

RWO - Valley Cost of Service Report 2020-21



	RWO - Valley Total			Yamhill County		
	2020 Calendar Year Actual	2021-22 Projected Rate Year	Allocation Method	2020 Calendar Year Actual	Adjustments and Projected Changes	2021-22 Projected Rate Year
REVENUE				Rate Adj. % >>>	0.00%	no adj.
Collection Services - Residential	\$ 7,249,336	\$ 7,404,695	Actual	\$ 1,322,396	\$ 20,935	\$ 1,343,331
Collection Services - Commercial	\$ 3,975,099	\$ 4,097,332	Actual	\$ 559,050	\$ 12,775	\$ 571,825
Collection Services - Debris Box	\$ 1,270,761	\$ 1,286,821	Actual	\$ 263,233	\$ 3,948	\$ 267,182
COLLECTION SERVICES:	\$ 12,495,196	\$ 12,788,848	Actual	\$ 2,144,679		\$ 2,182,338
Proposed Rate Adjustment			Actual			\$ -
Revenue - DB Disposal	\$ 800,199	\$ 845,820	Actual	\$ 216,479	\$ 3,247	\$ 219,727
Revenue - Medical Waste	\$ 153,543	\$ 156,786	Actual	\$ 1,254	\$ 345	\$ 1,600
Revenue - Other (fees & related)	\$ 9,059	\$ 12,955	Actual	\$ 1,226	\$ 834	\$ 2,060
Non-Franchised Revenue	\$ 740,833	\$ 670,539	Actual	\$ -	\$ -	\$ -
Total Revenue	\$ 14,198,830	\$ 14,474,948		\$ 2,363,639	\$ 42,085	\$ 2,405,724
Franchise Fees	\$ (520,945)	\$ (534,052)	Actual	\$ (39,524)		\$ (40,228)
Revenue w/o Franchise Fees	\$ 13,677,885	\$ 13,940,896		\$ 2,324,115		\$ 2,365,496
LABOR EXPENSES						
Operational Personnel	\$ 1,577,356	\$ 1,661,243	Labor Hours	\$ 297,856	\$ 15,841	\$ 313,696
Payroll Taxes	\$ 139,921	\$ 147,362	Labor Hours	\$ 26,422	\$ 1,405	\$ 27,827
Medical Insurance	\$ 403,359	\$ 437,561	Labor Hours	\$ 76,167	\$ 6,458	\$ 82,626
Other Benefits	\$ 212,202	\$ 212,321	Labor Hours	\$ 40,071	\$ 23	\$ 40,093
Total Labor Expense	\$ 2,332,838	\$ 2,458,487		\$ 440,515	\$ 23,727	\$ 464,242
DISPOSAL						
Disposal Charges - Outside Source	\$ 762,357	\$ 823,597	Vessel Weights	\$ 286,628	\$ 23,025	\$ 309,653
Disposal Charges - Inter-Company	\$ 1,345,630	\$ 1,395,460	Vessel Weights	\$ -	\$ -	\$ -
Medical Waste & Supplies	\$ 78,751	\$ 80,326	Med. Waste	\$ 1,106	\$ 22	\$ 1,128
Total Disposal Expense	\$ 2,186,738	\$ 2,299,383		\$ 287,734	\$ 23,047	\$ 310,781
OPERATIONAL EXPENSES						
Fuel	\$ 248,529	\$ 317,236	Franchised Labor	\$ 56,293	\$ 15,562	\$ 71,855
Repairs and Maintenance	\$ 1,245,084	\$ 1,401,202	Franchised Labor	\$ 282,017	\$ 35,361	\$ 317,378
Business Taxes and PUC	\$ 187,980	\$ 195,528	Franchised Labor	\$ 42,578	\$ 1,710	\$ 44,288
Supplies & Uniforms	\$ 21,589	\$ 21,992	Labor Hours	\$ 4,077	\$ 76	\$ 4,153
Operational Supplies/Safety	\$ 30,001	\$ 41,057	Labor Hours	\$ 5,665	\$ 2,088	\$ 7,753
Contract Labor	\$ -	\$ -	Labor Hours	\$ -	\$ -	\$ -
Depreciation and Amortization	\$ 6,723	\$ 6,739	Franchised Labor	\$ 1,523	\$ 4	\$ 1,527
Operational Lease and Rent	\$ 803,140	\$ 871,711	Franchised Labor	\$ 181,915	\$ 15,532	\$ 197,446
Insurance Expense	\$ 197,273	\$ 218,843	Labor Hours	\$ 37,252	\$ 4,073	\$ 41,325
Yard Debris/wood & Other Funding	\$ 1,338,568	\$ 1,164,278	Program	\$ 41,194	\$ (5,364)	\$ 35,830
Recycling Expense	\$ 1,078,850	\$ 1,100,224	Recycling	\$ 166,675	\$ 3,302	\$ 169,977
Purchase Recyclables	\$ -	\$ -	Recycling	\$ -	\$ -	\$ -
Operational Lease and Rent - N/F	\$ 173,214	\$ 176,678	Actual	\$ -	\$ -	\$ -
Fuel - Non-Franchised (N/F)	\$ 97,422	\$ 89,229	Actual	\$ -	\$ -	\$ -
Repairs and Maintenance - N/F	\$ 296,534	\$ 306,912	Actual	\$ -	\$ -	\$ -
Business Taxes and PUC - N/F	\$ 59,950	\$ 62,048	Actual	\$ -	\$ -	\$ -
Depreciation and Amortization N/F	\$ 4,758	\$ 4,762	Actual	\$ -	\$ -	\$ -
Other Operational	\$ 37,694	\$ 39,643	Labor Hours	\$ 7,118	\$ 368	\$ 7,486
Total Operations Expense	\$ 5,827,309	\$ 6,018,082		\$ 826,306	\$ 72,712	\$ 899,018
SUBTOTAL	\$ 3,331,000	\$ 3,164,944		\$ 769,560	\$ (78,104)	\$ 691,456
ADMINISTRATIVE EXPENSES						
Management Services	\$ 423,417	\$ 434,248	Computed	\$ 70,909	\$ 1,263	\$ 72,172
Administrative Services	\$ 1,270,241	\$ 1,302,745	Computed	\$ 212,728	\$ 3,788	\$ 216,515
Non-Admin. Labor	\$ (22,057)	\$ -	Franchised Labor	\$ (4,996)	\$ 4,996	\$ -
Office Supplies	\$ 8,257	\$ 13,606	Customers	\$ 1,743	\$ 1,129	\$ 2,872
Postage	\$ 16,772	\$ 19,294	Customers	\$ 3,540	\$ 532	\$ 4,073
Billing services	\$ 75,911	\$ 76,644	Customers	\$ 16,024	\$ 155	\$ 16,179
Dues and Subscriptions	\$ 17,289	\$ 20,251	Customers	\$ 3,649	\$ 625	\$ 4,275
Telephone	\$ 87,322	\$ 88,895	Customers	\$ 18,433	\$ 332	\$ 18,765
Bank Service Charges	\$ 50,560	\$ 51,230	Customers	\$ 10,673	\$ 141	\$ 10,814
Professional fees	\$ 33,304	\$ 32,891	Customers	\$ 7,030	\$ (87)	\$ 6,943
Travel	\$ 3,614	\$ 8,656	Customers	\$ 763	\$ 1,064	\$ 1,827
Advertising and Promotions	\$ 6,345	\$ 9,255	Customers	\$ 1,339	\$ 614	\$ 1,954
Business Meals	\$ 3,823	\$ 2,736	Customers	\$ 807	\$ (229)	\$ 578
Education & Training	\$ 3,007	\$ 7,162	Customers	\$ 635	\$ 877	\$ 1,512
Contributions	\$ 14,309	\$ 13,336	Customers	\$ 3,020	\$ (205)	\$ 2,815
Bad Debt	\$ (9,029)	\$ 67,656	Customers	\$ (1,906)	\$ 16,187	\$ 14,281
Other Administrative	\$ 12,702	\$ 12,697	Customers	\$ 2,681	\$ (1)	\$ 2,680
Total Admin Expense	\$ 1,995,787	\$ 2,161,302		\$ 347,072	\$ 31,181	\$ 378,253
EARNINGS FROM OPERATIONS	\$ 1,335,213	\$ 1,003,642		\$ 422,488	\$ (109,285)	\$ 313,203
Interest Income	\$ (27,979)	\$ (23,577)	Not Allocated	\$ -	\$ -	\$ -
Loss on Asset Disposal	\$ (1,828)	\$ -	Not Allocated	\$ -	\$ -	\$ -
NET INCOME BEFORE TAX	\$ 1,365,020	\$ 1,027,219		\$ 422,488	\$ (109,285)	\$ 313,203
Operating Margin	9.98%	7.37%		18.18%	0.00%	13.24%
Calculated Operating Ratio	90.13%	92.71%		81.69%	no adj.	86.64%

RWO - Valley Cost of Service Report 2020-21



	RWO - Valley Total			Yamhill County		
	2020 Calendar Year Actual	2021-22 Projected Rate Year	Allocation Method	2020 Calendar Year Actual	Adjustments and Projected Changes	2021-22 Projected Rate Year
Allocation Data:						
Revenue (All RWO-VAL)	\$ 14,198,830	\$ 14,474,948		\$ 2,363,639		\$ 2,405,724
Revenue Percent	100.00%	100.00%		16.65%		16.62%
2019 Labor Hours	100%	100%		18.88%		18.88%
2019 Disposal - Outside Source	100%	100%		37.60%		37.60%
2019 Disposal - Inter-Company	100%	100%		0.00%		0.00%
2019 Recycling	100%	100%		15.45%		15.45%
2019 Customer Count	100%	100%		21.11%		21.11%
2019 Yard Debris	100%	100%		3.08%		3.08%
2019 Medical Waste	100%	100%		1.40%		1.40%
2019 Franchised Labor	100%	100%		22.65%		22.65%
Operating Ratio Calculation						
Total Expenses:						
Total Labor	\$ 2,332,838	\$ 2,458,487		\$ 440,515		\$ 464,242
Total Disposal	\$ 2,186,738	\$ 2,299,383		\$ 287,734		\$ 310,781
Total Operational	\$ 5,827,309	\$ 6,018,082		\$ 826,306		\$ 899,018
Total Administrative	\$ 1,995,787	\$ 2,161,302		\$ 347,072		\$ 378,253
Total	\$ 12,342,672	\$ 12,937,254		\$ 1,901,627		\$ 2,052,293
Less Non Allowable Expenses:						
Interest on Purchase of routes	\$ -	\$ -		\$ -		\$ -
Contributions	\$ (14,309)	\$ (13,336)		\$ (3,020)		\$ (2,815)
Amortization	\$ -	\$ -				
Allowable Expenses	\$ 12,328,363	\$ 12,923,918		\$ 1,898,606		\$ 2,049,478
Revenue						
Revenue w/o Franchise Fees	\$ 13,677,885	\$ 13,940,896		\$ 2,324,115		\$ 2,365,496
Revenue (net of Pass Through)	\$ 13,677,885	\$ 13,940,896		\$ 2,324,115		\$ 2,365,496
Operating Ratio:						
Allowable Expenses divided by	\$ 12,328,363	\$ 12,923,918		\$ 1,898,606		\$ 2,049,478
Revenue (w/o Franchise Fees)	\$ 13,677,885	\$ 13,940,896		\$ 2,324,115		\$ 2,365,496
Calculated Operating Ratio	<u>90.13%</u>	<u>92.71%</u>		<u>81.69%</u>	proposed adjustment 0.00% no adj.	<u>86.64%</u>



Wilson CONSULTING

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March 17, 2021

Mr. Michael Jefferies
Waste Management Newberg Transfer and MRF
Waste Management Newberg Hauling
7227 NE 55th Ave
Portland, Oregon 97218

**RE: Additional Financial Information from Certified Public Accountant
Waste Management Newberg Transfer and Recycling Facility
Waste Management Newberg Hauling**

Waste Management of Oregon, Inc. ("Waste Management") has prepared two Rate Review Reports for Yamhill County. One report is titled "Waste Management – Newberg Operations" and the second is titled "Waste Management – Newberg Transfer Recycling Facility." Both cover the one-year period ending December 31, 2020 and are attached to this letter. Wilson Consulting was engaged by Waste Management to conduct analytical review and other procedures to confirm the accuracy of the rate review information. We have conducted the same analysis we conducted last year for prior period reports.

Procedures

We conducted the following procedures:

1. Reviewed the Franchise Agreement between Yamhill County and Waste Management of Oregon, Inc., as amended per Board Order 14-711 (solid waste collection).
2. Reviewed the Franchise Agreement between Yamhill County and Newberg Transfer and Recycling Center, Inc. as amended per Board Order 14-712 (operation of transfer station).
3. Reviewed Yamhill County Ordinance 626, Solid Waste Ordinance, 1997.
4. Obtained internal income statements From for Waste Management Newberg Transfer and MRF and Waste Management Newberg Hauling.

5. Reviewed process of creating the rate review information with Waste Management finance personnel.
6. Obtained Excel spreadsheets containing financial information, allocations, and formulas used in the rate review information.
7. Tied the internal profit and loss statement to the spreadsheets.
8. Reviewed elimination of expenses not allowable for rate making purposes.
9. Reviewed adjustments to revenue and expenses (e.g., depreciation, labor and allocations) for accuracy and consistency with other operations.
10. Conducted various review procedures on Waste Management provided data.
11. Agreed results to the "Waste Management – Newberg Operations" and "Waste Management – Newberg Transfer Recycling Facility" rate review reports.
12. Recalculated operating ratio and rate increase percentages.

Findings

Yamhill County's Ordinance 626 regulates the accumulation, collection and disposal of solid waste and the creation and operation of disposal sites and allows for adjustment based on the change in CPI from May to May, for rates effective July 1 in each year (Yamhill Ordinance 626 section 8.1 (f), effective May 1, 1997). However, the Bureau of Labor Statistics does not release May CPI information until June. This does not leave sufficient time for WM to adjust the annual report, the County to review the annual report, and notify rate payers prior to the new rates becoming effective. To compensate for the lack of time to adjust the report and communicate those changes WM has adjusted the annual report to show the change in the CPI based on the annual change from 2019 to 2020 by using the BLS series CUUR0400SA0 values, which is the same method used in the last several prior years. (8.1.f.2 Ordinance states CPI West C)

Based on the analytical review and procedures we conducted, the financial statements entitled "Waste Management – Newberg Operations" and "Waste Management – Newberg Transfer Recycling Facility" statements are materially correct as provided, adjusting for CPI as stated above.

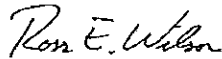
Scope and Use Limitation

The above analytical review and other procedures were done exclusively for the use of Waste Management and as such should be used for no other purpose. The terms 'review,' 'compilation,' and 'audit' have specific meanings for certified public accountants and the financial community. We have not conducted a review, compilation, or audit as defined by FASB, AICPA or financial community. If we conducted a review, compilation or audit our findings may have been different.

Mr. Michael Jefferies
Waste Management Newberg Transfer and MRF
Waste Management Newberg Hauling
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If you have any questions about the above procedures or findings, please call me at
(801) 949-8420.

Sincerely yours,



Ross E. Wilson, CPA

Report Type: Special Purpose Report
Issued: March 18, 2021
Form: Secured PDF
Delivery: E-mailed to Mike Jefferies, mjefferies@wm.com

Ross Wilson

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Date: 2021.03.17 07:14:20 -06'00'

**Waste Management - Newberg Transfer Recycling Facility
Yamhill County Rate Review Report
For The Year Ended December 31, 2020**

Item	Allocation Basis	Expenses 2019	Actual Allowable Expenses 2020	Variance	Adjustment %	Amount	Allowable Expense 2021
Direct Cost							
Disposal Cost	100% Yamhill County	\$ 1,400,270	\$ 1,464,732	\$ 64,461	0.00%	\$ -	\$ 1,464,732
Processing Costs	100% Yamhill County	\$ 309,840	\$ 245,664	\$ (64,176)	0.00%	\$ -	\$ 245,664
Hauling Cost	100% Yamhill County	\$ 990,248	\$ 1,486,646	\$ 496,397	0.00%	\$ -	\$ 1,486,646
Franchise Fees	100% Yamhill County	\$ 4,311	\$ 4,450	\$ 139		\$ -	\$ 4,450
		\$ 2,704,670	\$ 3,201,492	\$ 496,822		\$ -	\$ 3,201,492
Labor Costs							
Salaries & Wages	100% Yamhill County	\$ 226,784	\$ 209,765	\$ (17,019)	1.74%	\$ 3,652	\$ 213,417
Insurance & Benefits	100% Yamhill County	\$ 71,342	\$ 71,878	\$ 536	1.74%	\$ 1,251	\$ 73,130
Payroll Tax Expense	100% Yamhill County	\$ 19,686	\$ 17,457	\$ (2,229)	1.74%	\$ 304	\$ 17,761
Other Employee Costs	100% Yamhill County	\$ 8,943	\$ 9,118	\$ 175	1.74%	\$ 159	\$ 9,277
Direct Labor Costs		\$ 326,755	\$ 308,218	\$ (18,537)		\$ 5,366	\$ 313,584
Primary Equipment Costs							
Fuel & Transportation Costs	100% Yamhill County	\$ 16,168	\$ 17,024	\$ 856	1.74%	\$ 296	\$ 17,320
Insurance & Claims	100% Yamhill County	\$ 3,146	\$ 3,841	\$ 696	1.74%	\$ 67	\$ 3,908
Depreciation	100% Yamhill County	\$ 24,664	\$ 24,664	\$ -		\$ -	\$ 24,664
Building & Equipment Costs	100% Yamhill County	\$ 27,310	\$ 51,317	\$ 24,007	1.74%	\$ 893	\$ 52,210
Repair Cost	100% Yamhill County	\$ 21,148	\$ 69,703	\$ 48,555	1.74%	\$ 1,214	\$ 70,917
Primary Equipment Costs		\$ 92,436	\$ 166,550	\$ 74,114		\$ 2,470	\$ 169,020
Operations Support and Other							
Salaries & Wages	100% Yamhill County	\$ 113,883	\$ 156,959	\$ 43,076	1.74%	\$ 2,733	\$ 159,692
Insurance & Benefits	100% Yamhill County	\$ 36,213	\$ 51,181	\$ 14,969	1.74%	\$ 891	\$ 52,072
Payroll Tax Expense	100% Yamhill County	\$ 10,487	\$ 12,214	\$ 1,726	1.74%	\$ 213	\$ 12,426
Other Employee Costs	100% Yamhill County	\$ 4,742	\$ 5,149	\$ 407	1.74%	\$ 90	\$ 5,239
Maintenance & Repairs	100% Yamhill County	\$ 63,935	\$ 108,938	\$ 45,003	1.74%	\$ 1,897	\$ 110,835
Property Taxes	100% Yamhill County	\$ 3,063	\$ 5,536	\$ 2,474	1.74%	\$ 96	\$ 5,633
Rental	100% Yamhill County	\$ 41,036	\$ 68,990	\$ 27,954	1.74%	\$ 1,201	\$ 70,191
Utilities	100% Yamhill County	\$ 6,920	\$ 5,184	\$ (1,736)	1.74%	\$ 90	\$ 5,274
Environmental Compliance	100% Yamhill County	\$ 19,466	\$ 32,626	\$ 13,159	1.74%	\$ 568	\$ 33,194
Insurance & Claims	100% Yamhill County	\$ 6,300	\$ 9,185	\$ 2,885	1.74%	\$ 160	\$ 9,345
License, Fees, Permits	100% Yamhill County	\$ 2,872	\$ 1,879	\$ (993)	1.74%	\$ 33	\$ 1,912
Supplies	100% Yamhill County	\$ 5,259	\$ 1,066	\$ (4,194)	1.74%	\$ 19	\$ 1,084
Telecommunications	100% Yamhill County	\$ 376	\$ 75	\$ (301)	1.74%	\$ 1	\$ 77
Travel & Entertainment	100% Yamhill County	\$ 169	\$ 848	\$ 678	1.74%	\$ 15	\$ 862
Depreciation	100% Yamhill County	\$ 165,481	\$ 165,481	\$ -		\$ -	\$ 165,481
Corporate Overhead	100% Yamhill County	\$ 241,052	\$ 280,519	\$ 39,466	1.74%	\$ 4,884	\$ 285,403
Operating Costs		\$ 721,256	\$ 905,830	\$ 184,574		\$ 8,008	\$ 918,720
General and Administrative	100% Yamhill County	\$ 28,444	\$ 32,515	\$ 4,071	1.74%	\$ 566	\$ 33,081
Total Expenses							
Total Allowable Expenses		\$ 3,873,660	\$ 4,614,604				\$ 4,635,897
Subtract Franchise Fees		\$ (4,311)	\$ (4,450)				\$ (4,450)
Total Allowable Expenses with OR Applicable		\$ 3,869,249	\$ 4,610,154				\$ 4,631,447
Revenue							
		\$ 4,192,217	\$ 4,878,588				\$ 4,878,588
Current Operating Ratio (OR)		92.3%	94.5%				94.9%

Waste Management - Newberg Operations
 Yamhill County Rate Review Report
 For The Year Ended December 31, 2020

Line #	Allocation Method	Actual Expense 2019	Actual Expense 2020	Variance	%	Adjustments Amount	Allowable Expense 2021	Allowed Under Ordinance 626 Section #
22	Labor Hours	\$ 142,251	\$ 174,958	\$ 32,707	1.74%	\$ 3,046	\$ 178,004	8.1 (b) (3)
23	Labor Hours	\$ 13,971	\$ 15,471	\$ 1,500	1.74%	\$ 269	\$ 15,740	8.1 (b) (3)
24	Labor Hours	\$ 51,364	\$ 62,961	\$ 11,597	1.74%	\$ 1,096	\$ 64,057	8.1 (b) (3)
25	Labor Hours	\$ 27,153	\$ 33,683	\$ 6,530	1.74%	\$ 586	\$ 34,270	8.1 (b) (3)
26	Labor Hours	\$ 6,975	\$ 8,063	\$ 1,088	1.74%	\$ 140	\$ 8,204	8.1 (b) (3)
27	Labor Hours	\$ 12,299	\$ 8,032	\$ (4,267)	1.74%	\$ 140	\$ 8,172	8.1 (b) (3)
29	Labor Hours	\$ 4,276	\$ 4,667	\$ 391	1.74%	\$ 81	\$ 4,748	8.1 (b) (3)
30	Miles	\$ 42,358	\$ 37,452	\$ (4,905)	1.74%	\$ 652	\$ 38,104	8.1 (b) (3)
31	Labor Hours	\$ 32,273	\$ 38,525	\$ 6,251	1.74%	\$ 671	\$ 39,195	8.1 (b) (3)
32	Labor Hours	\$ 40,462	\$ 64,579	\$ 24,117	1.74%	\$ 1,424	\$ 65,703	8.1 (b) (3)
35	Labor Hours	\$ 42,092	\$ 53,586	\$ 11,495		\$ -	\$ 53,586	8.1 (b) (3)
36	Customers	\$ 16,989	\$ 21,376	\$ 4,387		\$ -	\$ 21,376	8.1 (b) (3)
39	Actual Amount	\$ 497,875	\$ 489,305	\$ (8,570)	0.00%	\$ -	\$ 489,305	8.1 (b) (3)
42	Customers	\$ 34,770	\$ 36,264	\$ 1,494	1.74%	\$ 631	\$ 36,895	8.1 (b) (3)
45	Labor Hours	\$ 10,524	\$ 17,521	\$ 6,997	1.74%	\$ 305	\$ 17,826	8.1 (b) (3)
47	Labor Hours	\$ 12,449	\$ 12,464	\$ 15	1.74%	\$ 217	\$ 12,681	8.1 (b) (3)
20	Tons	\$ (1,186)	\$ (16)	\$ 1,170		\$ -	\$ (16)	8.1 (b) (3)
48	Actual Amount	\$ 26,774	\$ 29,403	\$ 2,629		\$ -	\$ 29,403	8.1 (b) (3)
Total Direct Cost		\$ 1,013,670	\$ 1,108,294	\$ 94,624		\$ 8,960	\$ 1,117,254	

Waste Management - Newberg Operations
 Yamhill County Rate Review Report
 For The Year Ended December 31, 2020

Line #	Allocation Method	Actual Expense		Variance	Adjustments		Allowable Expense 2021	Allowed Under Ordinance 626 Section #
		2019	2020		%	Amount		
Indirect Cost								
56	Customers	\$ 25,608	\$ 34,532	\$ 8,923	1.74%	\$ 601	\$ 35,133	8.1 (b) (3)
57	Customers	\$ 1,933	\$ 2,743	\$ 810	1.74%	\$ 48	\$ 2,791	8.1 (b) (3)
58	Customers	\$ 3,370	\$ 5,776	\$ 2,406	1.74%	\$ 101	\$ 5,877	8.1 (b) (3)
59	Customers	\$ 336	\$ 695	\$ 359	1.74%	\$ 12	\$ 707	#N/A
60	Customers	\$ 708	\$ 2,318	\$ 1,611	1.74%	\$ 40	\$ 2,359	8.1 (b) (3)
61	Customers	\$ 114	\$ 17	\$ (97)	1.74%	\$ 0	\$ 17	8.1 (b) (3)
62	Customers	\$ 11,221	\$ 27,570	\$ 16,349	1.74%	\$ 480	\$ 28,050	8.1 (b) (3)
63	Customers	\$ 856	\$ 2,128	\$ 1,272	1.74%	\$ 37	\$ 2,165	8.1 (b) (3)
64	Customers	\$ 369	\$ 5,170	\$ 4,802	1.74%	\$ 90	\$ 5,260	8.1 (b) (3)
65	Customers	\$ 54	\$ -	\$ (54)	1.74%	\$ -	\$ -	8.1 (b) (3)
67	Customers	\$ 158	\$ (1)	\$ (159)	1.74%	\$ (0)	\$ (1)	8.1 (b) (3)
68	Customers	\$ 2,858	\$ 985	\$ (1,873)	1.74%	\$ 17	\$ 1,002	8.1 (b) (3)
69	Customers	\$ 185	\$ 109	\$ (76)	1.74%	\$ 2	\$ 111	8.1 (b) (3)
70	Customers	\$ -	\$ 80	\$ 80	1.74%	\$ 1	\$ 81	8.1 (b) (3)
71	Customers	\$ 2,426	\$ 4,758	\$ 2,332	1.74%	\$ 83	\$ 4,841	8.1 (b) (3)
72	Customers	\$ 272	\$ 1,087	\$ 815	1.74%	\$ 19	\$ 1,106	8.1 (b) (3)
73	Customers	\$ 202	\$ 288	\$ 86	1.74%	\$ 5	\$ 293	8.1 (b) (3)
74	Customers	\$ 3,971	\$ 1,680	\$ (2,291)	1.74%	\$ 29	\$ 1,710	8.1 (b) (3)
75	Customers	\$ 2,541	\$ 2,780	\$ 238	1.74%	\$ 48	\$ 2,828	8.1 (b) (3)
76	Customers	\$ 6,291	\$ 6,758	\$ 468	1.74%	\$ 118	\$ 6,876	8.1 (b) (3)
77	Customers	\$ 3,927	\$ 1,985	\$ (1,942)	1.74%	\$ 35	\$ 2,020	8.1 (b) (3)
78	Customers	\$ 1,122	\$ 1,126	\$ 4		\$ -	\$ 1,126	8.1 (b) (3)
79	Customers	\$ 58	\$ 111	\$ 52		\$ -	\$ 111	8.1 (b) (3)
80	Customers	\$ 3,086	\$ 2,765	\$ (320)	1.74%	\$ 48	\$ 2,813	8.1 (b) (3)
81	Customers	\$ -	\$ 12	\$ 12	1.74%	\$ 0	\$ 12	8.1 (b) (3)
82	Customers	\$ 2,158	\$ 2,314	\$ 156	1.74%	\$ 40	\$ 2,354	8.1 (b) (3)
83	Customers	\$ 5,127	\$ 5,267	\$ 140	1.74%	\$ 92	\$ 5,358	8.1 (b) (3)
84	Customers	\$ 1,878	\$ 1,182	\$ (696)	1.74%	\$ 21	\$ 1,203	8.1 (b) (3)
85	Customers	\$ (0)	\$ 297	\$ 297	1.74%	\$ 5	\$ 302	8.1 (b) (3)
86	Customers	\$ 2,736	\$ 908	\$ (1,828)	1.74%	\$ 16	\$ 924	8.1 (b) (3)
88	Customers	\$ 3,329	\$ 2,705	\$ (624)	1.74%	\$ 47	\$ 2,752	8.1 (b) (3)
89	Hours	\$ 23,384	\$ 29,543	\$ 6,158	1.74%	\$ 514	\$ 30,057	8.1 (b) (3)
91	Customers	\$ 8,272	\$ 11,841	\$ 3,570	1.74%	\$ 206	\$ 12,047	8.1 (b) (3)
		\$ 118,548	\$ 159,528	\$ 40,980		\$ 2,756	\$ 162,284	
	Total Indirect Cost							

Waste Management - Newberg Operations
 Yamhill County Rate Review Report
 For The Year Ended December 31, 2020

Summary	Line #	Allocation Method	Actual Expense 2019	Actual Expense 2020	Adjustments % Amount	Allowable Expense 2021	Allowed Under Ordinance 626 Section #
Total Cost			\$ 1,132,218	\$ 1,267,822		\$ 1,279,539	
Less: Franchise Fees			\$ 26,774	\$ 29,403		\$ 29,403	
Total Allowable Cost			\$ 1,105,444	\$ 1,238,419		\$ 1,250,136	
Total Revenue (less Franchise Fees)			\$ 1,309,304	\$ 1,456,217		\$ 1,456,217	
Operating Ratio			84.43%	85.04%		85.85%	



Ms. Ashley Watkins
Solid Waste Coordinator
Yamhill County Solid Waste Dept.
525 NW 4th Street
McMinnville, OR 97128

April 2, 2021

Dear Ashley:

In compliance with the terms of our franchise agreement, please find enclosed the following documents that make up the Rate Review Report and Annual Financial Report:

1. Rate Review Report, which includes the following:
 - a. All the actual expenses incurred in the preceding calendar year, and all allowable expenses that we reasonably anticipate will be incurred in the upcoming rate year,
 - b. The allocation factors and percentages used to allocate shared expenses, and
 - c. The Operating Ratios for the preceding calendar year and the upcoming rate year.
2. Reviewed Financial Statement for RWO – Valley for calendar year 2020.
3. Rate Sheets – No change to most rates; New debris box disposal rate to be provided by June 1, 2021.

In March of 2020, a lot of things changed on short notice. We were able to adjust on the fly and found ways to keep our trucks on the road and our customer service reps on the phones. We feel very lucky that our staff and our business have all weathered this storm. At the same time, we understand that many of our customers have not been as fortunate. Some neighbors lost their jobs, and others had to deal with serious illness or the untimely loss of friends or loved ones. In recognition of these difficulties, we did not suspend or stop service for any customers from March through December of 2020. We continue to work with customers by offering extended payment plans and flexible terms.

When we built our projections for the upcoming rate year, we assumed that most things will go back to something close to “normal”. As a result, we re-used the allocation factors from 2019 and we are not proposing to change collection rates at this time. We do expect to see an increase in the disposal rate at Riverbend Landfill. We will submit rate sheets by June 1, 2021 reflecting the resultant change in the ton rate we charge to our debris box customers. This new rate would be effective July 1, 2021.

We appreciate the opportunity to provide these essential services to our neighbors in Yamhill County. We take this obligation seriously, and we are committed to keeping our operations running as expected. We look forward to attending the upcoming SWAC and Commissioners meetings, either in person or via computer.

Please let us know if you have any questions or need any additional information. You can reach our Rate Analyst Dave Larmouth at 503-437-0103 or dlarmouth@recology.com. You can find me at 503-474-4839 or cpeters@recology.com.

Respectfully,

A handwritten signature in black ink, appearing to read 'Carl Peters', with a stylized flourish at the end.

Carl Peters
General Manager

1850 NE Lafayette Ave., McMinnville, OR 97128-3434 | T: 503.434.5549 | recology.com

An Employee Owned Company



April 8, 2021

Yamhill County Board of Commissioners
Yamhill County Courthouse
434 NE Evans Street
McMinnville, OR 97128
Submitted by email: watkinsa@co.yamhill.or.us

Subject: Public Disposal Rate for Riverbend Landfill and Recycling Center

Dear Commissioners:

I know I speak for all of us at Waste Management when I say we consider it a privilege to provide Yamhill County safe and professional environmental services as well as recycling and renewable energy.

As you know, Section 5.0 of the Riverbend Landfill Company (RLC) Solid Waste Disposal License Agreement with Yamhill County provides for an adjustment for the landfill fees each July 1. The fees are to be adjusted by a percentage amount equal to 0.85 times the percentage change in the Consumer Price Index (CPI) for all Urban Consumers of West-A, as reported for the twelve-month period ending January 31 of the same year. The CPI adjustment is \$.50/ton.

This adjustment will change the current tip fee from \$40.80/ton to \$41.30/ton. Please find attached a rate schedule showing the changes to the current rates.

If you have questions or need more information about our services, please contact me or go to our website at riverbend.wm.com. Thank you for the opportunity to serve you.

Sincerely,
Riverbend Landfill Company

A handwritten signature in blue ink, appearing to read 'Nick Godfrey', written over a light blue rectangular background.

Nick Godfrey
District Manager

Attachment: Proposed Rate Schedule