

## DENMAN ISLAND WASTE MANAGEMENT COMMITTEE

### Summary of 2011 budget changes

Overall, the 2011 budget is about 2.5% lower than the 2010 budget. On the revenue side, we are estimating that donations will be noticeably lower than last year, when islanders responded to our hour of financial need with extraordinary generosity. Despite this projected reduction in locally-generated revenue we will still ask for a slightly reduced tax levy.

On the expense side there are several areas of increase. We raised the hourly pay rate for our recycle centre staff and our bookkeeper, and we have been reclassified by WorkSafeBC to a new category with a higher assessment rate. The HST will be in effect for the whole of 2011, producing an increase in the cost of garbage collection. We expect our glass crusher to be fully operational in 2011 which means we will no longer be paying rental on a waste bin to WSI. However, savings in that area are offset for the coming year by an increase in the renovation/repair line item in order to pay for physical plant changes associated with operation of the crusher. We would also like to address the old and somewhat decrepit lighting in the recycle centre. Our general expenses are noticeably lower as we will not have any operating loans to repay as we did in 2010.

With respect to the 5-year plan, we expect 2011 and 2012 to have virtually identical budget totals. Our current garbage contract expires at the end of 2012. The principal driver for increased expenses in the 2013-15 period will come from the new contract. We anticipate offering a three-year contract, and at present we are estimating a cost increase of about 15%. However, this is highly conjectural and subject to substantial change as the cost of fuel and ferries, as well as wages, are main cost drivers and certain to rise though we dare not speculate just how much.