

# METRO WASTE AUTHORITY BUDGET

## 2021-2022



**Metro Waste Authority**

*We Know Where It Should Go*

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**Published:**  
December 2020

## Executive Summary

### Revenues:

Total revenue for fiscal year 2021-2022 is projected to be \$52,323,900. This is a 4.8% increase over FY 19/20 revenue. One of the primary drivers of this increase is the addition of Clive, Grimes, Johnston and Polk City to Contract Management Revenue (\$1.2M). Effective July 1, 2021 the tipping fee for residential (\$36.75) and commercial waste (\$47.95) will increase by 2% at the transfer stations. This is necessary to cover increase in personnel and operating expenses. Yard stickers and bags will increase by 2%, this will offset a portion of a large substantial increase in yard waste hauling expense.

### Expenses:

Personnel costs for fiscal year 2021-2022 are estimated to be \$9,445,000. The total costs in FY 19/20 were \$7,687,598. The difference was due to vacancies and the budget estimating full staffing throughout the year. The budget includes the addition of three new positions. These include:

- Grounds Worker (CO) (estimated \$60,000 plus benefits)
- Mechanic (MPE) (estimated \$73,000 plus benefits)
- Recycling Manager (MPE) (estimated \$86,000 plus benefits)

New positions are proposed to help alleviate resource needs throughout the agency and support the continued growth and evolution of the agency. Operating, general and administrative, and other costs are projected to total \$40,846,650 for fiscal year 2021-2022.

### Capital Projects and Equipment:

Capital expenditures for fiscal year 2021-2022 are expected to total \$21,945,867. Of this total, \$4,719,487 is targeted for new or replacement equipment expenditures, \$5,226,380 is targeted for capital projects, and \$3,540,000 is targeted for MRF expenditures. \$12,000,000 is projected for cell development.

### MRF:

#### Revenues:

Total revenue for fiscal year 2021-2022 is projected to be \$1,575,600. This is based on the feasibility study and incorporating current commodity pricing.

#### Expenses:

Personnel costs are estimated to be \$1,278,100 for fiscal year 2021-2022. This will consist of 20 positions. We are still working through salary studies for some positions and will present to the Board at a later time.

Operating, general and administrative, and other costs are projected to total \$1,887,580 for fiscal year 2021-2022.

### About this report

The Metro Waste Authority budget is prepared annually for review and approval by the MWA Board of Directors.

# **METRO WASTE AUTHORITY BUDGET SUMMARY FY 2021-2022**

<b>Revenue:</b>	
Tipping Fee Revenue	\$31,549,600
Tipping Fee Discount	(\$1,662,000)
Methane Royalties	\$430,000
Curb It! Fees	\$4,053,200
Recycling Revenue	\$34,000
Yard Bag/Sticker Revenue	\$2,275,000
MHWD Revenue	\$176,000
MHWD Revenue-Outside Service Areas	\$433,300
MHWD DNR Operations/Disposal Subsidy	\$100,000
Compost Revenue	\$332,500
Rent Income	\$590,000
Unrealized Gain/Loss on Investments	\$100,000
Interest Income	\$450,000
Farm Income	\$101,000
Cellular Tower Revenue	\$15,800
Cardboard Revenue	\$4,000
Revenue Contract Management	\$4,600,000
E-Waste Fees	\$23,000
Other Revenue	\$18,500
Intercompany Revenue	\$8,700,000
Total	<u>\$52,323,900</u>
<b>Expenses:</b>	
Personnel Expenses	\$9,445,000
Operating Expenses	\$19,314,750
Depreciation & Amortization	\$7,655,500
Closure/Post Closure Expense	\$1,820,000
General & Administrative Expenses	\$3,032,300
Other Income & Expense	\$324,100
Intercompany Expense	\$8,700,000
Total	<u>\$50,291,650</u>
<b>Net Income (Loss)</b>	<b>\$2,032,250</b>

## METRO WASTE AUTHORITY FY 2021/2022 BUDGET ASSUMPTIONS

### REVENUE:

#### Estimates

Revenue projections based on previous six years of historical information and forecast tonnage for fiscal year 2021-2022. There was a 2% increase in residential and commercial rates at the transfer stations as well as a 2% increase in yard bag and sticker sales. Management has adjusted some estimates based on past experience or awareness of future events that would impact the projected amount

All estimates are based on conservatism with expenses maximized and revenue minimized in order to efficiently plan for operating changes during the fiscal year

### EXPENSES:

#### Estimates

Expense projections based on previous six years of historical cost information in addition to estimates received through research and projections based on forecast tonnage. Management has adjusted some estimates based on past experience or awareness of future events that would impact the projected amount

All estimates are based on conservatism with expenses maximized and revenue minimized in order to efficiently plan for operating changes during the fiscal year

### PERSONNEL COSTS:

#### Change in Estimates

Payroll expenses were compiled based on employee payroll information and calculated per employee and allocated to cost centers. Salaries, union medical insurance, flex benefit costs, other employee benefit costs, employer payroll taxes, IPERS payments, and deferred compensation matching costs.

#### Payroll Tax

Payroll taxes were estimated at 8.25% of wages

#### Employer's Share of Retirement Health Insurance

The employers share of the Iowa Public Employee's Retirement System was estimated at 9.44% of wages

Group medical insurance expenses were estimated with a 4% increase for fiscal year 2021-2022

#### Salaries

All salaries for union covered personnel were based on union contract. Salary and salary increases for non-contract personnel are based on market research and trends in the metro area and are budgeted at an average overall increase of 3%. Actual increases may vary due to market research and performance evaluation.

### Tonnage

#### Estimates

Tonnage projections based on previous six years of historical information and estimated based on trend.

Management has adjusted some estimates based on past experience or awareness of future events that would impact the projected amount

### Metro Waste Authority Tonnage

Fiscal Year	Commercial	Residential	Construction & Demolition	Compost	Liquids	Boiler Ash	Special Waste	Cardboard	MHWD	Total
FY 08/09	223,812	178,060	99,851	30,385	-	-	59,417			591,525
FY 09/10	215,928	186,962	97,870	32,665	-	-	50,179			583,604
FY 10/11	226,122	192,329	111,630	32,569	-	-	35,089			597,739
FY 11/12	223,269	185,083	95,680	32,947	6,280	-	45,670			588,929
FY 12/13	224,127	179,693	106,110	32,612	9,824	17,115	44,593		292	614,365
FY 13/14	225,283	186,502	141,551	35,566	11,348	25,113	45,305		304	670,971
FY 14/15	239,461	199,775	160,357	34,838	16,304	31,423	40,799		355	723,311
FY 15/16	240,047	209,325	164,574	34,978	20,178	28,526	35,492		358	733,477
FY 16/17	255,294	213,949	172,280	35,478	19,220	24,527	36,129		392	757,271
FY 17/18	269,237	213,461	205,769	32,793	12,979	22,213	41,999	58	393	798,902
FY 18/19	277,370	221,449	202,167	34,782	14,988	20,133	27,387	123	389	798,788
FY 19/20	264,908	231,877	240,457	40,865	14,471	19,679	54,243	150	172	866,822

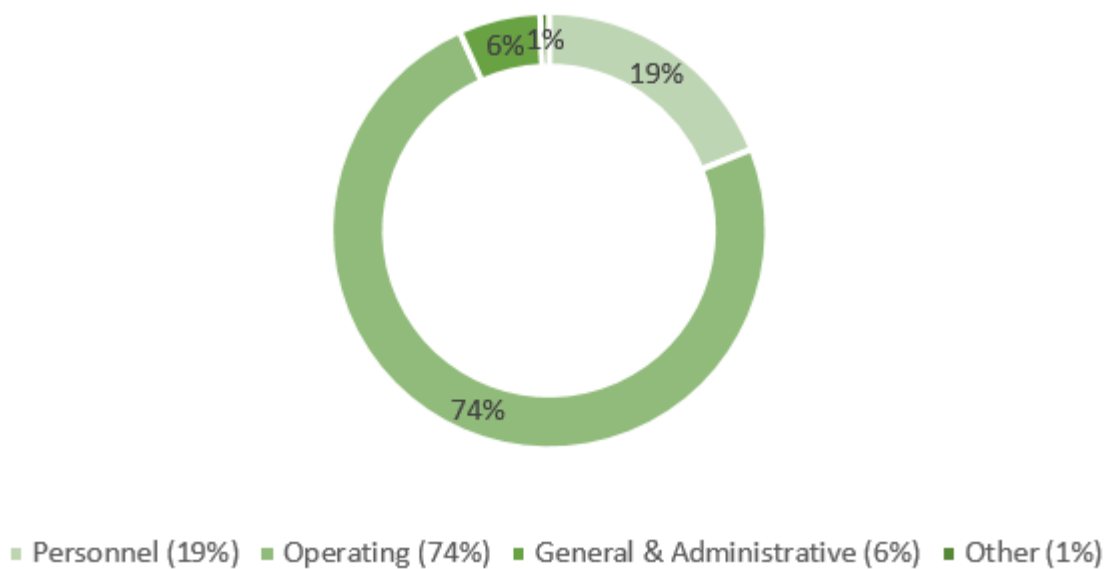
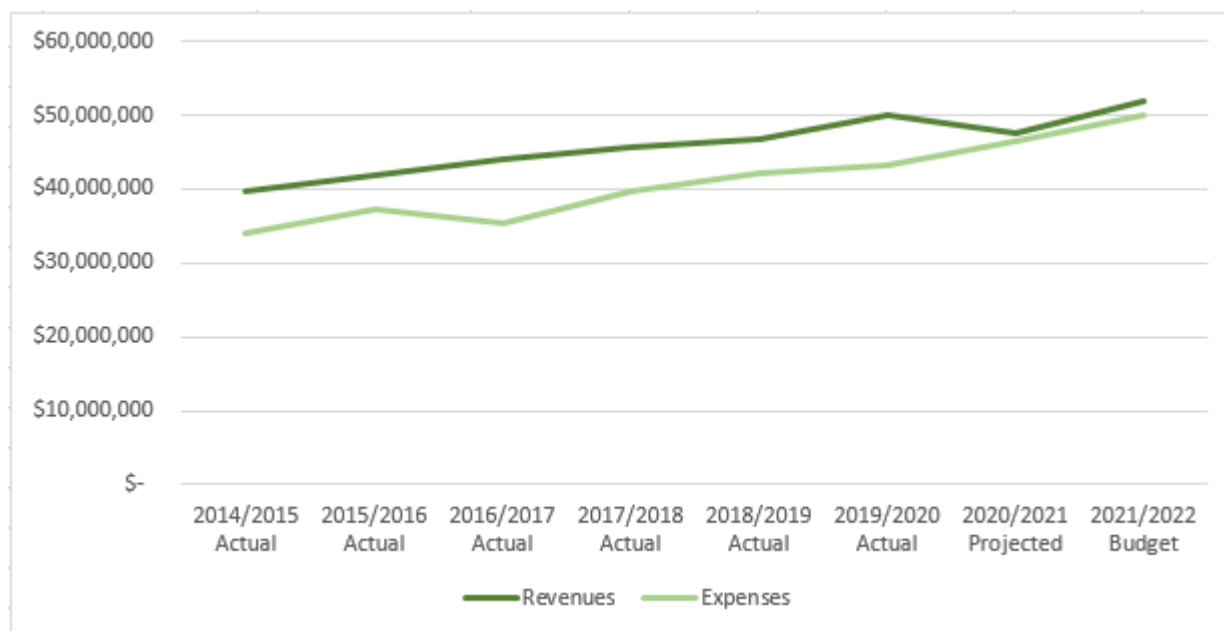
### Expense Budget by Cost Center—Fiscal Year 2021-2022 Budget

Location	Budgeted Expenses	% of Budget
MPE	\$14,613,350	29.06%
Central Office	\$7,839,500	15.59%
MCTS Operations	\$6,755,045	13.43%
MNTS Operations	\$4,957,975	9.86%
Recycle - Residential	\$4,822,900	9.59%
Compost Center	\$4,143,160	8.24%
MTS Operations	\$2,378,750	4.73%
MPW	\$1,566,090	3.11%
Recycle - C&D	\$810,700	1.61%
MHWD Service Area	\$763,070	1.52%
300 E Locust	\$732,500	1.46%
MHWD Outside Area	\$464,660	0.92%
Recycle - Commerical	\$158,800	0.32%
MHWD @ MNTS	\$151,000	0.30%
Recycle - Education	\$117,150	0.23%
Recycle - Ewaste	\$17,000	0.03%
	\$50,291,650	

### Breakdown of Revenues—Fiscal Year 2021-2022 Budget

Location	Budgeted Revenues	% of Budget
MPE	\$24,883,500	47.56%
MCTS Operations	\$6,843,000	13.08%
Central Office	\$5,325,800	10.18%
MNTS Operations	\$4,570,000	8.73%
Recycle - Residential	\$4,081,000	7.80%
Compost Center	\$3,418,400	6.53%
MPW	\$1,286,950	2.46%
300 E Locust	\$590,000	1.13%
Recycle - C&D	\$579,000	1.11%
MHWD Outside Area	\$433,300	0.83%
MHWD Service Area	\$276,250	0.53%
Recycle - Ewaste	\$23,000	0.04%
Recycle - Commerical	\$11,200	0.02%
MHWD @ MNTS	\$2,500	0.00%
MTS Operations	\$0	0.00%
Recycle - Education	\$0	0.00%
	\$52,323,900	



**Breakdown of Expenses—Fiscal Year 2021-2022 Budget****Breakdown of Revenues vs. Expenses**

### Count of Tickets Served

Fiscal Year	Count of Tickets Served (All Sites)	% Change From Prior Year
2013/2014	156,401	
2014/2015	167,059	6.81%
2015/2016	173,612	3.92%
2016/2017	186,897	7.65%
2017/2018	193,187	3.37%
2018/2019	198,363	2.68%
2019/2020	230,195	16.05%

### Revenue History

Fiscal Year	Revenues	% Change
2013/2014	\$ 36,439,194	
2014/2015	\$ 39,577,771	8.61%
2015/2016	\$ 41,905,386	5.88%
2016/2017	\$ 43,955,057	4.89%
2017/2018	\$ 45,694,494	3.96%
2018/2019	\$ 46,756,965	2.33%
2019/2020	\$ 49,904,351	6.73%

### Expense History

	Expenses	% Change
2013/2014	\$ 34,054,482	
2014/2015	\$ 34,116,013	0.18%
2015/2016	\$ 37,289,591	9.30%
2016/2017	\$ 35,364,738	-5.16%
2017/2018	\$ 39,698,499	12.25%
2018/2019	\$ 42,124,129	6.11%
2019/2020	\$ 43,268,036	2.72%

## 2021-2022 Cost Center Budget Summary

Cost Center	Revenue	Personnel	Operating	General & Administrative	Other	Total Expenses	FY22 Net Income
Central Office	\$ 5,325,800	\$ 1,899,000	\$ 4,811,000	\$ 1,046,500	\$ 83,000	\$ 7,839,500	\$ (2,513,700)
MTS Operations	\$ -	\$ 1,211,200	\$ 1,114,950	\$ 52,600	\$ -	\$ 2,378,750	\$ (2,378,750)
MCTS Operations	\$ 6,843,000	\$ 364,510	\$ 6,227,385	\$ 163,150	\$ -	\$ 6,755,045	\$ 87,955
MNTS Operations	\$ 4,570,000	\$ 198,940	\$ 4,492,535	\$ 143,500	\$ 123,000	\$ 4,957,975	\$ (387,975)
MPE	\$ 24,883,500	\$ 3,601,600	\$ 10,329,840	\$ 600,410	\$ 81,500	\$ 14,613,350	\$ 10,270,150
MPW	\$ 1,286,950	\$ 419,750	\$ 1,050,990	\$ 62,250	\$ 33,100	\$ 1,566,090	\$ (279,140)
Recycle - Residential	\$ 4,081,000	\$ 240,150	\$ 4,393,750	\$ 189,000	\$ -	\$ 4,822,900	\$ (741,900)
Recycle - Commercial	\$ 11,200	\$ 104,350	\$ 37,150	\$ 17,300	\$ -	\$ 158,800	\$ (147,600)
Recycle - Education	\$ -	\$ 93,250	\$ -	\$ 23,900	\$ -	\$ 117,150	\$ (117,150)
Recycle - C&D	\$ 579,000	\$ 323,850	\$ 449,500	\$ 37,350	\$ -	\$ 810,700	\$ (231,700)
Recycle - Ewaste	\$ 23,000	\$ -	\$ 17,000	\$ -	\$ -	\$ 17,000	\$ 6,000
Compost Center	\$ 3,418,400	\$ 359,900	\$ 3,654,700	\$ 127,560	\$ 1,000	\$ 4,143,160	\$ (724,760)
MHWD Service Area	\$ 276,250	\$ 280,100	\$ 346,350	\$ 136,620	\$ -	\$ 763,070	\$ (486,820)
MHWD Outside Area	\$ 433,300	\$ 259,350	\$ 101,700	\$ 103,610	\$ -	\$ 464,660	\$ (31,360)
300 E Locust	\$ 590,000	\$ -	\$ 422,000	\$ 308,000	\$ 2,500	\$ 732,500	\$ (142,500)
MHWD @ MNTS	\$ 2,500	\$ 89,050	\$ 41,400	\$ 20,550	\$ -	\$ 151,000	\$ (148,500)
<b>Net Income (Loss)</b>	<b>\$ 52,323,900</b>	<b>\$ 9,445,000</b>	<b>\$ 37,490,250</b>	<b>\$ 3,032,300</b>	<b>\$ 324,100</b>	<b>\$ 50,291,650</b>	<b>\$ 2,032,250</b>
MRF	\$ 1,575,600	\$ 1,278,100	\$ 393,000	\$ 736,578	\$ 758,000	\$ 3,165,678	\$ (1,590,078)