

Petersburg Borough
Utility Rate Study: Sanitation Utility
Summary

Recycling Scenario:

Drop Off Site

| Revenue Requirement | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | | | | |
| Rate Revenues Under Existing Rates | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 |
| Non-Rate Revenues | 11,513 | 10,660 | 10,414 | 10,544 | 10,678 | 10,816 | 10,959 |
| Total Revenues | \$ 1,201,513 | \$ 1,200,660 | \$ 1,200,414 | \$ 1,200,544 | \$ 1,200,678 | \$ 1,200,816 | \$ 1,200,959 |
| Expenses | | | | | | | |
| Cash Operating Expenses | \$ 882,204 | \$ 840,127 | \$ 862,374 | \$ 885,287 | \$ 908,889 | \$ 933,198 | \$ 958,236 |
| Transport and Disposal Contract | 260,000 | 269,100 | 278,519 | 288,267 | 298,356 | 308,798 | 319,606 |
| Existing Debt Service | - | - | - | - | - | - | - |
| New Debt Service | - | - | - | - | - | - | - |
| Additions Required to Meet Reserves | - | - | - | - | - | - | - |
| Total Expenses | \$ 1,142,204 | \$ 1,109,227 | \$ 1,140,892 | \$ 1,173,554 | \$ 1,207,245 | \$ 1,241,996 | \$ 1,277,843 |
| Net Surplus (Deficiency) | \$ 59,309 | \$ 91,433 | \$ 59,522 | \$ 26,990 | \$ (6,566) | \$ (41,180) | \$ (76,884) |
| Additions to Meet Coverage | - | - | - | - | - | - | - |
| Total Surplus (Deficiency) | \$ 59,309 | \$ 91,433 | \$ 59,522 | \$ 26,990 | \$ (6,566) | \$ (41,180) | \$ (76,884) |
| Annual Rate Increase | | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Cumulative Rate Increase | | 0.00% | 2.00% | 4.04% | 6.12% | 8.24% | 10.41% |
| Revenues After Rate Increases | \$ 1,190,000 | \$ 1,190,000 | \$ 1,213,800 | \$ 1,238,076 | \$ 1,262,838 | \$ 1,288,094 | \$ 1,313,856 |
| Additional Taxes from Rate Increase | - | - | - | - | - | - | - |
| Net Cash Flow After Rate Increase | \$ 59,309 | \$ 91,433 | \$ 83,322 | \$ 75,066 | \$ 66,271 | \$ 56,914 | \$ 46,972 |
| Coverage After Rate Increase: Bonded Debt | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Coverage After Rate Increase: Total Debt | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

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Summary

Recycling Scenario:

Drop Off Site

| Fund Balance | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Reserve | | | | | | | |
| Beginning Balance | \$ 343,609 | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 |
| plus: Net Cash Flow after Rate Increase | 59,309 | 91,433 | 83,322 | 75,066 | 66,271 | 56,914 | 46,972 |
| less: Transfer of Surplus to Capital Fund | (108,045) | (105,497) | (75,886) | (67,407) | (58,383) | (48,789) | (38,603) |
| Ending Balance | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| Actual Days of O&M | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days |
| <i>Minimum Balance Requirement</i> | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| <i>Maximum Balance Requirement</i> | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| Capital Reserve | | | | | | | |
| Beginning Balance | \$ 2,830 | \$ 110,924 | \$ 130,812 | \$ 108,202 | \$ 122,866 | \$ 160,889 | \$ 212,494 |
| plus: System Reinvestment Funding | - | - | - | - | - | - | - |
| plus: Transfers from Operating Fund | 108,045 | 105,497 | 75,886 | 67,407 | 58,383 | 48,789 | 38,603 |
| plus: Capital Grants / Other Resources | - | - | - | - | - | - | - |
| plus: Revenue Bond Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 1 Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 2 Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 3 Proceeds | - | - | - | - | - | - | - |
| plus: Interest Earnings | 50 | 1,941 | 2,289 | 1,894 | 2,150 | 2,816 | 3,719 |
| Total Funding Sources | \$ 110,924 | \$ 218,362 | \$ 208,987 | \$ 177,502 | \$ 183,399 | \$ 212,494 | \$ 254,815 |
| less: Capital Expenditures | - | (87,550) | (100,786) | (54,636) | (22,510) | - | - |
| Ending Capital Fund Balance | \$ 110,924 | \$ 130,812 | \$ 108,202 | \$ 122,866 | \$ 160,889 | \$ 212,494 | \$ 254,815 |
| <i>Minimum Target Balance</i> | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Combined Beginning Balance | \$ 346,439 | \$ 405,798 | \$ 411,622 | \$ 396,447 | \$ 418,770 | \$ 464,682 | \$ 524,412 |
| Combined Ending Balance | \$ 405,798 | \$ 411,622 | \$ 396,447 | \$ 418,770 | \$ 464,682 | \$ 524,412 | \$ 575,103 |
| <i>Ending Total Days of Operating Expenditures</i> | 168 days | 179 days | 168 days | 173 days | 187 days | 205 days | 219 days |
| <i>Combined Minimum Target Balance</i> | 294,874 | 280,810 | 288,245 | 295,904 | 303,793 | 311,918 | 320,287 |

Petersburg Borough
Utility Rate Study: Sanitation Utility

Assumptions

| Economic & Financial Factors | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Escalation Rates | | | | | | | |
| General Cost Inflation | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Construction Cost Inflation | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Labor Cost Inflation | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Benefit Cost Inflation | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Labor + Benefits | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Revenue Growth Before Increases | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| MSW Transport & Disposal Agreement | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% |
| Motor Pool Expense for Truck #107 | 0.00% | 0.00% | 375.03% | 0.00% | 0.00% | 0.00% | 0.00% |
| [Extra] | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| [Extra] | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| [Extra] | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| No Escalation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Investment Interest | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% |

| Adjustments to Operating or Capital Spending | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Operating Budget Realization Factor | (100% is default) | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CIP Completion Factor | (100% is default) | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

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Assumptions

| Fund Balance & Financial Policy Assumptions | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|---|------------------------|------------|------------|------------|------------|------------|
| Beginning Fund Balances | | | | | | | |
| Operating Reserve | \$ 343,609 | | | | | | |
| Capital Reserve | \$ 2,830 | | | | | | |
| Debt Reserve | \$ - | | | | | | |
| Total Reserves | \$ 346,439 | | | | | | |
| Total Operating and Capital Cash Test: Days of O&M | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days |
| (Informational only--does not drive rate increases) | | | | | | | |
| Operating Balance: Minimum & Maximum Target | | | | | | | |
| Min. Fund Balance Target (days of O&M expense) | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days |
| Max. Fund Balance (days of O&M expense) | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days |
| Capital Balance: Minimum Target | | | | | | | |
| Select Minimum Capital Fund Option → | <input type="text" value="2"/> | User Input | | | | | |
| 1 % of Plant Assets (Original Cost) | <input type="text" value="\$ 3,469,887"/> | \$ 34,699 | \$ 35,574 | \$ 36,582 | \$ 37,129 | \$ 37,354 | \$ 37,354 |
| % of Total (between 1%-2%) | | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| 2 User Input | <input type="text" value="\$ -"/> | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| System Reinvestment Funding | | | | | | | |
| Select Annual Funding Option → | <input type="text" value="4"/> | No Rate Funded Capital | | | | | |
| <u>Target Amounts</u> | | | | | | | |
| 1 Original Cost Depreciation | \$ 161,283 | \$ 161,283 | \$ 163,034 | \$ 165,050 | \$ 166,143 | \$ 166,593 | \$ 166,593 |
| 2 Estimated Replacement Cost Depreciation | \$ 274,593 | \$ 274,593 | \$ 276,344 | \$ 278,360 | \$ 279,453 | \$ 279,903 | \$ 279,903 |
| 3 Manual User Input | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 No Rate Funded Capital | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Percent Toggle of Selected Funding Target | 0% | 25% | 50% | 75% | 90% | 100% | 100% |
| Funding Target Assumed in Model | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Actual Result w/ Transfers (compared to Annual Depreciation) | 67% | 65% | 47% | 41% | 35% | 29% | 23% |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Recycling Program Scenarios

Historical O&M Expenses for Refuse Collection Trucks

| Equipment Number | Type | FY 2017 Actual | FY 2018 Actual | FY 2019 Actual | FY 2020 Estimate | Total | Notes |
|--------------------------------------|---------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|--|
| #3 | Automated Sideloader | \$ 12,969 | \$ 15,885 | \$ 14,144 | \$ 28,680 | \$ 71,678 | FY 2020 based on annualized estimate from first six months of financial activity |
| #107 | Rearloader | 23,393 | 25,722 | 11,236 | 10,768 | 71,119 | |
| #117 | Automated Sideloader | 41,988 | 16,835 | 13,367 | 14,204 | 86,394 | |
| Total Motor Pool - Vehicles | | \$ 78,350 | \$ 58,442 | \$ 38,747 | \$ 53,653 | \$ 229,191 | FY 2020 is an estimate based on FY 2017 to FY 2019 actuals |
| plus: Other Motorpool O&M | | 26,624 | 14,396 | 20,983 | 18,951 | 80,955 | |
| 501449 | Total Motor Pool O&M | \$ 104,974 | \$ 72,838 | \$ 59,730 | \$ 72,604 | \$ 311,743 | |
| <i>Fleet Motorpool as % of Total</i> | | <i>74.64%</i> | <i>80.23%</i> | <i>64.87%</i> | <i>73.90%</i> | | |

Historical O&M Expenses for Refuse Collection Trucks - Cost per Route

| Equipment Number | Type | Garbage Routes | Recycling Routes | Glass Routes | Total Routes | FY 2017-20 \$ per Route |
|------------------|----------------------|-------------------|---------------------|-----------------|-----------------|----------------------------|
| #3 | Automated Sideloader | 208 | - | - | 208 | \$ 86.15 |
| #107 | Rearloader | 178 | - | 52 | 230 | 77.42 |
| #117 | Automated Sideloader | - | 208 | - | 208 | 103.84 |
| Total | | 386 | 208 | 52 | 646 | \$ 88.74 |

Scenario 1: Projected O&M Expenses for Refuse Collection Trucks

| Equipment Number | Type | Garbage Routes | Recycling Routes | Glass Routes | Total Routes | FY 2017-20 \$ per Route | Estimated Cost per Year |
|---|----------------------|-------------------|---------------------|-----------------|-----------------|----------------------------|----------------------------|
| #3 | Automated Sideloader | 208 | - | - | 208 | \$ 86.15 | \$ 17,919 |
| #107 | Rearloader | 178 | - | 52 | 230 | 77.42 | 17,780 |
| #117 | Automated Sideloader | - | 208 | - | 208 | 103.84 | 21,599 |
| Total | | 386 | 208 | 52 | 646 | | \$ 57,298 |
| Plus: FY 2017 to FY 2020 Average of Other Motorpool O&M | | | | | | | 20,239 |
| Annual Motor Pool O&M Estimate | | | | | | | \$ 77,537 |
| <i>Variance from Scenario 1</i> | | | | | | | <i>100.00%</i> |

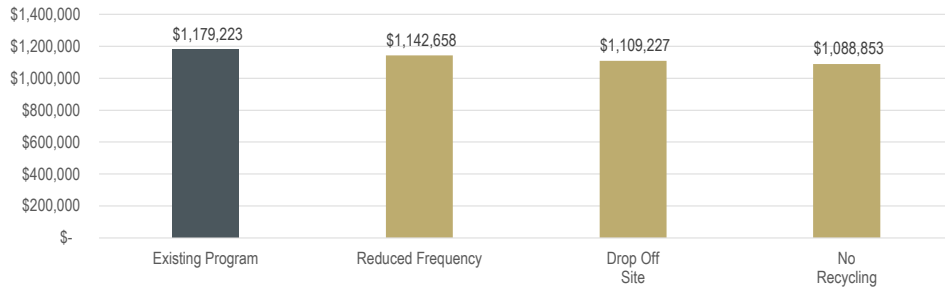
Scenario 2: Projected O&M Expenses for Refuse Collection Trucks

| Equipment Number | Type | Garbage Routes | Recycling Routes | Glass Routes | Total Routes | FY 2017-20 \$ per Route | Estimated Cost per Year |
|---|----------------------|-------------------|---------------------|-----------------|-----------------|----------------------------|----------------------------|
| #3 | Automated Sideloader | 282 | - | - | 282 | \$ 86.15 | \$ 24,266 |
| #107 | Rearloader | - | - | - | - | 77.42 | - |
| #117 | Automated Sideloader | 104 | 104 | 52 | 260 | 103.84 | 26,998 |
| Total | | 386 | 104 | 52 | 542 | | \$ 51,264 |
| Plus: FY 2017 to FY 2020 Average of Other Motorpool O&M | | | | | | | 20,239 |
| Annual Motor Pool O&M Estimate | | | | | | | \$ 71,503 |
| <i>Variance from Scenario 1</i> | | | | | | | <i>92.22%</i> |

Scenarios 3 and 4: Projected O&M Expenses for Refuse Collection Trucks

| Equipment Number | Type | Garbage Routes | Recycling Routes | Glass Routes | Total Routes | FY 2017-20 \$ per Route | Estimated Cost per Year |
|---|----------------------|-------------------|---------------------|-----------------|-----------------|----------------------------|----------------------------|
| #3 | Automated Sideloader | 282 | - | - | 282 | \$ 86.15 | \$ 24,266 |
| #107 | Rearloader | - | - | - | - | 77.42 | - |
| #117 | Automated Sideloader | 104 | - | 52 | 156 | 103.84 | 16,199 |
| Total | | 386 | - | 52 | 438 | | \$ 40,465 |
| Plus: FY 2017 to FY 2020 Average of Other Motorpool O&M | | | | | | | 20,239 |
| Annual Motor Pool O&M Estimate | | | | | | | \$ 60,704 |
| <i>Variance from Scenario 1</i> | | | | | | | <i>78.29%</i> |

Estimated Annual Operating Expenses by Recycling Scenario



| Assumption | Baseline Forecast | Scenarios | | | |
|--|-------------------|------------------|-------------------|---------------|---------------|
| | | Existing Program | Reduced Frequency | Drop Off Site | No Recycling |
| Annual Garbage Routes | 385.00 | 100.00% | 100.00% | 100.00% | 100.00% |
| Annual Commingled Recycling Routes | 208.00 | 100.00% | 50.00% | 0.00% | 0.00% |
| Annual Recycled Glass Routes | 52.00 | 100.00% | 100.00% | 100.00% | 100.00% |
| Total Annual Collection Routes | 645.00 | 100.00% | 83.88% | 67.75% | 67.75% |
| Annual Garbage Tonnage (all sources) | 2,100.00 | 100.00% | 101.31% | 106.55% | 113.10% |
| Garbage Transport Fee (per ton) | \$ 128.00 | 100.00% | 100.00% | 100.00% | 100.00% |
| Annual Recycling Tonnage (all sources) | 275.00 | 100.00% | 90.00% | 50.00% | 0.00% |
| Recycling Transport Fee (per ton) | \$ 170.00 | 100.00% | 100.00% | 100.00% | 100.00% |
| Total Bale Disposal | \$ 315,550 | 100.00% | 99.63% | 98.17% | 96.34% |
| No Adjustment | - | 100.00% | 100.00% | 100.00% | 100.00% |
| Refuse Collection Trucks in Fleet | 3.00 | 100.00% | 66.67% | 66.67% | 66.67% |
| Scheduled Replacement for Truck #107 | \$ 3,789 | 100.00% | 0.00% | 0.00% | 0.00% |
| Motor Pool O&M | \$ 77,537 | 100.00% | 92.22% | 78.29% | 78.29% |
| Recycling Expense | 30,900 | 100.00% | 90.00% | 50.00% | 0.00% |
| [Extra] | - | 0.00% | 0.00% | 0.00% | 0.00% |

Source

Based on proposed commingled recycling schedules: 7 routes per week from October to April; 8 routes per week from May to September

Based on proposed commingled recycling schedules (reduced from 4 weekly routes to 2 weekly routes)

Based on existing and proposed commingled recycling schedules (one route per week)

2/27 call with Chris

2/6 Internal review meeting

2/27 call with Chris; 2014 King County study estimated a 0% to 2% reduction in waste diversion rate by moving to bi-weekly recycling collection (pg 9)*

2/6 Internal review meeting; unlike garbage rate, the recycling rate adjusts to market conditions

Based on proposed commingled recycling schedules

FY 2021 projected motorpool contribution increase; increases to \$17,999 in FY 2022. In reserves based on proposed commingled recycling schedules

Based on Route and Motor Pool Analysis

Recycling baling costs

Estimated Cost Impact in: **FY 2021**

| Account # | Account Description | Baseline Forecast | Scenarios | | | | Baseline Forecast Adjusted by Assumption: |
|--------------|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---|
| | | | Existing Program | Reduced Frequency | Drop Off Site | No Recycling | |
| 501411 | Curbside Recycling Contract | \$ - | 100.00% | 83.88% | 67.75% | 67.75% | Total Annual Collection Routes |
| 501451 | Vehicle Replacement | 66,922 | 100.00% | 66.67% | 66.67% | 66.67% | Refuse Collection Trucks in Fleet |
| 501480 | Repairs & Maintenance | 23,058 | 100.00% | 92.22% | 78.29% | 78.29% | Motor Pool O&M |
| 506416 | Recycling Expense | 30,900 | 100.00% | 90.00% | 50.00% | 0.00% | Recycling Expense |
| 501449 | Motorpool O&M | 90,000 | 100.00% | 92.22% | 78.29% | 78.29% | Motor Pool O&M |
| 501495 | Bale Disposal | 269,100 | 100.00% | 99.63% | 98.17% | 96.34% | Total Bale Disposal |
| 500120 | Overtime | 8,585 | 100.00% | 83.88% | 67.75% | 67.75% | Total Annual Collection Routes |
| [Extra] | [Extra] | - | 100.00% | 100.00% | 100.00% | 100.00% | No Adjustment |
| Total | | \$ 488,565 | \$ 488,565 | \$ 452,000 | \$ 418,569 | \$ 398,195 | |

| | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total O&M Forecast in FY2021 | \$ 1,179,223 | \$ 1,179,223 | \$ 1,142,658 | \$ 1,109,227 | \$ 1,088,853 |
| Difference - \$ | - | \$ (36,564) | \$ (69,995) | \$ (90,370) | |
| Difference - % | | 0.00% | -3.10% | -5.94% | -7.66% |

| Rate Revenue Impact Analysis | | Notes | | | |
|---|-------|-------------|-------------|-------------|--|
| Cost Savings from Baseline O&M Forecast | \$ - | \$ (36,564) | \$ (69,995) | \$ (90,370) | |
| 2021 Rate Revenue Adjustment | 0.00% | 0.00% | 0.00% | 0.00% | |

Notes

* "Getting to More: Review of Options for an Area with Robust Recycling." Prepared for Waste Management and King County Solid Waste Division. Final Report 12/5/2014.

** Motorpool expense for replacement of Truck #107 is accounted for in row 79 of O&M tab.

*** Estimated impact assumes cost savings are allocated to collection customers only (does not affect baling and landfilling charge revenue)

Petersburg Borough
Utility Rate Study: Sanitation Utility
Operating Revenue and Expenditure Forecast

| Operating Revenues | | Escalation | Budget FY 2020 | Forecast FY 2021 | Forecast FY 2022 | Forecast FY 2023 | Forecast FY 2024 | Forecast FY 2025 | Forecast FY 2026 |
|---------------------------------|--------------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Account # | Rate Revenues | | | | | | | | |
| 407225 | Refuse Collection | Revenue Growth Before Increases | \$ 875,000 | \$ 875,000 | \$ 875,000 | \$ 875,000 | \$ 875,000 | \$ 875,000 | \$ 875,000 |
| 407230 | Baler/Landfill Charges | Revenue Growth Before Increases | 315,000 | 315,000 | 315,000 | 315,000 | 315,000 | 315,000 | 315,000 |
| [Extra] | [Extra] | No Escalation | - | - | - | - | - | - | - |
| | Total Rate Revenue | | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 |
| | Non-Rate Revenues | | | | | | | | |
| 407240 | Recycling Revenue | No Escalation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 407170 | Charges for Services | No Escalation | - | - | - | - | - | - | - |
| 402275 | State PERS Relief | No Escalation | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| 407260 | Salvage Permits | No Escalation | - | - | - | - | - | - | - |
| 407100 | Residential | No Escalation | - | - | - | - | - | - | - |
| [Extra] | [Extra] | No Escalation | - | - | - | - | - | - | - |
| | Total Non-Rate Revenues | | \$ 5,500 | \$ 5,500 | \$ 5,500 | \$ 5,500 | \$ 5,500 | \$ 5,500 | \$ 5,500 |
| TOTAL OPERATING REVENUES | | | \$ 1,195,500 | \$ 1,195,500 | \$ 1,195,500 | \$ 1,195,500 | \$ 1,195,500 | \$ 1,195,500 | \$ 1,195,500 |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Operating Revenue and Expenditure Forecast

| Operating Expenses | | Escalation | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
|--|-----------------------------|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
| Operating Cost | | | | | | | | | |
| 500110 | Regular Pay | Labor Cost Inflation | \$ 241,488 | \$ 248,733 | \$ 256,195 | \$ 263,880 | \$ 271,797 | \$ 279,951 | \$ 288,349 |
| 500120 | Overtime | Labor Cost Inflation | 8,335 | 8,585 | 8,843 | 9,108 | 9,381 | 9,663 | 9,952 |
| 500200 | Benefits | Benefit Cost Inflation | 148,913 | 153,380 | 157,982 | 162,721 | 167,603 | 172,631 | 177,810 |
| 501320 | Operating Supplies | General Cost Inflation | 23,570 | 24,277 | 25,005 | 25,756 | 26,528 | 27,324 | 28,144 |
| 501330 | Maintenance Supplies | General Cost Inflation | 12,469 | 12,843 | 13,228 | 13,625 | 14,034 | 14,455 | 14,889 |
| 501334 | Safety Supplies | General Cost Inflation | 6,637 | 6,836 | 7,041 | 7,252 | 7,470 | 7,694 | 7,925 |
| 501340 | Small Tools & Equipment | General Cost Inflation | 6,066 | 6,248 | 6,435 | 6,628 | 6,827 | 7,032 | 7,243 |
| 501341 | Dumpster/Cans | General Cost Inflation | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 | 1,159 | 1,194 |
| 501410 | Professional Services | General Cost Inflation | 23,600 | 24,308 | 25,037 | 25,788 | 26,562 | 27,359 | 28,180 |
| 501411 | Curbside Recycling Contract | General Cost Inflation | - | - | - | - | - | - | - |
| 501420 | Communication | General Cost Inflation | 5,124 | 5,278 | 5,436 | 5,599 | 5,767 | 5,940 | 6,118 |
| 501430 | Travel & Training | General Cost Inflation | 3,725 | 3,837 | 3,952 | 4,070 | 4,193 | 4,318 | 4,448 |
| 501440 | Advertising & Printing | General Cost Inflation | 1,200 | 1,236 | 1,273 | 1,311 | 1,351 | 1,391 | 1,433 |
| 501451 | Vehicle Replacement | No Escalation | 66,922 | 66,922 | 66,922 | 66,922 | 66,922 | 66,922 | 66,922 |
| 501464 | Vehicle Insurance | General Cost Inflation | 4,305 | 4,434 | 4,567 | 4,704 | 4,845 | 4,991 | 5,140 |
| 501462 | Liability Insurance | General Cost Inflation | 3,977 | 4,096 | 4,219 | 4,346 | 4,476 | 4,610 | 4,749 |
| 501463 | Property Insurance | General Cost Inflation | 2,797 | 2,881 | 2,967 | 3,056 | 3,148 | 3,242 | 3,340 |
| 501470 | Utilities | General Cost Inflation | 30,000 | 30,900 | 31,827 | 32,782 | 33,765 | 34,778 | 35,822 |
| 501480 | Repairs & Maintenance | General Cost Inflation | 22,386 | 23,058 | 23,749 | 24,462 | 25,196 | 25,952 | 26,730 |
| 501491 | Overhead Charge | General Cost Inflation | 87,631 | 90,260 | 92,968 | 95,757 | 98,629 | 101,588 | 104,636 |
| 501930 | HazMat Event | General Cost Inflation | 30,000 | 30,900 | 31,827 | 32,782 | 33,765 | 34,778 | 35,822 |
| 506416 | Recycling Expense | General Cost Inflation | 30,000 | 30,900 | 31,827 | 32,782 | 33,765 | 34,778 | 35,822 |
| 506417 | Ground Water Monitor | General Cost Inflation | 2,300 | 2,369 | 2,440 | 2,513 | 2,589 | 2,666 | 2,746 |
| 501449 | Motorpool O&M | General Cost Inflation | 109,259 | 90,000 | 92,700 | 95,481 | 98,345 | 101,296 | 104,335 |
| 501498 | Credit Card Fees | General Cost Inflation | 5,000 | 5,150 | 5,305 | 5,464 | 5,628 | 5,796 | 5,970 |
| 501499 | Bad Debt Accounts | General Cost Inflation | - | - | - | - | - | - | - |
| 501495 | Bale Disposal | MSW Transport & Disposal Agreement | 260,000 | 269,100 | 278,519 | 288,267 | 298,356 | 308,798 | 319,606 |
| 501210 | State PERS Relief | [Calculated] | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| 501449(a) | Baler Replacement | No Escalation | - | 26,162 | 26,162 | 26,162 | 26,162 | 26,162 | 26,162 |
| 501449(b) | Truck #107 Replacement | Motor Pool Expense for Truck #107 | - | - | - | - | - | - | - |
| | Reduction to O&M | General Cost Inflation | - | (69,995) | (72,095) | (74,258) | (76,486) | (78,780) | (81,144) |
| TOTAL CASH OPERATING EXPENSES BEFORE REALIZATION FACTOR | | | \$ 1,142,204 | \$ 1,109,227 | \$ 1,140,892 | \$ 1,173,554 | \$ 1,207,245 | \$ 1,241,996 | \$ 1,277,843 |
| REALIZATION FACTOR IMPACT (Excluding Taxes) | | | - | - | - | - | - | - | - |
| TOTAL CASH OPERATING EXPENSES | | | \$ 1,142,204 | \$ 1,109,227 | \$ 1,140,892 | \$ 1,173,554 | \$ 1,207,245 | \$ 1,241,996 | \$ 1,277,843 |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Existing Debt

| Existing Debt Service - Summary | Total | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Annual Debt Payments | | | | | | | | |
| Revenue Bonds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| PWTF Loans | - | - | - | - | - | - | - | - |
| Other Loans | - | - | - | - | - | - | - | - |
| Total Debt Payments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

| Existing Debt Service - Revenue Bonds | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|------|---------|---------|---------|---------|---------|---------|---------|
| [Extra 1] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | \$ - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of Debt Reserve for Debt Service | | - | - | - | - | - | - | - |
| [Extra 2] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | \$ - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of Debt Reserve for Debt Service | | - | - | - | - | - | - | - |
| [Extra 3] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | \$ - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of Debt Reserve for Debt Service | | - | - | - | - | - | - | - |
| TOTAL REVENUE BONDS | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | \$ - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of Debt Reserve for Debt Service | | - | - | - | - | - | - | - |
| Annual Debt Reserve Target on Existing Revenue Bonds | | - | - | - | - | - | - | - |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Existing Debt

| Existing Debt Service - PWTF Loans | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|------------------------------------|------|---------|---------|---------|---------|---------|---------|---------|
| [Extra 1] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| [Extra 2] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL PWTF LOANS | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| Existing Debt Service - Other Loans | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|-------------------------------------|------|---------|---------|---------|---------|---------|---------|---------|
| [Extra 1] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| [Extra 2] | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL OTHER LOANS | | | | | | | | |
| Annual Interest Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Principal Payment | - | - | - | - | - | - | - | - |
| Total Annual Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Capital Improvement Program

FY 2020 | Project Costs in Year

| ID | Description | Unescalated Total | Unescalated Capital Cost | | | | | |
|----|--|-------------------|--------------------------|------------------|------------------|------------------|------------------|-------------|
| | | | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 |
| | Tire Cutter | \$ 15,000 | \$ - | \$ 15,000 | \$ - | \$ - | \$ - | \$ - |
| | Enviro rack Car Disposal System | 25,000 | - | 25,000 | - | - | - | - |
| | Security Upgrades - Camera System & Haul Road Gate | 25,000 | - | 25,000 | - | - | - | - |
| | Recycling Drop Off Center | 20,000 | - | 20,000 | - | - | - | - |
| | Fire Sprinkler System Replacement | 75,000 | - | - | 75,000 | - | - | - |
| | Waste Oil Storage System Upgrades | 20,000 | - | - | 20,000 | - | - | - |
| | Replace/repair Landfill Fencing | 50,000 | - | - | - | 50,000 | - | - |
| | Storage Quonset Replacement | 20,000 | - | - | - | - | 20,000 | - |
| | Roof Replacement | 200,000 | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | Total Capital Projects Before Completion Factor | 450,000 | - | 85,000 | 95,000 | 50,000 | 20,000 | - |
| | Completion Factor Impact | - | - | - | - | - | - | - |
| | Total Capital Projects | \$ 450,000 | \$ - | \$ 85,000 | \$ 95,000 | \$ 50,000 | \$ 20,000 | \$ - |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Capital Improvement Program

| ID | Description | Unescalated Total | FY 2026 | FY 2027 | FY 2028 |
|----|--|-------------------|-------------|-------------|-------------------|
| | Tire Cutter | \$ 15,000 | \$ - | \$ - | \$ - |
| | Enviro rack Car Disposal System | 25,000 | - | - | - |
| | Security Upgrades - Camera System & Haul Road Gate | 25,000 | - | - | - |
| | Recycling Drop Off Center | 20,000 | - | - | - |
| | Fire Sprinkler System Replacement | 75,000 | - | - | - |
| | Waste Oil Storage System Upgrades | 20,000 | - | - | - |
| | Replace/repair Landfill Fencing | 50,000 | - | - | - |
| | Storage Quonset Replacement | 20,000 | - | - | - |
| | Roof Replacement | 200,000 | - | - | 200,000 |
| | | - | - | - | - |
| | | - | - | - | - |
| | Total Capital Projects Before Completion Factor | 450,000 | - | - | 200,000 |
| | Completion Factor Impact | - | - | - | - |
| | Total Capital Projects | \$ 450,000 | \$ - | \$ - | \$ 200,000 |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Revenue Requirement Tests

| Cash Flow Test | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| REVENUES | | | | | | | |
| Rate Revenue | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 |
| Other Non-Rate Revenue | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| Interest Earnings: Operating & Debt Reserve Funds | 6,013 | 5,160 | 4,914 | 5,044 | 5,178 | 5,316 | 5,459 |
| <i>Total Revenue</i> | <u>\$ 1,201,513</u> | <u>\$ 1,200,660</u> | <u>\$ 1,200,414</u> | <u>\$ 1,200,544</u> | <u>\$ 1,200,678</u> | <u>\$ 1,200,816</u> | <u>\$ 1,200,959</u> |
| EXPENSES | | | | | | | |
| Cash Operating Expenses | \$ 882,204 | \$ 840,127 | \$ 862,374 | \$ 885,287 | \$ 908,889 | \$ 933,198 | \$ 958,236 |
| Transport and Disposal Contract | 260,000 | 269,100 | 278,519 | 288,267 | 298,356 | 308,798 | 319,606 |
| Existing Debt Service | - | - | - | - | - | - | - |
| New Debt Service | - | - | - | - | - | - | - |
| Additions Required to Meet Min. Operating Reserve | - | - | - | - | - | - | - |
| <i>Total Expenses</i> | <u>\$ 1,142,204</u> | <u>\$ 1,109,227</u> | <u>\$ 1,140,892</u> | <u>\$ 1,173,554</u> | <u>\$ 1,207,245</u> | <u>\$ 1,241,996</u> | <u>\$ 1,277,843</u> |
| NET CASH FLOW (DEFICIENCY) | \$ 59,309 | \$ 91,433 | \$ 59,522 | \$ 26,990 | \$ (6,566) | \$ (41,180) | \$ (76,884) |

| Maximum Revenue Deficiency | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Sufficiency Test Driving the Deficiency | <i>None</i> | <i>None</i> | <i>None</i> | <i>None</i> | <i>Cash</i> | <i>Cash</i> | <i>Cash</i> |
| Maximum Revenue Deficiency (Surplus) | \$ (59,309) | \$ (91,433) | \$ (59,522) | \$ (26,990) | \$ 6,566 | \$ 41,180 | \$ 76,884 |
| plus: Additional Tax Expense | - | - | - | - | - | - | - |
| less: Incremental Revenue From Prior Rate Increases | - | - | - | (23,800) | (48,076) | (72,838) | (98,094) |
| Net Revenue Deficiency (Surplus) | \$ (59,309) | \$ (91,433) | \$ (59,522) | \$ (50,790) | \$ (41,510) | \$ (31,658) | \$ (21,210) |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Revenue Requirement Tests

| Rate Increases | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Rate Revenue @ Existing Rates | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 | \$ 1,190,000 |
| Revenues from Prior Rate Increases | - | - | - | 23,800 | 48,076 | 72,838 | 98,094 |
| Rate Revenue Before Rate Increase (incl. previous increases) | 1,190,000 | 1,190,000 | 1,190,000 | 1,213,800 | 1,238,076 | 1,262,838 | 1,288,094 |
| Required Annual Rate Increase | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Number of Months New Rates Will Be In Effect | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Info: % Increase to Generate Required Revenue | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Policy Induced Rate Increases | 0.00% | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| ANNUAL RATE INCREASE | 0.00% | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| CUMULATIVE RATE INCREASE | 0.00% | 0.00% | 2.00% | 4.04% | 6.12% | 8.24% | 10.41% |

| Impacts of Rate Increases | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Sufficiency Test Driving the Deficiency | None | None | None | None | Cash | Cash | Cash |
| Rate Revenues After Rate Increase | \$ 1,190,000 | \$ 1,190,000 | \$ 1,213,800 | \$ 1,238,076 | \$ 1,262,838 | \$ 1,288,094 | \$ 1,313,856 |
| Full Year Rate Revenues After Rate Increase | 1,190,000 | 1,190,000 | 1,213,800 | 1,238,076 | 1,262,838 | 1,288,094 | 1,313,856 |
| Partial Year Adjustment | - | - | - | - | - | - | - |
| Additional Taxes Due to Rate Increases | - | - | - | - | - | - | - |
| Net Cash Flow After Rate Increase | \$ 59,309 | \$ 91,433 | \$ 83,322 | \$ 75,066 | \$ 66,271 | \$ 56,914 | \$ 46,972 |
| Coverage After Rate Increase: Bonded Debt | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Coverage After Rate Increase: Total Debt | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

| Debt Financing Assumptions | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Net Revenue Bond Proceeds: Automatic Calculation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Revenue Bond Proceeds: Override* | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Loans 1 Proceeds | | | | | | | |
| Other Loans 2 Proceeds | | | | | | | |
| Other Loans 3 Proceeds | | | | | | | |

*Model will automatically calculate revenue bond debt if 'Revenue Bond Proceeds: Override' is blank. A zero does not equal a "blank."

| Fund Balance Impacts | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total Ending Operating and Capital Cash (days of O&M) | 168 days | 179 days | 168 days | 173 days | 187 days | 205 days | 219 days |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Fund Activity

| Funds | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| OPERATING RESERVE | | | | | | | |
| Beginning Balance | \$ 343,609 | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 |
| plus: Net Cash Flow after Rate Increase | 59,309 | 91,433 | 83,322 | 75,066 | 66,271 | 56,914 | 46,972 |
| less: Transfer of Surplus to Capital Fund | (108,045) | (105,497) | (75,886) | (67,407) | (58,383) | (48,789) | (38,603) |
| Ending Balance | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| <i>Minimum Target Balance: 122 days</i> | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| <i>Maximum Target Balance: 122 days</i> | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |
| <i>Actual Days of Cash Achieved</i> | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days | 122 days |
| CAPITAL RESERVE | | | | | | | |
| Beginning Balance | \$ 2,830 | \$ 110,924 | \$ 130,812 | \$ 108,202 | \$ 122,866 | \$ 160,889 | \$ 212,494 |
| plus: System Reinvestment Funding | - | - | - | - | - | - | - |
| plus: Transfers from Operating Fund | 108,045 | 105,497 | 75,886 | 67,407 | 58,383 | 48,789 | 38,603 |
| plus: Capital Grants / Other Resources | - | - | - | - | - | - | - |
| plus: Revenue Bond Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 1 Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 2 Proceeds | - | - | - | - | - | - | - |
| plus: Other Loans 3 Proceeds | - | - | - | - | - | - | - |
| plus: Interest Earnings | 50 | 1,941 | 2,289 | 1,894 | 2,150 | 2,816 | 3,719 |
| Total Funding Sources | \$ 110,924 | \$ 218,362 | \$ 208,987 | \$ 177,502 | \$ 183,399 | \$ 212,494 | \$ 254,815 |
| less: Capital Expenditures | - | (87,550) | (100,786) | (54,636) | (22,510) | - | - |
| Ending Capital Fund Balance | \$ 110,924 | \$ 130,812 | \$ 108,202 | \$ 122,866 | \$ 160,889 | \$ 212,494 | \$ 254,815 |
| <i>Minimum Target Balance</i> | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| SUMMARY | | | | | | | |
| Combined Beginning Balance | \$ 346,439 | \$ 405,798 | \$ 411,622 | \$ 396,447 | \$ 418,770 | \$ 464,682 | \$ 524,412 |
| Plus: Inflows | \$ 167,403 | \$ 198,871 | \$ 161,497 | \$ 144,367 | \$ 126,804 | \$ 108,519 | \$ 89,294 |
| Less: Outflows | \$ (108,045) | \$ (193,047) | \$ (176,672) | \$ (122,044) | \$ (80,893) | \$ (48,789) | \$ (38,603) |
| Combined Ending Balance | \$ 405,798 | \$ 411,622 | \$ 396,447 | \$ 418,770 | \$ 464,682 | \$ 524,412 | \$ 575,103 |
| <i>Net Change in Reserves</i> | \$ 59,359 | \$ 5,824 | \$ (15,174) | \$ 22,323 | \$ 45,911 | \$ 59,730 | \$ 50,691 |
| TOTAL AVAILABLE CASH TEST: DAYS OF O&M | | | | | | | |
| Operating & Capital Ending Balance | \$ 405,798 | \$ 411,622 | \$ 396,447 | \$ 418,770 | \$ 464,682 | \$ 524,412 | \$ 575,103 |
| Ending Total Days of O&M | 168 days | 179 days | 168 days | 173 days | 187 days | 205 days | 219 days |
| <i>Target: 122 Days of O&M</i> | \$ 294,874 | \$ 280,810 | \$ 288,245 | \$ 295,904 | \$ 303,793 | \$ 311,918 | \$ 320,287 |

Petersburg Borough

Utility Rate Study: Sanitation Utility

Assets

Replacement Cost Year:

FY 2020

| Asset Number | Asset Description | Purchase Date | Original Cost | % Contributed by Grants / Donations | Original Cost less Contributions | Useful Life (years) | Annual Original Cost Depreciation | ENR Multiplier | Replacement Cost | Replacement Cost Depreciation |
|--------------|--|---------------|---------------------|-------------------------------------|----------------------------------|---------------------|-----------------------------------|----------------|---------------------|-------------------------------|
| | Land | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | Land | 1/1/2010 | \$ 63,720 | | \$ 63,720 | 0 | \$ - | 1.33 | \$ 84,954 | \$ - |
| | Building | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | Building | 1/1/1997 | \$ 2,211,180 | | \$ 2,211,180 | 40 | \$ 55,280 | 2.01 | \$ 4,454,783 | \$ 111,370 |
| | Landfill Improvements | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | Addition | 1/1/1986 | \$ 8,600 | | \$ 8,600 | 10 | \$ - | 2.73 | \$ 23,499 | \$ 2,350 |
| | Chain Link Fence | 1/1/1987 | \$ 3,741 | | \$ 3,741 | 10 | \$ - | 2.66 | \$ 9,966 | \$ 997 |
| | Addition | 1/1/1988 | \$ 1,889 | | \$ 1,889 | 10 | \$ - | 2.60 | \$ 4,907 | \$ 491 |
| | Improvements | 1/1/1989 | \$ 9,747 | | \$ 9,747 | 10 | \$ - | 2.54 | \$ 24,786 | \$ 2,479 |
| | Area for Hazardous Waste | 1/1/1989 | \$ 10,504 | | \$ 10,504 | 10 | \$ - | 2.54 | \$ 26,710 | \$ 2,671 |
| | Fencing for Bale Cells | 1/1/1997 | \$ 68,883 | | \$ 68,883 | 15 | \$ - | 2.01 | \$ 138,777 | \$ 9,252 |
| | Roll Up Baler Door | 1/1/2013 | \$ 11,855 | | \$ 11,855 | 10 | \$ 1,185 | 1.23 | \$ 14,573 | \$ 1,457 |
| | Landfill Slope Stabilization (CWIP) | 1/1/2015 | \$ 599,133 | | \$ 599,133 | 10 | \$ 59,913 | 1.17 | \$ 700,739 | \$ 70,074 |
| | Landfill Slope Stabilization (2015) | 1/1/2015 | \$ 64,179 | | \$ 64,179 | 10 | \$ 6,418 | 1.17 | \$ 75,063 | \$ 7,506 |
| | Landfill Slope Stabilization (2016) | 1/1/2016 | \$ 29,163 | | \$ 29,163 | 10 | \$ 2,916 | 1.14 | \$ 33,104 | \$ 3,310 |
| | Machinery & Equipment | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | PC Scale Tower - System License | 1/1/2009 | \$ - | | \$ - | 5 | \$ - | 1.37 | \$ - | \$ - |
| | Heach Exchanger | 1/1/2011 | \$ 9,771 | | \$ 9,771 | 5 | \$ - | 1.29 | \$ 12,643 | \$ 2,529 |
| | Baler Rebuild Project Fund 715 | 1/1/2011 | \$ 94,799 | | \$ 94,799 | 10 | \$ 9,480 | 1.29 | \$ 122,662 | \$ 12,266 |
| | 10HP Air Compressor | 1/1/2016 | \$ 8,675 | | \$ 8,675 | 5 | \$ 1,735 | 1.14 | \$ 9,847 | \$ 1,969 |
| | Firelake/Shenandoa WO-F500 Heater | 1/1/2018 | \$ 12,794 | | \$ 12,794 | 5 | \$ 2,559 | 1.06 | \$ 13,573 | \$ 2,715 |
| | Cardinal 10,000lb Floor Scale | 1/1/2019 | \$ 6,044 | | \$ 6,044 | 5 | \$ 1,209 | 1.03 | \$ 6,225 | \$ 1,245 |
| | Wire Tie Unit - Accent 470 | 1/1/2019 | \$ 28,503 | | \$ 28,503 | 5 | \$ 5,701 | 1.03 | \$ 29,358 | \$ 5,872 |
| | Computer and Utility Program | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | PCS Utility Software | 1/1/2016 | \$ 4,830 | | \$ 4,830 | 5 | \$ 966 | 1.14 | \$ 5,483 | \$ 1,097 |
| | Computer for Baler | 1/1/2013 | \$ 1,294 | | \$ 1,294 | 5 | \$ - | 1.23 | \$ 1,590 | \$ 318 |
| | RC Technologies (Scale and Software) | 1/1/2013 | \$ 12,995 | | \$ 12,995 | 5 | \$ - | 1.23 | \$ 15,975 | \$ 3,195 |
| | Utility Equipment | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | Dumpsters & Garbage Cans | 1/1/1995 | \$ 46,660 | | \$ 46,660 | 10 | \$ - | 2.14 | \$ 100,085 | \$ 10,009 |
| | 2 Recycle Trailers | 1/1/1997 | \$ 13,774 | | \$ 13,774 | 10 | \$ - | 2.01 | \$ 27,751 | \$ 2,775 |
| | Scale for Forklift | 1/1/2003 | \$ 7,936 | | \$ 7,936 | 5 | \$ - | 1.75 | \$ 13,911 | \$ 2,782 |
| | Garbage Cans | 1/1/2011 | \$ 7,261 | | \$ 7,261 | 10 | \$ 726 | 1.29 | \$ 9,395 | \$ 939 |
| | Garbage Cans | 1/1/2012 | \$ 7,637 | | \$ 7,637 | 10 | \$ 764 | 1.26 | \$ 9,629 | \$ 963 |
| | 100 32 Gallon Cans & Lids/Hinges | 1/1/2013 | \$ 7,468 | | \$ 7,468 | 10 | \$ 747 | 1.23 | \$ 9,181 | \$ 918 |
| | Recycle Cans | 1/1/2016 | \$ 81,900 | | \$ 81,900 | 10 | \$ 8,190 | 1.14 | \$ 92,965 | \$ 9,296 |
| | Recycle Cans, Lids, and Green Cans | 1/1/2017 | \$ 23,755 | | \$ 23,755 | 10 | \$ 2,376 | 1.09 | \$ 25,966 | \$ 2,597 |
| | 50 96 Gallon Cans & 150 32 Gallon Garbage Cans | 1/1/2019 | \$ 11,196 | | \$ 11,196 | 10 | \$ 1,120 | 1.03 | \$ 11,532 | \$ 1,153 |
| | | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | | | | | \$ - | | | 0.00 | \$ - | \$ - |
| | Totals Used in Model | | \$ 3,469,887 | | \$ 3,469,887 | | \$ 161,283 | | \$ 6,109,629 | \$ 274,593 |

Petersburg Borough
Utility Rate Study: Sanitation Utility
Solid Waste Rate Schedule

| Across-the-Board Rate Schedule | Existing FY 2020 | ATB FY 2021 | ATB FY 2022 | ATB FY 2023 | ATB FY 2024 | ATB FY 2025 | ATB FY 2026 |
|---|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Annual System-Wide Rate Increase | | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Charges | | | | | | | |
| G1R | \$ 30.51 | \$ 30.51 | \$ 31.12 | \$ 31.74 | \$ 32.38 | \$ 33.03 | \$ 33.69 |
| G1 | \$ 36.61 | \$ 36.61 | \$ 37.34 | \$ 38.09 | \$ 38.85 | \$ 39.63 | \$ 40.42 |
| G2 | \$ 54.19 | \$ 54.19 | \$ 55.27 | \$ 56.38 | \$ 57.51 | \$ 58.66 | \$ 59.83 |
| G2S | \$ 27.10 | \$ 27.10 | \$ 27.64 | \$ 28.19 | \$ 28.76 | \$ 29.33 | \$ 29.92 |
| G3 | \$ 63.57 | \$ 63.57 | \$ 64.84 | \$ 66.14 | \$ 67.46 | \$ 68.81 | \$ 70.19 |
| G1S | \$ 18.30 | \$ 18.30 | \$ 18.67 | \$ 19.04 | \$ 19.42 | \$ 19.81 | \$ 20.20 |
| G1SR | \$ 15.25 | \$ 15.25 | \$ 15.56 | \$ 15.87 | \$ 16.18 | \$ 16.51 | \$ 16.84 |
| G5 | \$ 304.84 | \$ 304.84 | \$ 310.94 | \$ 317.16 | \$ 323.50 | \$ 329.97 | \$ 336.57 |
| G6 | \$ 184.20 | \$ 184.20 | \$ 187.88 | \$ 191.64 | \$ 195.47 | \$ 199.38 | \$ 203.37 |
| G7 | \$ 342.54 | \$ 342.54 | \$ 349.39 | \$ 356.38 | \$ 363.51 | \$ 370.78 | \$ 378.19 |
| G8 | \$ 83.68 | \$ 83.68 | \$ 85.35 | \$ 87.06 | \$ 88.80 | \$ 90.58 | \$ 92.39 |
| G9 | \$ 123.89 | \$ 123.89 | \$ 126.37 | \$ 128.90 | \$ 131.47 | \$ 134.10 | \$ 136.78 |
| G10 | \$ 365.16 | \$ 365.16 | \$ 372.46 | \$ 379.91 | \$ 387.51 | \$ 395.26 | \$ 403.17 |
| G11 | \$ 606.43 | \$ 606.43 | \$ 618.56 | \$ 630.93 | \$ 643.55 | \$ 656.42 | \$ 669.55 |
| G12 | \$ 681.83 | \$ 681.83 | \$ 695.47 | \$ 709.38 | \$ 723.56 | \$ 738.03 | \$ 752.80 |
| G13 | \$ 113.16 | \$ 113.16 | \$ 115.42 | \$ 117.73 | \$ 120.09 | \$ 122.49 | \$ 124.94 |
| G14 | \$ 184.20 | \$ 184.20 | \$ 187.88 | \$ 191.64 | \$ 195.47 | \$ 199.38 | \$ 203.37 |
| G15 | \$ 546.11 | \$ 546.11 | \$ 557.03 | \$ 568.17 | \$ 579.54 | \$ 591.13 | \$ 602.95 |
| G16 | \$ 908.01 | \$ 908.01 | \$ 926.17 | \$ 944.69 | \$ 963.59 | \$ 982.86 | \$ 1,002.52 |
| G17 | \$ 1,021.11 | \$ 1,021.11 | \$ 1,041.53 | \$ 1,062.36 | \$ 1,083.61 | \$ 1,105.28 | \$ 1,127.39 |
| G18 | \$ 244.52 | \$ 244.52 | \$ 249.41 | \$ 254.40 | \$ 259.49 | \$ 264.68 | \$ 269.97 |
| G19 | \$ 485.79 | \$ 485.79 | \$ 495.51 | \$ 505.42 | \$ 515.52 | \$ 525.83 | \$ 536.35 |
| G20 | \$ 244.52 | \$ 244.52 | \$ 249.41 | \$ 254.40 | \$ 259.49 | \$ 264.68 | \$ 269.97 |
| G21 | \$ 727.06 | \$ 727.06 | \$ 741.60 | \$ 756.43 | \$ 771.56 | \$ 786.99 | \$ 802.73 |
| G22 | \$ 1,209.60 | \$ 1,209.60 | \$ 1,233.79 | \$ 1,258.47 | \$ 1,283.64 | \$ 1,309.31 | \$ 1,335.50 |
| G23 | \$ 1,360.39 | \$ 1,360.39 | \$ 1,387.60 | \$ 1,415.35 | \$ 1,443.66 | \$ 1,472.53 | \$ 1,501.98 |
| G24 | \$ 908.01 | \$ 908.01 | \$ 926.17 | \$ 944.69 | \$ 963.59 | \$ 982.86 | \$ 1,002.52 |
| G25 | \$ 1,511.19 | \$ 1,511.19 | \$ 1,541.41 | \$ 1,572.24 | \$ 1,603.69 | \$ 1,635.76 | \$ 1,668.48 |
| G26 | \$ 1,699.68 | \$ 1,699.68 | \$ 1,733.67 | \$ 1,768.35 | \$ 1,803.71 | \$ 1,839.79 | \$ 1,876.58 |
| G27 | \$ 2,076.66 | \$ 2,076.66 | \$ 2,118.19 | \$ 2,160.56 | \$ 2,203.77 | \$ 2,247.84 | \$ 2,292.80 |
| G28 | \$ 2,378.25 | \$ 2,378.25 | \$ 2,425.82 | \$ 2,474.33 | \$ 2,523.82 | \$ 2,574.29 | \$ 2,625.78 |
| G29 | \$ 1,088.97 | \$ 1,088.97 | \$ 1,110.75 | \$ 1,132.96 | \$ 1,155.62 | \$ 1,178.74 | \$ 1,202.31 |
| G30 | \$ 1,081.43 | \$ 1,081.43 | \$ 1,103.06 | \$ 1,125.12 | \$ 1,147.62 | \$ 1,170.57 | \$ 1,193.99 |
| G31 | \$ 2,174.68 | \$ 2,174.68 | \$ 2,218.17 | \$ 2,262.54 | \$ 2,307.79 | \$ 2,353.94 | \$ 2,401.02 |
| G32 | \$ 681.82 | \$ 681.82 | \$ 695.46 | \$ 709.37 | \$ 723.55 | \$ 738.02 | \$ 752.78 |
| G33 | \$ 1,360.39 | \$ 1,360.39 | \$ 1,387.60 | \$ 1,415.35 | \$ 1,443.66 | \$ 1,472.53 | \$ 1,501.98 |
| G34 | \$ 2,038.96 | \$ 2,038.96 | \$ 2,079.74 | \$ 2,121.33 | \$ 2,163.76 | \$ 2,207.04 | \$ 2,251.18 |
| G35 | \$ 2,717.53 | \$ 2,717.53 | \$ 2,771.88 | \$ 2,827.32 | \$ 2,883.86 | \$ 2,941.54 | \$ 3,000.37 |
| G36 | \$ 3,396.10 | \$ 3,396.10 | \$ 3,464.02 | \$ 3,533.30 | \$ 3,603.97 | \$ 3,676.05 | \$ 3,749.57 |
| G37 | \$ 4,074.67 | \$ 4,074.67 | \$ 4,156.16 | \$ 4,239.29 | \$ 4,324.07 | \$ 4,410.55 | \$ 4,498.76 |
| G38 | \$ 4,753.24 | \$ 4,753.24 | \$ 4,848.30 | \$ 4,945.27 | \$ 5,044.18 | \$ 5,145.06 | \$ 5,247.96 |
| G39 | \$ 2,038.96 | \$ 2,038.96 | \$ 2,079.74 | \$ 2,121.33 | \$ 2,163.76 | \$ 2,207.04 | \$ 2,251.18 |
| G40 | \$ 727.06 | \$ 727.06 | \$ 741.60 | \$ 756.43 | \$ 771.56 | \$ 786.99 | \$ 802.73 |
| G41 | \$ 402.86 | \$ 402.86 | \$ 410.92 | \$ 419.14 | \$ 427.52 | \$ 436.07 | \$ 444.79 |
| G42 | \$ 523.49 | \$ 523.49 | \$ 533.96 | \$ 544.64 | \$ 555.53 | \$ 566.64 | \$ 577.98 |
| G43 | \$ 1,043.73 | \$ 1,043.73 | \$ 1,064.60 | \$ 1,085.90 | \$ 1,107.61 | \$ 1,129.77 | \$ 1,152.36 |
| G44 | \$ 1,563.96 | \$ 1,563.96 | \$ 1,595.24 | \$ 1,627.14 | \$ 1,659.69 | \$ 1,692.88 | \$ 1,726.74 |
| G45 | \$ 968.33 | \$ 968.33 | \$ 987.70 | \$ 1,007.45 | \$ 1,027.60 | \$ 1,048.15 | \$ 1,069.11 |
| G46 | \$ 2,604.44 | \$ 2,604.44 | \$ 2,656.53 | \$ 2,709.66 | \$ 2,763.85 | \$ 2,819.13 | \$ 2,875.51 |
| G47 | \$ 164.10 | \$ 164.10 | \$ 167.38 | \$ 170.73 | \$ 174.14 | \$ 177.63 | \$ 181.18 |
| G48 | \$ 44.47 | \$ 44.47 | \$ 45.36 | \$ 46.27 | \$ 47.19 | \$ 48.14 | \$ 49.10 |
| G49 | \$ 68.15 | \$ 68.15 | \$ 69.51 | \$ 70.90 | \$ 72.32 | \$ 73.77 | \$ 75.24 |
| G51 | \$ 2,084.20 | \$ 2,084.20 | \$ 2,125.88 | \$ 2,168.40 | \$ 2,211.77 | \$ 2,256.01 | \$ 2,301.13 |
| G52 | \$ 112.16 | \$ 112.16 | \$ 114.40 | \$ 116.69 | \$ 119.03 | \$ 121.41 | \$ 123.83 |
| G53 | \$ 365.16 | \$ 365.16 | \$ 372.46 | \$ 379.91 | \$ 387.51 | \$ 395.26 | \$ 403.17 |
| G54 | \$ 3,883.73 | \$ 3,883.73 | \$ 3,961.40 | \$ 4,040.63 | \$ 4,121.45 | \$ 4,203.87 | \$ 4,287.95 |
| G55 | \$ 3,056.82 | \$ 3,056.82 | \$ 3,117.96 | \$ 3,180.32 | \$ 3,243.92 | \$ 3,308.80 | \$ 3,374.98 |
| G56 | \$ 508.55 | \$ 508.55 | \$ 518.72 | \$ 529.10 | \$ 539.68 | \$ 550.47 | \$ 561.48 |
| G57 | \$ 1,454.13 | \$ 1,454.13 | \$ 1,483.21 | \$ 1,512.88 | \$ 1,543.13 | \$ 1,574.00 | \$ 1,605.48 |
| G97 | \$ 304.84 | \$ 304.84 | \$ 310.94 | \$ 317.16 | \$ 323.50 | \$ 329.97 | \$ 336.57 |

Note: "Across-the-Board" (ATB) means that all stated rates increase by the same percentage, which maintains the existing rate structure.