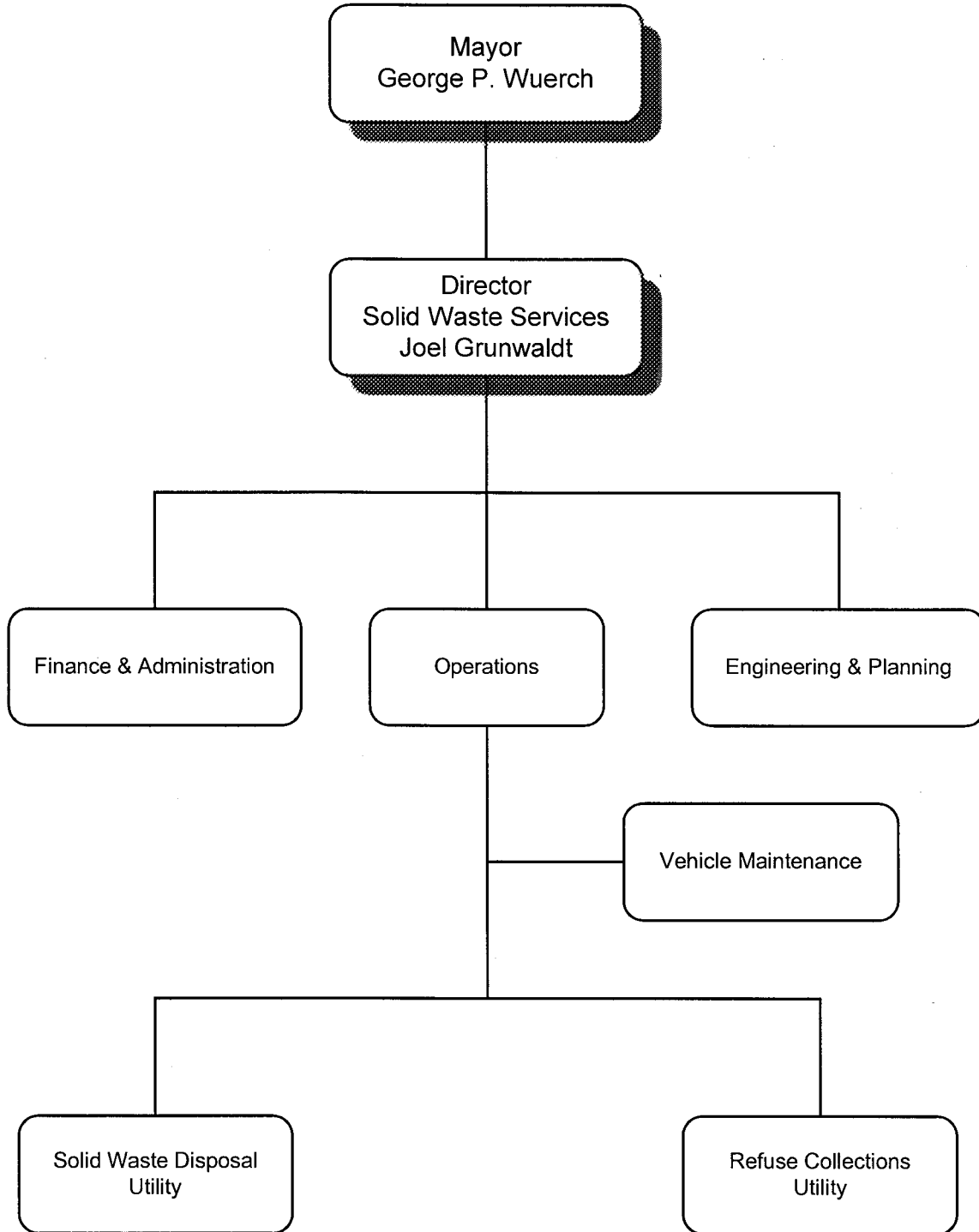


SOLID WASTE SERVICES

Organizational Chart



SOLID WASTE SERVICES UTILITY PROFILE

ORGANIZATION: Solid Waste Services (SWS) is composed of two separate utilities. The Refuse Collections Utility provides refuse collection service to residential and commercial customers in the City of Anchorage Service Area. The Solid Waste Disposal Utility operates multiple transfer stations and a regional landfill providing affordable and environmentally responsible services for the entire Municipality. SWS is divided into four organizations. The organizations include Refuse Collections and Solid Waste Disposal, which are separate operating utilities, and Vehicle Maintenance and Administration, which are support organizations that fully charge out to Refuse Collections and Disposal Utilities.

The profile for both Refuse Collections Utility and Solid Waste Disposal are shown separately below:

REFUSE COLLECTIONS UTILITY

HISTORY: Refuse Collections Utility was originally owned by the former City of Anchorage. When the City and Borough merged in 1975 the Municipality of Anchorage became the new owner. Since at least 1952 there has been mandatory service for all residents who live in the Refuse Collections Utility service area.

SERVICE: Refuse Collections Utility serves the service area of the former City of Anchorage, which is approximately 20% of the population of the Municipality of Anchorage. The Refuse Collections Utility has three main types of collection vehicles. They are frontload, rearload, and sideload. The frontload vehicles are used to empty dumpsters and normally handle commercial or multifamily residential. Rearload vehicles service mainly can/bag residential and a few two-yard dumpsters. Sideload vehicles service residential can/bag only. Refuse Collections Utility services approximately 4,660 dumpsters per week, and 12,125 can/bag pickups per week. Refuse Collections Utility operates six dumpster routes per day M-F and two routes on Saturday, six sideload routes per day M-F, one rearload route per day M-F, and one-half rearload route on Saturday.

REGULATION: Refuse Collections Utility is regulated by the Regulatory Commission of Alaska as having the right to collect solid waste, but is not economically regulated.

Refuse Collections Utility as a part of Solid Waste Services also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital

budget, rules, regulations, and administrative guidelines for the Refuse Collections Utility.

ENVIRONMENTAL MANDATES: Although there are no specific state or federally mandated regulations for Refuse Collections there are a number of federal and state mandated regulations that the Refuse Collections Utility must comply with. These regulations include but are not limited to the Federal Clean Air Act, The Clean Water Act and OSHA. These regulations have and will continue to have an economic and operational impact on Refuse Collections Utility.

PHYSICAL PLANT:

Specialized truck fleet

- 8 frontload trucks for dumpster collection
- 2 rearload trucks for curbside pickup and small dumpsters
- 8 sideload trucks for curbside pickup only

Refuse Collections warm storage building, a 27,000 square foot building that contains vehicle maintenance and storage space and administrative offices.

SOLID WASTE DISPOSAL

HISTORY: The Municipal landfill at Merrill Field was closed during 1987 following approximately 50 years of usage. This brings the total of closed, official landfill sites within the Municipality of Anchorage to five. The Anchorage Regional Landfill (ARL), an award winning "state-of-the-art" fully lined modern landfill, was built in 1987 and is the only operating landfill in MOA.

SERVICE: The Solid Waste Disposal Utility serves the entire MOA. The services include the disposal of solid waste and collection of household hazardous waste. Normal solid waste is received at any of the four transfer stations located within MOA. The waste is then transported by the Utility to ARL for final disposal.

The ARL has a total land area of approximately 275 acres and is being developed in phases called cells. Currently 6 out of a total of 12 base cells have been constructed. ARL is projected to have a total capacity in excess of 42.3 million cubic yards. It is estimated that ARL will reach full capacity in the year 2043. In 2000, 348,807 tons were deposited in ARL.

Solid Waste Disposal Utility also operates four transfer stations. They are located at Girdwood, midtown Anchorage (Central Transfer Station-CTS), next to Fort Richardson, and ARL. They allow Solid Waste Disposal Utility to restrict access to the face of the landfill. CTS, by far, receives the largest amount of solid waste, having received over 235,040 tons in 2000 CTS has a total capacity of 1,600 tons per day. The Solid Waste

Disposal Utility operates a fleet of 20 transfer tractor and trailers that transport the solid waste from CTS. The trailers have a capacity of 120 yards each.

Household hazardous waste can be dropped off at CTS or the Hazardous Waste Facility located at ARL. The hazardous waste is then handled by a contractor who puts the hazardous waste in proper containers and safely ships the containers out of state to federally approved hazardous waste disposal sites. In March 2000 a new program that allows citizens to take good, usable hazardous materials at no cost to them was successfully implemented. More than 8,000 items, totaling 3,114 gallons of waste were diverted from being disposed.

Solid Waste Disposal Utility had a 6,000 square foot household hazardous waste collection facility built in 1989. The facility located at ARL is operated by a private contractor. In 1992 the facility was the only Hazardous Waste facility in North America to receive Solid Waste Association of North America's "System Excellence" award. Through 2000 the facility has collected a total of 11.22 million pounds of hazardous waste that otherwise may have been improperly disposed of in the landfill, storm drain system or people's backyards.

REGULATION: The Solid Waste Disposal Utility is not economically regulated by any non-municipal agencies. However, the Utility operates under numerous permits and many EPA regulations. ARL is operated under a permit issued by the Alaska Department of Environmental Conservation. This permit must be renewed every five years. The Disposal Utility operates under two permits from AWWU for industrial water discharge. ARL has permits from the US Department of Fish and Wildlife and the Alaska Department of Fish and Game for bird predation. ARL construction and certain operations must comply with the EPA Resource Conservation and Recovery Act (RCRA) subtitle D.

The Solid Waste Disposal Utility, as a part of Solid Waste Services, also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital budget, rules, regulations, and administrative guidelines for the Utility.

ENVIRONMENTAL MANDATES: The Solid Waste Disposal Utility must operate under and comply with numerous environmental mandates. These mandates have a significant economic impact on the cost of operations and construction for the Utility. The main environmental mandates that have a significant impact on the Disposal Utility are RCRA subtitle D, Clean Air Act, Clean Water Act, SARA Title 3 (Super Fund), NESAP (asbestos), and NPDES (storm water discharge). It is projected that in the future the environmental mandates regarding operating and constructing a landfill will become even more stringent.

PHYSICAL PLANT:

Anchorage Regional Landfill

- 275 acres, estimated to last through the year 2043
- 43 million cubic yard capacity
- Phased construction of cells lasting four to five years each
- Currently have constructed six of the twelve base cells
- Located on municipal land
- Scalehouse and 22,000 square foot shop and storage facility
- Heavy equipment fleet: dozers, loaders, dump trucks, boom truck, water truck, leachate trucks, tankers, lube trucks, grader and compactors
- Two leachate storage, treatment lagoons with a 2.9 million gallon capacity

Four transfer stations provide intermediate disposal, easy access for public

- Girdwood, Central, Ft. Richardson and ARL
- 20 transfer tractor and trailers haul from stations to landfill

Hazardous waste management

- 6000 sq. ft collection facility for household hazardous waste
- Opened in 1989, operated by private contractor
- Received the only "System Excellence Award" in North America from Solid Waste Association of North America

SOLID WASTE SERVICES 2002 OPERATING AND CAPITAL BUDGET ASSUMPTIONS

Below are general and specific budget assumptions/guidelines provided to Refuse Collections and Solid Waste Disposal for preparation of the 2002 Operating and Capital Budgets.

- Refuse Collections Utility will continue to hold the Alaska Regulatory Commission Certificate for collecting in the City Service Area.
- Refuse Collections and Solid Waste Disposal Utilities will continue under Municipal ownership in 2002.
- No rate increases should be proposed in 2002 unless all possible budget reductions have been first fully considered and if one or more of the following conditions can be demonstrated:
 - Debt service coverage not adequate.
 - Projected cash reserves for working capital not adequate on a sustained basis to cover operating costs during 2001/02.
 - Debt/equity ratio projected to fall below criteria established by the regulatory body authorized to oversee the utility.
 - Increased rate revenue is determined to be the most prudent funding source for maintaining the utility's plant in a cost-effective working condition.
- The mill rates for MUSA (in lieu of taxes) will be the same as 2001 mill rates. The 1.25% MUSA applies only to the Solid Waste Disposal Utility.
- There will be no revenue distributions.
- New debt service interest on revenue bonds assumed to be 6.0%. Interest income calculated assuming a rate of 5.0%.
- The IGC's from General Government are based on the 2002 Preliminary Operating Budget.
- Anchorage's population will be approximately 261,000 in 2001 and 262,000 in 2002.
- In general, inflation (i.e., CPI – all urban consumers) is anticipated to approximate 2.0% in 2002.
- No account specific inflation multipliers were used by Solid Waste Services. For future years (2003-2007), Solid Waste Services assumed inflation to be 2.0% per year.

SOLID WASTE SERVICES

Highlights and Future Events

REFUSE COLLECTIONS UTILITY

The Refuse Collections Utility historically has been a very stable utility with respect to its customer base, operating expense and revenues. Overall the 2002 Refuse Collections budget expense will increase by 1.9% from the 2001 budget. Revenues are projected to remain about the same. The last rate change occurred in 1990 and none are projected for the near term future. In 2002 the utility will continue to make available to commercial customers, the use of larger sized dumpsters, a program initiated in mid-2000.

Funding to determine a variable (volume based) rate for the residential customers as recommended in the Waste Reduction and Recycling Management Plan has been included in the 2002 Operating budget.

The Refuse Collections Utility capital budget will remain stable only replacing vehicles and containers as needed.

SOLID WASTE DISPOSAL UTILITY

In 2000 the amount of solid waste (348,807 tons) handled by the Solid Waste Disposal Utility increased by 2.28% over 1999. Most of the significant increase is attributable to waste originating from construction and demolition activities on Fort Richardson, for which the utility receives no revenue. Solid Waste Services believes the annual waste quantity will remain at this high level for a number of years yet.

Overall the Solid Waste Disposal Utility's 2002 budgeted expense is projected to decrease by 0.26% from the 2001 budget and revenues will increase by 3.07%. One new position for hauling waste from the Central Transfer Station to the landfill has been added. In spite of some inflationary increases in certain expense accounts, the increases have been largely offset by a \$275,760 reduction interest expense for Federal Clean Water Loan Funds used to construct the last two Landfill Cells.

Funding for the recycle grants program and increased materials recovery at the Anchorage Regional Landfill and Central Transfer Station is again included in the 2002 Operating budget.

In the spring of 2000, landfill gases along the northwesterly edge of the former Merrill Field Landfill facility were noted to increase slightly. The existing extraction system was originally installed so it could be extended to the area. At this time there is insufficient

information to know if an extension is necessary, but if it does, an amendment to the 2002 Operating budget may be required.

The Solid Waste Disposal Capital budget for 2002 includes funding primarily for replacement vehicles and equipment, which continues throughout the five projection years. The 2002 Capital budget includes funds to begin the planning necessary for designing a Landfill Closure Plan and construction is anticipated to begin in 2003. It is anticipated an active gas extraction system will be required by regulation in 2003 and funds for it have been budgeted in the 2003 and 2004 period. Beginning in 2004, the utility will design the next cell (#7) for Anchorage Regional Landfill and construct in 2005. The funding source for these projects is expected to be existing Landfill Closure Funds being expensed annually and the Alaska Clean Water Loan funds, which have a low interest rate, compared to other funding sources.

Budget Impacts

SOLID WASTE SERVICES – REFUSE COLLECTIONS

Overall the Refuse Collections 2002 operating budget is projected to increase 1.9% compared to the 2001 approved budget. No single account changes significantly.

SOLID WASTE SERVICES – DISPOSAL UTILITY

Overall the Solid Waste Disposal 2002 operating budget is projected to increase 0.26% compared to the 2001 approved budget. A significant reduction in interest rate for the Federal Clean Water Loan Funds used to construct Cells 4/5 and 6 at the Anchorage Regional is nearly offsetting other projected inflationary increases.

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS		Actual 1997	Actual 1998	Actual 1999	Actual 2000	Proforma 2001	Budget 2002	Forecast 2003	Forecast 2004	Forecast 2005	Forecast 2006	Forecast 2007
Financial Overview												
Revenues		5,787	5,795	5,762	5,915	5,903	5,859	5,879	5,928	5,957	6,046	6,119
Expenses		5,381	5,382	5,303	5,268	5,692	5,708	5,751	5,774	5,797	5,812	5,852
Net Income (Regulatory)		406	413	459	647	211	151	128	155	160	234	267
Workforce Authorized per Budget (FT)*		20	20	20	20	20	20	20	20	20	20	20
Capital Improvement Program		397	562	366	704	402	459	471	478	463	469	491
Bond Sales		0	0	0	0	0	0	0	0	0	0	0
Net Plant (12/31)		2,921	2,994	2,963	3,102	2,971	2,895	2,820	2,740	2,662	2,607	2,566
Utility Revenue Distribution		0	0	0	0	0	0	0	0	0	0	0
Retained Earnings (12/31)		6,631	7,040	7,502	8,149	8,360	8,510	8,640	8,790	8,950	9,180	9,450
General Cash Pool		4,899	4,893	5,101	5,474	5,519	5,441	5,324	5,229	5,816	6,104	6,413
Construction Cash Pool		324	333	440	193	200	200	200	200	200	200	200
Bond Redemption Cash		351	351	351	350	350	350	350	350	0	0	0
Total Cash (12/31)		5,574	5,577	5,891	6,017	6,069	5,991	5,874	5,779	6,016	6,304	6,613
IGC's - General Government		1,175	127	177	218	199	178	182	185	189	193	197
MUSA - 1.25%		0	0	0	0	0	0	0	0	0	0	0
MUSA - Regular		53	54	54	53	56	55	53	52	50	49	48
Total Outstanding Debt		2,045	1,790	1,525	1,245	955	650	330	0	0	0	0
Total Annual Debt Service		359	357	354	355	352	351	348	339	0	0	0
Debt Service Coverage		2.81	2.75	3.03	3.57	2.45	2.24	2.17	2.28	N.A.	N.A.	N.A.
Debt/Equity Ratio		23/77	20/80	17/83	13/87	10/90	7/93	4/96	0/100	0/100	0/100	0/100
Rate Change Percent**												
Residential Cost (\$15.00/Mo)**												
Commercial (3Yd-1x/Wk) (\$50.50/Mo)**												
Statistical/Performance Trends												
Waste Collected (Tons)		45,611	45,382	44,287	44,668	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Average Residential Services		12,111	12,102	12,121	12,116	12,118	12,118	12,142	12,167	12,191	12,215	12,240
Average Dumpsters Services		4,810	4,743	4,789	4,776	4,775	4,660	4,683	4,707	4,730	4,754	4,778

* Excludes budgeted positions for SWS Admin (18) and Vehicle Maintenance (8)

** Last rate increase was in 1990

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL		Actual 1997	Actual 1998	Actual 1999	Actual 2000	Proforma 2001	Budget 2002	Forecast 2003	Forecast 2004	Forecast 2005	Forecast 2006	Forecast 2007
Financial Overview												
Revenues		14,275	14,245	14,799	15,513	15,251	15,363	15,513	15,472	15,344	15,454	15,602
Expenses		12,612	11,395	11,160	12,417	12,838	13,003	13,191	13,376	13,690	13,952	14,019
Net Income (Regulatory)		1,663	2,850	3,639	3,096	2,414	2,360	2,322	2,096	1,654	1,502	1,583
Workforce Authorized per Budget (FT)*		32	32	32	32	32	33	33	33	33	33	33
Capital Improvement Program		347	5,162	5,564	1,599	1,195	1,402	5,103	6,904	9,309	1,211	1,578
Bond Sales/ New Debt		0	0	7,425	905	73	0	0	500	7,682	0	0
Net Plant (12/31)		40,662	39,886	38,673	46,689	45,532	44,434	46,913	50,994	57,267	55,136	53,392
Utility Revenue Distribution		0	200	0	0	0	0	0	0	0	0	0
Retained Earnings (12/31)		11,821	14,470	18,430	21,526	23,940	26,300	28,621	30,717	32,371	33,873	35,456
General Cash Pool		3,540	4,377	5,356	7,491	11,074	11,139	7,463	2,313	1,557	1,506	3,445
Future Landfill Closure Cash Reserve		5,753	6,562	7,292	8,038	8,783	9,522	10,267	11,018	11,774	12,536	13,303
Construction Cash Pool		1,677	(1,039)	2,952	3,384	300	300	300	300	300	300	300
Bond Redemption Cash		371	371	371	370	370	370	370	370	370	370	370
Total Cash (12/31)		11,341	10,271	15,971	19,283	20,527	21,331	18,400	14,001	14,001	14,712	17,418
IGC's - General Government		147	180	281	373	319	304	310	317	323	329	336
MUSA - 1.25%		149	164	160	166	172	173	171	173	174	175	177
MUSA - Regular		423	526	515	489	587	571	671	798	960	1,015	1,078
Total Outstanding Debt		30,603	28,273	33,274	31,638	28,553	25,352	22,027	18,556	22,612	18,738	17,158
Total Annual Debt Service		3,919	3,904	3,879	3,877	4,485	4,283	4,257	4,244	4,226	3,904	1,502
Revenue Bond Coverage		5.50	5.76	6.49	6.34	3.77	4.07	4.14	4.14	4.02	4.07	4.16
Debt/Equity Ratio		64/36	59/41	59/41	55/45	50/50	45/55	39/61	34/66	37/63	32/68	29/71
Rate Change Percent												
User Rate/Ton (\$45.00/Ton)**												
Pickup Rate (\$10.00/Load)***												
Car Rate (\$5.00/Load)**												
Statistical/Performance Trends												
Tons Disposed		309,267	303,618	341,017	348,807	348,110	345,500	348,090	350,700	353,330	355,980	358,650
Vehicle Count		200,742	211,280	236,817	242,227	241,743	239,931	241,729	243,542	245,368	247,208	249,063

* Excludes budgeted positions for SWS Admin (18) and Vehicle Maintenance (8)

** Last rate increase was in 1989

*** Rate was increased from \$5 to \$10 as an equity adjustment in 1993.

SOLID WASTE SERVICES WORK FORCE PROJECTIONS

<u>BUDGET UNIT</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
ADMINISTRATION:							
Regular Fulltime	18	18	18	18	18	18	18
REFUSE COLLECTIONS:							
Regular Fulltime	20	20	20	20	20	20	20
Regular Parttime	0	0	0	0	0	0	0
Temporary	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Budgeted Positions Subtotal	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>
SOLID WASTE DISPOSAL							
Regular Fulltime	32	33	33	33	33	33	33
Regular Parttime	5	5	5	5	5	5	5
Temporary	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Budgeted Positions Subtotal	<u>44</u>	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>
VEHICLE MAINTENANCE							
Regular Fulltime	8	8	8	8	8	8	8
TOTAL SOLID WASTE SERVICES							
Regular Fulltime	78	79	79	79	79	79	79
Regular Parttime	5	5	5	5	5	5	5
Temporary	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
TOTAL	<u>92</u>	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>

REFUSE COLLECTIONS UTILITY STATEMENT OF REVENUE AND EXPENSES

	<u>2000</u> <u>ACTUAL</u>	<u>2001</u> <u>PROFORMA</u>	<u>2002</u> <u>BUDGET</u>
OPERATING REVENUE			
Commercial Collections	3,036,464	3,014,600	3,021,130
Residential Collections	2,175,147	2,183,470	2,183,470
Other Collections	33,789	35,000	35,000
Container Rental Fees	241,090	239,400	240,540
TOTAL OPERATING REVENUE	5,486,490	5,472,470	5,480,140
OPERATING EXPENSE			
Labor	1,173,565	1,288,200	1,356,390
Supplies	22,526	43,860	43,860
Contracted Services	62,805	176,070	160,640
Utilities	38,141	46,000	46,000
Other Expenses	99,843	122,340	125,030
Depreciation	490,784	533,090	534,660
MUSA	52,569	55,840	54,560
SWS Disposal Fees	2,010,047	2,025,000	2,025,000
IGC'S	1,243,400	1,339,310	1,316,370
TOTAL OPERATING EXPENSE	5,193,680	5,629,710	5,662,510
OPERATING INCOME	292,810	(157,240)	(182,370)
NON-OPERATING REVENUE			
Sale of Assets	30,136	0	0
Interest Income	375,060	407,650	356,060
Other Revenue	23,089	22,500	22,500
TOTAL NON-OPERATING REVENUE	428,285	430,150	378,560
NON-OPERATING EXPENSE			
Interest on Long-term Debt	74,587	62,210	45,610
TOTAL NON-OPERATING EXPENSE	74,587	62,210	45,610
NET INCOME (REGULATORY)	646,508	210,700	150,580
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	646,508	210,700	150,580

REFUSE COLLECTIONS UTILITY STATEMENT OF SOURCES AND USES OF CASH

	2000 <u>ACTUAL</u>	2001 <u>PROFORMA</u>	2002 <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income GAAP	646,508	210,700	150,580
Depreciation	490,784	533,090	534,660
Grants	0	0	0
Bonds	0	0	0
Other	0	0	0
TOTAL SOURCES OF CASH FUNDS	<u>1,137,292</u>	<u>743,790</u>	<u>685,240</u>
USES OF CASH FUNDS:			
Additions to Plant	704,447	401,800	458,740
Bond Principal Payment	280,000	290,000	305,000
Other	27,040	0	0
TOTAL USES OF CASH FUNDS	<u>1,011,487</u>	<u>691,800</u>	<u>763,740</u>
NET INCREASE (DECREASE) IN CASH FUNDS	125,805	51,990	(78,500)
CASH BALANCE JANUARY 1,	5,891,358	6,017,160	6,069,150
CASH BALANCE DECEMBER 31,	<u><u>6,017,163</u></u>	<u><u>6,069,150</u></u>	<u><u>5,990,650</u></u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	5,473,582	5,519,150	5,440,650
Equity In Construction Cash Pool	193,395	200,000	200,000
Bond Redemption Cash	350,186	350,000	350,000
TOTAL CASH DECEMBER 31,	<u><u>6,017,163</u></u>	<u><u>6,069,150</u></u>	<u><u>5,990,650</u></u>

REFUSE COLLECTIONS UTILITY 2002 OPERATING BUDGET DETAIL

	2000 ACTUAL	2001 PROFORMA	2002 BUDGET
Labor			
Wages	778,351	860,620	896,140
Overtime	57,341	66,070	67,610
Benefits	337,873	361,510	392,640
Other	0	0	0
Subtotal	<u>1,173,565</u>	<u>1,288,200</u>	<u>1,356,390</u>
Supplies			
Office supplies	2,841	3,060	3,060
Operating Supplies	16,388	25,500	25,500
Repair and Maintenance Supplies	3,297	15,300	15,300
Subtotal	<u>22,526</u>	<u>43,860</u>	<u>43,860</u>
Other Expenses			
Professional Services	11,089	74,060	45,000
Contractual Services	51,716	102,010	115,640
Utilities	38,141	46,000	46,000
Other Expenses	99,843	122,340	125,030
Depreciation	490,784	533,090	534,660
MUSA	52,569	55,840	54,560
SWS Disposal Charges	2,010,047	2,025,000	2,025,000
Subtotal	<u>2,754,189</u>	<u>2,958,340</u>	<u>2,945,890</u>
Intergovernmental Charges			
Solid Waste Administration	592,009	654,280	660,120
Solid Waste Vehicle Maintenance	419,181	473,000	465,000
Solid Waste Disposal	39,115	38,100	38,100
General Government IGC's	218,094	198,930	178,150
Charges to Others	(25,000)	(25,000)	(25,000)
Subtotal	<u>1,243,400</u>	<u>1,339,310</u>	<u>1,316,370</u>
Interest on Long-term Debt	74,587	62,210	45,610
TOTAL EXPENSES	<u><u>5,268,267</u></u>	<u><u>5,691,920</u></u>	<u><u>5,708,120</u></u>

**REFUSE COLLECTIONS UTILITY
2002-2007 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT CATEGORY	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTAL</u>
VEHICLE REPLACEMENT	344	356	363	348	354	376	2,141
CONTAINERS	100	100	100	100	100	100	600
EQUIPMENT	0	0	0	0	0	0	0
OFFICE EQUIPMENT	5	5	5	5	5	5	30
DATA PROCESSING	10	10	10	10	10	10	60
BUILDING IMPROVEMENTS	0	0	0	0	0	0	0
TOTAL	<u>459</u>	<u>471</u>	<u>478</u>	<u>463</u>	<u>469</u>	<u>491</u>	<u>2,831</u>

SOURCE OF FUNDING	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS							
LOAN							
EQUITY/OPERATIONS	459	471	478	463	469	491	2,831
STATE GRANT							
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	<u>459</u>	<u>471</u>	<u>478</u>	<u>463</u>	<u>469</u>	<u>491</u>	<u>2,831</u>

SOLID WASTE DISPOSAL UTILITY STATEMENT OF REVENUE AND EXPENSES

	2000 <u>ACTUAL</u>	2001 <u>PROFORMA</u>	2002 <u>BUDGET</u>
OPERATING REVENUE			
Reimbursed Costs	198,704	200,000	200,000
Disposal Fees	13,783,749	13,717,830	13,567,500
Hazardous Waste Fees	147,525	150,000	150,000
TOTAL OPERATING REVENUE	<u>14,129,978</u>	<u>14,067,830</u>	<u>13,917,500</u>
OPERATING EXPENSE			
Labor	2,498,867	2,620,880	2,788,920
Supplies	57,661	61,650	61,650
Contracted Services	1,732,464	1,692,060	1,745,270
Utilities	329,273	380,000	380,100
Other Expenses	176,386	363,080	373,510
Depreciation (1)	2,220,447	2,158,650	2,306,490
MUSA	655,357	759,590	743,880
Landfill Closure Cost	746,446	744,960	739,370
IGC'S	2,078,946	2,274,350	2,426,340
TOTAL OPERATING EXPENSE	<u>10,495,847</u>	<u>11,055,220</u>	<u>11,565,530</u>
OPERATING INCOME (LOSS)	3,634,131	3,012,610	2,351,970
NON-OPERATING REVENUE			
Sale of Assets	138,089	75,000	90,000
Interest Income	1,018,013	841,000	1,083,320
Other Revenue	63,257	74,100	78,900
TOTAL NON-OPERATING REVENUE	<u>1,219,359</u>	<u>990,100</u>	<u>1,252,220</u>
NON-OPERATING EXPENSE			
Interest on Long-term Debt	1,757,354	1,589,080	1,243,880
TOTAL NON-OPERATING EXPENSE	<u>1,757,354</u>	<u>1,589,080</u>	<u>1,243,880</u>
NET INCOME (REGULATORY)	3,096,136	2,413,630	2,360,310
ADJUSTMENTS FOR GAAP	(164,050)	(193,200)	(193,200)
NET INCOME (LOSS) GAAP	<u><u>2,932,086</u></u>	<u><u>2,220,430</u></u>	<u><u>2,167,110</u></u>

(1) Excludes Amortization of Contributed Plant

SOLID WASTE DISPOSAL UTILITY STATEMENT OF SOURCES AND USES OF CASH

	2000 <u>ACTUAL</u>	2001 <u>PROFORMA</u>	2002 <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income (Loss) GAAP	2,932,086	2,220,430	2,167,110
Depreciation (Includes Contributed Plant)	2,384,498	2,351,850	2,499,690
Future Landfill Closure Costs	746,446	744,960	739,370
Grants	377,833	134,450	0
New Debt	904,732	73,080	0
Other	105,407	0	0
TOTAL SOURCES OF CASH FUNDS	<u>7,451,002</u>	<u>5,524,770</u>	<u>5,406,170</u>
USES OF CASH FUNDS:			
Additions to Plant (CWIP)	1,599,104	1,194,800	1,401,960
Bond Principal Payment	2,080,000	2,195,000	2,325,000
Loan Principal Payment	459,908	890,230	875,670
Other Uses of Cash	0	0	0
Utility Revenue Distribution	0	0	0
TOTAL USES OF CASH FUNDS	<u>4,139,012</u>	<u>4,280,030</u>	<u>4,602,630</u>
NET INCREASE (DECREASE) IN CASH FUNDS	3,311,990	1,244,740	803,540
CASH BALANCE JANUARY 1,	15,971,166	19,283,160	20,527,900
CASH BALANCE DECEMBER 31,	<u>19,283,156</u>	<u>20,527,900</u>	<u>21,331,440</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	7,490,579	11,074,370	11,138,540
Future Landfill Closure Cash Reserve	8,038,573	8,783,530	9,522,900
Equity In Construction Cash Pool	3,383,807	300,000	300,000
Bond Redemption Cash	370,197	370,000	370,000
TOTAL CASH DECEMBER 31,	<u>19,283,156</u>	<u>20,527,900</u>	<u>21,331,440</u>

SOLID WASTE DISPOSAL UTILITY 2002 OPERATING BUDGET DETAIL

	<u>2000</u> <u>ACTUAL</u>	<u>2001</u> <u>PROFORMA</u>	<u>2002</u> <u>BUDGET</u>
Labor			
Wages	1,565,227	1,661,850	1,733,950
Overtime	220,477	205,370	214,260
Benefits	705,356	746,560	832,710
Other	7,807	7,100	8,000
Subtotal	2,498,867	2,620,880	2,788,920
Supplies			
Office Supplies	2,263	2,000	2,000
Operating Supplies	30,741	30,000	30,000
Fuel(Kerosene)	0	350	350
Repair and Maintenance Supplies	24,657	29,300	29,300
Subtotal	57,661	61,650	61,650
Other Expenses			
Professional Services	106,056	162,040	164,000
Utilities	329,273	380,000	380,100
Contractual Services	1,626,408	1,530,020	1,581,270
Other	176,386	363,080	373,510
Depreciation	2,384,498	2,351,850	2,499,690
MUSA, Gross Receipts Tax	655,357	759,590	743,880
Landfill Closure Costs	746,446	744,960	739,370
Subtotal	6,024,424	6,291,540	6,481,820
Interest on Long-term Debt	1,757,354	1,589,080	1,243,880
Intergovernmental Charges			
Solid Waste Administration	781,243	799,680	990,180
Solid Waste Vehicle Maintenance	1,167,996	1,418,990	1,395,000
Other IGC's	372,866	318,780	304,260
Charges to Others	(243,159)	(263,100)	(263,100)
Subtotal	2,078,946	2,274,350	2,426,340
Total Expenses	12,417,252	12,837,500	13,002,610

**SOLID WASTE DISPOSAL UTILITY
2001-2007 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT CATEGORY	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTAL</u>
EQUIPMENT	1,232	1,438	1,389	1,612	1,166	1,563	8,401
ARL IMPROVEMENTS	155	3,650	5,500	7,682	30	0	17,017
OFFICE /DP EQUIPMENT	15	15	15	15	15	15	90
TOTAL	<u>1,402</u>	<u>5,103</u>	<u>6,904</u>	<u>9,309</u>	<u>1,211</u>	<u>1,578</u>	<u>25,508</u>

SOURCE OF FUNDING	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS							
LOAN	0	0	500	7,682	0	0	8,182
EQUITY/OPERATIONS	1,402	5,103	6,404	1,627	1,211	1,578	17,326
STATE GRANT							0
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	<u>1,402</u>	<u>5,103</u>	<u>6,904</u>	<u>9,309</u>	<u>1,211</u>	<u>1,578</u>	<u>25,508</u>