation Utility Fund was created in 2003 and was intended to be self-sustaining providing waste collection and recycling services, as well as operate a Landfill without being dependent on the City’s tax base. In order to continue to ensure the ability to be self-sufficient and to meet future capital requirements, City Council passed Waste Collection and Disposal Bylaw No. 39 of 2020, setting the rates and fees for a period of five years (2022 to 2026).

Enclosed for Council’s consideration is The City of Prince Albert’s (The City) 2024 Sanitation Fund budget document. The City’s detailed financial plans and budgets are linked to, and derived from, The City’s broader planning processes including Council’s overall strategic direction.

This budget document includes both summarized as well as detailed information about the factors that are driving changes in the budget values. A summary of the main areas affected are included in financial highlights.

As part of the 2022 budgeting process, Administration recommended an increase to the residential utility surcharge of \$0.25 per month, approximately 1.3%, from \$19.25 in 2021 to \$19.50 in 2022. For Year 2024, as per the consolidated Waste Collection and Disposal Bylaw No. 39 of 2020, the Residential Utility Surcharge includes five years of rates as follows:

Residential Utility Surcharge			
Year	Monthly Rate	Increase	% Increase
2022	\$19.50		
2023	\$19.75	\$0.25	1.28%
2024	\$20.00	\$0.25	1.27%
2025	\$20.25	\$0.25	1.25%
2026	\$20.50	\$0.25	1.23%

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There will be a monthly increase of \$0.25 on the user’s water bill. The impact to a homeowner is as follows:

Year 2024 – Monthly Cost	\$20.00	
Yearly Cost	\$240.00	
Increase from 2023	\$3.00	Yearly Cost

The increases for the Minimum per Load Fee as approved in the consolidated Waste Collection and Disposal Bylaw #39 of 2020, includes five years of rates as follows:

Minimum Per Load Entry Fee			
Year	Minimum Per Load	Increase	% Increase
2022	\$13.00		
2023	\$13.50	\$0.50	3.85%
2024	\$14.00	\$0.50	3.70%
2025	\$14.50	\$0.50	3.57%
2026	\$15.00	\$0.50	3.45%

The increases for the Per Tonne Entry Fee as approved in the consolidated Waste Collection and Disposal Bylaw #39 of 2020, includes five years of rates as follows:

Tonnage Increases			
Year	Per Tonne Entry Fee	Increase	% Increase
2022	\$77.00		
2023	\$79.00	\$2.00	2.60%
2024	\$81.00	\$2.00	2.53%
2025	\$83.00	\$2.00	2.47%
2026	\$85.00	\$2.00	2.41%

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The increases for the Per Tonne Entry Fee for **Non-NCSWMC Member**, as approved in the consolidated Waste Collection and Disposal Bylaw #39 of 2020, includes five years of rates as follows:

Tonnage Increases - Non-NCSWMC Member			
Year	Per Tonne Entry Fee	Increase	% Increase
2022	\$154.00		
2023	\$158.00	\$4.00	2.60%
2024	\$162.00	\$4.00	2.53%
2025	\$166.00	\$4.00	2.47%
2026	\$170.00	\$4.00	2.41%

2024 FINANCIAL HIGHLIGHTS

The increased revenues to be generated from Landfill Operations and the Sanitaitaion Surcharge are attributed to the increased surplus for 2024 for the Sanitation Fund.

As per the below chart, it is projected that there will be a **surplus of \$354,965** to be credited to the Sanitation Improvement Fund.

Below is the breakdown as illustrated by the Functional Divisions:

Sanitation Fund	2024 Budget	2023 Budget	Variance Change
<u>Functional Divisions:</u>			
Administration & Billing	\$5,280,940	\$4,929,990	\$350,950
Landfill Operations	(\$2,689,070)	(\$2,621,950)	(\$67,120)
Residential Waste Collection	(\$1,479,315)	(\$1,485,350)	\$6,035
Residential Recycling	(\$196,170)	(\$335,170)	\$139,000
Operating Surplus	\$916,385	\$487,520	\$428,865
<u>Allocations:</u>			
Long-Term Debt Financing Principle Payment	(\$561,420)	(\$544,800)	(\$16,620)
Transfer to/(From) Sanitation Improvement Fund	(\$354,965)	\$57,280	(\$412,245)
Total Allocations	(\$916,385)	(\$487,520)	(\$428,865)
Balanced Budget	\$0	\$0	\$0

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

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2024 SANITATION FUND BUDGET APPROVED

SANITATION FUND	2024	2023	Variance
	Budget	Budget	Change
REVENUES			
User Charges and Fees	\$5,637,650	\$5,342,590	\$295,060
Operating Grants and Donations	\$560,000	\$412,170	\$147,830
Sundry	\$1,000	\$1,000	\$0
Total Revenues	\$6,198,650	\$5,755,760	\$442,890
EXPENSES			
Salaries Wages and Benefits	\$1,626,535	\$1,610,980	\$15,555
Contracted and General Services	\$392,040	\$365,740	\$26,300
Financial Charges	\$7,050	\$7,050	\$0
Grants and Donations	\$142,100	\$142,100	\$0
Utilities	\$33,310	\$37,180	(\$3,870)
Interest on Long Term Debt	\$160,040	\$177,080	(\$17,040)
Fleet Expenses	\$1,992,000	\$2,007,000	(\$15,000)
Maintenance Materials and Supplies	\$580,610	\$591,720	(\$11,110)
Insurance	\$8,870	\$7,280	\$1,590
Bad Debt Expense	\$7,000	\$7,000	\$0
Total Expenses	\$4,949,555	\$4,953,130	(\$3,575)
Operating Surplus	\$1,249,095	\$802,630	\$446,465
CAPITAL AND INTERFUND TRANSACTIONS			
Amortization	(\$990,000)	(\$990,000)	\$0
Transfer to General Fund - Franchise Fees	(\$285,260)	(\$266,510)	(\$18,750)
Transfer to General Fund - Sanitation Fees	(\$46,050)	(\$47,030)	\$980
Transfer to Utility Fund - Sanitation Fees	(\$3,600)	(\$3,570)	(\$30)
Transfer from Utility Fund - Utility Fees	\$2,200	\$2,000	\$200
Capital and Interfund Transactions	(\$1,322,710)	(\$1,305,110)	(\$17,600)
TOTAL DEFICIT	(\$73,615)	(\$502,480)	\$428,865
Allocated as Follows:			
Total Deficit	(\$73,615)	(\$502,480)	\$428,865
Non-Cash Adjustment - Amortization	\$990,000	\$990,000	\$0
Total Surplus - Adjusted for Amortization	\$916,385	\$487,520	\$428,865
Allocations:			
Transfer (to) / from Sanitation Improvement Fund	(\$354,965)	\$57,280	(\$412,245)
Long Term Debt Financing Principle Payment	(\$561,420)	(\$544,800)	(\$16,620)
Total	(\$916,385)	(\$487,520)	(\$428,865)
Balanced Budget	\$0	\$0	\$0

2023 SANITATION FUND REVENUES

The revenues for the Sanitation Fund have **increased** by the amount of **\$442,890** from Year 2023 as follows:

- **\$250,000 increase** in revenue generated through rates/fees charged at the Landfill Gate. Revenue has been increased for 2024 based on a review of actual revenue generated and considering the increased Landfill rates as approved in Bylaw No. 39 of 2020.
- **\$45,000 increase** in revenue generated from the Garbage/Recycling fee on water bills. Increase in the Residential Utility Surcharge from \$19.75 in 2023 to \$20.00 in 2024 (per Bylaw No. 39 of 2020), along with an increase in total accounts, will generate additional revenue of approximately \$45,000.
- **\$147,830 increase** in the grant revenue received from the North Central Saskatchewan Waste Management Corporation (NCSWMC) based upon the number of households in Prince Albert and projections from NCSWMC.
- **\$1,010 increase** in the revenue generated from the lease of the building/shop located at the Bioreactor Site.
- **\$950 decrease** in the City Facilities Sanitation Surcharge based on City facilities water and sewer charges.

Revenues	2024 Budget	2023 Budget	Increase (Decrease)
User Charges and Fees	\$5,637,650	\$5,342,590	\$295,060
Operating Grants and Donations	\$560,000	\$412,170	\$147,830
Sundry	\$1,000	\$1,000	\$0
Total Revenues	\$6,198,650	\$5,755,760	\$442,890

The Total 2024 Revenues for the Sanitation Fund are broken down as follows:

Landfill Operations	47.59%
Bioreactor Building Rentals	0.29%
Sanitation Surcharge	42.27%
City Facilities - Sanitation Surcharge	0.80%
NCSWMC Grant Funding	9.03%
Sundry	0.02%
Total Revenues	100.00%

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USER CHARGES AND FEES REVENUE

\$295,060 increase in User Charges and Fees Revenue as follows:

- **\$250,000 increase** in revenue generated through rates/fees charged at the Landfill Gate. Revenue has been increased for 2024 based on a review of actual revenue generated and considering the increased Landfill rates as approved in Bylaw No. 39 of 2020.
- **\$45,000 increase** in revenue generated from the Garbage/Recycling fee on water bills. Increase in the Residential Utility Surcharge from \$19.75 in 2023 to \$20.00 in 2024 (per Bylaw No. 39 of 2020), along with an increase in total accounts, will generate additional revenue of approximately \$45,000.
- **\$1,010 increase** in the revenue generated from the lease of the building/shop located at the Bioreactor Site.
- **\$950 decrease** in the City Facilities Sanitation Surcharge based on City facilities water and sewer charges.

User Charges and Fees	2024 Budget	2023 Budget	Increase (Decrease)
Landfill Operations	\$2,950,000	\$2,700,000	\$250,000
Bioreactor Building Rentals	\$18,000	\$16,990	\$1,010
Sanitation Surcharge	\$2,620,000	\$2,575,000	\$45,000
City Facilities - Sanitation Surcharge	\$49,650	\$50,600	(\$950)
Total User Charges and Fees	\$5,637,650	\$5,342,590	\$295,060

\$5,637,650 Total User Charges and Fees Revenue as follows:

- **\$2,950,000** Landfill Operations is the revenue generated through rates/fees charged at the Landfill Gate. Revenue has been increased for 2024 based on a review of revenue generated and with the increased Landfill rates as approved in Bylaw No. 39 of 2020.

For 2022 to 2026, the entry fees and per tonne charges was set forth in the Waste Collection and Disposal Bylaw No. 39 of 2020. The minimum per load entry fee for residual waste is increasing from \$13.50 in Year 2023 to \$14.00 for Year 2024. The per tonne entry fee rate for residual waste more than 150 kilograms is increasing from \$79.00 in Year 2023 to \$81.00 in Year 2024. **2024 revenues are projected to increase by \$250,000 with the increased rates.**

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- **\$18,000** Bioreactor Building Rentals - This revenue is generated through the lease of the building/shop located at the Bioreactor Site. 2024 increase in revenue of \$1,010 based on revenue over the last couple years.
- **\$2,620,000** Sanitation Surcharge is generated from the Garbage/Recycling fee on water bills. Increase in the Residential Utility Surcharge from \$19.75 in 2023 to \$20.00 in 2024 as per Bylaw No. 39 of 2020. **2024 revenues are projected to increase by \$45,000 with the increased rates.**
- **\$49,650** City Facilities – Sanitation Surcharge is the transfer based on Financial Services review and forecast of City facilities charges for 2024 for water and sewer.

OPERATING GRANTS AND DONATIONS

\$147,830 increase in revenue from the North Central Saskatchewan Waste Management Corporation based upon the number of households in Prince Albert for a **total of \$560,000 budgeted for 2024.**

SUNDRY REVENUE

Sundry revenue is budgeted at **\$1,000**. This revenue relates to miscellaneous revenue generated from Landfill (e.g. sale of a load of sand).

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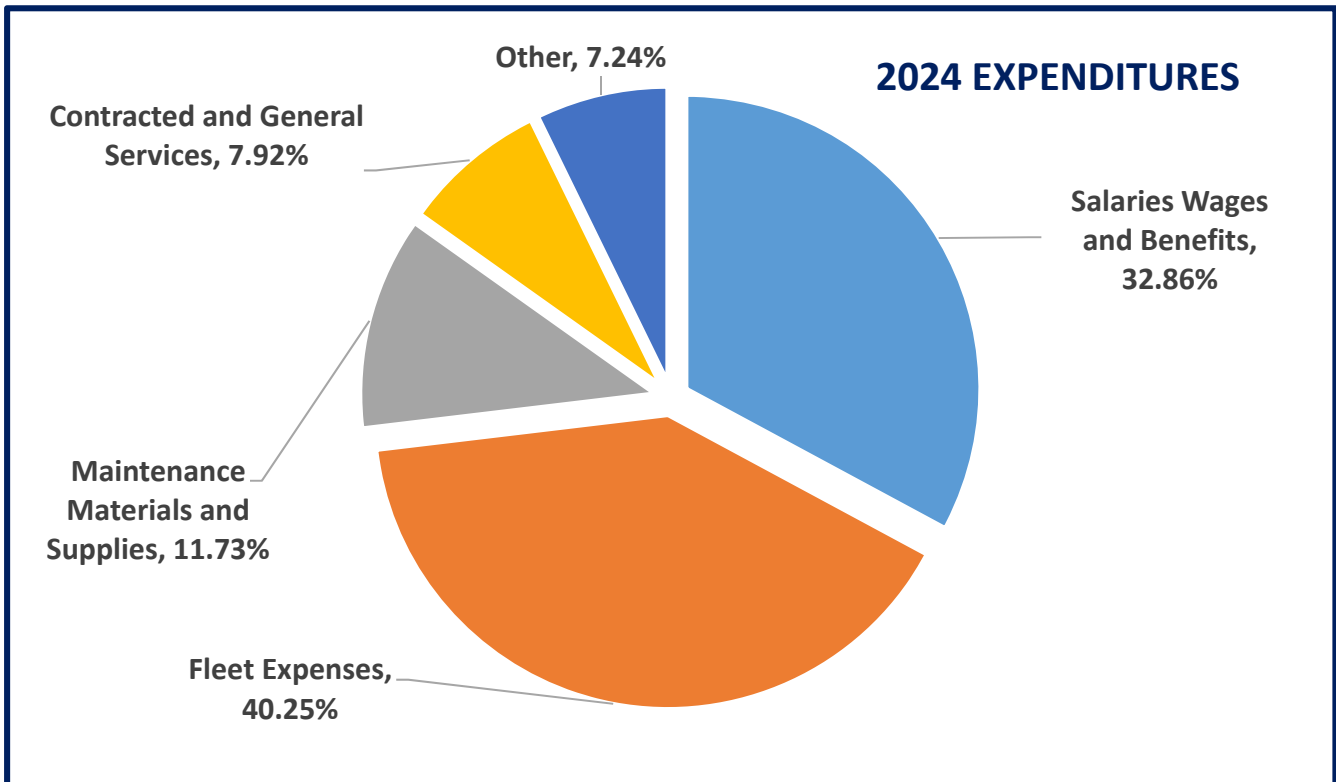
For the Year Ending December 31, 2024

2023 SANITATION FUND EXPENDITURES

The total expenditures for the Sanitation Fund have decreased by the amount of **\$3,575** over 2023, representing a 0.07% decrease.

Total Expenditures	2024 Budget	2023 Budget	Increase (Decrease)	% Change	% of Total Expenses
Salaries Wages and Benefits	\$1,626,535	\$1,610,980	\$15,555	0.97%	32.86%
Contracted and General Services	\$392,040	\$365,740	\$26,300	7.19%	7.92%
Financial Charges	\$7,050	\$7,050	\$0	0.00%	0.14%
Grants and Donations	\$142,100	\$142,100	\$0	0.00%	2.87%
Utilities	\$33,310	\$37,180	(\$3,870)	-10.41%	0.67%
Interest on Long Term Debt	\$160,040	\$177,080	(\$17,040)	-9.62%	3.23%
Fleet Expenses	\$1,992,000	\$2,007,000	(\$15,000)	-0.75%	40.25%
Maintenance Materials Supplies	\$580,610	\$591,720	(\$11,110)	-1.88%	11.73%
Insurance	\$8,870	\$7,280	\$1,590	21.84%	0.18%
Bad Debt Expense	\$7,000	\$7,000	\$0	0.00%	0.14%
Total Expenditures	\$4,949,555	\$4,953,130	(\$3,575)	-0.07%	100.00%

The major drivers for the Sanitation Fund Expenditures are as follows:



SALARY WAGES AND BENEFITS

The 2024 Budget includes an increase to general wages, including applicable step increases, wage adjustments, and payroll benefit increases.

General Wage Adjustments – Out of Scope Employees

Motion of Special City Council Meeting August 21, 2023

That City of Prince Albert Out of Scope Staff, excluding Out of Scope Staff at the Prince Albert Police Service and Prince Albert Fire Department, be provided with a general wage increase in the following amounts:

1. Zero Percent (0%) effective January 1, 2022;
2. Three Percent (3%) effective January 1, 2023;
3. Two Percent (2%) effective August 21, 2023;
4. Three Percent (3%) effective January 1, 2024; and,
5. Three Percent (3%) effective January 1, 2025.

Payroll Benefits

Payroll Benefits have increased as follows:

1. The maximum CPP cost will increase to \$3,820 in 2024 from \$3,754 in 2023. The employer matches the employee cost for CPP.
2. The WCB costs have risen from \$1.94/\$100 of WCB assessable earnings in 2022 to \$2.25/\$100 of WCB assessable earnings in 2023.

\$15,555 increase in Salaries Wages Benefits as follows:

- **\$20,530 increase** in Salaries Regular for general wages including applicable step increases and wage adjustments.
- **\$74,500 decrease** in Salaries Regular relating to 2023 budget for retro payment. Retro accrual estimate for 2022 - 2023 for Local 160 and Out of Scope (contract ended December 31, 2021).
- **\$27,160 increase** for Wages Regular relating general wages including applicable step increases and wage adjustments.
- **\$22,460 increase** for Payroll Benefits as per increased costs for 2024.

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- **\$19,905 increase** for overtime after a review of actual costs incurred in prior years and expectations for 2024. The main source of overtime in the Sanitation Fund would be working on Statutory Holidays as the Landfill is open Monday to Saturday all year, including holidays. Additional overtime would be related to delivering or supporting programs that occur outside of regular work hours e.g. Household Hazardous Waste Day and Supporting the Downtown Street Fair. Lastly, some overtime would be related to additional shifts to ensure waste collections or Landfill operating requirements are met.

Salaries Wages and Benefits	2024 Budget	2023 Budget	Increase (Decrease)
Salaries Regular	\$291,220	\$345,190	(\$53,970)
Wages Regular	\$817,160	\$790,000	\$27,160
Wages Overtime	\$82,255	\$62,350	\$19,905
Payroll Benefits	\$435,900	\$413,440	\$22,460
Total Salaries Wages and Benefits	\$1,626,535	\$1,610,980	\$15,555

Salaries Wages and Benefits	2024 Budget	2023 Budget	Increase (Decrease)
Sanitation Administration	\$0	\$74,500	(\$74,500)
Residential Waste Collection	\$479,515	\$478,100	\$1,415
Landfill Operations	\$926,850	\$872,040	\$54,810
Residential Recycling	\$220,170	\$186,340	\$33,830
Total Salaries Wages and Benefits	\$1,626,535	\$1,610,980	\$15,555

The increases relates to the general wages, including applicable step increases, wage adjustments and payroll benefit increases for the staffing of the Landfill Operations and garbage and recycling pickup.

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Under Landfill Operations – Salaries Regular Increase of \$20,530

Salaries are allocated as per below percentages to the Sanitation Fund as follows from staffing positions to reflect the time they spent for Sanitation:

Sanitation Manager	100%
Director of Public Works	10%
Engineering Services Manager	10%
Manager of Operations	30%
Manager of Capital Projects	30%
Surface Works Manager	20%
Fleet Manager	20%
Water and Sewer Manager	10%

Residential Waste Collection: Collection of municipal waste from City residences.

Landfill Operations: Operational activities within the Landfill, including placement and compaction of waste in the lined cells, management of yard waste, management of the tree pile, maintenance of sampling wells, and maintenance of access roads.

Residential Recycling: Collection of recyclables from City residences.

CONTRACTED AND GENERAL SERVICES

Contracted and General Services have **increased** by the amount of **\$26,300** as follows:

Contracted and General Services	2024 Budget	2023 Budget	Increase (Decrease)
Residential Waste Collection	\$12,540	\$6,740	\$5,800
Landfill Operations	\$358,500	\$338,000	\$20,500
Residential Recycling	\$21,000	\$21,000	\$0
Total Contracted and General Services	\$392,040	\$365,740	\$26,300

Residential Waste Collection – Increase of \$5,800

- **\$5,800 increase** for Annual Pitch In Week. Annual Pitch in week community cleanup costs associated with contractors hauling waste to the Landfill. Increase due to increased waste hauled.

Landfill Operations – Increase of \$20,500

- **\$25,000 increase** relating to contracted cleaning for the Landfill. The Landfill requires contracted cleaning for housekeeping and other cleaning related duties.
- **\$11,000 decrease** relating to the City providing annual monitoring at the Bioreactor Facility for an encapsulation cell that was constructed in 2016. The encapsulation cell was constructed to store material from the remediation of a site completed in order to support a local development. The cost for this is combined with the annual ground water and surface water monitoring and reporting.
- **\$5,000 increase** as the Landfill is required to complete annual ground water and surface water monitoring and reporting that must be conducted by a Qualified Person. This monitoring must be completed and signed off by a Qualified Professional.
- **\$1,500 increase** for pest control service, work related medical appointments and septic services. Increase of \$1,500 to include the Compost Building and increased fees generally.

\$392,040 Total Contracted and General Services:

Landfill Operations: \$358,500

- **\$229,000** as concrete crushing is required on an ongoing basis to meet regulatory requirements. The Landfill receives over 20,000 tonnes of material annually. Estimated cost of crushing is \$15 a tonne.
 \$220,000 - concrete crushing (ongoing)
 \$9,000 - Scrap tire pick up (ongoing)
- **\$90,000** as the Landfill is required to complete annual ground water and surface water monitoring and reporting that must be conducted by a Qualified Person. This budget also includes annual monitoring at the Bioreactor Facility for an encapsulation cell that was constructed in 2016.
- **\$25,000** for contracted cleaning for the Landfill. The Landfill requires contracted cleaning for housekeeping and other cleaning related duties.
- **\$10,000** as the Landfill is closely regulated by the Ministry of Environment who require certain occurrences to be assessed by a qualified professional. The item covers consulting services for these events that need immediate attention by a Qualified Person.
- **\$4,000** for pest control service, work related medical appointments and septic services. Increase of \$1,500 for the 2024 Budget to include the Compost Building and increased fees generally.
- **\$500** for the security system at the Landfill.

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Residential Waste Collection: \$12,540

- **\$12,000** for the Annual Pitch-In Week. Annual Pitch-In week community cleanup costs associated with contractors hauling waste to the Landfill. 2024 Budget increase of \$5,800 due to increased waste hauled.
- **\$540** for the cost of medical assessments required for certain operating/drivers licenses.

Residential Recycling: \$21,000

- **\$21,000** for the Recycling Program. This budget relates to the cardboard metal recycling bins located throughout the City. Contractor picks up the recycling from the large metal bins.

FINANCE CHARGES

\$7,050 Total Financial Charges as follows:

- **\$1,250** is for charges related to the Interact payment system at the Landfill kiosk.
- **\$5,800** for Property Taxes for Bioreactor Site, paid to the Rural Municipality of Buckland.

GRANTS AND DONATIONS

Grants and Donations for Year 2024 is the same budget as Year 2023.

\$142,100 Total Grants and Donations is the City's annual member contribution to North Central Saskatchewan Waste Management Corp (NCSWMC). The annual fee is offset by funding from NCSWMC as part of the Multi Material Stewardship Initiative which was announced in 2016. The City expects to receive over \$560,000 from this initiative.

UTILITIES

Utilities have decreased by the amount of **\$3,870** as follows:

Utilities – Landfill Operations	2024 Budget	2023 Budget	Increase (Decrease)	% Change
Water and Sewer	\$2,205	\$2,260	(\$55)	-2.43%
Heating Fuels	\$13,980	\$16,500	(\$2,520)	-15.27%
Electricity	\$17,125	\$18,420	(\$1,295)	-7.03%
Total Utilities	\$33,310	\$37,180	(\$3,870)	-10.41%

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Heating:

- SaskEnergy:
 - The Government of Saskatchewan has approved SaskEnergy's commodity rate decrease of 24.5 per cent, bringing it from \$4.20 per gigajoule (GJ) to \$3.20/GJ, as well as its five per cent delivery service rate increase.
 - Effective October 1, 2023, this combined rate adjustment will result in an overall bill decrease of nearly eight per cent or \$6.52 per month for the average residential customer.

INTEREST ON LONG TERM DEBT

Interest on Long Term Debt is a decrease of **\$17,040** over 2023.

City Council on February 15, 2022, approved Capital Financing in the total amount of \$6,260,000 for the construction of a Waste Cell for the Landfill to be payable over a period of 10 years.

For Year 2024, **\$160,040** is the Interest expense for the \$6,260,000 Waste Cell Construction borrowed March 1, 2022. The loan is a 10 year debenture with an interest rate of 3.05%.

Each year the interest is reduced, and the principle payment increases.

The principle payment of \$561,420 is included under the 2024 Sanitation Capital Budget.

FLEET EXPENSES

Fleet expenses have decreased by **\$15,000** for 2024. The 2024 Budget **incorporates a 0% increase related to the general fleet charge.**

Fleet has decreased by \$15,000 over Year 2023 based on historical fleet charges over the last couple years:

Fleet Expenses	2024 Budget	2023 Budget	Increase (Decrease)
Residential Waste Collection	\$885,000	\$900,000	(\$15,000)
Landfill Operations	\$770,000	\$770,000	\$0
Residential Recycling	\$270,000	\$270,000	\$0
Yard Waste	\$67,000	\$67,000	\$0
Total Fleet Expenses	\$1,992,000	\$2,007,000	(\$15,000)

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\$1,992,000 Total Fleet Budget as follows:

Residential Waste Collection: \$885,000

- **\$885,000** is for fleet charges for 6 waste collection trucks – Solid Waste Equipment. Collection of municipal waste from City residences. Reduction of \$15,000 as per actual fleet charges.

Landfill Operations: \$770,000

- **\$770,000** is for Landfill Operations - Fleet charges for the equipment used at the Landfill (e.g. loaders, compactor, Backhoe). Operational activities within the Landfill, including placement and compaction of waste in the lined cells, management of yard waste, management of the tree pile, maintenance of sampling wells, and maintenance of access roads.

Residential Recycling: \$337,000

- **\$270,000** for the City's Recycling Program – 6 truck used for the recycling program. Collection of recyclables from City residences.
- **\$67,000** Yard Waste – There is one main truck and a spare for picking up overloads for the whole City. This includes small branches, lawn clippings and leaves. Garden waste.

MAINTENANCE MATERIALS AND SUPPLIES

Maintenance Materials and Supplies have decreased by the amount of **\$11,110** over 2023 as follows:

Maintenance Materials and Supplies	2024 Budget	2023 Budget	Increase (Decrease)
Residential Waste Collection	\$100,200	\$100,200	\$0
Landfill Operations	\$444,510	\$430,620	\$13,890
Residential Recycling	\$35,900	\$60,900	(\$25,000)
Total Maintenance Materials Supplies	\$580,610	\$591,720	(\$11,110)

Residential Recycling: \$25,000 decrease

- **\$25,000 decrease** in rental of equipment to manage or prepare yard waste compost (e.g. mulching material to prepare it for use). **2024 Budget is not required.**

Landfill Operations: \$13,890 increase

- **\$420 increase** in the allocation representing 1/3 of the small equipment and tools costs incurred at MSC. While MSC houses these costs, other operations such as sanitation and utility use and occupy the MSC facility. This line item allocates a portion of those costs to the respective fund to represent a more accurate depiction of where costs are used.
- **\$5,470 increase** in the allocation of IT software and licensing specific to the Landfill operations.
- **\$5,000 increase** for operational supplies for the Landfill (e.g. grease, small tools, locks, keys, small fence repair parts, nuts and bolts). Increase of \$5,000 due to increased cost and bio solids operations.
- **\$2,500 increase** for minor repairs to buildings at the Landfill (e.g. Kiosk, Compost and Baler Building). Increase of \$2,500 for the Compost building and increased costs.
- **\$500 increase** for meal allocations for unscheduled overtime as per the Collective Bargaining Agreement.

Landfill Operations

\$444,510 Total Maintenance Materials and Supplies is comprised of the following **large budget** items:

- **\$299,000** for Decommissioning. Estimate for accrual required for decommissioning costs. The City of Prince Albert contracted a consultant, Tetra Teck to review rates and assess the future reclamation costs in 2021. This was done to provide an updated value as past calculations had been determined in 2020 to be undervaluing these costs which were budgeted at \$150,000 annually. The assessment indicated that after 40 years of operation including additional Landfill expansions, the cost to reclaim the facility would be \$12,500,000. As such we would identify that \$299,000 should be added to the accrual account for 2021 based on the updated decommissioning/reclamation costs, and for budget purposes going forward.
- **\$45,000** is budgeted under Landfill Operations for Rental Equipment. Rental of equipment when City equipment is down for service or repair, and when specialty or additional equipment is required.
- **\$15,575** is budgeted for the allocation of IT Software and Licensing specific to Landfill operations. The allocation of funds include: Great Plains, Njoyn, Landfill Paradigm software and Recycle Coach.

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

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- **\$8,000** is budgeted for IT Staff support determined by IT that approximately \$2,000 per computer is a reasonable basis for allocation.
- **\$5,875** represents an allocation of 1/3 of the small equipment and tools costs incurred at MSC. While MSC houses these costs, other operations such as sanitation and utility use and occupy the MSC facility. This line item allocates a portion of those costs to the respective fund to represent a more accurate depiction of where costs are used.
- **\$20,000** is budgeted for operational supplies for the Landfill (e.g. grease, small tools, locks, keys, small fence repair parts, nuts and bolts). 2024 increase of \$5,000 due to increased cost and biosolids operations.
- **\$10,000** is budgeted for application of asphalt chips to maintain the surface of the Landfill road from 15th Street North West to the Landfill. Repairs have not been required in the last couple years
- **\$7,000** is budgeted to provide and maintain signage at the Landfill to identify traffic flow, proper procedures and identify areas to separate waist.
- **\$6,000** is budgeted for minor repairs to buildings at the Landfill (e.g. Kiosk, Compost and Baler Building). Increase in 2024 of \$2,500 for the Compost building and increased costs.
- **\$5,000** is budgeted to support training for the Sanitation Manager and Division staff to maintain Professional Designations and enhance operations. The Solid Waste Association of North America (SWANA) is an organization of more than 10,000 public and private sector professionals committed to advancing from solid waste management to resource management through their shared emphasis on education, advocacy and research. For more than 60 years, SWANA has been the leading association in the solid waste management field. SWANA serves industry professionals through technical conferences, certifications, publications and a large offering of technical training courses.
- **\$3,790** is budgeted for land lines and cell phones for Sanitation Division. Based on actual charges for data lines, internet, landlines, and cell phone usage.
- **\$3,000** is budgeted for ongoing maintenance of mechanical equipment in Landfill Buildings (e.g. furnaces, HVAC, exhaust fans).
- **\$2,000** is budgeted to maintain leachate pumps, electrical hookup etc.

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Residential Waste Collection

\$100,200 Total Maintenance Materials and Supplies

- **\$100,000** under Solid Waste is budgeted to purchase 95 and 65 gallon rollout bins to replace broken bins and transition from 300 gallon bins. In November of 2017, Council approved converting 300-gallon bins throughout the city to individual rollout bins. This process was slowed during COVID, however approximately 90% of the city has been converted to date with the remaining 10% yet to be completed. This budget is used to purchase both garbage and recycling bins. The recycling bin costs have ranged from \$20,000 - \$50,000 in the last 3 years and are in addition to the actual costs.
- **\$200** for meal cost associated with unscheduled overtime as per the Collective Bargaining Agreement.

Residential Recycling

\$35,900 Total Maintenance Materials and Supplies:

- **\$35,000** is budgeted for Household Hazardous Waste Collection Day.
- **\$500** is budgeted for operating supplies for yard waste pickup (e.g. harnesses).
- **\$400** is budgeted for meal allocations for unscheduled overtime as per the Collective Bargaining Agreement.

INSURANCE

Insurance for Year 2024 has **increased** by **\$1,590** as follows:

- **\$160 decrease** for Landfill Building new scales and kiosk.
- **\$1,750 increase** for insurance for garbage bin inventory. The increase can be attributed to inflation (building values) and annual rate increases.

Insurance	2024 Budget	2023 Budget	Increase (Decrease)
Residential Waste Collection – Garbage Bin Inventory	\$2,060	\$310	\$1,750
Landfill Operations – Landfill Building new scales and Kiosk	\$6,810	\$6,970	(\$160)
Total Insurance	\$8,870	\$7,280	\$1,590

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

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BAD DEBT EXPENSE

Bad Debt Expense is budget the same as Year 2023. An amount of **\$7,000** is budgeted for unpaid invoices for items brought to the Landfill.

INTERFUND TRANSFERS

\$17,600 increase for Interfund Transactions mainly relating to the increase of \$18,750 for the Contribution to General Fund.

Interfund Transfers	2024 Budget	2023 Budget	Increase (Decrease)
Transfer from Utility Fund - City Facilities	(\$2,200)	(\$2,000)	(\$200)
Contribution to General Fund	\$285,260	\$266,510	\$18,750
Transfer to General Fund – City Facilities	\$46,050	\$47,030	(\$980)
Contribution to Utility Fund	\$3,600	\$3,570	\$30
Total Interfund Transfers	\$332,710	\$315,110	\$17,600

Contribution to General Fund

Each year a Franchise fee equal to five percent (5%) of the Sanitation Fund's total revenues is paid to the General Fund. This fee offsets the sanitation operational costs typically paid by the General Fund.

The 2024 Budget is based on 2023 Budgeted Revenue and the transfer is therefore calculated as **\$285,258** as follows:

Total Approved 2023 Sanitation Revenues	\$5,755,760
Less Revenue for CF-Facilities	(\$50,600)
	\$5,705,160
5% - Transfer to General Fund	\$285,258

\$46,050 Transfer to General Fund – City Facilities: The City transfer is based on Financial Services review and forecast of City facilities sanitation charges for 2024. City Facilities are charged the sanitation surcharge on their water bills but then an interfund transfer is made at year end to offset this revenue.

AMORTIZATION

Amortization is an accounting method for spreading out the cost of a capital asset over the expected useful life of that asset (i.e. the cost is spread out over multiple years). The City budgets for 100% of the cost of a capital asset within the capital budget. Due to this difference, amortization is shown as a non-cash adjustment within the budget.

For Year 2024, Amortization is budgeted at **\$990,000**.

2023 SANITATION FUND CAPITAL

For 2024, Administration is requesting **\$561,420** in capital spending for the repayment of principal payment for long term debt required for the construction of the new waste cell and expansion of existing cells, to be funded from the Sanitation Improvement Fund.

SANITATION IMPROVEMENT FUND

In conclusion, the lifespan of any Landfill is dependent on the amount of refuse that enters the Landfill and how much can be re-used or re-cycled in other capacities. The current Landfill completed in 2022 is anticipated to have a lifespan of 20 years. Future cells will cost several millions of dollars to construct. In order to have financial resources available for future capital needs, any remaining unspent surpluses are set aside in anticipation of these necessities.

A summary of the 2024 budget's impact on the Sanitation Improvement Fund Balance is as follows:

- The budgeted **surplus** from operations to be transferred to the Sanitation Improvement Fund Balance in 2024 is **\$916,385**.
- A transfer of **\$561,420** to the Capital Committed Reserve is required for 2024 capital expenditures.
- This results in an estimated **net increase** to the Sanitation Improvement Fund Balance in **2024 of \$354,965** and an estimated closing **surplus balance of \$2,157,982**.

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

FUNCTIONAL AREA: ADMINISTRATION & BILLING

This functional area includes the Sanitation Surcharge, fees at the Landfill gates, fees as per the Waste Collection Bylaw, along with administrative costs for the operation of the Landfill.

	2024 Budget	2023 Budget	Variance Change	% Change
REVENUES				
User Charges and Fees	\$5,619,650	\$5,325,600	\$294,050	5.52%
Sundry	\$1,000	\$1,000	\$0	0.00%
Total Revenues	\$5,620,650	\$5,326,600	\$294,050	5.52%
EXPENSES				
Salaries Wages and Benefits	\$0	\$74,500	(\$74,500)	-100.00%
Bad Debt Expense	\$7,000	\$7,000	\$0	0.00%
Total Expenses	\$7,000	\$81,500	(\$74,500)	-91.41%
Operating Surplus	\$5,613,650	\$5,245,100	\$368,550	7.03%
CAPITAL AND INTERFUND TRANSACTIONS				
Transfer to General Fund - Franchise Fees	(\$285,260)	(\$266,510)	(\$18,750)	7.04%
Transfer to General Fund - Sanitation Fees	(\$46,050)	(\$47,030)	\$980	-2.08%
Transfer to Utility Fund - Sanitation Fees	(\$3,600)	(\$3,570)	(\$30)	0.84%
Transfer from Utility Fund - Utility Fees	\$2,200	\$2,000	\$200	10.00%
Capital and Interfund Transactions	(\$332,710)	(\$315,110)	(\$17,600)	5.59%
TOTAL SURPLUS	\$5,280,940	\$4,929,990	\$350,950	7.12%

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

FUNCTIONAL AREA: LANDFILL OPERATIONS

Operational activities within the Landfill, including placement and compaction of waste in the lined cells, management of yard waste, management of the tree pile, maintenance of sampling wells, and maintenance of access roads.

	2024 Budget	2023 Budget	Variance Change	% Change
REVENUES				
User Charges and Fees	\$18,000	\$16,990	\$1,010	5.94%
Total Revenues	\$18,000	\$16,990	\$1,010	5.94%
EXPENSES				
Salaries Wages and Benefits	\$926,850	\$872,040	\$54,810	6.29%
Contracted and General Services	\$358,500	\$338,000	\$20,500	6.07%
Financial Charges	\$7,050	\$7,050	\$0	0.00%
Utilities	\$33,310	\$37,180	(\$3,870)	-10.41%
Interest on Long Term Debt	\$160,040	\$177,080	(\$17,040)	-9.62%
Fleet Expenses	\$770,000	\$770,000	\$0	0.00%
Maintenance Materials and Supplies	\$444,510	\$430,620	\$13,890	3.23%
Insurance	\$6,810	\$6,970	(\$160)	-2.30%
Total Expenses	\$2,707,070	\$2,638,940	\$68,130	2.58%
TOTAL DEFICIT	(\$2,689,070)	(\$2,621,950)	(\$67,120)	2.56%

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

FUNCTIONAL AREA: RESIDENTIAL WASTE COLLECTION

Collection of municipal waste from City residences.

	2024 Budget	2023 Budget	Variance Change	% Change
EXPENSES				
Salaries Wages and Benefits	\$479,515	\$478,100	\$1,415	0.30%
Contracted and General Services	\$12,540	\$6,740	\$5,800	86.05%
Fleet Expenses	\$885,000	\$900,000	(\$15,000)	-1.67%
Maintenance Materials and Supplies	\$100,200	\$100,200	\$0	0.00%
Insurance	\$2,060	\$310	\$1,750	564.52%
Total Expenses	\$1,479,315	\$1,485,350	(\$6,035)	-0.41%
TOTAL DEFICIT	(\$1,479,315)	(\$1,485,350)	\$6,035	-0.41%

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

RESIDENTIAL RECYCLING

Collection of recyclables from City residences.

	2024 Budget	2023 Budget	Variance Change	% Change
REVENUES				
Operating Grants and Donations	\$560,000	\$412,170	\$147,830	35.87%
Total Revenues	\$560,000	\$412,170	\$147,830	35.87%
EXPENSES				
Salaries Wages and Benefits	\$220,170	\$186,340	\$33,830	18.15%
Contracted and General Services	\$21,000	\$21,000	\$0	0.00%
Grants and Donations	\$142,100	\$142,100	\$0	0.00%
Fleet Expenses	\$337,000	\$337,000	\$0	0.00%
Maintenance Materials and Supplies	\$35,900	\$60,900	(\$25,000)	-41.05%
Total Expenses	\$756,170	\$747,340	\$8,830	1.18%
TOTAL DEFICIT	(\$196,170)	(\$335,170)	\$139,000	-41.47%

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

CAPITAL COMMITTED

	2024	2023
CAPITAL COMMITTED RESERVE	Budget	Budget
Budgeted Transactions		
Funding:		
Funding for Capital: via transfer from Sanitation Improvement Fund (Uncommitted)	\$561,420	\$544,800
Total Funding	561,420	544,800
Expenditures:		
Long-Term Debt Repayment - Landfill Expansion (Waste Cell Construction)	(561,420)	(544,800)
Total Expenditures	(561,420)	(544,800)
Budgeted Increase (Decrease) to Reserve	-	-
Reserve Balance, end of year (estimated)	-	-

2024 APPROVED SANITATION FUND OPERATING AND CAPITAL BUDGET

For the Year Ending December 31, 2024

SANITATION IMPROVEMENT FUND BALANCE

SANITATION IMPROVEMENT FUND BALANCE (UNCOMMITTED EQUITY)	2024 Budget	2023 Budget
Budgeted Transactions		
Funding:		
Contribution from Operations	\$916,385	\$487,520
Expenditures:		
Transfer to Capital Committed Reserve	(\$561,420)	(\$544,800)
Budgeted Increase (Decrease)	\$354,965	(\$57,280)
Fund Surplus (Deficit), beginning of year (estimated)	\$1,803,017	\$1,860,297
Fund Surplus (Deficit) , end of year (estimated)	\$2,157,982	\$1,803,017



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City of
**Prince
Albert**