



Flathead County Solid Waste District

Disposal Fee Study

Prepared by



Solid Waste Consultants
to Local Government

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1 Executive Summary

The District retained MSW Consultants to perform this disposal fee study. The purpose of the study was to analyze the District’s operating and capital costs, and propose new landfill tip fees and assessment fees that will meet the District’s fee-setting objectives over a five-year planning horizon. To conduct this study, we gathered and analyzed the District’s operational, financial and capital budget information, and used that information to develop a fee model that mirrored the behavior of the District’s enterprise fund.

In our review, we found that the District will soon be required to incur significant capital expenditures. Based on our analysis, we found that, if its current fees are not adjusted, the District’s actual cash reserves are projected to fall significantly below the amount it will need to sufficiently fund its ongoing operations, and pay for its projected capital expenditures.

We used our fee model to work with District and County staff to design various potential fee adjustment scenarios related to the timing and percent change in tipping fees and assessment fees. Based on our review and analysis, we recommend that the District adjust its tipping fees and assessment fees as shown below in Table 1. We believe these fee adjustments will enable the District to best meet its current and long term financial objectives.

Table 1 – Recommended Fee Adjustments

Description	Current	Effective November 1, 2024	Effective November 1, 2025	Effective November 1, 2026	Effective November 1, 2027	Effective November 1, 2028
Landfill Tip Fee	\$31.05	\$35.71	\$36.78	\$37.88	\$39.02	\$40.19
Percent Change		15.0%	3.0%	3.0%	3.0%	3.0%
Assessment Fee	\$80.73	\$92.84	\$95.62	\$98.49	\$101.45	\$104.49
Percent Change		15.0%	3.0%	3.0%	3.0%	3.0%

2 Introduction

2.1 Overview

In this report, we describe the District's facilities, services, and sources of revenue. We set forth the fee study's objectives, key assumptions and limitations. Prior to analyzing each of the various fee adjustment scenarios, we show the District's projected operating and capital expenditures, which remain the same for each of the scenarios. We then establish the District's *target cash balance* in its operating cash reserve based on an analysis of each of the sub-funds that comprise the solid waste disposal enterprise fund. For each of the fee adjustment scenarios, we project the operating results and resulting *actual cash balance* for the solid waste enterprise fund over the next five years. For each scenario, we compare the projected *actual cash balance* to the *target cash balance*. Our recommended rate adjustment scenario is based on these comparisons.

2.2 Background

The mission of the Flathead Solid Waste District (District) is to provide environmentally sound and cost-effective refuse collection, disposal and recycling services for the residents and businesses of Flathead County. The District owns and operates the Flathead County Landfill, which accepts waste and recyclables delivered by County residents and businesses, commercial waste haulers, and the cities of Columbia Falls, Kalispell, and Whitefish. The District also maintains several Green Box container sites, which are strategically located throughout the County. All County residents are able to drop off an unlimited amount of bagged waste and recyclables at the Green Box sites at no charge. The District also conducts monthly household hazardous waste collection events, and offers no-charge pickup and removal of junk vehicles. The District's facilities and services are an integral part of Flathead County's environmental infrastructure.

2.3 Sources of Fee Revenues

The District generates revenue through a combination of landfill tipping fees, assessment fees, and special service area fees. Commercial waste haulers, commercial businesses, and residents with large loads pay a tipping fee of \$31.05 per ton at the landfill. Residential properties pay a per unit assessment fee of \$80.73 per year. Commercial properties pay the assessment fee based on the amount of refuse generated as compared to one unit. Certain properties within the wastesheds of the Big Fork and Lakeside Green Box sites pay special service area fees in addition to the per unit assessment fee. These additional special assessments are related to specific improvements made by the County at the Big Fork and Lakeside Green Box sites.

2.4 Solid Waste Disposal Enterprise Fund

The solid waste disposal enterprise fund is organized into of several divisions or sub-funds. These sub-funds are:

Operating Fund (5410) – This fund is used to record the revenue and expenses of the District’s ongoing operations as well as capital expenditures for vehicles, equipment and land improvements. This fund is used to maintain the operating cash reserve the District uses to fund its ongoing operations. The minimum cash reserve target is set to be 100% of annual operating expenditures. This ensures that the District’s solid waste utility always has at least twelve months of operating expenditures in reserve.

Equipment Fund (5415) – This fund is used to gradually accumulate funds for capital improvements that are needed at the facility.

Closure/Post-closure Fund (5420) – This fund is used to set aside funds to pay for the partial and final closure of the landfill. It is also used to set aside funds to pay for the ongoing post-closure care of the landfill after it has been closed. Contributions to the Closure/Post-closure Fund by the District are recorded as current expenditures. The funds set aside in this fund are restricted, and not legally available for use by the District for ongoing operations, or for non-closure related capital expenditures. Because they are restricted, the existing amounts in the Closure/post-closure fund are not included in this fee study.

Liner Fund (5430) - This fund is used to accumulate funds for the for the expansion of the landfill, including the leachate pond and South Phase VI roadway in fiscal 2026, and the liner expansion in fiscal 2028 and 2029.

Land Acquisition Fund (5440) - This fund is used to gradually accumulate funds to purchase property adjacent to the landfill or Green Box sites.

FEC Improvement Fund (5450) – This fund is used to segregate improvement funds related to the District’s biomass gas-to-energy project with the Flathead Electric Cooperative.

Market Credit Fund (5451) - This fund is used to segregate market credit revenues related to the District’s biomass gas-to-energy project with the Flathead Electric Cooperative.

2.5 Fee Setting Objectives

The fees that the District charges to its customers must be in alignment with its mission. Toward that end, when the District sets disposal and assessment fees, it seeks to:

- Generate adequate revenues to meet its current and future financial obligations.

- Maintain sufficient cash reserves.

2.6 Key Assumptions

The projected revenues and expenditures in our analysis are based on certain key assumptions. These are shown below in Table 2. The most significant assumptions are the growth in the tons received at the landfill and in the number of parcel units, which are both projected to increase each year by 2.0%. Most operational costs are projected to increase each year with inflation, which is projected to be 3.0% in most years. Salaries are projected to increase each year by 4%.

Table 2 – Key Assumptions

Description	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Tonnage Volume Growth	2.0%	2.0%	2.0%	2.0%	2.0%
Parcel Unit Volume Growth	2.0%	2.0%	2.0%	2.0%	2.0%
Special Fee Revenue Growth	1.0%	1.0%	1.0%	1.0%	1.0%
Inflation	3.5%	3.0%	3.0%	3.0%	3.0%
Salary Increase	4.0%	4.0%	3.5%	3.5%	3.5%
Pension Increase	0.1%	0.1%	0.1%	0.1%	0.1%
Health Insurance Premium	0.0%	0.0%	2.0%	2.0%	2.0%
Other Revenue Increase	1.0%	1.0%	1.0%	1.0%	1.0%

2.7 Limitations

The financial projections used in our fee model are subject to certain limitations. These projections were prepared pursuant to the approach described above and are based on the District’s current tons and number of parcels. Moreover, the projections are based on assumptions regarding future inflation and parcel volume growth. Since events and circumstances often do not occur as planned, there may be differences between the projected and actual operating results, and those differences may be material. Finally, these projections were prepared for the sole use of the District for the purpose of analyzing the District’s enterprise fund. They are not intended to be used for any other purpose.

3 Projected Operating and Capital Expenditures

3.1 Projected Operating Expenditures

Table 3 below shows the District’s projected operating expenditures based on its current level of spending and based on the assumptions above in Table 2.

- Purchased Services are projected to increase in fiscal 2025 due to \$100,000 in additional spending on container site improvements, and an additional \$250,000 for access road improvements. These one-time costs are deducted from the following fiscal 2026 projected amount for Purchased Services.
- Salaries and Benefits are projected to increase \$92,000 in fiscal 2026 due to the addition of an equipment operator.
- Salaries and Benefits are project to increase \$102,000 in fiscal 2028 due to the addition of a mechanic.

As a result, projected expenditures are projected to increase approximately 10.0% in fiscal 2025, followed by more modest increases. From fiscal 2025 through fiscal 2029, operating expenditures are projected to increase each year by an average of approximately 4.7%.

Table 3 – Projected Operating Expenditures

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Expenditures						
Personnel	\$3,024	\$3,121	\$3,314	\$3,418	\$3,627	\$3,741
Supplies	1,041	1,178	1,213	1,249	1,287	1,326
Purchased Services	1,856	2,271	2,089	2,152	2,216	2,283
Fixed Charges	245	254	261	269	277	286
Closure Expense	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>600</u>	<u>600</u>
Total Operating Expenditures	\$6,566	\$7,224	\$7,277	\$7,488	\$8,007	\$8,236
Annual Percent Change		10.0%	0.7%	2.9%	6.9%	2.9%
5-year Average						4.7%

(in 000s)

3.2 Projected Capital Expenditures

Table 4 on the following page shows the District’s planned capital expenditures in both current and future dollars over the next five years. The capital expenditures in Table 4 are organized according to the sub-fund from which the amounts will be expended. Table 4 shows that the District plans to incur approximately \$28.7 million in capital expenditures from fiscal 2025 through fiscal 2029. Of this amount, the most significant expenditure is expected to be the \$17 million liner expansion project in fiscal years 2028 and 2029.

Table 4 – Projected Capital Expenditures

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Vehicles		\$60	\$685	\$55	\$450	\$590
Equipment	2,623	526	15	900	950	0
Equipment Storage Shed		15	0	0	0	0
Monitoring Wells		0	100	0	0	0
Main Access Improvements		0	0	0	1,300	0
Irrigation Improvements		<u>0</u>	<u>250</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating Fund - 5410	2,623	601	1,050	955	2,700	590
South Area Permitting		100	0	0	0	0
Leachate Pond		0	2,000	0	0	0
South Phase VI Roadway		0	1,000	0	0	0
Liner Expansion		<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>10,000</u>
Subtotal - Liner Fund - 5430	0	100	3,000	0	5,000	10,000
Property Purchase	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,500</u>	<u>0</u>	<u>0</u>
Subtotal - Land Acquisition Fund - 5410	0	0	0	1,500	0	0
Total - Current Dollars	2,623	701	4,050	2,455	7,700	10,590
Total Capital Expenditures - Future Dollars		\$722	\$4,297	\$2,683	\$8,666	\$12,277
Total Capital Expenditures - 5 years						\$28,645

(in 000s)

4 Target Cash Balance

The target balance for the solid waste disposal enterprise fund was developed by analyzing each of the sub-funds within the enterprise fund. These are shown in Table 5 through Table 10 on pages 7 through 8, which are summarized in Table 11 on page 9.

4.1 Operating Fund

Table 5 – Target Cash Balance – Operating Fund - 5410

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Annual Operating Cost	\$6,567	\$7,224	\$7,278	\$7,488	\$8,007	\$8,235
Target Balance as % of Operating Cost 100%						
Target Balance	\$6,567	\$7,224	\$7,278	\$7,488	\$8,007	\$8,235

4.2 Equipment Fund

Table 6 – Target Cash Balance – Equipment Fund - 5415

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Beginning Balance	\$0	\$250	\$925	\$1,600	\$2,275	\$2,950
Transfers In	250	675	675	675	675	675
Capital Expenitures	0	0	0	0	0	0
Ending Target Balance	\$250	\$925	\$1,600	\$2,275	\$2,950	\$3,625

4.3 Liner Fund

Table 7 – Target Cash Balance – Liner Fund - 5430

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Beginning Balance	\$8,894	\$8,874	\$10,814	\$9,856	\$11,899	\$8,943
Transfers In	0	1,909	1,909	1,909	1,909	1,909
Other Revenue	130	131	133	134	135	137
Capital Expenitures	0	(100)	(3,000)	0	(5,000)	(10,000)
Transfers Out	(150)	0	0	0	0	0
Ending Target Balance	\$8,874	\$10,814	\$9,856	\$11,899	\$8,943	\$989

4.4 Land Acquisition Fund

Table 8 – Target Cash Balance – Land Acquisition Fund

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Beginning Balance	\$986	\$990	\$1,169	\$1,348	\$27	\$31
Transfers In	0	175	175	175	0	0
Other Revenue	4	4	4	4	4	4
Capital Expenditures	0	0	0	(1,500)	0	0
Ending Target Balance	\$990	\$1,169	\$1,348	\$27	\$31	\$35

4.5 FEC Improvement Fund

Table 9 – Target Cash Balance – FEC Improvement Fund

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Beginning Balance	\$351	\$415	\$419	\$423	\$427	\$431
Transfers In	30	0	0	0	0	0
Other Revenue	34	4	4	4	4	4
Ending Target Balance	\$415	\$419	\$423	\$427	\$431	\$435

4.6 Market Credit Fund

Table 10 – Target Cash Balance – Market Credit Fund

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Beginning Balance	\$61	\$159	\$258	\$358	\$459	\$561
Transfers In	98	99	100	101	102	103
Other Revenue	0	0	0	0	0	0
Ending Target Balance	\$159	\$258	\$358	\$459	\$561	\$664

4.7 Total Cash Balance Target

Table 11 – Total Cash Balance Target

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Target Balance	\$6,567	\$7,224	\$7,278	\$7,488	\$8,007	\$8,235
Equipment Purchase Reserve	\$250	\$925	\$1,600	\$2,275	\$2,950	\$3,625
Lined Cell Trust Lateral Expansion	\$8,874	\$10,814	\$9,856	\$11,899	\$8,943	\$989
Land Purchase	\$990	\$1,169	\$1,348	\$27	\$31	\$35
FEC	\$415	\$419	\$423	\$427	\$431	\$435
Credits for environmental projects	<u>\$159</u>	<u>\$258</u>	<u>\$358</u>	<u>\$459</u>	<u>\$561</u>	<u>\$664</u>
Total Target Cash Balance	\$17,255	\$20,809	\$20,863	\$22,575	\$20,923	\$13,983

(in 000s)

5 Scenario 1 - Operating Results and Cash at Current Fees

Table 12 – Projected Revenues at Current Fees

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Revenue						
Property Assessment	5,997	6,117	6,239	6,364	6,491	6,621
Tip Fees	2,421	2,555	2,607	2,659	2,712	2,766
Special Assessments	280	283	286	289	292	295
Miscellaneous Revenue	<u>1,025</u>	<u>1,005</u>	<u>1,016</u>	<u>1,026</u>	<u>1,036</u>	<u>1,046</u>
Total Operating Revenue	\$9,723	\$9,960	\$10,148	\$10,338	\$10,531	\$10,728
Average Percent Change in Revenue		2.4%	1.9%	1.9%	1.9%	1.9%
Customer Rates						
Annual Assessment Fee per Unit	\$80.73	\$80.73	\$80.73	\$80.73	\$80.73	\$80.73
Regular Tip Fee per Ton	\$31.05	\$31.05	\$31.05	\$31.05	\$31.05	\$31.05
Number of Units						
Parcels	74,284	75,770	77,285	78,831	80,408	82,016
Annual Gate Fee Tons	73,242	74,707	76,201	77,725	79,279	80,865

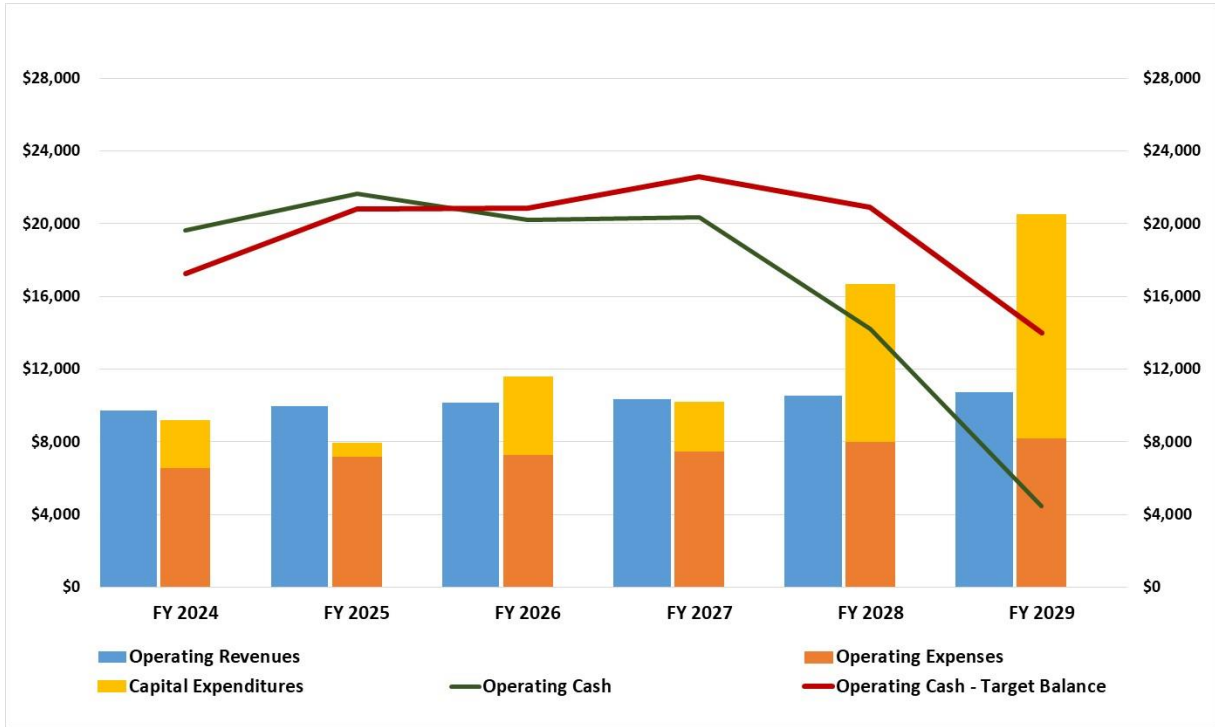
(in 000s)

Table 13 – Projected Operating Results and Cash Balance at Current Fees

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Results						
Operating Revenue	\$9,723	\$9,960	\$10,148	\$10,338	\$10,531	\$10,728
Operating Expenditures	<u>6,566</u>	<u>7,224</u>	<u>7,277</u>	<u>7,488</u>	<u>8,007</u>	<u>8,236</u>
Operating Income	\$3,157	\$2,736	\$2,871	\$2,850	\$2,524	\$2,492
Non-operating Revenues/(Expenses)	\$0	\$0	\$0	\$0	\$0	\$0
Transfers In/(Out)	<u>(\$38)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Surplus/(Shortfall)	\$3,119	\$2,736	\$2,871	\$2,850	\$2,524	\$2,492
Operating Cash						
Beginning Balance	\$19,128	\$19,623	\$21,638	\$20,211	\$20,377	\$14,234
Surplus/(Shortfall)	\$3,119	\$2,736	\$2,871	\$2,850	\$2,524	\$2,492
Capital Expenditures	(\$2,623)	(\$722)	(\$4,297)	(\$2,683)	(\$8,666)	(\$12,277)
Ending Balance	\$19,624	\$21,637	\$20,212	\$20,378	\$14,235	\$4,449
Comparison to Operating Cash Target						
Target Cash Balance	\$17,255	\$20,809	\$20,863	\$22,575	\$20,923	\$13,983
Projected Ending Cash Balance	\$19,624	\$21,637	\$20,212	\$20,378	\$14,235	\$4,449
Above/(Below) Target	\$2,369	\$828	(\$651)	(\$2,197)	(\$6,688)	(\$9,534)

(in 000s)

Chart 1 – Operating Results and Cash Balance at Current Fees



(in 000s)

6 Scenario 2 – Operating Results with 10% Increase Followed by 3% Increases

Table 14 – Revenues – Initial 10% Increase Followed by 3% Increases

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Revenue						
Property Assessment	5,997	6,729	7,069	7,427	7,803	8,197
Tip Fees	2,421	2,791	2,933	3,081	3,237	3,401
Special Assessments	280	283	286	289	292	295
Miscellaneous Revenue	<u>1,025</u>	<u>1,005</u>	<u>1,016</u>	<u>1,026</u>	<u>1,036</u>	<u>1,046</u>
Total Operating Revenue	\$9,723	\$10,808	\$11,304	\$11,823	\$12,368	\$12,939
Average Percent Change in Revenue		11.2%	4.6%	4.6%	4.6%	4.6%
Customer Rates						
Annual Assessment Fee per Unit	\$80.73	\$88.80	\$91.47	\$94.21	\$97.04	\$99.95
Regular Tip Fee per Ton	\$31.05	\$34.16	\$35.18	\$36.24	\$37.33	\$38.45
Number of Units						
Parcels	74,284	75,770	77,285	78,831	80,408	82,016
Annual Gate Fee Tons	73,242	74,707	76,201	77,725	79,279	80,865

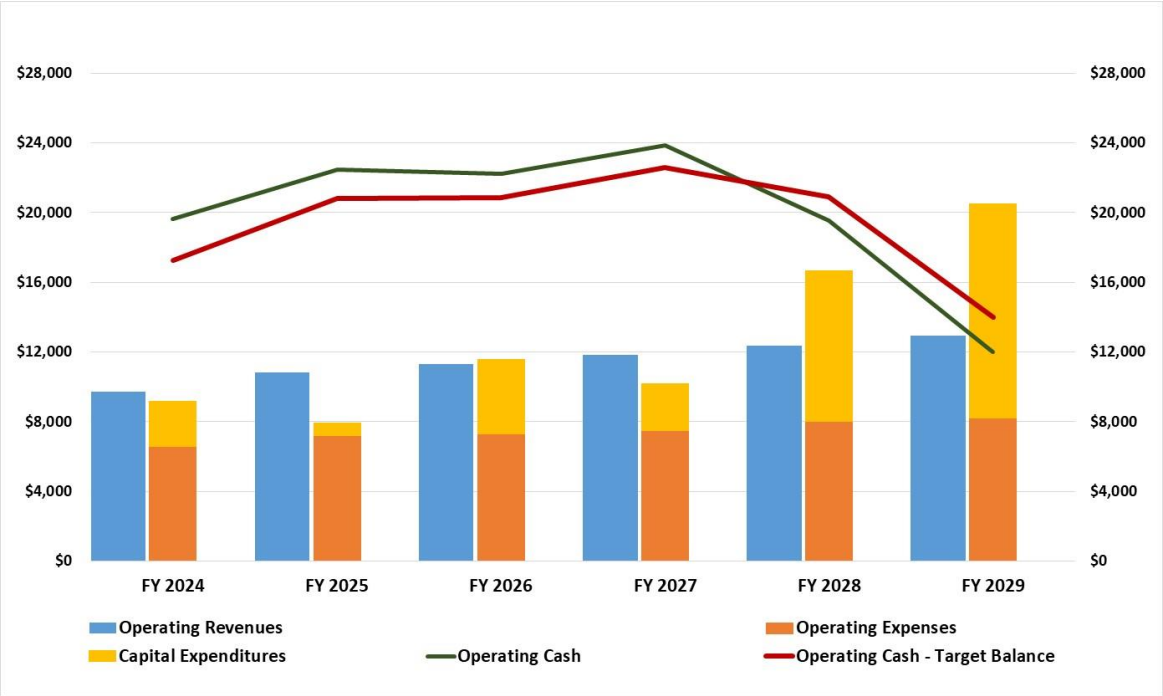
(in 000s)

Table 15 – Operating Results - Initial 10% Increase Followed by 3% Increases

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Results						
Operating Revenue	\$9,723	\$10,808	\$11,304	\$11,823	\$12,368	\$12,939
Operating Expenditures	<u>6,566</u>	<u>7,224</u>	<u>7,277</u>	<u>7,488</u>	<u>8,007</u>	<u>8,236</u>
Operating Income	\$3,157	\$3,584	\$4,027	\$4,335	\$4,361	\$4,703
Non-operating Revenues/(Expenses)	\$0	\$0	\$0	\$0	\$0	\$0
Transfers In/(Out)	<u>(\$38)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Surplus/(Shortfall)	\$3,119	\$3,584	\$4,027	\$4,335	\$4,361	\$4,703
Operating Cash						
Beginning Balance	\$19,128	\$19,623	\$22,486	\$22,215	\$23,866	\$19,560
Surplus/(Shortfall)	\$3,119	\$3,584	\$4,027	\$4,335	\$4,361	\$4,703
Capital Expenditures	(\$2,623)	(\$722)	(\$4,297)	(\$2,683)	(\$8,666)	(\$12,277)
Ending Balance	\$19,624	\$22,485	\$22,216	\$23,867	\$19,561	\$11,986
Comparison to Operating Cash Target						
Target Cash Balance	\$17,255	\$20,809	\$20,863	\$22,575	\$20,923	\$13,983
Projected Ending Cash Balance	\$19,624	\$22,485	\$22,216	\$23,867	\$19,561	\$11,986
Above/(Below) Target	\$2,369	\$1,676	\$1,353	\$1,292	(\$1,362)	(\$1,997)

(in 000s)

Chart 2 – Operating Results and Cash Balance – 10% Increase Followed by 3% Increases



(in 000s)

7 Scenario 3 – Operating Results with 15% Increase Followed by 3% Increases

Table 16 – Revenues – Initial 15% Followed by 3% Increases

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Revenue						
Property Assessment	5,997	7,034	7,390	7,764	8,157	8,570
Tip Fees	2,421	2,909	3,056	3,211	3,374	3,544
Special Assessments	280	283	286	289	292	295
Miscellaneous Revenue	<u>1,025</u>	<u>1,005</u>	<u>1,016</u>	<u>1,026</u>	<u>1,036</u>	<u>1,046</u>
Total Operating Revenue	\$9,723	\$11,231	\$11,748	\$12,290	\$12,859	\$13,455
Average Percent Change in Revenue		15.5%	4.6%	4.6%	4.6%	4.6%
Customer Rates						
Annual Assessment Fee per Unit	\$80.73	\$92.84	\$95.62	\$98.49	\$101.45	\$104.49
Regular Tip Fee per Ton	\$31.05	\$35.71	\$36.78	\$37.88	\$39.02	\$40.19
Number of Units						
Parcels	74,284	75,770	77,285	78,831	80,408	82,016
Annual Gate Fee Tons	73,242	74,707	76,201	77,725	79,279	80,865

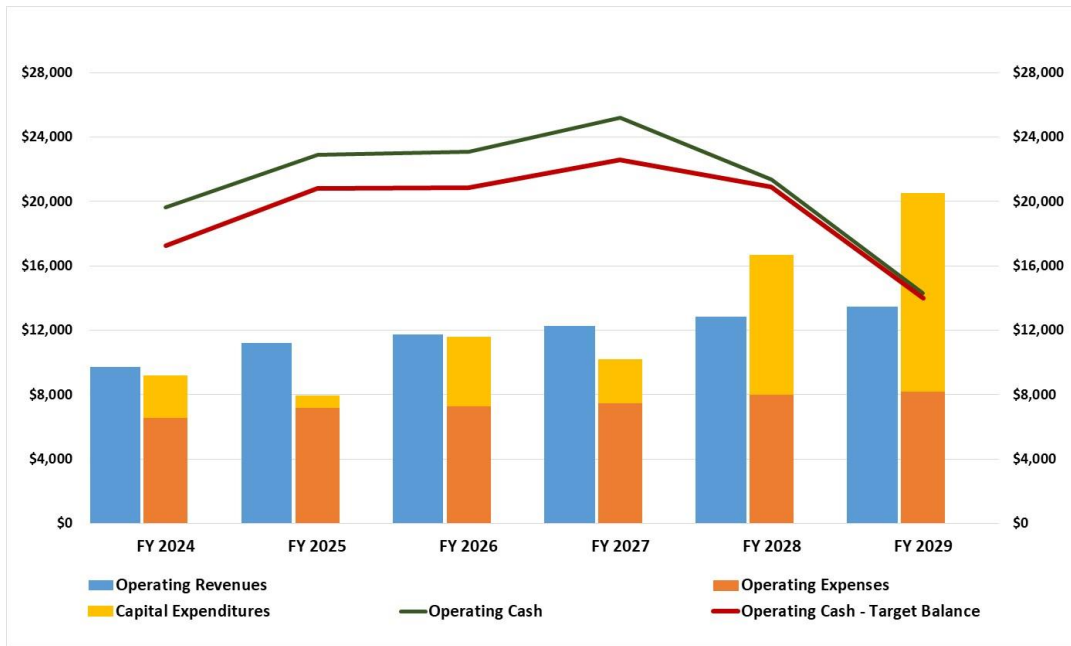
(in 000s)

Table 17 – Operating Results and Cash - Initial 15% Followed by 3% Increases

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Results						
Operating Revenue	\$9,723	\$11,231	\$11,748	\$12,290	\$12,859	\$13,455
Operating Expenditures	<u>6,566</u>	<u>7,224</u>	<u>7,277</u>	<u>7,488</u>	<u>8,007</u>	<u>8,236</u>
Operating Income	\$3,157	\$4,007	\$4,471	\$4,802	\$4,852	\$5,219
Non-operating Revenues/(Expenses)	\$0	\$0	\$0	\$0	\$0	\$0
Transfers In/(Out)	<u>(\$38)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Surplus/(Shortfall)	\$3,119	\$4,007	\$4,471	\$4,802	\$4,852	\$5,219
Operating Cash						
Beginning Balance	\$19,128	\$19,623	\$22,910	\$23,084	\$25,202	\$21,387
Surplus/(Shortfall)	\$3,119	\$4,007	\$4,471	\$4,802	\$4,852	\$5,219
Capital Expenditures	(\$2,623)	(\$722)	(\$4,297)	(\$2,683)	(\$8,666)	(\$12,277)
Ending Balance	\$19,624	\$22,908	\$23,084	\$25,203	\$21,388	\$14,329
Comparison to Operating Cash Target						
Target Cash Balance	\$17,255	\$20,809	\$20,863	\$22,575	\$20,923	\$13,983
Projected Ending Cash Balance	\$19,624	\$22,908	\$23,084	\$25,203	\$21,388	\$14,329
Above/(Below) Target	\$2,369	\$2,099	\$2,221	\$2,628	\$465	\$346

(in 000s)

Chart 3 – Operating Results and Cash Balance - Initial 15% Followed by 3% Increases



(in 000s)

8 Scenario 4 – Operating Results with One-time 20% Increase

Table 18 – Projected Revenues if Rates – One-time 20% Adjustment

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Revenue						
Property Assessment	5,997	7,340	7,487	7,637	7,790	7,945
Tip Fees	2,421	3,027	3,088	3,149	3,212	3,277
Special Assessments	280	283	286	289	292	295
Miscellaneous Revenue	<u>1,025</u>	<u>1,005</u>	<u>1,016</u>	<u>1,026</u>	<u>1,036</u>	<u>1,046</u>
Total Operating Revenue	\$9,723	\$11,655	\$11,877	\$12,101	\$12,330	\$12,563
Average Percent Change in Revenue		19.9%	1.9%	1.9%	1.9%	1.9%
Customer Rates						
Annual Assessment Fee per Unit	\$80.73	\$96.88	\$96.88	\$96.88	\$96.88	\$96.88
Regular Tip Fee per Ton	\$31.05	\$37.26	\$37.26	\$37.26	\$37.26	\$37.26
Number of Units						
Parcels	74,284	75,770	77,285	78,831	80,408	82,016
Annual Gate Fee Tons	73,242	74,707	76,201	77,725	79,279	80,865

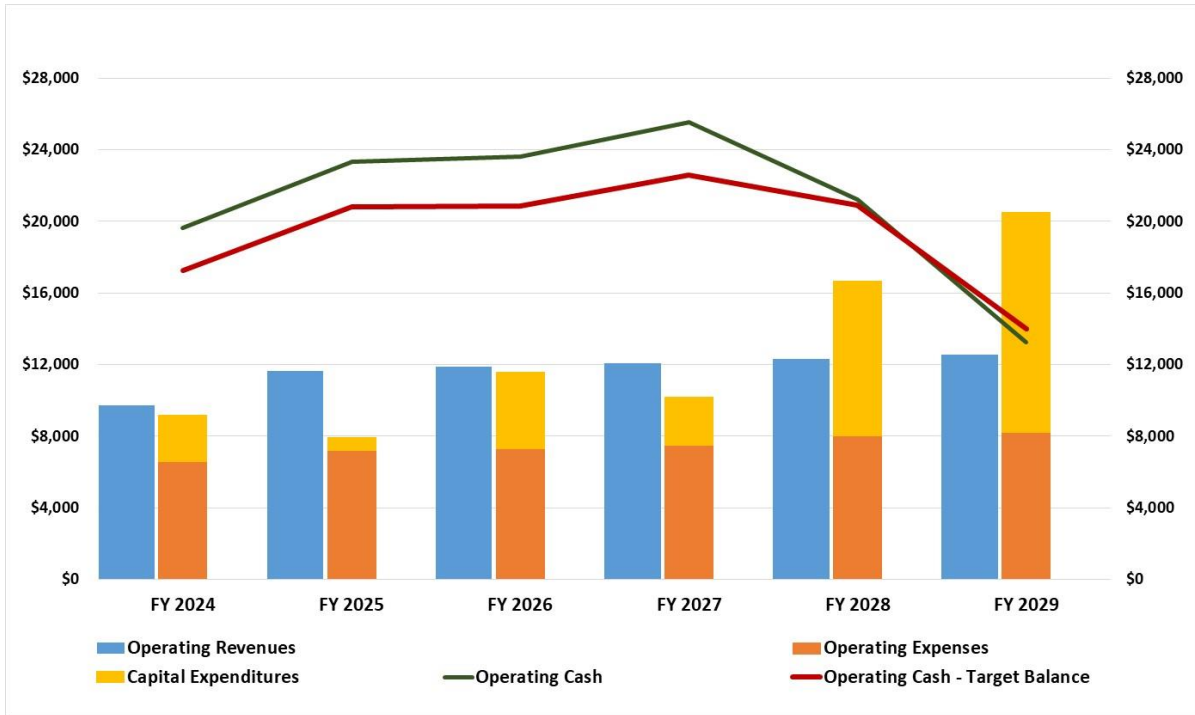
(in 000s)

Table 19 – Projected Operating Results and Cash Balance - One-time 20% Adjustment

Description	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029
Operating Results						
Operating Revenue	\$9,723	\$11,655	\$11,877	\$12,101	\$12,330	\$12,563
Operating Expenditures	<u>6,566</u>	<u>7,224</u>	<u>7,277</u>	<u>7,488</u>	<u>8,007</u>	<u>8,236</u>
Operating Income	\$3,157	\$4,431	\$4,600	\$4,613	\$4,323	\$4,327
Non-operating Revenues/(Expenses)	\$0	\$0	\$0	\$0	\$0	\$0
Transfers In/(Out)	<u>(\$38)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Surplus/(Shortfall)	\$3,119	\$4,431	\$4,600	\$4,613	\$4,323	\$4,327
Operating Cash						
Beginning Balance	\$19,128	\$19,623	\$23,333	\$23,635	\$25,565	\$21,221
Surplus/(Shortfall)	\$3,119	\$4,431	\$4,600	\$4,613	\$4,323	\$4,327
Capital Expenditures	(\$2,623)	(\$722)	(\$4,297)	(\$2,683)	(\$8,666)	(\$12,277)
Ending Balance	\$19,624	\$23,332	\$23,636	\$25,565	\$21,222	\$13,271
Comparison to Operating Cash Target						
Target Cash Balance	\$17,255	\$20,809	\$20,863	\$22,575	\$20,923	\$13,983
Projected Ending Cash Balance	\$19,624	\$23,332	\$23,636	\$25,565	\$21,222	\$13,271
Above/(Below) Target	\$2,369	\$2,523	\$2,773	\$2,990	\$299	(\$712)

(in 000s)

Chart 4 – Operating Results and Cash Balance - One-time 20% Adjustment



(in 000s)

9 Recommended Fee Adjustment

Based on our review and analysis, we recommend that the District adjust its tipping fees and assessment fees as shown below in Table 20. We believe these fee adjustments will enable the District to best meet its current and long term financial objectives.

Table 20 – Recommended Fee Adjustments – Scenario 3

Description	Current	Effective November 1, 2024	Effective November 1, 2025	Effective November 1, 2026	Effective November 1, 2027	Effective November 1, 2028
Landfill Tip Fee	\$31.05	\$35.71	\$36.78	\$37.88	\$39.02	\$40.19
Percent Change		15.0%	3.0%	3.0%	3.0%	3.0%
Assessment Fee	\$80.73	\$92.84	\$95.62	\$98.49	\$101.45	\$104.49
Percent Change		15.0%	3.0%	3.0%	3.0%	3.0%