



## BUDGET – 2023/24

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SOCRRA  
BUDGET - 2023/24

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April 30, 2023

Board of Trustees  
SOCRRA

Subject: Proposed Budget- 2023/24 Fiscal Year

Board Members:

Attached for your review is the proposed budget for the fiscal year beginning July 1, 2023. This proposed budget will be discussed at our May Board meeting. A public hearing on the budget is scheduled for Wednesday, June 14, 2023 at 9:30 a.m. at the Ferndale Public Library, 222 E. Nine Mile Road.

#### Proposed Rates

The proposed 2023/24 budget calls for the rates from the SOCRRA member communities to be based on the Total Service Cost that was in place for the 2022/23 fiscal year modified to reflect the 5% increase proposed at the February Board meeting. In addition, we are proposing to continue the \$1 per household per month surcharge for 2023/24 for all communities except for Royal Oak. Royal Oak paid SOCRRA for their recycling carts during 2017/18, therefore, their surcharge has been adjusted to remove the cost of the carts. It is expected that the surcharge will continue for several years in order to pay for the recycling carts and for the conversion of the MRF to single stream operation. The surcharge will generate approximately 13% of the total project costs during 2023/24.

The proposed rates for the member communities are contained in the table on the next page. We are again proposing to bill each community a constant amount for the 2023/24 fiscal year, on a twice monthly basis. This cost includes all of the services provided by SOCRRA, which will include collection of recyclables, refuse and yard waste, as well as brush chipping for selected member communities. In addition, the proposed \$1 per household per month surcharge will be included in the end of the month bill.

#### Basis for the Budget

The proposed 2023/24 budget is prepared assuming that sufficient total revenue will be generated to pay for the operating and maintenance costs, bond principal and interest payments, capital expenditure costs and incremental pension funding. The proposed budget generates a net income of \$192,104 which will be used to improve SOCRRA's level of working capital.

Community	Total 2023/24 Cost	Cost per Billing	Monthly Surcharge
Berkley	\$1,178,196	\$49,091	\$6,304
Beverly Hills	822,259	34,261	\$4,227
Birmingham	1,843,227	76,801	\$9,401
Clawson	990,572	41,274	\$5,410
Ferndale	2,186,387	91,099	\$10,135
Hazel Park	1,419,745	59,156	\$6,488
Huntington Woods	449,430	18,726	\$1,097
Lathrup Village	367,519	15,313	\$1,648
Oak Park	2,079,174	86,632	\$9,774
Pleasant Ridge	230,628	9,610	\$1,169
Royal Oak	5,666,744	236,114	\$11,000
Troy	<u>5,387,511</u>	<u>224,480</u>	<u>\$27,348</u>
	\$22,621,392	\$942,558	\$94,001

The following rates are embedded in the Total Service Costs:

		Rate Per Ton	
		2023/24	2022/23
Municipal Solid Waste		\$32.00	\$30.00
Yard Waste	Leaves & Grass	\$32.00	\$30.00
	Wood Chips	\$10.00	\$10.00
Household Hazardous Waste		\$38/visit	\$35/visit

Recyclables Credit	Credit Per Ton	
	2023/24	2022/23
Mixed Recyclables	\$25.00	\$25.00
Separated Office Paper	\$40.00	\$40.00
Separated Cardboard	\$40.00	\$40.00

The following rate structure, is proposed for 2023/24:

NON-MEMBERS			
		Rate Per Ton	
		2023/24	2022/23
Municipal Solid Waste & Bulky Waste		\$70.00	\$67.00
Yard Waste	Leaves & Grass	70.00	67.00
Minimum Charge (1,000 lbs.)		50.00	45.00
Municipal Solid Waste (with signed contract)		37.00	34.00
Mixed Recyclables (without contract)		100.00	85.00

Post-closure landfill monitoring and maintenance expenses are not included in the operating budget but are included in the Capital and Landfill Expenditures. The total liability to handle the

landfill expenses over the 30-year post-closure period has been included each year in our annual audit. Our auditors update this liability as part of their annual audit process. However, we do need to generate enough cash from operations to pay these expenses. Madison Heights and Royal Oak Twp. will contribute to the costs of the landfill maintenance expenses through previously established mechanisms, thereby reducing these expenses by about 10%.

### Budget Assumptions

The following assumptions were used to develop the proposed budget:

1. The Madison Heights Transfer Station will remain out of service for the fiscal year.
2. Union wages were increased by 5%.
3. Health care costs for active employees were projected to increase by 5% from their current levels. Health care costs for Medicare eligible retirees are projected to increase by 2% from their current levels.
4. Salaried wages were increased by 4%.
5. The number of full-time salaried employees and the number of SOCRRA union employees remains unchanged from the 2022/23 budget and includes two open positions.
6. Tonnages contributed by the member communities were estimated as follows:
  - a. Recycling tonnage was estimated at the two-year average for the actual tonnage for 2021/22 and estimated tonnage for 2022/23.
  - b. Refuse tonnage was estimated at the two-year average for the actual tonnage for 2021/22 and estimated tonnage for 2022/23.
  - c. Yard waste tonnage was estimated at the five-year average.
7. Tonnages contributed by non-members was estimated as follows:
  - a. Recycling tonnage was estimated at the two-year average for the actual tonnage for 2021/22 and estimated tonnage for 2022/23
  - b. Refuse tonnage was estimated at the two-year average for the actual tonnage for 2021/22 and estimated tonnage for 2022/23.
  - c. Yard waste tonnage was estimated the two-year average for the actual tonnage for 2021/22 and estimated tonnage for 2022/23.
8. Prices for the sale of recycled commodities were estimated as the average of the prices received from October 2022 to March 2023
  - a. Paper:
    - i. Newspaper \$60/ton
    - ii. Cardboard \$68/ton
    - iii. Mixed Paper \$24/ton
    - iv. Sorted Office Paper \$266/ton
  - b. Plastics:
    - i. High Density Polyethylene, natural \$1,230/ton
    - ii. High Density Polyethylene, mixed color \$256/ton
    - iii. PET \$239/ton
    - iv. Polypropylene \$135/ton
  - c. Mixed Plastics: \$0/ton
  - d. Metals:
    - i. Tin Cans \$202/ton
    - ii. Scrap Metal \$245/ton
    - iii. Aluminum \$1,107/ton

- e. Glass: \$-46/ton
- 9. Insurance premiums were estimated as follows:
  - a. Property and Liability remained unchanged from 2022/23 and that there was no excess asset distribution from the MMRMA.
  - b. Worker's Compensation remained unchanged from 2022/23 and that there is no excess asset distribution from the MML.
- 10. GFL's rates for MSW disposal are based on our contract fuel and CPI escalators for 2023/24.
- 11. Brush chipping rates are estimated based on our current contract with Fontenot Landscaping.
- 12. Collection rates for Car Trucking, GFL Environmental and Tringali Sanitation are based on our contract fuel and CPI escalators for 2023/24.
- 13. No changes were made to the services provided to the member communities. SOCRRA will continue to require appointments for use of the recycling drop-off center.
- 14. No additional funding was added to our post-employment health care trust because the trust is over 100% funded. Retiree health insurance costs will be paid from the trust.
- 15. The restricted landfill security account will be used to pay for approximately half of the landfill monitoring and maintenance costs. The landfill end use account is fully funded at the court required level of \$100,000.

#### Proposed Budget - 2023/24

Pages 8 through 10 outline the proposed Budget for the fiscal year beginning July 1, 2023. The Budget proposal sets forth the detailed estimates of all anticipated income and expenditures. For each cost and revenue category, the proposed budget for 2023/24, the estimated actual expenses or revenues for 2022/23 and the 2022/23 budget are presented. Detailed month-by-month expenditure and revenue plans are being developed for each line item in the budget. These schedules are not included in this package.

On page 11 of the Budget is a list of proposed capital, pension and landfill expenditures for 2023/24 in the amount of \$858,000. These individual capital and pension expenditures will be reviewed with the Board before they are incurred.

Page 12 gives a comparative statement of revenues and expenditures by major category for 2023/24 and the prior four fiscal years.

Page 13 displays the estimated tonnages, by type of material and by community, that were used to develop the 2023/24 budget.

Page 14 summarizes the projected tonnage and revenue from each member community.

The charts on pages 15, 16 and 17 show the source of revenue and expenses by major category for 2023/24 and the total tonnage handled for the last eight years with estimates for 2022/23 and 2023/24.

Page 18 displays the actual debt service coverage for 2021/22 and the projected debt service coverages for 2022/23 and 2023/24. SOCRRA's bond ordinance requires that we budget to

achieve 110% debt service coverage. The proposed 2023/24 budget provides a debt service coverage of 175%.

Pages 19 through 21 describe how the operations of SOCRRA will take place for 2023/24.

Page 22 shows the organizational structure of the Authority, listing the number of personnel involved in the operation of the Authority.

Following is a comparison of the proposed 2023/24 Budget, the projected 2022/23 results with the results for the past eight fiscal years:

Fiscal Year	Total Tons	Total Revenues	Total Operating Expenditures	Bond + Capital Expense	Net Income
Budget 2023/24	225,909	\$28,259,404	\$25,804,800	\$2,262,500	\$192,104
Projected 2022/23	221,593	27,551,000	24,721,600	1,983,000	846,400
Actual 2021/22	225,899	27,820,919	23,444,629	2,105,279	2,271,011
Actual 2020/21	227,934	25,766,924	23,497,244	1,747,502	522,178
Actual 2019/20	221,436	24,866,641	23,958,372	1,680,468	-772,199
Actual 2018/19	202,507	23,826,114	22,625,052	1,825,765	-624,703
Actual 2017/18	199,497	22,646,274	22,555,379	1,480,500	-1,389,605
Actual 2016/17	226,080	22,965,006	20,926,717	136,129	1,602,160
Actual 2015/16	213,371	19,641,700	18,736,950	592,783	311,967
Actual 2014/15	230,645	23,085,655	23,115,697	346,398	-376,440

Employees’ Retirement Plan

SOCRRA is a member of the Michigan Municipal Employees’ Retirement System (MERS). As of December 31, 2021 (the most recent data available), the plan covering the Authority union employees is 80% funded. For employees hired before July 1, 2010, SOCRRA will contribute approximately 25% of union payroll to fund the retirement plan for 2022/23 and the union employees will contribute 2.5% of salary, which reduced the amount of the SOCRRA contribution. Employees hired after July 1, 2010 are covered under a MERS hybrid pension plan. SOCRRA will contribute 4.85% of salary to fund the defined benefit portion of the plan and 3% of salary to fund the defined contribution portion of the plan. Employees are not required to contribute to this plan, but SOCRRA will match employee contributions to the defined contribution portion of this plan up to a maximum of 3% of salary. The salaried employees of SOCRRA are covered under a MERS retirement plan administered through the Southeastern Oakland County Water Authority. SOCRRA pays for a portion of the costs of this MERS pension plan.

Respectfully Submitted,

Jeffrey A. McKeen, P.E.  
General Manager

SOCRRA

PROPOSED BUDGET

2023/24

<u>ESTIMATED REVENUES</u>	2023/24	2022/23	2022/23
	Budget	Estimate	Budget
<b><u>Municipal Refuse</u></b>			
Member MSW	\$22,621,392	\$21,870,988	\$21,544,183
Member Surcharge	1,128,012	1,128,012	1,128,012
Non-Member MSW	2,100,000	1,714,000	1,615,000
Non-Member Yard Waste	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Subtotal	\$25,879,404	\$24,743,000	\$24,317,195
<b><u>Sale of Recycled Materials</u></b>			
Newspaper	\$6,000	\$47,000	\$6,000
Cardboard	433,000	\$711,000	821,000
Mixed Paper	240,000	378,000	569,000
Sorted Office Paper	24,000	\$14,000	8,000
Plastics	251,000	\$236,000	240,000
Scrap Metal	82,000	101,000	109,000
Tin Cans	107,000	106,000	129,000
Non-Ferrous Metal	142,000	135,000	130,000
Mixed Recycling - Others	700,000	597,000	615,000
Glass	0	0	0
Batteries	<u>5,000</u>	<u>\$3,000</u>	<u>5,000</u>
Subtotal	\$1,990,000	\$2,328,000	\$2,632,000
<b><u>Others</u></b>			
Compost	\$160,000	\$160,000	\$160,000
Interest on Investments	80,000	52,000	30,000
Rental Income	125,000	126,000	125,000
Grant Revenue	0	132,000	0
Miscellaneous Income	<u>25,000</u>	<u>10,000</u>	<u>25,000</u>
Subtotal	\$390,000	\$480,000	\$340,000
<b>TOTAL ESTIMATED REVENUES:</b>	\$28,259,404	\$27,551,000	\$27,289,195



SOCRRA

PROPOSED BUDGET

2023/24

<b>ESTIMATED EXPENDITURES</b>			
<b>Madison Heights Transfer Station</b>	2023/24	2022/23	2022/23
	Budget	Estimate	Budget
Labor and Supervision	\$0	\$0	\$0
Utilities	25,000	22,000	25,000
Maintenance of Equipment	6,000	6,000	10,000
Maintenance of Building	7,000	7,000	10,000
Maintenance of Property & Grounds	8,000	8,000	15,000
Supplies	3,000	3,000	5,000
Environmental Testing	1,000	1,000	1,000
Hauling Yard Waste	<u>110,000</u>	<u>109,000</u>	<u>110,000</u>
Subtotal	\$160,000	\$156,000	\$176,000
<b>Troy Transfer Station</b>			
Labor and Supervision	\$426,000	\$460,000	\$460,000
Utilities	32,400	38,000	40,000
Maintenance of Equipment	98,400	116,000	98,400
Maintenance of Building	19,800	22,000	10,000
Maintenance of Property and Grounds	31,200	49,000	24,000
Supplies	115,200	119,000	135,000
Hauling Yard Waste	110,000	123,000	65,000
Contractual MSW	<u>3,809,000</u>	<u>3,563,000</u>	<u>3,567,000</u>
Subtotal	\$4,642,000	\$4,490,000	\$4,399,400
<b>Material Recovery Facility</b>			
Labor and Supervision	\$430,800	\$494,000	\$540,000
Temporary Labor	1,460,000	1,088,000	1,100,000
Utilities	114,500	99,000	90,000
Maintenance of Equipment	162,000	331,000	150,000
Maintenance of Building	25,200	16,000	15,000
Maintenance of Property & Grounds	2,400	1,000	2,000
Supplies	150,000	117,000	120,000
Glass Recycling	198,000	178,000	180,000
Reject	60,000	84,000	86,000
Recycling Services	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Subtotal	\$2,622,900	\$2,428,000	\$2,303,000
<b>Household Hazardous Waste</b>			
Labor and Supervision	\$45,000	\$47,000	\$46,000
Supplies	24,000	15,000	12,000
HH Waste Disposal	350,000	\$347,000	350,000
Electronics Recycling	80,000	65,000	100,000
Disposal of Batteries	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	\$499,000	\$474,000	\$508,000

SOCRRA

PROPOSED BUDGET

2023/24

<b>ESTIMATED EXPENDITURES</b>			
<b>Compost Operations</b>	2023/24	2022/23	2022/23
	Budget	Estimate	Budget
Labor and Supervision	\$217,000	\$205,000	\$203,000
Utilities	9,000	7,000	9,000
Maintenance of Equipment	160,000	104,000	160,000
Maintenance of Building	11,500	5,000	9,000
Maintenance of Property and Grounds	49,500	55,000	50,000
Supplies	44,000	71,000	55,000
Delivery of Compost	46,500	31,000	40,000
Compost Reject	95,000	98,000	95,000
Environmental Testing	5,000	2,000	5,000
Subtotal	\$637,500	\$578,000	\$626,000
<b>Administrative and General</b>			
Salaries	\$326,000	\$289,600	\$320,000
Administrative and Office	25,000	40,300	20,000
Office Space Rental	40,000	40,000	40,000
Personnel Improvement	5,000	16,200	5,000
Travel and Conference	10,000	6,000	10,000
Legal	35,000	31,200	35,000
Audit	22,600	21,900	20,000
Other Accounting	0	0	0
Unemployment	0	0	0
Social Security	110,000	113,000	145,000
Retirement Plan	215,000	249,000	239,000
Property and Liability Insurance	104,000	70,000	94,000
Workers Comp Insurance	40,000	17,000	20,000
Health Care Insurance	324,000	240,000	296,000
Life Insurance	9,800	8,300	9,600
Retiree Health Care Funding	0	0	0
Property Taxes	31,000	30,400	30,000
Host Community Fee - Madison Heights	21,000	20,500	18,000
Grant Expenses	0	0	0
Recycling Education	20,000	10,200	20,000
Miscellaneous Recycling	20,000	10,000	20,000
Consulting	50,000	54,000	50,000
Rental Houses	25,000	22,000	25,000
Miscellaneous	10,000	6,000	10,000
Subtotal	\$1,443,400	\$1,295,600	\$1,426,600
<b>Collection Contract Expenses</b>	\$15,800,000	\$15,300,000	\$15,100,000
<b>TOTAL OPERATING EXPENSES:</b>	\$25,804,800	\$24,721,600	\$24,539,000
Revenues - Expenses	\$2,454,604	\$2,829,400	\$2,750,195
<b>Bond Principal and Interest</b>	\$1,404,500	\$1,383,000	\$1,383,000
Capital, Pension and Landfill Expenditures	\$858,000	\$600,000	\$856,000
Net Income	\$192,104	\$846,400	\$511,195

SOCRRA

CAPITAL, PENSION AND LANDFILL EXPENDITURES

2023/24

<b>CAPITAL EXPENDITURES</b>		
<b><u>Project</u></b>	<b><u>Location</u></b>	<b><u>Expense</u></b>
Office Trailer Replacement	Compost Site	\$20,000
Replacement Fence	Compost Site	\$30,000
Payments for Compost Screener	Compost Site	\$50,000
Payments for Front End Loader	Compost Site	\$50,000
Payments for Horizontal Grinder	Compost Site	\$159,000
Rolloff Truck	Transfer Station	\$50,000
Transfer Station Improvements	Transfer Station	\$100,000
Payments for Front End Loader	Transfer Station	\$65,000
MRF Robots	MRF	\$100,000
Total Capital Expenditures		\$624,000
<b>LANDFILL EXPENDITURES</b>		
<b><u>Project</u></b>		
Semi-Annual Monitoring	Landfill	\$10,000
Leachate Disposal	Landfill	\$24,000
Maintenance	Landfill	\$5,000
Total Landfill Expenditures		\$39,000
<b>ADDITIONAL PENSION CONTRIBUTIONS</b>		
Additional MERS Pension Plan Contribution		\$195,000
<b>TOTAL CAPITAL, PENSION AND LANDFILL EXPENDITURES</b>		<b>\$858,000</b>

SOCRRA

COMPARATIVE STATEMENT - REVENUES AND EXPENDITURES

REVENUE	<u>2023/24</u>	<u>2022/23</u>	<u>2021/22</u>	<u>2020/21</u>	<u>2019/20</u>
	Budget	Estimate			
<b>Municipal Refuse</b>					
Members	\$22,621,392	\$21,870,988	\$20,930,109	\$20,399,117	\$19,695,869
Member Surcharge	\$1,128,012	\$1,128,012	\$1,128,012	\$1,128,012	\$1,128,012
Others	<u>2,100,000</u>	<u>1,714,000</u>	<u>1,755,000</u>	<u>1,408,465</u>	<u>1,398,488</u>
	\$25,849,404	\$24,713,000	\$23,813,121	\$22,935,594	\$22,222,369
<b>Yard Waste</b>					
Others	<u>30,000</u>	<u>30,000</u>	<u>14,268</u>	<u>18,295</u>	<u>59,396</u>
	\$30,000	\$30,000	\$14,268	\$18,295	\$59,396
<b>Recyclables</b>					
Sale of Recyclables	\$1,290,000	\$1,731,000	\$2,989,072	\$1,840,323	\$1,393,637
Recycling for Others	<u>\$700,000</u>	<u>\$597,000</u>	<u>\$493,694</u>	<u>\$622,176</u>	<u>\$593,256</u>
	\$1,990,000	\$2,328,000	\$3,482,766	\$2,462,499	\$1,986,893
<b>Other Income</b>					
Rental Income	\$125,000	\$126,000	\$136,890	\$119,962	\$130,851
Interest on Investments	80,000	52,000	23,148	27,871	61,151
Compost Sales	160,000	160,000	135,666	157,351	189,441
Grant Income	0	132,000	0	0	0
Miscellaneous	<u>25,000</u>	<u>10,000</u>	<u>215,060</u>	<u>45,352</u>	<u>216,540</u>
	\$390,000	\$480,000	\$510,764	\$350,536	\$597,983
<b>TOTAL REVENUES</b>	\$28,259,404	\$27,551,000	\$27,820,919	\$25,766,924	\$24,866,641
Average Income Per Ton	\$125.09	\$124.33	\$123.16	\$113.05	\$112.30
<b>TOTAL TONS</b>	225,909	221,593	225,899	227,934	221,436
<b>EXPENDITURES</b>					
Madison Heights Facility	\$160,000	\$156,000	\$151,862	\$155,274	\$351,744
Troy Transfer Station	4,642,000	4,490,000	4,153,485	4,120,743	3,998,859
Material Recovery Facility	3,121,900	2,902,000	3,160,419	3,047,356	3,020,184
Landfill-Compost Operation	637,500	578,000	570,656	499,154	654,598
Collection Costs	15,800,000	15,300,000	14,433,068	14,654,915	14,348,804
Administrative and General	<u>1,443,400</u>	<u>1,295,600</u>	<u>975,139</u>	<u>1,019,802</u>	<u>1,584,183</u>
	\$25,804,800	\$24,721,600	\$23,444,629	\$23,497,244	\$23,958,372
<b>AVERAGE COST PER TON</b>	\$114.23	\$111.56	\$103.78	\$103.09	\$108.20

SOCRRA

ESTIMATED TONNAGES

2023/24

City	MSW	Yard Waste	Recyclables	Total
Berkley	6,192	2,731	1,401	10,323
Beverly Hills	3,741	1,742	1,137	6,620
Birmingham	9,437	4,483	2,327	16,247
Clawson	5,174	1,971	895	8,040
Ferndale	10,172	2,398	1,734	14,305
Hazel Park	7,334	1,538	895	9,768
Huntington Woods	2,211	1,397	784	4,392
Lathrup Village	1,713	964	287	2,964
Oak Park	10,193	2,924	1,077	14,194
Pleasant Ridge	996	859	340	2,194
Royal Oak	23,031	12,302	4,976	40,309
Troy	<u>27,534</u>	<u>10,124</u>	<u>5,569</u>	<u>43,226</u>
Member Totals	107,728	43,433	21,421	172,582
Non-member	<u>46,152</u>	<u>30</u>	<u>7,146</u>	<u>53,328</u>
Total	153,880	43,463	28,567	225,909

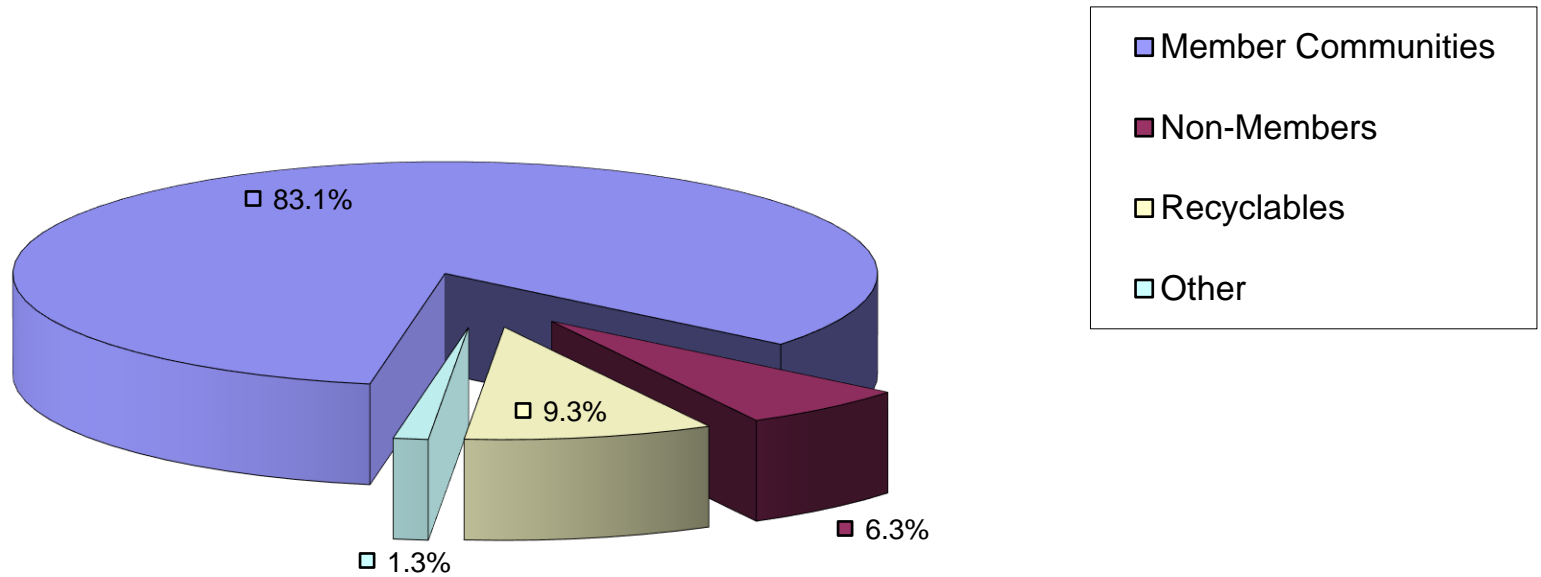
SOCRRA

ESTIMATED TONNAGE AND REVENUES

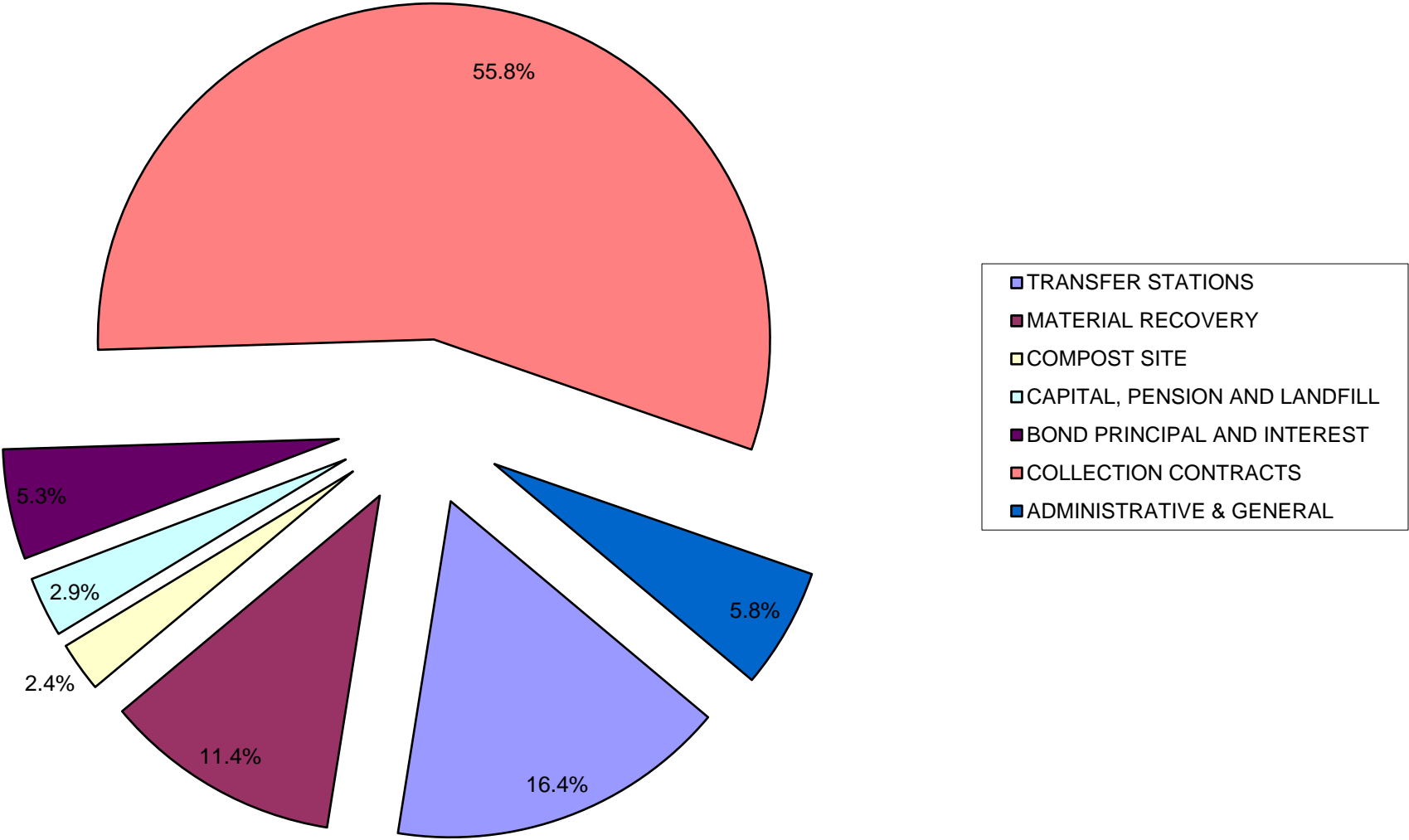
	2023/24 Proposed	2022/23*	2021/22	2020/21
<b>BERKLEY</b>				
Total Tons	10,323	10,024	10,527	10,729
Revenue	\$1,253,844	\$1,206,900	\$1,163,067	\$1,123,224
Monthly Surcharge	\$6,304	\$6,304	\$6,304	\$6,304
<b>BEVERLY HILLS</b>				
Total Tons	6,620	6,377	6,765	7,103
Revenue	\$872,983	\$834,100	\$800,650	\$781,836
Monthly Surcharge	\$4,227	\$4,227	\$4,227	\$4,227
<b>BIRMINGHAM</b>				
Total Tons	16,247	15,937	15,883	17,347
Revenue	\$1,956,039	\$1,870,500	\$1,795,331	\$1,751,700
Monthly Surcharge	\$9,401	\$9,401	\$9,401	\$9,401
<b>CLAWSON</b>				
Total Tons	8,040	7,807	8,039	8,760
Revenue	\$1,055,492	\$1,059,200	\$1,010,803	\$945,672
Monthly Surcharge	\$5,410	\$5,410	\$5,410	\$5,410
<b>FERNDALE</b>				
Total Tons	14,305	13,982	14,396	14,931
Revenue	\$2,308,007	\$2,311,300	\$2,194,151	\$2,065,620
Monthly Surcharge	\$10,135	\$10,135	\$10,135	\$10,135
<b>HAZEL PARK</b>				
Total Tons	9,768	9,150	10,119	10,667
Revenue	\$1,497,601	\$1,432,800	\$1,373,396	\$1,340,208
Monthly Surcharge	\$6,488	\$6,488	\$6,488	\$6,488
<b>HUNTINGTON WOODS</b>				
Total Tons	4,392	4,311	4,191	4,660
Revenue	\$462,594	\$445,400	\$426,793	\$412,764
Monthly Surcharge	\$1,097	\$1,097	\$1,097	\$1,097
<b>LATHRUP VILLAGE</b>				
Total Tons	2,964	2,859	2,920	3,063
Revenue	\$387,295	\$373,300	\$358,547	\$346,560
Monthly Surcharge	\$1,648	\$1,648	\$1,648	\$1,648
<b>OAK PARK</b>				
Total Tons	14,194	13,884	14,067	15,513
Revenue	\$2,196,462	\$2,128,900	\$2,054,242	\$1,965,960
Monthly Surcharge	\$9,774	\$9,774	\$9,774	\$9,774
<b>PLEASANT RIDGE</b>				
Total Tons	2,194	2,148	2,109	2,276
Revenue	\$244,656	\$236,000	\$224,369	\$219,084
Monthly Surcharge	\$1,169	\$1,169	\$1,169	\$1,169
<b>ROYAL OAK</b>				
Total Tons	40,309	39,420	39,730	41,276
Revenue	\$5,798,744	\$5,542,900	\$5,307,638	\$5,170,536
Monthly Surcharge	\$11,000	\$11,000	\$11,000	\$11,000
<b>TROY</b>				
Total Tons	43,226	42,451	43,741	44,551
Revenue	\$5,715,687	\$5,557,700	\$5,349,134	\$5,098,697
Monthly Surcharge	\$27,348	\$27,348	\$27,348	\$27,348
<b>OTHER CUSTOMERS</b>				
Total Tons	53,328	53,243	53,412	47,058
Revenue	\$2,130,000	\$1,744,000	\$1,755,000	\$1,408,465
<b>TOTAL</b>				
Total Tons	225,910	221,593	225,899	227,934
Revenue	\$25,879,404	\$24,743,000	\$23,813,121	\$22,630,326

\*Estimated

# SOCRRA SOURCE OF REVENUE - 2023/24 BUDGET



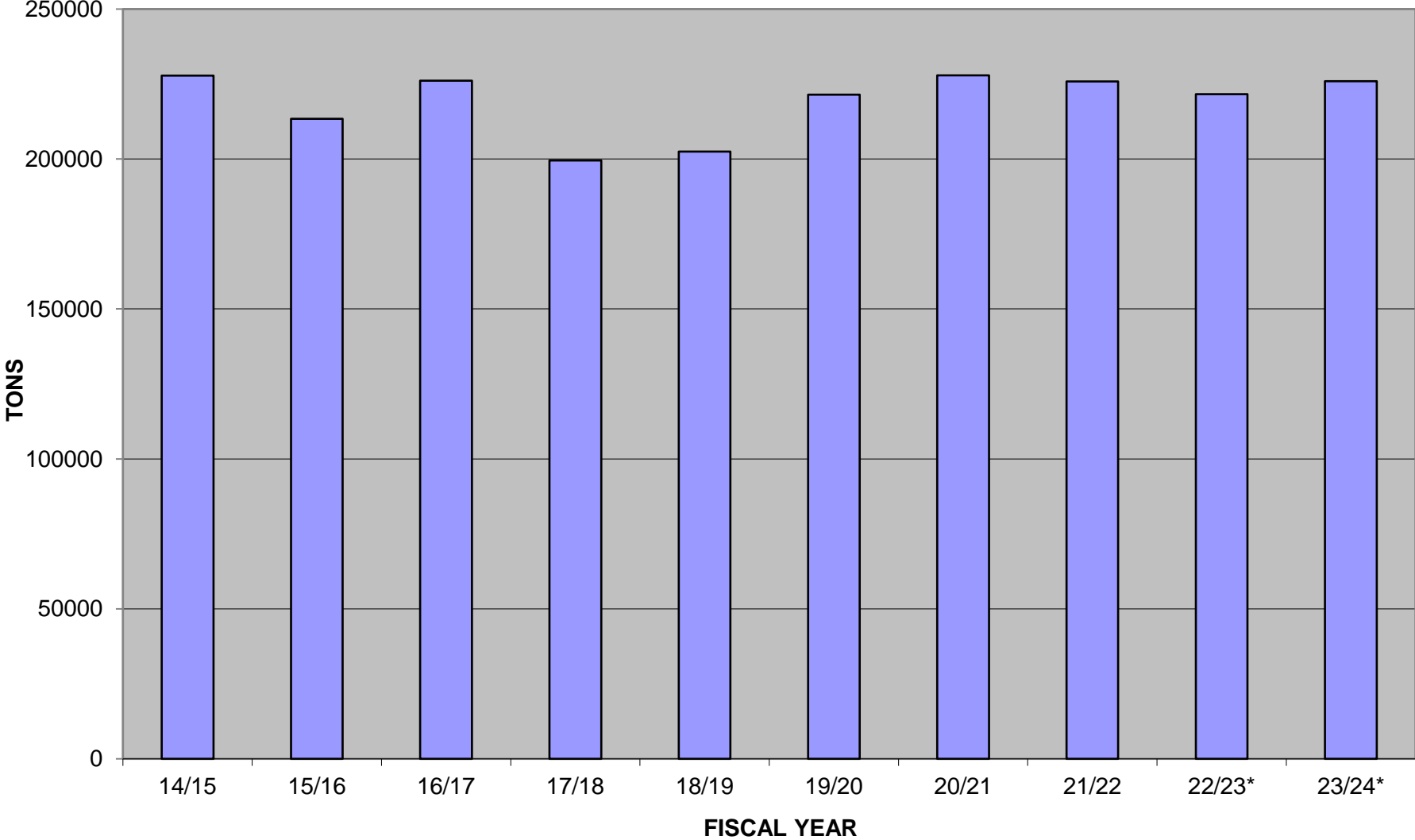
# SOCRRA DISTRIBUTION OF EXPENSES - 2023/24



\*Estimated



# SOCRRA TOTAL TONNAGE HANDLED - 2023/24 BUDGET



\*Estimated

SOCRRA

DEBT COVERAGE

	<u>2023/24*</u>	<u>2022/23*</u>	<u>2021/22</u>
Revenue	\$28,259,404	\$27,224,012	\$27,820,919
Operating Expense	<u>25,804,800</u>	<u>24,721,600</u>	<u>23,444,629</u>
Total Available for Debt Service	\$2,454,604	\$2,502,412	\$4,376,290
Principal & Interest Requirements	\$1,404,500	\$1,383,000	\$1,363,075
% Coverage	175%	181%	321%
*Estimated			

## 2023/2024 Operating Narrative

The typical operations planned for the fiscal year are:

### **Troy Transfer Station**

Approximately 154,000 tons of municipal solid waste from member communities, Car Trucking, GFL Environmental, Tringali Sanitation, Dinverno Group, Priority Waste and small private contractors are expected to be transferred at the Troy facility. Six Utility Operators will be needed to operate the facility on split shifts to cover core hours of operation of 7 a.m. to 6 p.m. One Utility Operator will be transferred to the Compost Site for the months of May through September. The Utility Operators will also perform daily equipment inspections and limited preventative maintenance, janitorial clean-up and other non-major building and equipment repair work and load out bulky scrap metal and cash customer yard waste. The following is a description of normal activities:

- a) Arriving packer trucks will be weighed in on the computerized scale and then directed by SOCRRA staff to deposit the material near either of the two compactors.
- b) SOCRRA staff keep 125 cubic yard rear-load trailers hooked to each of the two trash compactors, determine when the trailers are filled, and switch an empty trailer for the full trailer. Any trash spilled during the loading process is placed into one of two roll-off containers. Roughly 15 trailer loads per day are expected to leave the SOCRRA facility for disposal at GFL's Arbor Hills Landfill, via a subcontracted trucking firm hired by GFL.
- c) Trucks picking up bulky white goods/scrap metal dump adjacent to the building, which allows SOCRRA staff to load the material into a roll-off box spotted by our scrap metal recycler. Refrigerators are staged at the Transfer Station and Freon is removed by a private contractor before being loaded into the scrap metal roll-off.

Site supervision is provided daily by SOCRRA's MRF & Transfer Station Supervisor, supplemented by GFL's Field Supervisor who has direct responsibility for the subcontracted fleet of trucks and trailers.

### **Compost Operations**

The operation at the Compost Site is expected to consist of the following sequential activities, beginning in July:

- a) Roughly 10 packer trucks are expected to direct-haul grass clippings to the site each day. The weight of grass is estimated by SOCRRA staff. The trucks will dump their contents next to a row of leaves from last fall.
- b) One Heavy Equipment Operators and a Supervisor will work from 8 a.m. to 4 p.m. and Saturdays only as required.
- c) Beginning in the middle of October and continuing through mid-December, leaves will be brought out to the site for shredding by the horizontal grinder. During peak season, the haulers will utilize packer trucks, rolloffs and semi-trailers to deposit their leaves on the compost pad.

- d) Over the winter and into spring, one Heavy Equipment Operator and the Supervisor will grind all the leaves, and then construct large windrow stockpiles on the compost pad. They will also perform equipment maintenance with our Maintenance Mechanics and screen the finished compost.
- e) Once grass season begins in 2024, loads of grass will be delivered each day and the equipment operators will mix grass and leaves in a 1:2 ratio, moving along the leaf windrow stockpiles on the pad. These windrow stockpiles will be periodically assessed using suitable decomposition parameters and then turned by the Scarab compost turner until the material is sufficiently decomposed.
- f) Once the composting/decomposition process has proceeded sufficiently and the material is screened, the finished compost will be re-located and re-formed into "curing" stockpiles, for delivery to DPW yards after roughly 3 months of curing. Surplus compost will be sold.

### **MRF Operations**

Approximately 21,000 tons of recyclables are expected to be generated by the SOCRRA member communities during 2023/24. In addition, we expect to receive approximately 7,100 tons of recyclables from Rochester Hills and other communities. Seven Utility Recyclers and about 25 contract sorters provided by Leadpoint and CEO process recyclables 7:00 a.m. to 4:30 p.m., year-round. Mixed recyclables will be processed as follows:

- a) Recycling trucks that arrive are weighed in on a computerized scale and then proceed to the tipping areas. This material is fed into the mixed recycling system by a Utility Recycler operating a small loader.
- b) Mixed recyclables (paper products, cardboard, plastic bottles, clear and colored glass bottles, aseptic containers, metal cans/scrap, and miscellaneous plastic containers) are tipped inside the MRF for processing through the mixed recycling system. Sorters (contract employees from Leadpoint and CEO ) are utilized in conjunction with the robot, a conveyor magnet and an eddy current separator to sort the various materials into the following product streams: #8 News, cardboard, boxboard, sorted office paper, natural HDPE (milk jugs), mixed-color HDPE, PET, PP, ferrous cans, non-ferrous cans, carton type containers, glass and non-acceptable reject.
- c) A Utility Recycler operates a small loader to feed individual items into the baler, another operates the baler and a third operates a forklift to load the trailers delivering product to the purchasers of the recycled materials.

Supervision is provided by the MRF & Transfer Stations Supervisor who is also responsible for the adjoining Transfer Station, the Household Hazardous Waste program and the recycling drop-off center.

### **Household Hazardous Waste and Electronics Recycling Programs**

A SOCRRA Household Hazardous Waste Operator has been instructed on safe techniques for accepting the household hazardous waste chemicals and used electronic equipment brought in by the residents of the member communities Monday through Friday and usually two Saturdays per month, by appointment only, for residents of the SOCRRA communities and communities that have contracted with SOCRRA for this service.

### **Recycling Drop-Off Center**

One temporary employee will be assigned to work with the residents that utilize the drop-off center at the MRF by appointment only. This responsibility includes monitoring and servicing the large paper shredder, assisting residents as required, cleaning the drop-off center area and assisting with the Household Hazardous Waste drop-off center, as required.

### **Maintenance**

Four Maintenance Mechanics are responsible for carrying out equipment maintenance and for overseeing contractual work at all the Authority facilities. Major items needing their attention include: Madison Heights Facility (one compactor and Cat 950 loader); Troy Transfer Station (Cat 236 skid-steer loader, two Cat 950 series loaders, Hitachi excavator, three used shuttle trucks, two compactors); Landfill/Compost Site (two Volvo L120 loaders, MCB screener, D5 dozer, Moxy dump truck, Bandit Beast grinder and Scarab compost turner); MRF (Cat 906 loader, John Deere 924 loader, Yale and Clark forklifts, mixed recycling system including many conveyor systems, baler feed conveyor, baler & wire strapper).

### **Madison Heights Transfer Station**

This facility will not be operational during this fiscal year. Building and grounds maintenance will be performed by SOCRRA's employees and part-time help.

### **Landfill Operations**

The landfill has been closed. Only limited expenses related to routine inspections and methane/groundwater monitoring required by EGLE have been budgeted.

# SOCWA/SOCRRA ORGANIZATIONAL STRUCTURE

