



Thursday, April 26, 1984  
Budget Study - 5:00 p.m.

B U D G E T   S T U D Y   M E E T I N G

A Budget Study Meeting of Council was held in the Council Chambers of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Thursday, April 26, 1984 commencing at 5:00 p.m.

Members of Council present were:

Mayor L. Sekora  
Alderman L. Bewley  
Alderman W. LeClair  
Alderman G. Levi  
Alderman R. Mitchuk  
Alderman M. Reid  
Alderman B. Robinson

Members of staff present were:

Municipal Manager	- J. L. Tonn
Planning Director	- D. Buchanan
Municipal Treasurer	- V. Dong
Municipal Solicitor	- H. Castillou
Parks & Recreation Director	- D. Cunnings
Municipal Engineer	- N. Nyberg
Personnel Director	- F. Klewchuk
Fire Chief	- D. Jackson
Deputy Municipal Clerk	- S. Aikenhead

PURPOSE

The purpose of the meeting was to review the proposed 1984 Annual Budget with all members of Council.

SOLID WASTE COLLECTION AND DISPOSAL

The Municipal Engineer gave a slide presentation relative to Solid Waste Collection and Disposal By-Law No. 1439, Solid Waste Disposal Contract By-Law No. 1442 and Commercial Solid Waste User By-Law No. 1443.

REVIEW

The Municipal Treasurer presented to the members, spread sheets showing 1983 - 1984 property tax comparisons.

He also presented 1984 Budget By-Law No. 1441, 1984 with supporting documents.

Mr. Dong informed Council that this budget had been increased \$1,016,000 over last year. As well, as appropriation of \$1,200,000 had been taken out of Accumulated Revenue Surplus.

Continued...

Thursday, April 26, 1984  
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EXPENDITURES

With regard to expenditures, the budget now shows a 6.66% increase over 1983 actuals.

GENERAL GOVERNMENT SERVICES - 219 210-003  
STAFF CONFERENCES AND REPRESENTATIONS

MOVED BY ALDERMAN ROVINSON  
SECONDED BY ALDERMAN LEVI

That with regard to Account 219 210-003, any expenditure over \$500.00 require Council approval.

MOTION LOST

Alderman Bewley, Alderman LeClair, Alderman Levi, Alderman Mitchuk, Alderman Reid and Alderman Robinson registered opposition.

MOVED BY ALDERMAN BEWLEY  
SECONDED BY ALDERMAN ROBINSON

That Account No. 219 210-003 be reduced to \$5,000.00.

CARRIED UNANIMOUSLY

STORM SEWER OPERATION AND MAINTENANCE -  
ACCOUNT 232345

The Treasurer reported that as a result of G.V.S.& D.D. levies, Account 232345 will have to be increased from \$34,656. to \$61,670.

At this time the Budget Meeting recessed. 7:25 p.m.

The Budget Meeting reconvened at 8:30 p.m.

G.V.S. & D.D. ASSESSMENT -- SOLID WASTE DISPOSAL -  
ACCOUNT 243210

The Treasurer stated that Account 243210 would have to be changed to \$42,107.00.

CONSULTING SERVICES - ACCOUNT 261310  
SOILS AND ENGINEERING REPORTS

MOVED BY ALDERMAN BEWLEY  
SECONDED BY ALDERMAN LECLAIR

That Account 261310 (Soils and Engineering Reports) be reduced to \$4,000.00 and that a provision of \$4,000.00 be put in the general provision.

CARRIED UNANIMOUSLY

Continued...

Thursday, April 26, 1984  
Budget Study - 5:00 p.m.

MUNICIPAL SUBDIVISION DEVELOPMENT  
ACCOUNT 523 301-006

The Municipal Engineer reported that there would be \$151,642. surplus in the Land Sale Reserve Fund Account as the low bidder on the Shawna/Ashurst municipal subdivision came in at \$177,258.

MOVED BY ALDERMAN BEWLEY  
SECONDED BY ALDERMAN REID

That the Municipal Engineer bring forward a lane paving program in the amount of \$66,000. and that he also bring forward a ditch enclosure program for \$85,000., the balance of the \$151,000. surplus.

CARRIED UNANIMOUSLY

PARKS AND RECREATION

The Parks and Recreation Director was requested to bring forward a report to Council on parks in Coquitlam that might be considered surplus to municipal needs.

REVENUES

The Treasurer reported that there had been a substantial reduction in provincial grants in 1984 compared to 1983 - \$2,330,233. in 1984; \$2,738,880 in 1983.

G.V.S. & D.D. CHARGES - ACCOUNT 628 400

The Treasurer reported that G.V.S. & D.D. charges under Account 628 400 have been increased from \$1,136,453. to \$1,241,153.

SIDEWALKS - AMENDED BUDGET

It was suggested by a Council Member that Council look at providing some funds for sidewalks when the amended budget is considered.

The Municipal Manager suggested that since the budget was to go for three readings this evening and final adoption on Monday, April 30th, there would not be time to make the revisions that had been approved this evening. He requested that the adjustments that were approved this evening be made when preparing the 1984 Annual Budget Amendment By-Law.

MOVED BY ALDERMAN ROBINSON  
SECONDED BY ALDERMAN LEVI

That the revisions to the budget that were authorized this date be made when preparing the 1984 Annual Budget Amendment By-Law.

CARRIED UNANIMOUSLY

ADJOURNMENT.

The Budget Meeting adjourned at 11:30 p.m.

## SOLID WASTE COLLECTION

- Council Resolutions 396, 397  
1984 April 16.
- Bylaw 1442 (1984)  
to enter a new contract  
for collection and disposal.
- Bylaw 1443 (1984)  
to establish USER CHARGES  
for commercial and residential  
bin collections and loose refuse.

BYLAW 1442 (1984)

*replaces the existing Haulaway Contract with a new 5 year contract which expires in 1989 July 1.*

*REDUCED Residential Price  
\$ 40.35 to \$ 36.25*

*SALE of Truck  
\$ 63,000*

*BIN CONTAINER Service for  
Apartments, Senior Homes  
@ \$ 9.50*



CALCULATION OF GROSS SAVINGS

	<u>1984 Jan.1</u> <u>1984 Dec.31</u>	<u>1985 Jan.1</u> <u>1985 Dec.31</u>	<u>1986 Jan.1</u> <u>1986 Dec.31</u>	<u>1986 Jan.1</u> <u>1987 Jul.1</u>
Commercial Disposal Fee charges	33,000	66,000	66,000	33,000
Commercial/Industrial Collection Costs	69,277	138,000	138,000	69,000
Residential Collection Contract	(17,000 X 0.5X) (42.77 36.25)	(17,000 X 6.52)		
Reduction in resi- dential charges	55,420	110,840	110,840	55,840
(LESS bin container charges)	<u>(24,206)</u>	<u>(52,364)</u>	<u>(61,056)</u>	<u>(30,528)</u>
	31,214	58,476	49,784	25,312
GRAND TOTAL:	\$133,491	\$262,476	\$254,000	\$127,312
SAY	<u>\$133,500</u>	<u>\$262,500</u>	<u>\$254,000</u>	<u>\$127,000</u>
			<u>\$777,000</u>	

NOTES:

- A. About 17,000 residential dwellings will be collected in 1984, 1985, 1986.
- B. The 1984 July 1 contract price for residential dwellings would be \$42.77 and the 1986 July 1 reduced price would be \$36.25.
- C. A similar differential of \$6.52 would be maintained from 1985 to 1987, i.e.: both old and new prices would inflate.
- D. Bin lift charges would inflate at 6% per annum from 1985 July 1.
- E. Bin lifts would increase from 98 to 100 in 1985, to 110 in 1986.
- F. No change in disposal charges, municipal wage rates, energy costs, vehicle rental charges.



BYLAW 1442 (1984)

CONTRACT REDUCTION

1984 : \$ 31 214

DISPOSAL SAVING

1984 : \$ 33 015

COLLECTION COST SAVING

1984 : \$ 69 217

TOTAL \$ 133 506

BYLAW 1442 (1984)

CONTRACT REDUCTION

1985 : \$ 58 500

DISPOSAL SAVING

1985 : \$ 66 000

COLLECTION COST SAVING

1985 : \$ 138 000

TOTAL \$ 262 500

BYLAW 1442 (1984)

CONTRACT REDUCTION

1986 \$ 50 000

DISPOSAL SAVING

1986 \$ 66 000

COLLECTION COST SAVING

1986 \$ 138 000

TOTAL 254 000

BYLAW 1442 (1984)

To 1987 June 30

CONTRACT REDUCTION

1987 25 000

DISPOSAL SAVING

1987 33 000

COLLECTION COST SAVING

1987 69 000

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TOTAL \$127 000

BYLAW 1442 (1984)

1984 - 1987

\$ 777,000 +

# *BYLAW (1443) 1984 USER CHARGE*

## ORIGIN:

CUPE LOCAL 386 SUBMISSION

TO COUNCIL: APRIL 16, 1984

## STATEMENTS.

- p.2 ...propose that the Municipality continue to collect commercial garbage from its present customers but on the same basis as arrangements that would be made with private companies that is the customer pays the Municipality for the service.
- p.2 ...By charging \$7.55 per pick up to its commercial customers, the Municipality would completely offset the cost of this service.
- p.3 ...Calgary, for instance, maintains a commercial collection service in direct competition with the private sector. The service is entirely self-supporting. Under City Bylaws it is required to pay all its costs, including overhead and administrative costs. In addition, it must generate a surplus of 5 percent each year for the City's Treasury.
- p.5 ...recommending that Council consider:
1. Charging a fee for Municipally run commercial collection. A fee of \$7.55 per pick up would offset estimated costs of this service for 1984.
  3. Address the "double charging" problem of taxes plus fees for service, by providing tax rebates to eliminate inequalities.

BYLAW (1443) 1984  
USER CHARGE

INTRODUCES

\$ 7.55

USER CHARGE

FOR

BIN LIFTS

AND

LOOSE COLLECTION

BYLAW (1443) 1984  
USER CHARGE

QUESTION:

DOES COMMERCIAL

COLLECTION

COST \$ 7.55

PER STOP

?



DISTRICT OF COQUITLAM  
ENGINEERING DEPARTMENT  
1984 ANNUAL BUDGET  
SCHEDULE OF ACCOUNTS

SCHEDULE

<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>1982 ACTUAL</u>	<u>1983 ACTUAL</u>	<u>1984 ANNUAL BUDGET</u>
<u>OPERATIONS DIVISION</u>				
243100	<u>ADMINISTRATION: WASTE MANAGEMENT</u>			
243110	Contract Administration	-	10,032 ✓	12,859
243120	Commercial Collection Management	-	7,574 ✓	10,264
243130	Cost Allocation: Solid Waste Collection	107,089	51,432 ✓	55,768
		<u>107,089</u>	<u>69,038</u>	<u>78,891</u>
<u>SOLID WASTE DISPOSAL</u>				
243200			30,557	
243210	G.V.S. & D.D. Assessment: Disposal	48,333	216	30,557
243212	G.V.S. & D.D. Tipping Charge: Disposal	net (593)	58,158 ✓	508,759
243213	Clean Up Week Disposal	5	5,162 ✓	0
		<u>47,745</u>	<u>94,093</u>	<u>539,316</u>
<u>SOLID WASTE COLLECTION</u>				
243300				
243310	Solid Waste Collection: Haulaway Contract	956,144	639,012 ✓	699,167
243320	Commercial/Industrial/Container Collection	0	134,355	138,543
		<u>956,144</u>	<u>773,367</u>	<u>837,710</u>

TABLE 3.1

## COQUITLAM COMMERCIAL/INDUSTRIAL/INSTITUTIONAL CUSTOMERS

1984 February 24

Customer Classification	No. of Cust.	Service Days	Garbage Cans & Bags Pick ups	Garbage Bin Cont. Pickups	No. of Collections Per Week	No. of Collections Per Month	No. of Collections Per Annum
Commercial prem.	1	Mon	1	-	1	4	52
Commercial prem.	62	Mon & Thur	62	-	124	512	6,448
Commercial prem.	20	Mon & Thur	-	4	8	32	416
Commercial prem.	5	Mon & Thur	-	1	2	8	104
Commercial prem.	5	Mon & Thur	-	5	10	40	520
Rent, MF (256 units)	6	Mon & Thur	-	12	24	96	1,248
Rent, MF (83 units)	12	Mon & Thur	2	-	4	16	208
Strata MF(217 units)	5	Mon & Thur	-	11	22	88	1,144
Strata MFD(24 units)	1	Mon & Thur	1	-	2	8	104
Civic Bldg.	2	Mon & Thur	-	5	10	40	520
Garage	2	Mon & Thur	2	-	4	16	208
Garage	9	Mon & Thur	9	-	18	72	936
Garage	1	Mon & Thur	-	1	2	8	104
Cafe	4	Mon & Thur	4	-	8	32	416
Senior Home	2	Mon & Thur	-	2	4	16	208
Hôtel	1	Mon & Thur	-	5	10	40	520
School	1	Mon & Thur	1	-	2	8	104
Commercial prem.	1	Friday	1	-	1	4	52
Commercial prem.	21	Tues & Fri	21	-	42	168	2,184
Commercial prem.	1	Tues & Fri	-	1	1	4	52
Rent, MF(812 units)	14	Tues & Fri	-	28	56	224	2,912
Co-op Hous. (147 u.)	1	Tues & Fri	-	3	6	24	312
Strata MF(283 units)	6	Tues & Fri	-	23	46	184	2,392
Civic	3	Tues & Fri	-	3	6	24	312
Civic	1	Tues & Fri	1	-	2	8	104
Garage	1	Tues & Fri	1	-	2	8	104
Garage	3	Tues & Fri	-	3	6	24	312
Garage	1	Tues & Fri	-	3	6	24	312
Cafe	2	Tues & Fri	2	-	4	16	208
Cafe	1	Tues & Fri	-	1	2	8	104
Senior Home	2	Tues & Fri	-	2	4	16	208
Hotel	3	Tues & Fri	-	4	8	32	416
Schools	1	Tues & Fri	-	1	2	8	104
Churches	1	Tues & Fri	-	1	2	8	104
Commercial prem.	9	Wednesday	-	9	9	36	468
Commercial prem.	15	Wednesday	15	-	15	60	780
Industrial	7	Wednesday	-	9	9	36	468
Industrial	4	Wednesday	4	-	4	16	208
Strata MF (36 units)	1	Wednesday	-	4	4	16	208
Garage	1	Wednesday	1	-	1	4	52
Church	2	Wednesday	-	2	2	8	104
Civic	3	Wednesday	-	5	5	20	260
School	1	Wednesday	1	-	1	4	52
Cafe	2	Wednesday	-	2	2	8	104
Garage	1	Wednesday	1	-	1	4	52
Garage	1	Wednesday	-	1	1	4	52
Hospital	1	Mon, Wed, Thur, Fri.	-	4	16	48	832
			250	130	521	2,084	27,092

- NOTE: 1. There are 236 individual stops made per week to load loose garbage at present.  
2. There are 285 individual stops made per week to load container bins at present.  
3. There are 140 loose collection customers obtaining weekly service at present.  
4. There are 110 container customers using 155 container bins at present.

# BYLAW (1443) 1984 USER CHARGE

There are different number of bins and loose collections each day.

On Mondays: 81 loose collection pickups  
46 bin collections

On Tuesdays: 25 loose collections  
73 bin collections

The Daily cost to operate the system is:

direct cost: \$204,574  
overhead: \$ 10,264  
214,838 ÷ 260 = \$826

Tuesday	25 L + 73 B	=	826
Monday	81 L + 46 B	=	826
	<u>-56 L + 27 B</u>	=	0
	L	=	0.48 B

Now  $25(0.48B) + 73 B = 826$   
B = 9.71  
L = 4.66

CONCLUSION: Loose collection costs \$4.66/collection  
Bin collection costs \$9.71/collection

USER FEES AS AN OFFSET TO COSTS

Would the user fee of \$7.55 offset collections costs?

FACTORS:

- A. Billing involves an accounting charge; invoice and mailing costs; and computational time. With different levels of service:

Accounting wages, salaries 1984	7,500
Invoices, supplies, postage	1,000
Computer and peripheral lease maintenance agreement	2,000
	<u>\$9,500</u>

9,500 ÷ 250 customers = \$38.00  
9,500 ÷ 13,546 service calls = \$0.70

- B. User charges for 1984 would commence 1984 July 01.

	<u>1984 Jan 1</u> <u>1984 Jun.30</u>	<u>1984 Jul.1</u> <u>1984 Dec.31</u>
Direct cost	102,000	102,000
Overhead	5,100	5,100
Billing Cost	0	9,500
User fee recovery:	<u>0</u>	<u>521 X 26 X 7.55 = \$102,272</u>
	107,100	114,328

CONCLUSIONS:

- A. The net cost of commercial collection for 1984 would be \$121,428  
B. Loose collection customers would cost \$4.66 + 70¢ = \$5.36; pay \$7.55  
C. Bin customers would cost \$9.71 + .70 = \$10.41; pay \$7.55  
D. Loose collection customers would subsidize bin customers by about \$2.86  
E. Loose collection customers would overpay by about \$2.19

BYLAW (1443) 1984  
USER CHARGE

Loose Collection Customers

PAY \$7.55 ... but cost \$5.36

Bin Container Customers

PAY \$7.55 ... but cost \$10.41

Loose Collection  
subsidizes Bin Collection

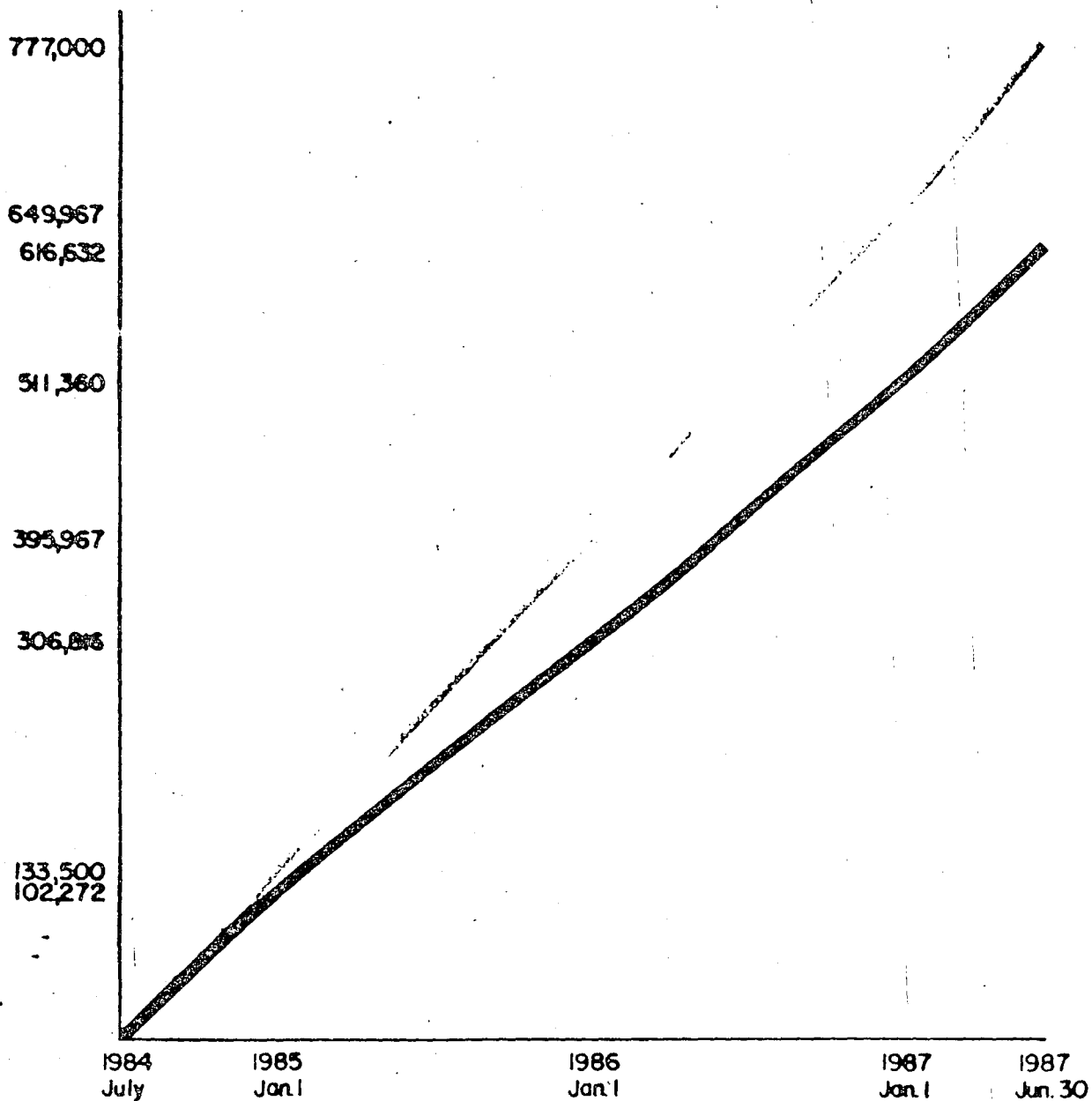
... by \$2.86

Loose Collection overpay

... by \$2.19

*BYLAW (1443) 1984  
USER CHARGE*

*With over 1400 business licenses and about 173 commercial customers, we think less than 25% of business use municipal pick up.*



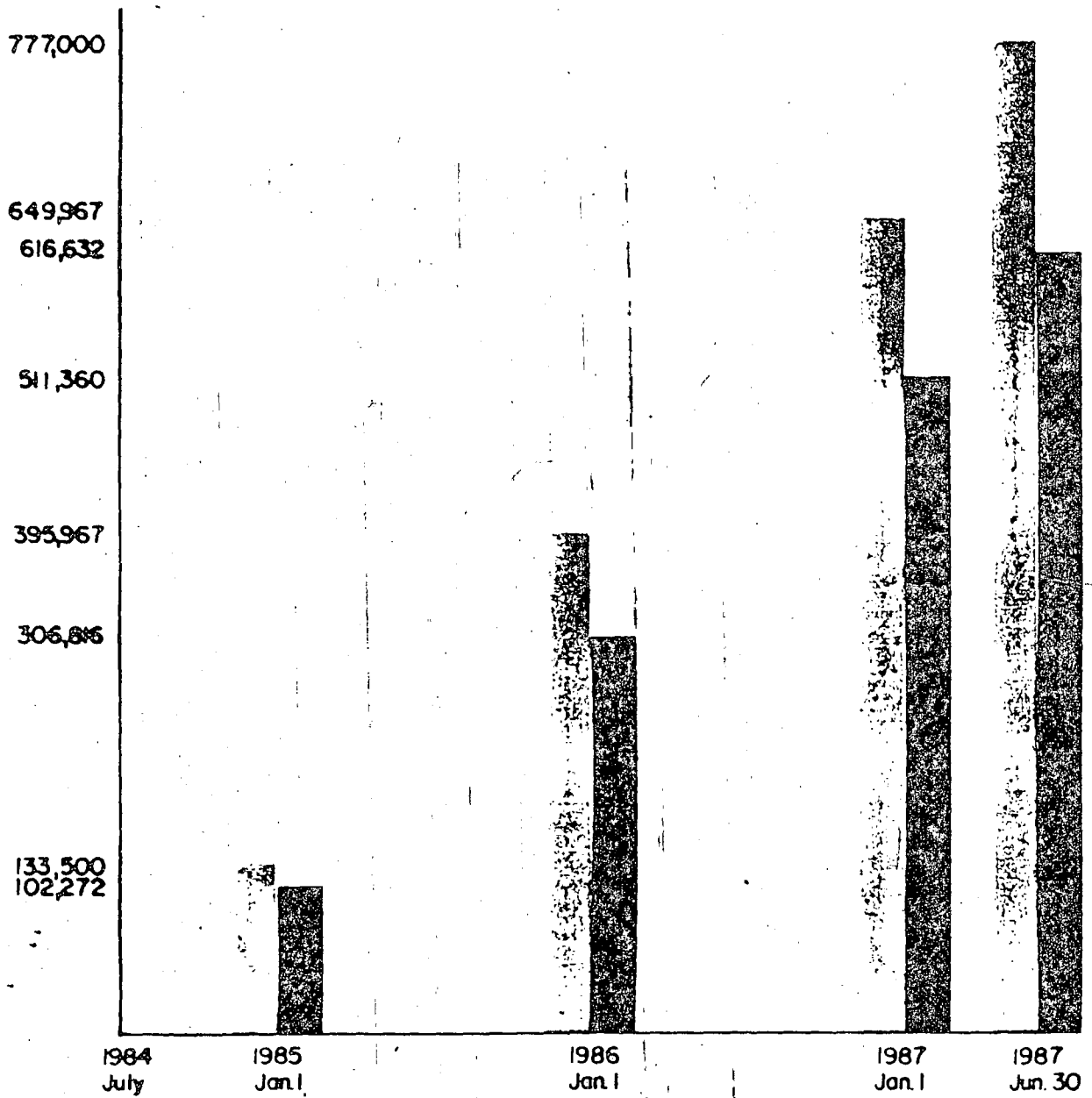
**SAVINGS COMPARISON  
BYLAW 1442 vs BYLAW 1443**

\$ 31,228 in 1984

\$ 89,151 by 1985

\$ 105,272 by 1986

\$ 127,033 by 1987 July 30



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