

RESIDENTIAL CURBSIDE COLLECTION  
SERVICE RATE STUDY

FOR RATES EFFECTIVE JULY 1, 2022

CITY OF PORTLAND  
BUREAU OF PLANNING AND SUSTAINABILITY  
GARBAGE & RECYCLING

This document is available online at [www.portland.gov/garbage-rates](http://www.portland.gov/garbage-rates).

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## I. INTRODUCTION AND SUMMARY OF RATES

The City of Portland’s annual rate study is conducted to evaluate the cost of providing residential<sup>1</sup> garbage, recycling and composting curbside collection services, and to develop recommended rates for these services for the new fiscal year. This report outlines the rate review process and results for fiscal year 2022-23 (FY 2022-23) rates.

Section 9.A(1) of the Franchise Agreement between the City of Portland and franchised residential haulers requires the City to perform an annual rate review to establish a rate schedule for all levels of residential garbage, recycling and composting service. Rates are developed with the following objectives in mind:

- Having uniform garbage, recycling and composting collection services citywide;
- Providing customers with a variety of service level options to meet individual needs;
- Identifying the true cost of individual services before adding incentives and disincentives to increase recycling and reduce garbage generation; and,
- Allowing service providers to recover allowable costs and earn a reasonable profit.

The Bureau of Planning and Sustainability (BPS) conducts the annual rate review process, assisted by an independent economist. The economist analyzes various factors that affect rates and produces the actual rate calculation. BPS also contracts with an independent Certified Public Accountant (CPA) to review hauler financial records and with Portland State University (PSU) to sample the weight of garbage discarded by residential customers.

The recommended rates are reviewed by the Planning and Sustainability Commission, a volunteer panel of residents with no hauling industry representation, and then forwarded to City Council for consideration and final adoption. City Council adopted the rates described in this report on May 25, 2022, for an effective date of July 1, 2022. A complete list of rates for FY 2022-23 can be found in Appendix A.

Table 1 outlines the adopted rate adjustments for the most common levels of service.

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<sup>1</sup> “Residential” in this context means single-family through four-plex dwellings.

Table 1. FY 2022-23 and FY 2021-22 Rates for Primary Service Levels

<i>Service Level</i>	<i>Adopted FY 2022-23 Rates, effective July 1, 2022</i>	<i>FY 2021-22 Rates</i>	<i>Dollar Change</i>
20-gallon can	\$30.15	\$29.85	\$0.30
20-gallon cart	\$30.15	\$29.85	\$0.30
32-gallon can	\$34.90	\$34.55	\$0.35
35-gallon cart	\$34.90	\$34.55	\$0.35
60-gallon cart	\$39.45	\$39.05	\$0.40
90-gallon cart	\$45.70	\$45.30	\$0.40
Every-four-week 32-gal. can	\$27.35	\$27.15	\$0.20
Every-four-week 35-gal. cart	\$27.35	\$27.15	\$0.20
Weekly Recycling Only	\$10.70	\$12.00	(\$1.30)
Composting and Recycling Only	\$22.75	\$22.85	(\$0.10)
Terrain Differential	\$4.85	\$4.55	\$0.30

Costs underlying the FY 2022-23 rates tend to reflect inflationary adjustments to the costs underlying the FY 2021-22 rates, offset by substantially lower processing costs for recyclable materials. A few notable factors include:

- Organics tonnage fell in 2021. Disposal per household had increased 12.3 percent in 2020 as more people ate more meals at home and did more yardwork during the COVID-19 pandemic. Part of this gain was given back in 2021, with a 5.3 percent decrease in organics disposal per household.
- Metro increased the tipping fees it charges for organics and garbage disposal at its transfer stations by 5.7 and 7.1 percent, respectively.
- Inflationary pressures have increased substantially, with the Consumer Price Index forecast to rise 6.3 percent in 2022 and the Producer Price Index forecast to rise 6.1 percent.
- As has been done in recent rate reviews, vehicle depreciation that was recognized early in the rates – in anticipation of it being a reported cost during a rate year – was backed out, in anticipation of those costs not being a reported cost during the 2022-23 fiscal year. For garbage, \$1.61/customer was added to the 2015-16 rates. Allowing for the increase in total customers, \$1.58/customer was netted out for 2022-23. For organics collection, \$1.52/customer was added to the 2015-16 rates. Allowing for the increase in total customers, \$1.51/customer was netted out for 2022-23. No adjustments were made for recycling, as all prior add-ins have now been backed out of the rates. In total, \$3.08/customer, or \$0.26/month per customer was backed out of the 2022-23 rates.

More detail on the factors driving the changes in FY 2022-23 rates can be found in Section IV.

Table 2 presents the individual FY 2022-23 rate components for the 20-gallon can and 35-gallon roll cart service levels.

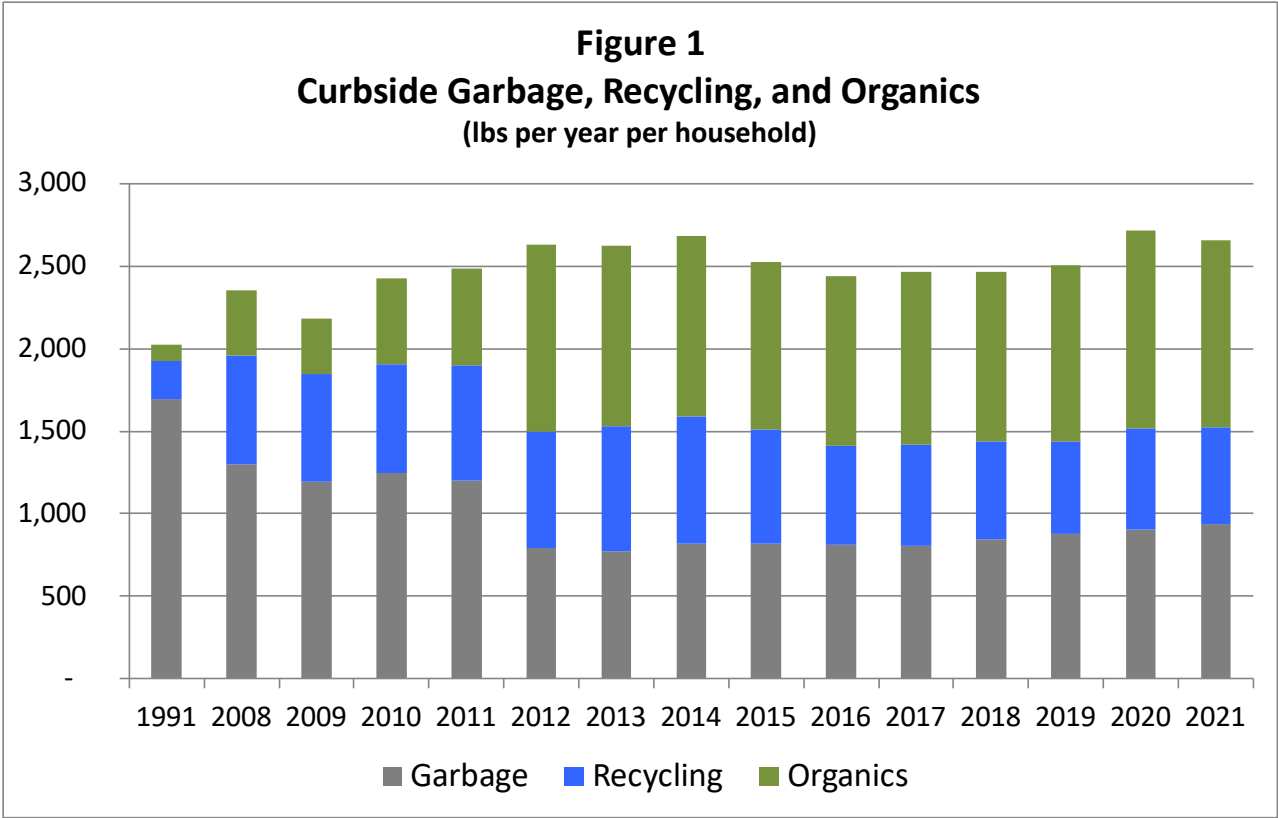
Table 2. Rate Components for 20-Gallon Can and 35-Gallon Roll Cart Service

<i>Rate Component</i>	<i>Adopted FY 2022-23 Rates, effective July 1, 2022</i>	<i>FY 2021-22 Rates</i>	<i>Dollar Change</i>
<b>20-Gallon Can Service</b>			
Garbage Collection	\$ 3.21	\$ 2.88	\$ 0.33
Garbage Disposal	2.13	1.83	0.30
Recycling Collection	6.30	6.29	0.01
Yard Debris/Organics Collection	4.22	3.97	0.25
Yard Debris/Organics Disposal	3.83	3.82	0.01
General and Administrative Costs	7.72	7.06	0.66
Net Disposal Cost, Recyclable Material	0.60	2.00	(1.40)
Operating Margin	2.94	2.93	0.01
Less: Incentive Discount	(2.30)	(2.42)	0.12
Franchise Fees*	1.51	1.49	0.02
<b>Total</b>	<b>\$ 30.15</b>	<b>\$ 29.85</b>	<b>\$ 0.30</b>
<b>35-Gallon Roll Cart Service</b>			
Garbage Collection	\$ 3.40	\$ 3.07	\$ 0.33
Garbage Disposal	3.48	3.15	0.33
Recycling Collection	6.30	6.29	0.01
Yard Debris/Organics Collection	4.22	3.97	0.25
Yard Debris/Organics Disposal	3.83	3.82	0.01
General and Administrative Costs	7.72	7.06	0.66
Roll Cart Depreciation, Interest & Maintenance	0.45	0.34	0.11
Net Disposal Cost, Recyclable Material	0.60	2.00	(1.40)
Operating Margin	3.15	3.12	0.03
Less: Incentive Discount	0.00	0.00	0.00
Franchise Fees*	1.74	1.73	0.01
<b>Total</b>	<b>\$ 34.90</b>	<b>\$ 34.55</b>	<b>\$ 0.35</b>

\* Franchise fees are a pass-through expense assessed by the City on hauler gross revenues. Because haulers are allowed to pay franchise fees using revenues collected from customers, they are included as a component of rates. Franchise fees collected from customers are remitted to the City on a quarterly basis. Rates for both FY 2021-22 and FY 2022-23 contain a 5.0% franchise fee component.

## II. PROGRAM ATTRIBUTES AND PERFORMANCE

The City of Portland strives to provide high quality garbage, recycling, and composting collection services while simultaneously maximizing recycling participation and diversion. Figure 1 shows annual garbage, recycling and organics (yard debris/food waste generation) collected per household at the inception of the franchise system in 1991, and for the calendar years 2008 through 2021.



The following summarizes current program features and performance data.

**A. Garbage**

Garbage, recycling and composting collection services are provided to City residents under a franchise system that limits the number of haulers authorized to provide service. As part of this franchise system, the City regulates the rates haulers are allowed to charge customers. In 1991, the City awarded franchises to 69 haulers. By December 2021, the number of franchised haulers had decreased to ten. Hauler franchises range in size from 1,200 to 58,000 residential customers. Franchised haulers may also serve commercial customers, and many have operations outside the City of Portland. Rates for commercial service within City of Portland are not regulated, whereas many surrounding jurisdictions regulate both residential and commercial rates.

The standard level of residential service in the City of Portland includes every-other-week garbage collection, with weekly curbside collection of recycling and composting. Composting collection includes yard debris and food scraps. Customers also have the option of selecting a variety of other service options, including every-four-weeks garbage service and on-call service. The City sets a variable rate schedule based on the size and number of containers and the frequency of collection. Rates are lower for smaller volume containers and – for a given container size – for fewer containers. This variable rate structure gives customers an incentive to reduce the volume of garbage destined for landfills, by generating less waste and by recycling more.

As of December 2021, 6.3% of Portland residential customers subscribed to 20-gallon can or cart service. Overall, 57.4% of the City's residential customers subscribed to service levels that provide

a lower volume of garbage capacity, including the 20-gallon can or cart, 32-gallon can, 35-gallon roll cart, recycling-only, composting and recycling only, on-call, or every-four-weeks service levels. In 2021, the amount of garbage disposed per household was 937 pounds (sample haulers only), compared to 1697 pounds in 1992.

## **B. Recycling**

The most recent additions to the City of Portland’s curbside recycling program were in 2008, when plastic tubs, buckets, and flowerpots were added. At that time, customers were also provided with a blue 60-gallon recycling roll cart for all materials with the exception of glass and motor oil, which are collected on the side in a 14-gallon yellow bin. Plastic bottles, telephone books, aseptic juice and milk cartons, aerosol cans, and scrap paper were added between 1992 and 1996. Other materials that residents can recycle in their blue recycling roll cart are newspaper, glass, cardboard, aluminum, tin cans, scrap metals, and motor oil. No materials have ever been included in, and subsequently eliminated from, Portland’s curbside program.

BPS staff continues to evaluate new materials and processing capabilities, both for future expansion opportunities, and for opportunities to reduce costs. For more information on the City’s recycling efforts refer to BPS’ website [www.portlandoregon.gov/bps/recycle](http://www.portlandoregon.gov/bps/recycle).

In 2021, Portland households recycled an average of 588 pounds (sample haulers only) of material per recycling customer household. Only 226 pounds per household was recycled in 1991, prior to the adoption of the current residential franchise system.

## **C. Yard Debris / Food Scraps**

Since October 31, 2011, yard debris and food scraps (sometimes referred to as “composting” or “organics”) are collected on a weekly basis, with options for customers to set out bagged yard debris extras for an extra fee per bag. In mid-2008 the yard debris collection system transitioned from collection via customer-provided cans or yard debris bags, to green 60-gallon composting roll carts for curbside yard debris collection.

Prior to going to biweekly collection in 1993, monthly collection diverted only 100 pounds of yard debris per household annually. The addition of biweekly collection increased yard debris diversion to 230 pounds per household in 1994. In 2010, diversion averaged 523 pounds per household. Average disposal weight per household for 2021 was 1133 pounds per household (sample haulers only). This was a 5.3 percent decrease from the 1197 pounds per household reported the prior year and follows a 12.3 percent increase in 2020. The decrease in 2021 likely indicates households returning to more normal routines after the COVID-19 restrictions imposed in 2020.



### **III. THE RATE REVIEW PROCESS**

The franchised residential garbage, recycling, and composting collection system has been in place since February 1992. The following discussion summarizes critical aspects of the annual rate review process, as established by the Franchise Agreement between the City and franchised haulers.

#### **A. Franchise Agreement Requirements**

Under the terms of Section 8 of the Franchise Agreement, the City shall:

“establish a rate schedule for all Service Levels for the residential Solid Waste, Recycling and Compostables collection services ... sufficient for Grantees in aggregate to recover Grantees’ projected Allowable Expenses, Operating Margin and Pass-Through Expenses. The rate schedules established by the City shall reasonably reflect the distribution of customer Service Levels ... [and] may also include incentives to Residential Customers to reduce their Solid Waste and to reuse and recycle.”

Section 9.B of the Franchise Agreement specifies the general requirements that the City must address in making rate adjustments. Significant provisions of Section 9 include the following:

- The City must use a customer-weighted random sampling method to select a representative number of residential haulers (sample haulers), “to determine the reasonableness of the Allowable Expenses in the preceding rate period, and the projected Allowable Expenses, Operating Margin and Pass-Through Expenses for the next succeeding rate period.” For the FY 2022-23 rate review, the three sample haulers represented 75.2% of all solid waste and yard debris customers.
- The City may – and currently does – contract with an independent CPA to conduct financial reviews of the costs, revenues and income reported by the sample haulers. This independent CPA-reviewed financial information forms the primary basis for calculating rates.

#### **B. Key Rate Review Objectives**

The City of Portland seeks to:

- Develop rates that reflect the actual cost of providing service before adding incentives and disincentives.
- Develop rates that provide an incentive for customers to increase recycling and reduce garbage generation. The City of Portland applies incentives to cost-of-service rates to reduce the rates for service levels with lower garbage capacities. Disincentive premiums are applied to the rates for 60- and 90-gallon roll carts and all single family multi-can and multi-cart service levels. These disincentive premiums increase the rates paid by customers and partially offset the reduction in hauler revenue caused by the incentive discounts.
- Develop rates for standardized curbside collection service as well as other levels of service, such as 32-gallon can and 35-gallon cart collected every four weeks, recycling-only and on-call service, and service for occasional garbage and yard debris setouts.

- Develop rates that recover allowable costs and provide haulers with the opportunity to earn an operating margin equivalent to a 9.5% return on revenue.
- Ensure that non-curbside garbage, recycling, and composting service is provided, at no additional charge, to customers in households where no one is physically able to place containers at the curbside.

### **C. Unique Elements of the Rate Review Process**

In order to comply with the Franchise Agreement and achieve the objectives described above, the City of Portland annual rate review process includes the following unique elements:

#### **1. Annual Rate Review Process Timing**

Revised residential garbage, recycling and composting rates are usually effective on July 1st, at the start of each fiscal year. Rates are based on hauler financial data for the previous twelve-month calendar year ending on December 31st. The six-month lag between the end of the calendar year and the effective date for new rates allows time for the following events to occur:

- Preparation and submittal of calendar year financial data by the haulers;
- Selection of the sample haulers who will have their financial data reviewed by an independent CPA retained by the City;
- Completion of the independent CPA's financial review;
- Calculation of recommended rates by an economic consultant retained by the City;
- Review of the recommended rates by BPS staff;
- Review of the recommended rates by the Planning and Sustainability Commission;
- Review and eventual approval of the recommended rates by City Council.

FY 2022-23 rates are based on hauler financial data for the twelve-month calendar year ending on December 31, 2021 (CY 2021).

#### **2. Hauler Reporting Requirements**

In early March of each year, all residential franchised haulers are required to file with BPS a comprehensive financial disclosure known as a Detailed Cost Report (DCR). The DCR requires the haulers to present information regarding their calendar year revenues, costs and income pursuant to extensive City guidelines regarding allowable and non-allowable expenses, Generally Accepted Accounting Principles, accrual basis versus cash basis accounting, depreciation policies, salvage values, cost allocations and a variety of other financial reporting topics.

In addition to the annual DCR, BPS collects a variety of other information used in the rate review process, including quarterly customer counts by service level, and extensive data on labor hours and material weights. BPS also collects information on so-called "extra" services for use in the rate review process. These services – such as non-curb collection services and additional garbage and

yard debris setouts – are provided to customers upon request for an additional fee. Forecasted revenues from extra services are netted against total hauler costs and thus reduce the rates for primary curbside collection services. In a similar fashion, the incremental cost of providing service in the Westside Terrain Area is subtracted from total hauler costs to calculate the standard rates and the Terrain Differential (applies to rates in areas of Portland’s hillier west side where low street connectivity, larger lots, and narrow, winding roads increase the costs to collect garbage, recycling, and composting).

### **3. Independent CPA Review of Sample Hauler Financial Data**

The primary purpose of the independent CPA review of sample financial data is to verify – in line item detail – the cost of providing garbage, recycling and composting services to the City’s residential customers. This reviewed cost data, after adjustments for forecast inflation, provides the primary basis for calculating all garbage, recycling and composting rates. The independent CPA financial review also verifies sample hauler financial performance during the previous calendar year, especially as it relates to the calculation of the haulers’ operating margins.

During the course of its financial review, the independent CPA often makes a variety of recommended adjustments to hauler reported financial data. Some of these adjustments may accrue to the benefit of customers by lowering sample hauler and recycling district allowable costs. Others may increase the amount of allowable costs. Upon review, the economist usually incorporates all of the independent CPA's recommended adjustments for the calculation of rates.

For the FY 2022-23 rate review, all ten residential haulers filed their CY 2021 DCRs by March 7, 2022. Three haulers were selected via a customer-weighted random draw to have their submitted financial data reviewed by the CPA. By April 7, 2022, the independent CPA delivered the results of the financial review, including recommended adjustments, to the economist. This information was subsequently used as the basis for the FY 2022-23 rate calculation.

### **4. Application of Inflation Adjustments to Calendar Year Cost Data**

Portland's residential garbage, recycling and composting rates are designed to be forward looking. This means that *currently effective* rates have been designed with the intention of providing franchised haulers with adequate compensation for their *current* costs of providing service. As discussed above, there is a six-month time lag between the end of the calendar year for which cost data is collected and the start of the fiscal year when rates become effective. Once in effect, 2022-23 rates are expected to remain unchanged until July 1, 2023. As a result, there is an average eighteen-month period between cost measurement and full cost recovery.

For example, FY 2022-23 rates are based on costs incurred by haulers during the calendar year ending December 31, 2021. The eighteen-month period between July 1, 2021 (the middle of the calendar year for which cost data was reported), and January 1, 2023 (the middle of the twelve month span that the rates are expected to be in place), presents a risk that inflationary pressures will erode hauler profitability. For this reason, the actual calendar year costs underlying all garbage, recycling and composting rates are adjusted by an eighteen-month inflation factor. Section IV contains a discussion of specific inflation rates used in the calculation of FY 2022-23 rates.

## 5. Certain Costs Not Based on Reported Calendar Year Financial Data

A limited number of cost and revenue inputs used in the rate review process are not fully based on hauler reported financial data for the previous calendar year. Recyclable material sales revenue and garbage disposal costs are the two most notable exceptions.

The treatment of recyclable materials sales revenues and, more recently, processing costs, has changed over the years. Through FY 2012-13 rates, recyclable material sales revenue added an offset that was netted from rates. This recyclable materials revenue offset was entirely forward-looking, using a forecast of recyclable materials revenue for the rate year. This tended to add year-to-year volatility to the rates paid by customers. To help moderate these rate swings, the methodology was changed, beginning with FY 2013-14 rates, to use an equally weighted average of actual recycling revenue for each of the two prior calendar years and a forecast of recycling revenue for the rate year. This methodology was used for five years and was discontinued when changes in the world market for recyclable materials led to a sharp decline in the prices paid for processed recyclable materials from material recovery facilities (MRFs). Today, in what appears to be a new normal, haulers are charged a processing fee for the materials they deliver to MRFs. Within the rate components recyclable materials no longer produce a revenue offset and are added to other costs prior to the calculation of the operating margin rate component. The methodology used to determine the processing cost included in the rates relies more heavily on haulers' reported processing costs, but with an eye towards trends that may increase or decrease those costs. This approach has been used since FY 2018-19 rates. See Section IV for further discussion of the recyclable materials revenue methodology used for 2022-23 rates.

Garbage disposal costs are a second major rate input not based on the costs reported by haulers. In CY 2021, garbage disposal costs totaled approximately 52.2% of the sample haulers' total garbage collection costs. Due to their large magnitude, care is taken to ensure that the garbage disposal costs included in rates are as accurate as possible. Towards this end, BPS retains the services of Portland State University (PSU), which has conducted a comprehensive longitudinal study of Portland residential garbage container weights since 1992. Average net container weights calculated from the PSU data are further trued-up via a tonnage reconciliation, whereby haulers' reported tonnage is compared to expected tonnage, based on customer counts by service level and container weights. See Section IV for final can weights for FY 2022-23.

The rates for multiplexes (duplexes, triplexes and four-plexes) are based on adding an "extra unit recycling cost" to the base rate for the same size garbage can/cart used at a single-family home. This extra unit recycling cost includes additional labor and collection costs, a recycling revenue offset, and costs for additional recycling roll carts. The extra unit charge is \$8.60 per extra unit for FY 2022-23. The multiplex rates are shown in the rate chart in Appendix A.

## 6. Operating Margin Methodology

Per the Franchise Agreement, rates are designed to allow haulers to recover legitimate costs of providing service and to provide them **the opportunity** to reach an operating margin equal to a

9.5% return on revenue. A simplified version of the operating margin calculation is presented below:

$$\begin{aligned} & \text{Gross Residential Revenues} \\ & + \text{Revenues from the Sale of Recyclable Materials} \\ & - \text{Allowable Expenses} \\ & - \text{Pass Through Expenses} \\ & = \text{Operating Margin} \end{aligned}$$

Although forecast inflation and fluctuations in the recyclable materials market can have a dramatic effect on the need for rate increases, there is generally an inverse relationship between the operating margin earned by haulers in a calendar year and the level of rate increases necessary in the upcoming fiscal year. This occurs because the actual costs experienced by haulers during the previous calendar year serve as the underlying cost basis for the upcoming fiscal year rate revenue requirement.

The use of a fixed operating margin target, coupled with the fact that allowable costs are reset every year, provides haulers with an ongoing incentive to increase operational efficiencies and control costs. This incentive occurs because haulers are allowed to retain all profits in excess of the target 9.5% operating margin used to calculate rates. Conversely, haulers who earn an operating margin below 9.5% have no recourse but to accept this outcome. Therefore, regardless of their individual profitability in past years, all haulers have an incentive to control costs in order to maximize profitability in the current calendar year.

## 7. Use of Composite Weighted Averages

With the exception of the Terrain Differential in the Westside Terrain Area, residential customers in the City of Portland pay a uniform citywide rate for each level of service. This occurs despite that fact that residential customers are currently served by one of ten franchised haulers, each with unique operational and cost characteristics.

Citywide rate uniformity is achieved by calculating composite weighted average costs using the financial information contained in hauler DCRs. For example, in CY 2021, wages for recycling route drivers totaled \$3,314,637 for the three haulers included in the customer-weighted random sample. This is equivalent to an annual weighted average cost per customer of \$27.73. Netting out the incremental cost of providing service in hilly terrain reduced the cost per customer to \$26.29. Making adjustments for forecast inflation brought the final cost for recycling route drivers to \$27.78 per customer per year.

As illustrated in Appendix B, this same process is followed, on a line item-by-line item basis, for all of the 138 cost categories listed in the DCRs. The total amount of these costs, after adjustments for forecast inflation, operating margins and franchise fees, defines the composite weighted average per customer revenue requirement that must be recovered through rates.

In addition to rate uniformity, the use of a composite weighted average methodology achieves two other critical objectives. First, it allows for the equitable blending of costs from haulers with often-disparate operational and financial characteristics. In effect, highly efficient operators with low unit costs dampen or offset the upward rate pressures caused by inefficient operators with high unit costs. The reverse is also true.

Second, the use of a composite weighted average methodology allows the financial results of a small number of haulers to serve as a proxy for the entire residential franchise system. For 2022-23, the DCRs of the three haulers in the customer-weighted random sample served as a proxy for all ten haulers in the system. These three haulers still accounted for 75.2% of all garbage and compost customers in the City. This significantly reduces administrative costs for the franchise review process, especially as it relates to the annual independent CPA review of the DCRs, while still including at least 75% of Portland customers in the sample.

#### **IV. KEY FACTORS AFFECTING FY 2022-23 RATES**

##### **A. Recyclable Material Sales Revenue**

China's 'Green Fence' and 'National Sword' policies continue to have a dramatic effect on west coast recycling markets, with haulers paying material recovery facilities (MRFs) to accept recyclable materials. In light of these market conditions, the materials processing charge component of the rates has been set to reflect market conditions at the time rates were being set. This has been done since the setting of FY 2018-19 rates. Processing costs were relatively stable during three years spanning 2018-2020, averaging \$1.94 per customer per month. Processing costs dropped substantially in 2021 to \$0.43 per customer per month. With the large drop there were some MRFs searching for the 'right' price. Prices stabilized somewhat towards the end of 2021 and through the first four months of 2022. The processing costs for January through April 2022 were taken as indicative of likely future processing costs and were used in the 2022-23 rates. This gives a recyclables materials processing cost of \$0.60 per customer per month, down \$1.40 from the \$2.00 in the 2021-22 rates.

##### **B. Forecast Inflation Adjustments**

Table 3 shows the inflation adjustments applied to CY 2021 composite costs. These inflation adjustments are applied to all cost line items impacted by inflation, including wages and benefits, vehicle maintenance and repair, fuel, and general and administrative expenses. In aggregate, these inflators are estimated to add an average of \$1.95 per month to a residential bill compared to a zero inflation scenario.

Table 3. FY 2022-23 Inflation Adjustments

<i>Cost Category</i>	<i>16-Month Inflation Adjustment</i>	<i>Annual (12-Month) Equivalent</i>	<i>Data Source for Inflation Adjustment</i>
<b><i>Wages and Other Labor Costs</i></b>			
Garbage – Wages	5.70%	4.25%	Weighted average, using actual or expected contract adjustments for some haulers, and actual and forecast CPI and PPI data for other haulers
Garbage – Pensions	4.78%	3.56%	
Garbage – Health and Welfare Coverage	4.78%	3.56%	
Recycling – Wages	5.65%	4.21%	
Recycling – Pensions	4.58%	3.42%	
Recycling – Health and Welfare Coverage	4.58%	3.42%	
Organics – Wages	5.64%	4.20%	
Organics – Pensions	4.56%	3.40%	
Organics – Health and Welfare Coverage	4.55%	3.39%	
General & Administrative – Health & Welfare Coverage	6.01%	4.47%	
General & Administrative - Wages & Pension	6.01%	4.47%	Actual and forecast CPI and PPI data
<i>Non-Labor Adjustments (e.g., office rent; insurance; vehicle repair, maintenance and depreciation; etc.)</i>	9.42%	6.98%	Actual and forecast CPI and PPI data
<b><i>B20 Biodiesel Fuel/CNG combination</i></b>	22.94%	16.76%	U.S. EIA forecast

### C. Garbage Disposal Costs

Forecast garbage disposal costs are driven by two primary factors: the amount of garbage discarded by customers and the Metro tip fee. The FY 2022-23 Metro tip fee increased from \$115.15 per ton, plus \$2.75 per transaction, to \$123.29 per ton, with the transaction fee remaining at \$2.75 per transaction. Discard weights for primary 20-gallon, 32-gallon, and 35-gallon service levels were adjusted upwards, with no change made to the 60- and 90-gallon service levels. See Table 4.

Table 4. FY 2022-23 Garbage Discard Weights

<i>Type of Service (collected every-other-week from single-family residences)</i>	<i>FY 2022-23 Weights</i>	<i>FY 2021-22 Weights</i>	<i>Percent Change</i>
20 Gallon Can and Cart	15.87 lbs.	14.53 lbs.	9.2 %
32 Gallon Can	25.85 lbs.	25.10 lbs.	3.0 %
35 Gallon Roll Cart	25.85 lbs.	25.10 lbs.	3.0 %
60 Gallon Roll Cart	47.70 lbs.	47.70 lbs.	0.0 %
90 Gallon Roll Cart	69.92 lbs.	69.92 lbs.	0.0 %

The 20-gallon can and cart rates saw the largest percentage increase in disposal costs, up 16.9 percent or \$0.31. The 32- and 35-gallon service levels had increases of 10.3 percent, or \$0.32. With no changes to weights for the 60- and 90-gallon service levels, their disposal cost increases mirrored the seven percent increase in Metro’s tip fee, with the 60-gallon’s disposal up \$0.42 and the 90-gallon up \$0.62.

**D. Organics Disposal Costs**

Most yard debris and food scraps collected by Portland franchised haulers are taken to one of Metro’s two transfer facilities. Similar to garbage disposal costs, organics disposal costs are driven by the average amount of organics generated per household, and Metro’s tip fee. Organics disposal per household is forecast to be 1133 pounds per year, a 5.3% decrease from the 1197 pounds per household assumed in the FY 2021-22 rates. Metro’s tip fee will increase 5.7 percent to \$82.38/ton, with the \$2.75 per transaction fee remaining unchanged.

The organics disposal cost included in rates is allocated between the primary levels of service and extra yard debris setouts. The sample haulers reported about the same number of yard debris extras per household compared to 2020. With that tonnage allocation remaining unchanged, the 5.3 percent reduction in organics tonnage is concentrated in the base rate. This produces a greater than 5.3 percent decrease in tonnage in the base rate, which, when combined with the 5.7 percent increase in tip fees, leaves the organics disposal rate component nearly unchanged from 2021-22. For 2022-23, the base rate for all primary service levels includes \$3.83 per month for organics disposal, up just \$0.01 from the prior year.

**E. Incentives and Disincentives**

Several rates are set below cost-of-service through the inclusion of incentive discounts. Since rates are set to make haulers ‘whole,’ the incentive discounts are offset by disincentive charges on other service levels. Table 5 gives the incentives and disincentives for single can or cart service levels for the FY 2022-23 rates, along with those in the FY 2021-22 rates.

Table 5. Incentives and Disincentives in FY 2022-23 and FY 2021-22 rates.

<i>Service level</i>	<i>FY 2022-23 rates</i>	<i>FY 2021-22 rates</i>
20 Gallon Can	(\$ 2.30)	(\$ 2.42)
20 Gallon Roll Cart	(\$ 2.77)	(\$ 2.77)
32 Gallon Can	\$ 0.37	\$ 0.24
35 Gallon Roll Cart	\$ 0.00	\$ 0.00
60 Gallon Roll Cart	\$ 0.53	\$ 0.59
90 Gallon Roll Cart	\$ 2.46	\$ 2.80
32 Gallon Can, Every Four Weeks	(\$ 1.92)	(\$ 2.43)
35 Gallon Roll Cart, Every Four Weeks	(\$ 2.34)	(\$ 2.73)
Composting & Recycling Only	(\$ 0.00)	(\$ 0.75)



**Appendix A**  
**FY 2022-23 Residential Garbage, Recycling and Composting Rates**  
**(Rates Effective July 1, 2022)**

<b>Service Level</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Every-Other-Week Can Services</b>		
One 20 gallon can	\$ 30.15	\$ 29.85
One 32 gallon can	34.90	34.55
Two 32 gallon cans	45.65	44.95
Two 32 gallon cans at a duplex	48.40	48.45
Two 32 gallon cans at a triplex	57.00	57.95
Three 32 gallon cans	51.90	50.70
Three 32 gallon cans at a duplex	53.80	53.35
Three 32 gallon cans at a triplex	62.40	62.85
Three 32 gallon cans at a four-plex	71.00	72.35
Four 32 gallon cans	58.15	56.45
Four 32 gallon cans at a duplex	59.15	58.25
Four 32 gallon cans at a triplex	67.75	67.75
Four 32 gallon cans at a four-plex	76.35	77.25
<b>Every-Other-Week Roll Cart Services</b>		
One 20 gallon roll cart	\$ 30.15	\$ 29.85
One 35 gallon roll cart	34.90	34.55
One 35 gallon roll cart at a duplex	43.45	43.85
Two 35 gallon roll carts	43.80	42.95
Two 35 gallon roll carts at a duplex	49.15	49.00
Two 35 gallon roll carts at a triplex	57.75	58.50
Two 35 gallon roll carts at a four-plex	66.35	68.00
Three 35 gallon roll carts	52.40	50.85
Three 35 gallon roll carts at a duplex	54.90	54.10
Three 35 gallon roll carts at a triplex	63.50	63.60
Three 35 gallon roll carts at a four-plex	72.10	73.10
Four 35 gallon roll carts	60.90	58.75
Four 35 gallon roll carts at a duplex	60.65	59.25
Four 35 gallon roll carts at a triplex	69.25	68.75
Four 35 gallon roll carts at a four-plex	77.85	78.25
One 60 gallon roll cart	39.45	39.05
One 60 gallon roll cart at a duplex	47.45	47.70
One 60 gallon roll cart at a triplex	56.05	57.20
Two 60 gallon roll carts	52.35	51.20
Two 60 gallon roll carts at a duplex	57.15	56.70
Two 60 gallon roll carts at a triplex	65.75	66.20
Two 60 gallon roll carts at a four-plex	74.35	75.70
Three 60 gallon roll carts	63.80	62.00
Three 60 gallon roll carts at a duplex	66.90	65.70
Three 60 gallon roll carts at a triplex	75.50	75.20
Three 60 gallon roll carts at a four-plex	84.10	84.70

**Appendix A (Continued)**  
**FY 2022-23 Residential Garbage, Recycling and Composting Rates**  
**(Rates Effective July 1, 2022)**

<b>Service Level</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Every-Other-Week Roll Cart Services</b>		
Four 60 gallon roll carts	\$ 75.25	\$ 72.80
Four 60 gallon roll carts at a duplex	76.65	74.70
Four 60 gallon roll carts at a triplex	85.25	84.20
Four 60 gallon roll carts at a four-plex	93.85	93.70
One 90 gallon roll cart	45.70	45.30
One 90 gallon roll cart at a duplex	51.65	51.65
One 90 gallon roll cart at a triplex	60.25	61.15
One 90 gallon roll cart at a four-plex	68.85	70.65
Two 90 gallon roll carts	61.65	60.25
Two 90 gallon roll carts at a duplex	65.60	64.55
Two 90 gallon roll carts at a triplex	74.20	74.05
Two 90 gallon roll carts at a four-plex	82.80	83.55
Three 90 gallon roll carts	76.00	73.60
Three 90 gallon roll carts at a duplex	79.55	77.50
Three 90 gallon roll carts at a triplex	88.15	87.00
Three 90 gallon roll carts at a four-plex	96.75	96.50
Four 90 gallon roll carts	90.35	86.95
Four 60 gallon roll carts at a duplex	93.50	90.45
Four 60 gallon roll carts at a triplex	102.10	99.95
Four 60 gallon roll carts at a four-plex	110.70	109.45
<b>Every-Other-Week Container Services</b>		
One 1 cubic yard container	\$ 94.20	\$ 87.45
One 1 cubic yard container at a duplex	82.25	80.35
One 1 cubic yard container at a triplex	90.85	89.85
One 1 cubic yard container at a four-plex	99.45	99.35
One 1.5 cubic yard container	127.80	118.95
One 1.5 cubic yard container at a duplex	103.65	100.40
One 1.5 cubic yard container at a triplex	112.25	109.90
One 1.5 cubic yard container at a four-plex	120.85	119.40
One 2.0 cubic yard container	161.40	150.45
One 2.0 cubic yard container at a duplex	124.90	120.35
One 2.0 cubic yard container at a triplex	133.50	129.85
One 2.0 cubic yard container at a four-plex	142.10	139.35
<b>Special Services – Garbage</b>		
One 32 gallon can every four weeks	\$ 27.35	\$ 27.15
One 32 gallon can on-call (w/o recycling or composting)	11.30	10.40
One 35 gallon roll cart every four weeks	27.35	27.15
Occasional extra can/bag	5.15	5.00
<b>Special Services – Recycling and Organics</b>		
Recycling only – weekly	\$ 10.70	\$ 12.00
Compost & recycling only	22.75	22.85
Yard debris extra bag/can	3.75	3.75
Extra cart for recycling	4.55	6.05
Extra cart for compost	15.05	14.15

**Appendix A (Continued)**  
**FY 2022-23 Residential Garbage, Recycling and Composting Rates**  
**(Rates Effective July 1, 2022)**

<b>Service Level</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Terrain Differential</b>		
Regular weekly service (single can)	\$ 4.85	\$ 4.55
Regular weekly service (multiple cans/carts)	5.00	4.70
Every-four-weeks service	3.45	3.25
Weekly recycling only service	1.70	1.60
Compost & recycling only	3.10	2.95
On-call service	0.85	0.75
On Call Yard Debris Collection	0.35	0.35
<b>Non-Curb Service Surcharge</b>		
One 20 gallon can	2.35	2.25
One 32 gallon can	2.35	2.25
Two 32 gallon cans	4.70	4.50
Three 32 gallon cans	7.05	6.75
Four 32 gallon cans	9.40	9.00
<b>Excess Distance (Greater than 75')</b>		
One 20 gallon can	0.85	0.80
One 32 gallon can	0.85	0.80
Two 32 gallon cans	1.70	1.60
Three 32 gallon cans	2.55	2.40
Four 32 gallon cans	3.40	3.20
<b>Multifamily Special Services:</b>		
Recycling surcharge per extra dwelling unit	\$ 8.60	\$ 9.50
Non-curb can service	2.35	2.25
Non-curb roll cart service	4.70	4.50
Excess distance per roll cart	1.70	1.60

**Appendix B**  
**CY 2021 Composite Weighted Average Revenues and Costs**  
**(Dollars/Customer/Year)**

DCR* Line #	Line item Description	Weighted Average per Customer	Summary Percent
	<b>SUMMARY</b>		
1	Revenues (From Line 21)	\$ 448.36	100.00%
2	Direct Cost of Operations (From Lines 55)	301.00	67.13%
3	Gross Profit (Line 1 Less Line 2)	147.36	32.87%
4	General & Administrative (From Line 94)	86.28	19.24%
5	Income from Operations (Line 3 Less Line 4)	\$ 61.09	<b>13.62%</b>
	<b>ADJUSTMENTS TO ALLOWABLE COSTS:</b>		
6	Route Purchase – Interest (From Line 92)	\$ 0.00	0.00%
7	Route Purchase – Amortization (From Line 90)	0.00	0.00%
8	Contributions (From Line 70)	0.00	0.00%
9	Federal/State/Local Income Taxes (From Line 77 & Anywhere Else Reported)	0.00	0.00%
10	Gain on Sale of Assets (From Line 20)	0.00	0.00%
11	Officers Life Ins. Premium (From Line 61, or Wherever Included)	0.00	0.00%
12	Director's Fees (From Line 61, or Wherever Included)	0.00	0.00%
13	Other Non-Allowable Costs (From wherever included)	0.00	0.00%
14	Office in Home (From Worksheet)	0.00	0.00%
15	Yard at Home (From Worksheet)	0.00	0.00%
16	Total Adjustments to Costs (Total Lines 6-15)	\$ 0.00	0.00%
17	Allowable Franchise Costs (Lines 2 + 4 - 16)	\$ 387.28	86.38%
	NET FRANCHISE EARNINGS	\$ 61.09	13.62%
	RETURN ON REVENUES		
	<b>REVENUE</b>		
18	Collection Revenues	\$ 453.17	101.07%
19	Recyclable Material Sales	(5.16)	-1.15%
20	Other Revenues	0.35	0.08%
21	TOTAL REVENUES	\$ 448.36	100.00%

\* DCR = Detailed Cost Report, submitted annually by all franchisees

**Appendix B (Continued)**  
**CY 2021 Composite Weighted Average Revenues and Costs**  
**(Dollars/Customer/Year)**

DCR Line #	Line item Description	Weighted Average per Customer, as Reported	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	<b>SOLID WASTE - DIRECT COST OF OPERATIONS</b>						
22	Wages - Route Drivers	\$ 18.08	3.92%	\$ 17.05		5.70%	\$ 18.02
23	Wages – Mechanic	2.41	0.52%	2.27		9.42%	2.49
24	Payroll Tax Expense	1.95	0.42%	1.84		5.70%	1.94
25	Medical Insurance	4.41	0.96%	4.15		4.78%	4.35
26	Pension Plan Expense	2.03	0.44%	1.92		4.78%	2.01
27	Workers Compensation Insurance	0.44	0.10%	0.42		9.42%	0.46
28	Other Benefits	0.12	0.03%	0.11		5.70%	0.12
29	Training and Worker Safety	0.45	0.10%	0.45		9.42%	0.49
30	Fuel	2.90	0.63%	2.74		17.98%	3.23
31	Repairs & Maintenance - Vehicles	4.43	0.96%	4.17		9.42%	4.57
32	Repairs & Maint. - Containers & Carts	1.30	0.28%	1.30	-1.30	Rates based on forecast costs	
33	Repairs & Maintenance - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
34	Repairs & Maintenance - Yard/Buildings	0.15	0.03%	0.15		9.42%	0.16
35	Depreciation - Vehicles	4.38	0.95%	4.13	-1.58	9.42%	2.79
36	Depreciation - Containers & Carts	3.70	0.80%	3.70	-3.70	Rates based on forecast costs	
37	Depreciation - Other Equipment	0.22	0.05%	0.22		9.42%	0.24
38	Depreciation - Yard/Buildings	0.21	0.05%	0.21		0.00%	0.21
39	Disposal Fees	56.01	12.15%	56.01	-56.01	Rates based on forecast costs	
40	Recycling Co-op Payments			0.00		0.00%	0.00
41	Recycling Bins			0.00		0.00%	0.00
42	Supplies	0.03	0.01%	0.03		9.42%	0.03
43	Yard Rent	0.85	0.18%	0.85		9.42%	0.93
44	Vehicle Rent	0.00	0.00%	0.00		9.42%	0.00
45	Other Equipment Rent	0.02	0.00%	0.02		9.42%	0.02
46	Insurance	1.99	0.43%	1.88		9.42%	2.06
47	PUC /Licenses / Fees	0.56	0.12%	0.53		9.42%	0.58
48	Franchise Fees	23.22	5.04%	23.22	-23.22	0.00%	0.00
49	Surcharges	0.00	0.00%	0.00		0.00%	0.00
50	Interest - Vehicles	0.28	0.06%	0.26		9.42%	0.28
51	Interest - Containers & Carts	0.15	0.03%	0.15	-0.15	Rates based on forecast costs	
52	Interest - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
53	Interest - Yard/Buildings	0.00	0.00%	0.00		9.42%	0.00
54	Other Operational Expenses	0.24	0.05%	0.24		9.42%	0.26
55	TOTAL - SOLID WASTE	\$ 130.53	28.32%	\$ 128.02	-\$ 85.97		\$ 45.23

**Appendix B (Continued)**  
**CY 2021 Composite Weighted Average Revenues and Costs**  
**(Dollars/Customer/Year)**

DCR Line #	Line item Description	Weighted Average per Customer	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	<b>RECYCLING - DIRECT COST OF OPERATIONS</b>						
22	Wages - Route Drivers	\$ 27.73	6.41%	\$ 26.29		5.65%	\$ 27.78
23	Wages - Mechanic	3.73	0.86%	3.54		9.42%	3.87
24	Payroll Tax Expense	2.98	0.69%	2.83		5.65%	2.99
25	Medical Insurance	6.64	1.53%	6.29		4.58%	6.58
26	Pension Plan Expense	3.19	0.74%	3.02		4.58%	3.16
27	Workers Compensation Insurance	0.76	0.18%	0.72		9.42%	0.79
28	Other Benefits	0.20	0.05%	0.19		5.65%	0.20
29	Training and Worker Safety	0.17	0.04%	0.17		9.42%	0.19
30	Fuel	3.64	0.84%	3.45		18.97%	4.11
31	Repairs & Maintenance - Vehicles	6.13	1.42%	5.81		9.42%	6.36
32	Repairs & Maint. - Containers & Carts	1.38	0.31%	1.38		9.42%	1.51
33	Repairs & Maintenance - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
34	Repairs & Maintenance - Yard/Buildings	0.26	0.06%	0.26		9.42%	0.29
35	Depreciation - Vehicles	7.29	1.69%	6.92		9.42%	7.57
36	Depreciation - Containers & Carts	2.44	0.55%	2.44		0.00%	2.44
37	Depreciation - Other Equipment	0.32	0.07%	0.32		9.42%	0.35
38	Depreciation - Yard/Buildings	0.36	0.08%	0.36		0.00%	0.36
39	Disposal Fees	0.00	0.00%	0.00		0.00%	0.00
40	Recycling Co-op Payments	0.00	0.00%	0.00		0.00%	0.00
41	Recycling Bins	0.07	0.02%	0.07		9.42%	0.08
42	Supplies	0.04	0.01%	0.04		9.42%	0.04
43	Yard Rent	1.35	0.31%	1.35		9.42%	1.48
44	Vehicle Rent	0.00	0.00%	0.00		9.42%	0.00
45	Other Equipment Rent	0.03	0.01%	0.03		9.42%	0.04
46	Insurance	3.22	0.74%	3.05		9.42%	3.34
47	PUC/Licenses/Fees	0.91	0.21%	0.86		9.42%	0.94
48	Franchise Fees			0.00		0.00%	0.00
49	Surcharges			0.00		0.00%	0.00
50	Interest - Vehicles	0.75	0.17%	0.71		9.42%	0.78
51	Interest - Containers & Carts	0.14	0.03%	0.14		9.42%	0.16
52	Interest - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
53	Interest - Yard/Buildings	0.00	0.00%	0.00		9.42%	0.00
54	Other Operational Expenses	0.17	0.04%	0.17		9.42%	0.19
55	TOTAL - RECYCLING	\$ 73.91	17.06%	\$ 70.43	\$ 0.00		\$ 75.58

**Appendix B (Continued)**  
**CY 2021 Composite Weighted Average Revenues and Costs**  
**(Dollars/Customer/Year)**

DCR Line #	Line item Description	Weighted Average per Customer, as Reported	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	<b>ORGANICS - DIRECT COST OF OPERATIONS</b>						
22	Wages - Route Drivers	\$ 18.49	4.19%	\$ 17.91		5.64%	\$ 18.92
23	Wages - Mechanic	2.54	0.57%	2.46		9.42%	2.69
24	Payroll Tax Expense	1.99	0.45%	1.93		5.64%	2.04
25	Medical Insurance	4.23	0.96%	4.10		4.55%	4.28
26	Pension Plan Expense	2.23	0.50%	2.16		4.56%	2.26
27	Workers Compensation Insurance	0.51	0.12%	0.50		9.42%	0.54
28	Other Benefits	0.14	0.03%	0.13		9.42%	0.15
29	Training and Worker Safety	0.11	0.03%	0.11		9.42%	0.12
30	Fuel	2.96	0.67%	2.86		18.46%	3.39
31	Repairs & Maintenance - Vehicles	4.27	0.97%	4.14		9.42%	4.53
32	Repairs & Maint. - Containers & Carts	1.12	0.25%	1.12		9.42%	1.22
33	Repairs & Maintenance - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
34	Repairs & Maintenance - Yard/Buildings	0.18	0.04%	0.18		9.42%	0.19
35	Depreciation - Vehicles	5.09	1.15%	4.93	-1.51	9.42%	3.73
36	Depreciation - Containers & Carts	1.79	0.40%	1.79		9.42%	1.95
37	Depreciation - Other Equipment	0.23	0.05%	0.23		9.42%	0.25
38	Depreciation - Yard/Buildings	0.25	0.06%	0.25		9.42%	0.27
39	Disposal Fees	43.79	9.92%	43.79	2.13	0.00%	45.92
40	Recycling Co-op Payments			0.00		0.00%	0.00
41	Recycling Bins			0.00		0.00%	0.00
42	Supplies	0.03	0.01%	0.03		9.42%	0.03
43	Yard Rent	0.98	0.22%	0.98		9.42%	1.07
44	Vehicle Rent	0.00	0.00%	0.00		9.42%	0.00
45	Other Equipment Rent	0.02	0.00%	0.02		9.42%	0.02
46	Insurance	2.12	0.48%	2.05		9.42%	2.24
47	PUC/Licenses/Fees	0.62	0.14%	0.60		9.42%	0.65
48	Franchise Fees			0.00		0.00%	0.00
49	Surcharges			0.00		0.00%	0.00
50	Interest - Vehicles	0.50	0.11%	0.49		9.42%	0.53
51	Interest - Containers & Carts	0.14	0.03%	0.14		9.42%	0.16
52	Interest - Other Equipment	0.00	0.00%	0.00		9.42%	0.00
53	Interest - Yard/Buildings	0.00	0.00%	0.00		9.42%	0.00
54	Other Operational Expenses	0.11	0.02%	0.11		9.42%	0.12
55	TOTAL YARD DEBRIS	\$ 94.42	21.37%	\$ 92.98	\$ 0.62		\$ 97.29

**Appendix B (Continued)**  
**CY 2021 Composite Weighted Average Revenues and Costs**  
**(Dollars/Customer/Year)**

DCR Line #	Line item Description	Weighted Average per Customer	Percent of Revenue	Weighted Average per Customer Net of Terrain Surcharge	Adjustments	Inflation Adjustment	Final Cost Used in Rates
	<i>GENERAL AND ADMINISTRATIVE</i>						
56	Management Salaries	\$ 20.60	4.61%	20.57		9.42%	22.51
57	Management Payroll Tax Expense	1.83	0.41%	1.83		9.42%	2.00
58	Management Medical Insurance	1.99	0.44%	1.98		6.01%	2.10
59	Management Workers Compensation	0.00	0.00%	0.00		9.42%	0.00
60	Management Pension Plan Expense	1.37	0.31%	1.37		9.42%	1.50
61	Management Other Benefits	0.00	0.00%	0.00		9.42%	0.00
62	Administrative Salaries	20.46	4.58%	20.43		9.42%	22.36
63	Administrative Payroll Tax Expense	1.71	0.38%	1.71		9.42%	1.87
64	Administrative Medical Insurance	2.92	0.65%	2.91		6.01%	3.09
65	Administrative Workers Compensation	0.22	0.05%	0.22		9.42%	0.24
66	Administrative Pension Plan Expense	0.94	0.21%	0.94		9.42%	1.03
67	Administrative Other Benefits	0.01	0.00%	0.01		9.42%	0.01
68	Office Rent	3.59	0.80%	3.59		9.42%	3.92
69	Advertising and Public Education	0.96	0.21%	0.96		9.42%	1.05
70	Contributions	0.00	0.00%	0.00		9.42%	0.00
71	Professional Fees	1.67	0.37%	1.66		9.42%	1.82
72	Training & Worker Safety	0.15	0.03%	0.15		9.42%	0.16
73	Insurance	1.04	0.23%	1.04		9.42%	1.14
74	Telephone	1.47	0.33%	1.46		9.42%	1.60
75	Utilities	1.44	0.32%	1.43		9.42%	1.57
76	Property Taxes/Licenses/Fees	2.31	0.52%	2.31		9.42%	2.53
77	Federal/ State/Local Income Taxes	0.44	0.10%	0.44		-0.98%	0.44
78	Dues & Subscriptions	0.82	0.18%	0.82		9.42%	0.90
79	Depreciation - Office Building	0.12	0.03%	0.12		9.42%	0.13
80	Depreciation - Office Equipment	0.28	0.06%	0.28		9.42%	0.30
81	Repairs & Maintenance - Office	0.82	0.18%	0.82		9.42%	0.89
82	Cleaning and Maintenance	0.81	0.18%	0.81		9.42%	0.89
83	Equipment Rental	0.02	0.00%	0.02		9.42%	0.02
84	Office Supplies	1.42	0.32%	1.41		9.42%	1.55
85	Postage & Freight	2.23	0.50%	2.22		9.42%	2.43
86	Miscellaneous Expense	3.68	0.82%	3.67		9.42%	4.02
87	Travel/Meals/Lodging	0.32	0.07%	0.31		9.42%	0.34
88	Professional Meetings and Seminars	0.02	0.00%	0.02		9.42%	0.02
89	Bad Debts	0.89	0.20%	0.88		-0.98%	0.88
90	Amortization - Route & Intangibles	0.00	0.00%	0.00		0.00%	0.00
91	Amortization - Other	0.00	0.00%	0.00		0.00%	0.00
92	Interest - Route	0.00	0.00%	0.00		0.00%	0.00
93	Interest - Other	0.00	0.00%	0.00		9.42%	0.01
94	Corporate Overhead	9.75	2.18%	9.74		9.42%	10.65
94	TOTAL - G & A	\$ 82.28	19.31%	\$ 86.14	\$ 0.00		\$ 93.95