



[09] SOLID WASTE FUND - 2023 COLLECTION FEE

For reference, the [09] Solid Waste Fund is a proprietary fund and does not receive any Real Estate Tax millage. The primary expense is the Contracted curbside collection and hauling of recycling and trash. The principal source of revenue to this fund is the solid waste fees billed to the 1300 units in the Borough. The prior collection contract was set to expire in early 2022 and the annual collection fee was set at \$275 in anticipation of the increased costs in the upcoming contract due to take place in March of 2022.

2022-2025 Contract - Republic Services: The Borough advertised for public bid in February of 2022 for the three-year solid waste collection. Following Borough Code, the public bid process was conducted, and the Borough received three bids, with Republic Services being the lowest, responsible bidder. The contract was awarded for three years beginning in March of 2022 with two one-year options. *The three-year contract totals \$1,371,793.80 (\$435,452 in 2022/2023, \$457,030.60 in 2023/2024 and \$475,311.20 in 2024/2025).*

2022 Budget and Projected Year End Fund Balance: the 09 Solid Waste fund began the year with a fund balance of \$4,169. In addition to this fund balance the Borough is projecting \$417,739 in revenue. *The expenses for this fund in 2022 total \$473,664 of which \$435,162 is the solid waste contract with Republic Services.* Due to the expenses exceeding the revenue, this fund is projected to *end 2022 with a negative fund balance of (\$51,756).* A contributing factor to this unbalanced fund is the past due balances the Borough has stepped up efforts in resolving.

2023 Budget and Projected Year End Fund Balance: the 09 Solid Waste Fund began the year with a negative fund balance of (\$53,026). Opposing this negative fund balance the Borough is projecting \$553,180 in revenue. *The expenses for the fund in 2023 are expected to total \$492,051 of which \$457,031 is the solid waste contract with Republic Services. Other misc. expenses inc. \$19,000 to Abington Township for lawn and leaf waste disposal to be turned in to mulch, \$2,500 lawn and leaf bags, \$6,000 dump fees (special pick-up). The misc. expenses of lawn and leaf bags and dump fees (special pick-up) are mostly offset by fees.*

After mindful review of the [09] Solid Waste Fund and all associated expenses, the annual solid waste collection fee for 2023 will be \$400/per unit. This rate will return the fund to having a positive end of year balance of \$9,374 or 1.7% of Solid Waste Fund revenues for 2023.

To place the 2023 Jenkintown Borough Solid Waste collection fee in perspective, in similarly situated Municipalities having a waste collection contract, without a waste transfer station, the waste collection fees researched returned the following results for; Rockledge \$485/year, Lower Moreland \$385/year to increase in 2023, Upper/Lower South Hampton \$500.

Respectfully Submitted

George Locke, CBO
Borough Manager, Jenkintown Borough