



## OCRRA's Vision

*By 2010, OCRRA will be recognized as a world leader in local waste disposal and recycling solutions making our community one of the best places to live and work.*

## OCRRA's Mission

*OCRRA provides to the community a solid waste solution that is environmentally sound, highly efficient, safe and innovative, by utilizing the optimal mix of waste reduction, recycling, and disposal.*

## OCRRA's Core Values

- Integrity and Honesty
- Environmental Stewardship
- Fiscal Responsibility
- Excellence in Services
  - Customer Service
  - Public Participation
  - Community Relations

# 2006 ANNUAL BUDGET SUMMARY



# OCRRA

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## OCRRA Board of Directors

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**A. T. Rhoads**  
*Executive Director*

### A Message from the Executive Director

#### *Looking ahead...Planning ahead – OCRRA’s Vision, Mission, Core Values and Strategic Goals*

In 2005, OCRRA’s Board of Directors developed a Strategic Planning process and working with the Management team adopted a resolution embracing the organization’s Vision, Mission, and Core Values. The back cover of this Budget document presents the Vision, Mission, and Core Values.

OCRRA’s Vision, Mission and Core Values provide the foundation for the Agency’s work in the years ahead. In addition, the planning process identified important goals for the organization to accomplish in order to succeed in its mission and turn the vision statement into reality. Outlined below are the goals the OCRRA team developed within the Strategic Plan. Also included here is a discussion on how those goals are developed in the 2006 Budget.

OCRRA’s service and value to our customers created a very positive early signing response on a new five-year Hauler Contract. This Contract enables OCRRA to meet fiscal obligations while at the same continuing to provide the wealth of environmental programs the Agency offers the public. All of OCRRA’s environmental programs are provided without tax support. Instead, user fees (tipping fees) for trash disposal and energy made from the trash pay for the programs it offers. Via its action on the Hauler Contract, the Board is most pleased to once again hold the line on a fee increase for trash disposal in 2006. OCRRA’s tipping fees in 2006 will be 43 percent less than they were in 1995, and less than half of the cost projections in the planning and bonding done in the early 1990’s. With the accomplishment of this important financial goal, the Board envisions the capacity for stability and desired continued growth in the many areas of environmental stewardship OCRRA delivers. This strategic planning goal translates into revenue certainty for approximately eighty percent of OCRRA’s revenues in the 2006 Budget. The Contract also allows for the close forecasting of material tonnage in the development of the Budget expenses. Although the Budget for 2006 is still subject to uncertainty from volatile changes in fuel and recycling markets, the significant assumptions for tonnage received, processed and disposed in the Budget are most reliable as a result of the contract process.

OCRRA was established to serve the community’s solid waste needs. Fifteen years ago bottled water was non-existent and, who would have dreamed of computer recycling?

## Communications and the 2006 Budget

Long before Agency Public Accountability became an issue, OCRRA instituted a program of promoting public awareness of Agency business through open and comprehensive communication. This 2006 Budget Summary is prepared for your review. We actively solicit your comments and suggestions for improving it in the future.

Our 2005 Budget was recently awarded with the Government Finance Officers’ Distinguished Budget Award for the 10<sup>th</sup> consecutive year. This award recognizes the documents’ completeness, clarity and value as a transparent communications tool. We strive to continue this tradition in the 2006 Budget. There are no “hidden” costs or fees associated with OCRRA. The full text budget document is available for view on our website at [www.OCRRA.org](http://www.OCRRA.org) in addition to audited financial statements, annual reports, and a host of other information on the Agency, its operations and its services.

OCRRA continues to operate within a balanced budget and without sky-rocketing fees. The fifteen-member Board of Directors consists entirely of volunteers who receive no payment for the dedication, time, and effort they devote to the public good and the environment. The Board members are appointed by various municipalities and incorporate a wide spectrum of talents and philosophies.

Agency management, the Board of Directors and all of the OCRRA employees work together to increase efficiency while managing costs. OCRRA is a self-supporting organization dedicated to providing Onondaga County residents with a comprehensive, environmentally friendly, and cost effective solution for solid waste. From its all volunteer Board to its dedicated public servants, OCRRA is one of the few governmental entities whose fees have actually declined over the years.

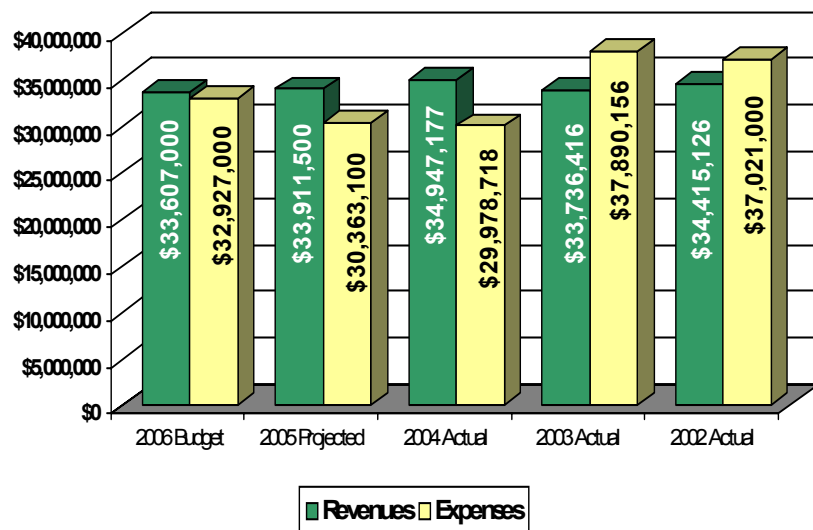
Our nationally recognized, award winning recycling solutions are fully supported in this Budget and remain one of the most comprehensive programs in the entire country. The OCRRA vision is to be a recognized world leader by 2010 in local solid waste disposal and recycling solutions, making our community one of the best places to live and work.

### Budget Comparison

Major components of the 2006 Budget compared to the 2005 Budget are as follows:

Expense/Revenue Component	2006 Budget	2005 Budget	Budget Inc / (Dec)
Tipping Fee Revenues	\$ 19,737,000	\$ 19,728,000	\$ 9,000
Electricity Revenues	\$ 12,160,000	\$ 11,947,000	\$ 213,000
Other Revenues	\$ 910,000	\$ 873,000	\$ 37,000
Investment Revenues	\$ 800,000	\$ 394,000	\$ 406,000
<b>Total Revenues</b>	<b>\$ 33,607,000</b>	<b>\$ 32,942,000</b>	<b>\$ 665,000</b>
Covanta Service Fee	\$ 12,518,000	\$ 11,664,000	\$ 854,000
Operating Expenses	\$ 10,960,000	\$ 9,675,000	\$ 1,285,000
Debt Service Expense	\$ 9,449,000	\$ 9,457,000	\$ ( 8,000)
<b>Operations Total</b>	<b>\$ 32,927,000</b>	<b>\$ 30,796,000</b>	<b>\$ 2,131,000</b>
<b>Result of Operations</b>	<b>\$ 680,000</b>	<b>\$ 2,146,000</b>	<b>\$ (1,466,000)</b>
<i>Contingent Debt</i>	<i>\$ 523,600</i>	<i>\$ 1,652,420</i>	<i>\$ (1,128,820)</i>
<i>Net Asset Replacement</i>	<i>\$ 156,400</i>	<i>\$ 493,580</i>	<i>\$ ( 337,180)</i>
<b>Total</b>	<b>\$ 33,607,000</b>	<b>\$ 32,942,000</b>	<b>\$ 665,000</b>

Comparison of Agency Revenues and Expenditures



OCRRA has developed nationally recognized and award-winning programs to meet the dynamic changes in what the community discards. Those needs have continued to change and, therefore, the facilities need to change, too. We recognize that real estate limitations are a most pressing problem to continued service and program growth at OCRRA. To continue its successful track record, the Board envisions the need to give critical examination to its aging facilities with an eye toward the completion of maintenance activities deferred when OCRRA's financial ledger was in the red. Accordingly, considerable emphasis in the capital budget (over \$300,000) and operating budget line items is placed on the upkeep of the two transfer stations, each over thirty years old and showing their age. But in addition, OCRRA has earmarked \$100,000 in capital funds over the next two years for use in the exploration and development of plans to possibly expand or replace the existing transfer assets. The community's changing solid waste needs have made it clear that OCRRA's plans need to focus beyond just waste transfer activities, and also might include composting improvements and activities and recycling special events, such as electronics and book recycling activities. Solid waste handling facilities are complex to site and this initial \$100,000 funding is to begin the process of screening potential sites and developing potential locations that would receive public acceptance beginning in 2006-2007 and would continue for several years thereafter.

Public education is a critical ingredient in the success of the environmentally focused programs OCRRA has offered over the years. No program can succeed without educating and engaging the public. OCRRA must spread the recycling message in a wide and changing variety of media and to many diverse groups in the community. The Strategic Plan recognized the essential role of the public in recycling and waste reduction. Effectiveness in the future will demand changes and improvement on the community awareness and public education programs. In that regard, the public education budget for 2006 was significantly increased from 2005, to \$250,000 from \$150,000, and the Agency has included both a Mobile Recycling Unit and State Fair Recycling Center in its capital planning for 2006.

OCRRA's Recycling Program goal is to be recognized not only as the best in the state, but one of the best in the country. From its inception, OCRRA's environmental efforts have received the enthusiastic and solid support of residents and businesses. That support is built upon a foundation of waste reduction and recycling. The strategic plan recognizes that through sound environmental programs, all of OCRRA's goals are attainable. Keeping the environment at its core, and leading in the area of recycling, will be vital to any changes at OCRRA. The 2006 Budget once again fully funds a wide array of recycling programs and anticipates program growth. Fortunately, projected 2006 market conditions for recyclables partially offset a significant investment of over \$300,000 in new curbside recycling containers for households throughout the community, as well as a variety of containers, pails and signage designed to support recycling in public venues, institutions, and multifamily housing. Additional recycling translates into immediate disposal savings for OCRRA's thirty-three member municipalities and also generates long-term environmental benefits for future generations. The capital budget for recycling includes \$30,000 for a commercial shredder to help meet the community's document disposal needs, and a \$480,000 Agency investment in a tub grinder for composting shared with the City of Syracuse, OCRRA's largest municipal partner. For OCRRA to be recognized as a leader it must deliver great service and support to the local member municipalities; sharing compost equipment, providing curbside containers, and sending a teacher into local schools to teach recycling, are all examples of the investment by OCRRA in this municipal partnership.

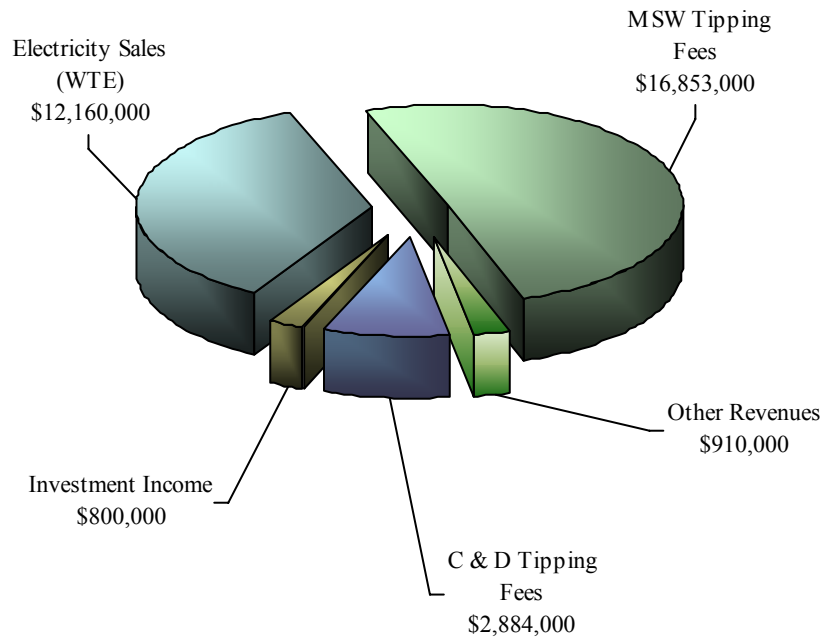
*A. J. Rhoads, Executive Director, OCRRA*

**Where Revenue Dollars Come From**

OCRRA's 2006 anticipated revenues are produced from the following sources:

<b>Revenue Projections</b>	<b>Amount</b>	<b>%</b>
MSW Tipping Fees	\$ 16,853,000	50.1%
Electricity Sales (WTE)	\$ 12,160,000	36.2%
C&D Tipping Fees	\$ 2,884,000	8.6%
Other Revenues	\$ 910,000	2.7%
Investment Income	\$ 800,000	2.4%
<b><u>Total Revenues</u></b>	<b>\$ 33,607,000</b>	<b>100%</b>

**Sources of Agency 2006 Budget Revenues**  
**\$33,607,000**



**How Each Dollar Is Spent**

OCRRA's 2006 anticipated expenses are allocated to the following needs:

<b>Expense Projections</b>	<b>Amount</b>	<b>%</b>
Waste-to-Energy	\$ 12,518,000	37.2%
Transfer Disposal Services	\$ 6,300,000	18.8%
Recycling and Waste Reduction	\$ 1,970,000	5.9%
Administration and Support	\$ 2,475,000	7.4%
Debt Service	\$ 9,449,000	28.1%
Professional Fees	\$ 115,000	0.3%
Operating Contingency	\$ 100,000	0.3%
<b><u>Operating Expenditures</u></b>	<b>\$ 32,927,000</b>	<b>98.0%</b>
<b>Other</b>		
<i>Contingent Debt Reduction</i>	\$ 523,600	1.5%
<i>Net Asset Replacement</i>	\$ 156,400	0.5%
<b>Grand Total</b>	<b>\$ 33,607,000</b>	<b>100%</b> (rounded)

**2006 Expenses By Category**  
**\$33,607,000**

