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Metro | *Agenda*

Meeting:	Solid Waste Rate Review Committee
Date:	Thursday, March 19, 2009
Time:	5:30 to 7:00 p.m.
Place:	Room 270
Purpose:	Review draft rates and rate management options.
Outcomes:	Committee members have the information needed to begin discussion of the FY 2009-10 rate recommendation to the Metro Council.

5:30 p.m. * 1. Call to order & Approval of March 3 Minutes .... David Bragdon

5:35 p.m. 2. Tonnage: Making the Call .... Douglas Anderson
The committee implicitly accepts a forecast when it recommends rates for adoption by the Metro Council. To assist members evaluate forecast risk in this uncertain environment, this presentation will provide background on forecast drivers, causal factors in waste generation, trends, scenarios, and sensitivity of costs and rates to tonnage.

5:55 p.m. 3. Costs, and Cost Structure Under the New Organization............ Anderson/Jeff Tucker
A presentation of the FY 2009-10 Proposed Budget and a "crosswalk" with the old departmental structure and the new. Outcomes: Members understand the cost drivers for the FY 2009-10 rates, and the structure of the Solid Waste Fund under the new organization.

6:15 p.m. * 4. FY 2009-10 Rates .... Bragdon/Anderson
Presentation of draft rates, scenarios, and rate management options. Discussion.

6:55 p.m. 5. Confirm next meeting date .... David Bragdon
Next scheduled meeting is Tuesday April 7 at 5:30, with an "if needed" hold on Thursday, April 23.

7:00 p.m. 6. Adjourn

* *Materials are attached for starred (*) agenda items. Starting times are approximate.*

Dinner will be provided.

Next scheduled meeting: Tuesday, April 7, 5:30 p.m., Room 270.

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METRO

600 NE Grand Ave.
Portland, OR 97232-2736

MEETING SUMMARY
RATE REVIEW COMMITTEE
Metro Regional Center – Room 270
March 3, 2009

Present:

Members	Metro	Guests
Michelle Poyourow	Council President David Bragdon, Chair	David White, ORRA
Mike Leichner	Doug Anderson, Finance & Admin. Services	Dean Kampfer, Waste Mgmt.
Ray Phelps	Tom Chaimov, Finance & Admin Services	Easton Cross
Mike Miller	Joel Sherman, Finance & Admin Services	
	Marv Fjordbeck, Office of Metro Attorney	
	Margo Norton, Finance & Admin. Services	
	Scott Robinson, Deputy COO	
	Gina Cubbon, Clerk	

Members Absent:
Sarah Adams
Peter Brandom

I. Call to Order... *David Bragdon*

Council President David Bragdon called the meeting to order and asked the members to introduce themselves.

II. The Climate for FY 2009-10 Rate-Making .... *David Bragdon, Doug Anderson*

Councilor Bragdon noted several changes affecting rate conditions since last year, many of which were anticipated. The waste transport contract has been signed and will begin sooner than originally planned; debt service on Metro's transfer stations has been satisfied, and Metro has had organizational changes since the last time the Committee met. He introduced Doug Anderson, who handed out an outline of the changes (attached), explaining how each impacts this year's rate-making process.

Revenue and Rates – Regionally, tonnage is trending about 12% below the budget forecast. Metro stations are down 15%. The undesignated Solid Waste Fund balance has been used to help pay operating expenses, but it does not appear that the designated reserves will have to be tapped.

Trucking Contract – Walsh Trucking began moving waste on March 2, an early start from the originally-planned date of January 1, 2010. While the early start has resulted in a cost to Metro of approximately $51,000 per month over the previous agreement, this will be paid from the fund balance this fiscal year. This year's rate will not be affected.

Solid Waste Bonds – The bonds have been paid off, but—as anticipated by this committee's work last year—the cost reduction will be more-than-offset by other cost increases. Still, the retirement of the debt means elimination of several bond covenants, which will provide more rate-setting flexibility in the future.

Outdoor School – The Council added this activity after the Rate Review Committee made its recommendation last year. Metro anticipates that about 1.2 million dollars will be collected for the program this fiscal year, which is more than the projected expenditure. The balance would normally go into the undesignated fund balance, but because of the tonnage downturn, the revenue has been used to cover other costs.

Diesel Retrofit – Staff is working with State legislators to allow solid waste rate revenue to pay for retrofitting waste collection trucks with diesel particulate filters. A bill, House Bill 2671, has been introduced for this purpose. In addition, staff is studying the provisions in the federal stimulus package to fund retrofits.

Transfer Station Operations Contract – The formal procurement process will begin soon for an operator or operators of Metro's transfer stations. No significant changes are anticipated this fiscal year. The new contract should be in place April 1, 2010.

Reorganization: While the Sustainable Metro Initiative (SMI) has eliminated the Solid Waste Department, it has not affected the Solid Waste Fund, Mr. Anderson explained. The former department's main functions have been absorbed into three new "centers:" Waste reduction programs are a part of the new Sustainability Center; financial and regulatory functions are within Finance & Administrative Services; and transfer stations, the landfill, hazardous waste and latex paint programs are now part of Parks & Environmental Services.

Tonnage – Two key calls for next year's budget and rates are: when tonnage will bottom-out, and the speed of the economic recovery. Staff has developed two scenarios to bracket the effects of the economy. In one, the economy bottoms out in the last third of this year and grows slightly in 2010. In the other, the slump continues into 2010. These scenarios will be employed to test the sensitivity and risk of Solid Waste Fund revenues to various rates. This work is scheduled to come before this committee in the third meeting.

Sensitivity of Rates to Tonnage – Tonnage affects Metro's rates in three basic ways. One, the disposal cost. The more regional tonnage disposed at landfills owned by Waste Management, the lower Metro's per-ton disposal cost at Columbia Ridge Landfill, and vice versa when tonnage shrinks. Second, there is less tonnage over which to spread fixed and program costs. Finally, the delay between the effective date of the rates and the beginning of the fiscal year generates a large revenue gap when unit costs spike upward, as they have this year. These tonnage-related factors alone will put upward pressure of $3.60 to $5.30 on Metro's FY 2009-10 tip fee. As noted previously, however, the retirement of the bonds will translate to some flexibility in rate-making. Options will be before the committee during the main "numbers" discussions in upcoming meetings.

Long-range Considerations – Last year, the Committee recommended maintaining the fiscal discipline that had historically been imposed by the bond covenants and Metro's adoption of sound fiscal policies. In particular, the committee recommended that Metro stick with its "pay as you go" approach to the operating budget. The committee also recommended that Metro view its budget as its main rate management tool.

The Committee also discussed last year, though did not put to a motion, that a rate spike of $6.50 or more in one year would warrant consideration of extraordinary, one-time management options to facilitate a smooth, predictable transition.

Another concern of last year's committee was the effect of higher disposal rates on local solid waste initiatives such as expansion of curbside recycling collection. The concern was the potential "crowding-out" effect of high disposal costs. When local governments are faced with raising rates or choosing between paying for disposal vs. a new program, the new program would in most cases be the casualty. That is what committee members meant by the potential "crowding-out" of funding for local programs.

Concluding the agenda item, Mr. Anderson called for a read on the economy by asking what conditions the solid waste industry members have been experiencing during the recession. Unanimously, they pointed to a steep decline in drop box business. A significant portion of drop boxes are tied directly to construction and remodeling: When that kind of work evaporates, so does the need for drop boxes.

III. Refresher: A Primer on the Rate Model .... *Doug Anderson*

Mr. Anderson explained how Metro's solid waste fees are formulated (corresponding slides are attached). He noted that the Rate Model now reflects Metro's new organizational structure ("Sustainable Metro Initiative," or SMI). One change due to SMI is that the Solid Waste Fund will see an increase in incoming interfund transfers to pay for services that are not related to solid waste.

IV. This Year's Work Plan .... *Councilor Bragdon, Committee*

Committee members discussed the draft work plan included in the meeting agenda, and made the following changes:

- Meeting 2 will take place March 19, as planned. However, meetings two and three will be combined (in part because most members have already attended SMI presentations, so that agenda item slated for Meeting 2 can be compressed). This will be the main technical and "numbers" meeting.
- Eliminate Meeting 3, scheduled for April 2.
- Meeting 3 will take place on April 7 (originally a tentative meeting date), and consist of evaluation, discussion and possible rate recommendations by the Committee.
- April 23rd will be reserved for a fourth meeting, in case the Committee does not complete a recommendation on April 7.

V. Adjourn

Councilor Bragdon thanked the attendees and adjourned the meeting at 6:45 p.m.

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Rate Review Committee
Meeting 1

Updates and Changes from Last Year

March 3, 2009

Revenue and Rates

- This year's rates are based on 625,000 tons at Metro and 1.4 million regional tons.
- Regional tonnage is trending 11.9% below the forecast, and 15.1% below at Metro.
- As a result, Metro projects a draw of $3.6 million from the SW fund balance this year.
- The draw would affect the undesignated balance. Reserve balances remain on target.

Trucking contract

- Last year's assumptions: begin January 1, 2010 with a $5.50 rate impact
  Half the impact this fiscal year, half next fiscal year
- Update: Walsh Trucking selected as contractor
- Full contract begins January 1, 2010 with a $4.45 rate impact
- Walsh started on March 1, operating the old CSU equipment

Solid waste bonds

- Paid off, no further obligation
- All else equal, this would allow about $1.80 decrease in the tip fee

Outdoor School

- First half of year in ramp-up
- Metro sponsorship will begin this Spring
- On track to collect about $1.2 million vs. expenditure of a little more than $500,000

Diesel retrofit

- Metro pursued and won an EPA grant; declined (award too small)
- Pursuing legislative change to State law (HB 2671)
- Federal stimulus package has diesel retrofit dollars in it.

Transfer station operations contract

- New contract will be in place April 1, 2010.
- Formal procurement to begin shortly.
- Budget assumes no major changes in cost structure.

Reorganization

- Major reorganization at Metro: *Sustainable Metro Initiative* (SMI)
- Solid Waste Department eliminated, main functions absorbed in 3 new centers
- Should have no effect on the Solid Waste Fund, which remains intact
- SMI on the next RRC meeting agenda, March 17

Tonnage

- No firm consensus on timing of "the bottom" or the speed of recovery.
- Metro must choose a forecast for rate-setting in the next month.
- Rates sensitive to tonnage—main reasons:
  - Fewer tons to dilute fixed costs
  - Metro's declining block disposal rate kicks in
  - This year's July-August cost-revenue gap is significant

Long-Range considerations

- This is the Committee's work on long-term rate management last year.
- Main recommendations
  - Stick with pay-as-you-go
  - The budget is the main rate management tool
  - Single-year rate spikes over $6.50 might warrant special management
  - Consider potential "crowding-out" effect of rates on local programs
- 2008 Scenarios
  - Range of FY 2009-10 tip fee increases: $2 to $10
  - Median scenario $4.21

Overview

Overview of Metro's Rates

Two Transaction Fees:

1. Staffed Scales
2. Automated Scales

and

Two per-ton rates:

3. Tonnage Charge
4. Regional System Fee

The Transaction Fees

Levied on each ***load*** delivered to Metro transfer stations.

Recover ***fixed costs*** of Metro's disposal operations *(scalehouses, billing, etc.)*

Rate principle: user pays

Raise about $3 million per year.

The Tonnage Charge

Levied on each ***ton*** delivered to Metro transfer stations.

Recovers ***variable costs*** of Metro's disposal operations *(mainly: station operation, transport and disposal)*

Rate principle: user pays

Raises $27 to $30+ million per year.

Regional System Fee

Levied on ***all*** waste generated in the region wherever it is ultimately disposed.

Recovers non-disposal program costs:

Waste Reduction	Education & Outreach
Hazardous Waste	Landfill Closure
Illegal Dumpsite Cleanup	Facility Regulation

Rate principle: beneficiary pays

Raises about $22 million per year.

Relationship to the Tip Fee

The "tip fee" is the total charge per ton at a solid waste facility.

The Tonnage Charge & System Fee are components of the tip fee.

The Metro Council adopts these components, not the tip fee *per se*

Metro's Tip Fee

Components	Currently
Tonnage Charge	**$49.00**
Regional System Fee	**16.04**
Metro Excise Tax	8.97
DEQ fees	1.24
Host Fee	0.50
Total = Tip Fee	$75.75

Private Landfill Tip Fees

Components	Amount
"Tonnage Charge"	*varies by facility*
Regional System Fee	**16.04**
Metro Excise Tax	**8.97**
DEQ fees	1.24
Total = Tip Fee	*varies by facility*

Metro fees & taxes = $25.01 on all private disposal.
Disposal disincentive = Recycling incentive

Process

The Rate Process

Budget & Forecast development (Winter)

Rate Review Committee* (Winter)

Rate recommendations to Council in April

Ordinance at Council (May)

Public Hearings (May)

Post-Adoption Communication

Effective date September 1 – August 31

* RRC meetings are open to the public.

Technical

Technical: Overview

Each rate is derived from a simple formula:

$$\text{Rate} = \frac{\textbf{Revenue Requirement}}{\textbf{Tons or transactions}}$$

Technical: Overview

- Rate-making focuses on estimating the various **Revenue Requirements . . .**
- **. . .** for each program and function:
  - Disposal operations
  - Hazardous waste
  - Waste reduction
  - Landfill closure
  - etc.

Technical: Overview

The main steps of the calculations:

1. Develop Budget Requirements
2. Allocate expenses
3. Determine Final Requirements
4. Assign Final Requirements to rates
5. Calculate Unit Cost
   (cost per ton or transaction)

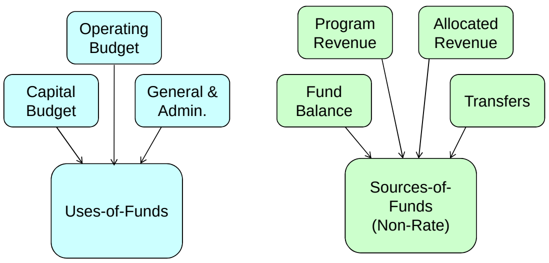
Upon Council action, the Unit Costs become the Adopted Rates

Technical Overview

Metro uses a **Rate Model** to calculate and document these five steps.

A description of each step follows.

Step 1. Budget Requirements



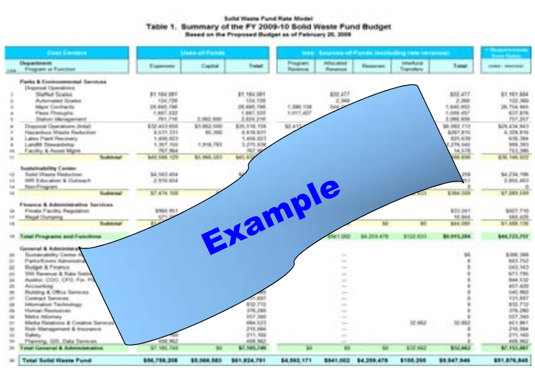
1. Budget Requirements *(continued)*

Uses-of-Funds *minus* Sources-of-Funds (Non-Rate)

equals: **Budget Requirements**

Summarized in Rate Model Table 1

The Rate Model: Table 1



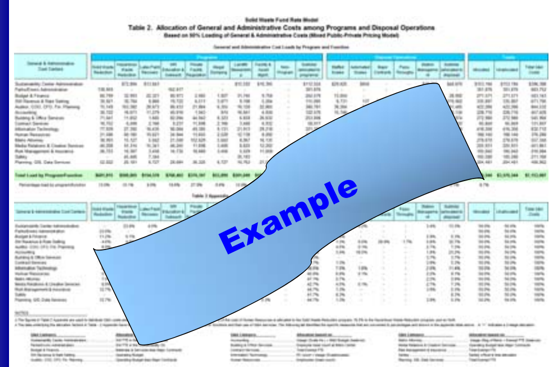
Step 2. Allocated Expenses

- General & administrative (G&A) costs are estimated for all programs & functions.
- Examples of G&A:
  - Accounting
  - Metro attorney
  - Human resources
  - Information technology
- Estimates based on factors that correlate with usage. Example: head count for HR.

2. Allocated Expenses *(continued)*

- Each program's share of G&A expenses is known as its "cost load." See Table 2.
- The choice of cost-load model depends on pricing objectives and philosophy; *e.g., public pricing vs. private utility pricing*
- The appropriate pricing model for Metro is an ongoing debate within the RRC.
- Metro's current implementation is a mixed public-private model.

The Rate Model: Table 2



Step 3. Final Requirements

Final Requirement calculations

For each program and activity:

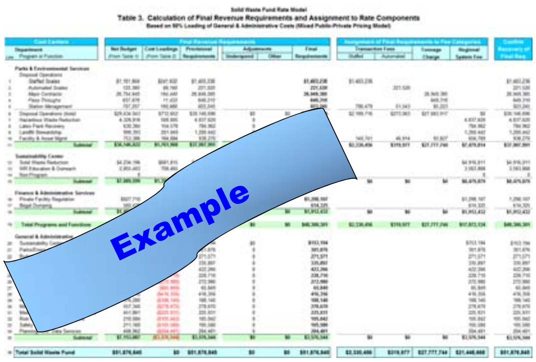
- Get Budget Requirements *(from Table 1)*
- *add:* G&A cost loadings *(from Table 2)*
- *equals:* Provisional Requirements
- *less:* adjustments *(new this year)*
- *equals:* Final Revenue Requirements

Summarized in Rate Model Table 3

Step 4. Assign to Rates

- Final Requirements are assigned to rates *(tonnage charge, transaction fee)*
- Basis of assignment:
  - Rate principle (user or beneficiary pays)
  - Sound fiscal policies
  - Other applicable Council policies
- Examples
  - Disposal contract → Tonnage Charge
  - Hazardous Waste → Regional System Fee

The Rate Model: Table 3



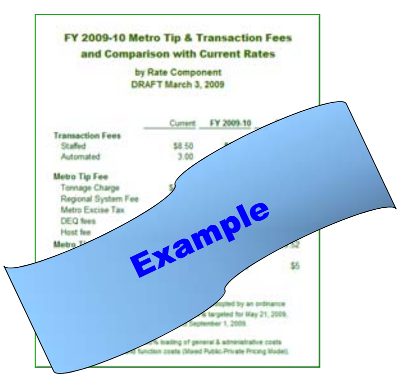
Step 5. Unit Costs

Lastly, Final Requirements are divided by tons or transactions to get the Unit Cost:

$$\textbf{Unit Cost} = \frac{\textbf{Final Requirements}}{\textbf{Tons or transactions}}$$

After action by Council the Unit Costs become the Adopted Rates.

The Rate Model: Rate Table



Rate Review Committee Roles

- The Rate Review Committee is involved and consulted on each of these steps.
- The Council has charged the RRC with due diligence over the rate process:
  - To enhance credibility
  - To provide a consistent, predictable process
  - To review and recommend to Council:
    - Direct and indirect expenses
    - Technical & policy issues related to rate-setting
    - Analysis of rate setting procedures
    - Proposed solid waste rates

Questions?

Solid Waste Fund

Options for FY 2009-10 Rate Management
Discussion Draft

March 16, 2009

The purpose of this paper is to provide a summary of results that will be described in more detail at the meeting.

Executive Summary

Under the old rate model, the FY 2009-10 tip fee could range from $83.50 to over $86 per ton, depending on tonnage assumptions.

Retirement of the bonds, coupled with some change in circumstance, provides Metro with new flexibility in rate-setting, while still practicing sound fiscal management.

Eight new options for managing the rate are identified in this report. If all are implemented, the aggregate rate reduction would be over $5.50 on the FY 2009-10 tip fee.

During last year's review of long-term rate management policies, the Committee recommended that Metro should:

- Stick with a "pay as you go" policy toward its solid waste operating expenses.
- Look first to its budget to manage its rates.

The Committee also indicated a rate spike of $6.50 or more in one year would warrant consideration of one-time management options to facilitate a smooth, predictable transition.

Questions for the Committee

- Do present conditions warrant any change in last year's recommendations?
- What additional information does the committee need for its deliberations this year?

Setting the Stage

When last year's rate model is applied without change to next year's tonnage forecasts and proposed budget, the FY 2009-10 tip fee ranges from $83.50 under a median-high tonnage scenario, to $86.06 for a median-low scenario. These rates are up $7.75 and $10.31, respectively, from the current rate of $75.75. In addition, the staffed transaction fee is $9 to $11 (up 50¢ to $2.50) and the automated transaction fee is $3 (no change).

The main part of the increase stems from the fact that, while the proposed operating budget is down by 7.5 percent from the current year, transactions and tonnage are down by significantly greater proportions—16 to 26 percent:

Table 1
Solid Waste Fund
Comparison of Current and Proposed Operating Budgets
March 16, 2009

Cost Center	Fiscal Year			Change	
	2008-09	2009-10		Amount	Percent
Disposal Operations	35,505,742	32,585,163		($2,920,580)	-8.2%
Programs	16,243,620	17,118,802	*	$875,182	5.4%
Fixed/Uncontrollable	2,948,482	0		($2,948,482)	-100.0%
General & Administrative	$7,674,066	$7,185,749	*	($488,316)	-6.4%
Total Operating Budget	**$62,371,910**	**$56,889,714**		**($5,482,196)**	**-8.8%**
less:					
Program & Non-Rate Revenue	$6,145,026	$4,881,373		($1,263,653)	-20.6%
equals:					
Revenue Requirements	**$56,226,884**	**$52,008,341**		**($4,218,543)**	**-7.5%**

* These amounts include a transfer of $331,300 in sustainability programs from the old Solid Waste Department Office of the Director to the Waste Reduction Program in the recent reorgaization.

Forecasts for Operating Budget and Rates

Transactions	**FY 2008-09**	**FY 2009-10**	**Difference**	**%Change**
Staffed	311,162	217,629	(93,533)	-30.1%
Automated	113,471	96,623	(16,848)	-14.8%
Total Transactions	424,633	314,251	(110,382)	-26.0%
Tonnage				
Metro	625,557	514,466	(111,091)	-17.8%
Regional	1,410,845	1,180,747	(230,098)	-16.3%

The rate calculations are detailed later in this paper.

Rate Management Options

With the defeasance of the bond covenants and emergence of new opportunities, Metro has new flexibility in solid waste rate-setting, while still maintaining sound fiscal management. In this section some new management options for the FY 2009-10 rates are identified.

Table 2 describes these options. They are quantified and analyzed in Tables 3 through 5.

Table 2

Options for Managing the Rate

Set rates to recover expected expenditures

With the elimination of bond-related scrutiny by rating agencies on forward rate planning, Metro is freer to set solid waste rates on expected expenditures rather than the adopted budget.

- ***General expenditure allowance***. Base the revenue requirements for programs and general and administrative costs on the historical expenditure-to-budget ratio, rather than the budget numbers.
- ***Outdoor School***. This activity is still in ramp-up, and expenditure is based on Intergovernmental Agreements (IGAs) with school districts. So set the rate to recover the payouts committed by the IGAs.

Substitute uncommitted fund balance for rate revenue as the source-of-funds.

- ***Walsh early start***. Cover the difference between the cost of the old contract and the transitional contract from uncommitted fund balance.
  - Option A: cover cost differential until September 1 when the new rates take effect.
  - Option B: cover cost differential until January 1 when the new contract was originally scheduled to take effect.
- ***Renewal & Replacement Account deposit***. Make the annual deposit into the sinking fund from uncommitted fund balance in FY 2009-10. (The feasibility of this option is a direct result of the retirement of the bonds.)
- ***Recovery Bonus***. The operations contract requires an appropriation but the bonus is rarely paid. Identify uncommitted fund balance for the appropriation, rather than rate revenue.

Recognize new revenue

- ***Minimum load revenue***. In a move toward fairer pricing for self haulers, Metro raised the minimum load threshold to 440 pounds last year. One consequence has been the capture of a significantly higher number of transactions delivering less weight than the threshold. As a result, the difference between the weight-basis revenue and the minimum load revenue has grown to over $500,000 per year on these transactions. Under this option, this revenue would be explicitly recognized as an offset to rate requirements.
- ***Engineering program revenue***. Under Metro's new organization, the services of solid waste engineers are available throughout the agency. Under this rate management option, reimbursement for these services (Engineering Program revenue) is recognized as an explicit offset to general rate requirements.

Effective Rate Date

The two-month delay between the start of the fiscal year and the effective date for rates generates a revenue shortfall because of the difference between the old rates and the new. The shortfall is exacerbated the greater the difference between rates. Under the provisional draft rates set forth in the first section above, next year's shortfall is over $1 million, accounting for over $1.60 of the tip fee increase. If the Metro Council wishes to address this issue, there are at least two options:

- Option A. Move the effective date of the rates, to August 1 or July 1.
- Option B. Cover some or all of the revenue shortfall from uncommitted fund balance.

The rate impact of both options is the same; the main difference is the ratepayers would provide the source of funds for Option A; the Solid Waste Fund balance for Option B. It should be further noted that implementation of the other rate management options above would narrow the gap between current rates and the FY 2009-10 rates, and thereby reduce the revenue shortfall during July and August 2009.

Implementation of the Rate Management Options

The impact of each rate management option is shown in Table 3. Each option reduces the rate by the indicated amount.

The figures in the table are based on the FY 2009-10 Proposed Budget and the median-low forecast, which is the scenario that is best tracking actual tonnage reports . The rate reductions would be magnified; or, the fund balance impact reduced, with higher tonnage. Table 5 shows the aggregate effect of the rate management options on both the median-low and median-high forecasts.

Table 3
Itemized Rate Impacts

	Amount of Reduction		
Option	Staffed Trns.Fee	Tonnage Charge	RSF
Expected Expenditures			
General Expenditure Allowance	25¢	5¢	91¢
WR Education (Outdoor School)	—	—	28¢
Subtotal	***25¢***	***5¢***	***$1.19***
Fund Balance as Source-of-Funds			
Walsh Early Start—Option A	—	24¢	—
Renewal & Replacement Deposit	—	$1.64	—
Recovery Bonus	—	24¢	—
Subtotal	—	***$2.12***	—
Recognize New Revenue			
Minimum Load Revenue	25¢	$1.25	—
Engineering Program Revenue	4¢	2¢	6¢
Subtotal	***29¢***	***$1.27***	***6¢***
Two-Month Revenue Gap			
Subsidize *or* Move to July 1	**34¢**	**64¢**	**21¢**
Grand Total	**88¢**	**$4.08**	**$1.46**

Analysis of Rate Management Options

The effect of implementing all management options on the tip fee and the Solid Waste Fund balance is shown in Table 4. (See the Appendix for a status report on the whole Solid Waste Fund balance.)

Table 4
Analysis of Rate Options

Effect of Options on the FY 2009-10 Tip Fee

Base Case Tip Fee *(median-low forecast)*		**$86.06**
less: Rate management options		$5.54
of which: Reductions in the Tonnage Charge	4.08	
Reductions in the Regional System Fee	1.46	
Equals: **Feasible FY 2009-10 Tip Fee**		**$80.52**
Change from current $75.75		*$4.78*

Impact on Solid Waste Fund Balance

Projected Undesignated Fund Balance Available *(see Appendix)*	$4,400,000
less: Appropriations to Cover Rate Management Options	$2,378,000
Equals: **Remaining Undesignated Fund Balance**	**$2,022,000**

All identified reserves remain fully funded at target levels.

Table 5 shows a comparison among current rates, and FY 2009-10 rates with and without the rate management options under two forecast scenarios.

Table 5
DRAFT FY 2009-10 Metro Tip & Transaction Fees
Two Forecast Scenarios with and without Rate Management Options
and Showing a Comparison with Current Rates
March 16, 2009

		Median-Low Forecast				Median-High Forecast			
		No Rate Management		With Rate Management		No Rate Management		With Rate Management	
	Current	**Rates**	**Change**	**Rates**	**Change**	**Rates**	**Change**	**Rates**	**Change**
Transaction Fees									
Staffed	**$8.50**	$11.00	$2.50	$10.00	$1.50	$9.00	$0.50	$8.00	($0.50)
Automated	**3.00**	3.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00
Metro Tip Fee									
Tonnage Charge	**$49.00**	$56.04	$7.04	$51.96	$2.96	$55.04	$6.04	$51.32	$2.32
Regional System Fee	**16.04**	18.45	2.41	17.00	0.96	16.89	0.85	15.79	(0.25)
Metro Excise Tax	**8.97**	9.83	0.86	9.83	0.86	9.83	0.86	9.83	0.86
DEQ & host fees	**1.74**	1.74	0.00	1.74	0.00	1.74	0.00	1.74	0.00
Metro Tip Fee	**$75.75**	$86.06	$10.31	$80.53	$4.78	$83.50	$7.75	$78.68	$2.93
Minimum load charge *(440 pounds per load or less)*	**$25**	**$30**	$5	**$28**	$3	**$27**	$2	**$25**	$0

Appendix

Solid Waste Fund

Reserve Accounts and Fund Balance Status Report
Ending FY 2008-09 Balances

Estimates as of February 1, 2009
($ millions)

Reserve Type Account	**Target**	**Estimated Ending Balance**	**Over / (Under) Target**	
Accumulation Reserves				
Capital	$5.5	$5.5	$0.0	
Renewal & Replacement	7.3	8.1	$0.8	*
St. Johns	6.7	7.0	$0.3	*
PERS	0.8	0.8	$0.0	
Debt Service	0.0	2.3	$2.3	
Total	**$20.3**	**$23.7**	**$3.4**	
Contingency Reserves				
Operating Contingency	$2.0	$2.0	$0.0	
Stabilization Reserve	2.0	4.1	$2.1	
Working Capital	5.8	5.8	$0.0	
Total	**$9.8**	**$11.9**	**$2.1**	
Grand Total	**$30.1**	**$35.6**	**$5.5**	
		of which uncommitted	*$4.4*	

Note

* These differences reflect projects that will not be completed on schedule. The indicated dollars will remain in the accounts to cover costs once the work is completed.