CITY OF POULSBO Solid
Waste 2036

SOLID WASTE UTILITY PLAN

Prepared for:

The City of Poulsbo

Prepared by:

GARDNER BAY CONSULTING, LLC

October 25, 2017

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1.0 INTRODUCTION

Between June 2016 and January 2017, the City assessed its Solid Waste Utility. The purpose of this assessment was to provide City Council with information on the values and constraints of contracting solid waste collection services or re-capitalizing the existing solid waste utility to create a sustainable utility to serve the City for the next 20 years. Through research and deliberation, the Council committed in February 2017 to continue to operate the Solid Waste Utility and invest in equipment and operational improvements through 2036. With this commitment in place, the Council has commissioned this report as a tactical plan to implement utility improvements and create performance goals and measures to ensure a fiscally sustainable utility through 2036.

This Utility plan is intended to present level of service and operational tactics to sustain the Utility over the next 5 years and establish the foundation for the Utility's future growth as envisioned in the 2016 Solid Waste Utility Assessment, adopted by the City Council in February 2017.

The Revised Code of Washington (RCW) Chapter 70.95 establishes the requirement for local jurisdictions to prepare solid waste comprehensive plans. The City operates solid waste handling systems and includes solid waste planning policies in its 2016 Comprehensive Plan Update. The City currently operates under the Kitsap County Comprehensive Solid Waste Management Plan and is a standing member of the Kitsap County Solid Waste Advisory Committee.

While this plan contains some RCW required elements of a comprehensive plan, it is intended solely as a functional plan to guide City Council and Public Works Department through the re-capitalization of the collection and transport element of the Utility, update service level goals, and present the financial requirements to achieve the Council's stated goal of a sustainable, City operated Utility through 2036.

1.1 Solid waste utility – Vision 2036

In 2036, the City continues to provide consistent and reliable solid waste services to residents and businesses within the expanded City limits. The changes adopted in 2017 have resulted in a fleet management program that consistently upgrades collection and transport vehicles to current industry standards. This program remedied the challenges of the early part of the century when the Utility struggled with outdated and sub-standard collection equipment.

Because improvements in the effectiveness of route management and disposal hauling created more flexible service delivery to its customers, the Utility successfully managed through the growth boom of the late 20-teens and the steady growth in business space and new homes over the last 15 years.

The successful development of the City's new public works facility in 2022 was in-part because of the contribution of the Solid Waste Utility, and co-locating the Utility at the Poulsbo Transfer Station has improved operational efficiency and benefited employee morale and the City's commitment to quality utility services.

City rate payers are appreciative of Council's and staff's efforts to control operations costs and recognize that garbage service is an important quality of life standard and the City is a great steward of the Utility. Fair and reasonable rates, multiple account options for home owners and businesses, and clear and concise billing systems, have allowed the City to maintain an effective, reliable, safe, and compliant Utility.

1.2 Planning Area and Policies

The Utility provides collection services throughout the City limits. Garbage collection is required for all utility accounts. The Utility currently collects residential garbage Monday through Friday in one of five collection routes. Commercial accounts are collected at varying frequencies.

The City of Poulsbo Comprehensive Plan identifies the following goals and policies regarding solid waste services. This business plan incorporates these and proposes more specific operational goals and tactics to arrive at a sustainable utility.

- GOAL UT-1 Provide the development and maintenance of all city-managed utilities at the appropriate levels of service to accommodate the City of Poulsbo's projected growth.
- Policy UT-1.13 Maintain a cost-effective and responsive solid waste collection system. Require garbage pick- ups to be located on public streets.
- Policy UT-1.14 Promote the recycling of solid waste materials by providing opportunities for convenient recycling and by developing and distributing educational materials on recycling, composting and other waste reduction methods.
- Policy UT-1.15 Continue participating in Kitsap County's solid waste management planning to ensure a regional approach to solid waste management.

2.0 THE HISTORY OF THE POULSBO SOLID WASTE UTILITY

2.1 Early Years

City ordinance 101 established residential garbage service for Poulsbo beginning in January 1938. With a growing community and a need to regulate sanitation, the City purchased the Indian Hills landfill site in 1947 and began hauling to the landfill in 1948. By 1951, the landfill was permitted to handle 160 cubic yards of refuse per week. The Indian Hills landfill eventually closed in 1978.

By 1965, the residential collection rate was $1.25 per month and the commercial rate was $6.25. Collection rates increased in 1966 and the City began to convert from 6 yard trucks to E-Z Packer trucks in 1967.

2.2 Recent Years

Beginning in the 1990s, the Solid Waste industry business model began to change. Shifting regulations, growing garbage volumes, high land prices, capital requirements, and environmental concerns motivated many municipalities to move away from operating the "local landfill." The same conditions provided private industry with the profit motive to develop regional waste collection and disposal systems. This shift from the local landfill to the modern transfer station, rail hauling, and regional landfill disposal system created a new paradigm for local jurisdictions, including Poulsbo.

Beginning in 2002 and followed in 2006, 2012, and 2016, the City has faced funding challenges in operating the Utility. A 2002 memorandum from the Public Works Superintendent identified operating revenue shortfalls and recommended either rate adjustments or contracting for collection services. Apparently, neither were implemented, but the utility sustained.

In 2006, the Public Works Department prepared an assessment of the Utility and its recommendations to adjust rates and shift to semi-automated equipment. The new collection truck purchased in 2014 was a semi-automated vehicle and was selected to haul to OVTS. With the new Poulsbo transfer station coming on line in 2016, the 2014 vehicle was no longer optimal for commercial collections. The 2006 assessment is extremely similar to the 2002 and 2016 assessments in that it recognizdthe need to address utility rates, moderate the service levels, and leverage newer technology to improve operational efficiency and customer service.

A 2012 memorandum from Barry Loveless (then Public Works Director) identified a new Poulsbo transfer station and using contracted services to local haul to the Olympic View Transfer Station, would increase operational efficiency. The Transfer Station came on line in June 2016 and its operation was evaluated in the 2016 assessment.

The 2016 Solid Waste Utility Assessment solicited proposals from Washington Utilities and Transportation Commission (WUTC) Certificate holders to provide garbage collection and transport services through a contract with the City. Independently, the City prepared its own proposal for comparison. The City's proposal was found to represent the best interest of City and the City Council directed Public Works staff to commission this 20-year plan for the Utility, with a specific focus on a 6-year capital and operations plan.

3.0 LEVELS OF SERVICE

The City's Capital Facilities Plan identifies level of service for solid waste as "weekly curbside refuse collection and recyclable materials collection." The Solid Waste Utility Assessment conducted in 2016, identified additional level of service goals for the City's operation of the Utility. These goals include:

- Provide weekly solid waste collection and disposal services to Poulsbo residents and businesses.
- Improve the City's collection system through new equipment and improved collection route efficiency.
- Increase the capacity of the collection system to accommodate the projected growth in customer accounts.
- Sustain recycling services through effective contracting with Private Industry.
- Provide efficient utility accounting through state of the industry collection tracking applications.
- Implement preventive maintenance to ensure solid waste facilities and operations are sustainable and support City growth and development goals.
- Proactively manage the long-term risks and liabilities of solid waste operations by assessing environmental and financial requirements and maintaining sufficient reserve funds to sustain operations, provide for new capital, and comply with environmental requirements.

The City currently provides residential collection services to 3,362 accounts and offers 11 (11) account options based on can size and the number of cans. These accounts produce 3,444 containers for collection on a weekly basis[1]. Using growth estimates developed for the Water Comprehensive Plan, residential accounts will increase to over 4,600 accounts using over 4,800 containers by 2036. To continue to meet the weekly residential collection service levels, the Utility will need to increase the number of collection routes and disposal trips to service the increase in residential accounts.

The City currently provides commercial collection to 325 accounts and offers 43 account options, including can and dumpster size options, multiple container accounts, and daily through every-other week collection. Commercial accounts are expected to increase to over 460 accounts by 2036[2]. To meet level of service goals, the Utility will need to increase collection resources and purchase more City-owned dumpsters to service the increase in accounts. Commercial customers that require larger than 8-yard dumpsters are directed to Bainbridge Disposal Inc. (BDI) for pickup services.

The City currently provides a one-time per year 1-yard dumpster for residential use. Records suggest that approximately 300 residents (<10% of account holders) utilize this service at no charge to the account. This level of service is estimated to cost the City approximately $65,000 per year. Using

[1] There are 78 mulitple container residential accounts

[2] The utility plan assumes a 1.5% average annual growth in commercial accounts.

growth estimates for residential accounts, this program will grow in cost to over $100,000 per year by 2036.

The City contracts with private industry to collect recyclables from residential customers. The City does not provide for food waste, green waste, or commercial recycling services. The current contractor, BDI collects recyclable materials curbside to 3,451 single-family and 1,022 multi-family accounts. The City does not currently directly charge for recycling services. In approximately 1996, the City implemented a $3 charge to each residential garbage account to cover the cost of recycling. Recycling reports for 2016 show the City is paying BDI $3.14 per month per residential account for curbside recycling services. Multi-family recycling services cost the City $2.11 per unit. The cost of recycling services is expected to double between 2017 and 2019 and growth estimates suggest that by 2036, recycling services will be provided for up to 6,000 accounts.

The City does not currently have a program to proactively manage solid waste facilities, such as the Indian Hills Landfill, the transfer station, stormwater collection at dumpster locations, and solid waste maintenance and operations facilities. The absence of a program increases the potential risk to the City of incurring unanticipated solid waste liabilities such as environmental compliance, illicit discharge response, and illegal dumping cleanup. A proactive program to manage solid waste liabilities, which will involve training, monitoring, and reporting, is expected to cost the City, on average, $50,000 per year.

The City administers the Utility by providing management and leadership, account management and billing services, and contributing to the City's overhead costs. The City sets overhead allocations annually based on service demand of the utility. Improvements in equipment, technology, and account choices will increase the effectiveness of the Utility in working with customers and should control the growth in overhead costs.

3.1 Comparable Jurisdictions Level of Service

The City of Poulsbo remains one of the few local jurisdictions in the Puget Sound region to operate solid waste collection system. A review of solid waste management plans for Pierce, Kitsap, Thurston, King and Snohomish Counties identified 9 cities that collect curbside for residents and businesses:

- Tacoma – pop. 205,159
- Marysville – 65,087
- Olympia – 49,218
- Enumclaw – 11,548
- Shelton – 9,777
- Poulsbo – 10,510
- Sultan – 4,769
- Ruston - 791
- Skykomish – 200 (est)

Based on population, Shelton, Sultan, and Enumclaw are considered comparable jurisdictions for assessing levels of service for curbside collection. Gig Harbor (pop. 8,375) and Bainbridge Island (23, 293) are also considered as comparable because of their location on the peninsula and similar character to Poulsbo.

Table 3-1 indicates that the City of Poulsbo's solid waste service levels exceed comparable jurisdictions. Table 3-2 provides a summary of residential rates for all cities that provide collection services. The summary also includes rate information for Gig Harbor, Bainbridge Island, Kitsap County, and Port Orchard. This information shows that Poulsbo residential rates are the lowest for cities that operate collection systems. The County rates are lower; however, the County's population and regional transfer station model make it difficult to equitably compare rates. This summary is a departure from the City's 2002 analysis, which suggested the City's rates were the highest in the region. A summary of rates from 28 jurisdictions in the Puget Sound region are provided in Appendix A.

TABLE 3-1 Comparable Service Levels

Comparable City[3]	Residential Options	Commercial Options	Other fees	Comments
Shelton	6 (3 options Every other week (EOW))	4 (no dumpster; 10yd roll offs available)	Codified in SMC	no mixed containers, only multiples of same size
Gig Harbor	5 (1 Once a Month (OAM)), 1 20 gal can, 3 32 gal can)	Custom by contractor	$4.18 for extra trash	45 pounds per can limit
Bainbridge Island	1 option (32 gal can/1 per week)	1 option (2-yard container)		Owner provided can
Enumclaw	4 can/frequency options.	7 (only 1.5 yd dumpsters	$4.65 Tag for extra garbage	City provide cans
Sultan	3 (OAM and EOW, only)	10 (1 to 3 yd) options	$12.91 for extra trash	Lease dumpsters
Poulsbo	11 (multiple can options)	43 (2,4,6,8 yd) with multiple frequency	$9.07 tags for extra garbage	65-pound weight limit. City and owner provided cans, City dumpsters

[3] Each comparable jurisdiction offers recycling services and includes recycling as part of the residential collection rate.

TABLE 3-2 Rate Comparison

CAN SIZE (gal)	POULSBO	ENUMCLAW	SULTAN	TACOMA	OLYMPIA	OAK HARBOR	SHELTON	MARYSVILLE	KITSAP COUNTY	GIG HARBOR	PORT ORCHARD	BAINBRIDGE ISLAND
10	$9.35											
20-24	$12.47	$17.92			$19.64	$14.53		$19.86		$20.09		
32-35	$18.70	$23.32		$21.14	$33.92	$19.90	$14.25 **EOW**	$24.61	$13.84	$23.46	$20.94	$19.11
45-48				$31.17								
64	$37.40	$37.16	$10.03 **OAM**	$42.27	$46.32	$33.36	$38.97	$41.07	$17.43		$24.35	
96		$49.65		$63.42	$80.26	$44.37	$53.85	$57.52	$22.52		$29.62	

Comparing the City of Poulsbo service levels and rates to other cities with similar character indicates that Poulsbo is providing the highest level of service options and charging the lowest rates.

4.0 ORGANIZATION

The Solid Waste Utility is one of four enterprise funds the City operates. The Utility has two primary functions 1) providing solid waste collection and hauling services (operations), and 2) collecting fees from residential and commercial customers (revenues). The Utility also contracts recycling services and pays for disposal from collected revenues. The Utility maintains a transfer station and collocates its yard with Public Works operations. It regularly purchases capital assets like collection vehicles and dumpsters, and supports non-routine garbage collection, such as Viking Fest, residential dumpster services, and illegal dumping cleanup.

Administering the Utility involves customer relations, account billing, contract management, capital depreciation, technology management, and management of the reserve fund. Historically, the Utility contributes up to 25% of its annual revenues to supporting City administration and management.

The elements described in this section comprise 100% of the costs required to successfully operate the Utility.

4.1 Operational Elements

This business plan organizes the Solid Waste Utility into well-defined operational elements that provide for clear measurement of the Utility's performance. The operational elements align with the City's financial accounting structure and are the cost elements identified during the Solid Waste Utility Assessment conducted in 2016.

4.1.1 Collections - The collection element consists of wages, benefits, expenses, materials, and equipment necessary to operate collection services and transfer to the hauler to the Olympic View Transfer Station (OVTS). The collection element is organized into three sub-elements that allow for tracking of separate costs:

- Equipment and equipment related expenses, including fuel, depreciation, maintenance and repairs.
- Labor costs, including salaries and benefits for solid waste operators.
- Expenses, including office supplies, utilities, minor equipment, training, dues, and outside services.

4.1.2 Disposal - The disposal element consists solely of the fees and taxes the City pay to the OVTS for disposal of the City collected solid waste. This includes the disposal of both residential and commercial wastes collected by City crews and collection trucks. Waste disposal is currently paid via the City's contracted hauler, Bainbridge Disposal Inc (BDI), who hauls from the Poulsbo transfer station to the OVTS. On occasions when the City hauls directly to OVTS, the City pays OVTS directly. Included in the fees is an 3.6% excise tax that the City pays to Washington State and a 6% utility tax paid to the City of Poulsbo.

4.1.3 Recycling- The recycling element consists solely of the cost to the City for contracted collection and transfer of residential recyclable materials. This includes curbside container collection and dumpster collection for multi-family units. The current recycling contract is due for renewal and recycling costs are expected to possibly double between 2017 and 2019.

4.1.4 Local Haul - The local haul element consists of the cost for a private contractor to provide equipment and transport of the City's solid waste from the City's transfer facility to the OVTS. The local haul is currently performed by a private firm under contract to the City. The local haul transit schedule currently constrains the City collection system and PW staff are proposing to make it a City function. This function is also nearing its capacity to haul all daily collections, causing additional hauls to OVTS by City collection vehicles.

4.2 Capital and Administration

4.2.1 Capital - The Capital element consists of planned investments in new equipment, property, and property improvements necessary to support a sustainable Utility. It is well documented that the existing fleet is far below industry standard. Later model vehicles were specified and purchased prior to the City developing its transfer station and no longer meet the function of the City's collection and disposal system. To achieve industry standard over 20-year planning horizon, the City will develop a fleet management plan that schedules new equipment purchases in manner that re-stocks the fleet over several years and establishes a permanent replacement cycle for equipment that no longer meets industry standards. It also includes equipping the fleet with the newest collection technology to limit the future growth of Utility administration costs.

4.2.2 Long Term Commitments - This element consists of the Solid Waste Utility's commitments for regulatory compliance, long-term care for former or abandoned landfills in the City, and to respond to illegal dumping or illicit discharges from solid waste features. The City does not currently have a long-term commitments plan in place and will develop one as part of implementing this plan.

4.2.3 Administration - The Administration element consists of the allocations attributed to the Solid Waste Utility. The allocation is based on monthly journal entries of staff effort to support Utility operations, billing, and customer service. The allocation is based on the written Indirect Allocation Plan approved by City Council, which includes measurement factors recommended by the State Auditor and best suited for the department, service, or personnel providing the service. The allocation figures are reviewed annually for any affects that could change the measurement percentages.

5.0 KEY FINDINGS OF THE SOLID WASTE UTILITY ASSESSMENT

In 2016, the City conducted a Solid Waste Utility Assessment of industry proposals to provide contracted collection and transfer services. The Assessment evaluated operating costs to revenue forecasts to assess the sustainability of the City's operation when compared to proposals received from industry. This information was modelled over a 20-year period (2017 to 2036) using key assumptions regarding financial growth and waste volume growth over time. The Assessment resulted in a reasonable estimate of Utility operational costs and revenue estimates for the planning period. The financial model and assumptions are presented in Appendix B.

The Assessment resulted in two conclusions:

1. A City-operated Utility is competitive with Industry proposals for Collection and Transport of solid waste.
2. Creating a sustainable Utility, under any operating model, requires balancing revenue and level of service growth.

The Assessment identified several key characteristics of the Utility that warranted further evaluation. The key characteristics include:

- The operations model for the Utility has changed significantly in the last 3 years, particularly with the startup of the Poulsbo Transfer Station and the contracting of local haul to BDI. Until June of 2016, the City used a collection vehicle self-hauled garbage to OVTS. This required a more robust collection vehicle, travelling more miles daily. The Poulsbo Transfer Station created several efficiencies, however, eliminated the need for the newest collection vehicle in the fleet. Further, as waste volumes have grown, the capacity of the current BDI contract is no longer sufficient to keep Poulsbo collection vehicles from hauling to OVTS (2 to 3 weekly trips during 2017).

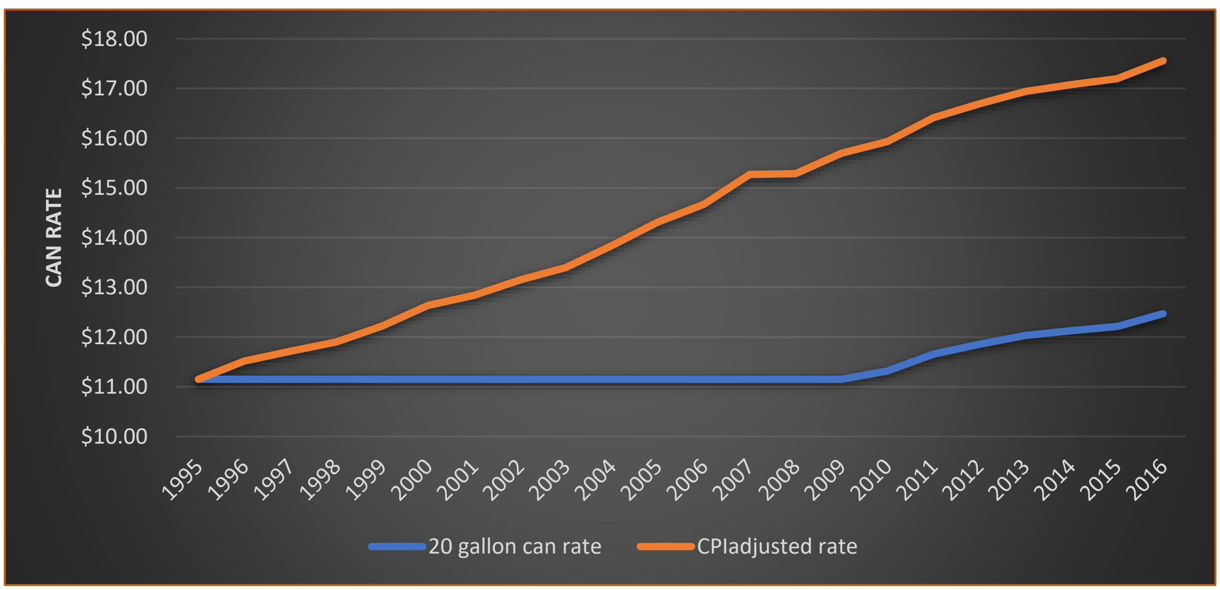
- The City has successfully delivered solid waste services over the last decade. Over that period the increase in the number of customers has outpaced re-investment in the collections and transport functions. Achieving future level of service goals requires investment in capital assets, such as yard facilities and new collection and transport vehicles. The investment in new capital assets is needed to close the gap from the last 10 years; and to keep up with the levels of growth anticipated in the next 10 years.

- The collection and transport elements require re-capitalization to improve operational efficiency and achieve level of service goals. Investment in new collection vehicles and waste tracking technology will have a direct positive influence on operational efficiencies, particularly in the areas of collection route effectiveness, waste tracking, fuel economy, repair and maintenance, and customer service.

- Administration costs, necessary to provide level of service goals for account management, billing, customer service, and contracting are expected to increase in the near term (1 to 3 years) because of overall City administrative growth and the effort to re-capitalize collection and transport functions. The re-capitalization of the Utility and adjustments to the revenue plan are expected to defer future Administrative cost growth and prepare the City for the steady increase in accounts and the expansion of collection routes that are anticipated for 2025.

- The City's utility rates are competitive and often at the lower range of fees as compared to other jurisdictions. The current rate schedule was developed in the 1990s and no adjustments were made until 2009, when annual adjustments, based on the Consumer Price Index, were implemented. This created an imbalance in between level of service costs and account revenues. This imbalance is shown in Figure 5-1, and suggests the City has been suppressing rates relative to cost of living for many years.
- The Assessment modelled these conditions and demonstrated that over a 20-year planning period, the City of Poulsbo could sustain the operation of a Solid Waste Utility with modest increases in rates. Based on the Assessment findings and staff recommendations, the City Council voted to move forward with Utility operations and develop this business plan.

FIGURE 5-1 Inflation vs. Rate Growth 1995 - 2016



6.0 OPERATIONAL EFFICIENCY

One of the important actions to sustain the Utility is to identify operational efficiencies that can improve customer service, reduce operating costs, increase equipment life-cycle, and enhance employee morale. Through the 2016 Utility Assessment and the development of this plan, the Public Works Department identified operational efficiency goals as shown in Table 6-1. The objective of operational efficiency is to continually improve the value of the service the City is providing.

In considering operational efficiency, it is important to understand that much of the Utility costs are fixed and controlled by outside entities. The costs for collection vehicles is based on needing a minimum of three active collection vehicles and at least one stand-by vehicle. This requirement is expected to change in 2024-2026 when additional route capacity will require four active collection vehicles and a standby. Disposal rates are established through a contract between Kitsap County and Waste Management Inc. and fluctuate based on negotiations between these entities. Because the Utility operation requires a fixed amount of equipment and employees, the City can make cost adjustments to less than 10% of the total operating budget. Therefore, operational efficiencies focus on the improvement of Utility assets and adjusting levels of service.

TABLE 6-1 Operational Efficiencies

Actions	Outcomes
COLLECTIONS	
Improve the collection fleet. New vehicles and new technology will improve collection efficiency.	✓ Reduce Maintenance and Repair ✓ Improve collection route efficiency ✓ Increase account tracking capabilities in the field. ✓ Improve worker safety ✓ Right size for the future ✓ Improve employee morale
Reduce Account Options. Offering fewer account options will reduce administrative costs.	✓ Streamline billing ✓ Reduce Maint/Ops costs ✓ Improve worker safety ✓ Improve local haul efficiency
RECYCLING	
Actions	Outcomes
Increase the diversion rate	✓ Lower disposal costs ✓ Reduce per account subsidy
LOCAL HAUL	
Actions	Outcomes
City to assume local haul responsibilities, while maintaining current cost profile.	✓ Improve the schedule flexibility to provide for later daily haul times ✓ Improve collection route efficiency ✓ Most cost effective for increasing number of daily hauls. ✓ Reduce fuel costs based on $/ton-haul
ADMINISTRATION	
Actions	Outcomes
Reduce account options and leverage new truck technology to reduce billing and administrative effort	✓ Right size for the future ✓ Improve employee morale ✓ Reduce Utility overhead
CAPITAL PROGRAM	
Actions	Outcomes
Invest in facilities and equipment to improve Utility performance.	✓ Right size for the future ✓ Create synergy with other City services
Grow assets to stay ahead of system growth. Develop fleet management plan	✓ Right size for the future ✓ Leverage technology to control costs ✓ Improve employee morale ✓ Reduce maintenance and repair costs

7.0 COST ASSESSMENT

The WUTC provides guidelines on establishing rates for solid waste handling services. The guidelines identify a cost assessment to determine the probable effect solid waste management activities will have on rates. The City used the information guidelines provided by WUTC to complete this cost assessment, including an assessment of:

- ✓ Current population and solid waste disposal quantities
- ✓ Detailed description of the existing comprehensive solid waste management system, including alternatives
- ✓ Proposed changes in the present solid waste management system
- ✓ Estimated dollar requirements for each component of the solid waste management system for years one, three and six
- ✓ All sources of funding to be utilized to operate and pay for the comprehensive system

The basic information about the City's Utility includes:

- ✓ The City collects solid waste utility revenues solely through the collection fees from residential and commercial customers. The City offers 11 options for residential collection services that are based on can size (10 gallon to 64 gallon containers) and the number of cans. The City also offers a one-time per year 1 yard dumpster for residential use.
- ✓ The City offers 43 options for commercial collection services that include residential cans, 2-yard, 4-yard, 6-yard, and 8-yard dumpsters, and multiples thereof, that are collected daily or as infrequently as once every other week.
- ✓ The City has a rate schedule for each of the collection options (54 in total). The combined revenue from collections, including charges for extra garbage and/or extra garbage tags, is the sole source of revenue available to the City to operate the utility.
- ✓ The City maintains a Solid Waste Reserve Fund. The Finance Department's policy is to maintain a minimum fund balance for six months of operations and retain sufficient funds to finance future capital investment. At the beginning of 2017, the Finance Department reported the fund balance at $1.536M.

A summary of solid waste operating accounts and estimates of future cost requirements for the period of 2017 through 2022 (6 years) is provided in Appendix C.

7.1 CAPITAL REQUIREMENTS TO SUSTAIN LEVEL OF SERVICE GOALS

To sustain current levels of service and to prepare for growth in accounts and waste volumes, the City will acquire new capital assets, including collection vehicles, yard facilities, special tools, and new dumpsters. To address operational efficiency goals, the City should also acquire local haul vehicles and retrofit the older collection fleet with new GPS data tracking and weighing capabilities. Because of the age of the current collection fleet, new collection vehicles are needed in 2017 and 2019. New local haul equipment would be acquired in 2018. Collection vehicles will be replaced on a 12 year-cycle, having served as a primary vehicle for 7 years and a secondary or back up vehicle for 5 years.

In addition to regular replacement, the City will also need to acquire equipment to expand the Utility as the population grows. The planned capital equipment acquisition schedule is as follows:

2017 - Acquire new residential collection new vehicle that matches future operating model (SW10).

2017 - Salvage SW6, SW7

2018 - Retrofit SW1 (2009) and SW3 (2014) with GIS/Datalogging capability to serve as secondary trucks

2018 - Refurbish SW8 to provide 5 years additional service. Add data logging capability.

2021 - Buy new fully equipped (SW 11).

2021 - Salvage SW1.

2023 - Buy new fully equipped (SW12), salvage SW8, move SW10 to secondary status.

2026 - Buy new fully equipped (SW13).

2031 - Buy new fully equipped (SW14), Salvage SW10.

2033 - Buy new fully equipped (SW15), Salvage SW11.

2035 - Buy new fully equipped (SW16), Salvage SW12

2018 and 2030 - Local Haul equipment investments will include a new truck, equipped with two 20-yard containers to haul solid wastes from the Poulsbo Transfer Station to Olympic View Transfer Station in Bremerton. The investment in local haul equipment is expected to increase Utility effectiveness, while costs will remain consistent with current contracted services.

In addition to the collection and local haul vehicles, the Utility will need to invest in the development of the new Public Works facility, slated to open in 2020. This will involve the Utility providing funding for land acquisition in 2019 and a share of construction capital beginning in 2021. The Utility will also acquire smaller capital assets, such as maintenance trucks and equipment, either in whole or as part of a shared investment with other Public Works functions.

The 6-year capital plan is shown in Table 7-1.

TABLE 7-1 Six-Year Capital Investment Plan

SOLID WASTE ACCOUNT		2017	2018	2019	2020	2021	2022
LAND AND LAND IMPROVEMENT	50000610	$100,000	$-	$450,000	$ -	$80,000*	$80,000*
MACHINERY & EQUIPMENT	50000640	$300,000	$415,000	$-	$ -	$375,000	$400,000
CONSTRUCTION CAPITAL ASST	50000650	$ -	$ -	$ -	$ -	$ -	$ -

* - cost shown as depreciation in financial plan

Six Year Capital Investment = $2.2MM

7.2 OPERATING COSTS

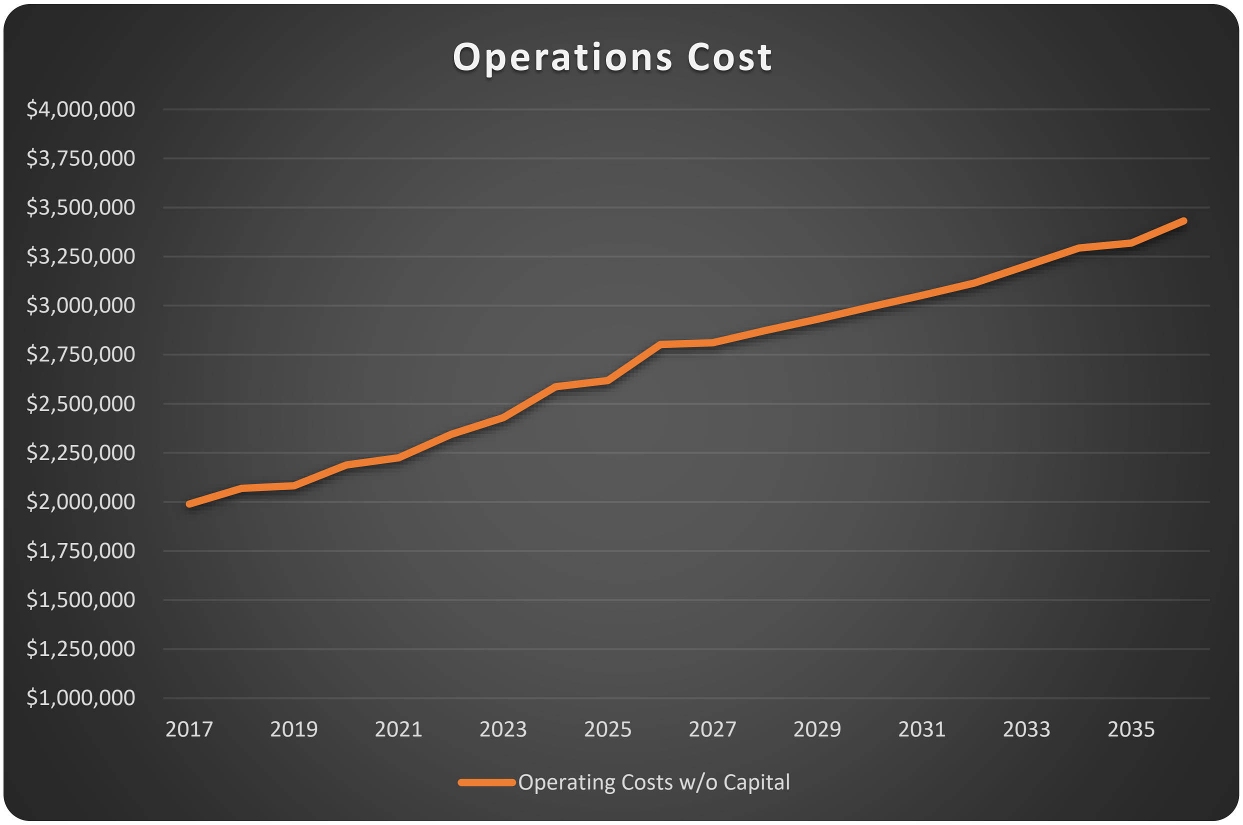
Utility operating costs are represented by the operational elements presented in Section 4.0. Overall operating costs in 2016 were $1,759,650. A copy of the year end revenue and expense for proprietary funds, including solid waste is presented in Appendix D. Operating costs, exclusive of capital investments, are forecast to increase over the planning period as the number of accounts increase and as labor, fuel, and expense costs escalate over time. The financial plan accounts for annual cost escalation (see Appendix A for assumptions). It also estimates account growth based on population estimates from the City's comprehensive plan.

The assessment of future operating costs estimates a 15% operating cost increase between 2016 and 2017, due to several coinciding factors:

- ✓ The County raised disposal rates by $5.00 per ton in November 2016
- ✓ City administrative costs increased by $118,000
- ✓ Wages, insurance, and expenses related to new staff, professional services
- ✓ Rising insurance costs

Beginning in 2018, operating costs are expected to grow much more slowly as operational efficiencies begin to be realized and the Utility has addressed deferred maintenance and compliance requirements. From 2019 to 2036, operating costs (exclusive of capital investments) are expected to grow at between 3% and 7%, annually, with steady 2% to 4% expense growth between 2025 and 2036. Operating costs in 2036 are expected to exceed $3,325,000.

FIGURE 7-1 Operating Expense Forecast



7.3 REVENUE FORECASTS

In 2016, the Utility collected $1,793,398 in operating revenues (Appendix D). Projections for 2017 suggest the Utility will collect over $1,835,000. Future revenue growth will occur through the organic growth of the City's population (more accounts generate more revenue) and through annual cost of living adjustments that are tied to the Consumer Price Index. These revenues will provide for the continued collection, transport, disposal, and administration of solid waste and recycling services. The forecast through 2036 indicates that the current revenue structure will not fulfill the City's level of service goals for the Utility. Further, capital demand in the early years will require financing and a portion of the Utility reserves to keep investment and Utility growth on track.

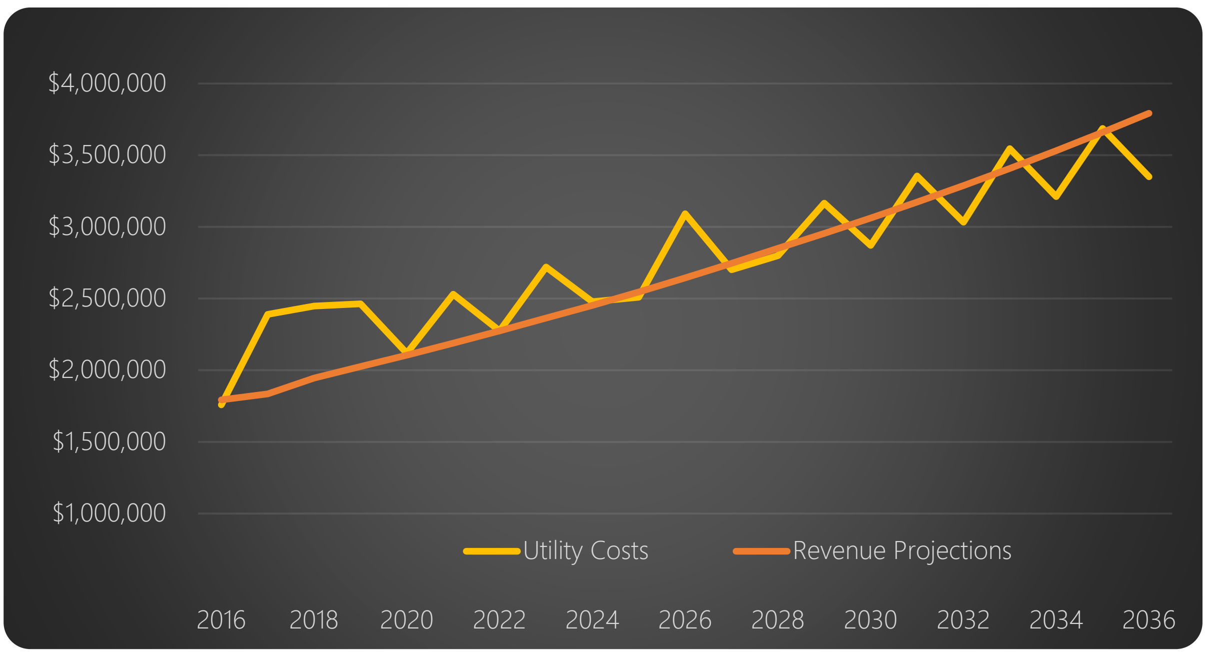
Current estimates to provide the desired level of service described in this plan suggests the City will operate with annual deficits. The total estimated deficit over the 20-year planning window based on the current rate schedule is about ($1,900,000). Revenue forecasts based solely on population growth and an annual CPI escalation are provided in Appendix E.

Revenue and operating costs (including planned capital) for the Utility under the current rate schedule between 2017 and 2036 are shown in Figure 7-2. Actual revenues will vary based on the following influences:

- Growth in number of accounts
- Distribution of account options
- Economic conditions
- Social influence on waste diversion
- New technology

The City will regularly (twice per year) monitor these influences and update budget and forecasts accordingly.

FIGURE 7-2 Cost and Revenue Projections 2017-2036



7.4 RATE ASSESSMENT

Based on the Solid Waste Utility Assessment and the level of service goals presented in this plan, the City will need to increase revenues to avoid long term operating deficits and decays in level of service. Because there are only two sources of revenue; 1) residential rate payers, and 2) commercial rate payers, raising revenue will require modifying the existing rate structure.

Options to adjust the rates were presented during the Solid Waste Utility Assessment and included:

- ✓ Create incentives for preferred accounts. For example, adjusting the residential rate structure to encourage customers to use the 64-gallon can (most rapidly growing account choice), could provide additional revenue. The incentive to the customer is a better gallon/dollar value than the 20 and 32-gallon can options and reduce multiple can options. This approach is consistent with the goal to bring levels of service into alignment with industry standards. Preferred account incentives would require rate modifications and outreach with the ratepayers to explain the benefits of a preferred can size. This approach could also apply to commercial accounts.

- ✓ Modify Recycling Fees - In the late 1990s(?) the City established monthly residential rates that were based on a $3.00 recycling charge. Over the past 20+ years, the rate has not been adjusted nor has the recycling charge been identified in customer billing. Recent changes in the recycling industry suggest that recycling costs could double in the next 3 years. Modifying the recycling fee to increase the customer's share in the cost of the recycling contract would off set unanticipated rate changes.

- ✓ Align monthly collection fees with utility costs over time so that rate adjustments are slow and consistent with the level of service being provided. Equitable rate adjustments have not been made in the Solid Waste Utility for over 20 years and current rates, while very competitive, do not reflect the cost of delivering service in the current and anticipated future economic landscape.

- ✓ Establish equity between commercial and residential customers. Current rate structures provide a much broader range of account options for Commercial customers, which in turn increases operation and utility administration costs. Commercial accounts are also known to provide half the revenues, but require more collection effort, pose increased safety concerns for collection resources, and account for 62% of the disposal fees. This means commercial rates for commercial collection and disposal are undervalued. Reducing commercial account options and incentivizing preferred accounts will help the financial sustainability of the Utility.

The current rate schedule for commercial and residential accounts is presented in Table 7-2.

TABLE 7-2 Current Rate Schedule

	Residential			Commercial	
Can Size	Monthly Rate	Number of Accts	Can Size	Monthly Rate	Number of Accts
10 gal	$ 9.35	155	10 gal	$ 9.35	19
20 gal	$ 12.47	295	20 gal	$ 12.47	2
32 gal	$ 18.70	2,307	32 gal	$ 18.70	42
64 gal	$ 37.42	706	64 gal	$ 37.42	53
Dumpsters					
2yd			**6yd**		
1/wk	$ 130.39	62	1/wk	$ 266.72	23
2/wk	$ 280.61	10	2/wk	$ 533.41	9
3/wk	$ 430.27	2	3/wk	$ 800.12	4
4/wk	$ 579.92	-	4/wk	$ 1,066.82	1
5/wk	$ 729.59	1	5/wk	$ 1,333.54	-
EOW	$ 59.25	29	EOW	$ 133.36	5
4 yd			**8yd**		
1/wk	$ 223.81	44	1/wk	$ 309.60	6
2/wk	$ 447.61	19	2/wk	$ 619.22	3
3/wk	$ 671.43	4	3/wk	$ 928.83	3
4/wk	$ 895.24	-	4/wk	$ 1,238.43	1
5/wk	$ 1,119.04	1	5/wk	$ 1,548.02	-
EOW	$ 111.90	10	EOW	$ 154.80	1

EOW – Every Other Week

7.5 RATE PROPOSAL

This business plan proposes to modify solid waste rates to produce the revenues necessary to sustain the Utility at the desired level of service through 2036. Specifically, the rate proposal is designed to:

- ✓ Provide the necessary improvements to equipment and facilities needed to deliver solid waste services consistent with industry standards.
- ✓ Generate sufficient revenues to proactively manage Utility risks and long-term liabilities; thereby reducing the potential for unforeseen financial liabilities that would require other City or rate payer funds to resolve.
- ✓ Provide competitive rates for customers that are comparable to similar jurisdictions
- ✓ Increase efficiencies in Utility operations.
- ✓ Improve the City's effectiveness in delivering collection and disposal systems

The rate proposal includes the following actions:

- ✓ January 2018 - Publish a new rate schedule for solid waste collection and disposal of residential and commercial wastes. The new schedule would adjust account rates to 1) put the City of Poulsbo rates on par with regional rates, and 2) provide revenues to meet the growth in operating and capital costs. For residential and commercial can accounts the new schedule would set new flat rates that would be escalated annually by CPI. Commercial dumpster accounts would be raised by 20% and then escalated by CPI annually.

  The new residential rate schedule would:

  - require the use of City-provided cans for all collection accounts.
  - establish a price incentive to use the 64-gallon can option,
  - eliminate any new 10- gallon can accounts and provide a discount to help senior citizens change to a 20-gallon can option,
  - identify the specific recycling surcharge,
  - alter the residential 1-yard dumpster program,
  - identify annual CPI adjustments,
  - reduce the multiple can options and remove the current surcharge for multiple cans, and
  - add a surcharge for multiple recycling containers. City code provides for one container at rate payer request.

  The new commercial rate schedule would:

  - establish a minimum weekly collection for 4-yard, 6-yard, and 8-yard dumpsters, but still provide a bi-weekly 2-yard dumpster option,
  - eliminate the 10-gallon and 20-gallon commercial can account options, and
  - eliminate multiple 32-gallon commercial can options.

  All adjustments are necessary to improve level of service and defer the future growth of administrative costs. A proposed rate schedule is presented in Table 7-3.

TABLE 7-3 Proposed Rate Schedule

2018		Container Size	Rate	Est. Qty[1]	Monthly Revenue[2]
RESIDENTIAL (weekly)		10 gal[3]	$10.00	125	$1,250
		20 gal	$17.75	275	$4,881
		32 gal	$21.00	2,500	$52,500
		64 gal	$38.50	725	$27,912
COMMERCIAL COLLECTIONS	Cans	10 gal	No longer available		
		20 gal			
		32 gal	$21.00	76	$1,596
		64 gal	$38.50	53	$2,044
	2 yd Dump	Every other week	$78.23	31	$2,425
		1/wk	$156.46	75	$11,735
		2/wk	$336.73	9	$3,031
		3/wk	$516.32	4	$2,065
		4/wk	$695.90		$0
		5/wk	$875.51	1	$876
	4 yd Dump	1/wk	$268.57	51	$13,697
		2/wk	$537.14	18	$9,669
		3/wk	$805.72	6	$4,834
		4/wk	$1,074.29		$0
		5/wk	$1,342.84	2	$2,686
	6 yd Dump	1/wk	$320.06	26	$8,321
		2/wk	$640.09	13	$8,321
		3/wk	$960.14	4	$3,841
		4/wk	$1,280.19	1	$1,280
		5/wk	$1,600.25		$0
	8 yd Dump	1/wk	$371.53	6	$2,229
		2/wk	$743.06	3	$2,229
		3/wk	$1,114.60	7	$7,966
		4/wk	$1,486.11	1	$1,486
		5/wk	$1,857.63		$0

1- This is the quantity of containers. Some accounts will have multiple containers. Each container will be charged at the published rate.

2- Monthly revenue is based on an assumed distribution of accounts. Actual revenues will vary.

3- No new 10-gallon accounts will be established after December 31, 2017. Solid Waste rates will be added to the City's Discounted Rates for Citizens with Low Income Program.

- ✓ January 2023, 2029, 2036 (6-year rate reviews). By 2036, the Utility is forecast to collect over 5,300 containers a week and have a $3.35MM operating budget. Regular rate reviews, coupled with more frequent performance monitoring (See Section 9.0) are necessary to ensure rates are adjusted, as necessary, to sustain adequate levels of service.

Implementing the changes to the rate schedule is necessary to produce sufficient revenues to sustain level of service goals through 2036. While the change is expected to increase revenues by over $320,000 in 2018, the change does not address near term cash requirements, which will need to be generated from the reserve fund and possible financing options. The current financial plan suggests the City could use reserves for 2017 capital purchases and supplement later purchases with a combination of reserve funds and financing options (revenue bond, private financing, general fund revenues). This would sustain the reserve fund through the system expansion anticipated for 2024-2025.

Specific rate adjustments and corresponding revenue forecasts, are provided in Appendix E. A summary of the rate changes and how they relate to operational goals are discussed in Section 8.0.

8.0 GOALS, TACTICS, AND FINANCIAL PLANNING

8.1 Goals and Tactics

Goals and Tactical Plans for each operational element are presented in this section. The Goals were developed during the Solid Waste Utility Assessment and revisited during the development of this Utility plan. Tactical approaches and performance measures for each Goal are also included. Public Works staff, with the support of planning, engineering, finance, and administration will prepare specific implementation plans and task assignments for each tactical approach. The Public Works team will deliver status reports on performance toward goal to the City Council on a quarterly basis, or as requested by Council.

8.2 Financial Plan 2017 through 2022.

The financial plan for operational years 2017 through 2022 is provided in Appendix C. This plan shows that Utility costs will continue to rise, primarily through the acquisition of new capital assets and the increase in customers, which will require more staff resources. The financial plan identifies $1.27MM in capital requirements for 2017 through 2020. An additional $930,000 in capital expenditures are planned for 2021 and 2022. Correspondingly, revenues will increase, but not at a sufficient rate to keep pace with the minimum capital demands.

The plan is for the City to publish a new rate schedule in 2018 as discussed in Section 7.5

This single adjustment could potentially sustain revenue growth so that annual CPI adjustments and customer growth would be sufficient to sustain the Utility through 2036. The actual effect of these changes on revenue is dependent on how the current and future customer base select their level of service. Actual growth from 2012 through 2017 was used to develop reasonable estimates of account distribution for the planning period.

In 2017, the City has sufficient money in the reserve account to acquire capital assets. In 2018, the City will need to identify approximately $700,000 in financing to sustain the reserve fund through 2025, when account and organic rate growth are expected to generate sufficient revenues to restore the reserve fund and provide for future capital demands. The financing in 2018, would be for capital expenditures identified in the Tactical Plans.

Account distribution will change under the new rate schedule and the actual distributions of accounts will affect the performance of the financial plan. The City will need to be regularly monitor account distribution and growth to better assess revenue performance and forecast future revenue.

Financial plans and the reserve account should be regularly monitored as described in Section 9.0. A new financial forecast should be developed in 2022 and incorporated into the 2023-2028 revision to this Utility plan.

COLLECTIONS - TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Fill open FTE position to service SW and other PW functions	Hire the 1.0 FTE currently budgeted for PW for 2017.	2017 3Q	New Employee Costs	Reduce Casual Labor to 25% of 2016 actuals by Dec. 2018
				Reduce Overtime to 50% of 2016 levels by Dec. 2018
				Improve route efficiencies as measured by average route time/total customers served
Reduce repair costs and equipment down time	Acquire new collection trucks. Salvage older equipment.	2017 2Q – 2022 4Q	Capital plan discusses investment.	Reduce repair time for solid waste to 50% of 2016 levels.
				Reduce fuel costs.
				Recover revenue from salvage.
Reduce waste tracking effort	Install weight tracking, cameras, and GPS tracking on all collection vehicles. Eliminate tags and provide real-time extra garbage tracking.	2018 1Q – On-going.	$25,000 in tech upgrades accounted for in capital plan	Reduce waste tracking effort by 20%
				Provide real time data management of collection services.
				Provide per load weighing for each commercial account.
Increase operator training	Increase staff involvement in SWANA. Subscribe to Industry journals. Conduct internal trainings.	2017 Q2 – On-going	Expense for Journal subscription and conference attendance	More informed workforce. Improve efficiency in operating the utility and increase effectiveness of capital investment decisions.

DISPOSAL - TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Maintain direct knowledge of pending changes in Solid Waste disposal in Kitsap County.	Attend Kitsap County Solid Waste Advisory meetings, provide meeting summaries with the PW Team.	2017 3Q - 2022 4Q	Expense for quarterly meetings.	Predictable estimates of disposal costs to compare to 20-year financial plan.
Monitor commercial and residential disposal costs	Segregate at Poulsbo Transfer Station. Utilize new collection trucks equipped with scales.	2018 1Q – 2018 4Q	Investment in Capital Plan	A valid data set that quantifies commercial and residential disposal costs to within +/- 2%

RECYCLING - TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Sustain recycling services	Execute an extension of the Bainbridge Disposal (BDI) contract	2017 3Q	Anticipated increase in recycle costs	Sustainable recycling contract with future CPI adjustments.
Control cost growth and ensure competitive services	Compete the recycling contract and the end of the current BDI extension	2019	Staff time	Select the best value industry proposal.
Reduce the City's subsidy for recycling	Identify recycle fee in utility billing and adjust to reduce subsidy	2018	Staff time and billing system adjustment	Reduce subsidy to less than 25% of total recycling cost.
Create equitable recycling fees between SF and MF customers	Identify goals in recycling contract re-compete	2019	Staff time	Balanced rate schedule that considers curbside vs. MF collection.

LOCAL HAUL- TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Improve schedule flexibility for hauling daily wastes to OVTS.	Have City staff operate the haul from Poulsbo to OVTS	2018 3Q	Capital Plan discusses investment. Labor force requirement in Collections Plan. Union negotiations for labor category to perform CDL requirements.	Increase route cycling times.
				Maintain costs consistent with Financial Plan.
				Improve route efficiencies by maximizing ton/haul for residential collectors.

ADMINISTRATION- TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Defer Future Cost Growth to Administer the Utility	Automated data collection (GPS tracking, camera, weight).	2018 1Q	Capital Plan discusses equipment investment.	Increase route cycling times (longer on the route)
				Maintain costs consistent with Financial Plan.
				Reduced billing effort
				Improve route efficiencies by maximizing ton/haul for residential collectors.
	Publish new rate structure	2018 1Q	Public Outreach process	Revenue increases necessary to sustain Utility level of service.
	Increase data management systems and protocols	2018 3Q	Capital and operations plan discusses investment.	Weight based commercial data by EOY 2018. Monitor 5 key indicators to track system cost and growth (# of accounts; revenue; collection route times; fuel and maintenance; customer service calls).
	Find alternative for free residential dumpster	2018 3Q	Incorporate as part of rate consolidation	Reduce residential service costs by $50,000 per year
	Evaluate SW as a stand-alone Utility.	2018 3Q	Study cost	Reduce the FTE/customer ratio for system administration
Improve customer service through customer outreach	Inform customers through marketing and outreach.	2018 1Q	Outreach materials.	Reduce calls/complaints by 20%.

CAPITAL- TACTICAL PLAN

Goal	Tactic	Timing	Financial Requirement	Performance Measure
Co-locate solid waste systems at the new Public Works Facility on Viking Ave	Invest SW Utility reserves to acquire the northern parcel.	2017 – 2022	$450,000 estimate for land acquisition (2019) $100,000 for site improvements (2017)	Provide efficiencies for Transfer Facility and Equipment Storage.
Contribute to Public Works Facility Development	Annually depreciate the SW Utility share	2020 – 2036	$80,000 annually	Public works facility development by 2020.
Maintain efficient and current industry standards for collection and support vehicles	Prepare and implement fleet management plan that provides acquisition on 12-year vehicle life-cycle. Use SW Utility reserves to acquire new backhoe for Transfer Facility support	2017 4Q	$300,000 for collection vehicle	Increased route efficiencies as measured by cycle time/# of customers Data management for weight collection (commercial) Reduce late pick up and illegal dumping costs by 15%
		2018	$100,000 for collection vehicle re-fit. $40,000 for tech upgrades	
		2021, 2022, 2025	$400,000 each year for collection vehicle and vehicle upgrades	
		2029,2031	$425,000 each year for collection vehicles.	
		2034	$450,000 for new collection vehicle	
		2018	$275,000 for haul vehicle and $25,000 for Perkins hauler $16,500 for backhoe (shared)	
Improve flexibility in local haul schedule	City to perform local haul. Acquire haul equipment and 0.5 FTE	2029	$375,000 for local haul vehicle	Improve route efficiencies by maximizing ton/haul for residential collectors. Increase schedule flexibility at no increased operating cost (2017 base year).

LONG TERM COMMITMENTS- TACTICAL PLAN

Goal	Tactic	Starting in	Financial Requirement	Performance Measure
Achieve solid waste compliance standards	Develop Comprehensive Solid Waste Management Plan and propose policy adjustments to the Comprehensive Plan	2018 1Q	$20,000	Approved comprehensive plan in 2018.
Control the City's liability for current and past solid waste actions.	Train collection operators and commercial customers on NPDES Compliance Requirements	2018 1Q	Staff time for training.	Establish monitoring and reporting procedure for dumpster drains. Prepare outreach pamphlet for dumpster customers.
	Prepare management and investment plan for Indian Hills Landfill	2018 2Q	$30,000	Confirm current and long-term maintenance and care requirements for Indian Hills. Re-use options analysis for property.
	Develop illegal dumping response plan.	2018 3Q	Staff time.	Track illegal dumping

2017-2022 – RESIDENTIAL SERVICE TACTICAL PLAN

Goal	Tactic	Starting in	Financial Requirement	Performance Measure
Establish rate structure for increased level of service to residential customers	Eliminate new 10-gallon can accounts. Provide low income discount for 20-gallon account	2018 1Q	Public outreach	Eliminate new 10-gallon can accounts. Develop senior/handicapped discount policy to replace 10 gallon cans with 20 gallon inserts.
	Reduce surcharge for multiple can accounts.	2018 1Q	Public outreach	Reduce number of cans per account
	Incentivize use of 64-gallon can	2018 1Q	Purchase of new cans covered in operations plan.	Establish price point for optimal can size. Realize 7% increase in 64 gallon accounts.
Reduce Residential Rate Subsidy	Develop option to the residential dumpster Program	2019	Outreach	New program in place by 2019 3Q
Extra Garbage	Eliminate pre-purchase tags and use GIS/camera technology to report on extra garbage collection.	2018 1Q	Outreach	Increase revenues for residential accounts requiring >64 gallons (65 pounds) per week.
Reduce customer complaints and customer response time	New equipment Electronic monitoring Increase route cycle times	2018 Q1	Elsewhere in plan	15% reduction in customer complaints
	Enhance public outreach regarding solid waste	2018 Q3	Informational pamphlets Public Meetings	

2017-2022 – COMMERCIAL SERVICE – TACTICAL PLAN

Goal	Tactic	Starting in	Financial Requirement	Performance Measure
Establish rate structure for increased level of service to commercial customers	Require weekly collection for all dumpsters with the exception of 2 yard.	2018 1Q	Public outreach	Increase revenues by eliminating opportunity to pay less for same waste volume.
	Use weight-based data for each customer to evaluate a weight based rate schedule for commercial customers	2019 1Q	Retrofit of equipment and data management in Operations plan	Acquire and evaluate weight data in 2018. Analyze and present weight based rate recommendations to Council in 2019 2Q.
	Modify commercial rate structure.	2018 1Q	Public outreach process	New rate structure that balances revenues with operations. Approved by Council in 4Q 2017.
Consolidate dumpster models to City standard model per size	Review existing inventory and develop replacement plan	2018 3Q	One time cost. In financial plan.	Replace up to 15% of dumpsters each year until consistent standard throughout City.
Determine if 20 yd to 40 yd dumpster services are a viable City function.	Conduct analysis of >10yard dumpster services in the City and the City business model for servicing that market	2019 1Q	Invest in analysis	Recommendation to Mayor by 2019 3Q

9.0 REVIEW AND PERFORMANCE MONITORING

This business plan and performance of the Utility should be monitored as described in this section.

9.1 Quarterly Solid Waste Performance Assessments

Compare actual operational costs and revenues to plan.

Compare solid waste and recycle volumes to plan predictions.

Review customer complaint log.

Report to Council.

9.2 Annual Solid Waste Report to City Council

Report on financial performance compared to plan.

Report on performance measures achieved or in progress.

Update goals to reflect current conditions and need.

Recommendations to Council for revisions to budget, financial plan, or operations.

9.3 6-year review

Evaluate Operations and Revenue Plan for performance against goals.

Update the financial model to reflect actual costs/revenues and shifts in industry performance.

Prepare recommendations for Council to revise, update, or reconcile the Utility rates.

10.0 RISK ASSESSMENT

As with any planning document, there are several unanticipated conditions that may occur that will influence the assumptions the financial and operating plan is based on. This section discusses a few important risks that the City needs to consider as they implement this business plan.

Key Risks:

- ✓ The fluctuation in account distribution. How residents and business owners 'redistribute' their collection needs under the new rate schedule is a variable that could affect future revenues. To address this circumstance, this plan proposes to monitor solid waste account distribution and compare the actual distribution to the growth and distribution assumptions presented in the Cost Assessment. This should occur at least quarterly, if not monthly to identify trends and monitor fluctuations that may require action.
- ✓ While rate growth is anticipated, there are several external influences that could affect operational costs, level of service goals, or regulatory obligations. Collection rates should be evaluated every 5 years to ensure rate growth (or decline) is consistent with operational needs, solid waste regulations, shifts in industry standards, and economic factors.
- ✓ Economic factors. The Cost Assessment makes conservative estimates of CPI growth. Changes in economic conditions will influence CPI and the actual CPI will vary from estimates presented in the plan.
- ✓ Changes in the Kitsap County disposal or recycling systems. These elements are controlled by others and decisions about these systems could affect disposal and transport cost assumptions as presented in the financial plan.

The monitoring and reporting element of this plan (Section 9.0) is intended to regularly consider these risks and identify changes that may influence operational cost estimates and/or revenue forecasts.

APPENDIX A

Comparison of City Garbage Rates in Western Washington

COMPARABLE GARBAGE RATES

CAN SIZE	POULSBO	ARLINGTON	BAINBRIDGE ISLAND	BONNEY LAKE	BOTHELL	BREMERTON	BURLINGTON	DUVALL	ENUMCLAW	EVERETT	GIG HARBOR	KITSAP COUNTY	MARYSVILLE	MILTON
10	$ 9.35			$ 13.76										$ 8.50
20-24	$ 12.47	$ 15.89		$ 18.97	$ 10.24		$ 8.24		$ 17.92	$ 15.64	$ 20.09		$ 19.86	$ 16.71
32-35	$ 18.70	$ 19.27	$ 19.11	$ 23.39	$ 17.09	$ 16.26	$ 11.57	$ 28.55	$ 23.32	$ 20.04	$ 23.46	$ 13.84	$ 24.61	$ 21.91
45-48					$ 33.74									
64	$ 37.40	$ 26.33		$ 33.71	$ 50.63	$ 21.17	$ 17.51	$ 38.37	$ 37.16			$ 17.43	$ 41.07	$ 32.95
96		$ 27.94		$ 46.63		$ 27.70	$ 23.41	$ 46.90	$ 49.65			$ 22.52	$ 57.52	$ 45.92

CAN SIZE	MT. VERNON	MUKILTEO	NORTH BEND	OAK HARBOR	OLYMPIA	ORTING	PORT ORCHARD	SEATTLE	SHELTON	SNOHOMISH	SNOQUALMIE	SULTAN	SUMNER	TACOMA
10						$ 13.02					$ 12.56		$ 14.11	
20-24		$ 19.99	$ 16.16	$ 14.53	$ 19.64	$ 17.55				$ 24.83	$ 19.45		$ 19.10	
32-35	$ 19.31	$ 25.84	$ 20.87	$ 19.90	$ 33.92	$ 21.35	$ 20.94	$ 36.45	$ 28.50	$ 35.34	$ 24.87		$ 23.61	$ 21.14
45-48			$ 27.12											$ 31.17
64		$ 35.53	$ 34.09	$ 33.36	$ 46.32	$ 33.24	$ 24.35	$ 72.90	$ 38.97	$ 53.86	$ 37.42	$ 40.12	$ 32.09	$ 42.27
96		$ 44.79	$ 44.94	$ 44.37	$ 80.26	$ 45.05	$ 29.62	$ 109.35	$ 53.85		$ 50.00		$ 41.47	$ 63.42

City provided service
Waste Management
Murrey Disposal
Other contractor
Republic

Rates shown in RED text are adjusted to weekly collection

Can Size	Average Rate	Median Rate	High Rate	**Poulsbo**
10	$ 11.88	$ 12.79	$ 14.11	$ 9.35
20-24	$ 17.07	$ 17.74	$ 24.83	$ 12.47
32-35	$ 22.71	$ 21.35	$ 36.45	$ 18.70
45-48	$ 30.68	$ 31.17	$ 33.74	
64	$ 36.59	$ 36.35	$ 72.90	$ 37.40
96	$ 47.77	$ 45.49	$ 109.35	

APPENDIX B
Solid Waste Utility Analysis

CITY OF POULSBO
SOLID WASTE UTILITY ASSESSMENT

Section	Account Title	Budget Control Account	Period Expenses	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
COLLECTION	FUEL FOR VEHICLE	50000320	2,945.90	39,386	25,547	26,441	27,367	28,324	29,316	30,342	31,404	32,503	44,854	46,424	48,049	49,730	51,471	53,273	55,137	57,067	59,064
	REPAIRS & MAINTENANCE	50000480	1,149.03	21,316	26,645	15,000	15,750	16,538	17,364	18,233	19,144	20,101	21,107	22,162	23,270	24,433	25,655	26,938	28,285	29,699	31,184
	DEPRECIATION	50000010	4,989.40	59,873	49,894	39,894	89,394	159,394	182,394	172,500	205,500	205,500	205,500	238,500	238,500	238,500	224,000	224,000	228,500	228,500	195,500
	SURPLUS/SALAVGE			-	-	(165,000)	-	(25,000)	-	-	-	-	-	-	-	(100,000)	-	-	-	(100,000)	-
	EQUIPMENT			**120,575**	**102,086**	**(83,665)**	**132,511**	**179,256**	**229,074**	**221,074**	**256,048**	**258,104**	**271,461**	**307,086**	**309,819**	**212,664**	**301,126**	**304,210**	**311,922**	**215,266**	**285,748**
	SALARIES	50000110	17,890.08	211,221	217,558	256,845	264,551	272,487	280,662	289,082	297,754	306,687	356,179	366,864	377,870	389,206	400,883	412,909	425,296	438,055	451,197
	COMPENSATED ABSENCES	50000119	-	4,732	4,874	4,623	4,762	4,905	5,052	5,203	5,360	5,520	6,411	6,604	6,802	7,006	7,216	7,432	7,655	7,885	8,122
	OVERTIME	50000120	-	9,083	9,355	10,274	10,582	10,899	11,226	11,563	11,910	12,267	14,247	14,675	15,115	15,568	16,035	16,516	17,012	17,522	18,048
	CASUAL LABOR	50000130	2,640.00	32,118	33,082	8,270	8,518	8,774	8,435	8,688	8,948	9,217	9,493	9,778	10,072	10,374	10,685	11,005	11,336	11,676	12,026
	BENEFITS	50000210	4,898.24	112,521	115,897	141,265	145,503	149,868	180,091	185,494	191,059	196,791	202,694	208,775	215,038	221,490	228,134	234,978	242,028	249,288	256,767
	BENEFITS/CAS LAB & OT	50000215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	UNIFORMS TAXABLE	50000229	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	PENSION & DISABILTIY	50000290	-	2,368	2,439	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	LABOR			**372,043**	**383,204**	**421,278**	**433,916**	**446,933**	**485,466**	**500,030**	**515,031**	**530,482**	**589,025**	**606,696**	**624,897**	**643,644**	**662,953**	**682,842**	**703,327**	**724,427**	**746,159**
	OFFICE & OPERATING SUPPLY	50000310	2,165.58	13,250	13,250	12,500	12,750	13,005	13,265	13,530	13,801	14,077	14,359	14,646	14,939	15,237	15,542	15,853	16,170	16,493	16,823
	SMALL TOOLS & MINOR EQUIP	50000350	-	29,097	29,097	50,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	40,000	20,000	20,000	20,000	20,000	20,000	20,000
	PROFESSIONAL SERVICES	50000410	583.35	21,208	21,208	50,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	COMMUNICATION	50000420	64.22	758	758	800	800	800	800	5,000	500	500	500	500	500	500	500	500	500	500	500
	DUES & SUBSCRIPTIONS	50000491	0	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	10,000	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	BAD DEBT EXPENSE	50000020	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	INSURANCE	50000460	-	20,975	20,975	45,000	45,900	46,818	47,754	48,709	49,684	50,677	51,691	52,725	53,779	54,855	55,952	57,071	58,212	59,377	60,564
	UTILITY SERVICES	50000471	6.00	183	183	200	204	208	212	216	221	225	230	234	239	244	249	254	259	264	269
	MISCELLANEOUS	50000490	662.22	7,325	7,325	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597	6,729
	EXPENSES			**92,797**	**92,797**	**168,500**	**109,754**	**111,033**	**112,338**	**117,868**	**114,726**	**116,110**	**117,523**	**123,963**	**137,932**	**119,431**	**120,960**	**122,519**	**124,109**	**125,731**	**127,386**
	COLLECTIONS			**585,415**	**578,088**	**506,113**	**676,180**	**737,222**	**826,878**	**838,973**	**885,805**	**904,697**	**978,008**	**1,037,745**	**1,072,648**	**975,738**	**1,085,039**	**1,109,571**	**1,139,358**	**1,065,424**	**1,159,293**
DISPOSAL	TAXES & OPERATING ASSMNTS	50000440	116,802.00	116,802	168,542	184,223	188,044	191,944	195,925	199,698	214,145	218,267	222,468	226,416	230,604	234,869	251,025	255,662	259,997	264,405	268,889
	DISPOSAL	50000510	370,058.00	370,058	387,285	412,764	421,432	430,282	439,318	447,665	488,295	497,573	507,027	515,646	524,928	534,376	579,784	590,220	599,664	609,259	619,007
	DISPOSAL			**486,860**	**555,827**	**596,987**	**609,476**	**622,226**	**635,242**	**647,363**	**702,441**	**715,840**	**729,495**	**742,062**	**755,532**	**769,246**	**830,809**	**845,883**	**859,661**	**873,664**	**887,896**
RECYCLE	RECYCLING CHARGES - Residential	50000472	142,412.00	142,412	117,126	119,469	121,858	124,295	126,781	129,317	131,903	134,541	137,232	139,977	142,776	145,632	148,544	151,515	154,546	157,636	160,789
	RECYCLING CHARGES - Multi-Family				25,509	26,019	26,540	27,070	27,612	28,164	28,727	29,302	29,888	30,486	31,095	31,717	32,352	32,999	33,659	34,332	35,019
	RECYCLE			**142,412**	**142,635**	**145,488**	**148,398**	**151,366**	**154,393**	**157,481**	**160,631**	**163,843**	**167,120**	**170,462**	**173,872**	**177,349**	**180,896**	**184,514**	**188,204**	**191,968**	**195,808**
LOCAL HAUL	LABOR	CURRENTLY CONTRACTED TO BDI				50,779	52,303	53,872	55,488	57,153	58,867	60,633	62,452	64,326	132,511	136,486	140,581	144,798	149,142	153,617	158,225
	FUEL					10,563	10,932	11,315	11,711	12,121	12,545	12,984	13,438	13,909	28,791	29,799	30,842	31,921	33,039	34,195	35,392
	EXPENSES					20,000	-	-	-	-	-	-	22,500	-	-	-	-	-	-	25,000	-
	MAINTENANCE					5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093	8,377
	LOCAL HAUL				**84,324**	**86,342**	**68,410**	**70,543**	**72,742**	**75,011**	**77,351**	**79,763**	**104,752**	**84,819**	**168,117**	**173,338**	**178,723**	**184,275**	**190,001**	**220,905**	**201,994**
ADMIN	ALLOCATION	50000990		269,119	362,688	479,806	500,000	425,000	400,000	407,200	414,530	421,991	464,587	472,950	481,463	490,129	498,951	507,932	517,075	526,383	535,857
	ADMIN			**269,119**	**362,688**	**479,806**	**500,000**	**425,000**	**400,000**	**407,200**	**414,530**	**421,991**	**464,587**	**472,950**	**481,463**	**490,129**	**498,951**	**507,932**	**517,075**	**526,383**	**535,857**
CAPITAL	LAND AND LAND IMPROVEMENT	50000610	-	-	-	-	450,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	MACHINERY & EQUIPMENT	50000640	-	-		595,000	-	330,000	-	-	330,000	-	330,000	-	-	-	325,000	375,000	-	375,000	-
	CONSTRUCTION CAPITAL ASST	50000650	630,814.00	630,814	34,639	-	-		-	-	-	-	-	-	250,000	-	-	-	-	-	-
	CAPITAL			**630,814**	**34,639**	**595,000**	**450,000**	**330,000**	**-**	**-**	**330,000**	**-**	**330,000**	**-**	**250,000**	**-**	**325,000**	**375,000**	**-**	**375,000**	**-**
LONG TERM	LANDFILL POST CLOSURE CARE DUMPSTER RUNOFF CONTROL ILLEGAL DUMPING	This is a fund reserved to manage costs not currently captured in the Solid Waste Fund. Assume $20,000 in expense per year with a $40,000 requirement every third year.				50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	LONG TERM LIABILITIES			**0**	**0**	**50,000**	**50,000**	**20,000**	**40,000**	**50,000**	**20,000**	**40,000**	**50,000**	**20,000**	**40,000**	**50,000**	**20,000**	**40,000**	**50,000**	**20,000**	**40,000**
	TOTAL SYSTEM COST			**2,114,620**	**1,758,202**	**2,459,735**	**2,502,464**	**2,356,356**	**2,129,256**	**2,176,028**	**2,590,756**	**2,326,135**	**2,823,962**	**2,528,037**	**2,941,630**	**2,635,801**	**3,119,418**	**3,247,175**	**2,944,298**	**3,273,343**	**3,020,848**
	COST PER TON			371.38	302.43	414.40	412.93	380.82	337.70	338.68	395.72	348.67	416.22	366.01	418.36	368.24	428.10	438.61	391.44	428.33	389.07
	ESTIMATED TONNAGE PER YEAR			5694	5814	5936	6060	6188	6305	6425	6547	6671	6785	6907	7031	7158	7287	7403	7522	7642	7764
Scenario 1	**ESTIMATED REVENUE PER YEAR**			**1,594,243**	**1,622,998**	**1,686,908**	**1,753,336**	**1,822,378**	**1,890,430**	**1,961,022**	**2,034,251**	**2,110,214**	**2,184,717**	**2,264,074**	**2,346,315**	**2,431,542**	**2,519,866**	**2,606,267**	**2,695,630**	**2,788,058**	**2,883,655**
Scenario 2	**PPED RATE INCREASE - Commercial and Residential**			**1,594,243**	**1,622,998**	**1,686,908**	**1,817,565**	**1,976,012**	**2,049,669**	**2,126,208**	**2,205,605**	**2,287,967**	**2,578,213**	**2,671,864**	**2,768,917**	**2,869,495**	**2,973,726**	**3,075,689**	**3,181,149**	**3,290,224**	**3,403,039**
Scenario 3	**ONE TIME COMMERCIAL 15%**			**1,594,243**	**1,622,998**	**1,686,908**	**1,962,034**	**2,039,295**	**2,115,446**	**2,194,441**	**2,276,386**	**2,361,391**	**2,444,762**	**2,533,565**	**2,625,595**	**2,720,967**	**2,819,803**	**2,916,489**	**3,016,489**	**3,119,919**	**3,226,894**
Scenario 4	**ONE TIME COMMERCIAL 15% and Res. 15%**			**1,594,243**	**1,622,998**	**1,686,908**	**1,982,510**	**2,060,577**	**2,137,523**	**2,217,342**	**2,589,438**	**2,686,133**	**2,780,970**	**2,881,986**	**3,175,321**	**3,290,661**	**3,410,191**	**3,527,120**	**3,648,057**	**3,773,142**	**3,902,516**
	NET OPERATING INCOME			(520,377)	(135,203)	(772,827)	(749,128)	(533,978)	(238,826)	(215,006)	(556,506)	(215,921)	(639,246)	(263,963)	(595,316)	(204,258)	(599,552)	(640,908)	(248,668)	(485,285)	(137,193)
				(520,377)	(135,203)	(772,827)	(684,899)	(380,344)	(79,586)	(49,820)	(385,151)	(38,168)	(245,749)	143,827	(172,714)	233,694	(145,691)	(171,486)	236,850	16,881	382,191
				(520,377)	(135,203)	(772,827)	(540,430)	(317,062)	(13,810)	18,413	(314,370)	35,256	(379,200)	5,528	(316,036)	85,166	(299,614)	(330,686)	72,191	(153,425)	206,047
				(520,377)	(135,203)	(772,827)	(519,954)	(295,780)	8,267	41,314	(1,318)	359,999	(42,993)	353,949	233,690	654,860	290,773	279,945	703,759	499,799	881,668

February 2, 2017

CITY OF POULSBO
SOLID WASTE UTILITY ASSESSMENT

	Account Title	2033	2034	2035	2036	TOTALS '17 -'36	2017-2037		
COLLECTION	FUEL FOR VEHICLE	$ 61,131	$ 63,271	$ 65,486	$ 67,778	$ 928,431		3.5% increase per year	
	REPAIRS & MAINTENANCE	$ 32,743	$ 34,380	$ 36,099	$ 37,904	$ 495,989		Reduction yr 1 because of new equipment. 5% per year after that	
	DEPRECIATION	$ 195,500	$ 235,500	$ 202,500	$ 202,500	$ 3,912,076		Existing plus flt mgt plan	
	SURPLUS/SALAVGE	$ (125,000)	$ -	$ -	$ -	$ (515,000)		Salvage value of trucks	
	EQUIPMENT	**$ 164,375**	**$ 333,151**	**$ 304,085**	**$ 308,182**	**$ 4,821,496**		**SEE CHART**	
						$ -		*3% increase per year in labor*	
	SALARIES	$ 464,733	$ 478,675	$ 493,035	$ 507,826	$ 7,530,795		Add 0.5 FTE in 2017, Shift to 1 FTE in 2024	
	COMPENSATED ABSENCES	$ 8,365	$ 8,616	$ 8,875	$ 9,141	$ 135,554		2.25% of salaries	
	OVERTIME	$ 18,589	$ 19,147	$ 19,721	$ 20,313	$ 301,232		4% OT	
	CASUAL LABOR	$ 12,387	$ 12,758	$ 13,141	$ 13,535	$ 209,117		50% reduction in Casual labor in '2017. Another 25% reduction in 2020	
	BENEFITS	$ 264,470	$ 272,404	$ 280,576	$ 288,994	$ 4,355,708		3% per year increase rated to labor cost	
	BENEFITS/CAS LAB & OT	$ -	$ -	$ -	$ -	$ -			
	UNIFORMS TAXABLE	$ -	$ -	$ -	$ -	$ -			
	PENSION & DISABILTIY	$ -	$ -	$ -	$ -	$ -			
	LABOR	**$ 768,544**	**$ 791,600**	**$ 815,348**	**$ 839,809**	**$ 12,532,406**			
						$ -			
	OFFICE & OPERATING SUPPLY	$ 17,160	$ 17,503	$ 17,853	$ 18,210	$ 303,717		Reduction in 2017, 2% per yr	
	SMALL TOOLS & MINOR EQUIP	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 490,000		Fixed price	
	PROFESSIONAL SERVICES	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 335,000		Fixed price	
	COMMUNICATION	$ 500	$ 500	$ 500	$ 500	$ 15,700		Fixed price	
	DUES & SUBSCRIPTIONS	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 132,500		SWANA, Conference, Training	
	BAD DEBT EXPENSE	$ -	$ -	$ -	$ -	$ -			
	INSURANCE	$ 61,775	$ 63,011	$ 64,271	$ 65,557	$ 1,093,382		3.25% of asset value	
	UTILITY SERVICES	$ 275	$ 280	$ 286	$ 291	$ 4,859		2% per yr	
	MISCELLANEOUS	$ 6,864	$ 7,001	$ 7,141	$ 7,284	$ 121,487		2%p per yr	
	EXPENSES	**$ 129,074**	**$ 130,795**	**$ 132,551**	**$ 134,342**	**$ 2,496,645**			
	COLLECTIONS	**$ 1,061,992**	**$ 1,255,547**	**$ 1,251,984**	**$ 1,282,333**	**$ 19,850,548**			
						$ -			
DISPOSAL	TAXES & OPERATING ASSMNTS	$ 286,261	$ 291,104	$ 296,031	$ 301,042	$ 4,781,019		33% of disposal/recycle - ratio based on current	
	DISPOSAL	$ 667,733	$ 678,416	$ 689,271	$ 700,299	$ 10,952,958		$5 increase per ton every 5 years	
	DISPOSAL	**$ 953,993**	**$ 969,521**	**$ 985,302**	**$ 1,001,341**	**$ 15,733,976**			
						$ -			
RECYCLE	RECYCLING CHARGES - Residential	$ 164,005	$ 167,285	$ 170,631	$ 174,043	$ 2,902,777		CPI per yr (assume	
	RECYCLING CHARGES - Multi-Family	$ 35,719	$ 36,433	$ 37,162	$ 37,905	$ 632,201			
	RECYCLE	**$ 199,724**	**$ 203,718**	**$ 207,793**	**$ 211,949**	**$ 3,534,977**			
						$ -			
LOCAL HAUL	LABOR	$ 162,972	$ 167,861	$ 172,897	$ 178,084	$ 2,213,048		0.5 FTE	
	FUEL	$ 36,630	$ 37,913	$ 39,239	$ 40,613	$ 487,891		RT to OVTS 5 days per week	
	EXPENSES	$ -	$ -	$ -	$ -	$ 67,500			
	MAINTENANCE	$ 8,670	$ 8,973	$ 9,287	$ 9,613	$ 141,398			
	LOCAL HAUL	**$ 208,272**	**$ 214,747**	**$ 221,424**	**$ 228,309**	**$ 2,909,837**			
						$ -			
ADMIN	ALLOCATION	$ 545,503	$ 555,322	$ 565,318	$ 575,493	**$ 9,785,490**			
	ADMIN	**$ 545,503**	**$ 555,322**	**$ 565,318**	**$ 575,493**	**$ 9,785,490**		Effeciency reduces in2019, CPI increase afterwards	
						$ -			
CAPITAL	LAND AND LAND IMPROVEMENT	$ -	$ -	$ -	$ -	**$ 450,000**			
	MACHINERY & EQUIPMENT	$ 400,000	$ -	$ -	$ -	**$ 3,060,000**		Fleet Investment Program	
	CONSTRUCTION CAPITAL ASST	$ -	$ -	$ -	$ -	**$ 250,000**		Single Capital Investment	
	CAPITAL	**$ 400,000**	**$ -**	**$ -**	**$ -**	**$ 3,760,000**		$ 3,760,000	
						$ -			
LONG TERM	LANDFILL POST CLOSURE CARE					$ -			
	DUMPSTER RUNOFF CONTROL	$ 50,000	$ 50,000	$ 50,000	$ 50,000	**$ 1,000,000**			
	ILLEGAL DUMPING					$ -			
	LONG TERM LIABILITIES	**$ 50,000**	**$ 20,000**	**$ 50,000**	**$ 50,000**	**$ 770,000**		**Revenue 18-36**	NOI
	TOTAL SYSTEM COST	**$ 3,419,485**	**$ 3,218,855**	**$ 3,281,821**	**$ 3,349,425**	**$ 56,344,828**	**$ 53,885,092**	**$ 46,849,609**	**$ (7,035,483)**
	COST PER TON	$ 433.47	$ 401.61	$ 403.02	$ 404.85				
									$ 390.46
	ESTIMATED TONNAGE PER YEAR	7889	8015	8143	8273	**153,458**			
						2017-2036	**2017-2037**		
Scenario 1	**ESTIMATED REVENUE PER YEAR**	**$ 2,982,530**	**$ 3,084,795**	**$ 3,190,566**	**$ 3,299,964**	**$ 48,536,518**	**$ 46,849,609**		
Scenario 2	**PPED RATE INCREASE - Commercial and Resider**	**$ 3,519,722**	**$ 3,640,407**	**$ 3,765,229**	**$ 3,894,331**	**$ 55,781,939**	**$ 54,095,031**		
Scenario 3	**ONE TIME COMMERCIAL 15%**	**$ 3,337,538**	**$ 3,451,976**	**$ 3,570,337**	**$ 3,692,757**	**$ 54,112,990**	**$ 52,426,082**		
Scenario 4	**ONE TIME COMMERCIAL 15% and Res. 15%**	**$ 4,036,325**	**$ 4,174,722**	**$ 4,317,865**	**$ 4,465,916**	**$ 62,745,223**	**$ 61,058,314**		
						$ -			
	NET OPERATING INCOME	$ (436,955)	$ (134,060)	$ (91,254)	$ (49,461)	**$ (7,808,310)**			
		$ 100,238	$ 421,552	$ 483,408	$ 544,906	**$ (562,888)**			
		$ (81,947)	$ 233,121	$ 288,516	$ 343,332	**$ (2,231,837)**			
		$ 616,840	$ 955,868	$ 1,036,045	$ 1,116,491	**$ 6,400,395**			

APPENDIX C

Six-year Financial Plan

CITY OF POULSBO
SOLID WASTE FINANCIAL PLAN
2017-2036

Section	Account Title	Period Expenses	2016	2017	2018	2019	2020	2021	2022
COLLECTION	FUEL FOR VEHICLE	2,945.90	25,547	26,441	27,367	28,324	29,316	30,342	31,404
	REPAIRS & MAINTENANCE	1,149.03	26,645	15,000	15,750	16,538	17,364	18,233	19,144
	DEPRECIATION	4,989.40	49,894	39,894	59,894	91,394	161,394	151,500	189,000
	SURPLUS/SALAVGE		-	(15,500)	-	(500)	-	-	-
	EQUIPMENT		**102,086**	**65,835**	**103,011**	**135,756**	**208,074**	**200,074**	**239,548**
	SALARIES	17,890.08	217,558	256,845	264,551	272,487	280,662	289,082	297,754
	COMPENSATED ABSENCES	-	4,874	4,623	4,762	4,905	5,052	5,203	5,360
	OVERTIME	-	9,355	10,274	10,582	10,899	11,226	11,563	11,910
	CASUAL LABOR	2,640.00	33,082	8,270	8,518	8,774	8,435	8,688	8,948
	BENEFITS	4,898.24	115,897	141,265	145,503	149,868	180,091	185,494	191,059
	BENEFITS/CAS LAB & OT	-	-	-	-	-	-	-	-
	UNIFORMS TAXABLE	-	-	-	-	-	-	-	-
	PENSION & DISABILTIY	-	2,439		-	-	-	-	-
	LABOR		**383,204**	**421,278**	**433,916**	**446,933**	**485,466**	**500,030**	**515,031**
	OFFICE & OPERATING SUPPLY	2,165.58	13,250	12,500	12,750	13,005	13,265	13,530	13,801
	SMALL TOOLS & MINOR EQUIP	-	29,097	50,000	25,000	25,000	25,000	25,000	25,000
	PROFESSIONAL SERVICES	583.35	21,208	25,000	25,000	15,000	15,000	15,000	15,000
	COMMUNICATION	64.22	758	800	800	800	800	5,000	500
	DUES & SUBSCRIPTIONS	0	-	5,000	5,000	5,000	5,000	5,000	5,000
	BAD DEBT EXPENSE	-	1	-	-	-	-	-	-
	INSURANCE	-	20,975	45,000	45,900	46,818	47,754	48,709	49,684
	UTILITY SERVICES	6.00	183	200	204	208	212	216	221
	MISCELLANEOUS	662.22	7,325	5,000	5,100	5,202	5,306	5,412	5,520
	EXPENSES		**92,797**	**143,500**	**119,754**	**111,033**	**112,338**	**117,868**	**114,726**
	COLLECTIONS		**578,088**	**630,613**	**656,680**	**693,722**	**805,878**	**817,973**	**869,305**
DISPOSAL	TAXES & OPERATING ASSMNTS	116,802.00	168,542	184,223	188,044	191,944	195,925	199,698	214,145
	DISPOSAL	370,058.00	387,285	412,764	421,432	430,282	439,318	447,665	488,295
	DISPOSAL		**555,827**	**596,987**	**609,476**	**622,226**	**635,242**	**647,363**	**702,441**
RECYCLE	RECYCLING CHARGES - Residential	142,412.00	117,126	119,469	121,858	124,295	126,781	129,317	131,903
	RECYCLING CHARGES - Multi-Family		25,509	26,019	26,540	27,070	27,612	28,164	28,727
	RECYCLE		**142,635**	**145,488**	**148,398**	**151,366**	**154,393**	**157,481**	**160,631**
LOCAL HAUL	LABOR	**CITY TO ASSUME HAUL IN 2Q 2018**		50,779	52,303	53,872	55,488	57,153	58,867
	FUEL			10,563	10,932	11,315	11,711	12,121	12,545
	EXPENSES			20,000	-	-	-	-	-
	MAINTENANCE			5,000	5,175	5,356	5,544	5,738	5,938
	LOCAL HAUL		**84,324**	**86,342**	**68,410**	**70,543**	**72,742**	**75,011**	**77,351**
ADMIN	ALLOCATION	50000990	362,688	479,806	500,000	425,000	400,000	407,200	414,530
	FINANCING					123,660	123,660	123,660	123,660
	ADMIN		**362,688**	**479,806**	**500,000**	**548,660**	**523,660**	**530,860**	**538,190**
CAPITAL	LAND AND LAND IMPROVEMENT	-	-	100,000	-	450,000	-	-	-
	MACHINERY & EQUIPMENT	-		300,000	415,000	-	-	375,000	400,000
	CONSTRUCTION CAPITAL ASST	630,814.00	34,639	-	-		-	-	-
	CAPITAL		**34,639**	**400,000**	**415,000**	**450,000**	-	**375,000**	**400,000**
LONG TERM	LANDFILL POST CLOSURE CARE	This is a fund reserved to manage costs not currently captured in the Solid Waste Fund. Assume 50,000 per year							
	DUMPSTER RUNOFF CONTROL			50,000	50,000	50,000	50,000	50,000	50,000
	ILLEGAL DUMPING								
	LONG TERM LIABILITIES		**0**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**
	TOTAL SYSTEM COST		**1,758,202**	**2,389,235**	**2,447,964**	**2,586,516**	**2,241,916**	**2,653,688**	**2,797,916**

APPENDIX D

Statement of Revenue and Expenses for the Year Ended Dec. 31, 2016

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities Enterprise Funds				
	Water	Sewer	Solid Waste	Storm Drain	Total
Operating Revenues:					
Charges for Services	$ 1,746,438	$ 3,415,903	$ 1,772,076	$ 1,606,666	$ 8,541,082
Other Operating Revenues	110,537	44,611	21,322	15,259	191,729
Total Operating Revenues	**1,856,975**	**3,460,513**	**1,793,398**	**1,621,925**	**8,732,811**
Operating Expenses:					
Depreciation	443,147	686,073	61,274	460,426	1,650,920
Salaries and Wages	329,849	294,854	255,865	392,157	1,272,723
Personnel Benefits	149,414	127,189	113,037	199,605	589,245
Supplies	132,077	61,589	73,936	24,456	292,057
Services	399,450	565,024	681,554	311,836	1,957,863
Intergovernmental Services and Payments	229,746	919,664	573,985	287,824	2,011,218
Total Operating Expenses	**1,683,682**	**2,654,393**	**1,759,650**	**1,676,304**	**7,774,028**
Operating Income (Loss)	173,293	806,120	33,748	(54,379)	958,783
Nonoperating Revenues (Expenses):					
Interest and Other Earnings	12,602	37,275	3,316	1,587	54,780
Interest Expense	(9,065)	(32,139)	-	-	(41,204)
State Grants	-	-	-	86,869	86,869
Federal Grants	-	-	-	127,142	127,142
Insurance Recoveries	117	9,464	117	146	9,843
Proceeds from sale of Capital Assets	-	922	-	-	922
Total Nonoperating Revenue (Expenses)	**3,654**	**15,522**	**3,433**	**215,744**	**238,353**
Income (loss) Before Contributions	176,947	821,643	37,181	161,366	1,197,136
Capital Contributions	1,035,502	773,422	-	287,647	2,096,571
Change in Net Position	1,212,449	1,595,064	37,181	449,012	3,293,707
Total Net Position Beginning of Year	18,711,671	27,524,761	2,958,747	15,304,633	64,499,813
Total Net Position End of Year	**$ 19,924,121**	**$ 29,119,826**	**$ 2,995,928**	**$ 15,753,645**	**$ 67,793,521**

The notes to the financial statements are an integral part of this statement.

APPENDIX E

Rate Analysis and Revenue and
Operating Cost Forecasts;
2017 through 2036

CITY OF POULSBO
SOLID WASTE FINANCIAL PLAN
2017-2036

Section	Account Title	Period Expenses	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
COLLECTION	FUEL FOR VEHICLE	2,945.90	25,547	26,441	27,367	28,324	29,316	30,342	31,404	32,503	44,854	46,424	48,049
	REPAIRS & MAINTENANCE	1,149.03	26,645	15,000	15,750	16,538	17,364	18,233	19,144	20,101	21,107	22,162	23,270
	DEPRECIATION	4,989.40	49,894	39,894	59,894	91,394	161,394	151,500	189,000	189,000	189,000	189,000	229,000
	SURPLUS/SALAVGE		-	(15,500)	-	(500)	-	-	-	-	-	-	-
	EQUIPMENT		**102,086**	**65,835**	**103,011**	**135,756**	**208,074**	**200,074**	**239,548**	**241,604**	**254,961**	**257,586**	**300,319**
	SALARIES	17,890.08	217,558	256,845	264,551	272,487	280,662	289,082	297,754	306,687	356,179	366,864	377,870
	COMPENSATED ABSENCES	-	4,874	4,623	4,762	4,905	5,052	5,203	5,360	5,520	6,411	6,604	6,802
	OVERTIME	-	9,355	10,274	10,582	10,899	11,226	11,563	11,910	12,267	14,247	14,675	15,115
	CASUAL LABOR	2,640.00	33,082	8,270	8,518	8,774	8,435	8,688	8,948	9,217	9,493	9,778	10,072
	BENEFITS	4,898.24	115,897	141,265	145,503	149,868	180,091	185,494	191,059	196,791	202,694	208,775	215,038
	BENEFITS/CAS LAB & OT	-	-	-	-	-	-	-	-	-	-	-	-
	UNIFORMS TAXABLE	-	-	-	-	-	-	-	-	-	-	-	-
	PENSION & DISABILTIY	-	2,439		-	-	-	-	-	-	-	-	-
	LABOR		**383,204**	**421,278**	**433,916**	**446,933**	**485,466**	**500,030**	**515,031**	**530,482**	**589,025**	**606,696**	**624,897**
	OFFICE & OPERATING SUPPLY	2,165.58	13,250	12,500	12,750	13,005	13,265	13,530	13,801	14,077	14,359	14,646	14,939
	SMALL TOOLS & MINOR EQUIP	-	29,097	50,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	40,000
	PROFESSIONAL SERVICES	583.35	21,208	25,000	25,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	COMMUNICATION	64.22	758	800	800	800	800	5,000	500	500	500	500	500
	DUES & SUBSCRIPTIONS	0	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	10,000	7,500
	BAD DEBT EXPENSE	-	1	-	-	-	-	-	-	-	-	-	-
	INSURANCE	-	20,975	45,000	45,900	46,818	47,754	48,709	49,684	50,677	51,691	52,725	53,779
	UTILITY SERVICES	6.00	183	200	204	208	212	216	221	225	230	234	239
	MISCELLANEOUS	662.22	7,325	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
	EXPENSES		**92,797**	**143,500**	**119,754**	**111,033**	**112,338**	**117,868**	**114,726**	**116,110**	**117,523**	**123,963**	**137,932**
	COLLECTIONS		**578,088**	**630,613**	**656,680**	**693,722**	**805,878**	**817,973**	**869,305**	**888,197**	**961,508**	**988,245**	**1,063,148**
DISPOSAL	TAXES & OPERATING ASSMNTS	116,802.00	168,542	184,223	188,044	191,944	195,925	199,698	214,145	218,267	222,468	226,416	230,604
	DISPOSAL	370,058.00	387,285	412,764	421,432	430,282	439,318	447,665	488,295	497,573	507,027	515,646	524,928
	DISPOSAL		**555,827**	**596,987**	**609,476**	**622,226**	**635,242**	**647,363**	**702,441**	**715,840**	**729,495**	**742,062**	**755,532**
RECYCLE	RECYCLING CHARGES - Residential	142,412.00	117,126	119,469	121,858	124,295	126,781	129,317	131,903	134,541	137,232	139,977	142,776
	RECYCLING CHARGES - Multi-Family		25,509	26,019	26,540	27,070	27,612	28,164	28,727	29,302	29,888	30,486	31,095
	RECYCLE		**142,635**	**145,488**	**148,398**	**151,366**	**154,393**	**157,481**	**160,631**	**163,843**	**167,120**	**170,462**	**173,872**
LOCAL HAUL	LABOR	**CITY TO ASSUME HAUL IN 2Q 2018**		50,779	52,303	53,872	55,488	57,153	58,867	60,633	62,452	64,326	132,511
	FUEL			10,563	10,932	11,315	11,711	12,121	12,545	12,984	13,438	13,909	28,791
	EXPENSES			20,000	-	-	-	-	-	-	22,500	-	-
	MAINTENANCE			5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814
	LOCAL HAUL		**84,324**	**86,342**	**68,410**	**70,543**	**72,742**	**75,011**	**77,351**	**79,763**	**104,752**	**84,819**	**168,117**
ADMIN	ALLOCATION	50000990	362,688	479,806	500,000	425,000	400,000	407,200	414,530	421,991	464,587	472,950	481,463
	FINANCING												
	ADMIN		**362,688**	**479,806**	**500,000**	**425,000**	**400,000**	**407,200**	**414,530**	**421,991**	**464,587**	**472,950**	**481,463**
CAPITAL	LAND AND LAND IMPROVEMENT	-	-	100,000	-	450,000	-	-	-	-	-	-	-
	MACHINERY & EQUIPMENT	-		300,000	415,000	-	-	375,000	-	400,000	-	-	400,000
	CONSTRUCTION CAPITAL ASST	630,814.00	34,639	-	-		-	-	-	-	-	-	-
	CAPITAL		**34,639**	**400,000**	**415,000**	**450,000**	**-**	**375,000**	**-**	**400,000**	**-**	**-**	**400,000**
LONG TERM	LANDFILL POST CLOSURE CARE	This is a fund reserved to manage costs not currently captured in the Solid Waste Fund. Assume 50,000 per year											
	DUMPSTER RUNOFF CONTROL			50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	ILLEGAL DUMPING												
	LONG TERM LIABILITIES		**0**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**
	TOTAL SYSTEM COST		**1,758,202**	**2,389,235**	**2,447,964**	**2,462,856**	**2,118,256**	**2,530,028**	**2,274,256**	**2,719,635**	**2,477,462**	**2,508,537**	**3,092,130**
Status Quo	**ESTIMATED REVENUE PER YEAR**		**1,793,398**	**1,835,443**	**1,945,040**	**2,025,603**	**2,105,372**	**2,188,281**	**2,274,456**	**2,364,024**	**2,452,296**	**2,546,367**	**2,644,045**
Rate Proposal	**2018 New Schedule**		**1,793,398**	**1,835,443**	**2,188,261**	**2,310,395**	**2,393,199**	**2,493,588**	**2,583,187**	**2,676,126**	**2,796,202**	**2,899,057**	**3,005,702**
NET OPERATING INCOME	Status Quo		35,196	(553,793)	(502,924)	(437,253)	(12,884)	(341,747)	199	(355,611)	(25,166)	37,829	(448,085)
	Rate Proposal		35,196	(553,793)	(259,703)	(152,461)	274,943	(36,440)	308,931	(43,509)	318,740	390,520	(86,428)
RESERVES ANALYSIS	Status Quo		1,572,907	1,019,114	516,191	78,938	66,053	(275,693)	(275,494)	(631,105)	(656,270)	(618,441)	(1,066,526)
	Rate Proposal		1,572,907	1,019,114	759,412	606,950	881,894	845,454	1,154,385	1,110,876	1,429,616	1,820,137	1,733,709
	Capital Reserves (Rate Proposal)				420,584	271,474	528,851	486,283	775,342	724,271	1,016,706	1,402,047	1,285,020
	Operation Reserves		287,260	331,539	338,827	335,476	353,043	359,171	379,043	386,606	412,910	418,090	448,688
Operating Cost (w/o Capital	Operating Costs		1,723,563	1,989,235	2,032,964	2,012,856	2,118,256	2,155,028	2,274,256	2,319,635	2,477,462	2,508,537	2,692,130
	Annual Op. Cost increase			115%	102%	99%	105%	102%	106%	102%	107%	101%	107%

Account Title	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	TOTALS '17 -'36
FUEL FOR VEHICLE	49,730	51,471	53,273	55,137	57,067	59,064	61,131	63,271	65,486	67,778	928,431
REPAIRS & MAINTENANCE	24,433	25,655	26,938	28,285	29,699	31,184	32,743	34,380	36,099	37,904	495,989
DEPRECIATION	229,000	199,000	157,500	155,000	155,000	197,500	197,500	197,500	157,500	202,500	3,337,076
SURPLUS/SALAVGE	(25,000)	-	-	-	(25,000)	-	(25,000)	-	-	-	(91,000)
EQUIPMENT	**278,164**	**276,126**	**237,710**	**238,422**	**216,766**	**287,748**	**266,375**	**295,151**	**259,085**	**308,182**	**4,670,496**
											-
SALARIES	389,206	400,883	412,909	425,296	438,055	451,197	464,733	478,675	493,035	507,826	7,530,795
COMPENSATED ABSENCES	7,006	7,216	7,432	7,655	7,885	8,122	8,365	8,616	8,875	9,141	135,554
OVERTIME	15,568	16,035	16,516	17,012	17,522	18,048	18,589	19,147	19,721	20,313	301,232
CASUAL LABOR	10,374	10,685	11,005	11,336	11,676	12,026	12,387	12,758	13,141	13,535	209,117
BENEFITS	221,490	228,134	234,978	242,028	249,288	256,767	264,470	272,404	280,576	288,994	4,355,708
BENEFITS/CAS LAB & OT	-	-	-	-	-	-	-	-	-	-	-
UNIFORMS TAXABLE	-	-	-	-	-	-	-	-	-	-	-
PENSION & DISABILTIY	-	-	-	-	-	-	-	-	-	-	-
LABOR	**643,644**	**662,953**	**682,842**	**703,327**	**724,427**	**746,159**	**768,544**	**791,600**	**815,348**	**839,809**	**12,532,406**
											-
OFFICE & OPERATING SUPPLY	15,237	15,542	15,853	16,170	16,493	16,823	17,160	17,503	17,853	18,210	303,717
SMALL TOOLS & MINOR EQUIP	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	490,000
PROFESSIONAL SERVICES	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	320,000
COMMUNICATION	500	500	500	500	500	500	500	500	500	500	15,700
DUES & SUBSCRIPTIONS	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	132,500
BAD DEBT EXPENSE	-	-	-	-	-	-	-	-	-	-	-
INSURANCE	54,855	55,952	57,071	58,212	59,377	60,564	61,775	63,011	64,271	65,557	1,093,382
UTILITY SERVICES	244	249	254	259	264	269	275	280	286	291	4,859
MISCELLANEOUS	6,095	6,217	6,341	6,468	6,597	6,729	6,864	7,001	7,141	7,284	121,487
EXPENSES	**119,431**	**120,960**	**122,519**	**124,109**	**125,731**	**127,386**	**129,074**	**130,795**	**132,551**	**134,342**	**2,481,645**
COLLECTIONS	**1,041,238**	**1,060,039**	**1,043,071**	**1,065,858**	**1,066,924**	**1,161,293**	**1,163,992**	**1,217,547**	**1,206,984**	**1,282,333**	**19,684,548**
											-
TAXES & OPERATING ASSMNTS	234,869	251,025	255,662	259,997	264,405	268,889	286,261	291,104	296,031	301,042	4,781,019
DISPOSAL	534,376	579,784	590,220	599,664	609,259	619,007	667,733	678,416	689,271	700,299	10,952,958
DISPOSAL	**769,246**	**830,809**	**845,883**	**859,661**	**873,664**	**887,896**	**953,993**	**969,521**	**985,302**	**1,001,341**	**15,733,976**
											-
RECYCLING CHARGES - Residential	145,632	148,544	151,515	154,546	157,636	160,789	164,005	167,285	170,631	174,043	2,902,777
RECYCLING CHARGES - Multi-Family	31,717	32,352	32,999	33,659	34,332	35,019	35,719	36,433	37,162	37,905	632,201
RECYCLE	**177,349**	**180,896**	**184,514**	**188,204**	**191,968**	**195,808**	**199,724**	**203,718**	**207,793**	**211,949**	**3,534,977**
											-
LABOR	136,486	140,581	144,798	149,142	153,617	158,225	162,972	167,861	172,897	178,084	2,213,048
FUEL	29,799	30,842	31,921	33,039	34,195	35,392	36,630	37,913	39,239	40,613	487,891
EXPENSES	-	-	-	-	25,000	-	-	-	-	-	67,500
MAINTENANCE	7,053	7,300	7,555	7,820	8,093	8,377	8,670	8,973	9,287	9,613	141,398
LOCAL HAUL	**173,338**	**178,723**	**184,275**	**190,001**	**220,905**	**201,994**	**208,272**	**214,747**	**221,424**	**228,309**	**2,909,837**
											-
ALLOCATION	490,129	498,951	507,932	517,075	526,383	535,857	545,503	555,322	565,318	575,493	9,785,490
FINANCING											-
ADMIN	**490,129**	**498,951**	**507,932**	**517,075**	**526,383**	**535,857**	**545,503**	**555,322**	**565,318**	**575,493**	**9,785,490**
											-
LAND AND LAND IMPROVEMENT	-	-	-	-	-	-	-	-	-	-	550,000
MACHINERY & EQUIPMENT	-	-	350,000	-	425,000	-	425,000	-	450,000	-	3,540,000
CONSTRUCTION CAPITAL ASST	-	-	-	-	-	-	-	-	-	-	-
CAPITAL	**-**	**-**	**350,000**	**-**	**425,000**	**-**	**425,000**	**-**	**450,000**	**-**	**4,090,000**
											-
LANDFILL POST CLOSURE CARE											-
DUMPSTER RUNOFF CONTROL	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	1,000,000
ILLEGAL DUMPING											-
LONG TERM LIABILITIES	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**1,000,000**
TOTAL SYSTEM COST	**2,701,301**	**2,799,418**	**3,165,675**	**2,870,798**	**3,354,843**	**3,032,848**	**3,546,485**	**3,210,855**	**3,686,821**	**3,349,425**	**56,738,828**
											2017-2036
ESTIMATED REVENUE PER YEAR (Status Quo)	**2,745,471**	**2,850,787**	**2,954,328**	**3,061,629**	**3,172,827**	**3,288,064**	**3,407,487**	**3,531,247**	**3,659,501**	**3,792,415**	**54,844,682**
2018 New Schedule (Rate Proposal)	**3,116,276**	**3,230,925**	**3,346,628**	**3,466,475**	**3,590,615**	**3,719,201**	**3,852,392**	**3,990,353**	**4,133,256**	**4,281,277**	**61,908,558**
											-
NET OPERATING INCOME – Status Quo	44,170	51,369	(211,347)	190,830	(182,016)	255,216	(138,998)	320,392	(27,319)	442,990	**(1,894,146)**
NET OPERATING INCOME – Rate Proposal	414,976	431,507	180,953	595,677	235,772	686,353	305,907	779,498	446,435	931,852	**5,169,731**
RESERVES ANALYSIS – Status Quo	(1,022,356)	(970,987)	(1,182,334)	(991,504)	(1,173,520)	(918,303)	(1,057,301)	(736,910)	(764,229)	(321,239)	
RESERVES ANALYSIS – Rate Proposal	2,148,684	2,580,191	2,761,144	3,356,821	3,592,592	4,278,945	4,584,853	5,364,351	5,810,786	6,742,638	
Capital Reserves (Rate Proposal)	1,698,467	2,113,621	2,291,865	2,878,354	3,104,285	3,773,471	4,064,605	4,829,208	5,271,316	6,184,400	
Operation Reserves	450,217	466,570	469,279	478,466	488,307	505,475	520,247	535,142	539,470	558,237	
Operating Costs	2,701,301	2,799,418	2,815,675	2,870,798	2,929,843	3,032,848	3,121,485	3,210,855	3,236,821	3,349,425	54,372,390
Annual Op. Cost increase	100%	104%	101%	102%	102%	104%	103%	103%	101%	103%	

RATE ANALYSIS 2017-2036

RATE PROPOSAL FORECAST

	Can Size (gal)	2016 Rate	2016 Qty	2016 Revenue	2017 Rate	2017 Qty	2017 Revenue	2018 Rate	2018 Qty	2018 Revenue	2019 Rate	2019 Qty	2019 Revenue
RESIDENTIAL	10	$ 9.18	156	$ 1,432	$ 9.35	179	$ 1,673	$ 10.00	125	$ 1,250	$ 10.20	100	$ 1,020
	20	$ 12.25	302	$ 3,700	$ 12.47	301	$ 3,754	$ 17.75	250	$ 4,438	$ 18.11	253	$ 4,572
	32	$ 18.37	2,153	$ 39,551	$ 18.70	2,333	$ 43,629	$ 21.00	2,497	$ 52,439	$ 21.42	2,680	$ 57,403
	64	$ 36.76	617	$ 22,681	$ 37.42	713	$ 26,682	$ 38.50	728	$ 28,027	$ 39.27	743	$ 29,188
MONTHLY REVENUE				67,363			$ 75,736.72			$ 86,152.99			$ 92,183
YEARLY REVENUE				$ 905,360			$ 908,841			$ 1,033,836			$ 1,106,190
Curbside Containers			3,228			3,526			3,600			3,676	
	Containers		**ACCOUNTS**			**No. of Containers**							
COMMERCIAL COLLECTIONS	10	$ 9.18	20	$ 183.60	$ 9.35	25	$ 234	$ -		$ -	$ -		
	20	$ 12.25	2	$ 24.50	$ 12.47	2	$ 25			$ -	$ -	-	$ -
	32	$ 18.37	35	$ 642.95	$ 18.70	43	$ 804	$ 21.00	76	$ 1,599	$ 21.42	77	$ 1,655.06
	64	$ 36.76	38	$ 1,396.88	$ 37.42	55	$ 2,058	$ 38.50	53	$ 2,032	$ 39.27	54	$ 2,103.76
	2yd										$ -	-	
	1	$ 128.08	67	$ 8,581.36	$ 130.39	64	$ 8,345	$ 156.46	75	$ 11,728	$ 159.59	76	$ 12,142.44
	2	$ 275.65	7	$ 1,929.55	$ 280.61	9	$ 2,526	$ 336.73	9	$ 3,094	$ 343.47	9	$ 3,203.48
	3	$ 422.66	4	$ 1,690.64	$ 430.27	4	$ 1,721	$ 516.32	4	$ 2,109	$ 526.65	4	$ 2,183.09
	4				$ 579.92	-		$ 695.90			$ 709.82	1	$ 709.82
	5	$ 716.69	1	$ 716.69	$ 729.59	1	$ 730	$ 875.51	1	$ 894	$ 893.02	1	$ 925.45
	EOW	$ 58.20	28	$ 1,629.60	$ 59.25	31	$ 1,837	$ 71.10	31	$ 2,237	$ 72.52	32	$ 2,316.04
						-		$ -		$ -	$ -	-	$ -
	4 yd							$ -					
	1	$ 219.85	43	$ 9,453.55	$ 223.81	45	$ 10,071	$ 268.57	51	$ 13,610	$ 273.94	51	$ 14,090.15
	2	$ 439.70	18	$ 7,914.60	$ 447.61	18	$ 8,057	$ 537.14	18	$ 9,872	$ 547.88	19	$ 10,219.98
	3	$ 659.56	6	$ 3,957.36	$ 671.43	6	$ 4,029	$ 805.72	6	$ 4,936	$ 821.83	6	$ 5,110.07
	4	$ 879.41	2	$ 1,758.82	$ 895.24	-	$ -	$ 1,074.29		$ -	$ 1,095.77	-	$ -
	5	$ 1,099.25	1	$ 1,099.25	$ 1,119.04	1	$ 1,119	$ 1,342.84	2	$ 2,686	$ 1,369.70	2	$ 2,780.49
	EOW	$ 109.92		$ -	$ 111.90	10	$ 1,119	$ 134.28		$ -	$ 136.96	-	$ -
	6yd			$ -	$ -	-	$ -	$ -		$ -	$ -	-	$ -
	1	$ 262.00	20	$ 5,240.00	$ 266.72	25	$ 6,668	$ 320.06	26	$ 8,170	$ 326.46	26	$ 8,457.89
	2	$ 523.98	1	$ 523.98	$ 533.41	13	$ 6,934	$ 640.09	13	$ 8,496	$ 652.90	13	$ 8,795.87
	3	$ 785.97	4	$ 3,143.88	$ 800.12	4	$ 3,200	$ 960.14	4	$ 3,921	$ 979.34	4	$ 4,059.63
	4	$ 1,047.96		$ -	$ 1,066.82	1	$ 1,067	$ 1,280.19	1	$ 1,307	$ 1,305.79	1	$ 1,353.21
	5	$ 1,309.96		$ -	$ 1,333.54	-	$ -	$ 1,600.25		$ -	$ 1,632.25	-	$ -
	EOW	$ 131.00	5	$ 655.00	$ 133.36	5	$ 667	$ 160.03		$ -	$ 163.23	-	$ -
	8yd			$ -	$ -	-	$ -	$ -		$ -	$ -	-	$ -
	1	$ 304.13	7	$ 2,128.91	$ 309.60	6	$ 1,858	$ 371.53	6	$ 2,276	$ 378.96	6	$ 2,356.30
	2	$ 608.27	2	$ 1,216.54	$ 619.22	3	$ 1,858	$ 743.06	3	$ 2,276	$ 757.92	3	$ 2,356.34
	3	$ 912.41	3	$ 2,737.23	$ 928.83	7	$ 6,502	$ 1,114.60	7	$ 7,966	$ 1,136.89	7	$ 8,247.25
	4	$ 1,216.53	1	$ 1,216.53	$ 1,238.43	1	$ 1,264	$ 1,486.11	1	$ 1,549	$ 1,515.84	1	$ 1,603.87
	5	$ 1,520.65		$ -	$ 1,548.02	-	$ -	$ 1,857.63		$ -	$ 1,894.78	-	$ -
	EOW	$ 152.06	1	$ 152.06	$ 154.80	1	$ 155	$ 185.76		$ -	$ 189.47	-	$ -
Monthly Revenue			316	$ 57,993		380	$ 72,846		388	$ 90,757		395	$ 94,670
Extra Garbage (6% based on perform.)				$ 3,480			$ 4,371			$ 5,445			$ 5,680
Yearly Commercial				$ 737,677			$ 926,602			$ 1,154,425			$ 1,204,205
Revenue Adjust				$ 150,000									$ -
UTILITY REVENUE PROJECTION			3,544	$ 1,793,037		3,906	$ 1,835,443		3,988	$ 2,188,261		4,071	$ 2,310,395

	Can Size (gal)	2020 Rate	2020 Qty	2020 Revenue	2021 Rate	2021 Qty	2021 Revenue	2022 Rate	2022 Qty	2022 Revenue	2023 Rate	2023 Qty	2023 Revenue	2024 Rate	2024 Qty	2024 Revenue	2025 Rate	2025 Qty	2025 Revenue
RESIDENTIAL	10	$ 10.40	75	$ 780	$ 10.61	50	$ 531	$ 10.82	25	$ 271	$ 11.04		$ -	$ 11.26		$ -	$ 11.49		$ -
	20	$ 18.47	255	$ 4,710	$ 18.84	258	$ 4,852	$ 19.21	260	$ 4,998	$ 19.60	263	$ 5,149	$ 19.99	265	$ 5,305	$ 20.39	268	$ 5,465
	32	$ 21.85	2,733	$ 59,713	$ 22.29	2,787	$ 62,116	$ 22.73	2,843	$ 64,615	$ 23.19	2,899	$ 67,214	$ 23.65	2,950	$ 69,767	$ 24.12	3,005	$ 72,494
	64	$ 40.06	757	$ 30,337	$ 40.86	772	$ 31,532	$ 41.67	786	$ 32,774	$ 42.51	801	$ 34,064	$ 43.36	815	$ 35,336	$ 44.22	830	$ 36,692
MONTHLY REVENUE				$ 95,540			$ 99,030			$ 102,657			$ 106,427			$ 110,408			$ 114,651
YEARLY REVENUE				$ 1,146,486			$ 1,188,364			$ 1,231,889			$ 1,277,127			$ 1,324,895			$ 1,375,813
Curbside Containers			3,745			3,817			3,889			3,963			4,030			4,103	
COMMERCIAL COLLECTIONS	10	$ -			$ -			$ -											
	20	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
	32	$ 21.85	78	$ 1,713.48	$ 22.29	80	$ 1,773.97	$ 22.73	81	$ 1,836.59	$ 23.19	82	$ 1,901.42	$ 23.65	83	$ 1,968.54	$ 24.12	84	$ 2,038.03
	64	$ 40.06	54	$ 2,178.02	$ 40.86	55	$ 2,254.91	$ 41.67	56	$ 2,334.51	$ 42.51	57	$ 2,416.91	$ 43.36	58	$ 2,502.23	$ 44.22	59	$ 2,590.56
	2yd	$ -	-		$ -	-		$ -	-		$ -	-		$ -	-		$ -	-	$ -
	1	$ 162.78	77	$ 12,571.07	$ 166.04	78	$ 13,014.83	$ 169.36	80	$ 13,474.26	$ 172.75	81	$ 13,949.90	$ 176.20	82	$ 14,442.33	$ 179.73	83	$ 14,952.14
	2	$ 350.34	9	$ 3,316.56	$ 357.34	10	$ 3,433.63	$ 364.49	10	$ 3,554.84	$ 371.78	10	$ 3,680.33	$ 379.22	10	$ 3,810.24	$ 386.80	10	$ 3,944.74
	3	$ 537.18	4	$ 2,260.16	$ 547.92	4	$ 2,339.94	$ 558.88	4	$ 2,422.54	$ 570.06	4	$ 2,508.05	$ 581.46	4	$ 2,596.59	$ 593.09	5	$ 2,688.25
	4	$ 724.02	1	$ 734.88	$ 738.50	1	$ 760.82	$ 753.27	1	$ 787.68	$ 768.33	1	$ 815.48	$ 783.70	1	$ 844.27	$ 799.37	1	$ 874.07
	5	$ 910.88	1	$ 958.12	$ 929.10	1	$ 991.94	$ 947.68	1	$ 1,026.95	$ 966.63	1	$ 1,063.21	$ 985.96	1	$ 1,100.74	$ 1,005.68	1	$ 1,139.59
	EOW	$ 73.97	32	$ 2,397.80	$ 75.45	33	$ 2,482.44	$ 76.96	33	$ 2,570.07	$ 78.50	34	$ 2,660.79	$ 80.07	34	$ 2,754.72	$ 81.67	35	$ 2,851.96
		$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
	4 yd																		
	1	$ 279.42	52	$ 14,587.53	$ 285.01	53	$ 15,102.47	$ 290.71	54	$ 15,635.58	$ 296.52	55	$ 16,187.52	$ 302.45	55	$ 16,758.94	$ 308.50	56	$ 17,350.53
	2	$ 558.84	19	$ 10,580.74	$ 570.01	19	$ 10,954.24	$ 581.41	20	$ 11,340.93	$ 593.04	20	$ 11,741.26	$ 604.90	20	$ 12,155.73	$ 617.00	20	$ 12,584.83
	3	$ 838.27	6	$ 5,290.45	$ 855.03	6	$ 5,477.20	$ 872.14	7	$ 5,670.55	$ 889.58	7	$ 5,870.72	$ 907.37	7	$ 6,077.96	$ 925.52	7	$ 6,292.51
	4	$ 1,117.69	-	$ -	$ 1,140.04	1	$ 1,140.04	$ 1,162.84	1	$ 1,180.29	$ 1,186.10	1	$ 1,221.95	$ 1,209.82	1	$ 1,265.08	$ 1,234.02	1	$ 1,309.74
	5	$ 1,397.09	2	$ 2,878.64	$ 1,425.04	2	$ 2,980.26	$ 1,453.54	2	$ 3,085.46	$ 1,482.61	2	$ 3,194.38	$ 1,512.26	2	$ 3,307.14	$ 1,542.51	2	$ 3,423.88
	EOW	$ 139.70	-	$ -	$ 142.50	-	$ -	$ 145.35	-	$ -	$ 148.25	-	$ -	$ 151.22	-	$ -	$ 154.24	-	$ -
	6yd	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
	1	$ 332.99	26	$ 8,756.46	$ 339.65	27	$ 9,065.56	$ 346.44	27	$ 9,385.58	$ 353.37	27	$ 9,716.89	$ 360.44	28	$ 10,059.89	$ 367.65	28	$ 10,415.01
	2	$ 665.95	14	$ 9,106.37	$ 679.27	14	$ 9,427.82	$ 692.86	14	$ 9,760.63	$ 706.72	14	$ 10,105.18	$ 720.85	15	$ 10,461.89	$ 735.27	15	$ 10,831.19
	3	$ 998.93	4	$ 4,202.94	$ 1,018.91	4	$ 4,351.30	$ 1,039.29	4	$ 4,504.90	$ 1,060.07	4	$ 4,663.93	$ 1,081.27	4	$ 4,828.56	$ 1,102.90	5	$ 4,999.01
	4	$ 1,331.91	1	$ 1,400.98	$ 1,358.55	1	$ 1,450.43	$ 1,385.72	1	$ 1,501.63	$ 1,413.43	1	$ 1,554.64	$ 1,441.70	1	$ 1,609.52	$ 1,470.53	1	$ 1,666.34
	5	$ 1,664.90	-	$ -	$ 1,698.20	-	$ -	$ 1,732.16	-	$ -	$ 1,766.80	-	$ -	$ 1,802.14	1	$ 1,802.14	$ 1,838.18	1	$ 1,865.75
	EOW	$ 166.49	-	$ -	$ 169.82	-	$ -	$ 173.22	-	$ -	$ 176.69	-	$ -	$ 180.22	-	$ -	$ 183.82	-	$ -
	8yd	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
	1	$ 386.53	6	$ 2,439.48	$ 394.27	6	$ 2,525.60	$ 402.15	7	$ 2,614.75	$ 410.19	7	$ 2,707.05	$ 418.40	7	$ 2,802.61	$ 426.77	7	$ 2,901.54
	2	$ 773.08	3	$ 2,439.52	$ 788.54	3	$ 2,525.64	$ 804.31	3	$ 2,614.79	$ 820.40	3	$ 2,707.09	$ 836.81	3	$ 2,802.66	$ 853.55	3	$ 2,901.59
	3	$ 1,159.63	7	$ 8,538.38	$ 1,182.82	7	$ 8,839.78	$ 1,206.48	8	$ 9,151.82	$ 1,230.61	8	$ 9,474.88	$ 1,255.22	8	$ 9,809.35	$ 1,280.33	8	$ 10,155.62
	4	$ 1,546.15	1	$ 1,660.49	$ 1,577.08	1	$ 1,719.10	$ 1,608.62	1	$ 1,779.79	$ 1,640.79	1	$ 1,842.61	$ 1,673.60	1	$ 1,907.66	$ 1,707.08	1	$ 1,975.00
	5	$ 1,932.67	-	$ -	$ 1,971.33	-	$ -	$ 2,010.75	-	$ -	$ 2,050.97	-	$ -	$ 2,091.99	-	$ -	$ 2,133.83	-	$ -
	EOW	$ 193.26	-	$ -	$ 197.13	-	$ -	$ 201.07	-	$ -	$ 205.09	-	$ -	$ 209.19	-	$ -	$ 213.38	-	$ -
Monthly Revenue			401	$ 98,012		408	$ 102,612		414	$ 106,234		420	$ 109,984		427	$ 115,669		434	$ 119,752
Extra Garbage (6% based on perform.)				$ 5,881			$ 6,157			$ 6,374			$ 6,599			$ 6,940			$ 7,185
Yearly Commercial				$ 1,246,713			$ 1,305,224			$ 1,351,298			$ 1,398,999			$ 1,471,307			$ 1,523,244
Revenue Adjust				$ -			$ -			$ -			$ -			$ -			$ -
UTILITY REVENUE PROJECTION			4,146	$ 2,393,199		4,224	$ 2,493,588		4,303	$ 2,583,187		4,383	$ 2,676,126		4,458	$ 2,796,202		4,537	$ 2,899,057

RATE ANALYSIS 2017-2036

2026

Rate	Qty	Revenue
$ 11.72		$ -
$ 20.80	271	$ 5,630
$ 24.60	3,062	$ 75,328
$ 45.11	845	$ 38,099
		$ 119,057
		$ 1,428,688
	4,177	
$ -	-	$ -
$ 24.60	86	$ 2,109.97
$ 45.11	59	$ 2,682.01
$ -	-	
$ 183.32	84	$ 15,479.95
$ 394.54	10	$ 4,083.99
$ 604.95	5	$ 2,783.14
$ 815.36	1	$ 904.93
$ 1,025.80	1	$ 1,179.82
$ 83.30	35	$ 2,952.63
$ -	-	$ -
$ 314.67	57	$ 17,963.00
$ 629.34	21	$ 13,029.07
$ 944.03	7	$ 6,514.63
$ 1,258.70	1	$ 1,355.98
$ 1,573.36	2	$ 3,544.75
$ 157.33	-	$ -
$ -	-	$ -
$ 375.00	29	$ 10,782.66
$ 749.97	15	$ 11,213.53
$ 1,124.96	5	$ 5,175.48
$ 1,499.94	1	$ 1,725.16
$ 1,874.94	1	$ 1,931.61
$ 187.50	-	$ -
$ -	-	$ -
$ 435.30	7	$ 3,003.97
$ 870.62	3	$ 3,004.02
$ 1,305.93	8	$ 10,514.11
$ 1,741.22	1	$ 2,044.72
$ 2,176.50	-	$ -
$ 217.64	-	$ -
	440	$ 123,979
		$ 7,439
		$ 1,577,015
		$ -
	4,617	$ 3,005,702

2027

Rate	Qty	Revenue
$ 11.95		$ -
$ 21.21	273	$ 5,800
$ 25.10	3,119	$ 78,272
$ 46.01	860	$ 39,561
		$ 123,633
		$ 1,483,593
	4,252	
$ -	-	$ -
$ 25.10	87	$ 2,184.45
$ 46.01	60	$ 2,776.68
$ -	-	
$ 186.99	86	$ 16,026.40
$ 402.43	11	$ 4,228.16
$ 617.05	5	$ 2,881.39
$ 831.67	1	$ 936.87
$ 1,046.31	1	$ 1,221.47
$ 84.97	36	$ 3,056.86
$ -	-	$ -
$ 320.96	58	$ 18,597.10
$ 641.93	21	$ 13,489.00
$ 962.91	7	$ 6,744.60
$ 1,283.87	1	$ 1,403.84
$ 1,604.82	2	$ 3,669.88
$ 160.47	-	$ -
$ -	-	$ -
$ 382.50	29	$ 11,163.28
$ 764.97	15	$ 11,609.37
$ 1,147.46	5	$ 5,358.17
$ 1,529.94	1	$ 1,786.06
$ 1,912.44	1	$ 1,999.80
$ 191.25	-	$ -
$ -	-	$ -
$ 444.01	7	$ 3,110.01
$ 888.03	4	$ 3,110.06
$ 1,332.05	8	$ 10,885.26
$ 1,776.04	1	$ 2,116.89
$ 2,220.04	-	$ -
$ 222.00	-	$ -
	447	$ 128,356
		$ 7,701
		$ 1,632,683
		$ -
	4,699	$ 3,116,276

2028

Rate	Qty	Revenue
$ 12.19		$ -
$ 21.64	276	$ 5,975
$ 25.60	3,177	$ 81,330
$ 46.93	875	$ 41,078
		$ 128,384
		$ 1,540,608
	4,329	
$ -	-	$ -
$ 25.60	88	$ 2,261.56
$ 46.93	61	$ 2,874.70
$ -	-	
$ 190.73	87	$ 16,592.13
$ 410.48	11	$ 4,377.41
$ 629.39	5	$ 2,983.10
$ 848.30	1	$ 969.94
$ 1,067.24	1	$ 1,264.59
$ 86.67	37	$ 3,164.77
$ -	-	$ -
$ 327.38	59	$ 19,253.58
$ 654.77	21	$ 13,965.16
$ 982.17	7	$ 6,982.69
$ 1,309.55	1	$ 1,453.40
$ 1,636.92	2	$ 3,799.42
$ 163.68	-	$ -
$ -	-	$ -
$ 390.15	30	$ 11,557.35
$ 780.27	15	$ 12,019.18
$ 1,170.41	5	$ 5,547.32
$ 1,560.54	1	$ 1,849.11
$ 1,950.69	1	$ 2,070.39
$ 195.08	-	$ -
$ -	-	$ -
$ 452.89	7	$ 3,219.79
$ 905.79	4	$ 3,219.84
$ 1,358.69	8	$ 11,269.51
$ 1,811.56	1	$ 2,191.62
$ 2,264.44	-	$ -
$ 226.44	-	$ -
	454	$ 132,887
		$ 7,973
		$ 1,690,317
		$ -
	4,782	$ 3,230,925

2029

Rate	Qty	Revenue
$ 12.43		$ -
$ 22.07	279	$ 6,156
$ 26.11	3,230	$ 84,328
$ 47.87	889	$ 42,570
		$ 133,054
		$ 1,596,643
	4,398	
$ -	-	$ -
$ 26.11	90	$ 2,341.40
$ 47.87	62	$ 2,976.18
$ -	-	
$ 194.54	88	$ 17,177.83
$ 418.69	11	$ 4,531.93
$ 641.98	5	$ 3,088.41
$ 865.27	1	$ 1,004.18
$ 1,088.58	1	$ 1,309.23
$ 88.40	37	$ 3,276.48
$ -	-	$ -
$ 333.93	60	$ 19,933.23
$ 667.86	22	$ 14,458.13
$ 1,001.81	7	$ 7,229.17
$ 1,335.74	1	$ 1,504.70
$ 1,669.66	2	$ 3,933.54
$ 166.96	-	$ -
$ -	-	$ -
$ 397.95	30	$ 11,965.32
$ 795.88	16	$ 12,443.46
$ 1,193.81	5	$ 5,743.14
$ 1,591.75	1	$ 1,914.38
$ 1,989.71	1	$ 2,143.48
$ 198.98	-	$ -
$ -	-	$ -
$ 461.94	7	$ 3,333.45
$ 923.90	4	$ 3,333.50
$ 1,385.87	8	$ 11,667.32
$ 1,847.79	1	$ 2,268.99
$ 2,309.72	-	$ -
$ 230.96	-	$ -
	461	$ 137,577
		$ 8,255
		$ 1,749,985
		$ -
	4,858	$ 3,346,628

2030

Rate	Qty	Revenue
$ 12.68		$ -
$ 22.51	282	$ 6,342
$ 26.63	3,283	$ 87,435
$ 48.83	904	$ 44,116
		$ 137,893
		$ 1,654,716
	4,468	
$ -	-	$ -
$ 26.63	91	$ 2,424.05
$ 48.83	63	$ 3,081.23
$ -	-	
$ 198.43	90	$ 17,784.21
$ 427.06	11	$ 4,691.91
$ 654.82	5	$ 3,197.43
$ 882.57	1	$ 1,039.63
$ 1,110.36	1	$ 1,355.44
$ 90.17	38	$ 3,392.14
$ -	-	$ -
$ 340.61	61	$ 20,636.87
$ 681.22	22	$ 14,968.50
$ 1,021.85	7	$ 7,484.36
$ 1,362.46	1	$ 1,557.82
$ 1,703.05	2	$ 4,072.40
$ 170.30	-	$ -
$ -	-	$ -
$ 405.91	31	$ 12,387.70
$ 811.79	16	$ 12,882.71
$ 1,217.69	5	$ 5,945.87
$ 1,623.59	1	$ 1,981.96
$ 2,029.50	1	$ 2,219.14
$ 202.96	-	$ -
$ -	-	$ -
$ 471.18	7	$ 3,451.12
$ 942.38	4	$ 3,451.18
$ 1,413.58	9	$ 12,079.18
$ 1,884.75	1	$ 2,349.08
$ 2,355.92	-	$ -
$ 235.58	-	$ -
	467	$ 142,434
		$ 8,546
		$ 1,811,759
		$ -
	4,936	$ 3,466,475

2031

Rate	Qty	Revenue
$ 12.94		$ -
$ 22.96	285	$ 6,533
$ 27.17	3,337	$ 90,657
$ 49.80	918	$ 45,719
		$ 142,908
		$ 1,714,900
	4,540	
$ -	-	$ -
$ 27.17	92	$ 2,509.62
$ 49.80	64	$ 3,190.00
$ -	-	
$ 202.40	91	$ 18,411.99
$ 435.60	11	$ 4,857.54
$ 667.92	5	$ 3,310.29
$ 900.23	1	$ 1,076.33
$ 1,132.56	1	$ 1,403.29
$ 91.97	38	$ 3,511.89
$ -	-	$ -
$ 347.42	61	$ 21,365.35
$ 694.84	22	$ 15,496.89
$ 1,042.28	7	$ 7,748.56
$ 1,389.71	1	$ 1,612.81
$ 1,737.11	2	$ 4,216.15
$ 173.70	-	$ -
$ -	-	$ -
$ 414.03	31	$ 12,824.98
$ 828.03	16	$ 13,337.47
$ 1,242.04	5	$ 6,155.76
$ 1,656.06	1	$ 2,051.92
$ 2,070.09	1	$ 2,297.48
$ 207.02	-	$ -
$ -	-	$ -
$ 480.61	7	$ 3,572.94
$ 961.23	4	$ 3,573.00
$ 1,441.85	9	$ 12,505.57
$ 1,922.45	1	$ 2,432.00
$ 2,403.04	-	$ -
$ 240.30	-	$ -
	474	$ 147,462
		$ 8,848
		$ 1,875,715
		$ -
	5,014	$ 3,590,615

2032

Rate	Qty	Revenue
$ 13.19		$ -
$ 23.42	287	$ 6,730
$ 27.71	3,392	$ 93,997
$ 50.80	933	$ 47,379
		$ 148,106
		$ 1,777,273
	4,612	
$ -	-	$ -
$ 27.71	94	$ 2,598.21
$ 50.80	65	$ 3,302.61
$ -	-	
$ 206.45	92	$ 19,061.93
$ 444.31	11	$ 5,029.01
$ 681.28	5	$ 3,427.15
$ 918.23	1	$ 1,114.32
$ 1,155.21	1	$ 1,452.82
$ 93.81	39	$ 3,635.86
$ -	-	$ -
$ 354.37	62	$ 22,119.55
$ 708.74	23	$ 16,043.93
$ 1,063.13	8	$ 8,022.09
$ 1,417.50	1	$ 1,669.74
$ 1,771.85	2	$ 4,364.98
$ 177.18	-	$ -
$ -	-	$ -
$ 422.31	31	$ 13,277.71
$ 844.59	16	$ 13,808.29
$ 1,266.89	5	$ 6,373.06
$ 1,689.18	1	$ 2,124.35
$ 2,111.49	1	$ 2,378.58
$ 211.16	-	$ -
$ -	-	$ -
$ 490.22	8	$ 3,699.07
$ 980.46	4	$ 3,699.13
$ 1,470.69	9	$ 12,947.02
$ 1,960.89	1	$ 2,517.85
$ 2,451.10	-	$ -
$ 245.10	-	$ -
	482	$ 152,667
		$ 9,160
		$ 1,941,927
		$ -
	5,094	$ 3,719,201

2033

Rate	Qty	Revenue
$ 13.46		$ -
$ 23.89	290	$ 6,934
$ 28.26	3,448	$ 97,459
$ 51.82	948	$ 49,100
		$ 153,493
		$ 1,841,914
	4,686	
$ -	-	$ -
$ 28.26	95	$ 2,689.92
$ 51.82	66	$ 3,419.19
$ -	-	
$ 210.58	94	$ 19,734.82
$ 453.20	11	$ 5,206.53
$ 694.90	5	$ 3,548.13
$ 936.60	1	$ 1,153.66
$ 1,178.32	1	$ 1,504.11
$ 95.69	39	$ 3,764.20
$ -	-	$ -
$ 361.46	63	$ 22,900.37
$ 722.92	23	$ 16,610.28
$ 1,084.39	8	$ 8,305.27
$ 1,445.85	1	$ 1,728.68
$ 1,807.29	3	$ 4,519.07
$ 180.72	-	$ -
$ -	-	$ -
$ 430.76	32	$ 13,746.41
$ 861.48	17	$ 14,295.72
$ 1,292.22	5	$ 6,598.02
$ 1,722.96	1	$ 2,199.34
$ 2,153.72	1	$ 2,462.54
$ 215.38	-	$ -
$ -	-	$ -
$ 500.02	8	$ 3,829.64
$ 1,000.06	4	$ 3,829.71
$ 1,500.10	9	$ 13,404.05
$ 2,000.11	1	$ 2,606.73
$ 2,500.12	-	$ -
$ 250.00	-	$ -
	489	$ 158,056
		$ 9,483
		$ 2,010,477
		$ -
	5,175	$ 3,852,392

2034

Rate	Qty	Revenue
$ 13.73		$ -
$ 24.37	293	$ 7,143
$ 28.83	3,505	$ 101,049
$ 52.85	963	$ 50,883
		$ 159,075
		$ 1,908,906
	4,761	
$ -	-	$ -
$ 28.83	97	$ 2,784.88
$ 52.85	67	$ 3,539.89
$ -	-	
$ 214.79	95	$ 20,431.46
$ 462.26	12	$ 5,390.32
$ 708.80	5	$ 3,673.38
$ 955.33	1	$ 1,194.38
$ 1,201.89	1	$ 1,557.20
$ 97.60	40	$ 3,897.08
$ -	-	$ -
$ 368.69	64	$ 23,708.75
$ 737.37	23	$ 17,196.62
$ 1,106.08	8	$ 8,598.44
$ 1,474.77	1	$ 1,789.71
$ 1,843.44	3	$ 4,678.59
$ 184.34	-	$ -
$ -	-	$ -
$ 439.37	32	$ 14,231.66
$ 878.71	17	$ 14,800.36
$ 1,318.07	5	$ 6,830.93
$ 1,757.42	1	$ 2,276.98
$ 2,196.80	1	$ 2,549.47
$ 219.69	-	$ -
$ -	-	$ -
$ 510.02	8	$ 3,964.83
$ 1,020.07	4	$ 3,964.90
$ 1,530.11	9	$ 13,877.21
$ 2,040.11	1	$ 2,698.75
$ 2,550.12	-	$ -
$ 255.00	-	$ -
	496	$ 163,636
		$ 9,818
		$ 2,081,447
		$ -
	5,257	$ 3,990,353

2035

Rate	Qty	Revenue
$ 14.00		$ -
$ 24.85	296	$ 7,359
$ 29.41	3,563	$ 104,771
$ 53.91	978	$ 52,731
		$ 164,861
		$ 1,978,334
	4,837	
$ -	-	$ -
$ 29.41	98	$ 2,883.18
$ 53.91	68	$ 3,664.85
$ -	-	
$ 219.09	97	$ 21,152.69
$ 471.51	12	$ 5,580.60
$ 722.97	5	$ 3,803.05
$ 974.43	1	$ 1,236.54
$ 1,225.92	1	$ 1,612.17
$ 99.55	41	$ 4,034.65
$ -	-	$ -
$ 376.06	65	$ 24,545.67
$ 752.12	24	$ 17,803.66
$ 1,128.20	8	$ 8,901.97
$ 1,504.26	1	$ 1,852.88
$ 1,880.31	3	$ 4,843.74
$ 188.02	-	$ -
$ -	-	$ -
$ 448.16	33	$ 14,734.04
$ 896.29	17	$ 15,322.81
$ 1,344.43	5	$ 7,072.07
$ 1,792.57	1	$ 2,357.36
$ 2,240.73	1	$ 2,639.47
$ 224.08	-	$ -
$ -	-	$ -
$ 520.22	8	$ 4,104.79
$ 1,040.47	4	$ 4,104.86
$ 1,560.71	9	$ 14,367.08
$ 2,080.92	1	$ 2,794.02
$ 2,601.12	-	$ -
$ 260.10	-	$ -
	504	$ 169,412
		$ 10,165
		$ 2,154,922
		$ -
	5,341	$ 4,133,256

2036

Rate	Qty	Revenue	
$ 14.28		$ -	
$ 25.35	299	$ 7,581	
$ 29.99	3,622	$ 108,630	
$ 54.99	994	$ 54,647	**2017-2036**
		$ 170,857	
		$ 2,050,286	**$ 30,474,662**
	4,915		
$ -	-	$ -	
$ 29.99	100	$ 2,984.96	
$ 54.99	69	$ 3,794.22	
$ -	-		
$ 223.47	98	$ 21,899.38	
$ 480.94	12	$ 5,777.60	
$ 737.43	5	$ 3,937.29	
$ 993.92	1	$ 1,280.19	
$ 1,250.44	1	$ 1,669.08	
$ 101.54	41	$ 4,177.07	
$ -	-	$ -	
$ 383.58	66	$ 25,412.13	
$ 767.16	24	$ 18,432.13	
$ 1,150.76	8	$ 9,216.21	
$ 1,534.35	1	$ 1,918.29	
$ 1,917.91	3	$ 5,014.73	
$ 191.78	-	$ -	
$ -	-	$ -	
$ 457.12	33	$ 15,254.15	
$ 914.21	17	$ 15,863.71	
$ 1,371.32	5	$ 7,321.71	
$ 1,828.42	1	$ 2,440.57	
$ 2,285.55	1	$ 2,732.64	
$ 228.56	-	$ -	
$ -	-	$ -	
$ 530.63	8	$ 4,249.69	
$ 1,061.28	4	$ 4,249.76	
$ 1,591.92	9	$ 14,874.24	
$ 2,122.54	1	$ 2,892.65	
$ 2,653.15	-	$ -	
$ 265.31	-	$ -	**2017-2036**
	511	$ 175,392	
		$ 10,524	
		$ 2,230,991	**$ 33,076,933**
		$ -	
	5,426	$ 4,281,277	**$ 63,551,596**

CITY OF POULSBO
SOLID WASTE FINANCIAL PLAN
2017-2036
List of Assumptions

	Account Title		
COLLECTION	FUEL FOR VEHICLE	50000320	3.5% increase per year
	REPAIRS & MAINTENANCE	50000480	Reduction yr 1 because of new equipment. 5% per year after that
	DEPRECIATION	50000010	Existing plus flt mgt plan
	SURPLUS/SALAVGE		Salvage value of trucks
	EQUIPMENT		**SEE CHART**
			3% increase per year in labor
	SALARIES	50000110	Add 0.5 FTE in 2017, Shift to 1 FTE in 2024
	COMPENSATED ABSENCES	50000119	2.25% of salaries
	OVERTIME	50000120	4% OT
	CASUAL LABOR	50000130	50% reduction in Casual labor in '2017. Another 25% reduction in 2020
	BENEFITS	50000210	3% per year increase rated to labor cost
	BENEFITS/CAS LAB & OT	50000215	
	UNIFORMS TAXABLE	50000229	
	PENSION & DISABILTIY	50000290	
	LABOR		
	OFFICE & OPERATING SUPPLY	50000310	Reduction in 2017, 2% per yr
	SMALL TOOLS & MINOR EQUIP	50000350	Fixed price
	PROFESSIONAL SERVICES	50000410	Fixed price
	COMMUNICATION	50000420	Fixed price
	DUES & SUBSCRIPTIONS	50000491	SWANA, Conference, Training
	BAD DEBT EXPENSE	50000020	
	INSURANCE	50000460	3.25% of asset value
	UTILITY SERVICES	50000471	2% per yr
	MISCELLANEOUS	50000490	2%p per yr
	EXPENSES		
	COLLECTIONS		
DISPOSAL	TAXES & OPERATING ASSMNTS		33% of disposal/recycle - ratio based on current
	DISPOSAL		$5 increase per ton every 5 years
	DISPOSAL		
RECYCLE	RECYCLING CHARGES - Residential		CPI per yr (assume
	RECYCLING CHARGES - Multi-Family		
	RECYCLE		
LOCAL HAUL	LABOR		0.5 FTE
	FUEL		RT to OVTS 5 days per week
	EXPENSES		
	MAINTENANCE		
	LOCAL HAUL		
ADMIN	ALLOCATION	50000990	
	FINANCING		7yr repay on $700K loan @ 2%
	ADMIN		Effeciency reduces in2019, CPI increase afterwards
CAPITAL	LAND AND LAND IMPROVEMENT	50000610	
	MACHINERY & EQUIPMENT	50000640	Fleet Investment Program
	CONSTRUCTION CAPITAL ASST	50000650	Single Capital Investment
	CAPITAL		$ 4,090,000
LONG TERM	LANDFILL POST CLOSURE CARE		
	DUMPSTER RUNOFF CONTROL		
	ILLEGAL DUMPING		
	LONG TERM LIABILITIES	**2018-2036**	

	TOTAL SYSTEM COST	**$ 54,349,592**
		2018-2036
Status Quo	**ESTIMATED REVENUE PER YEAR**	**$ 53,009,239**
Rate Proposal	**2018 New Schedule**	**$ 60,073,115**
	NET OPERATING INCOME	**$ (1,340,353)**
		$ 5,723,523

REVENUE vs OPERATING COSTS

STATUS QUO

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenue	$ 1,835,443	$ 1,945,040	$ 2,025,603	$ 2,105,372	$ 2,188,281	$ 2,274,456	$ 2,364,024	$ 2,452,296	$ 2,546,367	$ 2,644,045	$ 2,745,471	$ 2,850,787	$ 2,954,328	$ 3,061,629	$ 3,172,827	$ 3,288,064	$ 3,407,487	$ 3,531,247	$ 3,659,501	$ 3,792,415
Operating Cost	$ 1,989,235	$ 2,032,964	$ 2,012,856	$ 2,118,256	$ 2,155,028	$ 2,274,256	$ 2,319,635	$ 2,477,462	$ 2,508,537	$ 2,692,130	$ 2,701,301	$ 2,799,418	$ 2,815,675	$ 2,870,798	$ 2,929,843	$ 3,032,848	$ 3,121,485	$ 3,210,855	$ 3,236,821	$ 3,349,425
Capital	$ 400,000	$ 415,000	$ 450,000	$ -	$ 375,000	$ -	$ 400,000	$ -	$ -	$ 400,000	$ -	$ -	$ 350,000	$ -	$ 425,000	$ -	$ 425,000	$ -	$ 450,000	$ -
Reserves (year end)	$ 1,019,114	$ 516,191	$ 78,938	$ 66,053	$ (275,693)	$ (275,494)	$ (631,105)	$ (656,270)	$ (618,441)	$ (1,066,526)	$ (1,022,356)	$ (970,987)	$ (1,182,334)	$ (991,504)	$ (1,173,520)	$ (918,303)	$ (1,057,301)	$ (736,910)	$ (764,229)	$ (321,239)
Operating Reserves	$ 331,539	$ 338,827	$ 335,476	$ 353,043	$ 359,171	$ 379,043	$ 386,606	$ 412,910	$ 418,090	$ 448,688	$ 450,217	$ 466,570	$ 469,279	$ 478,466	$ 488,307	$ 505,475	$ 520,247	$ 535,142	$ 539,470	$ 558,237
Capital Reserves	$ 687,575	$ 177,363	$ (256,538)	$ (286,989)	$ (634,865)	$ (654,537)	$ (1,017,710)	$ (1,069,181)	$ (1,036,530)	$ (1,515,214)	$ (1,472,573)	$ (1,437,556)	$ (1,651,613)	$ (1,469,970)	$ (1,661,827)	$ (1,423,778)	$ (1,577,549)	$ (1,272,052)	$ (1,303,699)	$ (879,477)

RATE PROPOSAL

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Revenue	$ 1,835,443	$ 2,188,261	$ 2,310,395	$ 2,393,199	$ 2,493,588	$ 2,583,187	$ 2,676,126	$ 2,796,202	$ 2,899,057	$ 3,005,702	$ 3,116,276	$ 3,230,925	$ 3,346,628	$ 3,466,475	$ 3,590,615	$ 3,719,201	$ 3,852,392	$ 3,990,353	$ 4,133,256	$ 4,281,277	$ 61,908,558
Operating Cost	$ 1,989,235	$ 2,032,964	$ 2,012,856	$ 2,118,256	$ 2,155,028	$ 2,274,256	$ 2,319,635	$ 2,477,462	$ 2,508,537	$ 2,692,130	$ 2,701,301	$ 2,799,418	$ 2,815,675	$ 2,870,798	$ 2,929,843	$ 3,032,848	$ 3,121,485	$ 3,210,855	$ 3,236,821	$ 3,349,425	
Capital	$ 400,000	$ 415,000	$ 450,000	$ -	$ 375,000	$ -	$ 400,000	$ -	$ -	$ 400,000	$ -	$ -	$ 350,000	$ -	$ 425,000	$ -	$ 425,000	$ -	$ 450,000	$ -	
Reserves (year end)	$ 1,019,114	$ 759,412	$ 606,950	$ 881,894	$ 845,454	$ 1,154,385	$ 1,110,876	$ 1,429,616	$ 1,820,137	$ 1,733,709	$ 2,148,684	$ 2,580,191	$ 2,761,144	$ 3,356,821	$ 3,592,592	$ 4,278,945	$ 4,584,853	$ 5,364,351	$ 5,810,786	$ 6,742,638	
Operating Reserves	$ 331,539	$ 338,827	$ 335,476	$ 353,043	$ 359,171	$ 379,043	$ 386,606	$ 412,910	$ 418,090	$ 448,688	$ 450,217	$ 466,570	$ 469,279	$ 478,466	$ 488,307	$ 505,475	$ 520,247	$ 535,142	$ 539,470	$ 558,237	
Capital Reserves	$ 687,575	$ 420,584	$ 271,474	$ 528,851	$ 486,283	$ 775,342	$ 724,271	$ 1,016,706	$ 1,402,047	$ 1,285,020	$ 1,698,467	$ 2,113,621	$ 2,291,865	$ 2,878,354	$ 3,104,285	$ 3,773,471	$ 4,064,605	$ 4,829,208	$ 5,271,316	$ 6,184,400	