

# LEE COUNTY

## Fiscal Year 2022 Solid Waste Revenue Sufficiency and Cost of Service Study

Final Report / August 11, 2022

August, 11 2022

Mr. Douglass Whitehead  
Director  
Lee County Solid Waste Department  
P.O. Box 398  
Fort Myers, FL 33902-0398

**Subject: Fiscal Year 2022 Solid Waste Revenue Sufficiency Study**

Dear Mr. Whitehead:

Raftelis Financial Consultants, Inc. ("Raftelis") has completed, for your consideration, our annual review and analysis of the Lee County (the "County") Solid Waste Department (the "Department") revenue sufficiency and rate study update (the "Study"). The Study review period encompassed the Fiscal Years 2022 (current budget year) through 2027 (collectively, the "Forecast Period") with the accounting period from October 1 through September 30 being the "Fiscal Year". The purpose of the Study was to:

- Identify the ability of revenues derived from the current charges for solid waste disposal service and ongoing operations of the Department to fund the projected expenditures of the Department and provide sufficient net revenues to fund necessary transfers for future landfill closure and long-term care.
- Provide an evaluation of the Integrated Solid Waste Management System's (the "System") overall financial position and cash balances / reserves relative to identified need (i.e., accumulated landfill closure and long-term care liabilities, operating expenses, capital expenditures, etc.), and recommendations concerning internal financial targets.
- Evaluate the cost of service for waste collection and disposal services and provide recommendations concerning the rates to recover the cost of such service.
- Develop a financial plan with County staff to maintain or promote the creditworthiness of the Department and assist in the overall strategic planning process with the ultimate objective to promote long-term rate sustainability.

The Study is based on information provided by Department staff including, but not limited to, the number of residential properties assessed for collection and disposal service, historical waste deliveries to County facilities, historical financial operating results, budgetary information, capital plans, operating reports for the County's waste-to-energy (WTE) facility, long-term liabilities associated with future closure of the County's landfills, and other financial and statistical information. Following this letter is a report detailing the principal assumptions, findings, and recommendations of this analysis including an executive summary.

**Principal Findings and Recommendations:**

Based on the assumptions and analyses reflected in this report, which should be read in its entirety, we are of the opinion that the current rates of the Department will not be sufficient to meet the projected revenue requirements of the Department for the Forecast Period. The following provides a brief summary of the key findings and recommendations of the Study:

- Waste generation per capita has outpaced population growth since 2010. Waste deliveries have grown by approximately 3.8% a year through the Fiscal Year 2021, while population growth averaged approximately 2.2% over the same period. It is assumed that the greater rate of growth in waste generation is due to increased economic activity. The forecast assumes that we may be at or approaching a peak in the business cycle and that the past growth rate in waste generation will not continue, among other reasons, and therefore we have assumed a reduced rate of waste generation growth of approximately 1.0% a year.
- Operation and maintenance expenses are forecasted to increase over estimated Fiscal Year 2022 levels by approximately 8.0% or \$8.4 million annually resulting in an overall increase of approximately \$42.2 million in expenses by the Fiscal Year 2027. The increases are due to:
  - Private contracted service providers, such as the County's contracted franchise collection haulers, WTE facility operators, recycling processing, and other contract services represent the majority or approximately 79% of the total System operating expenses. During the Forecast Period, the majority or \$37.6 million of the overall increase in expenses is assumed to be attributable to contract service increases due to continued inflation, indexing not under the County's control pursuant to contractual arrangements for the provision of service, or the renegotiation and / or rebid of existing contracts.
  - All other operating expenses, including personnel, utilities, maintenance, insurance, and indirect cost allocations, among others, represents approximately 21% of the total operating expenses of the System. During the Forecast Period, approximately \$4.6 million of the overall increase in expenses is assumed to be attributable to general inflation in the cost of labor, parts and repair, and other operating costs.
- The Study assumes a 20-year debt issuance for the construction of a County-operated materials recovery facility (MRF) with debt service payments of approximately \$3.6 million per year beginning in Fiscal Year 2025. As a result, the Department's annual debt service payments will increase to approximately \$12.2 million per year until Fiscal Year 2027 when the Department's existing debt is fully paid. All other capital will be funded using existing reserves or future revenues over the Forecast Period.

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- The Study assumes increasing deposits to fund: i) the future cost of landfill closure; ii) fund budgetary capital outlays; and iii) the Rate Stabilization Fund and operating reserves for future and near-term capital needs of the System. The following table provides a summary of the projected deposits:

**Closure, Capital, and Rate Stabilization Fund Deposits**

	2022	2023	Projected Fiscal Year Ending September 30,			
			2024	2025	2026	2027
Rate Stabilization / Reserves	\$4,739,464	\$9,438,157	\$9,146,870	\$7,152,074	\$9,164,998	\$19,591,417
Capital Outlay / Capital Deposits	10,852,691	9,090,000	9,155,000	9,215,000	9,277,500	9,342,500
Net Deposits / Capital Outlay	\$15,592,155	\$18,528,157	\$18,301,870	\$16,367,074	\$18,442,498	\$28,933,917
Closure Fund	\$4,580,491	\$1,517,497	\$1,633,150	\$1,763,535	\$1,873,704	\$1,982,625

It should be noted that the deposits to the Rate Stabilization Fund and operating reserves are expected to promote: i) compliance with the rate covenants (i.e., debt service coverage) as delineated in the Indenture of Trust previously adopted by the County as a condition of the sale of solid waste bonds; and ii) the overall creditworthiness of the System recognizing previous declines in debt service coverage ratios (i.e., net revenues / annual debt service).

- Based on the findings of this Study, the forecasted revenues under existing charges are not anticipated to be sufficient to fully fund the projected increases in the cost of operation, debt service, and capital needs of the System. The following table provides a summary of the identified revenue adjustments for the Forecast Period including a comparison to the prior study forecasts. It should be noted that on August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report.

**Identified Rate Revenue Adjustments by Fiscal Year<sup>[1]</sup>**

Description	2022 <sup>[2]</sup>	2023	Identified			
			2024	2025	2026	2027
Disposal Assessment / Tip Fee Rev.						
Prior Study – FY21 Forecast	5.00%	5.00%	4.00%	2.00%	2.00%	N/A
Current Study – FY22 Forecast	N/A	12.25% <sup>[3]</sup>	5.00%	5.00%	4.00%	4.00%
Incremental Revenue Addition	N/A	\$7.91m <sup>[3]</sup>	\$3.68m	\$3.92m	\$3.34m	\$3.52m
Cumulative Revenue Addition	N/A	\$7.91m <sup>[3]</sup>	\$11.59m	\$15.51m	\$18.85m	\$22.37m
Collection Assessment Revenues						
Prior Study – FY21 Forecast	6.48%	1.96% <sup>[3]</sup>	1.96%	1.97%	1.97%	N/A
Current Study – FY22 Forecast	N/A	27.25% <sup>[3]</sup>	28.25%	8.51%	1.77%	1.94% <sup>[1]</sup>
Incremental Revenue Addition	N/A	\$7.30m <sup>[3]</sup>	\$9.86m	\$3.88m	\$0.89m	\$1.01m
Cumulative Revenue Addition	N/A	\$7.30m <sup>[3]</sup>	\$17.16m	\$21.04m	\$21.93m	\$22.94m

[1] Reflects identified increases to revenues from the collection / disposal assessment and tipping fees for service. Actual increases to customer charges will vary by waste and service. It is important to note that the financial forecast does not assume investment in expanded or new facilities, which is contingent upon Board of County Commissioners approval of the recommendations of the solid waste master plan, with the exception of the landfill and MRF expansions.

[2] Historical increases from the franchised haulers were not fully passed through to the customer.

[3] On August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report. Amounts shown reflect the incremental increase associated with the adopted rates for Fiscal Year 2023.

The rate revenue increase for the Fiscal Year 2023 is higher than what was previously forecasted in the prior Fiscal Year 2021 Solid Waste Revenue Sufficiency and Rate Study dated August 2021 (the "Prior Study") supporting the adopted Fiscal Year 2022 solid waste collection and disposal assessment, Municipal Service Taxing Unit (MSTU), and rates and fees for service. Collection assessment increases have been identified to be higher due to deferred collection increases from prior periods and the anticipation of larger than average increases in collection costs due to expiring contracts. The disposal adjustments have been identified to be higher due to increased and higher than average inflation, particularly in the near-term, and capital needs.

- **Fiscal Year 2023 Residential Assessment:**

- Collection Assessment – Based on the anticipated increases in contractual collection costs Raffetis was asked to develop a financial and rate plan that incrementally adjusts rates to unify the collection rates for all areas by Fiscal Year 2025. While the contract unit rate varies by franchise area, the level of service does not change. Additionally, by having multiple franchise collection haulers the County has redundancy and options to provide service in the event hauler operations are disrupted. This provides an overall system benefit to the customers.
- Disposal Assessment – Identified increases to various components of the disposal assessment based on the increased cost of service (e.g., contractual increases, general inflation, etc.).

The following provides a summary of the overall change to residential assessments for the Franchise Areas 1 through 5.

**Existing and Adopted Residential Assessment**

Area	Existing	Adopted	Annual Increase	
	2022	2023	Amount	Percent
Area 1	\$232.84	\$286.27	\$53.43	22.9%
Area 2	221.47	274.90	53.43	24.1%
Area 3	249.09	302.52	53.43	21.5%
Area 4	245.52	298.95	53.43	21.8%
Area 5	265.59	319.02	53.43	20.1%

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- **Fiscal Year 2023 Solid Waste Disposal Assessment and Tipping Fees:**
  - The following provides a summary of the overall changes to disposal tipping fees.

#### Existing and Adopted Tipping Fees

Tipping Fee	Existing	Adopted	Annual Increase	
	2022	2023	Amount	Percent
Disposal Facility Assessment	\$17.25	\$18.61	\$1.36	7.9%
MSW	50.20	59.96	9.76	19.4%
C&D and Class III	60.00	61.72	1.72	2.9%
Yard Waste	37.50	38.58	1.08	2.9%
Recycling	38.12	41.12	3.00	7.9%
Tires	160.00	160.00	0.00	0.0%

#### Summary of Adopted Fiscal Year 2023 Rates

Description	Adopted 2023 [7]
<u>Assessments:</u>	
Collection (Avg. Areas 1-5) [1]	\$185.79
Disposal MSW [2]	59.96
Disposal Yard Waste [3]	6.62
Disposal Facility Assessment Charge [2]	18.61
Recycling [4]	11.05
Surcharges	0.00
Billing Fee	2.45
Early Prepayment Gross Up (4%)	11.85
Gross Assessment Average for Areas 1-5 [5]	\$296.33
<u>Tipping Fees per Ton by Waste Type</u>	
MSW [6]	\$59.96
Commercial Horticulture / Yard Waste	38.58
Residential Horticulture / Yard Waste	31.00
C&D	61.72
Class III	61.72
Tires	160.00
Recycling	41.12
Surcharges per MSW Ton [6]	\$0.00
Disposal Facility Assessment per Ton	\$18.61

- [1] Amounts shown reflect the average fee charged for the franchise collection areas 1-5.
- [2] County will assess residential customers the MSW disposal and the Disposal Facility Assessment based on the waste generation assumption of 1.0 ton of waste per unit.
- [3] County will assess residential customers the Yard Waste Assessment based on the waste generation assumption of 0.21 tons per unit.
- [4] County will assesses residential customers the Recycling Assessment based on the waste generation assumption of 0.28 tons per unit.
- [5] Reflects gross assessments before early prepayment discounts as allowed by Florida Statutes, Chapter 197.
- [6] Unincorporated waste generated by commercial and multi-family customers is charged a gate fee per ton including the addition of the base tipping fee plus applicable surcharges per ton for MSW deliveries. Currently the County does not charge for any surcharges.
- [7] On August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report.

**Other Forecast Risks and Considerations:**

**New Disposal Facilities:** Due to the growing amount of waste deliveries and limited processing capacity at the waste-to-energy facility, the Department is actively evaluating alternative disposal options through a strategic master planning exercise to better assess the latest technologies, options, and alternatives for waste disposal (the "Master Plan"). It is important to note that the financial forecast only assumes investment in the currently planned landfill expansion and a materials recovery facility for capacity expansion. To the extent that the Department recommends investment in additional facilities, additional rate revenue adjustments above what is currently identified in this Study may be required.

**Recycling Revenues and Costs:** As previously discussed, declines in the revenue derived from the sale of recycled materials and increased costs to reduce contamination and improve quality of the recovered materials has resulted in a material increase to the net cost of recycling over the past couple of years. To the extent that the value for local recovered materials declines below what is currently contemplated in this Study, the Department may incur further net increases to the cost of recycling and negatively affect future identified rate revenue adjustments.

**Expiring Contractual Agreements:** The Study generally assumes continuation of the terms and conditions of other contract services as disclosed in more detail in subsequent sections to this report. To the extent that the County experiences material changes to the assumed terms of other agreements or contractual operations above what is contemplated in this Study, additional rate revenue adjustments above what is currently identified in this Study may be required.

**The Economy and Inflation:**

Significant increases in inflation, supply chain and labor shortages, and global events have affected economies across the nation. Uncertainty surrounding inflation and other economic factors can have a significant effect on the forecast of contracted services, of which many of the agreements include indexing provisions or pass-through provisions to the County. To the extent that waste deliveries decline below projections in the Study or inflation is greater than assumed, additional rate revenue adjustments above what is currently identified in this Study may be required.

Based on the current needs of the System and coupled with market conditions, it is recommended that the County consider implementation of the Fiscal Year 2023 rate increases to promote the creditworthiness of the System, fund the identified capital requirements, and mitigate further declines in the fiscal position of the System. It is also recommended that the Department continue to perform annual updates to this Study in order to adjust for changes in actual conditions.

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Mr. Douglass Whitehead  
Lee County Solid Waste Department  
August 11, 2022  
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As always, we greatly appreciate the opportunity to be of service to the County and would like to take the opportunity to thank staff for their efforts and time in providing the necessary assistance in the provision of data, insight into recent trends, and general guidance in the development of this Study.

Sincerely,

**Thierry A. Boveri, CGFM**  
*Vice President*

**Nick Smith, CGFM**  
*Manager*

Attachments



**LEE COUNTY, FLORIDA**  
**FISCAL YEAR 2022**  
**SOLID WASTE REVENUE SUFFICIENCY AND COST OF SERVICE STUDY**

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**LEE COUNTY, FLORIDA**

**FISCAL YEAR 2022**

**SOLD WASTE REVENUE SUFFICIENCY AND COST OF SERVICE STUDY**

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## LEE COUNTY, FLORIDA

### FISCAL YEAR 2022

#### SOLID WASTE REVENUE SUFFICIENCY AND COST OF SERVICE STUDY

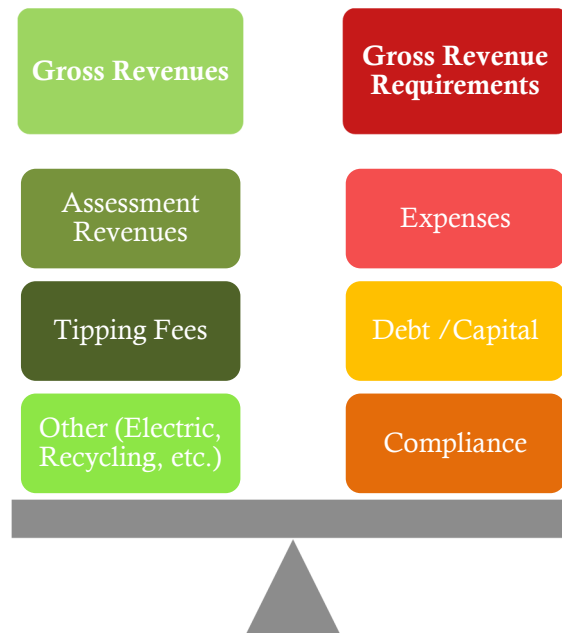
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##### EXECUTIVE SUMMARY

Raftelis Financial Consultants, Inc. ("Raftelis") was tasked with the preparation of a solid waste revenue sufficiency and rate study on behalf of the Lee County (the "County") Solid Waste Department (the "Department"). The purpose of the study was to: i) prepare a six-year financial forecast of operations to determine the sufficiency of existing disposal and collection fees, and other Department revenues to fund necessary expenditures and fund transfers; and ii) allocate costs to the respective fees for service to identify the level of rates charged for collection and disposal service. The following executive summary is intended to provide a brief overview of the methodology, major findings and observations for the study; however, it is encouraged that the report be read in its entirety.

##### Revenue Sufficiency and Cost of Service Methodology

The foundation of the study and the primary objective of the solid waste rates are to reasonably recover the cost of providing service, cost of infrastructure investment and compliance with covenants of the outstanding bonds and internal fiscal targets (referred to as the "Revenue Sufficiency" evaluation).

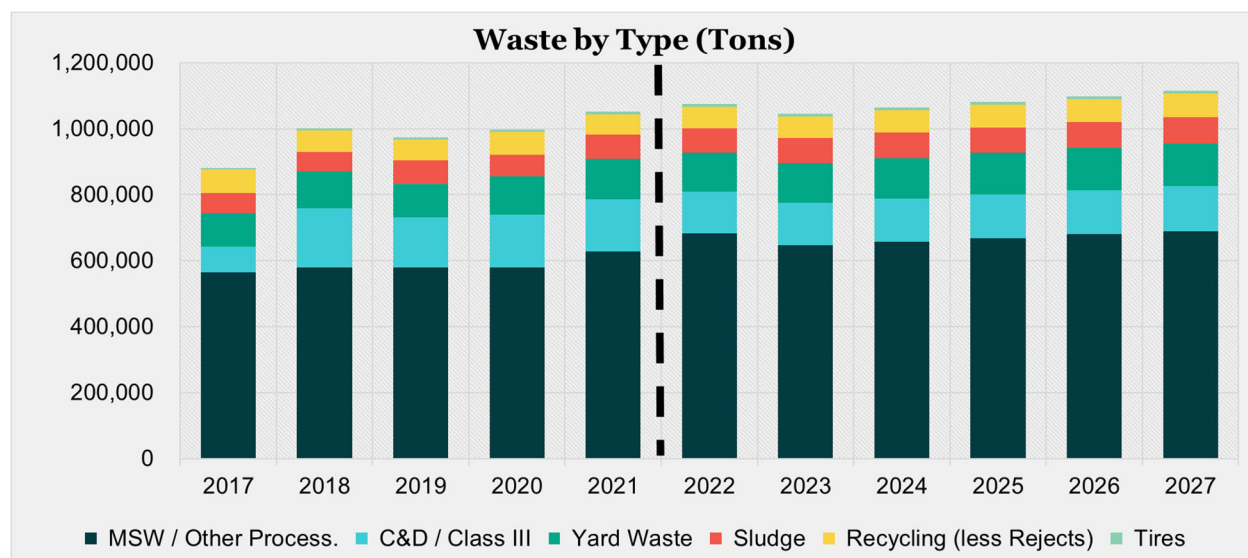


Ensuring adequate cash reserves and appropriate cash flows generally results in a sustainable long-term financial plan that can mitigate the financial and operating risk from unanticipated or sudden events to financial operations (e.g., reduced electric sales, changes in market conditions affecting operations and recovered materials revenues, reduced growth or tonnages, unanticipated or extraordinary outages, unfunded mandates, etc.). The identified revenue requirements to be funded from rates are then allocated among the respective collection and disposal functions. The allocated costs are then assigned to the respective service and rate (e.g., collection, municipal solid waste [MSW] disposal, construction and

demolition [C&D] debris disposal, class III disposal, tire disposal, etc.) to determine the estimated cost of service and divided by the billing units to determine the rates for service.

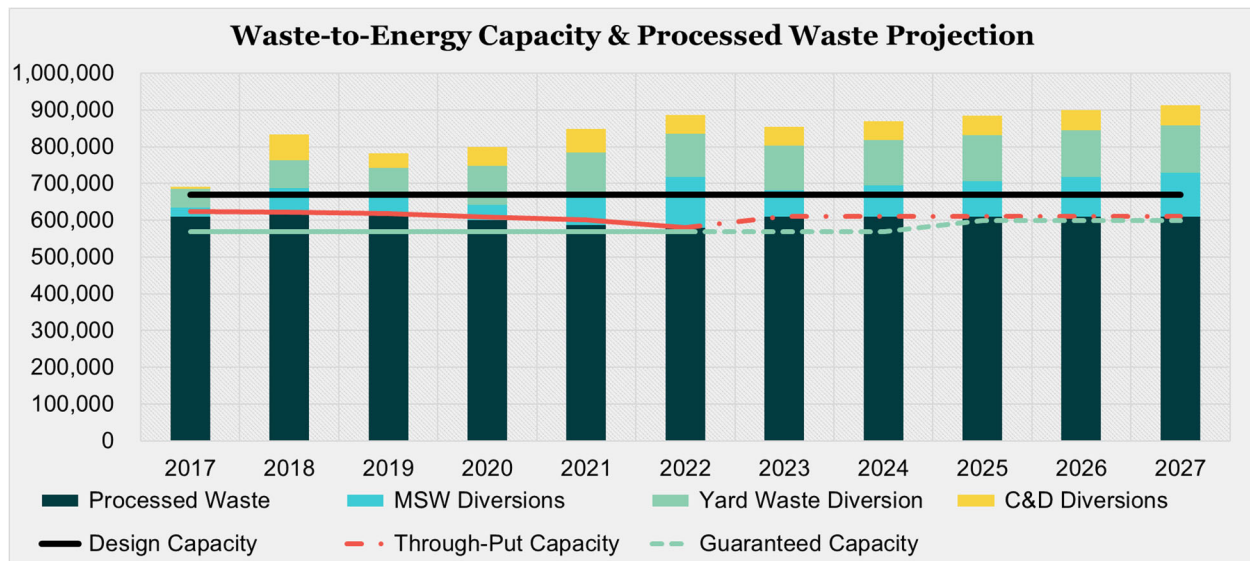
### Principal Findings and Observations

The County provides waste disposal service to approximately 750,000 residents within unincorporated and incorporated areas of the County and processed approximately one million tons of waste for the most recently completed Fiscal Year 2021. The chart below provides a recent history and forecast of delivered waste tonnages by type:



It should also be noted that the chart above does not reflect any yard waste debris associated with Hurricane Irma since such amounts were processed directly by private contractors which did not enter the County's waste management systems. It is estimated that waste deliveries have grown by approximately 36,000 tons per year on average since Fiscal Year 2017 with an overall increase of 171,000 tons or 19%. Waste generation per capita has outpaced population growth since 2010. This is due to the waste delivery growth rate of approximately 3.8% a year exceeding the population growth at approximately 2.2% for the recent historical period. It is assumed that the greater rate of growth in waste generation is due to increased economic activity. Recognizing previous projections of economic slowdown, the forecast assumes a reduced waste generation growth rate of approximately 1.3% a year for the Forecast Period. The reduced growth rate is conservative for financial planning purposes since it minimizes the dependency on additional revenues from increased tip fees.

To dispose of the waste, the County maintains and operates several facilities including a mass burn waste-to-energy (WTE) facility, materials recovery facility (MRF), C&D debris recycling facility, yard waste / tire processing facilities, a composting facility, a regional landfill, and a household chemical waste facility. The WTE facility is currently the primary method of waste disposal for the County and processes in excess of 610,000 tons annually or over 70% of all in-bound processed waste. The chart on the following page indicates the historical and projected utilization of the WTE facility:

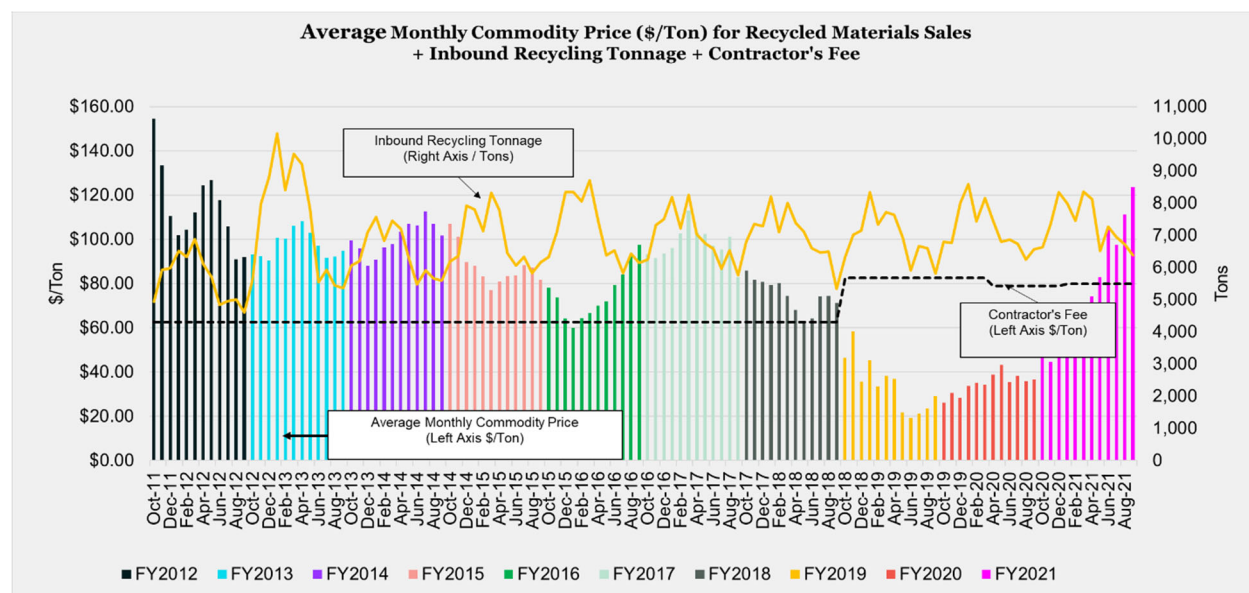


The County primarily processes MSW, C&D, yard waste, MRF residuals, and tires at the WTE facility. As can be seen above, the growth in such waste deliveries is expected to result in growing diversions from the WTE facility to the County's Lee / Hendry Regional Landfill (the "Lee / Hendry Landfill" or LHLL). The Department is evaluating disposal options and has prepared a strategic master planning study to better assess the latest technologies, options and alternatives for waste disposal (the "Master Plan"). It is important to note that the financial forecast only assumes investment in the currently budgeted landfill expansion and MRF for capacity expansion. To the extent the County approves additional facility expansions or additions identified in the Master Plan (e.g., a new waste-to-energy facility or materials recovery facility), the County would be expected to require additional rate revenue increases above what is currently identified in this Study to secure additional disposal capacity. For more information about waste diversions and deliveries to the Lee / Hendry Landfill, please reference Section 5 of this report.

Electricity is generated as a by-product of processing waste at the WTE facility. Historically, the County sold electricity to the Seminole Electric Cooperative Inc. ("Seminole Electric") pursuant to an electric power purchase agreement dated August 15, 2008. Effective January 1, 2017, Seminole Electric terminated the electric sale agreement with the County thereby forcing the County to sell electricity to the open market and other investor owned utilities (IOU)<sup>[1]</sup>. The current market rates per mega-watt hour (MWh) of electricity sold to the open market is materially lower than the contractual rates included in the prior agreement with Seminole Electric. In terms of annual revenues, at the peak the County generated approximately \$20.3 million in electric revenue during the Fiscal Year 2014 and today is forecasted to generate approximately \$6.7 million in electric revenue on average for the Forecast Period. While pursuant to federal law the County can sell directly to Florida Power and Light Company, in order to reach a larger market and maximize electric revenue sales, the County entered into a non-firm power purchase, sale, and marketing agreement with Rainbow Energy Marketing Corporation ("REMC") effective November 1, 2016. The agreement was subsequently renewed in June 2021 for five years with renewal options. The agreement allows REMC to represent the County in the sale of electricity to the open market as well as other IOU's under the Public Utility Regulatory Policies Act of 1978 ("PURPA").

[1] PURPA, as amended, requires IOUs to purchase electricity generated by the County's WTE facility since the facility qualifies as a small renewable energy producer, which is defined as an entity not engaged in the electric business and generates renewable energy from a facility of 80 megawatts or less.

Through the County's various recycling operations including curbside collection, metal separation at the WTE facility, C&D recycling, sale of recoverable materials from household hazardous waste operations (e.g., car batteries, cooking oil, etc.), sale of compost, etc., the County minimizes the amount of waste landfilled, while also generating a revenue stream through the sale of the recovered materials including paper, fiber, plastic, metal, etc. The average value of the material sold has generally been in decline and more recently has resulted in a net cost to the County to recycle pursuant to a contractual amendment to the agreement approved in Fiscal Year 2019. The following chart provides detail of the average monthly commodity price change for the sale of curbside recovered recyclables at the MRF:

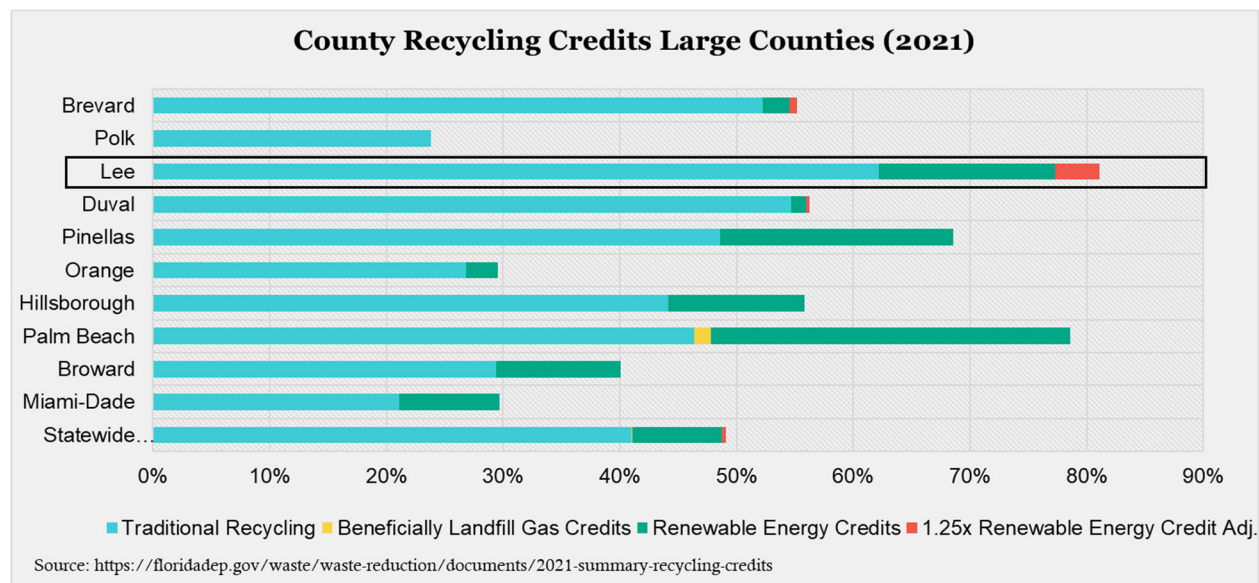


As can be seen by the prior chart, the County processes on average approximately 7,000 tons per month of curbside recycling, which is marketed and sold by ReCommunity Holdings II, Inc. doing business as FCR Florida LLC ("ReCommunity"). Prior to the Fiscal Year 2019, the average monthly commodity price had been greater than the contractor's processing fee, which had resulted in a shared net recycling revenue earned by the County. While the average monthly commodity price exceeded the processing fee in portions of Fiscal Year 2021, based on current market conditions and a contractual increase to the County's processing fee, it is expected that recycling will result in a net cost to the County. The following table provides additional detail concerning the recent and projected trends in recovered material revenues, as well as other revenues associated with operation of the WTE facility for the financial forecast:

Summary of Principal Other Operating Revenues for the Historical and Projected Forecast Period												
Fiscal Year	Curbside Recycling Revenue			Ferrous Revenue			Non-Ferrous Revenue			Net MWh	Electric Revenue	
	Tons	(\$000s)	\$/Ton	Tons	(\$000s)	\$/Ton	Tons	(\$000s)	\$/Ton		(\$000s)	\$/MWh
2017	83,321	3,116	37.40	20,114	1,407	69.96	2,409	1,788	742.36	318,509	7,885	24.75
2018	84,127	782	9.29	19,311	2,289	118.52	3,084	1,715	556.16	346,085	9,325	26.94
2019	83,394	0	0.00	17,048	1,169	68.56	2,738	1,154	421.56	341,461	9,489	27.79
2020	86,379	0	0.00	20,755	1,132	54.56	2,601	307	117.98	320,096	6,093	19.03
2021	80,247	748	9.33	20,366	2,543	124.89	2,126	1,097	515.89	286,305	9,000	31.44
2022	83,166	0	0.00	19,720	1,676	85.00	2,516	1,258	500.00	308,193	9,246	30.00
2023	84,770	0	0.00	20,740	1,763	85.00	2,646	1,323	500.00	327,124	8,832	27.00
2024	86,326	0	0.00	20,740	1,763	85.00	2,646	1,323	500.00	327,078	8,831	27.00
2025	87,833	0	0.00	20,740	1,763	85.00	2,646	1,323	500.00	327,034	8,830	27.00
2026	89,205	0	0.00	20,740	1,763	85.00	2,646	1,323	500.00	326,994	8,829	27.00
2027	90,442	0	0.00	20,740	1,763	85.00	2,646	1,323	500.00	326,958	8,828	27.00

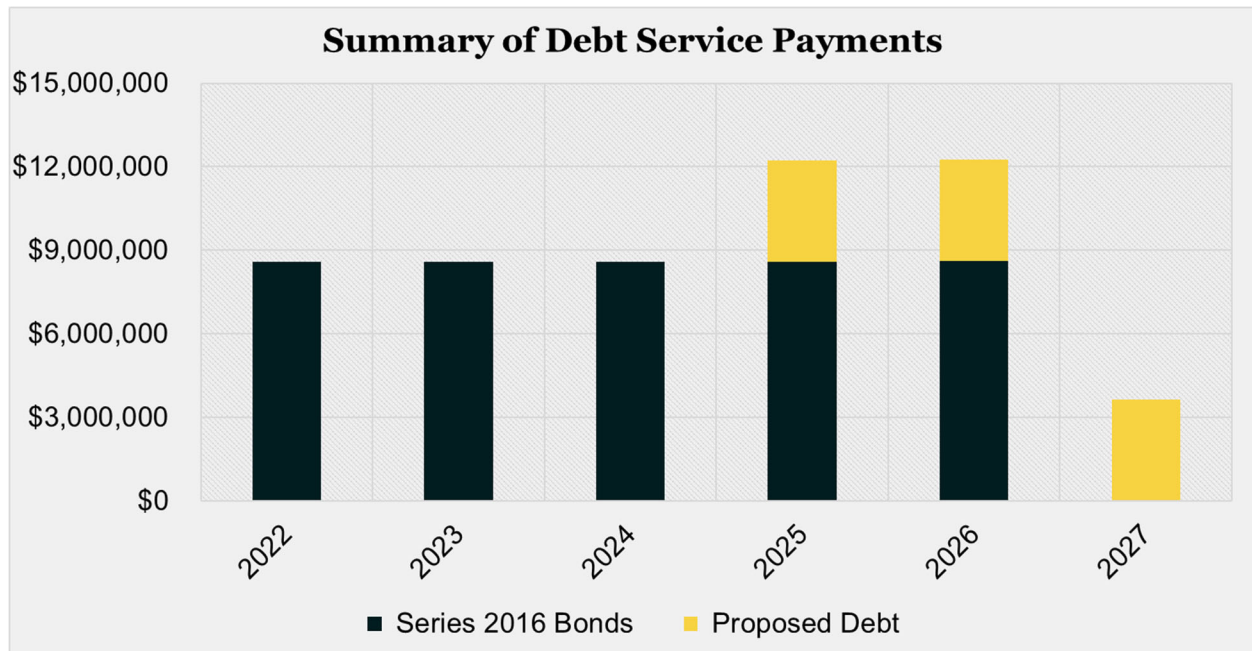


Beyond investment in recycling-oriented disposal facilities and the challenges associated with increasing net cost of operations, the County invests in public outreach programs and has enacted local regulation to further promote recycling. County Ordinance 07-25 requires the mandatory recycling of commercial and multi-family solid waste and C&D debris. The collective measures by the County, residents, and businesses to recycle have helped in meeting compliance with recycling goals for the State pursuant to Florida Statute 403.706(7) (the "Recycling Regulation"). The goal of the Recycling Regulation was to achieve a recycling rate of 75% by the Fiscal Year 2020. The County has achieved this goal with an overall recycling rate of 81.1% for the most recently reported Fiscal Year 2021, which ranks the County first statewide. The following chart, as reported by the Florida Department of Environmental Protection (FDEP), indicates the overall recycling rates for the top 10 most populated counties (in order from least to most populace counties):



As a component of calculating recycling credits, the FDEP recognizes renewable energy credits for energy produced at WTE facilities or from landfill gas production. The renewable energy credits are adjusted by a 1.25x factor if a county's traditional recycling credits meet or exceed 50%. The County's traditional recycling credits were 62.2% for the Fiscal Year 2021 and therefore earned the 1.25x adjustment. In aggregate the renewable energy credit with adjustments increased the County's recycling credits by 15.1%.

The County issued debt in 2006 primarily to fund an expansion of the WTE facility and to refinance certain outstanding debt at that time to achieve interest rate savings through the issuance of the Solid Waste System Revenue Bonds, Series 2006A (the "2006A Bonds") and the Solid Waste System Refunding Revenue Bonds, Series 2006B (the "2006B Bonds" and, collectively with the 2006A Bonds, the "Series 2006 Bonds"). The WTE facility expansion financed by the Series 2006 Bonds increased the waste processing capacity from 1,200 tons per day to 1,836 tons per day. In 2016, the County refinanced the Series 2006A Bonds through the issuance of the Solid Waste System Refunding Revenue Bonds, Series 2016 (AMT) (the "2016 Bonds"). It is assumed that the County will issue approximately \$46 million in additional debt in Fiscal Year 2025 to fund construction of a MRF. The following page provides a summary of the remaining and projected debt service payments assumed in the Study:



As can be seen above, the Series 2016 Bonds will be fully repaid by the Fiscal Year 2027 and will provide a benefit by adding additional bonding or leveraging capacity for future capital improvements identified by the Master Plan.

Finally, and with respect to the cost of operating expenses, the Study assumes an average annual growth rate of approximately 8.0% a year above the Fiscal Year 2022 budgeted levels. The increase is primarily due to: i) anticipated increases in the cost of contracted operations and collection as set by agreement (indexing of contract costs is customary in the industry); ii) growth of customers and tonnages within the County; and iii) general inflation in the cost of labor, chemicals, parts and repair, etc. The following table provides an indication of the revenue sufficiency and identified rate adjustments for the Forecast Period:

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### Disposal Net Revenue Requirements and Revenue Sufficiency (\$1,000s) [1]

Description	Projected Fiscal Year Ending September 30,					
	2022	2023	2024	2025	2026	2027
Operation and Maintenance Expenses [2]	\$61,702	\$67,796	\$72,094	\$73,665	\$76,223	\$79,239
Annual Debt Service:						
Series 2016 Bonds	\$8,575	\$8,589	\$8,596	\$8,595	\$8,605	\$0
Proposed Debt	0	0	0	3,643	3,643	3,643
Transfers and Capital [3]	\$20,173	\$20,046	\$19,935	\$18,131	\$20,316	\$30,917
Gross Revenue Requirements	\$90,449	\$96,430	\$100,625	\$104,033	\$108,787	\$113,799
Less Income / Funds from Other Sources:						
Investment Income	\$1,693	\$1,523	\$1,332	\$1,223	\$1,322	\$1,516
Net Electric Revenue	9,246	8,835	8,834	8,832	8,831	8,830
Franchise Fees – County	1,819	1,857	1,896	1,934	1,966	1,998
Franchise Fees – Municipalities [2]	592	604	617	629	640	650
WTE Ferrous / Non-ferrous – County	1,467	1,543	1,543	1,543	1,543	1,543
WTE Ferrous / Non-ferrous – Covanta [2]	1,467	1,543	1,543	1,543	1,543	1,543
Miscellaneous Revenue	1,781	1,851	1,888	1,927	1,968	2,010
Compost Sales	296	296	296	296	296	296
Other Revenues [4]	5,496	5,907	5,397	3,729	3,780	3,832
Total	\$23,856	\$23,960	\$23,345	\$21,656	\$21,888	\$22,217
Net Disposal Funding Requirements	\$66,593	\$72,470	\$77,280	\$82,377	\$86,899	\$91,581
Assessment and Tip Fee Revenue – Adopted Rates [5]	\$66,593	\$72,470	\$73,600	\$74,718	\$75,789	\$76,800
Current Period Rate Revenue Adjustments [6]	N/A	N/A	5.0%	5.0%	4.0%	4.0%
Adjusted Disposal Revenue	\$66,593	\$72,470	\$77,280	\$82,377	\$86,899	\$91,581
Surplus / (Deficiency) [7]	\$0	\$0	\$0	\$0	\$0	\$0

[1] Amounts shown derived from Table 13 at the end of this report. Totals may vary due to rounding.

[2] Amounts shown include the gross expenses of the system, including the cost of shared or remitted revenues such as, franchise fees collected on behalf of the County and shared electric revenues due to the County's contracted WTE facility operator.

[3] Reflects transfers to the landfill closure fund, transfers to the recycling fund from recovered materials revenues and funding for certain capital equipment identified from the capital program.

[4] Includes revenues from advance disposal fees related to the C&D ordinance, contracted disposal of sludge and other miscellaneous revenues.

[5] On August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report.

[6] Reflects the current period percent increase in disposal revenues.

[7] Reflects assumed transfers to / (from) operating reserves.

As can be seen above, the existing disposal assessment and tipping fee revenues are not projected to be sufficient to fund the disposal-related revenue requirements of the System due to increases in the cost of operation, additional debt, and declines in other operating revenues (e.g., electric revenues) which serve to offset the funding requirements of the disposal assessment and fees.

With respect to the collection system operations and revenues, the following table provides an indication of the revenue sufficiency and identified rate adjustments for the Forecast Period:

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### Collection Net Revenue Requirements and Revenue Sufficiency (\$1,000s) [1]

Description	Projected Fiscal Year Ending September 30,					
	2022	2023	2024	2025	2026	2027
Operation and Maintenance Expenses	\$28,358	\$36,581	\$47,309	\$49,582	\$51,299	\$53,003
Annual Debt Service	0	0	0	0	0	0
Transfers and Capital	0	0	0	0	0	0
Gross Revenue Requirements	\$28,358	\$36,581	\$47,309	\$49,582	\$51,299	\$53,003
Less Income / Funds from Other Sources:						
Investment Income	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Fines [2]	50	50	50	50	50	50
Total	\$50	\$50	\$50	\$50	\$50	\$50
Net Collection Funding Requirements	\$28,308	\$36,531	\$47,259	\$49,532	\$51,249	\$52,953
Collection Assessment Revenue – Adopted Rates [3]	\$26,201	\$34,173	\$34,904	\$35,594	\$36,187	\$36,679
Rate Revenue Adjustments [4]	N/A	N/A	28.25%	8.51%	1.77%	1.94%
Adjusted Collection Revenue	\$26,201	\$34,173	\$44,764	\$49,532	\$51,249	\$52,953
Net Transfers To / (From) Reserves [5]	(\$2,107)	(\$2,358)	(\$2,495)	\$0	\$0	\$0

[1] Amounts shown derived from Table 14 at the end of this report. Totals may vary due to rounding.

[2] Reflects minor revenues from fines related to the monitoring of contracted collection.

[3] On August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report.

[4] Reflects the current period percent increase in collection revenues.

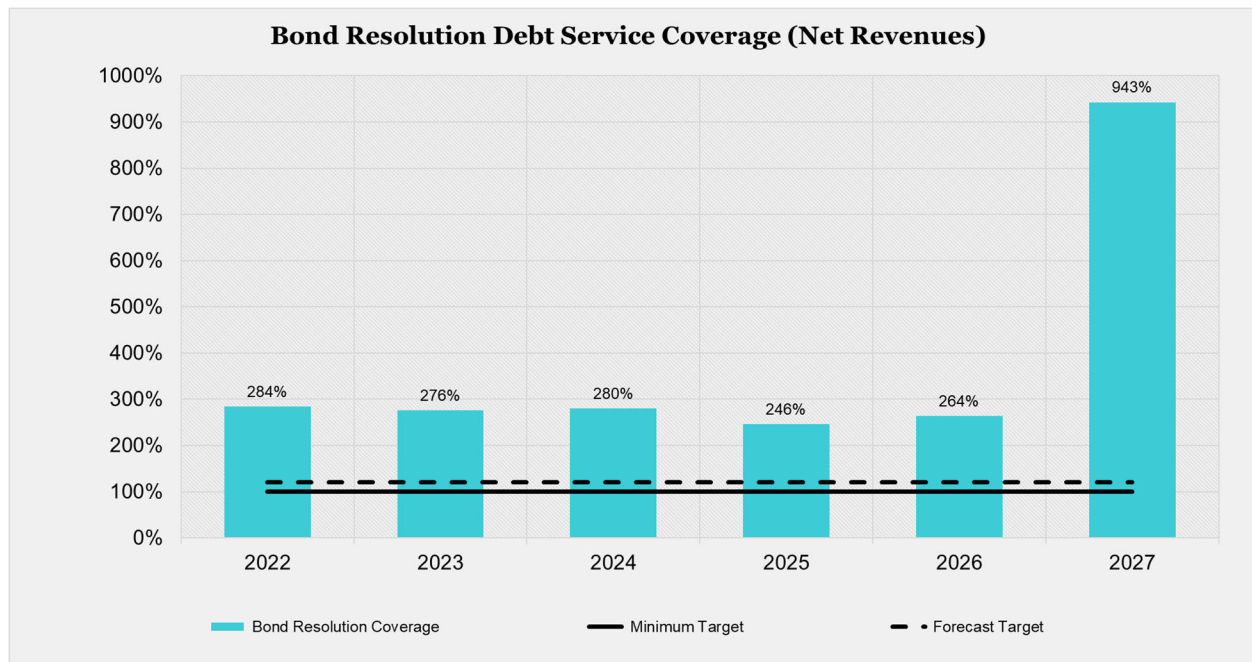
[5] Reflects assumed transfers to / (from) reserves.

As can be seen above the existing collection component of the assessment revenues are projected to be insufficient due to assumed and expected increases to the cost of contracted collection. Based on the anticipated increases in contractual collection costs Raftelis was asked to develop a financial and rate plan that incrementally adjusts rates to return to the practice of applying the solid waste collection assessment as a direct pass-through of collection expenses over the Forecast Period. Cash reserves used to phase-in collection increases are assumed to be reimbursed through additional rate adjustments after cost-of-service rates have been reached.

Based on implementation of the identified rate revenue adjustments and recognizing the assumptions made for purposes of this Study, which should be read in its entirety, the Department is expected to maintain compliance with the requirements of Resolution No. 16-08-10 adopted August 16, 2016 (the "Bond Resolution"), which authorized the issuance of the outstanding bonds. The following chart provides the projected calculation of debt service coverage<sup>[2]</sup> compliance with the rate covenant as delineated in the Bond Resolution:

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[2] The calculation of coverage recognizes Gross Revenues less operating expenses (exclusive of depreciation, amortization or closure expenses) should produce net revenues at least equal to 100% of the annual debt service and required transfers.



Prior to the Fiscal Year 2016, the Department had experienced recurring declines in the debt service coverage and resulted in a credit rating downgrade by Moody's Investor Service ("Moody's") from A3 to Baa1<sup>[3]</sup>. In response the County adopted a series of rate adjustments over the last several years, which have significantly improved the net revenues of the System. As can be seen from the chart above and based on the assumptions as delineated in this study, the identified rate revenue increases are projected to produce sufficient Net Revenues, as defined in the Bond Resolution, to generate debt service coverage equal to or above the minimum target for the entire Forecast Period.

With respect to the liquidity (cash position) of the system, the Study assumes targeting overall unrestricted cash reserves equal to 12 months of operating expenses. The target is based on the Moody's credit surveillance opinion dated December 21, 2015, and subsequent credit analysis updates, which indicate that the Department could face a further credit rating downgrade should debt service coverage fall below 1.0 times and / or unrestricted cash reserves fall below 12 months operating expenses. The following table provides a summary of the projected cash reserves by fund:

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[3] Moody's provides the following rankings for investment grade credits from highest to lowest as follows: Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3.



**Projected Ending Fund Balance (\$1,000s)**

Description	Fiscal Year Ending September 30,					
	2022	2023	2024	2025	2026	2027
Fund 40100 – Operations	\$24,974	\$24,974	\$24,974	\$24,974	\$24,974	\$24,974
Fund 40120 – Subaccount – R&R	4,108	4,108	4,108	4,108	4,108	4,108
Fund 40110 – Subaccount – System Reserve Fund	5,542	5,542	5,543	5,542	5,543	9,395
Fund 40103 – Rate Stabilization	24,236	23,921	25,034	28,345	33,665	53,257
Fund 40106/32 – System Reserve Fund - CIP	32,395	20,068	5,587	682	7,148	13,607
Fund 40107 – Closure Fund	17,136	18,922	20,851	22,941	25,173	27,548
Fund 40162/63/64 – Debt Service – Sinking	7,645	7,827	8,011	10,736	10,976	2,612
Fund 40170/71 – Debt Service – Reserve	7,708	7,708	7,708	7,708	7,708	0
Debt Proceeds	0	0	0	8,500	0	0
Total Projected Available Fund Balances	<u>\$123,744</u>	<u>\$113,071</u>	<u>\$101,816</u>	<u>\$113,537</u>	<u>\$119,295</u>	<u>\$135,501</u>
Cash Reserve Target Compliance:						
Projected Fund Balance Less Restricted Funds [*]	\$108,363	\$97,508	\$86,069	\$86,564	\$100,583	\$132,862
12 Months Operating Expenses	<u>90,060</u>	<u>104,376</u>	<u>119,403</u>	<u>123,247</u>	<u>127,523</u>	<u>132,243</u>
Amount Above or Below Target	<u>\$18,304</u>	<u>(\$6,869)</u>	<u>(\$33,335)</u>	<u>(\$36,683)</u>	<u>(\$26,940)</u>	<u>\$619</u>

[\*] Amounts shown exclude debt-related funds and customer deposits. Although landfill closure reserves are restricted for purposes of this analysis such funds are considered to be available for the needs of the System recognizing that the restriction is established by the Board of County Commissioners action and such funds could be available during times of need or emergency should the Board of County Commissioners unrestricted such funds.

As cash reserves fall below the minimum targeted cash reserves equal to 12 months of operating expenses beginning in Fiscal Year 2023 the shortfall is expected to improve over time and exceed the target by Fiscal Year 2027.

For purposes of this analysis and based on discussions with Department staff, Raftelis has assumed certain minimum financial performance metrics based on industry best practices in order to maintain and ultimately improve the creditworthiness of the System. The following provides a summary of the principal minimum financial metrics relied upon in development of this Study.

1. Net Revenues providing an annual debt service coverage ratio equal to or greater than 1.2x.
2. Operating cash reserves equal to or greater than 150 days of operating expenses to provide for necessary working capital and a hedge against declines in other operating revenues (e.g., electric revenues).
3. Capital cash reserves at the greater of either:
  - a. 6.0% of prior year's reported depreciable assets (e.g., roughly equal to two years of depreciation equivalent); or
  - b. The average annual cost of the identified five-year or 10-year CIP.
4. Landfill closure reserves equal to at least the reported liability for closure plus one year of long-term care costs incurred subsequent to the closure of the landfill.
5. Maximum amount of System outstanding debt to gross revenues ranging from 4.0x to 6.0x.
6. Minimum amount of capital reinvestment to the System equal to five percent of prior year's Gross Revenues, excluding collection revenues, or as may be determined by the County's consulting engineers.

For additional information concerning compliance with these financial targets, please reference Section 8 of this report. Based on the recommended financial targets, projected cost of revenue requirements and

identified rate adjustments, the net system revenue requirements were evaluated relative to the current rate structure comprised of:

- Residential Collection and Disposal Assessments
- Solid Waste System Assessment (i.e., Disposal Facility Assessment and Recycling Assessment)
- Assessed Billing Charge
- Tipping Fees by Type of Waste

Costs were allocated by budgetary line item to the various charges based on a rational nexus among the costs and the respective fees. Adjustments to the allocated rates were then made to recognize benefits of an integrated solid waste operation, market comparisons, pricing incentives to discourage out-of-town waste, and general rounding of rates for ease of billing. For additional detail concerning the methodology, allocation and design of the Fiscal Year 2023 rates please reference Section 9 of this report.

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The following table provides a brief summary of the primary residential assessments and tipping fees identified for the Fiscal Year 2023:

**Summary of Historical, Existing, and Adopted Rates**

Description	Historical 2021	Existing 2022	Adopted 2023
<b>Assessments:</b>			
Collection (Avg. Areas 1-5) [1]	\$145.62	\$145.62	\$185.79
Disposal MSW [2]	45.18	50.20	59.96
Disposal Yard Waste [3]	6.62	6.62	6.62
Disposal Facility Assessment Charge [2]	15.53	17.25	18.61
Recycling [4]	11.05	11.05	11.05
Surcharges	0.00	0.00	0.00
Billing Fee	2.45	2.45	2.45
Early Prepayment Gross Up (4%)	9.44	9.71	11.85
Gross Assessment Average for Areas 1-5 [5]	\$235.88	\$242.90	\$296.33
Assessment Paid in February = 1% Discount	\$233.07	\$240.47	\$293.37
Assessment Paid in January = 2% Discount	230.71	238.04	290.40
Assessment Paid in December = 3% Discount	228.36	235.61	287.44
Assessment Paid in November = 4% Discount	226.00	233.18	284.48
<b>Tipping Fees per Ton by Waste Type</b>			
MSW [6]	\$50.20	\$50.20	\$59.96
Horticulture / Yard Waste	31.00	37.50	38.58
C&D	48.40	60.00	61.72
Class III	48.40	60.00	61.72
Tires	120.00	160.00	160.00
Recycling	38.12	38.12	41.12
Surcharges per MSW Ton [6][7]	\$0.00	\$0.00	\$0.00
Disposal Facility Assessment per Ton [8]	\$17.25	\$17.25	\$18.61

[1] Amounts shown reflect the average fee charged for the franchise collection areas 1-5.

[2] County assesses residential customers the MSW disposal and the Disposal Facility Assessment based on the following waste generation assumptions:

FY21 – 0.90 tons    FY22 – 1.00 tons    FY23 – 1.00 tons

[3] County assesses residential customers the Yard Waste Assessment based on the following waste generation assumptions:

FY21 – 0.26 tons    FY22 – 0.21 tons    FY23 – 0.21 tons

[4] County assesses residential customers the Recycling Assessment based on the waste generation assumption of 0.29 tons per unit.

[5] Reflects gross assessments before early prepayment discounts as allowed by Florida Statutes, Chapter 197.

[6] Unincorporated waste generated by commercial and multi-family customers is charged a gate fee per ton including the addition of the base tipping fee plus applicable surcharges per ton for MSW deliveries. Currently the County does not charge for any surcharges.

[7] Amounts shown are not charged to municipal customers, with exception to Fort Myers Beach, Bonita Springs, and the Village of Estero for which the County provides collection services and assess any applicable surcharges pursuant to interlocal agreement. Currently the County does not charge for any surcharges.

[8] Presented for informational purposes only since the disposal facility assessment charge is charged to all customers by assessment and to Hendry County as part of their gate fee.

The bill for residential solid waste collection and disposal is collected by non-ad valorem assessment included on the ad valorem tax bill as allowed by Florida Statutes, Chapter 197, which provides a reliable basis for solid waste services and the ability to lien a property for non-payment. As can be seen above the overall residential collection and disposal assessment for unincorporated residents of the County include a mark-up to the calculated fee for the early payment discount that is extended to customers as part of the ad valorem billing process (pursuant to Florida Statutes, customers may elect to receive a discount of up to 4% if they pay all of the charges and taxes included on the ad valorem tax bill prior to the due date of the bill). Therefore, if the full 4% discount is recognized by a property owner (the majority of the property owners elect to pay early and obtain the 4% discount), the County will collect the full rate for service (after the discount is applied); the mark-up of fees included on the ad valorem tax bill is customary and allows the solid waste enterprise fund to fully collect the fees for service. As can be seen from the prior table, the



residential solid waste charge for collection and disposal services is expected to increase by approximately \$53 or \$4.45 per month for the Fiscal Year 2023. Disposal cost increases for residential customers within municipalities (excluding residents of the City of Bonita Springs, the Town of Fort Myers Beach, and the Village of Estero) served by the County may see their annual charges increase (excludes collection increases) by approximately \$11.58<sup>[4]</sup> a year or \$0.97 per month. The following table provides a summary of comparable fees charged by other Florida counties for collection and disposal service to the existing and adopted fees for the County:

#### Solid Waste Fee Comparison with Other Florida Systems

Description	Residential Assessment			MSW	C&D	Tipping Fees	
	Collection	Disposal	Total			Yard Waste	Tires
Lee County – Existing [1] [2]	\$130.25 - \$174.38	\$91.22	\$221.47 - \$265.59	\$50.20	\$60.00	\$37.50	\$160.00
Lee County – FY23 [1] [2]	\$172.09 - \$216.22	\$102.81	\$274.90 - \$319.02	\$59.96	\$61.72	\$38.58	\$160.00
<b>Other Systems with Waste-to-Energy Facilities:</b>							
Broward County [3]	N/A	N/A	\$310.00	N/A	\$50.00	\$50.00	\$110.00
City of Fort Lauderdale	N/A	N/A	\$528.24	N/A	\$50.00	\$50.00	\$110.00
Hillsborough County [4]	\$234.47	\$118.32	\$352.79	\$84.20	\$71.74	\$42.46	\$149.50
Miami-Dade County [5]	N/A	N/A	\$484.00	\$66.12	\$66.12	\$66.12	\$114.18
Palm Beach County [4]	\$175.00 - \$344.00	\$178.00	\$355.00 - \$522.00	\$42.00	\$60.00	\$35.00	\$100.00
Pasco County [4]	\$206.72	\$86.00	\$292.72	\$78.47	\$78.47	\$78.47	\$200.00
Pinellas County [4]	N/A	N/A	\$192.00	\$44.70	\$44.70	\$44.70	\$125.00
City of Tampa [4]	N/A	N/A	\$418.92	\$71.00	\$51.00	\$71.00	\$117.00
<b>Systems without Waste-to-Energy Facilities:</b>							
Charlotte County [2]	N/A	N/A	\$271.55	\$39.28	\$39.28	\$39.28	\$125.46
Collier County [4]	N/A	N/A	\$220.97 - \$226.29	\$77.71	\$86.56	\$46.99	\$200.09
Hernando County [4]	\$185.28	\$85.50	\$270.78	\$54.50	\$54.50	\$30.00	\$150.00
Manatee County [4]	N/A	N/A	\$171.96	\$40.00	\$61.00	\$40.00	\$86.00
Polk County [2]	\$144.50	\$52.00	\$196.50	\$36.50	\$36.50	\$22.00	\$300.00
Sarasota County [2]	N/A	N/A	\$233.59	\$57.56	\$54.74	\$41.37	\$158.60
Other System Averages	\$219.10	\$104.40	\$336.92	\$57.60	\$57.42	\$47.62	\$148.23

- [1] Amounts shown for the residential assessment reflect the gross assessment before early prepayment discounts. The billing charge is included as a component of the residential disposal assessment.
- [2] Denotes residential collection service at one day per week for garbage, recycling, and yard waste collection.
- [3] Broward County residential collection includes two days per week for garbage collection, one day per week for recycling collection and one day per month yard waste collection.
- [4] Denotes residential collection service at two days per week for garbage collection and one day per week for recycling and yard waste collection. Note garbage collection service in Pinellas County is for one or two days per week depending on location.
- [5] Miami-Dade County residential collection service includes two days per week for garbage / yard waste collection and one day every other week for recycling collection.

As can be seen above, the County's rates adopted by the Board of County Commissioners ("BOCC") for the Fiscal Year 2023 are projected to remain comparable to and / or below the average charged by the other surveyed counties for similar solid waste service.

[4] Note that residential customers within municipalities are responsible for collection services within their boundaries and pay a separate charge for collection directly to the municipality. Amounts shown reflect only the estimated increase in cost to the average residential customer if they were to pay the County's MSW and yard waste tipping fee and the assumed Solid Waste Assessment charge per ton of delivered waste. Actual impacts to residential customers may vary due to fee application through MSTU or assessment.

## Summary of Findings

Based on the findings of this study the following observations are provided for consideration by the BOCC and County administration:

- The existing disposal and collection fees for service are projected to be insufficient to fund the identified funding requirements of the System and it is recommended that the BOCC implement the adopted rates for the Fiscal Year 2023.
- Recognizing the uncertainty surrounding changes in market conditions and the timing of the need for additional disposal capacity, staff should continue to closely monitor and perform annual financial projections to assess the sufficiency of System revenues to meet the expenditure needs of the System and for compliance with the rate covenants and flow of funds requirements delineated in the Bond Resolution and need for additional rate adjustments; and
- The County should continuously review and update the financial plan to evaluate trends in service area growth, solid waste elements, costs, and capital reinvestment and financing to ensure compliance with the Rate Covenants contained in the Bond Resolution, promote the overall creditworthiness of the System and limit financial risk, and provide for long-term rate sustainability.

### Summary of Adopted Fiscal Year 2023 Rates

Description	Adopted 2023
<u>Assessments:</u>	
Collection (Avg. Areas 1-5) [1]	\$185.79
Disposal MSW [2]	59.96
Disposal Yard Waste [3]	6.62
Disposal Facility Assessment Charge [2]	18.61
Recycling [4]	11.05
Surcharges	0.00
Billing Fee	2.45
Early Prepayment Gross Up (4%)	11.85
Gross Assessment Average for Areas 1-5 [5]	\$296.33
<u>Tipping Fees per Ton by Waste Type</u>	
MSW [6]	\$59.96
Commercial Horticulture / Yard Waste	38.58
Residential Horticulture / Yard Waste	31.00
C&D	61.72
Class III	61.72
Tires	160.00
Recycling	41.12
Surcharges per MSW Ton [6]	\$0.00
Disposal Facility Assessment per Ton	\$18.61
<p>[1] Amounts shown reflect the average fee charged for the franchise collection areas 1-5.</p> <p>[2] County will assess residential customers the MSW disposal and the Disposal Facility Assessment based on the waste generation assumption of 1.0 ton of waste per unit.</p> <p>[3] County will assess residential customers the Yard Waste Assessment based on the waste generation assumption of 0.21 tons per unit.</p> <p>[4] County will assesses residential customers the Recycling Assessment based on the waste generation assumption of 0.28 tons per unit.</p> <p>[5] Reflects gross assessments before early prepayment discounts as allowed by Florida Statutes, Chapter 197.</p> <p>[6] Unincorporated waste generated by commercial and multi-family customers is charged a gate fee per ton including the addition of the base tipping fee plus applicable surcharges per ton for MSW deliveries. Currently the County does not charge for any surcharges.</p>	

## LEE COUNTY, FLORIDA

### SOLID WASTE REVENUE SUFFICIENCY AND COST OF SERVICE STUDY

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#### INTRODUCTION

On behalf of the Lee County Solid Waste Department (the "Department"), Raftelis Financial Consultants, Inc. ("Raftelis") was tasked with the preparation of a six-year revenue sufficiency and rate study of the integrated solid waste management system (the "System") encompassing the Fiscal Year 2022 beginning October 1, 2021 (the current budget year) through Fiscal Year 2027 ending September 30, 2027 (the "Forecast Period"). Specifically, Raftelis was tasked with:

- Updating the financial forecast model to analyze the financial and business activities of the Solid Waste Enterprise Fund, including evaluating anticipated changes over-time to the following components of the enterprise operations:
  - Growth or declines in assessed units and waste tonnage deliveries by customer type, category of waste and disposal facility.
  - Capacity utilization of the County's disposal facilities.
  - Inflation of expenses or changes in System operations affecting costs.
  - Contractual operating expenses and shared revenues.
  - Long-term liabilities for landfill closure and post-closure costs.
  - Capital funding requirements and issuance of additional debt.
  - Cash reserves and investment income recognized by fund type and purpose (e.g., operating versus capital funds).
  - Compliance requirements of the System, including financial assurance requirements of the Florida Statutes from landfill closure and the rate covenants associated with the outstanding debt.
- Evaluation of the System's overall financial position and recommended financial management policy.

This report provides a summary of the recent trends, study methodology, principal assumptions, findings, and an overview of the projected financial position of the Department.

#### SECTION 1: GENERAL OVERVIEW

The Department is responsible for the disposal of solid waste for approximately 750,000 residents throughout the County and contractually responsible for disposal of waste deliveries from Hendry County associated with the shared Lee / Hendry Regional Solid Waste Disposal Facility (the "Lee / Hendry Landfill" or "LHLF"). The Department typically processes approximately one million tons of solid waste annually comprised primarily of: i) garbage or class I waste (also referred to as MSW); ii) horticulture or yard waste; iii) single-stream recycling; iv) class III waste (i.e., waste that does not leach) and construction and demolition debris; and v) biosolids or sludge from wastewater treatment plant operations.

## Facilities

The County has received numerous awards and recognition of the System's facilities and staff operations, which represent both a significant achievement and investment made by the County and staff. The operations and facilities for the County are oriented towards minimizing landfilling of waste and promoting recycling. For the Fiscal Year 2021, the County achieved a recycling credit rate of 81.1%, which ranks first statewide. To achieve the high rate of recycling, the County provides once a week residential single-stream recycling collection, receives renewable energy credits for waste disposal at the waste-to-energy facility, and has adopted ordinances which require mandatory recycling for commercial and multi-family residential waste, as well as mandatory recycling of C&D wastes. The following section provides an overview of the primary disposal facilities.

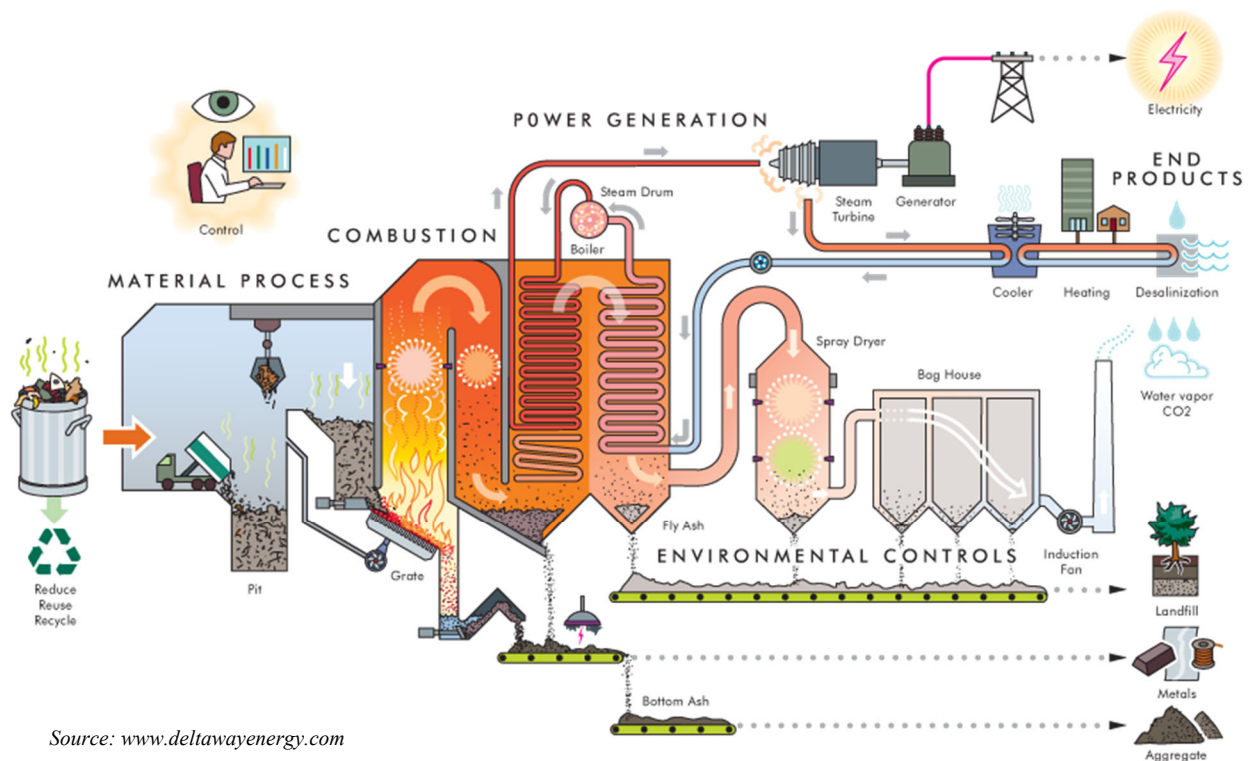


*The Buckingham Campus shown above provides synergies for the integrated solid waste management system and includes the collocated WTE, MRF, C&D Recycling, MSW transfer station (not pictured), fleet maintenance, tire and yard waste processing facilities. Not shown are the County's other disposal facilities including: Lee / Hendry Landfill, compost facility, household chemical waste, and Hendry County transfer stations.*

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### Waste-to-Energy (WTE) Facility

The County's WTE facility is the primary means of disposal for all inbound waste. During the Fiscal Year 2021, the County burned approximately 587,000 tons of waste or approximately 53% of the total inbound waste delivered. Waste burned at the WTE facility is referred to as processable waste and is primarily comprised of MSW, yard waste, residuals from residential and C&D recycling programs, and some tire waste. Burning waste produces approximately 535 kWh (kilowatt-hours) of net electricity per ton on average, while reducing the total volume and weight of MSW by 90% and 75%, respectively. This means burning 30 tons of waste results in enough electricity to power a typical residential home in Florida for one year and producing a dense ash by-product that weighs approximately 7.5 tons but has the same volume as only 3 tons of MSW. The following diagram provides an overview of a typical WTE facility operation:



Source: [www.deltawayenergy.com](http://www.deltawayenergy.com)

In addition to the production of electricity and significant reduction in the volume of waste landfilled the WTE also recovers ferrous and non-ferrous metals, which are sold and recycled to help offset the cost of operation. The Florida Department of Environmental Protection (the "FDEP") provides a recycling credit for each MWh of energy production equal to one ton of recycling waste. For the Fiscal Year 2021, the County generated a gross electrical production of 0.59 MWh (megawatt-hours) per ton processed resulting in a 0.59 recycling credit for every ton burned. It should be noted that if the County achieves a traditional recycling rate above 50% (excluding waste burned at the WTE), which it did in Fiscal Year 2021, the credit for electrical production is equal to 1.25 tons per MWh of energy production.

The facility operates seven days a week and 24 hours a day through a contractual agreement with Covanta Lee Inc. ("Covanta"). The agreement was amended in 2006 for the expansion of the current WTE from 1,200 tons per day to the full design capacity of 1,836 tons per day. The expansion was primarily funded by the issuance of the Series 2006 Bonds. The agreement with Covanta was originally valid through November 30, 2024 but was amended to extend to November 30, 2031. It identifies, among other things, that: i) a minimum amount of waste must be delivered by the County (the "Guaranteed Tonnage") and



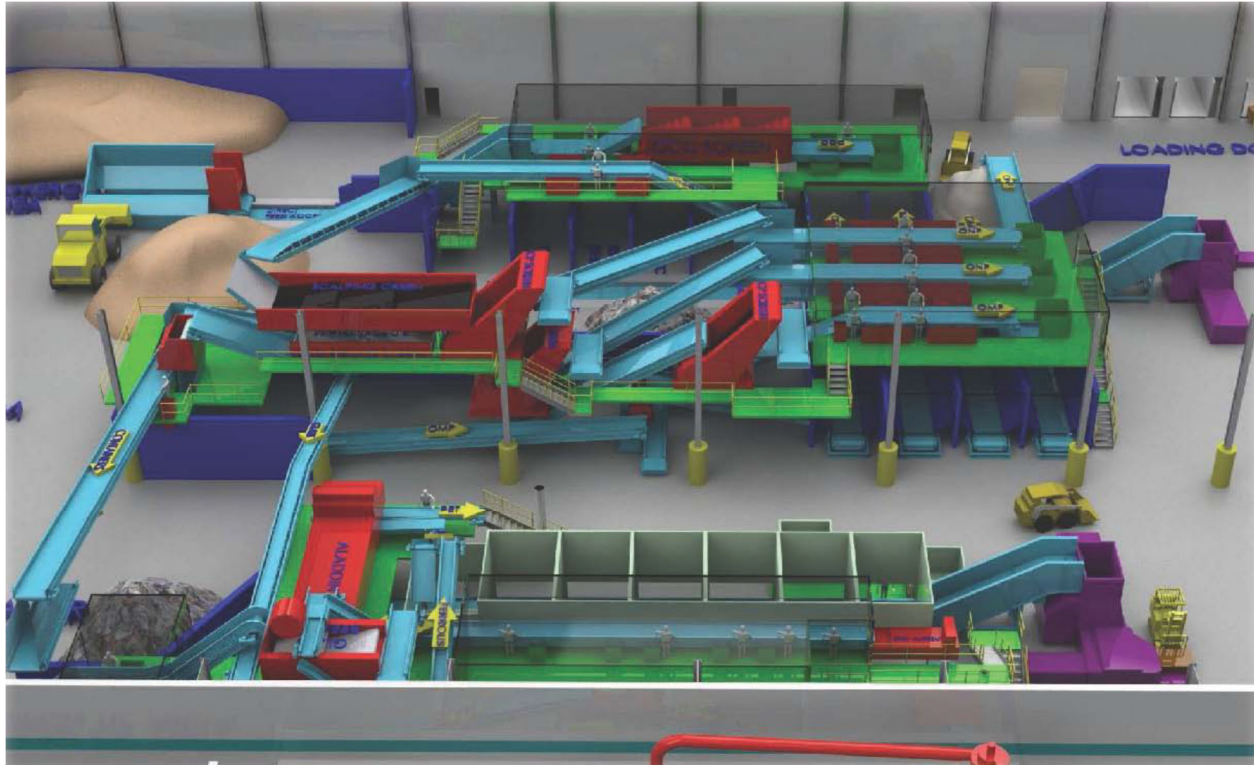
processed by Covanta (the "Process Guarantee"). The Process Guarantee by Covanta is equal to 569,619 tons annually (assuming no uncontrollable events impairing operations) and will be increased to 600,000 in Fiscal Year 2025. The Guaranteed Tonnage is established annually by written notification from the County to Covanta 90 days prior to the start of the subsequent Billing Year and must be less than or equal to the Process Guarantee; ii) Covanta is contractually responsible for the operation, maintenance, renewal and replacement of the facility and has certain performance guarantees related to the use of energy, materials and supplies required for the operation of the WTE facility; and iii) Payment to Covanta is primarily comprised of an increasing service fee based on the amount of waste processed plus revenue sharing provisions equal to 10 percent of electrical energy sold and 50 percent of any ferrous and non-ferrous metal sales.

Recognizing the WTE facility is the primary means of disposal for the County it is important to note the associated risks to operations. A primary concern of operation is related to a prolonged failure of equipment due to an uncontrolled circumstance or other event impairing the function of the facility, which would result in the lack of electrical production and / or inability to process waste at the WTE. The County can divert waste to the Lee / Hendry Landfill under such circumstances but would increase the cost of disposal associated with transport and disposal, which was estimated at approximately \$31 per ton pursuant to a March 2013 memorandum by the Department's then legal counsel, R. Stuart Broom (the "Broom Memo"). Pursuant to the Broom Memo, a similar event occurred to the Stanislaus Resources Recovery Facility in California in late 2011 from a failure of the generator resulting in a lack of electrical generation for an 11-month period. For reference, the County generated approximately \$8.0 million in net electric revenue sales for the Fiscal Year 2021. Other risks identified in the Broom Memo include the contractual obligation to pay Covanta for the guaranteed waste deliveries, as well as a loss of parasitic electrical production from a loss in operation of the generators at the WTE facility requiring the purchase of electricity and gas for the continued burning of waste. As a result, it is important that the County maintain adequate reserves to provide financial margins to account for the potential catastrophic or uncontrollable prolonged facility outages. Recommendations concerning Department reserves are discussed in more detail in subsequent sections to this report.

#### Material Recovery Facility (MRF)

The County's MRF is collocated with the WTE at the Buckingham Campus and is responsible for the processing all the County's single-stream recycling materials, which have averaged approximately 85,000 tons for the last five years. The MRF operates using electricity produced by the WTE facility. During processing, not all materials can be recycled resulting in residuals that are routed to the WTE facility to be burned. The MRF recycling residuals have approximated 20% of total inbound recycling materials over the last five years. The FDEP provides credits for every ton of recycled waste. The following illustration provides an overview of the facility equipment and sorting stations.

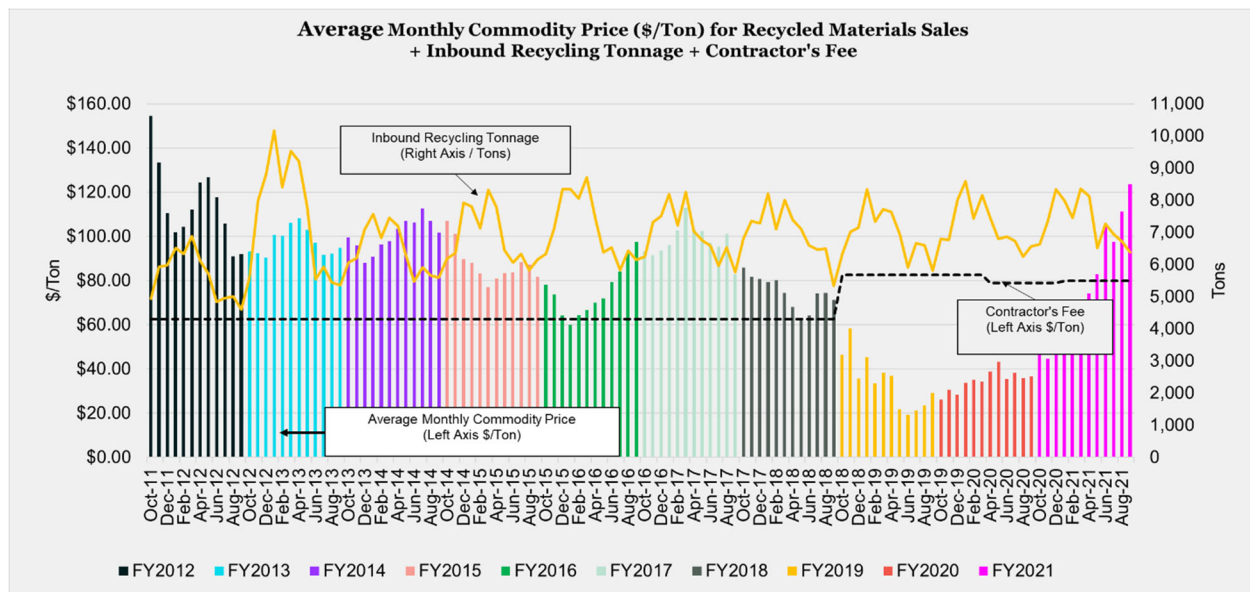
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The processing facility is equipped with an electronically controlled conveyor belt, an optical sorter, several screens, and magnets that sort the recyclable material by product. The MRF can process up to 30 tons of recyclable material per hour.

Operations for the County's MRF is contractually provided by ReCommunity Holdings ("ReCommunity") and are responsible for the processing, recycling, marketing, and sale of recycled materials. The prior agreement for operation of the MRF was extended through September 30, 2017. The County entered into a new agreement with ReCommunity effective October 1, 2017 through September 30, 2022, which was amended on November 27, 2018 affecting service beginning October 1, 2018. Pursuant to the amended service agreement, the contractor is paid an operations and maintenance (O&M) fee by the County, which is netted against the revenue from the sale of recyclables. It is assumed that the County will enter into a new agreement through Fiscal Year 2027 that includes an increased processing fee of \$107.00 per ton. The County shares in any revenue generated from the sale of recyclables above the contractor's fee with 75% of such revenues allocable to the County and 25% to the contractor. The chart below provides an illustration of the recent values for recycled materials relative to the contract price.

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As shown above, when the average monthly commodity price (shown as bars) falls below the contractor's fee (shown as dotted line), the County does not share in any revenues from the sale of recovered materials. During the Fiscal Year 2011 the County reported approximately \$3.0 million in revenue, however recycling has been net expense for Fiscal Years 2019 through 2021. For purposes of this Study no recycling revenues derived from the sale of recovered materials is assumed during the Forecast Period, however, should the County generate any such revenue, such amounts could be used to fund additional future capital needs.

#### Construction and Demolition Debris (C&D) Recycling Facility

The County's C&D recycling facility is collocated with the WTE and MRF facilities at the Buckingham Campus and is responsible for the recycling of delivered class III and C&D materials, which have averaged approximately 145,000 tons over the last five years. Of the processed waste in Fiscal Year 2021 approximately 24,800 tons were reported as recovered and recycled or repurposed as a landfill amendment for drainage or road maintenance. Approximately 23,000 tons were burned for energy at the WTE facility and the remainder of the waste that could not be recycled or burned was landfilled. The C&D recycling facility provides a benefit to the County by way of increasing the recycling rate of waste and consequently reducing the amount of landfilled waste.

The C&D recycling facility is owned and operated by the County and incorporates mechanical separation and manual separation of materials. The following illustration provides a photograph of the initial mechanical separation of C&D materials:

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*Lee County C&D Debris Recycling Facility shown above. The following link provides a demonstration of the facility in operation:*  
[www.youtube.com/watch?v=P4XYX1pvt2Q](http://www.youtube.com/watch?v=P4XYX1pvt2Q).

#### Lee / Hendry Regional Landfill

The Lee / Hendry Regional Landfill was constructed and placed in service to support the disposal of waste associated with operation of the System. It is located in Hendry County in close proximity to the County and State Road 82. Over the last five years the Lee / Hendry Landfill primarily disposed of: i) inert ash produced by the WTE facility averaging approximately 155,000 tons annually, C&D and class III waste approximately 74,000 tons annually, approximately 60,000 tons of MSW, and minor amounts of sludge not used for composting. It should be noted that due to the growth in waste deliveries and capacity limitations at the WTE facility, MSW deliveries to the Lee / Hendry Landfill have increased. The following provides an overview of the facility:

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*The Lee / Hendry Regional Landfill shown above includes an ash monofill, class I and class III landfill sites, leachate management and deep injection well, and the County's composting facility.*

The Lee / Hendry Landfill primary disposal sites include:

- Ash Monofill: 36 active acres / Fully developed / Permitted capacity utilization = 49%
- Class III: 25 active acres / Expandable up to 128 acres/ Permitted capacity utilization = 47%
- Class I: 38 active acres/ Expandable up to 90 acres / Permitted capacity utilization = 71%

The County entered into an interlocal agreement with Hendry County whereby the County is required to receive and dispose of waste generated by residents and businesses within Hendry County. In addition, the County is responsible for the operation and maintenance of two transfer stations located in Hendry County to receive and transfer waste to the County's disposal facilities. Only waste generated within Lee and Hendry Counties may be landfilled at the Lee / Hendry Landfill. As a condition of securing landowner support from adjacent properties for the development of the Lee / Hendry Landfill, the County entered into a separate agreement (the "Hendry Landowner Agreement") which provided for, among other things, limitations on the landfill height, runoff mitigation / setbacks and landfill use being primarily for the disposal of ash and minimal disposal of MSW.

#### Composting Facility

The County owns and operates a composting facility at the Lee / Hendry Landfill (shown in the photograph below), which receives approximately 37,000 tons of mulched yard waste and approximately 57,000 tons of sludge to produce over 21,000 tons of compost annually on average. The compost is primarily sold in bulk to local landowners for agricultural uses (e.g., orange groves, etc.). The remaining compost is sold to retail customers in bags or by cubic yard and ton at the County's facilities.





*The County's composting facility utilizes specialized equipment, shown above, to periodically turn the mulch and sludge amendment to reduce heat buildup from bacteriological decomposition to more efficiently produce compost for resale. Link for brief demonstration: <https://youtu.be/szRFHoycAIQ>*

## **SECTION 2: ENTERPRISE FUND AND REVENUE SUFFICIENCY METHODOLOGY**

The Department operates and is established as an enterprise fund. As such, the enterprise fund must have revenues equal to the cost of services provided by the System and the County must establish rates sufficient to cover the cost of operating, maintaining, repairing and financing the System.

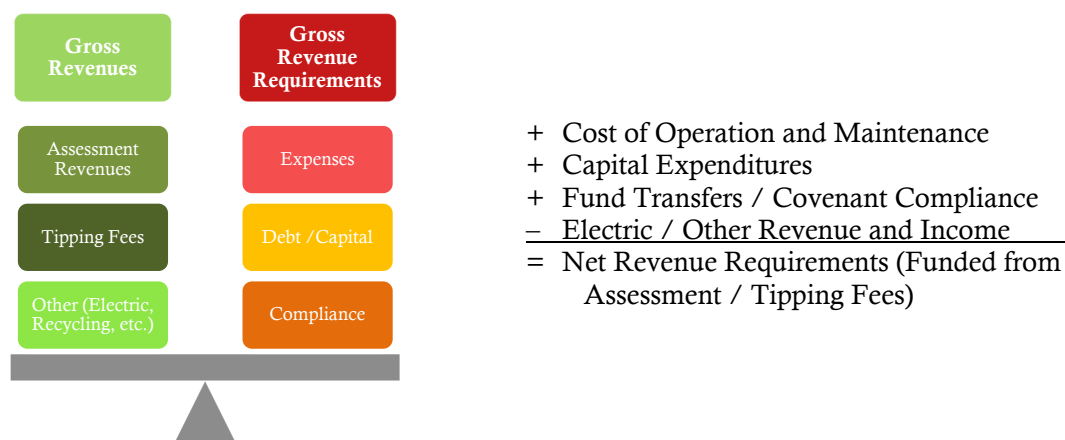
According to the Governmental Accounting Standards Board:

Enterprise Funds should be used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Department has historically maintained a positive financial position and annually reevaluates the sufficiency of rate / fee revenues through the budgetary and residential assessment setting procedures. The management within the Department is also responsible for evaluation of monthly financial and operating statistics. In order to evaluate the existing and forecasted financial position of the System the following methodology was recognized:

1. An evaluation of the service area requirements for the Department was reviewed. This included an analysis of the recent historical trends in customers served and waste generation tonnage statistics in order to provide: i) a representative forecast of System needs from a financial standpoint; and ii) a projection of rate revenues consistent with the projected service area needs.
2. Collection and disposal service-related costs were independently evaluated in order to determine the sufficiency of the respective collection and disposal fees for services. A revenue and cost allocation review was performed by budgetary line item and reviewed with staff.

3. A projection of the Net Revenue Requirements funded from disposal fees was analyzed utilizing the following approach:



4. Included as a component of Net Revenue Requirements was the development of a funding plan for the System capital equipment and facility improvements. The funding of these capital expenditures recognized the use of available cash reserves or user fees. Additional debt was assumed to aid in financing new facilities during the Forecast Period.
5. The cash position of the System was evaluated and taken into consideration through the identification of targeted minimum ending cash balances in order to adequately reserve working capital balances for operational risks (e.g., electrical production outages, changes in market values of recyclables, etc.) and provide funds for financing future capital needs of the System.
6. Estimate the necessary annual System rate adjustments that would be required to fund the Net Revenue Requirements and meet the overall financial needs of the System.

## SECTION 3: AGREEMENTS

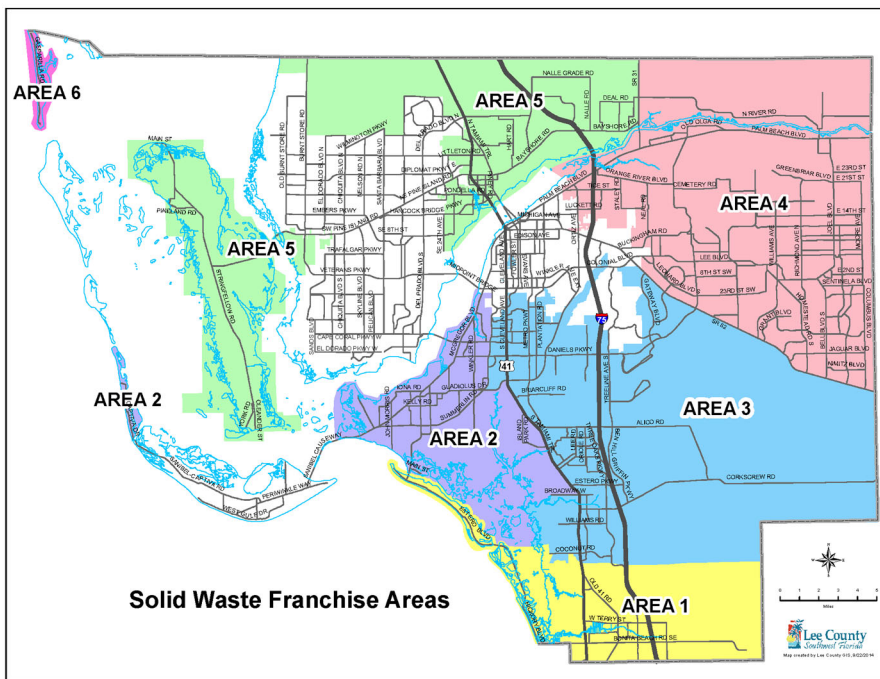
Approximately 75% of the operating expenses of the System are related to payments to private providers for contractual operations or contracted services. In addition, the County generates a significant portion of revenues through contractual agreements including municipal interlocal agreements for waste disposal and from electrical sales agreement with Rainbow Energy Marketing Corporation. This section provides a brief overview of the principal agreements affecting operations for the County.

## Contract Operations

The principal contractual operating expenses are associated with the solid waste collection services and operations of the various disposal facilities of the System. The following agreements are discussed in order of greater to lesser cost of operation to the System:

## Franchised Collection Services

Franchised collection services represented approximately \$26.8 million or 30% of total operating expenses of the System in Fiscal Year 2021. The County has contracted with several waste haulers to collect and dispose of waste for the following six franchised collection areas:



Area 1 - Incorporated: South / Bonita Springs, Fort Myers Beach, Village of Estero

Area 2 - Unincorporated: Southwest / Captiva, Iona, McGregor

Area 2 - Incorporated: Village of Estero

Area 3 - Unincorporated: Southeast / San Carlos

Area 3 - Incorporated: Village of Estero

Area 4 - Unincorporated: Northeast / Leigh Acres, Alva

Area 5 - Unincorporated: Northwest / Pine Island, North Fort Myers

Area 6 - Unincorporated: Northwest / Boca Grande

Collection services include automated collection and are serviced by several private hauling providers. Collection services include once-a-week garbage, yard waste, and recycling collection for single-family residences. Commercial and multi-family customers may contract directly with franchised haulers for service. With exception to commercial and multi-family customers, the County pays the franchise haulers on a monthly basis for collection services. To recover the cost of collection from residents, the County charges an annual collection assessment that varies by service area. Each franchise area is charged an established rate per residential unit, which may be indexed annually. To administer the collection program, the County charges the franchise haulers a franchise fee at 5.5% of the haulers' total collection revenues. With respect to the City of Bonita Springs, the Town of Fort Myers Beach, and the Village of Estero the County remits any associated franchise fee collections to the respective municipalities. To recover the cost of collection from residents the County in turn charges an annual collection assessment that varies by service area.

It should be noted that due to the location of approximately 1,270 residences in Boca Grande (Area 6), located on Gasparilla Island, the County has entered into an interlocal agreement with Charlotte County to dispose of collected waste in Boca Grande at the Charlotte County disposal facilities.

### Waste-to-Energy Facility (WTE) Operations

Contract operations for the WTE represent a net cost of approximately \$25.7 million (gross expense before revenue sharing = \$29.3 million) or 29% of total operating expenses of the System. The County entered into agreement with Covanta Lee, Inc. dated January 31, 2006. The agreement is valid through November 30, 2024 and has been amended to extend through November 30, 2031. Covanta is responsible for the operation, maintenance, and repair of the WTE, with exception to repairs related to uncontrollable circumstances such as hurricane, flooding, etc.

The agreement provides for certain performance guarantees on behalf of both parties. The County is responsible for providing a minimum amount of processable waste, defined as the Guaranteed Tonnage, which is 569,619 tons (i.e., 85% of WTE design capacity). Starting in Fiscal Year 2025 the Guaranteed tonnage will be 600,000 tons. The County exceeded this requirement during the Fiscal Year 2021 by approximately 17,400 tons or 3% of the existing guarantee. Covanta has a responsibility to process the

tonnage delivered up to the Processing Guarantee as defined by agreement. Covanta also has a maximum performance guarantee on the use of certain materials and supplies used in the burning and generation of electricity.

Pursuant to Section 6.01 of the agreement, Covanta is compensated based on the following formula:

$$\text{Service Fee} = \text{OM} + \text{ETF} + \text{PT} + \text{EC} - \text{RRR} - \text{LC} +/- \text{MD} =/- \text{MA}$$

Below is a description of the service fee components.

- OM = Operation and Maintenance Charge represents a base fee of \$22.3 million for a Process Guarantee of 569,619 during the Fiscal Year 2021, which includes annual allowances for increases to the OM charges for inflation
- ETF = Excess Tonnage Fee represents an additional charge per ton of processed waste above the Processing Guarantee of 569,619 to incentivize the additional processing of waste by Covanta. The fee varies based on if the tonnage above the Process Guarantee is below or exceeds 90% Availability of the WTE facility. The ETF represents approximately \$0.4 million for the Fiscal Year 2021.
- PT = Pass Through Costs represents costs associated with operation of the WTE including electric, water, sewer, reclaimed, taxes, insurance, environmental testing, etc. Beginning in the Fiscal Year 2017, the purchase of chemicals is included as a PT cost. Such amounts are based on actual costs exclusive of any markup for profit and were approximately \$4.4 million for the Fiscal Year 2021.
- EC = Energy Credit represents sharing in the electric sales revenues generated from the operation of the WTE at 10% of the net electric revenues. The EC was approximately \$0.7 million for the Fiscal Year 2021. The shared revenue is deducted from the County's charges.
- RRR = Recovered Resources Revenues representing the sharing in the recovered material sales (i.e., sale of recovered ferrous and non-ferrous metal scrap) revenues generated from the operation of the WTE at 50% of the gross sales revenues. Covanta handles marketing and sales of the metals and provides an offset to the County's bill. The County recently upgraded the metal recovery equipment through an improvement to the magnet, which is expected to improve metal recovery separation from wasted ash. The total revenues from the sale of metals were approximately \$3.6 million during the Fiscal Year 2021 of which approximately \$1.8 million or 50% was remitted to the County by way of a reduction to the County's contract operations charges.
- LC = Landfill Charge represents a credit to the County for Bypassed Waste (i.e., waste which was processable and which the contractor elected not to process) equal to the tons of Bypassed Waste times the Landfill Charge.
- MD = Monthly Damages represents credits from Covanta to the County for exceeding performance guarantees on the maximum use of supplies or materials such as dolomitic lime, propane and / or water consumption.



- MA = Monthly Adjustment represents a true-up performed monthly and at the close of the fiscal year primarily related to the Availability bonus for exceeding 90% Availability.

#### Materials Recovery Facility (MRF) Operations

The MRF is contractually operated by ReCommunity doing business as FCR LLC. ReCommunity is responsible for the processing and remarketing of single-stream recycling delivered and processed at the County's MRF facility. The County's current contract is valid through September 30, 2022. The County will enter into a new agreement that will extend through September 30, 2027.

Pursuant to agreement, ReCommunity must compensate the County monthly for: i) a portion of the recycling revenues derived monthly above the contract fee; ii) a host fee; and iii) all tipping fees on residue generated from operations. The shared revenues with the County are calculated based on the product of the market value or average commodity revenue ("ACR") of the recovered material less the operations and maintenance fee times inbound tons times 85% currently but will be adjusted to 75% under the new agreement. Based on the delivery of recyclables and market value of the recyclables recycling was a net expense during the Fiscal Year 2021. For purposes of this Study, no recycling revenues from the operation of the MRF are assumed during the Forecast Period.

#### Lee / Hendry Regional Landfill Operations

Contract operations for the Lee / Hendry Landfill represented a cost of approximately \$2.3 million for Fiscal Year 2021 or 3% of total operating expenses of the System. The County entered into agreement with Waste Management Inc. of Florida ("WMI") on February 2, 1994 with an initial 10-year term and an additional 10-year renewal option. Pursuant to information provided by Department staff, the current agreement has been extended to September 30, 2025. The agreement provides for the reimbursement of actual cost plus (+) an approximate thirty percent (30%) markup for applicable costs plus (+) reimbursement of equipment taxes and other costs of operation plus (+) an indemnity rate per ton of waste landfill by WMI. For the purposes of this analysis, it is assumed that the County will enter into a new agreement once the current contract expires.

#### **Electric Sales Agreements**

##### Rainbow Energy Marketing Corporation.

On November 1, 2016 the County entered into an agreement with Rainbow Energy Marketing Corporation (REMC) to locate wholesale markets for electric energy and to sell and dispatch energy to such markets. REMC offers three services to the County:

- i. Short-term Marketing Services, which represents services less than 31 days of duration.
- ii. Long-term Marketing Services, which represents services greater than 31 days and less than 365 days of duration.
- iii. Scheduling Services.

When REMC enters into a transaction with a customer, REMC purchases energy from the County, which is then sold and dispatched. The County's revenues associated with energy market sales are net of transmission, marketing, and imbalance fees.

The County entered into an agreement with Tampa Electric Company on December 17, 2020 for delivery and sale of as-available energy.

It should be noted that the Public Utility Regulatory Policies Act of 1978, as amended, requires that all investor owned utilities (IOUs) purchase electricity generated by the County's WTE and conveyed to the

grid since the WTE is considered a qualified small renewable energy producer<sup>[5]</sup>. The projection of gross annual electric revenue sales is estimated at approximately \$8.8 million by the end of the Forecast Period.

### **Interlocal Agreements**

As previously discussed, the County provides waste disposal services to incorporated residents throughout the County. Services to municipalities within the County are provided through interlocal agreements with the Cities of Bonita Springs, Cape Coral, Fort Myers, Sanibel, the Town of Fort Myers Beach, and the Village of Estero. The County recently renegotiated the interlocal agreements with the most significant changes assumed to allow the County to begin charging for recycling services and eliminate certain limitations on the ability of the County to raise fees. The renegotiated interlocal agreements expire on September 30, 2030 and have the option for two additional five-year terms. The County also entered into interlocal agreements with Collier, Charlotte and Hendry County for other purposes as discussed in greater detail below:

#### City of Bonita Springs, Town of Fort Myers Beach, and Village of Estero

The City of Bonita Springs, the Town of Fort Myers Beach, and the Village of Estero entered into the current agreements for collection and disposal services with the County in September 2020. The County is and shall be responsible for the collection, billing, customer service, and disposal of MSW, vegetative waste, and residential recyclable material from within the municipalities. The County shall also be responsible for planning and developing additional solid waste disposal capacity and / or facilities that are environmentally sound and economically practical in order to provide disposal services for additional MSW generated by the municipalities due to growth. The municipalities agree, to the extent that it may lawfully do so, to cause its MSW, vegetative waste and recyclable materials to be directed to the County's System, or other County designated facilities, for the term of the agreement. The County is also responsible for providing a collection point for the disposal of household hazardous waste.

The County provides equivalent service and charges residents within the municipalities in the same manner as it does the unincorporated residents of the County. It should be noted that the County remits all franchise fee revenues collected from the franchise haulers for the municipalities in Franchise Area 1, including the Village of Estero which is also found in Franchise Areas 2 and 3.

#### City of Cape Coral

The City of Cape Coral entered into the current and amended agreement for disposal-only services (i.e., the County does not administer or provide collection services) with the County in August 2020. The term for the agreement shall terminate September 30, 2030 with the option for the City of Cape Coral to renew for up to two additional five-year terms. Pursuant to the terms of the agreement between the parties, the County is and shall be responsible for the disposal of MSW, vegetative waste, and recycled materials recovered from within the municipality. The County shall also be responsible for planning and developing additional solid waste disposal capacity and / or facilities that are environmentally sound and economically practical in order to provide disposal services for additional MSW generated by the municipality due to growth. The municipality agrees, to the extent that it may lawfully do so, to cause its MSW, vegetative waste and recyclable materials to be directed to the County's System, or other County designated facilities, for the term of the agreement. The County is also responsible for the administration and collection of household hazardous waste within the municipality. The County is also responsible for providing processing and disposal services for acceptable biosolids from the City of Cape Coral's water reclamation facility.

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[5] Defined as an entity not engaged in the electric business which generates renewable energy from a facility of eighty (80) megawatts or less.



The County charges the customers within the municipality through both a Municipal Services Taxing Unit, which will become an Municipal Service Benefit Unit ("MSBU") in Fiscal Year 2023, and a tipping fee for MSW and yard waste delivered to the County. It should also be noted that the County charges customers within the municipality the same tipping fee as all other customers of the System, with exception to the exclusion of the solid waste operation and right-of-way surcharges. The municipality benefits from the remittance of the net recovered material sales revenues from the proportion of recycled materials delivered by the municipality to the County's MRF in the event such revenues are generated. The revenues derived from charges for disposal service under existing rates from waste generated and delivered to the County is estimated at approximately \$6.4 million annually. This does not consider any revenues from the sale of recovered materials from operation of the WTE facility, which are retained by the County (i.e., ferrous and non-ferrous revenues) to offset the cost of operation for the WTE facility.

#### City of Fort Myers

The City of Fort Myers entered into the current agreement for disposal-only services (i.e., the County does not administer or provide collection services) with the County in September 2020. The term for the agreement shall terminate September 30, 2030 with the option for both parties to renew for up to two additional five-year terms. Pursuant to the terms of the agreement between the parties, the County is and shall be responsible for the disposal of all MSW, residential vegetative waste, and residential recycled materials recovered from within the municipality. The County shall also be responsible for planning and developing additional solid waste disposal capacity and / or facilities that are environmental sound and economically practical in order to provide disposal services for additional MSW generated by the municipality due to growth. The municipality agrees, to the extent that it may lawfully do so, to cause all its MSW, residential vegetative waste and residential recyclable materials to be directed to the County's System, or other County designated facilities, for the term of the agreement. The County is also responsible for the grinding, shredding, screening, etc. of a portion of the municipality's horticulture waste and produces a mulch, graded material substantially free of plastics and other non-organic contaminants and make available and load into municipal vehicles, up to 15 tons per week of this mulch material for the municipality's use.

The County charges the customers within the municipality through both a non-ad valorem assessment and a tipping fee for MSW and yard waste delivered to the County. The County agrees that to the extent that it may lawfully do so, the tipping fee charged to the municipality shall be the same as the fee charged to similar users within the unincorporated areas of the County and other municipalities within the County. The municipality also benefits from the remittance of the net recovered material sales revenues based on the relative proportion of recycled materials delivered by the municipality to the County's MRF in the event such revenues are generated.

The County shall also accept all biosolids produced by the City of Fort Myers' wastewater treatment facilities. The revenues derived from charges for disposal service under existing rates from waste generated and delivered to the County is estimated at approximately \$5.6 million annually. This does not consider any minor revenues from the sale of recovered materials from operation of the WTE facility, which are retained by the County (i.e., ferrous and non-ferrous revenues) to offset the cost of operation for the WTE facility.

#### City of Sanibel

The City of Sanibel entered into the current agreement for disposal-only services (i.e., the County does not administer or provide collection services) with the County in September 2020. The term for the agreement shall terminate September 30, 2030 with the option for both parties to renew for up to two additional five-year terms. Pursuant to the terms of the agreement between the parties, the County is and shall be responsible for the disposal of MSW, vegetative waste, and recycled materials recovered from within the

municipality. The County shall also be responsible for planning and developing additional solid waste disposal capacity and /or facilities that are environmentally sound and economically practical in order to provide disposal services for any growth in MSW generated by the municipality. The municipality agrees, to the extent that it may lawfully do so, to cause its MSW, vegetative waste and recyclable materials to be directed to the County's System, or other County designated facilities, for the term of the agreement.

The County charges the customers within the municipality through both a non-ad valorem assessment and a tipping fee for MSW and yard waste delivered to the County. The County agrees that to the extent that it may lawfully do so, the tipping fee charged to the municipality shall be the same as the fee charged to similar users within the unincorporated areas of the County and other municipalities within the County. The municipality also benefits from the remittance of the net recovered material sales revenues based on the relative proportion of recycled materials delivered by the municipality to the County's MRF in the event such revenues are generated. The revenues derived from charges for disposal service under existing rates from waste generated and delivered to the County is estimated at approximately \$0.4 million annually. This does not consider any minor revenues from the sale of recovered materials from operation of the WTE facility, which are retained by the County (i.e., ferrous and non-ferrous revenues) to offset the cost of operation for the WTE facility.

#### Hendry County

As previously discussed, the County entered into an interlocal agreement with Hendry County whereby the County is required to receive and dispose of waste generated by residents and businesses within Hendry County. In addition, the County is responsible for the operation and maintenance of two transfer stations located in Hendry County to receive and transfer waste to the County's disposal facilities. Only waste generated within Lee and Hendry Counties may be landfilled at the Lee / Hendry Landfill. As a result, the County was allowed to construct the landfill within Hendry County. Services are charged to customers of Hendry County through tipping fees, which may include a \$5 per ton surcharge or higher surcharge for tires remitted back to Hendry County pursuant to the agreement.

#### **Other Agreements**

##### Lee / Hendry Regional Landfill / Landowner Agreement

As previously discussed, in order to mitigate objections in the permitting of the Lee / Hendry Landfill from neighboring landowners, the County entered into the agreement June 23, 1993 with several neighboring landowners including Duda & Sons, Inc., Cooperative Producers, Inc., and Turner Foods Corporation. The agreement provides for, among other things, limitations on the landfill height, runoff mitigation / setbacks and intended use of the landfill being primarily for the disposal of inert ash and minimal disposal of MSW.

#### **SECTION 4: SOLID WASTE ASSESSMENT AND FEES**

The County provides waste disposal services to unincorporated and incorporated residents throughout the County. Services to municipalities within the County are provided through interlocal agreements as discussed in Section 3 of this report. The County principally charges customers for waste disposal services through: i) an annual non-ad valorem assessment or MSTU included as a component of the tax bill as allowed by Florida Statutes, Chapter 197, which provides a reliable source of revenues and the ability to lien a property for non-payment; and / or ii) a tipping fee paid per ton of waste delivered to the County's disposal facilities. The following provides a brief discussion of the existing rate structure components as understood by Raftelis:

- Residential Collection Assessment: Charged to franchised residential customers receiving collection services (i.e., the Franchised Areas 1-6) administered by the County and to recover the direct cost of collection services from private franchised haulers.

- Residential Disposal Assessment: Charged to franchised residential customers for MSW and yard waste disposal services. The fee is currently based on average disposal rates of 1.00 tons of MSW and 0.21 tons of yard waste per residential unit.
- Solid Waste System Assessment: Charged to customers of the System to recover a portion of the disposal costs which benefits all disposal customers of the System (e.g., costs related to WTE, landfill, etc.) and to recover the net cost of recycling. The fee is typically a fixed fee charged either by non-ad valorem assessment but may also be charged pursuant to interlocal agreement with the municipalities by MSTU. The fee is currently based on average disposal rates of 1.00 tons of MSW and 0.29 tons of recycling for single family customers. In some instances, the Solid Waste System Assessment may be considered as a means to promote flow control for the System.
- Billing Charge: Charged to all customers of the System related to assessments, MSTU or other fees associated with the tax roll for which the Department is charged a fee by the County's property tax appraiser and collector. The billing fee represents a direct pass-through of such costs to the Department.
- Tipping Fees by Type of Waste: Charged to customers that are not assessed the Residential Disposal Assessment for delivery of waste based on actual weighed deliveries.

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The following presents the recent and current rates charged by the County for collection and disposal services:

**Summary of Recent Historical and Existing Rates**

Description	2020	Historical 2021	Existing 2022
<b>Assessments:</b>			
Collection (Avg. Areas 1-5) [1]	\$145.62	\$145.62	\$145.62
Disposal MSW	45.18	45.18	50.20
Disposal Yard Waste	6.62	6.62	6.62
Disposal Facility Assessment Charge	15.53	15.53	17.25
Recycling Assessment	N/A	11.05	11.05
Surcharges	0.00	0.00	0.00
Billing Fee	2.45	2.45	2.45
Early Prepayment Gross Up (4%)	8.97	9.44	9.71
Gross Assessment Average for Areas 1-5 [2]	\$224.37	\$235.88	\$242.90
Assessment Paid in February = 1% Discount	\$222.13	\$233.07	\$240.47
Assessment Paid in January = 2% Discount	219.88	230.71	238.04
Assessment Paid in December = 3% Discount	217.64	228.36	235.61
Assessment Paid in November = 4% Discount	215.40	226.00	233.18
<b>Tipping Fees per Ton by Waste Type:</b>			
MSW	\$50.20	\$50.20	\$50.20
Horticulture / Yard Waste	25.46	31.00	37.50
C&D	32.95	48.40	60.00
Class III	32.95	48.40	60.00
Tires	80.00-120.00	120.00	160.00
Recycling	N/A	38.12	38.12
Disposal Facility Assessment per Ton [4]	\$17.25	\$17.25	\$17.25

[1] Amounts shown reflect the average fee charged for the primary franchise collection areas 1-5.

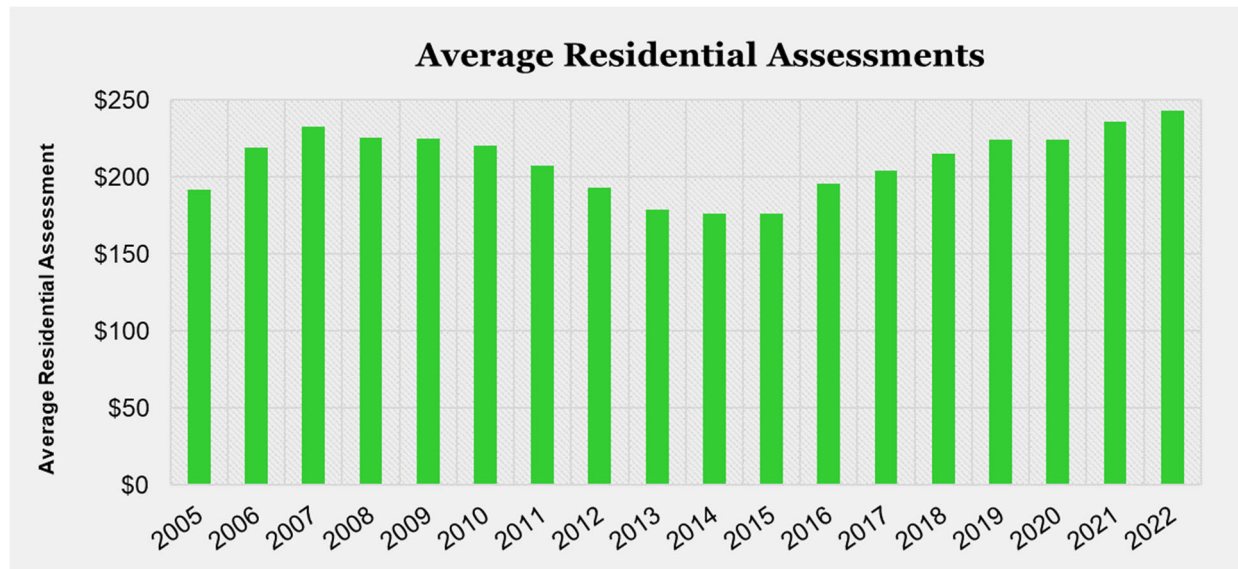
[2] Reflects gross assessments before early prepayment discounts as allowed by Florida Statutes, Chapter 197.

[3] Amounts shown are not charged to municipal customers, with exception to the City of Bonita Springs, the Town of Fort Myers Beach, and the Village of Estero for which the County provides collection services.

[4] Presented for informational purposes only since the disposal facility assessment charge is charged to all MSW customers by assessment, with exception to Hendry County customers.

As can be seen above, the residential collection and disposal assessment for unincorporated residents of the County include an early payment discount that is extended to customers as part of the ad valorem billing process; pursuant to Florida Statutes, customers may elect to receive a discount of up to 4% if they pay all of the charges and taxes included on the ad valorem tax bill prior to the due date of the bill. The majority of customers elect to pay early and receive the full 4% discount; mortgage payments for residential homes typically include an allowance for escrow for the early prepayment of the estimated tax bill, which contributes to the high rate of early prepayments. The County began adjusting for the early prepayment in Fiscal Year 2016. The following chart, as prepared by Department staff, provides additional history of the average residential assessment:

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As can be seen from the figure above, the residential assessment was increased annually from the Fiscal Year 2005 through 2007, which coincides with the expansion of the WTE and issuance of the refunded Series 2006 Bonds. Subsequent to 2011, the County annually reduced the solid waste assessments. In support of these reductions, the County applied approximately \$34 million in cash reserves during Fiscal Year 2011 to defease portions of the then outstanding Solid Waste System Revenue Refunding, Series 2001 Bonds (the "Series 2001 Bonds" which are no longer outstanding). The reduction in debt service was a factor in the reduction of the residential assessment and tipping fees as shown on the following table:

**Historic MSW Tipping Fees for the Solid Waste System**

Fiscal Year	Unincorporated Area [*]	Incorporated Area
2005	\$54.82	\$48.15
2006	\$57.51	\$49.59
2007	\$58.40	\$51.20
2008	\$59.77	\$53.25
2009	\$59.93	\$54.00
2010	\$61.48	\$54.00
2011	\$61.44	\$55.00
2012	\$47.62	\$40.00
2013	\$37.74	\$32.00
2014	\$34.93	\$30.00
2015	\$34.33	\$30.00
2016	\$32.30	\$31.75
2017	\$37.45	\$37.45
2018	\$45.45	\$45.45
2019	\$50.20	\$50.20
2020	\$50.20	\$50.20
2021	\$50.20	\$50.20
2022	\$50.20	\$50.20

Source: Lee County Solid Waste Department

[\*] Amounts shown includes surcharges. However, the County has not charged surcharges since Fiscal Year 2016.

As can be seen above, the MSW tipping fees were reduced subsequent to the defeasance of the Series 2001 Bonds during the Fiscal Year 2012. It is notable that for the unincorporated areas the fees are currently below levels charged prior to the Fiscal Year 2012 and also below levels in effect when the County had entered into the current interlocal agreements for service with municipalities as described in Section 3 of this report. In order to provide additional information relative to the fees charged for service, the following table provides a summary of comparable fees charged by other Florida solid waste systems for collection and disposal service to the existing and adopted fees for the County:

### Solid Waste Fee Comparison with Other Florida Solid Waste Systems

Description	Residential Assessment [1]			MSW	Tipping Fees		
	Collection	Disposal	Total		C&D	Yard Waste	Tires
Lee County – Existing [2]	\$130.25 - \$174.38	\$91.22	\$221.47 - \$265.59	\$50.20	\$60.00	\$37.50	\$160.00
Lee County – FY2023 [2]	\$172.09 - \$216.22	\$102.81	\$274.90 - \$319.02	\$59.96	\$61.72	\$38.58	\$160.00
<u>Other Systems with Waste-to-Energy Facilities:</u>							
Broward County [3]	N/A	N/A	\$310.00	N/A	\$50.00	\$50.00	\$110.00
City of Fort Lauderdale	N/A	N/A	\$528.24	N/A	\$50.00	\$50.00	\$110.00
Hillsborough County [4]	\$234.47	\$118.32	\$352.79	\$84.20	\$71.74	\$42.46	\$149.50
Miami-Dade County [5]	N/A	N/A	\$484.00	\$66.12	\$66.12	\$66.12	\$114.18
Palm Beach County [4]	\$175.00 - \$344.00	\$178.00	\$355.00 - \$522.00	\$42.00	\$60.00	\$35.00	\$100.00
Pasco County [4]	\$206.72	\$86.00	\$292.72	\$78.47	\$78.47	\$78.47	\$200.00
Pinellas County [4]	N/A	N/A	\$192.00	\$44.70	\$44.70	\$44.70	\$125.00
City of Tampa	N/A	N/A	\$418.92	\$71.00	\$51.00	\$71.00	\$117.00
<u>Systems without Waste-to-Energy Facilities:</u>							
Charlotte County [2]	N/A	N/A	\$271.55	\$39.28	\$39.28	\$39.28	\$125.46
Collier County [4]	N/A	N/A	\$220.97 - \$226.29	\$77.71	\$86.56	\$46.99	\$200.09
Hernando County [4]	\$185.28	\$85.50	\$270.78	\$54.50	\$54.50	\$30.00	\$150.00
Manatee County [4]	N/A	N/A	\$171.96	\$40.00	\$61.00	\$40.00	\$86.00
Polk County [2]	\$144.50	\$52.00	\$196.50	\$36.50	\$36.50	\$22.00	\$300.00
Sarasota County [2]	N/A	N/A	\$233.59	\$57.56	\$54.74	\$41.37	\$158.60
Other System Average	\$219.10	\$104.40	\$336.92	\$57.60	\$57.42	\$47.62	\$148.23

[1] Amounts shown reflect the gross assessment before early prepayment discounts.

[2] Denotes residential collection service at one day per week for garbage, recycling, and yard waste collection.

[3] Broward County residential collection includes two days per week for garbage collection, one day per week for recycling collection and one day per month yard waste collection.

[4] Denotes residential collection service at two days per week for garbage collection and one day per week for recycling and yard waste collection. Note garbage collection service in Pinellas County is for one or two days per week depending on location.

[5] Miami-Dade County residential collection service includes two days per week for garbage and yard waste collection and one day every other week for recycling collection.

As can be seen above, the County's existing and adopted rates for the Fiscal Year 2022 and 2023, respectively, are comparable to and / or below the averages charged by the other solid waste systems surveyed.

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## SECTION 5: HISTORICAL AND PROJECTED CUSTOMER / TONNAGE STATISTICS

The County provides waste disposal service to approximately 730,000 residents within unincorporated and incorporated areas of the County and processed incoming waste of approximately 1 million tons for the most recently completed Fiscal Year 2021, including waste deliveries from Hendry County residents. The table below provides an indication of the recent trends and projections of in the number of units served:

**Historical and Projected Disposal Customer Statistics by Class / Area [1]**

	Historical Fiscal Year Ended September 30,					Projected Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Franchised Area Statistics – Area 1-5 [2]:</b>											
Avg. Residential Units	162,452	164,682	167,369	170,558	173,986	177,824	181,866	185,710	189,343	192,464	195,061
Avg. Multi-family Units	86,457	87,481	88,573	89,500	89,985	91,321	91,911	92,495	93,073	93,599	94,074
Avg. RV Units	6,747	6,977	7,016	7,042	6,990	6,922	6,922	6,922	6,922	6,922	6,922
Commercial (000s Sq.Ft.)	98,368	101,503	104,799	105,901	108,008	111,622	113,092	114,556	116,015	117,348	118,558
<b>Hendry County [3]</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Municipalities / Not Franchised Primary</b>											
Cape Coral [4]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fort Myers</b>											
Avg. Residential Units	19,559	20,396	21,179	22,069	22,874	23,684	24,644	25,622	26,618	27,549	28,411
Avg. Multi-family Units	18,312	18,510	19,048	20,176	21,026	21,291	21,694	22,095	22,496	22,863	23,196
Avg. RV Units	104	104	104	104	104	104	104	104	104	104	104
Commercial (000s Sq.Ft.)	38,381	38,681	39,027	39,717	40,477	40,857	41,225	41,588	41,947	42,273	42,567
<b>Sanibel</b>											
Avg. Residential Units	4,080	4,101	4,112	4,125	4,144	4,162	4,177	4,192	4,207	4,220	4,232
Avg. Multi-family Units	3,762	3,762	3,765	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768
Avg. RV Units	85	85	85	85	85	85	85	85	85	85	85
Commercial (000s Sq.Ft.)	1,729	1,740	1,751	1,769	1,778	1,773	1,773	1,774	1,775	1,775	1,776

[1] Amounts shown derived from Tables 1 at the end of this report.

[2] Amounts shown reflect statistics for franchise areas 1 through 5, which include statistics associated with the City of Bonita Springs, the Town of Fort Myers Beach, and the Village of Estero. Amounts shown exclude statistics for Boca Grande (Area 6) and the Outer Islands (Area 7).

[3] Amounts shown not reported since the Hendry County customers are not assessed for service and pay based on actual tonnage deliveries. Per the 2018 U.S. Census estimates, Hendry County has a population of 41,556 with approximately 14,850 housing units.

[4] Amounts shown not reported since the City of Cape Coral elects billing for the Disposal Facility Assessment by MSTU. Per the 2018 U.S. Census estimates, the City has a population of 189,343 with approximately 80,900 housing units (note Census estimated occupied households of 56,900 for the same period).

As shown above the majority or approximately 59% of residential units served during the Fiscal Year 2021 are located within the franchised service areas of the County at approximately 174,000 residential single-family disposal units, including approximately 43,750 franchised residential units within the municipalities of Bonita Springs, Fort Myers Beach and the Village of Estero. By contrast, other customers within Hendry County and the Cities of Cape Coral, Fort Myers, and Sanibel are estimated to represent approximately 122,800 residential housing units. The forecast assumes growth in franchised residential units of approximately 1.9% annually. The following table provides a projection of the primary waste streams by customer classification and location.



### Historical and Projected Disposal Customer Statistics [1]

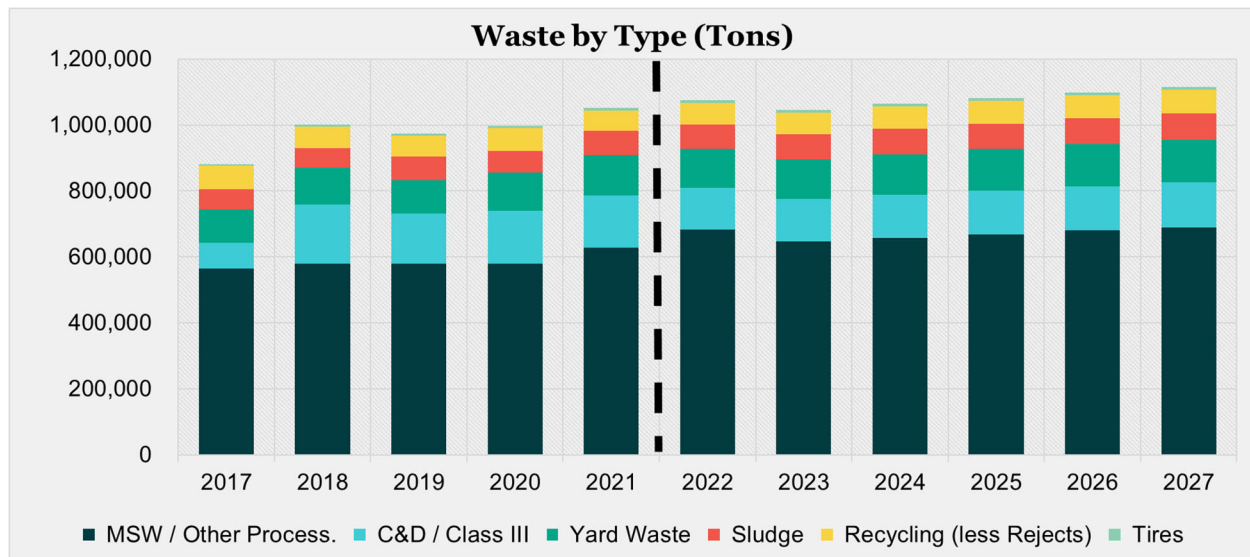
	Historical Fiscal Year Ended September 30,					Projected Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Franchised Area Statistics – Area 1-5 [2]</b>											
Delivered MSW Tons	374,143	375,335	366,504	369,137	393,980	408,713	416,381	423,697	430,829	437,416	443,446
Yard Waste	60,801	74,271	63,123	74,201	87,336	83,469	85,520	87,016	88,489	89,886	91,206
C&D / Class III	72,802	171,997	147,023	150,597	131,235	87,927	89,334	90,763	92,215	93,691	95,190
Recycling	56,478	56,768	55,971	56,920	50,619	53,064	54,186	55,253	56,262	57,130	57,853
<b>Hendry County</b>											
Delivered MSW Tons	33,531	36,366	36,678	37,744	39,505	40,295	41,101	41,923	42,761	43,616	44,488
Yard Waste	4,750	4,942	3,919	4,139	3,682	3,682	3,682	3,682	3,682	3,682	3,682
C&D / Class III	5,856	7,068	5,842	9,381	9,972	9,374	9,524	9,676	9,831	9,988	10,148
<b>Municipalities / Not Franchised Primary</b>											
<b>MSW and Yard Waste Generation</b>											
Cape Coral	105,964	107,012	109,770	111,370	118,925	143,007	119,704	121,619	123,565	125,542	127,551
Fort Myers	68,388	74,858	72,587	73,293	80,404	99,035	80,606	81,896	83,206	84,537	85,890
Sanibel	8,990	8,735	8,358	7,860	8,827	13,665	11,559	11,744	11,932	12,123	12,317
<b>Total</b>	<b>183,341</b>	<b>190,605</b>	<b>190,714</b>	<b>192,523</b>	<b>208,156</b>	<b>255,707</b>	<b>211,869</b>	<b>215,259</b>	<b>218,703</b>	<b>222,203</b>	<b>225,758</b>
<b>Recycling Generation</b>											
Cape Coral	19,332	19,707	19,372	21,214	22,243	22,599	22,960	23,328	23,701	24,080	24,466
Fort Myers	6,149	6,386	6,688	6,893	7,260	7,376	7,494	7,614	7,736	7,859	7,985
Sanibel	1,362	1,265	1,363	1,352	1,366	1,388	1,410	1,433	1,456	1,479	1,503
<b>Total</b>	<b>26,843</b>	<b>27,358</b>	<b>27,423</b>	<b>29,459</b>	<b>30,869</b>	<b>31,363</b>	<b>31,865</b>	<b>32,375</b>	<b>32,893</b>	<b>33,419</b>	<b>33,954</b>

[1] Amounts shown derived from Tables 3 at the end of this report and totals may vary due to rounding.

[2] Amounts shown reflect statistics for franchise areas 1 through 5, which include statistics associated with the City of Bonita Springs and the Town of Fort Myers Beach. Amounts shown exclude statistics for Boca Grande (Area 6) and the Outer Islands (Area 7).

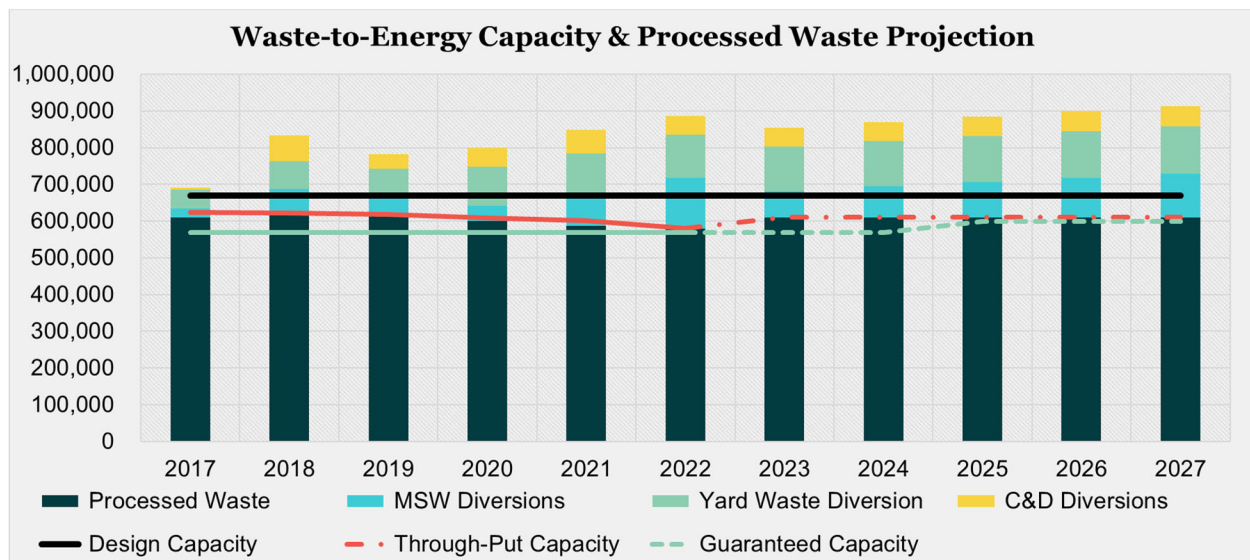
For the Fiscal Year 2021, the relationship of MSW and yard waste generation among the franchised (481,315 tons / 66%) and non-franchised (251,342 tons / 34%) customers is generally consistent with relationship of residential units as previously discussed. The forecast assumes an annual average growth rate of approximately 2.0% for MSW and 0.7% for yard waste generation. The following chart provides a historical summary and projected forecast of inbound waste to the County:

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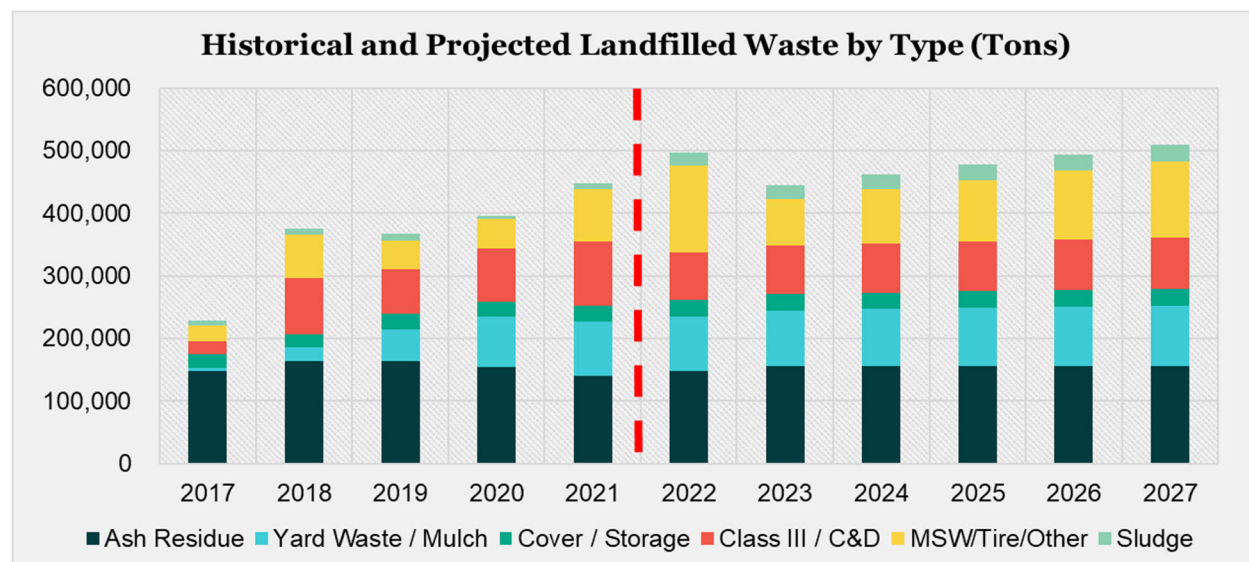
As can be seen in the prior chart waste deliveries have grown by approximately 36,000 tons per year from Fiscal Years 2017 through 2021 with overall increase of 171,000 tons or 19%. The growth in waste deliveries is attributed to the improved economy and increased population growth. The Study anticipates continued growth of approximately 11,700 tons per year for the Fiscal Years 2022 through 2027.

As previously discussed, the County maintains and operates several facilities, including a mass burn waste-to-energy facility, materials recovery facility, construction and demolition debris recycling facility, yard and tire processing facilities, composting, regional landfill, and household hazardous waste facility. A critical issue is the capacity utilization of the County's existing WTE facility. The chart below indicates the historical and projected utilization of the WTE facility:



The WTE facility is currently the primary method of waste disposal for the County and processes over 610,000 tons annually or over 70% of all in-bound processed waste. The existing WTE facility currently exceeds the estimated through-put capacity of the facility. Due to the growth in waste deliveries and a reduction in waste sent to the WTE to promote longevity and sustainability of the facility, waste diversions

to the County's landfill are expected to grow. The following table provides a summary of estimated landfilled waste over the recent historical and projected period:



Due to the continued growth in MSW deliveries to the WTE facility, increasing diversions of waste is expected to continue for the Forecast Period. Beyond the Forecast Period it is expected that increasing amounts of MSW deliveries may result in an increase to MSW and yard waste being landfilled. As previously discussed, the County is limited by agreement with adjacent landowners as to the disposal of MSW to the Lee / Hendry Landfill. To provide a long-term solution for the future growth in waste deliveries, the Department has completed a master plan to evaluate new facilities or options of waste disposal. For additional detail concerning the historical and projected customer statistics and assumptions, please reference Tables 1 through 5 at the end of this report.

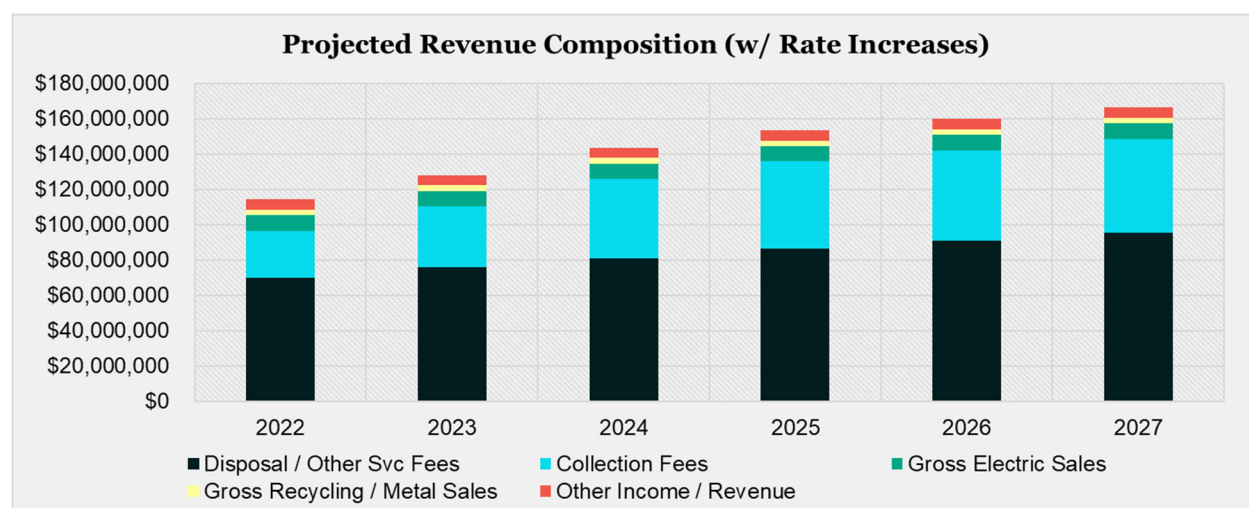
## SECTION 6: REVENUE COMPOSITION AND FORECAST

The Department is expected to generate or collect approximately \$114.6 million in revenue for the Fiscal Year 2022. This amount includes approximately \$2.1 million in remittances to municipalities for franchise fees and shared recycling revenues (if any) and to the WTE facility contractor associated with shared electric revenues and ferrous and non-ferrous metal revenues. Such reimbursements are budgeted as a cost of operation in order to present the gross revenues and track the benefits through shared revenues received by the municipalities and contracted operators. For the Fiscal Year 2022, the revenues can generally be categorized as follows:

- 84% is generated from the collection, disposal and other service fees (e.g., compost sales).
- 8% is generated from gross electric sales.
- 8% is generated from other revenues primarily comprised of franchise fees, recycling and recovered material revenues, other miscellaneous fees, and investment income.

The revenue forecast for collection and disposal fee revenues were developed based upon the forecast of customer billing and tonnage statistics as previously discussed in Section 5 of this report and applied to the existing and projected rates for service. Electric sales revenues were based on the forecast of electrical production as presented in Table 5 at the end of this report. Other revenues, such as recycling revenue, were primarily escalated from historical or budgeted levels based on recent trends and discussions with

Department staff. Due to recent market conditions revenues from sale of recyclable materials were not anticipated in the Fiscal Year 2022 and for the remainder of the Forecast Period. The following chart provides the forecasted revenue composition assuming implementation of the identified rate adjustments:



The projected growth in disposal and collection fees are due to increase in customers served, tonnages delivered, and application of the identified rate increases as previously discussed. Electric and other revenues are assumed to remain generally constant for the remainder of the Forecast Period.

## SECTION 7: REVENUE REQUIREMENTS COMPOSITION AND FORECAST

The revenue requirements of the System are comprised of expenditures and required transfers:

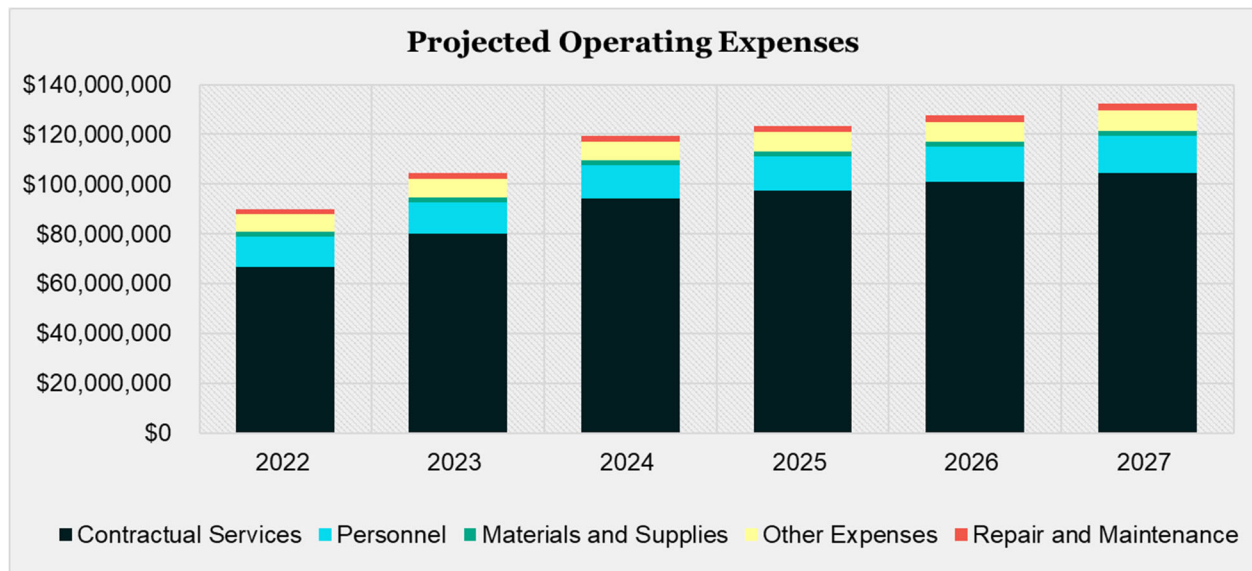
- Expenditures: includes annual operating expenses, major maintenance, capital expenditures, and debt service payments.
- Required Transfers: includes transfers for landfill closure, transfers to operating cash reserves for maintaining minimum reserve balances and transfers to capital reserves for funding future capital expenditures.

This section provides a detailed discussion of the revenue requirements and principal assumptions relied upon in development of the forecast for the System.

### Operating Expenses

The operating expenses of the Department represent the primary recurring expenditure of the System. Unless otherwise noted operating expenses are exclusive of closure, post-closure, and periodic major maintenance (funded from the Renewal and Replacement Fund), which is consistent with the definition of operating expenses pursuant to the Bond Resolution. Approximately 75% of the operating expenses are related to contracted services for the franchised collection and operation of the System. The remaining operating expenses are primarily related to labor, materials and supplies, and repairs and maintenance. The chart below provides a summary of the total operating expenses for the Forecast Period:





The forecast assumes average annual increases in the cost of operation equal to approximately 8.0% annually, which is largely due to the estimated increase in franchise collection rates in Fiscal Year 2023 and 2024 coinciding with expiration of certain existing hauler contracts, as summarized in the section below. From Fiscal Year 2024 through 2027 the average annual increase in the cost of operations is equal to 3.5% annually, which we consider reasonable based on long-term trends and the recent rise in inflation. The forecast of operating expenses was based on a five-year review of historical operating expenses, the adopted Fiscal Year 2022 operating budget, year-to-date results, modeling of the Department's principal contracted expenses, and discussions and review of projections with Department staff.

#### Contracted Collection of Franchise Areas

As discussed in Section 3, the County administers six franchised collection areas. The cost of collection represents a significant component (i.e., approximately 30%) of total operating expenses. The County makes monthly payments to the haulers for each residential franchised collection area. The following presents the historical trends and projected collection expense assumptions by residential franchised collection areas:

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### Historical and Projected Franchised Hauler Collection Expense

Description	Historical Fiscal Year Ended September 30,					Projected Fiscal Year Ending September 30,						
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
<b>AREA 1 – Bonita &amp; FMB</b>												
Growth	466	557	613	558	536	411	408	406	403	335	333	
Average Monthly												
Units	25,122	25,679	26,292	26,850	27,386	27,796	28,204	28,610	29,013	29,348	29,682	
Rate Change (%)	0.0%	0.0%	0.0%	0.0%	4.0%	3.0%	7.5%	2.0%	2.0%	2.0%	2.0%	
Collection Rate	\$135.96	\$135.96	\$135.96	\$135.96	\$141.36	\$145.68	\$161.65	\$252.00	\$259.56	\$264.75	\$270.05	
Expense (\$1,000s)	\$3,416	\$3,491	\$3,575	\$3,651	\$3,871	\$4,049	\$4,559	\$7,210	\$7,531	\$7,770	\$8,016	
<b>AREA 2 – SFM – West, Iona-McGregor, Captiva</b>												
Growth	375	293	257	255	162	90	89	87	86	70	69	
Average Monthly												
Units	24,809	25,102	25,359	25,614	25,776	25,866	25,955	26,042	26,127	26,198	26,267	
Rate Change (%)	0.0%	0.0%	0.0%	0.0%	4.0%	3.0%	11.0%	69.6%	2.0%	2.0%	2.0%	
Collection Rate	\$125.04	\$125.04	\$125.04	\$125.04	\$130.08	\$133.92	\$148.60	\$252.00	\$257.04	\$262.18	\$267.42	
Expense (\$1,000s)	\$3,102	\$3,139	\$3,171	\$3,203	\$3,353	\$3,464	\$3,857	\$6,562	\$6,716	\$6,868	\$7,024	
<b>AREA 3 – SFM – East, San Carlos Park</b>												
Growth	547	609	838	951	1,217	1,229	1,116	997	872	601	470	
Average Monthly												
Units	42,768	43,376	44,214	45,165	46,383	47,612	48,728	49,725	50,597	51,198	51,669	
Rate Change (%)	0.0%	0.0%	0.0%	0.0%	4.0%	3.0%	11.0%	25.5%	3.0%	2.0%	2.0%	
Collection Rate	\$151.56	\$151.56	\$151.56	\$151.56	\$157.68	\$162.36	\$180.15	\$226.08	\$232.86	\$237.52	\$242.27	
Expense (\$1,000s)	\$6,482	\$6,574	\$6,701	\$6,845	\$7,314	\$7,730	\$8,778	\$11,242	\$11,782	\$12,161	\$12,518	
<b>AREA 4 – East, Lehigh, Alva</b>												
Growth	435	685	891	1,261	1,435	1,837	1,782	1,720	1,652	1,305	1,222	
Average Monthly												
Units	47,484	48,169	49,060	50,320	51,755	53,593	55,375	57,095	58,747	60,053	61,275	
Rate Change (%)	0.0%	0.3%	3.3%	4.0%	4.7%	3.0%	61.2%	5.0%	3.0%	2.0%	2.0%	
Collection Rate	\$143.04	\$143.40	\$148.08	\$153.96	\$155.04	\$159.72	\$257.40	\$270.27	\$278.38	\$283.95	\$289.63	
Expense (\$1,000s)	\$6,792	\$6,907	\$7,265	\$7,747	\$8,024	\$8,560	\$14,253	\$15,431	\$16,354	\$17,052	\$17,747	
<b>AREA 5 – Pine Island, NFM</b>												
Growth	130	93	115	167	242	525	508	491	472	376	357	
Average Monthly												
Units	22,206	22,298	22,414	22,581	22,822	23,347	23,856	24,346	24,818	25,194	25,551	
Rate Change (%)	0.0%	0.0%	0.0%	0.0%	4.0%	3.0%	11.0%	33.5%	3.0%	2.0%	2.0%	
Collection Rate	\$167.40	\$167.40	\$167.40	\$167.40	\$174.12	\$179.28	\$198.93	\$265.56	\$273.53	\$279.00	\$284.58	
Expense (\$1,000s)	\$3,717	\$3,733	\$3,752	\$3,780	\$3,974	\$4,186	\$4,746	\$6,465	\$6,789	\$7,029	\$7,271	
<b>AREA 6 – Boca Grande / Gasparilla</b>												
Growth	12	4	5	4	6	0	0	0	0	0	0	
Average Monthly												
Units	1,252	1,256	1,261	1,265	1,267	1,267	1,267	1,267	1,267	1,267	1,267	
Rate Change (%)	5.2%	0.0%	0.0%	25.4%	69.1%	2.0%	7.5%	2.0%	2.0%	2.0%	2.0%	
Collection Rate	\$143.40	\$143.40	\$143.40	\$179.88	\$242.48	\$290.98	\$305.53	\$314.70	\$324.14	\$330.62	\$337.23	
Expense (\$1,000s)	\$180	\$180	\$181	\$228	\$307	\$369	\$387	\$399	\$411	\$419	\$427	
<b>ALL AREAS – Franchise Hauler Expense</b>												
Growth	1,497	1,683	2,107	2,638	3,061	3,682	3,495	3,295	3,083	2,353	2,118	
Average Monthly												
Units	163,641	165,880	168,600	171,796	175,389	179,481	183,384	187,085	190,571	193,258	195,710	
Rate Change (%)	0.0%	0.1%	1.0%	1.4%	5.0%	3.2%	30.5%	30.5%	2.9%	2.0%	2.0%	
Collection Rate	\$144.76	\$144.83	\$146.17	\$148.16	\$153.05	\$158.00	\$199.48	\$252.88	\$260.18	\$265.44	\$270.83	
Expense (\$1,000s)	\$23,689	\$24,024	\$24,644	\$25,454	\$26,843	\$28,358	\$36,581	\$47,309	\$49,582	\$51,299	\$53,003	



The cost of collection has increased over the recent historical period, including increases associated with the recent contract renegotiations. Forecasts of such costs were based on assumptions provided by Department staff, which may vary from the actual realized cost of collection, as the contracts for collection services are rebid or renegotiated, which could result in different haulers providing service and different rates for service.

### WTE Contracted Operations

As previously discussed, the County contracts operation for the WTE facility. The cost of operation is another significant component (i.e., approximately 30%) of total operating expenses. The cost of operation is based on forecasts of processable tonnage statistics, as previously discussed (reference Section 5), and the charges for service by Covanta. The following table provides a summary of the projection of gross and net contracted operating expenses:

**Historical and Projected WTE Facility Contract Operations (\$1,000s)**

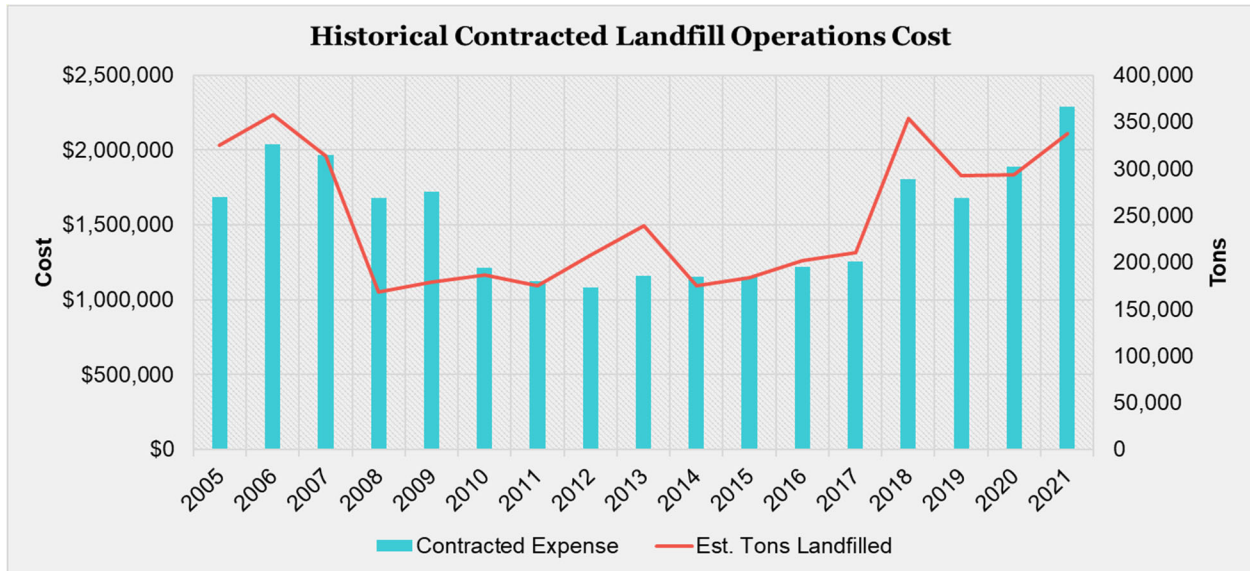
	Historical Fiscal Year Ended September 30,					Projected Fiscal Year Ending September 30,					
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Tons Processed	610,459	620,677	620,028	599,559	587,031	580,000	610,000	610,000	610,000	610,000	610,000
% Change		-0.1%	-3.3%	-2.1%	3.9%	-1.2%	5.2%	0.0%	0.0%	0.0%	0.0%
Service Fee [*]:											
OM	\$20,169	\$20,722	\$21,418	\$21,915	\$22,252	\$23,533	\$25,464	\$27,856	\$28,214	\$29,245	\$30,324
ETF	995	1,266	1,265	719	385	372	1,210	1,324	496	514	533
PT	3,127	3,997	3,819	3,980	4,362	4,614	4,992	5,462	5,663	5,871	6,087
EC	867	881	877	545	738	860	817	817	817	817	817
RRR	(1,598)	(2,002)	(1,161)	(720)	(1,820)	(1,467)	(1,543)	(1,543)	(1,543)	(1,543)	(1,543)
LC	(41)	(52)	(58)	(62)	(53)	(53)	(57)	(58)	(61)	(62)	(63)
MD	(129)	(142)	(86)	(140)	(144)	0	0	0	0	0	0
MA	(23)	(25)	(27)	(29)	(34)	(39)	(50)	(63)	(79)	(100)	(127)
True up	(6)	1	(12)	68	0	0	0	0	0	0	0
Net Fee	<b>\$23,363</b>	<b>\$24,645</b>	<b>\$26,034</b>	<b>\$26,276</b>	<b>\$25,685</b>	<b>\$27,820</b>	<b>\$30,834</b>	<b>\$33,795</b>	<b>\$33,507</b>	<b>\$34,742</b>	<b>\$36,028</b>
% Change		<b>5.5%</b>	<b>5.6%</b>	<b>0.9%</b>	<b>(2.2%)</b>	<b>8.3%</b>	<b>10.8%</b>	<b>9.6%</b>	<b>(0.9%)</b>	<b>3.7%</b>	<b>3.7%</b>

[\*] Service Fee (SF) = Operation and Maintenance (OM) Charge + Excess Tonnage Fee (ETF) + Pass-Through (PT) + Energy Credit (EC) – Resources Recovery Revenue (RRR) – Landfill Credit (LC) +/- Monthly Damages (MD) +/- Monthly Adjustment (MA)

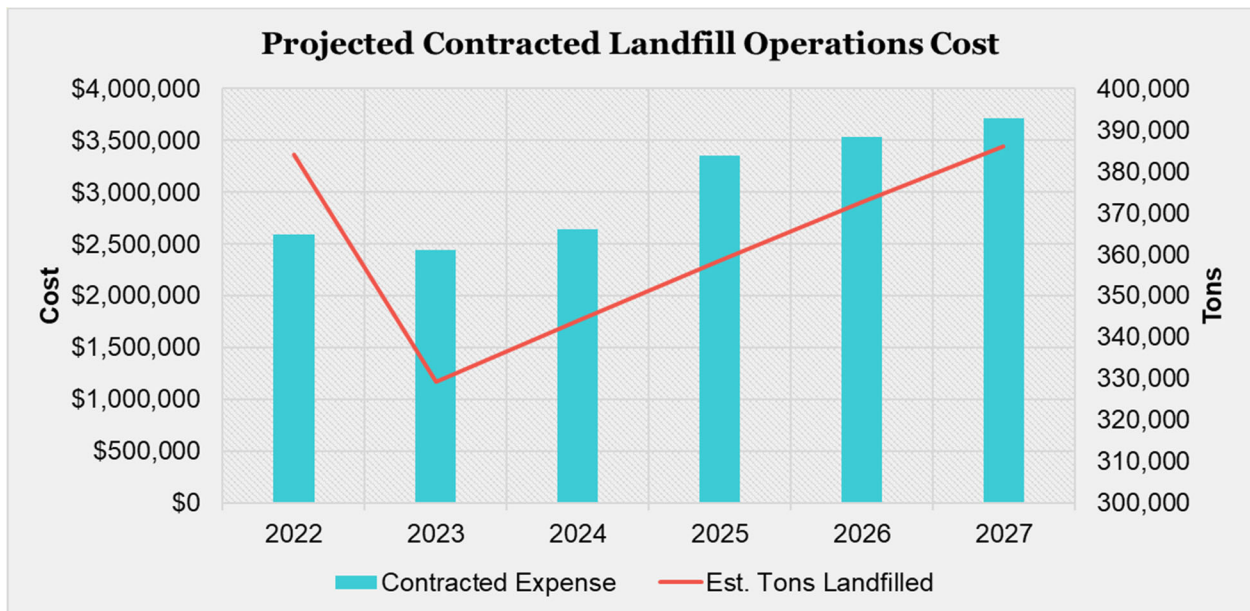
The recent historical growth in the cost of contracted operations for the WTE is primarily due to increases in the amount of waste processed and indexing of service fees. On average, the cost of contracted operations for the WTE is expected to average 5.8% per year during the Forecast Period.

### Financial Effects of Landfill Diversions

The primary cost affected by increasing diversions of waste to the landfill is the contracted cost of operation. This cost has averaged approximately \$1.8 million annually for the last five years. For reference, the Department reported approximately 337,500 tons landfilled in 2021, which is the second highest amount landfilled in the previous five years. As a result, the cost of contracted operations was previously greater as evidenced below:



Amounts shown above are provided based on reports from Department staff and the County's contracted landfill operator. Such amounts may vary with reported inbound tonnage reports to the landfill associated with: i) tonnages processed for disposal by the County through the composting operations; ii) timing of receipt and ultimate disposal of waste in the landfill; and iii) other variances. The cost of contracted operation for the landfill has generally declined with the level of waste deliveries over time. The current agreement for operation of the landfill is based on "actual cost, plus mark-up." Labor and other operating costs for the landfill can be scaled to the level of waste deliveries. The following chart presents the forecast of contracted landfill operating expenses:



As previously discussed, the Buckingham Campus has a transfer station collocated with the WTE. The primary purpose of the facility is for diverting MSW, recognizing that the County currently diverts minimal

quantities of MSW when the facility is not in use. This forecast assumes that due to anticipated growth in waste deliveries the County would prioritize and divert increasing amounts of yard waste (may conditionally require use of the transfer station for diversion) to the landfill. This is expected to provide additional capacity at the WTE for disposal of increasing amounts of MSW. However, there are limitations on the amount of additional capacity that can be provided from diverting yard waste and or other processable materials (i.e., C&D) away from the WTE to the landfill. For example, seasonality of waste deliveries also has a material effect on diversion of MSW to the landfill.

#### Other Expense Forecast Assumptions

The remaining operating expenses after the payment of contracted operations comprise approximately 25% of the total operating expenses are primarily related to the payment of Department employee labor costs and materials and supplies for operation of the facilities. In particular, the Department must fund operating expenses related to operation of the scales, transfer stations, C&D recycling facility, composting operations, fleet / vehicle maintenance, administration and management, etc. The forecast of these costs were developed based on a five-year review of the historical expenses, application of assumed escalation factors (for more information please reference Tables 8 and 9) based on the nature of the expense (e.g., certain variable costs may be escalated based inflation, growth in tonnage, etc.) and a detailed review with Department staff.

#### **Capital Expenditures and Major Maintenance**

The forecast of capital and major maintenance was provided by Department staff and generally represents the periodic renewals, replacement and improvements of System infrastructure and facilities. As previously discussed, major maintenance is not a capitalized expenditure for purposes of financial reporting (i.e., operating expenses); however, the County views such periodic expenditures as capital-related and funds such expenditures from the Renewal and Replacement Fund (i.e., excluded from Operating Expenses pursuant to the Bond Resolution). For example, the County has identified the need to repave the main road leading to the Lee/Hendry Landfill and has funded this expenditure through the Renewal and Replacement Fund as a major maintenance (and non-recurring) expenditure. The following table provides a listing of the capital projects identified.

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### Listing of Identified Capital and Major Maintenance Expenditures

Capital Project Description	Start Year	Project Cost [1]
MRF Development	2022	\$56,654,000
Landfill Class I Update and Design	2022	14,873,483
Landfill Gas Collection System	2022	13,368,000
Recycling Facilities	2023	12,500,000
LCCF Capacity Improvements	2022	4,400,000
Hendry County Transfer Station Improvements	2022	3,190,508
Buckingham Resource Area	2023	900,000
Parts and Equipment Storage Area	2022	837,000
Umbrella - Equipment Related to MRF Agreement	2022	681,000
Buckingham Scale Improvements	2022	658,921
Umbrella - Scales	2022	610,890
Landfill Connectivity	2022	476,000
Umbrella - Buckingham Upgrades	2022	404,250
Umbrella - Mechanical Systems	2022	322,708
<b>Capital Project Subtotal</b>		<b>\$111,608,174</b>
Major Maintenance [2]	2022-2027	\$23,539,889
Operating Budget Capital Outlay [3]	2022-2027	17,932,691
<b>Total</b>		<b>\$153,080,754</b>

[1] Amounts shown derived from Table 10.

[2] Amounts shown reflect periodic major maintenance expenses that are not capitalized, however are funded from the Renewal and Replacement Fund (i.e., excluded from Operating Expenses as defined in the Bond Resolution) and more similar to a capital expenditure (e.g., road repaving).

[3] Represents annually recurring purchases of minor capital, equipment, and other capitalized expenses included in the annual operating budget.

As can be seen above, the County has identified approximately \$153.1 million in total funding. The largest projects in the plan are projects related to facility expansion (i.e., materials recovery facility and class I landfill expansion) which account for approximately \$71.5 million or 47% of the total capital improvement funding requirements for the Forecast Period. The following table provides a summary of the funding plan for the Forecast Period:

### Capital Funding – Fiscal Years 2022-2027 [\*]

Description	Amount	Percent
Rate Revenue	\$17,932,691	11.7%
System Reserve Fund	65,694,174	42.9%
Renewal and Replacement Fund	23,539,889	15.4%
Proposed Debt	45,914,000	30.0%
<b>Total Funding</b>	<b>\$153,080,754</b>	<b>100.0%</b>

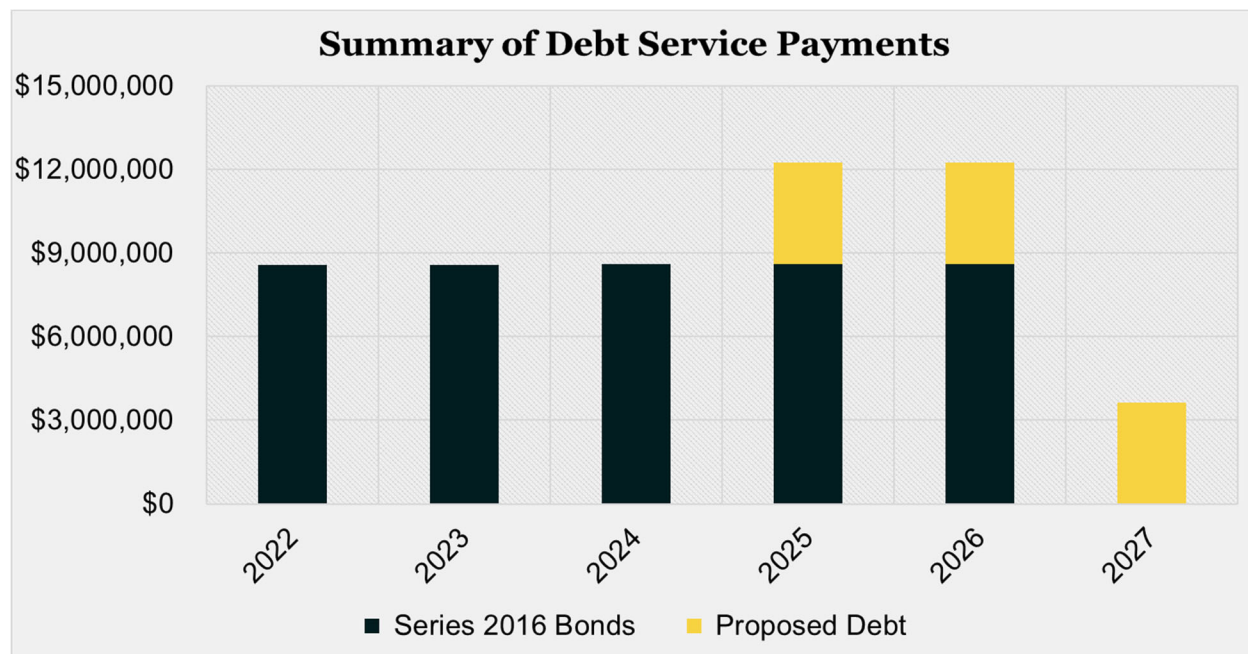
[\*] Amounts shown derived from Table 10.

Table 10 at the end of this report provides additional detail concerning the projected capital and major maintenance needs and funding sources for the Forecast Period. As previously discussed, the County has completed a master plan to address the issue of the disposal facility capacity of the System. This financial forecast does not recognize any additional capital needs that may be identified as part of the master plan, with the exception of the previously mentioned MRF and landfill expansion, which could result in the need to raise rates beyond what is currently identified in this Study.

### Debt Service

As of October 1, 2021, the System had debt outstanding of approximately \$37.2 million, which is exclusive of amortized premiums and discounts. The outstanding debt is associated with the Series 2016 Bonds; no other services or subordinated debt is outstanding for the System. The associated debt service for the Series 2016 Bonds represents level payments of approximately \$8.6 million annually with final repayment

in Fiscal Year 2027 and accrued in Fiscal Year 2026. The forecast assumes the issuance of additional debt during the Forecast Period for construction of the previously discussed MRF. Approximately \$45.9 million in project costs are assumed to be funded over 20 years with average annual debt service payments of \$3.6 million. The chart below provides a summary of the existing and projected annual debt service payments:



It should be noted that the subsequent reduction in debt service payments after Fiscal Year 2026 may provide for additional bonding capacity for additional capital improvements identified as an outcome to the master planning activities.

### Closure and Post-closure Transfers

Pursuant to the Florida Administrative Code (the "Code") 62-701.630, landfill operators within the State are required to demonstrate financial assurance for the final closure and subsequent on-going post-closure costs. The Code identifies several methods for demonstrating financial assurance, but the most common is to set aside funds as landfill capacity is used in a restricted fund. This is the method employed by the County in demonstrating financial assurance. The Florida Department of Environmental Protection requires the County to annually submit proof of compliance with the financial assurance requirements of the Code.

The projected costs of closure and post-closure or long-term care are estimated at the time of permit renewal, typically every five years. The costs are determined based upon surveys of costs associated with closure and long-term care at the time of the permit renewal, which are reviewed by engineers and FDEP staff. While the closure cost is a one-time event, long-term care or post-closure expenses represent the cumulative cost of annual operating expenses such as grounds maintenance, security, site monitoring, or other operating costs for a 30-year period after closure. Once the closure and long-term care costs have been estimated during permitting, such costs are then escalated annually to account for inflation based on approved inflation factors by the FDEP. Closure and post-closure cost estimates are then not formally re-evaluated until the subsequent permit renewal or there are changes to the closure and long-term care plan. Additionally, closure liability is only calculated for active landfill cells that have received or are currently receiving waste.



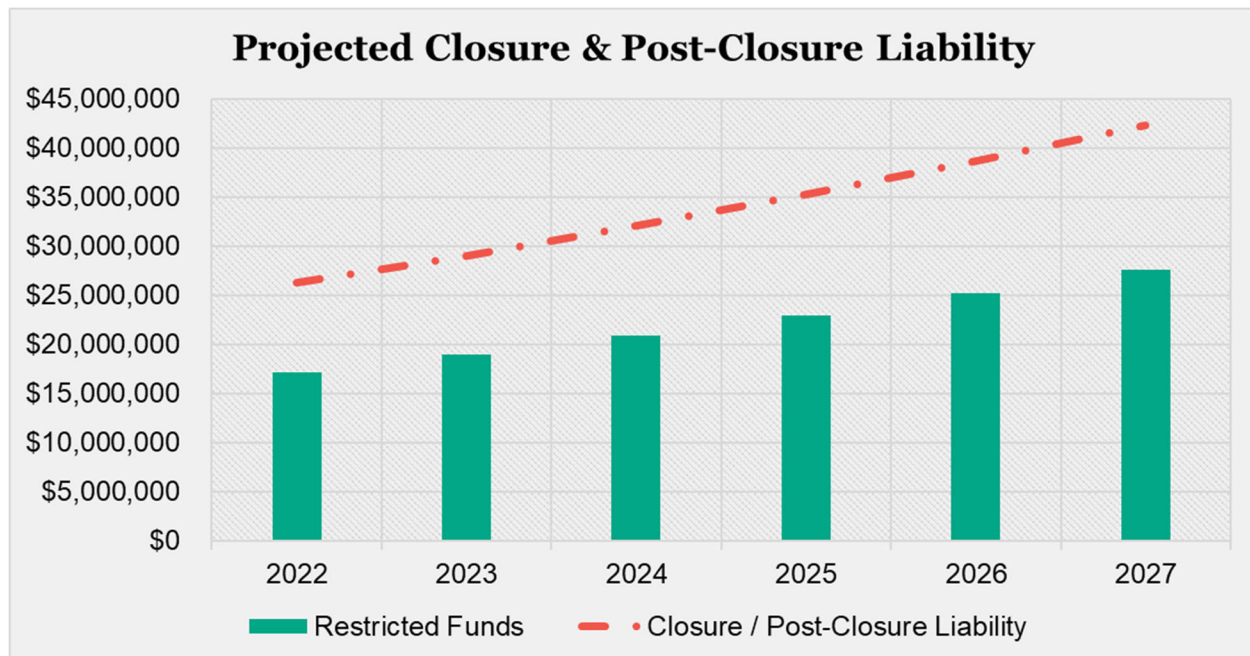
In order to estimate the capacity utilization of the landfill to determine the allocable closure liability / costs that are required for determination of financial assurance compliance, the County annually contracts for a fly-over to define the elevation of the landfill surface and calculate the volume of permitted landfill volume used during the previous year. This data provides accurate information to allow the Department to identify the remaining air space or volume of permitted capacity remaining in the constructed cells. The following table provides a comparison of the estimated liability based on the landfill's capacity utilization and the corresponding cash reserves reported to be held by the Department within the Closure Fund:

**Estimated Closure and Post-Closure Liability as of September 30, 2021**

Active Landfill Sites	Closure	Post-Closure [*]	Total	Restricted Funds
Ash Monofill	\$4,090,654	\$2,780,480	\$6,871,134	N/A
Class I Landfill	7,697,595	3,262,557	10,960,152	N/A
Class III Landfill	3,063,580	2,328,703	5,392,283	N/A
<b>Total</b>	<b>\$14,851,829</b>	<b>8,371,740</b>	<b>\$23,223,569</b>	<b>\$12,336,081</b>

[\*] Amounts shown reflect the cumulative post-closure liability allocable to the County based on the pro-rata share of the capacity utilized calculated assuming a 30-year maintenance expense liability for the ash monofill, and class III landfill.

As can be seen from the prior table, the County has restricted approximately \$12.3 million representing approximately 53% of the allocable long-term liability. The forecast assumes reaching 100% of the current closure liability and one year of the post-closure liability for the Forecast Period. If financial conditions improve, it is recommended the County consider fully funding the combined closure and post-closure liability in order to match the cost of closure with the disposal of waste. The chart below presents a forecast of the cumulative liability and restricted funds for closure:

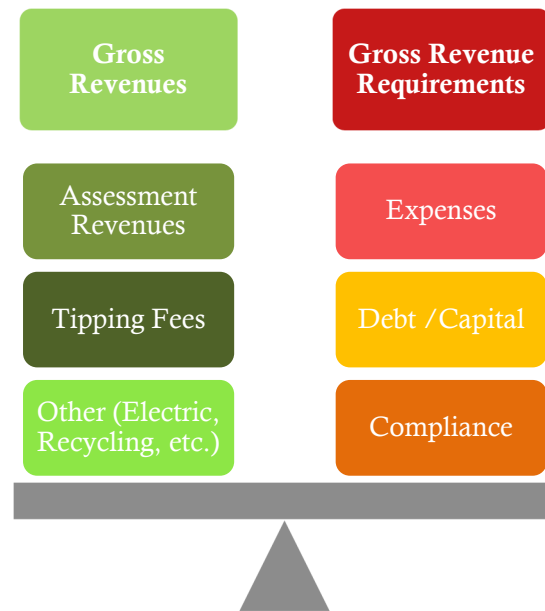


It is projected that the County will require transfers to the Closure Fund beginning in Fiscal Year 2022 to maintain the minimum balance mentioned above. The forecast assumes transfers to the closure funds averaging approximately \$2.2 million annually for the Forecast Period. It should be noted that closure fund liability is expected to grow at a faster rate than in recent years due to increased diversions to the landfill.



## SECTION 8: REVENUE SUFFICIENCY AND FINANCIAL COMPLIANCE

The foundation of the study and the primary objective of the solid waste rates are to reasonably recover the cost of providing service, cost of infrastructure investment and compliance with covenants of the outstanding bonds and internal fiscal targets (referred to as the "Revenue Sufficiency" evaluation).



Based on the assumptions and findings of this analysis the following table provides a summary of the identified revenue adjustments for the Forecast Period recognizing financial projections under current operations.

**Identified Rate Revenue Adjustments by Fiscal Year <sup>[1]</sup>**

Description	Adopted 2023 <sup>[2]</sup>	2024	2025	2026	2027
Disposal Assessment / Tip Fee Rev.					
Percent Adjustment	12.25%	5.00%	5.00%	4.00%	4.00%
Incremental Revenue Addition	\$7.91m	\$3.68m	\$3.92m	\$3.34m	\$3.52m
Cumulative Revenue Addition	\$7.91m	\$11.59m	\$15.51m	\$18.85m	\$22.37m
Collection Assessment Revenues					
Percent Adjustment <sup>[3]</sup>	27.25%	28.25% <sup>[3]</sup>	8.51% <sup>[3]</sup>	1.77% <sup>[3]</sup>	1.94% <sup>[3]</sup>
Incremental Revenue Addition	\$7.30m	\$9.86m	\$3.88m	\$0.89m	\$1.01m
Cumulative Revenue Addition	\$7.30m	\$17.16m	\$21.04m	\$21.93m	\$22.94m

[1] Reflects identified increases to revenues from the collection / disposal assessment and tipping fees for service. It should be noted that amounts shown reflect the increase to rate revenues from increases to fees only and do not reflect any increases or decreases from changes in assumed waste generation.

[2] On August 2, 2022 the Board of County Commissioners adopted Resolution No. 22-08-17 which adopted rates for Fiscal Year 2023. The rates as adopted are reflected throughout this report. Amounts shown reflect the incremental increase associated with the adopted rates for Fiscal Year 2023.

[3] Reflects projected increases to recover estimated cost of contracted collection services and may vary based on actual realized increases in such costs.

The revenue increases are necessary to ensuring adequate cash reserves and appropriate cash flows produce a sustainable long-term financial plan that can mitigate the financial and operating risk from unanticipated or sudden events to financial operations (e.g., reduced electric sales, reduced growth or tonnages unanticipated or extraordinary outages, unfunded mandates, etc.).

## Collection Revenue Requirements

In order to develop rates for solid waste disposal and collection services, the revenue requirements were allocated among the disposal and collection operations. The collection fee as a component of the residential solid waste assessment only recovers the direct contracted cost of collection. The following table presents the allocated collection system revenue requirements:

Collection Net Revenue Requirements and Revenue Sufficiency (\$1,000s) [1]						
Description	Projected Fiscal Year Ending September 30,					
	2022	2023	2024	2025	2026	2027
Operation and Maintenance Expenses	\$28,358	\$36,581	\$47,309	\$49,582	\$51,299	\$53,003
Annual Debt Service	0	0	0	0	0	0
Transfers and Capital	0	0	0	0	0	0
Gross Revenue Requirements	\$28,358	\$36,581	\$47,309	\$49,582	\$51,299	\$53,003
Less Income / Funds from Other Sources:						
Investment Income	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Fines [2]	50	50	50	50	50	50
Total	\$50	\$50	\$50	\$50	\$50	\$50
Net Collection Funding Requirements	\$28,308	\$36,531	\$47,259	\$49,532	\$51,249	\$52,953
Collection Assessment Revenue – Adopted Rates	\$26,201	\$34,173	\$34,904	\$35,594	\$36,187	\$36,679
Rate Revenue Adjustments [3]	N/A	N/A	28.25%	8.51%	1.77%	1.94%
Adjusted Collection Revenue	\$26,201	\$34,173	\$44,764	\$49,532	\$51,249	\$52,953
Net Transfers To / (From) Reserves [4]	(\$2,107)	(\$2,358)	(\$2,495)	\$0	\$0	\$0
[1] Amounts shown derived from Table 14 at the end of this report. Totals may vary due to rounding. [2] Reflects minor revenues from fines related to the monitoring of contracted collection. [3] Reflects the current period percent increase in collection revenues. [4] Reflects assumed transfers to / (from) reserves.						

Based on the allocation of costs a primary driver for the increase in the identified residential collection assessment is related to increases in the cost of contracted collections.

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## Disposal Revenue Requirements

The balance of all other revenue requirements is, therefore, allocable to the disposal function of operation for the System. The following table presents the allocated disposal system revenue requirements:

### Disposal Net Revenue Requirements and Revenue Sufficiency (\$1,000s) [1]

Description	Projected Fiscal Year Ending September 30,					
	2022	2023	2024	2025	2026	2027
Operation and Maintenance Expenses [2]	\$61,702	\$67,796	\$72,094	\$73,665	\$76,223	\$79,239
Annual Debt Service:						
Series 2016 Bonds	\$8,575	\$8,589	\$8,596	\$8,595	\$8,605	\$0
Proposed Debt	0	0	0	3,643	3,643	3,643
Transfers and Capital [3]	\$20,173	\$20,046	\$19,935	\$18,131	\$20,316	\$30,917
Gross Revenue Requirements	\$90,449	\$96,430	\$100,625	\$104,033	\$108,787	\$113,799
Less Income / Funds from Other Sources:						
Investment Income	\$1,693	\$1,523	\$1,332	\$1,223	\$1,322	\$1,516
Net Electric Revenue	9,246	8,835	8,834	8,832	8,831	8,830
Franchise Fees – County	1,819	1,857	1,896	1,934	1,966	1,998
Franchise Fees – Municipalities [2]	592	604	617	629	640	650
WTE Ferrous / Non-ferrous – County	1,467	1,543	1,543	1,543	1,543	1,543
WTE Ferrous / Non-ferrous – Covanta [2]	1,467	1,543	1,543	1,543	1,543	1,543
Miscellaneous Revenue	1,781	1,851	1,888	1,927	1,968	2,010
Compost Sales	296	296	296	296	296	296
Other Revenues [4]	5,496	5,907	5,397	3,729	3,780	3,832
Total	\$23,856	\$23,960	\$23,345	\$21,656	\$21,888	\$22,217
Net Disposal Funding Requirements	\$66,593	\$72,470	\$77,280	\$82,377	\$86,899	\$91,581
Disposal Assessment and Tip Fee Revenue – Adopted Rates	\$66,593	\$72,470	\$73,600	\$74,718	\$75,789	\$76,800
Current Period Rate Revenue Adjustments [5]	N/A	N/A	5.0%	5.0%	4.0%	4.0%
Adjusted Disposal Revenue	\$66,593	\$72,470	\$77,280	\$82,377	\$86,899	\$91,581
Surplus / (Deficiency) [6]	\$0	\$0	\$0	\$0	\$0	\$0

[1] Amounts shown derived from Table 13 at the end of this report. Totals may vary due to rounding.

[2] Amounts shown include the gross expenses of the system, including the cost of shared or remitted revenues such as, franchise fees collected on behalf of the County and shared electric revenues due to the County's contracted WTE facility operator.

[3] Reflects transfers to the landfill closure fund, transfers to the recycling fund from recovered materials revenues and funding for certain capital equipment identified from the capital program.

[4] Includes revenues from advance disposal fees related to the C&D ordinance, contracted disposal of sludge and other miscellaneous revenues.

[5] Reflects the current period percent increase in disposal revenues.

[6] Reflects assumed transfers to / (from) operating reserves.

As can be seen above the existing disposal assessment and tipping fee revenues are not projected to be sufficient to fund the disposal-related revenue requirements of the System due to increases in the cost of operation, capital funding, and anticipated declining income and funds from other sources (e.g., recycling revenues) which serve to offset the funding requirements of the disposal assessment and fees. For more information on the adopted Fiscal Year 2023 rates for service, please reference Section 9 of this report, which provides detail concerning the application of the adopted increases to rates.

## Bond Resolution and Rate Covenant Compliance

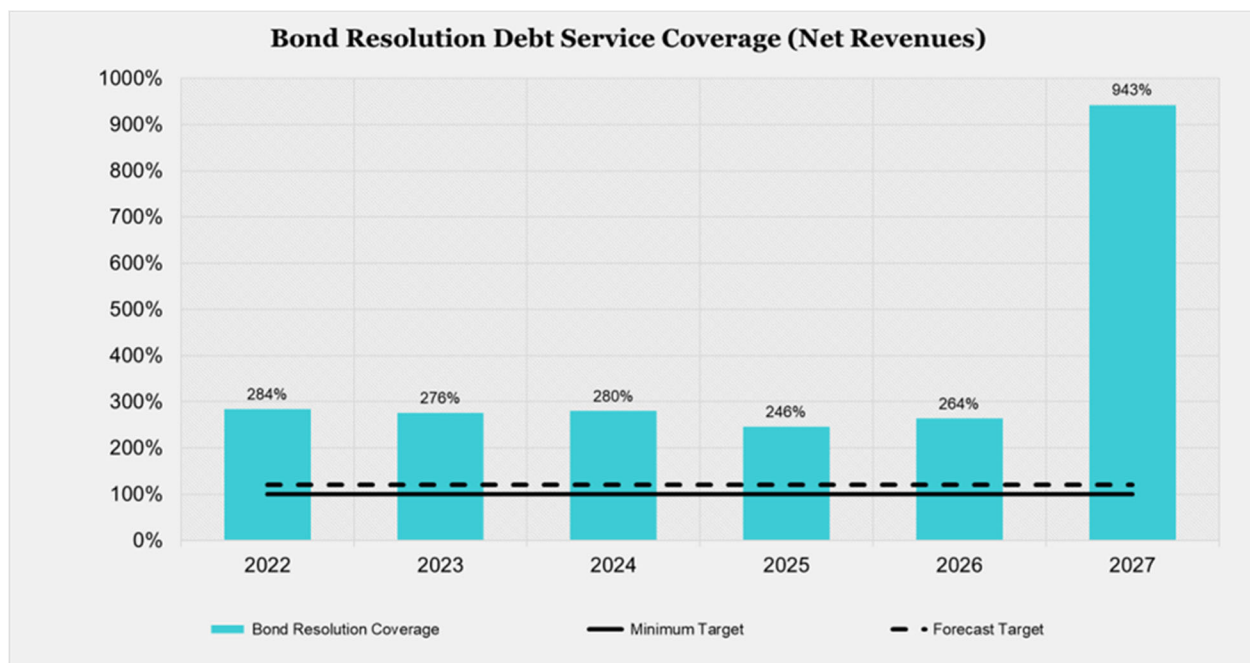
Upon issuance of the Series 2016 Bonds, the Bond Resolution took effect and superseded the prior Trust Indenture. The Bond Resolution recognized, among other things, certain changes to the definitions, creation of funds, and calculation of compliance with the Rate Covenant. The following provides a listing of the primary changes to the definitions and creation of funds, which affect the determination of projected operating results and compliance with the Rate Covenant. The following does not represent an authoritative or complete listing of changes from the prior Trust Indenture to the Bond Resolution.

1. The Bond Resolution provides for the creation of the Rate Stabilization Fund. The Rate Stabilization Fund represents a reserve available for the needs of the System to minimize the risk of default on the payment of Annual Debt Service for the Bonds. For compliance with the Rate Covenant, transfers from the Rate Stabilization Fund may be recognized as a component of Gross Revenues up to the Rate Stabilization Amount if transferred within 120 days of the respective close of the Fiscal Year, further defined as an amount not greater than 25% of prior year's ending cash balance within the Rate Stabilization Fund. Conversely, Funds transferred to the Rate Stabilization Fund have the effect of reducing Gross Revenues for determining compliance with the Rate Covenant.
2. The definition of Gross Revenues was revised to include:
  - a. Recovered Materials Revenues derived from the operation of the MRF.
  - b. Transfers from the Rate Stabilization Fund, up to the Rate Stabilization Amount, having the effect of increasing Gross Revenues.
  - c. Transfers to the Rate Stabilization Fund having the effect of decreasing Gross Revenues.
3. The definition of Operating Expenses was revised to exclude:
  - a. OPEB accruals and instead recognizes actual OPEB outlays.
  - b. Expenses funded from the Renewal and Replacement Fund (i.e., major maintenance or extraordinary expenditures).
4. The required transfer to the Renewal and Replacement Fund are governed by the flow of funds described in Section 4.05 of the Bond Resolution and the definition of the Renewal and Replacement Fund Requirement. The specific changes to the Bond Resolution are related to the required minimum annual deposit should the balance within the Renewal and Replacement Fund be less than the Renewal and Replacement Fund Requirement. The minimum annual transfer is established as either:
  - a. 5% of prior year's Gross Revenues; or
  - b. Such other amount as recommended by the Consulting Engineers.

The change is intended to support a minimum transfer to the Renewal and Replacement Fund that may be more appropriate, at times, than the default of 5% of prior year's gross revenues.
5. As previously discussed, the Debt Service Reserve Account Requirement, is defined as an amount equal to the lesser of:
  - a. Maximum Annual Debt Service for all Outstanding Bonds secured thereby;
  - b. 125% of the average Annual Debt Service for all Outstanding Bonds secured thereby;
  - c. the maximum amount of Bond proceeds which may be deposited to the Debt Service Reserve Account without subjecting the same to yield restriction under the Code provided; or
  - d. The County may establish by Supplemental Resolution a different Debt Service Reserve Account Requirement with respect to any particular Series of Bonds, which Debt Service Reserve Account Requirement may be \$0.00.

6. The Rate Covenant for the Bond Resolution is a two-part test as follows:
- a. Net Revenues, together with the Net Position, must equal at least 120% of the Annual Debt Service becoming due in such Fiscal Year; and
  - b. Net Revenues shall be adequate at all times to pay in each Fiscal Year at least (1) 100% of the Annual Debt Service becoming due in such Fiscal Year, and (2) 100% of any amounts required by the terms thereof to be deposited in the Renewal and Replacement Fund or the Debt Service Reserve Account or with any issuer of a Debt Service Reserve Account Letter of Credit or Debt Service Reserve Account Insurance Policy in such Fiscal Year to pay Policy Costs.

For informational purposes, projected compliance with the Rate Covenant was evaluated for the Forecast Period and presented as follows:



Prior to the Fiscal Year 2016, the Department had experienced recurring declines in the debt service coverage and resulted in a credit rating downgrade by Moody's Investor Service from A3 to Baa1<sup>[6]</sup>. In response, the County adopted a series of rate adjustments over the last several years, which have significantly improved the Net Revenues of the System. As can be seen from the chart above, and assuming the implementation of the identified rate revenue increases, the System Net Revenues are projected to produce sufficient revenues to generate debt service coverage equal to or above the minimum target (i.e., coverage requirement in the Bond Resolution) for the entire Forecast Period. For additional information concerning the calculation of historical and projected compliance with the Rate Covenant, please reference Tables 16 and 17 found at the end of this report.

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[6] Moody's provides the following rankings for investment grade credits from highest to lowest as follows: Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3.

## **Recommended Financial Targets**

Recognizing the credit downgrade as previously discussed and the desire for the long-term financial sustainability of the County's solid waste enterprise fund, it is recommended that the County consider minimum financial targets in order to promote the creditworthiness of the System. The following objectives were recognized in consideration of the financial targets:

- Maintain adequate reserves to provide hedges against unplanned events associated with: i) sudden changes in market demand for sale of recovered materials; ii) revenue reductions / increased costs associated with short- or long-term facility outages, including changes in the determination of the rates earned from the sale of electricity generated from the County's existing or future facilities; and iii) non-recurring expenditures needed in instances of emergencies or Force Majeure Incidents (as later defined).
- Target minimum financial metrics greater than those required by the Bond Resolution or subordinate loan agreements to promote the increased ability to be in compliance with the various rate and financial covenants of such agreements.
- Maintain adequate rates and charges to produce sufficient revenues and financial margins to fully cover operating expenses, debt service payments, identified capital expenditures, required transfers and funding for cash reserve targets.
- Maintain and promote a strong financial condition aimed at preserving and enhancing the Enterprise Fund bond ratings to minimize capital project financing costs and promote long-term System sustainability.
- The desire to maintain reasonable and well-justified levels of rates and fees over the long run, in accordance with good business practices.

In general, the financial targets are more restrictive than the minimum legal requirements as may be contained in Bond Resolution or subordinate loan agreements as later defined. The following table provides a brief summary of the principal financial metrics and targets recommended and reflected in the financial plan presented in this Study:

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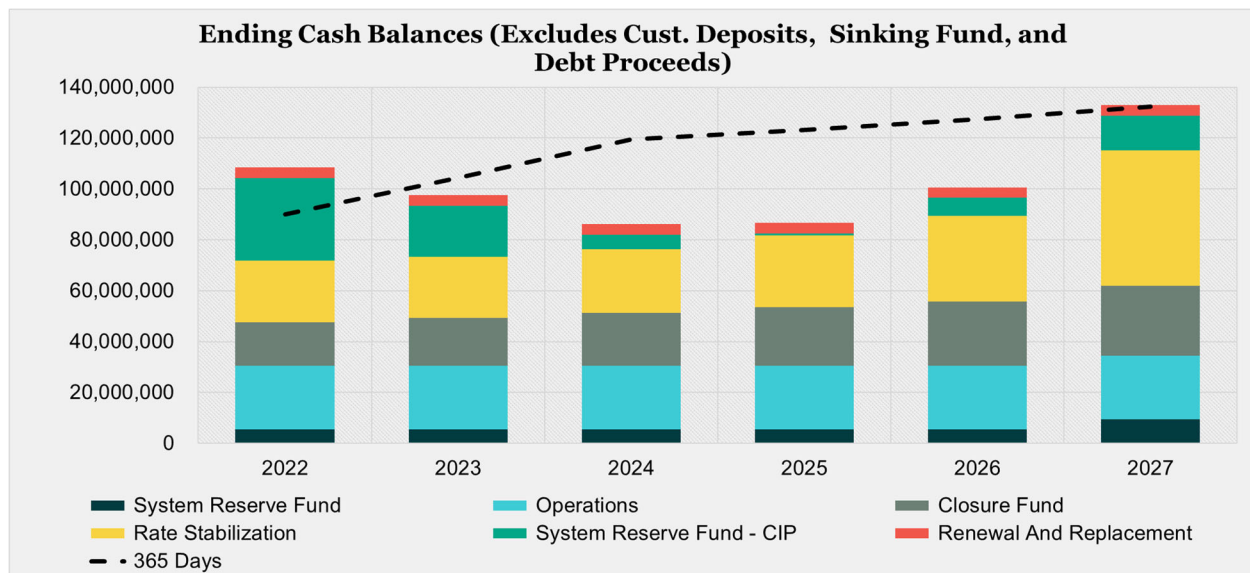


### Financial Metrics and Targets

Description	Basis	Purpose
<b>Minimum Cash Reserves:</b>		
1.1) Operating Reserve Target	Maintain a minimum of 150 days of operating expenses within operating reserve cash balances.	To promote the maintenance of a minimum working capital reserve balance for operating needs of the System and unexpected loss of revenues (e.g., reduction in electric revenue) or increases in costs.
1.2) Capital Reserve Target	Maintain the greater of: a) 6% of prior year's gross assets; or b) the average annual cost of the five- or ten-year CIP.	To promote the maintenance of a minimum capital reserve balance for System capital needs (e.g., renewals and replacements) and to allow for ongoing capital re-investment.
1.3) Closure Target	Maintain the estimated liability of landfill closure costs + one year of post-closure liability.	Represents a minimum cash funded reserve for the future closure and post closure care of the landfill.
1.4) Aggregate Reserve Target	Maintain an aggregate reserve balance at least equal to one year of budgeted Operating Expenses.	Reflects an aggregate cash reserve balance in order to maintain the credit worthiness of the System.
<b>Debt Capacity and Coverage:</b>		
2.1) Debt Capacity	Maintain a minimum Debt to Revenue Ratio from 4.0x to 6.0x calculated as:  $= \frac{\text{Outstanding Principal All-in Debt} - \text{Cash Balance in Debt Service Reserve Account}}{\text{Gross Revenues} - \text{Transfers from Rate Stabilization Fund}}$	Provides a maximum range of indebtedness to be issued by the System based on financial metrics utilized by credit rating agencies in the evaluation of the debt capacity of a solid waste enterprise fund. It should be noted that the debt to revenue ratio was assumed in lieu of the debt to net equity ratio since it may be difficult to estimate the net equity associated with the County's WTE facility since repairs and replacements are performed by the County's Contract Operator.
2.2) All-in Coverage	Maintain at least 1.20x all-in debt coverage.	Represents a key financial metric used in assessing the creditworthiness of the Department.
<b>Capital Reinvestment:</b>		
3.1) Capital Reinvestment	Transfer at least five percent of prior year's Gross Revenues, excluding collection revenues, to capital reserves.	Intended to promote a minimum transfer for capital needs of the System.

The County is expected to meet or exceed the recommended targets assuming implementation of the identified rate revenue adjustments by the end of the Forecast period. The following chart provides a demonstration of initial compliance with the *1.4) Aggregate Reserve Target* but falls below the target in the outer years of the Forecast Period. However, it is anticipated that the cash position will continue to improve as shown by the positive trend from Fiscal Years 2023 through 2027.

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As can be seen from the table above, it is projected that cash reserves are expected to decline during initial period of the Study primarily associated with identified capital funding requirements of the System and increased operating expenses, but generally meet or exceed the minimum targeted cash reserves equal to 12 months of operating expenses for the near-term of the Forecast Period.

## SECTION 9: COST OF SERVICE AND RATE DESIGN

Based on the recommended financial targets, projected cost of revenue requirements and identified rate adjustments, the net system revenue requirements were evaluated relative to the current rate structure comprised of:

- Residential Collection and Disposal Assessments
- Solid Waste System Assessment (i.e., Disposal Facility Assessment and Recycling Assessment)
- Assessed Billing Charge
- Solid Waste Operations and Right of Way Surcharges
- Tipping Fees by Type of Waste

Costs were allocated by budgetary line item to the various charges based on a rational nexus among the costs and the respective fees. Adjustments to the allocated rates were then made to recognize: i) benefits of an integrated solid waste operation; ii) market comparisons; iii) pricing incentives to discourage out-of-town waste; and iv) general rounding of rates for ease of billing. The following table provides a brief summary of the principal assessments and fees adopted for the Fiscal Year 2023:

### Summary of Historical, Existing, and Adopted Rates

Description	Historical 2021	Existing 2022	Adopted 2023
<b>Assessments:</b>			
Collection (Avg. Areas 1-5) [1]	\$145.62	\$145.62	\$185.79
Disposal MSW [2]	45.18	50.20	59.96
Disposal Yard Waste [3]	6.62	6.62	6.62
Disposal Facility Assessment Charge [2]	15.53	17.25	18.61
Recycling Assessment [4]	11.05	11.05	11.05
Surcharges	0.00	0.00	0.00
Billing Fee	2.45	2.45	2.45
Early Prepayment Gross Up (4%)	9.44	9.71	11.85
Gross Assessment Average for Areas 1-5 [5]	\$235.88	\$242.90	\$296.33
Assessment Paid in February = 1% Discount	\$233.07	\$240.47	\$293.37
Assessment Paid in January = 2% Discount	230.71	238.04	290.40
Assessment Paid in December = 3% Discount	228.36	235.61	287.44
Assessment Paid in November = 4% Discount	226.00	233.18	284.48
<b>Tipping Fees per Ton by Waste Type</b>			
MSW [6]	\$50.20	\$50.20	\$59.96
Horticulture / Yard Waste	31.00	37.50	38.58
C&D	48.40	60.00	61.72
Class III	48.40	60.00	61.72
Tires	120.00	160.00	160.00
Recycling	38.12	38.12	41.12
Surcharges per MSW Ton [6][7]	\$0.00	\$0.00	\$0.00
Disposal Facility Assessment per Ton [8]	\$17.25	\$17.25	\$18.61

[1] Amounts shown reflect the average fee charged for the franchise collection areas 1-5.

[2] County assesses residential customers the MSW disposal and the Disposal Facility Assessment based on the following waste generation assumptions:

FY21 – 0.90 tons    FY22 – 1.00 tons    FY23 – 1.00 tons

[3] County assesses residential customers the Yard Waste Assessment based on the following waste generation assumptions:

FY21 – 0.26 tons    FY22 – 0.21 tons    FY23 – 0.21 tons

[4] County assesses residential customers the Recycling Assessment based on the waste generation assumption of 0.28 tons per unit.

[5] Reflects gross assessments before early prepayment discounts as allowed by Florida Statutes, Chapter 197.

[6] Unincorporated waste generated by commercial and multi-family customers is charged a gate fee per ton including the addition of the base tipping fee plus applicable surcharges per ton for MSW deliveries. Currently the County does not charge for any surcharges.

[7] Amounts shown are not charged to municipal customers, with exception to Fort Myers Beach, Bonita Springs, and the Village of Estero for which the County provides collection services and assess any applicable surcharges pursuant to interlocal agreement. Currently the County does not charge for any surcharges.

[8] Presented for informational purposes only since the disposal facility assessment charge is charged to all customers by assessment and to Hendry County as part of their gate fee.

As can be seen above, the adopted fees did not recognize uniform or across-the-board increases. The identified disposal fees and collection fees are targeted to generate a net increase in revenues of approximately \$7.9 million and \$7.3 million, respectively. The following provides a brief discussion concerning the rate design assumptions in development of the adopted rates:

**Disposal Fees:**

- Tipping Fees: The cost-of-service allocations for various tipping fees were performed based on discussions with Department staff and reflected consideration of the pro-rata share of the cost of disposal recognizing the actual means of disposal for each respective type of waste processed by the County.
- Surcharges: No surcharges are identified in the Fiscal Year 2023 rate design. Identified costs associated with solid waste operations were funded through the application of net franchise fee revenues. The nexus of the application of the franchise fee revenues to the surcharges relates to the link among the unincorporated customers associated with the generation of the franchise fee revenues and those same customers, which would pay the surcharges.
- Disposal Facility Assessment: The Disposal Facility Assessment (also called the Solid Waste System Assessment when combined with the Recycling Assessment) is designed to recover the fixed costs of the System associated with operation of the disposal facilities.

**Billing Fees:** The billing fee represents a pass-through of the cost associated with charges from the County's property appraiser and tax collector. The fee is equivalent to the fee to be charged by the property appraiser and tax collector.

**Collection Fees:** Based on the anticipated increases in contractual collection costs Raftelis was asked to develop a financial and rate plan that incrementally adjusts rates to unify the collection rates for all areas by Fiscal Year 2025. While the contract unit rate varies by franchise area, the level of service does not change. Additionally, by having multiple franchise collection haulers the County has redundancy and options to provide service in the event hauler operations are disrupted. This provides an overall system benefit to the customers.

**Early Prepayment Discount**

Pursuant to Florida Statutes, customers may elect to receive a discount of up to 4% if they pay all of the charges and taxes included on the ad valorem tax bill prior to the due date of the bill. The residential solid waste assessment is collected with the tax bill as allowed by Florida Statutes, Chapter 197. The majority of residential customers in the County pay taxes and the solid waste assessment early and receive a discount. The adopted assessment for the Fiscal Year 2023 assumes a mark-up to the calculated fee for the early payment discount. Therefore, if the full 4% discount is recognized by a property owner the County will collect the full rate for service (after the discount is applied); the mark-up of fees included on the ad valorem tax bill is customary and allows the solid waste enterprise fund to fully collect the fees for service.

**Customer Impact**

The residential solid waste bill is expected to increase approximately \$53 on average (i.e., \$4.45 per month) for Fiscal Year 2023 assuming the residential customer receives the same discount from the prior year. Due to the early prepayment discount, the actual charge a customer pays may vary.

Residential customers within the municipalities of Cape Coral, Fort Myers, and Sanibel disposing of waste to County facilities may see their annual disposal charges increase approximately \$11.58 (i.e., \$0.97 a month) for Fiscal Year 2023 assuming application of the adopted tipping fees to assumed deliveries of 1.00 tons of MSW and 0.21 tons of yard waste. It should be clarified that the County is not responsible for collection nor charges such customers for curbside collection for which the respective municipalities administer and control.

## Rate Comparison

In order to provide additional information relative to the fees charged for service, the following table provides a summary of comparable fees charged by other Florida solid waste systems for collection and disposal service to the existing and adopted fees for the County:

### Solid Waste Fee Comparison with Other Florida Systems

Description	Residential Assessment			MSW	C&D	Tipping Fees	
	Collection	Disposal	Total			Yard Waste	Tires
Lee County – Existing [1] [2]	\$130.25 - \$174.38	\$91.22	\$221.47 - \$265.59	\$50.20	\$60.00	\$37.50	\$160.00
Lee County – FY23 [1] [2]	\$172.09 - \$216.22	\$102.81	\$274.90 - \$319.02	\$59.96	\$61.72	\$38.58	\$160.00
<u>Other Systems with Waste-to-Energy Facilities:</u>							
Broward County [3]	N/A	N/A	\$310.00	N/A	\$50.00	\$50.00	\$110.00
City of Fort Lauderdale	N/A	N/A	\$528.24	N/A	\$50.00	\$50.00	\$110.00
Hillsborough County [4]	\$234.47	\$118.32	\$352.79	\$84.20	\$71.74	\$42.46	\$149.50
Miami-Dade County [5]	N/A	N/A	\$484.00	\$66.12	\$66.12	\$66.12	\$114.18
Palm Beach County [4]	\$175.00 - \$344.00	\$178.00	\$355.00 - \$522.00	\$42.00	\$60.00	\$35.00	\$100.00
Pasco County [4]	\$206.72	\$86.00	\$292.72	\$78.47	\$78.47	\$78.47	\$200.00
Pinellas County [4]	N/A	N/A	\$192.00	\$44.70	\$44.70	\$44.70	\$125.00
City of Tampa [4]	N/A	N/A	\$418.92	\$71.00	\$51.00	\$71.00	\$117.00
<u>Systems without Waste-to-Energy Facilities:</u>							
Charlotte County [2]	N/A	N/A	\$271.55	\$39.28	\$39.28	\$39.28	\$125.46
Collier County [4]	N/A	N/A	\$220.97 - \$226.29	\$77.71	\$86.56	\$46.99	\$200.09
Hernando County [4]	\$185.28	\$85.50	\$270.78	\$54.50	\$54.50	\$30.00	\$150.00
Manatee County [4]	N/A	N/A	\$171.96	\$40.00	\$61.00	\$40.00	\$86.00
Polk County [2]	\$144.50	\$52.00	\$196.50	\$36.50	\$36.50	\$22.00	\$300.00
Sarasota County [2]	N/A	N/A	\$233.59	\$57.56	\$54.74	\$41.37	\$158.60
Other System Averages	\$219.10	\$104.40	\$336.92	\$57.60	\$57.42	\$47.62	\$148.23

- [1] Amounts shown for the residential assessment reflect the gross assessment before early prepayment discounts. The billing charge is included as a component of the residential disposal assessment.
- [2] Denotes residential collection service at one day per week for garbage, recycling, and yard waste collection.
- [3] Broward County residential collection includes two days per week for garbage collection, one day per week for recycling collection and one day per month yard waste collection.
- [4] Denotes residential collection service at two days per week for garbage collection and one day per week for recycling and yard waste collection. Note garbage collection service in Pinellas County is for one or two days per week depending on location.
- [5] Miami-Dade County residential collection service includes two days per week for garbage / yard waste collection and one day every other week for recycling collection.

As can be seen above, the County's rates adopted by the BOCC for the Fiscal Year 2023 are projected to remain comparable to and / or below the average charged by the other surveyed Counties for similar solid waste service.

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## **SECTION 10: FINDINGS**

Based on the findings of this study the following observations are provided for consideration by the BOCC and County administration:

- The existing disposal and collection fees for service are projected to be insufficient to fund the identified funding requirements of the System and it is recommended that the BOCC consider implementing the adopted rates for the Fiscal Year 2023.
- Recognizing the changes in market conditions and pricing for recyclables and the timing of the need for additional disposal capacity, staff should continue to closely monitor and perform annual financial projections to assess the sufficiency of System revenues to meet the expenditure needs of the System and for compliance with the rate covenants and flow of funds requirements delineated in the Bond Resolution and need for additional rate adjustments.
- County should continuously review and update the financial plan to evaluate trends in service area growth, solid waste elements, costs, and capital reinvestment and financing to ensure compliance with the Rate Covenants contained in the Bond Resolution, promote the overall creditworthiness of the System and limit financial risk, and provide for long-term rate sustainability.

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**LEE COUNTY, FLORIDA**  
**FISCAL YEAR 2022**  
**SOLID WASTE REVENUE SUFFICIENCY AND COST OF SERVICE STUDY**  
**LIST OF TABLES**

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ES-1	Dashboard and Summary of Projected Financial Position and Operational Statistics
1	Historical and Projected Assessed Residential Customer Billing Units and Tonnage Statistics
2	Historical and Projected Disposal Facility Assessment Customer Billing Statistics
3	Historical and Projected Waste Flow Summary by Type of Waste
4	Historical and Projected Waste Flow Summary by Disposal Facility
5	Historical and Projected Waste-to-Energy (WTE) Operational Statistics
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16	Projected Rate Covenant Compliance
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# Lee County, Florida

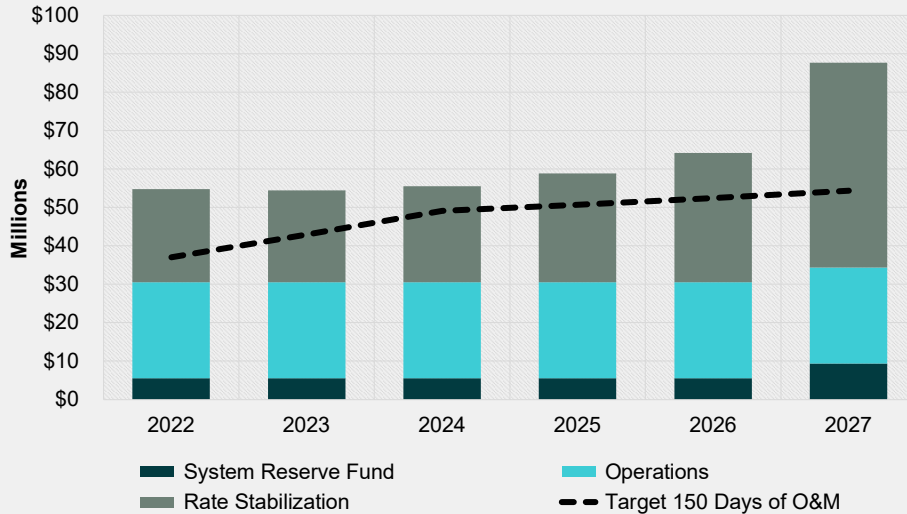
## Solid Waste System

### Table ES-1

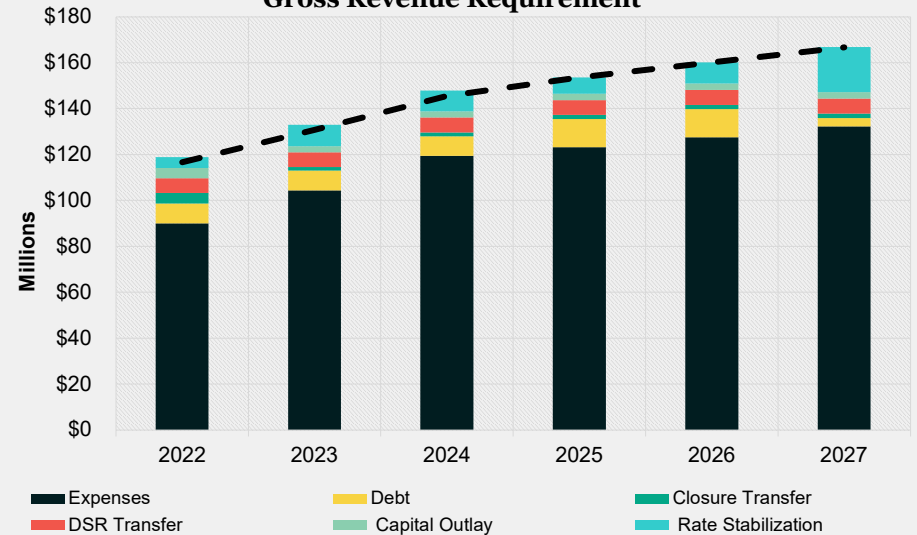
Projected Rate Revenue Adjustments Above Adopted

	Above Adopted			Identified		
	2022	2023	2024	2025	2026	2027
Disposal	0.0%	0.0%	5.0%	5.0%	4.0%	4.0%
Collection	0.0%	0.0%	28.3%	8.5%	1.8%	1.9%

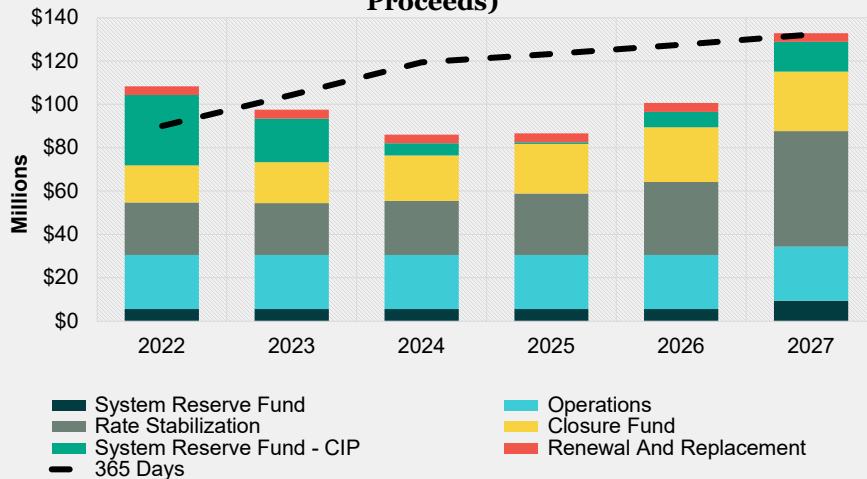
Operating Reserve Balance and Forecast Target



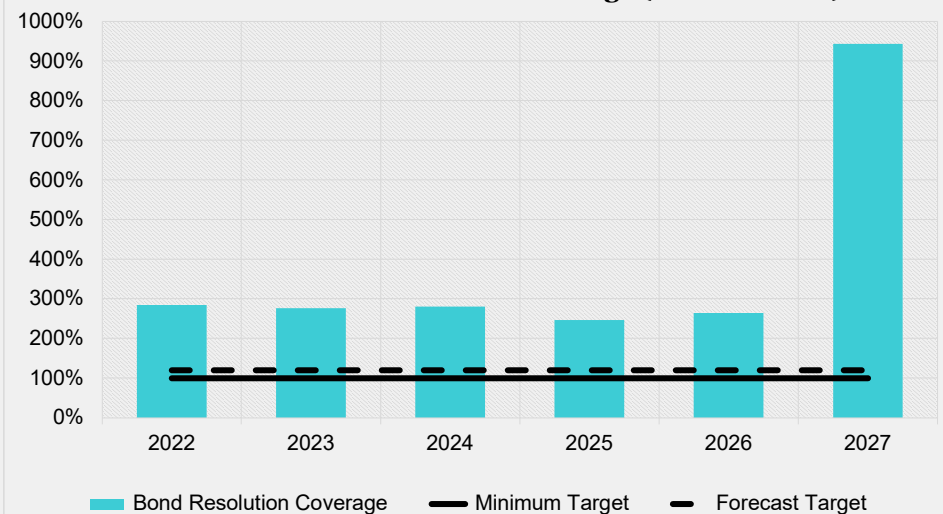
Gross Revenue Requirement



Ending Cash Balances  
(Excludes Cust. Deposits, Sinking Fund, and, Bond Proceeds)



Bond Resolution Debt Service Coverage (Net Revenues)



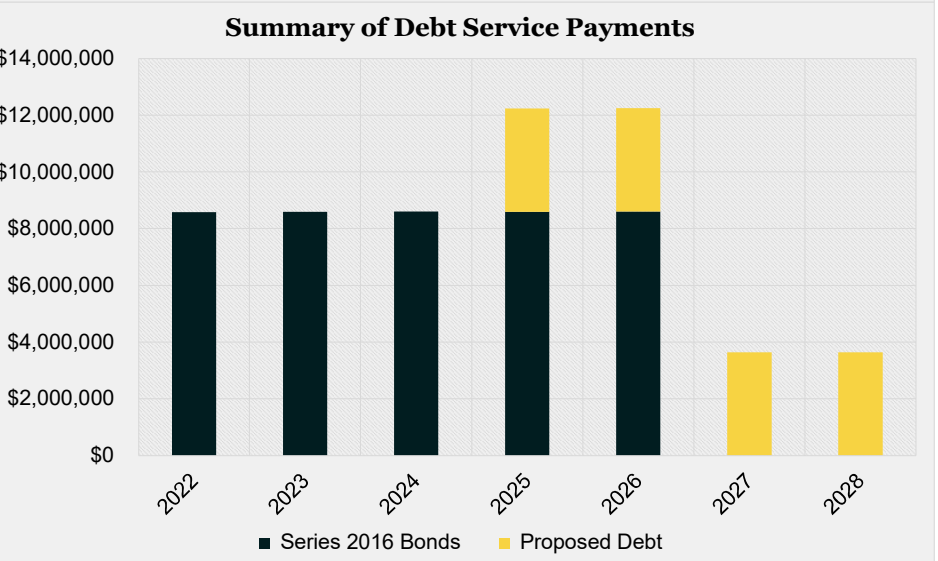
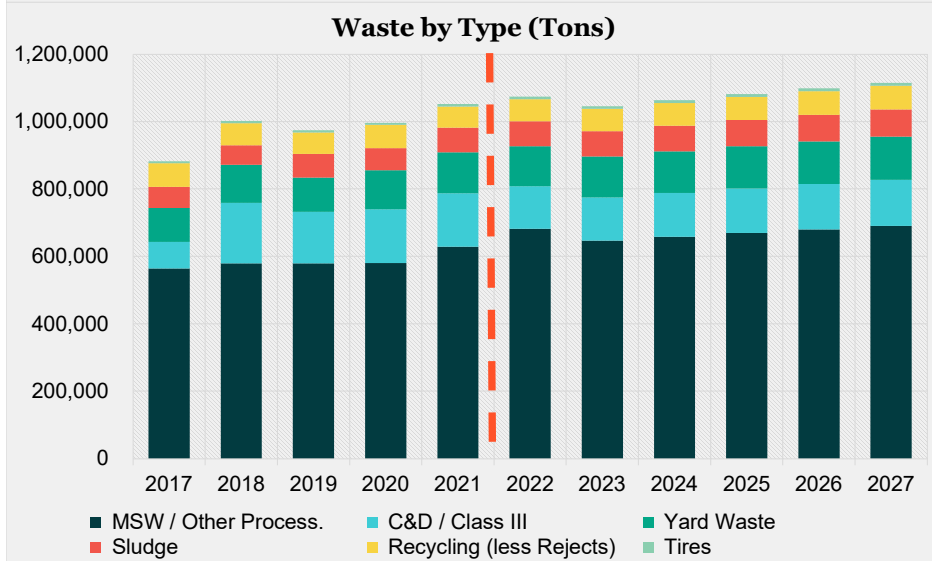
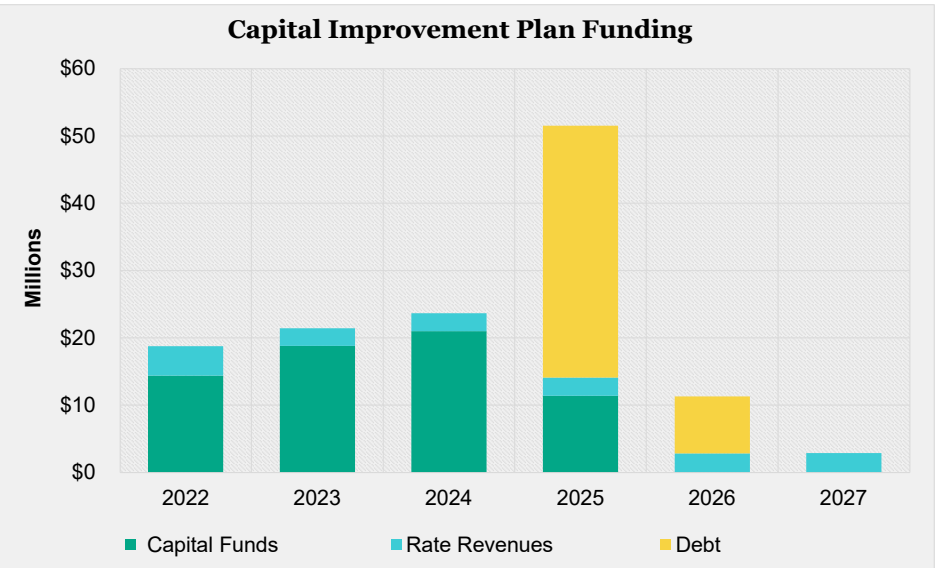
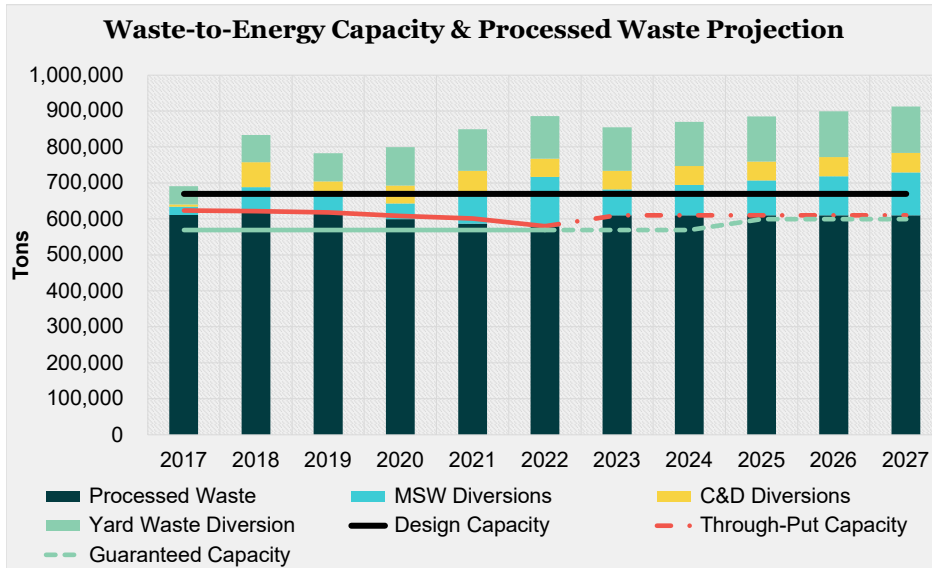


# Lee County, Florida

## Solid Waste System

Table ES-1

Projected Rate Revenue Adjustments Above Adopted						
	Above Adopted			Identified		
	2022	2023	2024	2025	2026	2027
Disposal	0.0%	0.0%	5.0%	5.0%	4.0%	4.0%
Collection	0.0%	0.0%	28.3%	8.5%	1.8%	1.9%



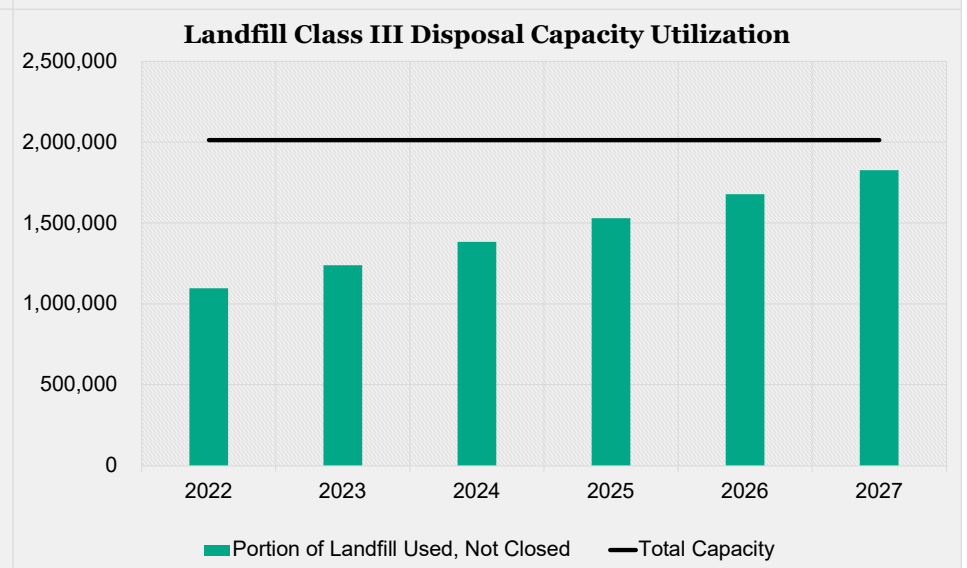
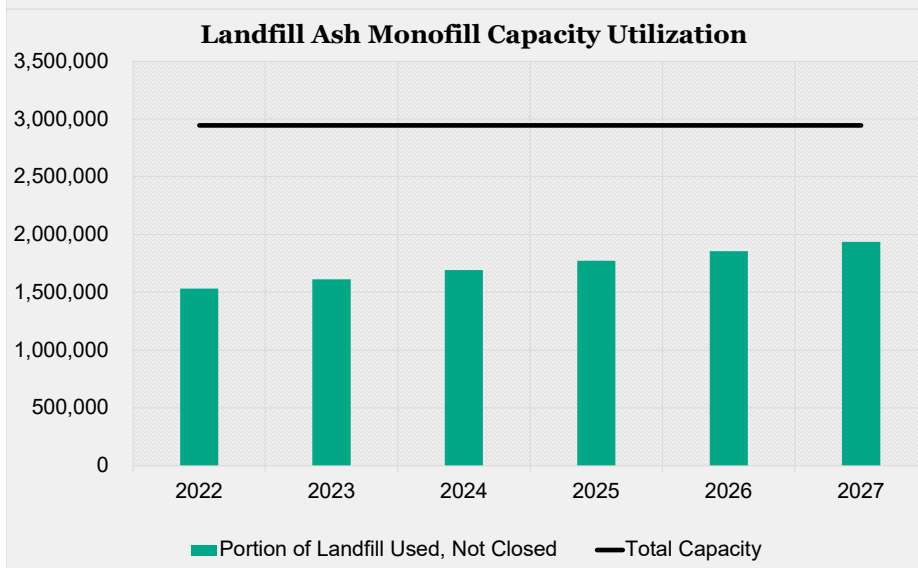
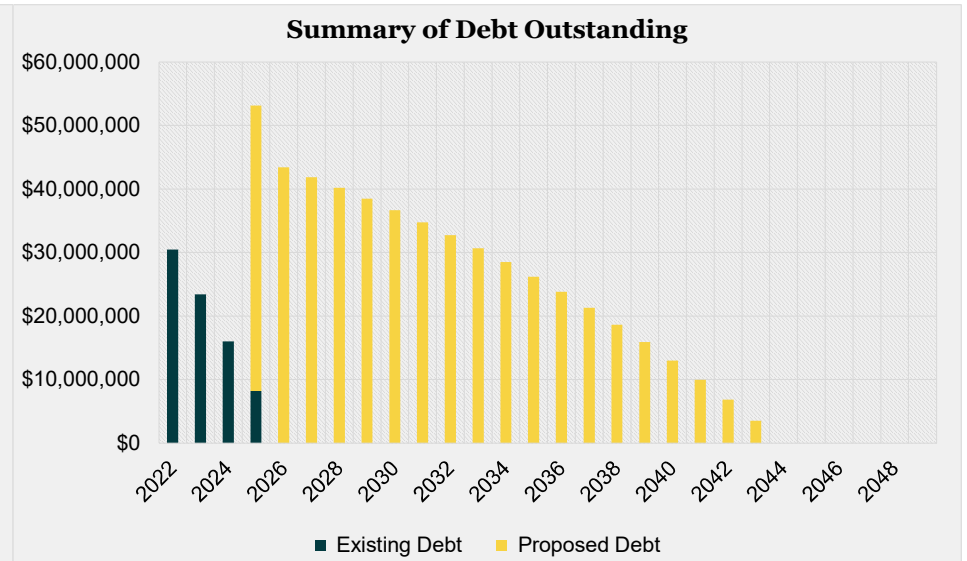
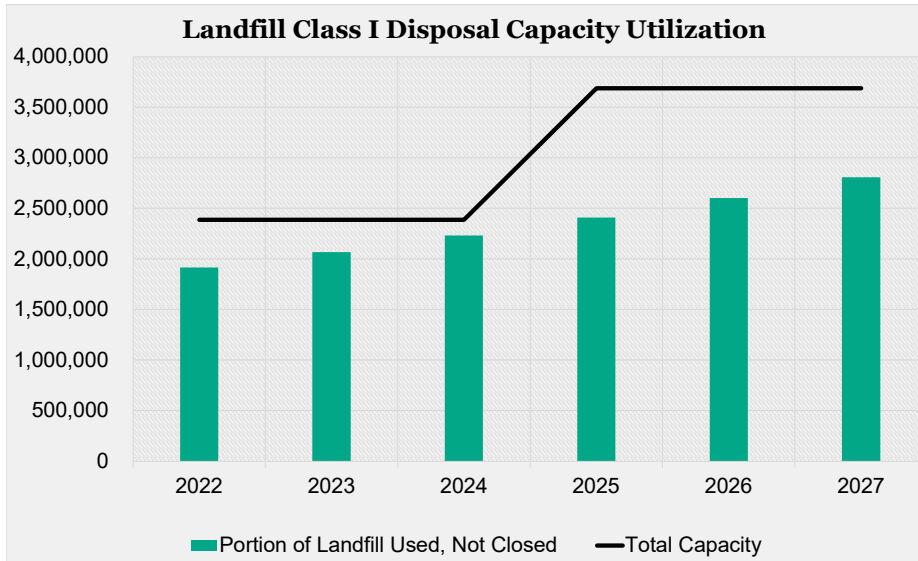


# Lee County, Florida

## Solid Waste System

### Table ES-1

Projected Rate Revenue Adjustments Above Adopted						
	Above Adopted			Identified		
	2022	2023	2024	2025	2026	2027
Disposal	0.0%	0.0%	5.0%	5.0%	4.0%	4.0%
Collection	0.0%	0.0%	28.3%	8.5%	1.8%	1.9%



**Table 1**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

### Historical and Projected Assessed Residential Customer Billing Units and Tonnage Statistics

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Residential Collection and Disposal Assessment Units:												
Area 1 - Bonita/Ft. Myers Beach												
1	Single Family	2.20%	2.12%	2.44%	2.04%	1.55%	1.50%	1.47%	1.44%	1.41%	1.15%	1.14%
2	Units - Beginning Units	24,861	25,408	25,947	26,581	27,122	27,542	27,955	28,365	28,773	29,178	29,515
3	Units - Growth (Total)	547	539	634	541	420	413	410	408	405	337	335
4	Units - Ending Units	25,408	25,947	26,581	27,122	27,542	27,955	28,365	28,773	29,178	29,515	29,850
5	Average Units	25,135	25,678	26,264	26,852	27,332	27,749	28,160	28,569	28,976	29,347	29,683
6	MSW Tons	18,050	19,159	21,370	20,763	24,081	33,021	33,510	33,997	34,481	34,922	35,322
7	Tons per Unit	0.72	0.75	0.81	0.77	0.88	1.19	1.19	1.19	1.19	1.19	1.19
8	Yard Waste Tons	4,890	4,748	4,579	4,985	4,104	4,440	4,506	4,571	4,636	4,695	4,749
9	Tons per Unit	0.19	0.18	0.17	0.19	0.15	0.16	0.16	0.16	0.16	0.16	0.16
10	Recycling Tons	8,923	8,894	8,942	9,821	9,213	9,157	9,293	9,428	9,562	9,684	9,795
11	Tons per Unit	0.36	0.35	0.34	0.37	0.34	0.33	0.33	0.33	0.33	0.33	0.33
Area 2 - SFM - West/Iona-McGregor/Captiva												
12	Single Family	1.26%	1.15%	1.00%	0.79%	0.45%	0.35%	0.34%	0.34%	0.33%	0.27%	0.27%
13	Units - Beginning Units	24,636	24,947	25,234	25,486	25,687	25,803	25,893	25,982	26,069	26,155	26,225
14	Units - Growth (Total)	311	287	252	201	116	90	89	87	86	70	70
15	Units - Ending Units	24,947	25,234	25,486	25,687	25,803	25,893	25,982	26,069	26,155	26,225	26,295
16	Units - Average	24,792	25,091	25,360	25,587	25,745	25,848	25,938	26,026	26,112	26,190	26,260
17	MSW Tons	21,571	21,740	21,712	22,627	25,982	20,161	20,416	20,485	20,553	20,615	20,670
18	Tons per Unit	0.87	0.87	0.86	0.88	1.01	0.78	0.79	0.79	0.79	0.79	0.79
19	Yard Waste Tons	7,818	7,412	7,033	7,755	6,533	6,462	6,484	6,506	6,528	6,548	6,565
20	Tons per Unit	0.32	0.30	0.28	0.30	0.25	0.25	0.25	0.25	0.25	0.25	0.25
21	Recycling Tons	8,760	8,718	8,320	9,749	9,615	8,271	8,300	8,328	8,356	8,381	8,403
22	Tons per Unit	0.35	0.35	0.33	0.38	0.37	0.32	0.32	0.32	0.32	0.32	0.32
Area 3 - SFM - East/San Carlos												
23	Single Family	1.30%	1.70%	1.94%	2.46%	2.67%	2.65%	2.34%	2.05%	1.75%	1.19%	0.92%
24	Units - Beginning Units	42,510	43,062	43,796	44,647	45,745	46,968	48,213	49,343	50,352	51,235	51,844
25	Units - Growth (Total)	552	734	851	1,098	1,223	1,245	1,130	1,009	883	609	476
26	Units - Ending Units	43,062	43,796	44,647	45,745	46,968	48,213	49,343	50,352	51,235	51,844	52,320
27	Units - Average	42,786	43,429	44,222	45,196	46,357	47,591	48,778	49,848	50,794	51,540	52,082
28	MSW Tons	33,208	33,091	34,661	38,033	41,633	42,831	43,900	44,863	45,714	46,386	46,874
29	Tons per Unit	0.78	0.76	0.78	0.84	0.90	0.90	0.90	0.90	0.90	0.90	0.90
30	Yard Waste Tons	8,368	9,310	6,756	7,495	6,912	8,090	8,292	8,474	8,635	8,762	8,854
31	Tons per Unit	0.20	0.21	0.15	0.17	0.15	0.17	0.17	0.17	0.17	0.17	0.17
32	Recycling Tons	12,497	12,569	12,888	13,245	13,683	13,325	13,658	13,957	14,222	14,431	14,583
33	Tons per Unit	0.29	0.29	0.29	0.29	0.30	0.28	0.28	0.28	0.28	0.28	0.28
Area 4 - East/Lehigh/Alva												
34	Single Family	1.32%	1.40%	2.37%	2.67%	2.82%	3.55%	3.33%	3.11%	2.89%	2.22%	2.04%
35	Units - Beginning Units	47,228	47,852	48,524	49,672	50,996	52,434	54,295	56,100	57,843	59,517	60,839
36	Units - Growth (Total)	624	672	1,148	1,324	1,438	1,861	1,805	1,743	1,674	1,322	1,238
37	Units - Ending Units	47,852	48,524	49,672	50,996	52,434	54,295	56,100	57,843	59,517	60,839	62,077
38	Units - Average	47,540	48,188	49,098	50,334	51,715	53,365	55,198	56,972	58,680	60,178	61,458
39	MSW Tons	52,548	60,557	57,389	63,836	66,004	73,109	75,621	78,051	80,392	82,444	84,197
40	Tons per Unit	1.11	1.26	1.17	1.27	1.28	1.37	1.37	1.37	1.37	1.37	1.37
41	Yard Waste Tons	9,468	8,161	7,266	7,437	7,044	7,471	8,280	8,546	8,802	9,027	9,219
42	Tons per Unit	0.20	0.17	0.15	0.15	0.14	0.14	0.15	0.15	0.15	0.15	0.15
43	Recycling Tons	11,436	11,835	12,025	11,226	13,078	13,341	13,799	14,243	14,670	15,045	15,365
44	Tons per Unit	0.24	0.25	0.24	0.22	0.25	0.25	0.25	0.25	0.25	0.25	0.25



**Table 1**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Assessed Residential Customer Billing Units and Tonnage Statistics**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Residential Collection and Disposal Assessment Units:												
Area 5 - Pine Island/NFM												
45	Single Family	0.51%	0.37%	0.78%	0.68%	1.51%	2.30%	2.18%	2.06%	1.94%	1.51%	1.42%
46	Units - Beginning Units	22,143	22,256	22,338	22,513	22,666	23,008	23,537	24,049	24,544	25,020	25,399
47	Units - Growth (Total)	113	82	175	153	342	529	512	495	476	379	359
48	Units - Ending Units	22,256	22,338	22,513	22,666	23,008	23,537	24,049	24,544	25,020	25,399	25,758
49	Units - Average	22,200	22,297	22,426	22,590	22,837	23,273	23,793	24,297	24,782	25,210	25,579
50	MSW Tons	22,704	22,497	24,689	26,125	28,205	28,858	29,503	30,128	30,730	31,260	31,717
51	Tons per Unit	1.02	1.01	1.10	1.16	1.24	1.24	1.24	1.24	1.24	1.24	1.24
52	Yard Waste Tons	9,787	8,089	7,857	7,687	7,610	6,284	6,424	6,560	6,691	6,807	6,906
53	Tons per Unit	0.44	0.36	0.35	0.34	0.33	0.27	0.27	0.27	0.27	0.27	0.27
54	Recycling Tons	7,027	6,708	6,195	6,069	6,153	7,447	7,614	7,775	7,930	8,067	8,185
55	Tons per Unit	0.32	0.30	0.28	0.27	0.27	0.32	0.32	0.32	0.32	0.32	0.32
Area 6 - Boca Grande [1]												
56	Single Family	0.32%	0.48%	0.48%	0.16%	0.24%	0.24%	0.23%	0.23%	0.22%	0.18%	0.18%
57	Units - Beginning Units	1,248	1,252	1,258	1,264	1,266	1,269	1,272	1,275	1,278	1,281	1,283
58	Units - Growth (Total)	4	6	6	2	3	3	3	3	3	2	2
59	Units - Ending Units	1,252	1,258	1,264	1,266	1,269	1,272	1,275	1,278	1,281	1,283	1,285
60	Units - Average	1,250	1,255	1,261	1,265	1,268	1,271	1,274	1,277	1,280	1,282	1,284
61	MSW Tons	1,000	1,004	1,009	1,012	1,014	1,016	1,019	1,021	1,024	1,026	1,027
62	Tons per Unit	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
63	Yard Waste Tons	125	126	126	127	127	127	127	128	128	128	128
64	Tons per Unit	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
65	Recycling Tons	125	126	126	127	127	127	127	128	128	128	128
66	Tons per Unit	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Total Collection Assessments												
67	Units - Beginning Units	162,626	164,777	167,097	170,163	173,482	177,024	181,165	185,114	188,859	192,386	195,105
68	Units - Growth (Total)	2,151	2,320	3,066	3,319	3,542	4,141	3,949	3,745	3,527	2,719	2,480
69	Units - Ending Units	164,777	167,097	170,163	173,482	177,024	181,165	185,114	188,859	192,386	195,105	197,585
70	Units - Average	163,702	165,937	168,630	171,823	175,253	179,095	183,140	186,987	190,623	193,746	196,345
71	MSW Tons	149,081	158,048	160,829	172,397	186,918	198,997	203,969	208,545	212,893	216,652	219,808
72	Tons per Unit	0.91	0.95	0.95	1.00	1.07	1.11	1.11	1.12	1.12	1.12	1.12
73	Yard Waste Tons	40,455	37,846	33,618	35,487	32,329	32,874	34,113	34,785	35,420	35,966	36,421
74	Tons per Unit	0.25	0.23	0.20	0.21	0.18	0.18	0.19	0.19	0.19	0.19	0.19
75	Recycling Tons	48,767	48,850	48,496	50,237	51,869	51,669	52,791	53,859	54,868	55,736	56,459
76	Tons per Unit	0.30	0.29	0.29	0.29	0.30	0.29	0.29	0.29	0.29	0.29	0.29

**Footnote:**

[1] Area 6 represents a small barrier island community within the north western portion of Lee County's jurisdictional boundaries, however, due to lack of direct access to the County and the area's proximity to Charlotte County, such disposal service is provided by Charlotte County.

**Table 2**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

### Historical and Projected Disposal Facility Assessment Customer Billing Statistics [1]

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b><u>Disposal Facility Assessment Units:</u></b>												
<b><u>Area 1 - Bonita/Ft. Myers Beach</u></b>												
1	Single Family	2.20%	2.12%	2.44%	2.04%	1.55%	1.50%	1.47%	1.44%	1.41%	1.15%	1.14%
2	Units - Beginning Units	24,861	25,408	25,947	26,581	27,122	27,542	27,955	28,365	28,773	29,178	29,515
3	Units - Growth (Total)	547	539	634	541	420	413	410	408	405	337	335
4	Units - Ending Units	25,408	25,947	26,581	27,122	27,542	27,955	28,365	28,773	29,178	29,515	29,850
5	Units - Average	25,135	25,678	26,264	26,852	27,332	27,749	28,160	28,569	28,976	29,347	29,683
6	Multi-family	1.44%	1.07%	1.13%	0.86%	1.59%	0.63%	0.62%	0.61%	0.60%	0.49%	0.48%
7	Units - Beginning Units	18,570	18,837	19,038	19,253	19,418	19,726	19,851	19,974	20,096	20,215	20,314
8	Units - Growth (Total)	267	201	215	165	308	125	123	121	120	99	98
9	Units - Ending Units	18,837	19,038	19,253	19,418	19,726	19,851	19,974	20,096	20,215	20,314	20,411
10	Units - Average	18,704	18,938	19,146	19,336	19,572	19,789	19,913	20,035	20,155	20,265	20,363
11	Commercial	3.52%	-0.19%	2.50%	3.49%	2.62%	1.36%	1.33%	1.31%	1.28%	1.05%	1.03%
12	Units - Beginning Units (sqft)	13,064,110	13,523,567	13,497,785	13,835,163	14,317,797	14,693,365	14,893,693	15,092,477	15,289,761	15,485,586	15,648,124
13	Units - Growth (Total)	459,457	(25,782)	337,378	482,634	375,568	200,328	198,784	197,284	195,825	162,538	161,557
14	Units - Ending Units (sqft)	13,523,567	13,497,785	13,835,163	14,317,797	14,693,365	14,893,693	15,092,477	15,289,761	15,485,586	15,648,124	15,809,682
15	Units - Average (sqft)	13,293,839	13,510,676	13,666,474	14,076,480	14,505,581	14,793,529	14,993,085	15,191,119	15,387,674	15,566,855	15,728,903
16	RV Parks	0.00%	1.11%	-2.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Units - Beginning Units	1,078	1,078	1,090	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
18	Units - Growth (Total)	-	12	(32)	-	-	-	-	-	-	-	-
19	Units - Ending Units	1,078	1,090	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
20	Units - Average	1,078	1,084	1,074	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
<b><u>Area 2 - SFM - West/Iona-McGregor/Captiva</u></b>												
21	Single Family	1.26%	1.15%	1.00%	0.79%	0.45%	0.35%	0.34%	0.33%	0.33%	0.27%	0.27%
22	Units - Beginning Units	24,636	24,947	25,234	25,486	25,687	25,803	25,893	25,982	26,069	26,155	26,225
23	Units - Growth (Total)	311	287	252	201	116	90	89	87	86	70	70
24	Units - Ending Units	24,947	25,234	25,486	25,687	25,803	25,893	25,982	26,069	26,155	26,225	26,295
25	Units - Average	24,792	25,091	25,360	25,587	25,745	25,848	25,938	26,026	26,112	26,190	26,260
26	Multi-family	1.38%	0.30%	0.90%	0.14%	-0.01%	0.48%	0.47%	0.46%	0.45%	0.37%	0.37%
27	Units - Beginning Units	27,745	28,129	28,214	28,469	28,509	28,505	28,643	28,778	28,912	29,043	29,151
28	Units - Growth (Total)	384	85	255	40	(4)	138	136	133	131	108	107
29	Units - Ending Units	28,129	28,214	28,469	28,509	28,505	28,643	28,778	28,912	29,043	29,151	29,258
30	Units - Average	27,937	28,172	28,342	28,489	28,507	28,574	28,711	28,845	28,977	29,097	29,205
31	Commercial	3.41%	0.31%	0.72%	0.91%	1.85%	0.36%	0.36%	0.35%	0.34%	0.28%	0.28%
32	Units - Beginning Units (sqft)	17,650,050	18,252,562	18,308,300	18,440,687	18,607,596	18,951,460	19,020,503	19,088,340	19,155,014	19,220,570	19,274,478
33	Units - Growth (Total)	602,512	55,738	132,387	166,909	343,864	69,043	67,836	66,675	65,556	53,908	53,175
34	Units - Ending Units (sqft)	18,252,562	18,308,300	18,440,687	18,607,596	18,951,460	19,020,503	19,088,340	19,155,014	19,220,570	19,274,478	19,327,653
35	Units - Average (sqft)	17,951,306	18,280,431	18,374,494	18,524,142	18,779,528	18,985,982	19,054,422	19,121,677	19,187,792	19,247,524	19,301,066
36	RV Parks	0.33%	0.04%	-1.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37	Units - Beginning Units	2,729	2,738	2,739	2,699	2,699	2,699	2,699	2,699	2,699	2,699	2,699
38	Units - Growth (Total)	9	1	(40)	-	-	-	-	-	-	-	-
39	Units - Ending Units	2,738	2,739	2,699	2,699	2,699	2,699	2,699	2,699	2,699	2,699	2,699
40	Units - Average	2,734	2,739	2,719	2,699	2,699	2,699	2,699	2,699	2,699	2,699	2,699

**Table 2**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

### Historical and Projected Disposal Facility Assessment Customer Billing Statistics [1]

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Disposal Facility Assessment Units:</b>												
<u>Area 3 - SFM - East/San Carlos</u>												
41	Single Family	1.30%	1.70%	1.94%	2.46%	2.67%	2.65%	2.34%	2.04%	1.75%	1.19%	0.92%
42	Units - Beginning Units	42,510	43,062	43,796	44,647	45,745	46,968	48,213	49,343	50,352	51,235	51,844
43	Units - Growth (Total)	552	734	851	1,098	1,223	1,245	1,130	1,009	883	609	476
44	Units - Ending Units	43,062	43,796	44,647	45,745	46,968	48,213	49,343	50,352	51,235	51,844	52,320
45	Units - Average	42,786	43,429	44,222	45,196	46,357	47,591	48,778	49,848	50,794	51,540	52,082
46	Multi-family	3.00%	3.18%	1.74%	-0.01%	3.48%	1.62%	1.58%	1.55%	1.52%	1.24%	1.22%
47	Units - Beginning Units	18,237	18,785	19,383	19,720	19,718	20,404	20,734	21,062	21,388	21,712	21,982
48	Units - Growth (Total)	548	598	337	(2)	686	330	328	326	325	270	269
49	Units - Ending Units	18,785	19,383	19,720	19,718	20,404	20,734	21,062	21,388	21,712	21,982	22,251
50	Units - Average	18,511	19,084	19,552	19,719	20,061	20,569	20,898	21,225	21,550	21,847	22,117
51	Commercial	10.98%	0.85%	1.92%	3.61%	1.52%	1.97%	1.93%	1.89%	1.85%	1.51%	1.49%
52	Units - Beginning Units (sqft)	43,460,643	48,234,134	48,644,267	49,579,979	51,371,749	52,154,876	53,180,561	54,204,401	55,226,435	56,246,705	57,098,281
53	Units - Growth (Total)	4,773,491	410,133	935,712	1,791,770	783,127	1,025,685	1,023,839	1,022,035	1,020,269	851,576	850,329
54	Units - Ending Units (sqft)	48,234,134	48,644,267	49,579,979	51,371,749	52,154,876	53,180,561	54,204,401	55,226,435	56,246,705	57,098,281	57,948,610
55	Units - Average (sqft)	45,847,389	48,439,201	49,112,123	50,475,864	51,763,313	52,667,719	53,692,481	54,715,418	55,736,570	56,672,493	57,523,445
56	RV Parks	-0.29%	1.16%	-5.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
57	Units - Beginning Units	347	346	350	331	331	331	331	331	331	331	331
58	Units - Growth (Total)	(1)	4	(19)	-	-	-	-	-	-	-	-
59	Units - Ending Units	346	350	331	331	331	331	331	331	331	331	331
60	Units - Average	347	348	341	331	331	331	331	331	331	331	331
<u>Area 4 - East/Lehigh/Alva</u>												
61	Single Family	1.32%	1.40%	2.37%	2.67%	2.82%	3.55%	3.32%	3.11%	2.89%	2.22%	2.03%
62	Units - Beginning Units	47,228	47,852	48,524	49,672	50,996	52,434	54,295	56,100	57,843	59,517	60,839
63	Units - Growth (Total)	624	672	1,148	1,324	1,438	1,861	1,805	1,743	1,674	1,322	1,238
64	Units - Ending Units	47,852	48,524	49,672	50,996	52,434	54,295	56,100	57,843	59,517	60,839	62,077
65	Units - Average	47,540	48,188	49,098	50,334	51,715	53,365	55,198	56,972	58,680	60,178	61,458
66	Multi-family	0.22%	-0.26%	1.09%	0.00%	-0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
67	Units - Beginning Units	3,113	3,120	3,112	3,146	3,146	3,144	3,144	3,144	3,144	3,144	3,144
68	Units - Growth (Total)	7	(8)	34	-	(2)	-	-	-	-	-	-
69	Units - Ending Units	3,120	3,112	3,146	3,146	3,144	3,144	3,144	3,144	3,144	3,144	3,144
70	Units - Average	3,117	3,116	3,129	3,146	3,145	3,144	3,144	3,144	3,144	3,144	3,144
71	Commercial	-0.46%	1.60%	0.62%	2.09%	-0.10%	1.24%	1.21%	1.19%	1.16%	0.95%	0.94%
72	Units - Beginning Units (sqft)	13,871,344	13,807,965	14,029,558	14,116,413	14,411,368	14,396,973	14,575,360	14,752,155	14,927,405	15,101,154	15,245,203
73	Units - Growth (Total)	(63,379)	221,593	86,855	294,955	(14,395)	178,387	176,795	175,250	173,750	144,048	143,044
74	Units - Ending Units (sqft)	13,807,965	14,029,558	14,116,413	14,411,368	14,396,973	14,575,360	14,752,155	14,927,405	15,101,154	15,245,203	15,388,247
75	Units - Average (sqft)	13,839,655	13,918,762	14,072,986	14,263,891	14,404,171	14,486,166	14,663,757	14,839,780	15,014,280	15,173,179	15,316,725
76	RV Parks	6.19%	0.00%	18.41%	-0.20%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
77	Units - Beginning Units	808	858	858	1,016	1,014	1,015	1,015	1,015	1,015	1,015	1,015
78	Units - Growth (Total)	50	-	158	(2)	1	-	-	-	-	-	-
79	Units - Ending Units	858	858	1,016	1,014	1,015	1,015	1,015	1,015	1,015	1,015	1,015
80	Units - Average	833	858	937	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015

**Table 2**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Disposal Facility Assessment Customer Billing Statistics [1]**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b><u>Disposal Facility Assessment Units:</u></b>												
<b><u>Area 5 - Pine Island/NFM</u></b>												
81	Single Family	0.51%	0.37%	0.78%	0.68%	1.51%	2.30%	2.18%	2.06%	1.94%	1.51%	1.41%
82	Units - Beginning Units	22,143	22,256	22,338	22,513	22,666	23,008	23,537	24,049	24,544	25,020	25,399
83	Units - Growth (Total)	113	82	175	153	342	529	512	495	476	379	359
84	Units - Ending Units	22,256	22,338	22,513	22,666	23,008	23,537	24,049	24,544	25,020	25,399	25,758
85	Units - Average	22,200	22,297	22,426	22,590	22,837	23,273	23,793	24,297	24,782	25,210	25,579
86	Multi-family	-0.01%	0.54%	0.17%	-0.54%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
87	Units - Beginning Units	19,213	19,212	19,316	19,348	19,243	19,246	19,246	19,246	19,246	19,246	19,246
88	Units - Growth (Total)	(1)	104	32	(105)	3	-	-	-	-	-	-
89	Units - Ending Units	19,212	19,316	19,348	19,243	19,246	19,246	19,246	19,246	19,246	19,246	19,246
90	Units - Average	19,213	19,264	19,332	19,296	19,245	19,246	19,246	19,246	19,246	19,246	19,246
91	Commercial	1.40%	0.11%	0.36%	-0.50%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
92	Units - Beginning Units (sqft)	10,497,698	10,644,493	10,656,024	10,694,138	10,640,328	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191
93	Units - Growth (Total)	146,795	11,531	38,114	(53,810)	47,863	-	-	-	-	-	-
94	Units - Ending Units (sqft)	10,644,493	10,656,024	10,694,138	10,640,328	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191
95	Units - Average (sqft)	10,571,096	10,650,259	10,675,081	10,667,233	10,664,260	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191	10,688,191
96	RV Parks	0.05%	0.10%	-1.71%	-6.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
97	Units - Beginning Units	1,985	1,986	1,988	1,954	1,819	1,819	1,819	1,819	1,819	1,819	1,819
98	Units - Growth (Total)	1	2	(34)	(135)	-	-	-	-	-	-	-
99	Units - Ending Units	1,986	1,988	1,954	1,819	1,819	1,819	1,819	1,819	1,819	1,819	1,819
100	Units - Average	1,986	1,987	1,971	1,887	1,819	1,819	1,819	1,819	1,819	1,819	1,819
<b><u>Area 6 - Boca Grande</u></b>												
101	Single Family	0.32%	0.48%	0.48%	0.16%	0.24%	0.24%	0.24%	0.24%	0.23%	0.16%	0.16%
102	Units - Beginning Units	1,248	1,252	1,258	1,264	1,266	1,269	1,272	1,275	1,278	1,281	1,283
103	Units - Growth (Total)	4	6	6	2	3	3	3	3	3	2	2
104	Units - Ending Units	1,252	1,258	1,264	1,266	1,269	1,272	1,275	1,278	1,281	1,283	1,285
105	Units - Average	1,250	1,255	1,261	1,265	1,268	1,271	1,274	1,277	1,280	1,282	1,284
<b><u>Area 7 - Outer Islands</u></b>												
106	Single Family	0.79%	0.39%	2.92%	0.00%	1.32%	0.25%	0.24%	0.24%	0.23%	0.19%	0.19%
107	Units - Beginning Units	508	512	514	529	529	536	537	539	540	541	542
108	Units - Growth (Total)	4	2	15	-	7	1	1	1	1	1	1
109	Units - Ending Units	512	514	529	529	536	537	539	540	541	542	543
110	Units - Average	510	513	522	529	533	537	538	539	541	542	543
111	Commercial	0.76%	0.39%	1.25%	0.10%	0.00%	0.13%	0.12%	0.12%	0.12%	0.10%	0.09%
112	Units - Beginning Units (sqft)	54,178	54,590	54,802	55,486	55,543	55,543	55,612	55,680	55,747	55,813	55,866
113	Units - Growth (Total)	412	212	684	57	-	69	68	67	65	54	53
114	Units - Ending Units (sqft)	54,590	54,802	55,486	55,543	55,543	55,612	55,680	55,747	55,813	55,866	55,919
115	Units - Average (sqft)	54,384	54,696	55,144	55,515	55,543	55,578	55,646	55,714	55,780	55,840	55,893

**Table 2**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

### Historical and Projected Disposal Facility Assessment Customer Billing Statistics [1]

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b><u>Disposal Facility Assessment Units:</u></b>												
<b><u>Area 9 - Ft. Myers</u></b>												
116	Single Family	4.95%	3.64%	4.03%	4.37%	2.96%	4.10%	4.01%	3.93%	3.85%	3.16%	3.10%
117	Units - Beginning Units	19,087	20,031	20,761	21,597	22,540	23,208	24,159	25,128	26,116	27,121	27,977
118	Units - Growth (Total)	944	730	836	943	668	951	969	987	1,005	856	868
119	Units - Ending Units	20,031	20,761	21,597	22,540	23,208	24,159	25,128	26,116	27,121	27,977	28,845
120	Units - Average	19,559	20,396	21,179	22,069	22,874	23,684	24,644	25,622	26,618	27,549	28,411
121	Multi-family	0.03%	2.13%	3.67%	8.10%	0.62%	1.91%	1.87%	1.83%	1.79%	1.47%	1.45%
122	Units - Beginning Units	18,309	18,314	18,705	19,391	20,961	21,090	21,493	21,895	22,296	22,696	23,029
123	Units - Growth (Total)	5	391	686	1,570	129	403	402	401	400	334	333
124	Units - Ending Units	18,314	18,705	19,391	20,961	21,090	21,493	21,895	22,296	22,696	23,029	23,363
125	Units - Average	18,312	18,510	19,048	20,176	21,026	21,291	21,694	22,095	22,496	22,863	23,196
126	Commercial	0.41%	1.15%	0.64%	2.89%	0.97%	0.91%	0.89%	0.87%	0.85%	0.70%	0.69%
127	Units - Beginning Units (sqft)	38,301,761	38,459,942	38,902,709	39,150,934	40,282,189	40,671,732	41,041,785	41,407,345	41,768,556	42,125,557	42,420,627
128	Units - Growth (Total)	158,181	442,767	248,225	1,131,255	389,543	370,053	365,559	361,211	357,001	295,070	292,276
129	Units - Ending Units (sqft)	38,459,942	38,902,709	39,150,934	40,282,189	40,671,732	41,041,785	41,407,345	41,768,556	42,125,557	42,420,627	42,712,903
130	Units - Average (sqft)	38,380,852	38,681,326	39,026,822	39,716,562	40,476,961	40,856,759	41,224,565	41,587,950	41,947,056	42,273,092	42,566,765
131	RV Parks	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
132	Units - Beginning Units	104	104	104	104	104	104	104	104	104	104	104
133	Units - Growth (Total)	-	-	-	-	-	-	-	-	-	-	-
134	Units - Ending Units	104	104	104	104	104	104	104	104	104	104	104
135	Units - Average	104	104	104	104	104	104	104	104	104	104	104
<b><u>Area 10 - Sanibel</u></b>												
136	Single Family	0.76%	0.27%	0.27%	0.39%	0.51%	0.37%	0.36%	0.36%	0.35%	0.29%	0.28%
137	Units - Beginning Units	4,064	4,095	4,106	4,117	4,133	4,154	4,169	4,185	4,200	4,214	4,226
138	Units - Growth (Total)	31	11	11	16	21	15	15	15	15	12	12
139	Units - Ending Units	4,095	4,106	4,117	4,133	4,154	4,169	4,185	4,200	4,214	4,226	4,238
140	Units - Average	4,080	4,101	4,112	4,125	4,144	4,162	4,177	4,192	4,207	4,220	4,232
141	Multi-family	0.00%	0.00%	0.13%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
142	Units - Beginning Units	3,762	3,762	3,762	3,767	3,768	3,768	3,768	3,768	3,768	3,768	3,768
143	Units - Growth (Total)	-	-	5	1	-	-	-	-	-	-	-
144	Units - Ending Units	3,762	3,762	3,767	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768
145	Units - Average	3,762	3,762	3,765	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768
146	Commercial	0.36%	0.88%	0.36%	1.70%	-0.64%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
147	Units - Beginning Units (sqft)	1,725,999	1,732,286	1,747,520	1,753,832	1,783,638	1,772,310	1,772,987	1,773,664	1,774,342	1,775,020	1,775,698
148	Units - Growth (Total)	6,287	15,234	6,312	29,806	(11,328)	677	677	678	678	678	678
149	Units - Ending Units (sqft)	1,732,286	1,747,520	1,753,832	1,783,638	1,772,310	1,772,987	1,773,664	1,774,342	1,775,020	1,775,698	1,776,376
150	Units - Average (sqft)	1,729,143	1,739,903	1,750,676	1,768,735	1,777,974	1,772,649	1,773,326	1,774,003	1,774,681	1,775,359	1,776,037
151	RV Parks	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
152	Units - Beginning Units	85	85	85	85	85	85	85	85	85	85	85
153	Units - Growth (Total)	-	-	-	-	-	-	-	-	-	-	-
154	Units - Ending Units	85	85	85	85	85	85	85	85	85	85	85
155	Units - Average	85	85	85	85	85	85	85	85	85	85	85



**Table 2**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Disposal Facility Assessment Customer Billing Statistics [1]**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Average Disposal Facility Assessment											
156	Single Family	187,850	190,947	194,442	198,545	202,803	207,476	212,498	217,340	221,988	226,057	229,531
157	Multi Family	109,554	110,845	112,312	113,929	115,323	116,381	117,373	118,358	119,337	120,230	121,038
158	Commercial - Sq. Ft.	141,667,661	145,275,252	146,733,799	149,548,420	152,427,329	154,306,572	156,145,473	157,973,852	159,792,023	161,452,532	162,957,024
159	RV Parks	7,166	7,205	7,231	7,179	7,111	7,111	7,111	7,111	7,111	7,111	7,111

**Footnote:**

- [1] Historical amounts shown are derived from franchise statistical reports, tax roll and other information provided by Department staff. It should be noted that statistics for the City of Cape Coral representing approximately 80,900 residential units and Hendry County customers representing approximately 14,850 residential units as reported per the 2018 U.S. Census estimates are not shown since such customers are not assessed the disposal facility assessment via non-ad valorem assessment, but instead are charged the disposal facility assessment fee by MSTU and tipping fee, respectively.

**Table 3**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Type of Waste [1]**

Line No.	Description	Fiscal Year Ending September 30,										
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
MSW WASTE FLOWS:												
Inbound MSW												
Residential Assessed (Areas 1 - 5 ) [2]												
1	Delivered Waste Growth	7.20%	6.05%	1.77%	7.24%	8.47%	6.50%	2.51%	2.25%	2.09%	1.77%	1.46%
2	Delivered Waste Tons	148,081	157,044	159,820	171,385	185,904	197,981	202,950	207,524	211,870	215,626	218,780
3	Residential Assessed Units	162,452	164,682	167,369	170,558	173,986	177,824	181,866	185,710	189,343	192,464	195,061
4	Tons Disposed per Unit	0.91	0.95	0.95	1.00	1.07	1.11	1.12	1.12	1.12	1.12	1.12
5	Assessed Waste Growth	1.28%	7.71%	7.61%	1.91%	2.01%	13.56%	2.27%	2.11%	1.96%	1.65%	1.35%
6	Assessed Waste Tons	129,961	139,980	150,632	153,502	156,587	177,824	181,866	185,710	189,343	192,464	195,061
7	Residential Assessed Units	162,452	164,682	167,369	170,558	173,986	177,824	181,866	185,710	189,343	192,464	195,061
8	Tons Assessed per Unit	0.80	0.85	0.90	0.90	0.90	1.00	1.00	1.00	1.00	1.00	1.00
9	Growth	0.89%	3.23%	(3.68%)	(5.23%)	8.12%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
10	Commercial / Multi-Family - Delivered	162,990	168,251	162,055	153,580	166,049	168,706	171,405	174,147	176,933	179,764	182,640
11	Growth	0.85%	7.42%	(1.58%)	(4.86%)	4.58%	1.11%	1.12%	1.12%	1.13%	1.13%	1.14%
12	Commercial / Multi-Family - Charged	227,098	243,955	240,100	228,434	238,894	241,550	244,249	246,991	249,777	252,608	255,484
13	Growth	4.53%	5.16%	(0.18%)	(0.92%)	14.29%	25.00%	(20.00%)	1.60%	1.60%	1.60%	1.60%
14	Municipalities (Cape Coral, Fort Myers, Sanibel)	149,336	157,037	156,760	155,319	177,514	221,893	177,514	180,354	183,240	186,172	189,151
15	Growth	4.97%	8.46%	0.86%	2.90%	4.67%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
16	Hendry County	33,531	36,366	36,678	37,744	39,505	40,295	41,101	41,923	42,761	43,616	44,488
17	Growth	-4.54%	-20.66%	-10.81%	-1.03%	-4.86%	0.00%	0.00%	0.00%	0.00%	171.75%	0.00%
18	Miscellaneous Customers	63,072	50,040	44,630	44,172	42,026	42,026	42,026	42,026	42,026	42,026	42,026
19	Total Garbage / MSW Processed - Growth Tons	16,444	11,729	(8,796)	2,257	48,799	59,903	(35,905)	10,978	10,856	10,374	9,881
20	Total Garbage / MSW Processed - Delivered Tons	557,010	568,739	559,943	562,199	610,998	670,901	634,996	645,974	656,830	667,204	677,085
21	Total Garbage / MSW Charged - Growth Tons	8,614	24,381	1,422	(9,630)	35,355	69,063	(36,832)	10,248	10,143	9,739	9,324
22	Total Garbage / MSW Charged - Delivered Tons	602,997	627,378	628,800	619,170	654,525	723,588	686,756	697,004	707,147	716,886	726,210

Footnotes on Page 5 of 5.

**Table 3**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Type of Waste [1]**

Line No.	Description	Fiscal Year Ending September 30,										
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
C&D / CLASS III WASTE FLOWS:												
Inbound C&D / Class III												
23	Growth	1.39%	157.67%	(22.83%)	(0.70%)	(19.57%)	(33.00%)	1.60%	1.60%	1.60%	1.60%	1.60%
24	Lee County C&D	58,566	150,911	116,464	115,647	93,011	62,317	63,314	64,327	65,356	66,402	67,464
25	Growth	0.00%	0.00%	0.00%	0.00%	0.00%	85.00%	1.60%	1.60%	1.60%	1.60%	1.60%
26	Shingles	-	-	-	-	17,156	31,739	32,247	32,763	33,287	33,820	34,361
27	Growth	19.54%	20.68%	(17.34%)	60.59%	6.29%	(33.00%)	1.60%	1.60%	1.60%	1.60%	1.60%
28	Hendry County C&D	5,856	7,068	5,842	9,381	9,972	6,681	6,788	6,897	7,007	7,119	7,233
29	Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Lee County > 30CY C&D	-	-	-	-	-	-	-	-	-	-	-
31	Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	Hendry County > 30CY C&D	-	-	-	-	-	-	-	-	-	-	-
33	Growth	40.53%	48.13%	44.92%	14.37%	9.37%	(33.00%)	1.60%	1.60%	1.60%	1.60%	1.60%
34	Class III	14,235	21,086	30,559	34,950	38,224	25,610	26,020	26,436	26,859	27,289	27,726
35	Total C&D / Class III Processed	78,658	179,064	152,865	159,978	158,363	126,347	128,369	130,423	132,509	134,630	136,784
HORTICULTURAL WASTE FLOWS:												
Inbound Yard Waste												
36	Growth	(7.15%)	(1.23%)	0.72%	9.48%	(17.36%)	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
37	Yard Waste - Municipal	34,342	33,920	34,165	37,404	30,910	31,404	31,906	32,416	32,935	33,462	33,997
Residential Assessed (Areas 1 - 5 ) [2]												
38	Delivered Waste Growth	-7.81%	-6.47%	-11.21%	5.58%	-8.93%	1.69%	3.78%	1.98%	1.83%	1.55%	1.27%
39	Delivered Waste Tons	40,330	37,720	33,492	35,360	32,203	32,747	33,986	34,657	35,292	35,838	36,293
40	Residential Assessed Units	162,452	164,682	167,369	170,558	173,986	177,824	181,866	185,710	189,343	192,464	195,061
41	Tons Disposed per Unit	0.25	0.23	0.20	0.21	0.19	0.18	0.19	0.19	0.19	0.19	0.19
42	Assessed Waste Growth	1.28%	9.82%	1.63%	1.91%	-16.16%	-15.57%	2.27%	2.11%	1.96%	1.65%	1.35%
43	Assessed Waste Tons	38,988	42,817	43,516	44,345	37,181	31,392	32,105	32,784	33,425	33,976	34,435
44	Residential Assessed Units	162,452	164,682	167,369	170,558	173,986	177,824	181,866	185,710	189,343	192,464	195,061
45	Tons Assessed per Unit	0.24	0.26	0.26	0.26	0.21	0.18	0.18	0.18	0.18	0.18	0.18
46	Growth	(5.28%)	78.54%	(18.93%)	31.08%	41.94%	(8.00%)	1.60%	1.60%	1.60%	1.60%	1.60%
47	Yard Waste - Commercial	20,471	36,550	29,631	38,841	55,133	50,722	51,534	52,359	53,197	54,048	54,913
48	Growth	5.03%	4.04%	(20.70%)	5.62%	(11.05%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
49	Yard Waste - Hendry	4,750	4,942	3,919	4,139	3,682	3,682	3,682	3,682	3,682	3,682	3,682
50	Total Yard Waste Processed	99,893	113,133	101,207	115,744	121,927	118,555	121,108	123,114	125,106	127,030	128,885
51	Total Yard Waste Billed	98,551	118,229	111,231	124,729	126,905	117,200	119,227	121,241	123,239	125,168	127,027

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**Table 3**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Type of Waste [1]**

Line No.	Description	Fiscal Year Ending September 30,									
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
SLUDGE WASTE FLOWS:											
	Inbound Sludge										
52	Growth	23.91%	(63.20%)	321.91%	(60.25%)	43.77%	1.60%	1.60%	1.60%	1.60%	1.60%
53	Sludge - Lee	7,383	2,717	11,462	4,556	6,551	6,656	6,762	6,870	6,980	7,092
54	Growth	0.00%	6.46%	0.00%	4.48%	33.73%	1.60%	1.60%	1.60%	1.60%	1.60%
55	Sludge - Lee County Utilities	12,462	13,268	13,268	13,862	18,537	18,834	19,135	19,441	19,752	20,068
56	Growth	(0.21%)	(10.30%)	16.94%	7.26%	14.67%	1.60%	1.60%	1.60%	1.60%	1.60%
57	Sludge - City of Fort Myers	25,108	22,521	26,337	28,250	32,393	32,911	33,438	33,973	34,517	35,069
58	Growth	(14.31%)	9.37%	0.00%	2.71%	5.17%	1.60%	1.60%	1.60%	1.60%	1.60%
59	Sludge - City of Cape Coral	12,118	13,254	13,254	13,612	14,315	14,544	14,777	15,013	15,253	15,497
60	Growth	(15.88%)	24.13%	26.54%	14.08%	(25.40%)	0.00%	0.00%	0.00%	0.00%	0.00%
61	Sludge - Hendry	704	874	1,106	1,262	941	941	941	941	941	941
62	Growth	(7.10%)	(1.93%)	0.24%	(17.36%)	(100.00%)	0.00%	0.00%	0.00%	0.00%	0.00%
63	Sludge - Collier	5,028	4,932	4,943	4,085	-	-	-	-	-	-
64	Total Sludge Processed	62,803	57,564	70,369	65,627	72,737	73,886	75,053	76,238	77,443	78,667
RESIDUE WASTE FLOWS:											
	Inbound Residues										
65	Growth	(0.04%)	39.51%	8.27%	(8.05%)	(2.39%)	3.64%	1.93%	1.84%	1.74%	1.56%
66	MRF Residues	12,832	17,902	19,382	17,821	17,395	18,028	18,376	18,713	19,040	19,337
67	Growth	34.72%	(89.55%)	(100.00%)	(100.00%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
68	Glass Residues	1,500	157	-	-	-	-	-	-	-	-
69	Total Residues Processed	14,332	18,059	19,382	17,821	17,395	18,028	18,376	18,713	19,040	19,337
OIL WASTE FLOWS:											
	Inbound Oil										
70	Growth	(8.79%)	(4.64%)	(16.10%)	39.29%	(24.36%)	0.00%	0.00%	0.00%	0.00%	0.00%
71	Oil Filters	6	5	4	6	5	5	5	5	5	5
72	Growth	(52.08%)	(45.24%)	(13.61%)	(24.38%)	(64.20%)	0.00%	0.00%	0.00%	0.00%	0.00%
73	Oily Waste	75	41	36	27	10	10	10	10	10	10
74	Total Oil Waste Processed	81	47	40	33	14	14	14	14	14	14
TIRE WASTE FLOWS:											
	Inbound Tires										
75	Growth	16.98%	21.68%	0.29%	(6.34%)	39.13%	1.60%	1.60%	1.60%	1.60%	1.60%
76	Tires - Lee	4,535	5,518	5,534	5,183	7,211	7,327	7,444	7,563	7,684	7,807
77	Growth	(18.23%)	64.19%	1.14%	(1.34%)	(100.00%)	0.00%	0.00%	0.00%	0.00%	0.00%
78	XL Tires - Lee	213	350	354	349	-	-	-	-	-	-

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**Table 3**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Type of Waste [1]**

Line No.	Description	Fiscal Year Ending September 30,										
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
79	Growth	10.60%	(5.24%)	(15.96%)	38.09%	13.55%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
80	Tires - Hendry	544	516	434	599	680	691	702	713	724	736	748
81	Growth	41.55%	4.46%	28.01%	14.66%	(24.59%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
82	XL Tires - Hendry	117	122	156	179	135	135	135	135	135	135	135
83	Total Tires Processed	5,409	6,506	6,478	6,310	8,026	8,152	8,281	8,411	8,543	8,678	8,814
OTHER WASTE FLOWS:												
Inbound Other												
84	Growth	(53.92%)	0.26%	16.69%	(62.76%)	(91.81%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
85	International Waste (WTE)	23	23	27	10	1	1	1	1	1	1	1
86	Growth	(0.75%)	65.57%	(58.10%)	(35.55%)	(29.65%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
87	Certified Destroy (WTE)	60	99	41	27	19	19	19	19	19	19	19
88	Growth	(32.45%)	(4.38%)	(41.86%)	35.07%	(44.27%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
89	Boat/RV (WTE)	149	142	83	112	62	62	62	62	62	62	62
90	Growth	(61.51%)	5.65%	21.46%	150.47%	(58.04%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
91	Sand (WTE)	1,118	1,181	1,435	3,594	1,508	1,508	1,508	1,508	1,508	1,508	1,508
92	Growth	(73.71%)	81.28%	1532.20%	(89.58%)	360.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
93	Asbestos - Lee (WTE)	24	44	713	74	342	342	342	342	342	342	342
94	Growth	69.03%	55.06%	158.54%	1.32%	53.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
95	Contaminated Soil (WTE)	51	80	206	209	320	320	320	320	320	320	320
96	Growth	0.00%	0.00%	0.00%	39.19%	26.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
97	Latex Paint	-	-	173	241	304	304	304	304	304	304	304
96	Total Inbound Other Processed	1,425	1,569	2,678	4,267	2,556	2,556	2,556	2,556	2,556	2,556	2,556
Recycling												
98	Growth	(1.86%)	0.17%	(0.73%)	3.60%	(2.02%)	4.98%	2.18%	2.03%	1.88%	1.58%	1.30%
99	Franchised Areas	48,642	48,724	48,369	50,111	49,097	51,542	52,664	53,731	54,740	55,608	56,331
100	Growth	2.68%	1.92%	0.24%	7.42%	0.57%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
101	Cities (Cape Coral, Fort Myers, Sanibel)	26,843	27,358	27,423	29,459	29,628	30,102	30,584	31,073	31,570	32,076	32,589
102	Growth	(20.89%)	2.67%	(5.51%)	(10.42%)	(77.65%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
103	Other	7,835	8,044	7,601	6,809	1,522	1,522	1,522	1,522	1,522	1,522	1,522
104	Total Recycled	83,321	84,127	83,394	86,379	80,247	83,166	84,770	86,326	87,833	89,205	90,442

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**Table 3**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Type of Waste [1]**

Line No.	Description	Fiscal Year Ending September 30,										
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
WTE By Products												
105	Growth	(8.19%)	10.51%	0.05%	(5.91%)	(9.34%)	5.62%	5.17%	0.00%	0.00%	0.00%	0.00%
106	Ash Residue	148,481	164,084	164,159	154,457	140,025	147,900	155,550	155,550	155,550	155,550	155,550
107	Growth	(14.99%)	(6.45%)	(11.80%)	22.06%	(2.34%)	(2.97%)	5.17%	0.00%	0.00%	0.00%	0.00%
108	Ferrous Scrap	20,660	19,328	17,048	20,810	20,323	19,720	20,740	20,740	20,740	20,740	20,740
109	Growth	1.01%	26.71%	(11.23%)	(5.00%)	(19.03%)	19.47%	5.17%	0.00%	0.00%	0.00%	0.00%
110	Non-Ferrous Scrap	2,434	3,084	2,738	2,601	2,106	2,516	2,646	2,646	2,646	2,646	2,646
111	Growth	(844508.00%)	(34193.00%)	(4471.00%)	(4471.00%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
112	Reject	387	45	-	-	-	-	-	-	-	-	-
113	Total By Product	171,962	186,541	183,945	177,868	162,454	170,136	178,936	178,936	178,936	178,936	178,936
Landfill Cover / Storage												
114	Growth	(15.97%)	25.62%	(17.71%)	6.22%	(7.38%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
115	RSM	10,224	12,844	10,570	11,228	10,399	10,399	10,399	10,399	10,399	10,399	10,399
116	Growth	343.12%	(92.73%)	2963.26%	(6.90%)	(3.50%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
117	Rip Rap	4,516	329	10,064	9,370	9,042	9,042	9,042	9,042	9,042	9,042	9,042
118	Growth	9.35%	7.66%	(31.49%)	(32.78%)	97.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
119	Cover Glass	6,947	7,479	5,124	3,444	6,801	6,801	6,801	6,801	6,801	6,801	6,801
120	Growth	(3.86%)	43.05%	8.08%	3.55%	(74.45%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
121	XL Tires	330	472	510	528	135	135	135	135	135	135	135
122	Total Cover	22,017	21,124	26,268	24,570	26,377	26,377	26,377	26,377	26,377	26,377	26,377
Compost												
123	Growth	32.42%	17.95%	(46.94%)	(7.52%)	12.14%	6.13%	0.00%	0.00%	0.00%	0.00%	0.00%
124	Mulch In - LHLF	46,124	54,403	28,867	26,697	29,939	31,775	31,775	31,775	31,775	31,775	31,775
125	Growth	5.64%	(46.69%)	87.20%	(7.85%)	(8.93%)	6.13%	0.00%	0.00%	0.00%	0.00%	0.00%
126	Compost Out - Tons	26,919	14,351	26,864	24,756	22,545	23,928	23,928	23,928	23,928	23,928	23,928
127	Growth	(93.34%)	54.79%	63.52%	(58.69%)	8.73%	6.13%	0.00%	0.00%	0.00%	0.00%	0.00%
128	Compost Out - CY	305	473	773	319	347	368	368	368	368	368	368

Footnotes:

- [1] Historical amounts shown derived from detailed material inbound / outbound reports, franchised statistical reports and facility summary reports as provided by Department staff.
- [2] The County does not dispose of waste from Franchise Area 6 at the County's facilities. For purposes of this table such statistics are not incorporated to present the waste generation statistics for disposal at the County's disposal facilities.



**Table 4**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Disposal Facility**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Waste-to-Energy Facility [1]												
1	MSW	533,427	501,481	515,854	519,343	529,742	534,070	562,856	561,638	560,419	559,213	558,023
2	C&D	25,541	39,725	25,734	13,803	(7,644)	26,652	27,390	28,140	28,901	29,674	30,460
3	Class III	14,235	21,086	30,559	34,950	38,224	-	-	-	-	-	-
4	Yard Waste	48,990	37,612	22,921	9,311	5,836	-	-	-	-	-	-
5	Sludge	-	-	3,977	36	23	-	-	-	-	-	-
6	MRF Residue	5,885	10,422	19,382	17,821	17,395	11,227	11,574	11,912	12,238	12,536	12,804
7	Oil	81	47	40	33	14	14	14	14	14	14	14
8	Tires	5,079	6,034	5,968	5,782	7,891	8,017	8,146	8,276	8,408	8,543	8,680
9	Other	83	122	242	278	324	20	20	20	20	20	20
10	Total [2]	633,321	616,529	624,676	601,357	591,805	580,000	610,000	610,000	610,000	610,000	610,000
11	Waste Processing Throughput Capacity						580,000	610,000	610,000	610,000	610,000	610,000
Lee-Hendry Landfill												
12	MSW	23,582	67,258	44,089	42,856	81,256	136,831	72,140	84,336	96,411	107,991	119,062
13	C&D	20,117	90,385	70,303	85,177	102,983	75,979	77,195	78,430	79,684	80,960	82,255
14	Yard Waste	4,779	21,118	49,419	79,736	86,152	86,780	89,333	91,340	93,332	95,255	97,110
15	Sludge	62,803	57,564	66,392	65,591	72,715	73,886	75,053	76,238	77,443	78,667	79,910
16	Tires	-	-	-	-	-	-	-	-	-	-	-
17	Other	1,342	1,447	2,437	3,989	2,232	2,232	2,232	2,232	2,232	2,232	2,232
18	Cover / Storage - RSM / Rip Rap (C&D Recycle)	14,740	13,172	20,634	20,598	19,441	19,441	19,441	19,441	19,441	19,441	19,441
19	Cover / Storage - Cover Glass (MRF)	6,947	7,479	5,124	3,444	6,801	6,801	6,801	6,801	6,801	6,801	6,801
20	Cover / Storage - Large Tires	330	472	510	528	135	135	135	135	135	135	135
21	Mulch	46,124	54,403	28,867	26,697	29,939	31,775	31,775	31,775	31,775	31,775	31,775
22	Ash Residue	148,481	164,084	164,159	154,457	140,025	147,900	155,550	155,550	155,550	155,550	155,550
23	Subtotal Landfilled Tons	329,246	477,382	451,933	483,073	541,679	581,760	529,655	546,277	562,804	578,807	594,272
24	Less: Compost Sludge	(54,201)	(48,061)	(56,115)	(61,092)	(63,773)	(52,839)	(52,839)	(52,839)	(52,839)	(52,839)	(52,839)
25	Less: Compost Mulch	(46,124)	(54,403)	(28,867)	(26,697)	(29,939)	(31,775)	(31,775)	(31,775)	(31,775)	(31,775)	(31,775)
26	Less: Yard Waste for Land Application	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-
27	Less: Cover/Storage	(22,017)	(21,124)	(26,268)	(24,570)	(26,377)	(26,377)	(26,377)	(26,377)	(26,377)	(26,377)	(26,377)
28	Less: Contractual Yard Waste Disposal	-	-	(48,868)	(79,649)	(86,043)	(86,780)	(89,333)	(91,340)	(93,332)	(95,255)	(97,110)
29	Estimated Net Tonnage to Landfill	206,904	353,795	291,815	291,064	335,547	383,989	329,330	343,946	358,481	372,560	386,170
30	Net Landfilled per Contract Operator	210,588	353,360	292,793	293,978	337,533	383,989	329,330	343,946	358,481	372,560	386,170
31	Variance [2]	3,684	(435)	978	2,914	1,987	0	0	0	0	0	0
MRF & Other Recycling												
32	Recycling	83,321	84,127	83,394	86,379	80,247	83,166	84,770	86,326	87,833	89,205	90,442
33	C&D Recycling	4,024	14,696	5,635	5,451	5,359	4,275	4,343	4,412	4,483	4,555	4,628
34	Total MRF & Other Recycling	87,346	98,823	89,029	91,831	85,606	87,441	89,113	90,738	92,316	93,760	95,070

Footnotes on Page 2 of 2.

**Table 4**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste Flow Summary by Disposal Facility**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	<b>Horticulture Pad</b>											
35	Yard Waste (For Mulch / Compost)	46,124	54,403	28,867	26,697	29,939	31,775	31,775	31,775	31,775	31,775	31,775
36	Yard Waste - Contract Disposal	-	-	48,868	79,649	86,043	86,780	89,333	91,340	93,332	95,255	97,110
37	Total Horticulture Pad	46,124	54,403	77,734	106,346	115,982	118,555	121,108	123,114	125,106	127,030	128,885
	<b>By Products</b>											
38	Ferrous Scrap	20,660	19,328	17,048	20,810	20,323	19,720	20,740	20,740	20,740	20,740	20,740
39	Non-Ferrous Scrap	2,434	3,084	2,738	2,601	2,106	2,516	2,646	2,646	2,646	2,646	2,646
40	Total By Products	23,094	22,412	19,786	23,411	22,429	22,236	23,386	23,386	23,386	23,386	23,386
41	Total Tons	996,789	1,145,962	1,103,041	1,114,009	1,151,369	1,192,221	1,172,937	1,191,185	1,209,289	1,226,737	1,243,511
	<b>Transfer Stations [3]</b>											
42	MSW	33,531	36,366	36,678	37,744	39,505	40,295	41,101	41,923	42,761	43,616	44,488
43	C&D	5,856	7,068	5,842	9,381	9,972	6,681	6,788	6,897	7,007	7,119	7,233
44	Yard Waste	4,750	4,942	3,919	4,139	3,682	3,682	3,682	3,682	3,682	3,682	3,682
45	Tires	661	638	590	778	815	826	837	848	859	871	883
46	Recycling	852	910	947	1,180	1,186	1,186	1,186	1,186	1,186	1,186	1,186
47	Total Transfer Stations	45,650	49,924	47,976	53,222	55,159	52,670	53,594	54,536	55,495	56,474	57,472

**Footnotes:**

- [1] Based on discussions with the County, any waste received at the Waste-to-Energy facility above 610,000 tons should be assumed to be diverted.  
[2] Variances during the historical period relate to differences in tonnage statistics reporting and were not considered material for purposes of this evaluation.  
[3] The Labelle and Clewiston Transfer Stations are included below total tonnages as waste incoming to the transfer stations are not disposed at these facilities.

**Table 5**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Waste-to-Energy (WTE) Operational Statistics**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<u>Performance Statistics:</u>												
1	Design Capacity @ 100% Avail. (Tons)	670,140	670,140	670,140	670,140	670,140	670,140	670,140	670,140	670,140	670,140	670,140
2	Effective Throughput as Percent of Design (%)	91.1%	92.6%	92.5%	89.5%	87.6%	86.5%	91.0%	91.0%	91.0%	91.0%	91.0%
3	Implied Waste Processing Capacity (Tons)	623,309	622,012	618,454	608,807	601,020	580,000	610,000	610,000	610,000	610,000	610,000
4	Weighted Boiler Availability (%)	93.0%	92.8%	92.3%	90.8%	89.7%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%
5	Weighted Generator Availability (%)	94.6%	100.0%	98.6%	98.9%	89.6%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%
6	Waste Received Before Diversions (Tons)	645,083	674,438	667,291	644,998	670,287	697,710	701,477	704,702	707,913	711,042	714,088
7	Waste By-Pass / Diversions	(23,604)	(67,258)	(44,089)	(43,516)	(83,256)	(117,710)	(91,477)	(94,702)	(97,913)	(101,042)	(104,088)
8	Waste Received (Tons)	621,479	607,180	623,202	601,482	587,031	N/A	N/A	N/A	N/A	N/A	N/A
9	Throughput Waste (Tons)	610,459	620,677	620,028	599,559	587,031	580,000	610,000	610,000	610,000	610,000	610,000
10	Decrease / (Increase) to Inventory (Tons)	(11,020)	13,497	(3,174)	(1,923)	-	N/A	N/A	N/A	N/A	N/A	N/A
11	Inventory (EOFY)	15,215	1,718	4,893	6,816	6,816	N/A	N/A	N/A	N/A	N/A	N/A
12	Process Guarantee (Tons)	569,619	569,619	569,619	569,619	569,619	569,619	569,619	569,619	600,000	600,000	600,000
13	Guaranteed Waste Delivery (Tons)	569,619	569,619	569,619	569,619	569,619	569,619	569,619	569,619	600,000	600,000	600,000
14	Tons Delivered Above Put	51,860	37,561	53,583	31,863	17,412	10,381	40,381	40,381	10,000	10,000	10,000
15	Minimum Put Met (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
16	Waste HHV (Btu/lb)	4,841	4,833	4,878	4,966	5,000	5,000	5,000	5,000	5,000	5,000	5,000
17	Reference Ton Ratio (HHV / 5,000 Btu/lbs)	96.8%	96.7%	97.6%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
18	Reference Waste Processed (Tonnr)	591,046	599,946	604,899	595,482	587,031	580,000	610,000	610,000	610,000	610,000	610,000
<u>Production Statistics Summary:</u>												
19	Total Processed Waste (Tons)	610,459	620,677	620,028	599,559	587,031	580,000	610,000	610,000	610,000	610,000	610,000
20	Total Processed Waste - Reference (Tonnsr)	591,046	599,946	604,899	595,482	587,031	580,000	610,000	610,000	610,000	610,000	610,000
21	Total Steam Production (klbs)	3,857,488	3,939,692	3,944,805	3,843,001	3,809,868	3,764,239	3,958,941	3,958,941	3,958,941	3,958,941	3,958,941
22	Steam Production Per Reference Ton (klbs/Tonsr)	6.527	6.567	6.521	6.454	6.490	6.490	6.490	6.490	6.490	6.490	6.490
23	Design Steam Production (klbs)	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929	4,486,929
24	Production as % of Design	86.0%	87.8%	87.9%	85.6%	84.9%	83.9%	88.2%	88.2%	88.2%	88.2%	88.2%
25	Gross Electric Production (MWhr)	376,423	406,733	401,031	380,622	348,053	368,895	387,976	387,976	387,976	387,976	387,976
26	Gross Electric per Steam (kWhr/klbs)	97.58	103.24	101.66	99.04	91.36	98.00	98.00	98.00	98.00	98.00	98.00
27	Purchased Electricity (MWhr)	221.9	2.8	-	93.6	-	N/A	N/A	N/A	N/A	N/A	N/A
28	Propane Use (mmBTU)	22,680	22,014	23,882	28,566	25,296	N/A	N/A	N/A	N/A	N/A	N/A
29	In-Plant Electricity Use (MWhr)	55,504	58,073	57,137	57,941	59,140	58,000	58,000	58,000	58,000	58,000	58,000
30	Net Electricity Production (MWhr)	320,919	348,660	343,894	322,681	288,913	310,895	329,976	329,976	329,976	329,976	329,976
31	Net Electricity per Ton (kWhr/Ton)	526	562	555	538	492	536	541	541	541	541	541
<u>By-Product Statistics:</u>												
32	Residue - Ash Produced (Tons)	152,676	163,877	164,159	153,382	139,213	147,900	155,550	155,550	155,550	155,550	155,550
33	Percent of Processed Waste (%)	25.0%	26.4%	26.5%	25.6%	23.7%	25.5%	25.5%	25.5%	25.5%	25.5%	25.5%
34	Residue - Ferrous Recovered (Tons)	20,114	19,311	17,048	20,755	20,366	19,720	20,740	20,740	20,740	20,740	20,740
35	Percent of Processed Waste (%)	3.29%	3.11%	2.75%	3.46%	3.47%	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%
36	Residue - Non-Ferrous Recovered (Tons)	2,409	3,084	2,738	2,601	2,126	2,516	2,646	2,646	2,646	2,646	2,646
37	Percent of Processed Waste (%)	0.39%	0.50%	0.44%	0.43%	0.36%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%

**Table 6**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Assessment and Disposal Fee Revenue Under Adopted Rates [1]**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	<b><u>REVENUE SUMMARY:</u></b>						
1	Collection Assessment	\$ 27,292,498	\$ 35,596,775	\$ 36,357,983	\$ 37,077,069	\$ 37,694,307	\$ 38,207,596
2	Early Prepayment Discount (Assessment Only)	(1,091,700)	(1,423,871)	(1,454,319)	(1,483,083)	(1,507,772)	(1,528,304)
3	Net Collection Assessment Revenue	\$ 26,200,798	\$ 34,172,904	\$ 34,903,664	\$ 35,593,987	\$ 36,186,535	\$ 36,679,293
4	Disposal Assessment	\$ 10,600,159	\$ 12,684,774	\$ 12,950,781	\$ 13,202,911	\$ 13,419,470	\$ 13,599,729
5	Early Prepayment Discount	(424,006)	(507,391)	(518,031)	(528,116)	(536,779)	(543,989)
6	Net Disposal Assessment Revenue	\$ 10,176,152	\$ 12,177,383	\$ 12,432,750	\$ 12,674,795	\$ 12,882,691	\$ 13,055,740
7	Disposal Facility Charge per Assessment / Cape Coral MSTU	\$ 12,130,355	\$ 12,792,751	\$ 12,991,779	\$ 13,185,934	\$ 13,362,909	\$ 13,522,524
8	Allocable Assessment Early Prepayment Discount	(485,214)	(511,710)	(519,671)	(527,437)	(534,516)	(540,901)
9	Disposal Facility Charge per Tip Fee (Hendry County)	711,321	782,402	797,699	813,294	829,206	845,434
10	Net Disposal Facility Charge Revenue	\$ 12,356,461	\$ 13,063,443	\$ 13,269,806	\$ 13,471,791	\$ 13,657,598	\$ 13,827,057
11	Recycling Assessment Revenue	\$ 3,745,536	\$ 3,530,590	\$ 3,603,888	\$ 3,675,114	\$ 3,739,945	\$ 3,798,233
12	Early Prepayment Discount	(149,821)	(141,224)	(144,156)	(147,005)	(149,598)	(151,929)
13	Net Disposal Assessment Revenue	\$ 3,595,714	\$ 3,389,367	\$ 3,459,733	\$ 3,528,110	\$ 3,590,347	\$ 3,646,304
14	Assessment Billing Revenue	\$ 731,375	\$ 746,305	\$ 760,178	\$ 773,562	\$ 785,346	\$ 785,758
15	Early Prepayment Discount	(29,255)	(29,852)	(30,407)	(30,942)	(31,414)	(31,430)
16	Net Disposal Assessment Revenue	\$ 702,120	\$ 716,452	\$ 729,771	\$ 742,620	\$ 753,932	\$ 754,328
17	Tip Fee Revenue	\$ 40,368,091	\$ 43,780,322	\$ 44,373,166	\$ 44,975,599	\$ 45,587,813	\$ 46,209,715
18	Total User Fee, Assessment, & MSTU Revenue	\$ 89,198,102	\$103,253,799	\$105,043,559	\$106,784,157	\$108,384,752	\$109,832,985
19	Annual Change - Amount (\$)	N/A	\$ 14,055,697	\$ 1,789,761	\$ 1,740,598	\$ 1,600,595	\$ 1,448,233
20	Annual Change - Percentage (%)	N/A	15.8%	1.7%	1.7%	1.5%	1.3%

## Footnote:

[1] Calculated tip fee revenues in this table does not recognize additional rate adjustments beyond rates adopted by the County.

**Table 7**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Electric Sales Revenue**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Gross Electrical Production (MWh)	376,423	406,733	401,031	380,622	348,053	368,895	387,976	387,976	387,976	387,976	387,976
2	Total Waste Burned at Resource Recovery Facility	610,459	620,677	620,028	599,559	587,031	580,000	610,000	610,000	610,000	610,000	610,000
Electric Energy Use by Facility:												
3	Waste-to-Energy (WTE) In-Plant Use (MWh)	55,504	58,073	57,137	57,941	59,140	58,000	58,000	58,000	58,000	58,000	58,000
Recovered Material Processing Facility (RMPF / MRF):												
4	Electric Use (MWh)	2,410	2,575	2,433	2,585	2,608	2,703	2,755	2,806	2,855	2,899	2,939
5	Tons Processed (Tons)	83,321	84,127	83,394	86,379	80,247	83,166	84,770	86,326	87,833	89,205	90,442
6	Use per Ton Processed (kWh/Ton)	29	31	29	30	32	32	32	32	32	32	32
7	Seminole Electric Cooperative Inc. (SEC) Use (MWh)	318,509	346,085	341,461	320,096	286,305	308,193	327,221	327,171	327,122	327,077	327,037
8	Total Electric Use (MWh)	376,423	406,733	401,031	380,622	348,053	368,895	387,976	387,976	387,976	387,976	387,976
Electric Energy Sales (\$):												
1) Electric Energy Sales:												
9	Energy Sales	7,884,625	9,324,700	9,488,571	6,092,684	9,000,401	9,245,777	8,834,974	8,833,608	8,832,287	8,831,082	8,829,997
10	Net Rate per MWh						\$ 30.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
11	Energy Sales (net of contract sales)						\$9,245,777	\$8,834,974	\$8,833,608	\$8,832,287	\$8,831,082	\$8,829,997
2) SEC - Capacity Payment (Peak Hours):												
12	Days in the Year (Days)	365	365	365	366	365	365	365	366	365	365	365
13	Annual Weighted Average Boiler Availability (%)	93.0%	92.8%	92.3%	90.8%	89.7%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%
14	Estimated Days Available (Days)	339	339	337	333	327	336	336	337	336	336	336
15	SEC Electric Sales Energy (MWh)	318,509	346,085	341,461	320,096	286,305	308,193	327,221	327,171	327,122	327,077	327,037
16	Average SEC Capacity (MW)	39.1	42.6	42.2	40.1	36.4	38.2	40.6	40.5	40.6	40.6	40.6
17	Outage Bank (22 Days a Year) (MW)	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
18	Adjusted Average SEC Capacity (MW)	40.2	43.6	43.3	41.2	37.5	39.3	41.7	41.6	41.7	41.7	41.7
19	Avg. Monthly On-Peak MW to Avg. Total MW Factor	-	-	-	-	-	-	-	-	-	-	-
20	Rate per kW Month	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Average Monthly On-Peak Capacity (MW)	-	-	-	-	-	-	-	-	-	-	-
22	Capacity Payment	\$ 1,298,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3) SEC - Renewable Energy Credit:												
23	Energy Sales	-	-	-	-	-	-	-	-	-	-	-
24	Rate per MWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	4) Regulation Service Charge:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	5) Gross Electric Sales Revenue	\$ 9,183,544	\$ 9,324,700	\$ 9,488,571	\$ 6,092,684	\$ 9,000,401	\$ 9,245,777	\$ 8,834,974	\$ 8,833,608	\$ 8,832,287	\$ 8,831,082	\$ 8,829,997
Expenses from Electric Sales:												
6) FP&L Expense:												
27	Charges Per MWh Delivered to SEC	\$ 0.533	\$ 0.452	\$ 0.385	\$ 0.441	\$ 0.720	\$ 0.720	\$ 0.720	\$ 0.720	\$ 0.720	\$ 0.720	\$ 0.720
28	Expense	\$ 169,801	\$ 156,480	\$ 131,348	\$ 141,061	\$ 206,046	\$ 221,899	\$ 235,599	\$ 235,563	\$ 235,528	\$ 235,496	\$ 235,467

**Table 7**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Electric Sales Revenue**

Line No.	Description	Fiscal Year Ended September 30,					Fiscal Year Ending September 30,					
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
29	7) Electric Revenue Sharing with Covanta:											
	a) Gross Electric Sales Less REC Payment	\$ 9,183,544	\$ 9,324,700	\$ 9,488,571	\$ 6,092,684	\$ 9,000,401	\$ 9,245,777	\$ 8,834,974	\$ 8,833,608	\$ 8,832,287	\$ 8,831,082	\$ 8,829,997
	b) Implied Sales to MRF											
30	Net Revenue per MWh (Excluding REC Credits)	\$ 28.83	\$ 26.94	\$ 27.79	\$ 19.03	\$ 31.44	\$ 30.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
31	Implied Sales to MRF	\$ 69,487	\$ 69,390	\$ 67,620	\$ 49,210	\$ 81,986	\$ 81,086	\$ 74,384	\$ 75,750	\$ 77,072	\$ 78,277	\$ 79,362
32	c) Less FP&L Expenses	\$ (169,801)	\$ (156,480)	\$ (131,348)	\$ (141,061)	\$ (206,046)	\$ (221,899)	\$ (235,599)	\$ (235,563)	\$ (235,528)	\$ (235,496)	\$ (235,467)
33	d) Subtotal Applicable Energy Credit Revenue Sharing	\$ 9,083,231	\$ 9,237,610	\$ 9,424,843	\$ 6,000,833	\$ 8,876,341	\$ 9,104,965	\$ 8,673,759	\$ 8,673,796	\$ 8,673,831	\$ 8,673,863	\$ 8,673,892
34	e) 10% Revenue Sharing (before adjustments)	\$ 908,323	\$ 923,761	\$ 942,484	\$ 600,083	\$ 887,634	\$ 910,496	\$ 867,376	\$ 867,380	\$ 867,383	\$ 867,386	\$ 867,389
35	f) Less Credit Due County per 6.04(b)	\$ (41,000)	\$ (43,242)	\$ (65,020)	\$ (55,289)	\$ (149,774)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)
36	e) 10% Revenue Sharing to Covanta	\$ 867,323	\$ 880,519	\$ 877,464	\$ 544,795	\$ 737,861	\$ 860,496	\$ 817,376	\$ 817,380	\$ 817,383	\$ 817,386	\$ 817,389
37	<b>8) Net Electric Sales</b>	<b>\$ 8,146,420</b>	<b>\$ 8,287,701</b>	<b>\$ 8,479,758</b>	<b>\$ 5,406,828</b>	<b>\$ 8,056,495</b>	<b>\$ 8,163,382</b>	<b>\$ 7,781,999</b>	<b>\$ 7,780,666</b>	<b>\$ 7,779,376</b>	<b>\$ 7,778,200</b>	<b>\$ 7,777,141</b>



**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	2018	2019	Actual 2020	2021	Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	2023	2024	2025	2026	2027
53401 - ROW														
Personnel Services														
1	Salaries - Full Time Regular	\$ 127,912	\$ 12,685	\$ -	\$ -	\$ -	\$ -	\$ -	Labor	\$ -	\$ -	\$ -	\$ -	\$ -
2	Disaster Pay (1.0)	(2)	-	-	-	-	-	-	Labor	-	-	-	-	-
3	Special Pay (w/ Retirement)	4	2	-	-	-	-	-	Labor	-	-	-	-	-
4	Sick Leave	6,495	196	-	-	-	-	-	Labor	-	-	-	-	-
5	Vacation Leave	11,400	551	-	-	-	-	-	Labor	-	-	-	-	-
6	Pay-Non-Perm Labor	683	613	-	-	-	-	-	Labor	-	-	-	-	-
7	Overtime (OT 1.0)	6,904	498	-	-	-	-	-	Labor	-	-	-	-	-
8	Overtime (OT 1.5)	46,822	4,578	-	-	-	-	-	Labor	-	-	-	-	-
9	Holiday Pay	6,733	438	-	-	-	-	-	Labor	-	-	-	-	-
10	Disaster Pay - (OT 1.5)	34	-	-	-	-	-	-	Labor	-	-	-	-	-
11	Sick Leave Buy Back	52	-	-	-	-	-	-	Labor	-	-	-	-	-
12	FICA Taxes (OASDI)	12,448	1,189	-	-	-	-	-	Labor	-	-	-	-	-
13	FICA Taxes (Medicare)	2,911	278	-	-	-	-	-	Labor	-	-	-	-	-
14	Regular Retirement	17,589	1,623	-	-	-	-	-	Labor	-	-	-	-	-
15	Health Insurance	51,745	4,438	-	-	-	-	-	HealthIns	-	-	-	-	-
16	Health Ins Opt Out	48	4	-	-	-	-	-	HealthIns	-	-	-	-	-
17	Life Insurance	367	35	-	-	-	-	-	Inflation	-	-	-	-	-
18	Dental Insurance	1,412	127	-	-	-	-	-	Inflation	-	-	-	-	-
19	Disability Insurance	719	68	-	-	-	-	-	Inflation	-	-	-	-	-
20	Worker's Comp-(IGS)	7,807	-	-	-	-	-	-	Labor	-	-	-	-	-
21	Total Personnel Services	\$ 302,085	\$ 27,323	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses														
22	Uniform/Laundry Service	\$ 1,774	\$ 1,287	\$ -	\$ -	\$ -	\$ -	\$ -	Inflation	\$ -	\$ -	\$ -	\$ -	\$ -
23	Comp Data Proc & Netwk-IGS	3,507	-	-	-	-	-	-	Inflation	-	-	-	-	-
24	Other Contracted Services	100	-	-	-	-	-	-	Inflation	-	-	-	-	-
25	Telecommunications	4,501	4,515	-	-	-	-	-	Inflation	-	-	-	-	-
26	Int. Phone Line (IGS-Var)	707	-	-	52	-	-	-	Inflation	-	-	-	-	-
27	Trash, Garbage&Sludge Removal	22,756	-	-	-	-	-	-	DisposalRate	-	-	-	-	-
28	Self Ins Assess-Auto Ins	5,411	-	-	-	-	-	-	Inflation	-	-	-	-	-
29	Maintenance Material	345	-	-	-	-	-	-	Repair	-	-	-	-	-
30	Equipment Repair Parts	112	-	-	-	-	-	-	Repair	-	-	-	-	-
31	Indirect Cost	4,594	-	-	-	-	-	-	Inflation	-	-	-	-	-
32	Fiscal Support	4,810	-	-	-	-	-	-	Inflation	-	-	-	-	-
33	Clothing & Wearing Apparel	144	-	-	-	-	-	-	Inflation	-	-	-	-	-
34	Chem, Insect & Fertilizer	97	194	-	-	-	-	-	Chemicals	-	-	-	-	-
35	Jani. & Other Maint. Supplies	-	127	-	-	-	-	-	Inflation	-	-	-	-	-
36	Minor Equipment	95	-	-	-	-	-	-	Inflation	-	-	-	-	-
37	Other Supplies	473	-	-	-	-	-	-	Inflation	-	-	-	-	-
38	Total Operating Expense	\$ 49,427	\$ 6,124	\$ -	\$ 52	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
39	Total ROW Clean Up	\$ 351,511	\$ 33,447	\$ -	\$ 52	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
53403 Facilities														
Personnel Services														
40	Salaries - Full Time Regular	\$ -	\$ 28,167	\$ 56,374	\$ 61,379	\$ 41,400	\$ 966	\$ 42,366	Labor	\$ 46,179	\$ 47,564	\$ 48,991	\$ 50,461	\$ 51,975
41	Disaster Pay (1.0)	-	-	-	826	-	-	-	Labor	-	-	-	-	-
42	Special Pay (w/ Retirement)	-	-	88	162	-	-	-	Labor	-	-	-	-	-
43	Sick Leave	-	1,347	2,350	3,927	-	-	-	Labor	-	-	-	-	-
44	Vacation Leave	-	1,552	2,602	3,388	-	-	-	Labor	-	-	-	-	-
45	CPI-Consumer Price Index	-	-	-	-	1,655	39	1,694	Labor	1,846	1,901	1,958	2,017	2,078
46	Pay-Non-Perm Labor	-	-	-	100	-	-	-	Labor	-	-	-	-	-
47	Overtime (OT 1.0)	-	-	3,337	4,067	-	-	-	Labor	-	-	-	-	-
48	Overtime (OT 1.5)	-	-	2,483	7,339	-	-	-	Labor	-	-	-	-	-
49	Holiday Pay	-	1,372	2,745	3,084	-	-	-	Labor	-	-	-	-	-
50	Disaster Pay - (OT 1.5)	-	-	-	258	-	-	-	Labor	-	-	-	-	-
51	FICA Taxes (OASDI)	-	1,968	4,171	5,029	2,670	62	2,732	Labor	2,978	3,068	3,160	3,254	3,352
52	FICA Taxes (Medicare)	-	460	976	1,176	622	15	637	Labor	694	715	736	758	781
53	Regular Retirement	-	2,700	6,273	8,656	4,659	109	4,768	Labor	5,197	5,353	5,513	5,679	5,849
54	Health Insurance	-	6,027	22,080	27,577	15,196	-	15,196	HealthIns	15,728	16,278	16,848	17,438	18,048
55	Health Ins Opt Out	-	-	-	5	6	-	6	HealthIns	6	6	7	7	7
56	Life Insurance	-	87	130	144	72	-	72	Inflation	75	76	78	80	82
57	Dental Insurance	-	178	555	585	304	-	304	Inflation	315	323	330	338	346
58	Disability Insurance	-	157	310	259	138	-	138	Inflation	143	147	150	153	157

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
59	Worker's Comp-(IGS)	-	1,939	10,042	10,042	-	-	-	Labor	-	-	-	-	-
60	Total Personnel Services	\$ -	\$ 45,953	\$ 114,516	\$ 138,001	\$ 66,722	\$ 1,190	\$ 67,912		\$ 73,160	\$ 75,431	\$ 77,772	\$ 80,185	\$ 82,674
<b><u>Operating Expenses</u></b>														
61	Other Professional Services	\$ -	\$ 30,993	\$ 24,167	\$ 26,931	20,000	\$ -	20,000	Inflation	\$ 20,720	\$ 21,238	\$ 21,726	\$ 22,226	\$ 22,737
62	Janitorial Services	-	21,164	37,069	-	-	-	-	Inflation	-	-	-	-	-
63	Data Processing	-	3,087	3,825	-	25,000	-	25,000	Inflation	25,900	26,548	27,158	27,783	28,422
64	Other Contracted Services	-	101,789	111,185	143,779	140,000	-	140,000	Inflation	145,040	148,666	152,085	155,583	159,162
65	Out-of-County Travel	-	780	-	958	6,000	-	6,000	Inflation	6,216	6,371	6,518	6,668	6,821
66	Telecommunications	-	20	3,137	2,154	3,300	-	3,300	Inflation	3,419	3,504	3,585	3,667	3,752
67	Freight, Postage & Courier Svc	-	-	-	342	-	-	-	Inflation	-	-	-	-	-
68	Other Equipment Rental	-	6,452	21,638	-	-	-	-	Inflation	-	-	-	-	-
69	Rental & Lease (<12 mos, <\$5,000)	-	-	-	14,451	-	-	-	Inflation	-	-	-	-	-
70	Self Ins Assess-Auto Ins	-	746	1,404	1,404	-	-	-	Inflation	-	-	-	-	-
71	Building Maintenance	-	20,288	15,645	-	-	-	-	Repair	-	-	-	-	-
72	Maintenance Material	-	42,931	68,610	-	-	-	-	Repair	-	-	-	-	-
73	Vehicle Maintenance	-	-	2,165	-	-	-	-	Repair	-	-	-	-	-
74	Equipment Maintenance	-	36,849	52,353	-	-	-	-	Repair	-	-	-	-	-
75	Equipment Repair Parts	-	27,096	34,643	-	-	-	-	Repair	-	-	-	-	-
76	Repair & Maint. - Services & Labor	-	-	-	61,434	77,000	-	77,000	Repair	80,080	83,283	86,615	90,079	93,682
77	Repairs & Maint. - Parts	-	-	-	120,766	150,000	-	150,000	Repair	156,000	162,240	168,730	175,479	182,498
78	Horticultural	-	1,133	-	-	-	-	-	Inflation	-	-	-	-	-
79	Internal Repair & Maint.	-	19,531	1,913	5,635	1,000	-	1,000	Repair	1,040	1,082	1,125	1,170	1,217
80	Pmtng, Bndng & Copy Ext	-	17	-	17	-	-	-	Inflation	-	-	-	-	-
81	License, Permit & Appl.Fee	-	185	-	635	200	-	200	Inflation	207	212	217	222	227
82	Gen. Office Supplies	-	280	99	388	-	-	-	Inflation	-	-	-	-	-
83	Fuel and Lubricants	-	145	166	179	-	-	-	Fuel	-	-	-	-	-
84	Medical Supplies & Drugs	-	470	861	-	-	-	-	Inflation	-	-	-	-	-
85	Clothing & Wearing Apparel	-	1,246	2,530	-	-	-	-	Inflation	-	-	-	-	-
86	Chem, Insect & Fertilizer	-	72	414	-	-	-	-	Chemicals	-	-	-	-	-
87	Jani. & Other Maint. Supplies	-	6,839	14,322	-	-	-	-	Inflation	-	-	-	-	-
88	Minor Equipment	-	20,129	35,948	32,052	25,000	-	25,000	Inflation	25,900	26,548	27,158	27,783	28,422
89	Other Supplies	-	3,206	4,587	27,171	15,000	-	15,000	Inflation	15,540	15,929	16,295	16,670	17,053
90	Cement and Concrete	-	752	4,498	-	-	-	-	Inflation	-	-	-	-	-
91	Other Road Materials	-	-	411	2,121	5,000	-	5,000	Inflation	5,180	5,310	5,432	5,557	5,684
92	Reference Materials	-	56	83	-	-	-	-	Inflation	-	-	-	-	-
93	Educational Expenses	-	-	689	-	14,400	-	14,400	Inflation	14,918	15,291	15,643	16,003	16,371
94	Training/Seminars/Bus. Meeting	-	2,795	250	2,390	-	-	-	Inflation	-	-	-	-	-
95	Furniture and Equipment	-	-	76,308	30,293	-	-	-	Eliminate	-	-	-	-	-
96	Vehicle & Rolling Stock	-	-	-	-	-	-	-	Eliminate	-	-	-	-	-
97	Total Operating Expense	\$ -	\$ 349,053	\$ 518,920	\$ 473,101	\$ 481,900	\$ -	\$ 481,900		\$ 500,160	\$ 516,221	\$ 532,287	\$ 548,889	\$ 566,048
98	Total Facilities	\$ -	\$ 395,006	\$ 633,435	\$ 611,102	\$ 548,622	\$ 1,190	\$ 549,812		\$ 573,321	\$ 591,652	\$ 610,058	\$ 629,074	\$ 648,722
<b>53404 - Operations/Solid Waste Management</b>														
<b><u>Personnel Services</u></b>														
99	Salaries - Full Time Regular	\$ 412,709	\$ 506,046	\$ 483,744	\$ 432,349	\$ 652,120	\$ 15,216	\$ 667,336	Labor	\$ 727,396	\$ 749,218	\$ 771,695	\$ 794,846	\$ 818,691
100	Special Pay (w/ Retirement)	0	27	83	104	-	-	-	Labor	-	-	-	-	-
101	Sick Leave	15,724	21,334	28,715	42,309	-	-	-	Labor	-	-	-	-	-
102	Vacation Leave	34,429	34,191	45,075	60,534	-	-	-	Labor	-	-	-	-	-
103	CPI-Consumer Price Index	-	-	-	-	24,754	578	25,332	Labor	27,611	28,440	29,293	30,172	31,077
104	Pay-Non-Perm Labor	-	-	-	100	-	-	-	Labor	-	-	-	-	-
105	Overtime (OT 1.0)	4,872	1,582	3,538	3,506	-	-	-	Labor	-	-	-	-	-
106	Overtime (OT 1.5)	46,397	7,626	19,345	11,499	10,000	233	10,233	Labor	11,154	11,489	11,834	12,189	12,554
107	Holiday Pay	20,424	24,852	25,022	22,481	-	-	-	Labor	-	-	-	-	-
108	Disaster Pay - (OT 1.5)	516	-	-	1,277	-	-	-	Labor	-	-	-	-	-
109	Disaster Pay (1.0)	(109)	-	-	1,554	-	-	-	Labor	-	-	-	-	-
110	Special Pay (w/o Retirement)	-	-	-	1,531	-	-	-	Labor	-	-	-	-	-
111	Sick Leave Buy Back	224	-	-	769	-	-	-	Labor	-	-	-	-	-
112	FICA Taxes (OASDI)	31,951	35,492	36,066	34,548	42,050	981	43,031	Labor	46,904	48,311	49,760	51,253	52,791
113	FICA Taxes (Medicare)	7,473	8,300	8,435	8,080	9,835	229	10,064	Labor	10,970	11,299	11,638	11,988	12,347
114	Regular Retirement	45,164	53,489	61,213	66,433	81,379	1,899	83,278	Labor	90,773	93,496	96,301	99,190	102,166
115	Senior Management Retirement	2,778	-	-	-	-	-	-	Labor	-	-	-	-	-
116	Health Insurance	136,319	164,620	191,435	186,905	236,222	-	236,222	HealthIns	244,490	253,047	261,904	271,070	280,558
117	Health Ins Opt Out	108	108	17	11	12	-	12	HealthIns	12	13	13	14	14
118	Life Insurance	1,227	1,411	1,186	1,079	1,134	-	1,134	Inflation	1,175	1,204	1,232	1,260	1,289
119	Dental Insurance	3,702	4,250	4,560	4,114	5,106	-	5,106	Inflation	5,290	5,422	5,547	5,674	5,805

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
120	Disability Insurance	2,292	2,774	2,831	1,783	2,171	-	2,171	Inflation	2,249	2,305	2,358	2,413	2,468
121	Worker's Comp-(IGS)	17,561	19,393	20,084	20,084	-	-	-	Labor	-	-	-	-	-
122	Total Personnel Services	\$ 783,760	\$ 885,495	\$ 931,348	\$ 901,047	\$ 1,064,783	\$ 19,137	\$ 1,083,920		\$ 1,168,025	\$ 1,204,245	\$ 1,241,575	\$ 1,280,068	\$ 1,319,760
<b><u>Operating Expenses</u></b>														
123	Legal Services	\$ 9,889	\$ -	\$ 8,074	\$ -	\$ -	\$ -	\$ -	Inflation	\$ -	\$ -	\$ -	\$ -	\$ -
124	Financial Services	1,500	-	-	-	-	-	-	Inflation	-	-	-	-	-
125	Architect and Engin. Serv	44,219	9,058	22,190	-	-	-	-	Inflation	-	-	-	-	-
126	Other Professional Services	88,384	122,759	47,113	21,583	-	-	-	Inflation	-	-	-	-	-
127	Comp Data Proc & Netwk-IGS	63,126	74,000	61,312	68,119	74,931	-	74,931	Inflation	77,629	79,569	81,399	83,272	85,187
128	Data Processing	317	-	955	58,400	60,000	-	60,000	Inflation	62,160	63,714	65,179	66,679	68,212
129	Other Contracted Services	236,505	55,884	75,401	(217,128)	-	-	-	Inflation	-	-	-	-	-
130	Hauler Collection	24,024,426	24,644,385	25,452,140	26,842,966	28,247,616	110,185	28,357,801	Calculated	36,580,606	47,309,232	49,581,927	51,299,194	53,003,253
131	Local Travel - Class C	333	69	-	-	-	-	-	Inflation	-	-	-	-	-
132	Bridge Tickets & Passes	6	-	6	-	-	-	-	Inflation	-	-	-	-	-
133	Out-of-County Travel	-	774	-	1,481	1,005	-	1,005	Inflation	1,041	1,067	1,092	1,117	1,143
134	Interview Expenses	-	-	2,119	-	-	-	-	Inflation	-	-	-	-	-
135	Telecommunications	9,616	14,093	9,161	16,037	10,500	-	10,500	Inflation	10,878	11,150	11,406	11,669	11,937
136	Advertising	7,200	-	-	-	-	-	-	Inflation	-	-	-	-	-
137	Int. Phone Line (IGS-Var)	15,791	18,256	18,012	16,198	16,553	-	16,553	Inflation	17,149	17,578	17,982	18,396	18,819
138	Int. Phone Usage (IGS-Var)	-	106	-	1	106	-	106	Inflation	110	113	115	118	121
139	Freight, Postage & Courier Svc	1,658	808	857	917	2,000	-	2,000	Inflation	2,072	2,124	2,173	2,223	2,274
140	Water and Sewer	1,052	1,657	1,083	-	-	-	-	W&S	-	-	-	-	-
141	All Utility Services	-	-	-	928	1,500	-	1,500	DisposalRate	1,560	1,622	1,687	1,755	1,825
142	Self Ins Assess-Auto Ins	4,735	1,678	2,528	2,528	-	-	-	Inflation	-	-	-	-	-
143	Maintenance Material	66	-	-	-	-	-	-	Repair	-	-	-	-	-
144	Equipment Maintenance	-	1,519	2,006	-	-	-	-	Repair	-	-	-	-	-
145	Equipment Repair Parts	322	-	34	-	-	-	-	Repair	-	-	-	-	-
146	Repair & Maint. - Services & Labor	-	-	-	1,861	2,220	-	2,220	Inflation	2,300	2,357	2,412	2,467	2,524
147	Repairs & Maint-Parts	-	-	-	89	-	-	-	Inflation	-	-	-	-	-
148	Internal Repair & Maint.	3,920	2,958	3,814	4,050	4,000	-	4,000	Repair	4,160	4,326	4,499	4,679	4,867
149	Pmtng. Bndng & Copy Ext	102	2,180	152	527	-	-	-	Inflation	-	-	-	-	-
150	Deputy Clerk Fees	230	350	50	-	-	-	-	Inflation	-	-	-	-	-
151	Indirect Cost	258,584	270,474	345,788	377,097	373,083	-	373,083	Labor	406,660	418,860	431,426	444,369	457,700
152	Fiscal Support	11,691	17,039	17,550	18,168	18,802	-	18,802	Inflation	19,479	19,966	20,425	20,895	21,375
153	License, Permit & Appl.Fee	10,733	737	-	90	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
154	Gen. Office Supplies	14,915	16,675	17,150	13,469	-	-	-	Inflation	-	-	-	-	-
155	Clothing & Wearing Apparel	642	269	480	-	-	-	-	Inflation	-	-	-	-	-
156	Jani. & Other Maint. Supplies	351	171	123	-	-	-	-	Inflation	-	-	-	-	-
157	Minor Equipment	11,682	10,902	4,082	16,440	5,000	-	5,000	Inflation	5,180	5,310	5,432	5,557	5,684
158	Other Supplies	844	231	150	2,703	1,700	-	1,700	Inflation	1,761	1,805	1,847	1,889	1,933
159	Reference Materials	19	745	-	185	-	-	-	Inflation	-	-	-	-	-
160	Memberships	283	2,304	648	686	5,000	-	5,000	Inflation	5,180	5,310	5,432	5,557	5,684
161	Training/Seminars/Bus. Meeting	1,300	1,190	2,650	1,982	5,610	-	5,610	Inflation	5,812	5,957	6,094	6,234	6,378
162	Furniture and Equipment	-	-	-	17,281	-	-	-	Eliminate	-	-	-	-	-
163	Vehicle & Rolling Stock	-	-	-	55,381	-	-	-	Eliminate	-	-	-	-	-
164	Lease Purchase Principal	-	-	-	-	2,040	-	2,040	Constant	2,040	2,040	2,040	2,040	2,040
165	Grants/Aid to Local Governments	545,533	554,822	551,561	584,227	592,000	-	592,000	Pop	604,463	616,926	629,388	639,808	650,227
166	Assessment Billing	-	-	-	-	-	702,120	702,120	Calculated	716,452	729,771	742,620	753,932	754,328
167	Total Operating Expenses	\$ 25,369,973	\$ 25,826,094	\$ 26,647,187	\$ 27,906,266	\$ 29,424,666	\$ 812,305	\$ 30,236,971		\$ 38,527,728	\$ 49,299,858	\$ 51,615,662	\$ 53,372,959	\$ 55,106,646
168	Total Operations/Solid Waste Management	\$ 26,153,733	\$ 26,711,589	\$ 27,578,535	\$ 28,807,313	\$ 30,489,449	\$ 831,442	\$ 31,320,891		\$ 39,695,753	\$ 50,504,103	\$ 52,857,237	\$ 54,653,027	\$ 56,426,406
<b>53406 - Recycling</b>														
<b><u>Personnel Services</u></b>														
169	Salaries - Full Time Regular	\$ 458,161	\$ 423,749	\$ 147,929	\$ 138,745	\$ 185,046	\$ 4,318	\$ 189,364	Labor	\$ 206,406	\$ 212,599	\$ 218,977	\$ 225,546	\$ 232,312
170	Salaries - PT Regular	1,118	4,904	153	-	-	-	-	Labor	-	-	-	-	-
171	Special Pay (w/ Retirement)	6	92	42	2,072	-	-	-	Labor	-	-	-	-	-
172	Sick Leave	15,192	24,296	4,963	6,801	-	-	-	Labor	-	-	-	-	-
173	Vacation Leave	35,983	32,567	10,397	12,507	-	-	-	Labor	-	-	-	-	-
174	CPI-Consumer Price Index	-	-	-	-	7,401	173	7,574	Labor	8,255	8,503	8,758	9,021	9,291
175	Pay-Non-Perm Labor	413	4,604	799	50	-	-	-	Labor	-	-	-	-	-
176	Overtime (OT 1.0)	6,129	6,393	1,649	1,496	-	-	-	Labor	-	-	-	-	-
177	Overtime (OT 1.5)	47,512	21,428	4,790	3,876	-	-	-	Labor	-	-	-	-	-
178	Holiday Pay	22,836	22,023	6,840	6,793	-	-	-	Labor	-	-	-	-	-
179	Disaster Pay - (OT 1.5)	263	-	-	52	-	-	-	Labor	-	-	-	-	-
180	Disaster Pay (1.0)	(144)	-	-	165	-	-	-	Labor	-	-	-	-	-
181	Sick Leave Buy Back	116	-	-	-	-	-	-	Labor	-	-	-	-	-

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
182	FICA Taxes (OASDI)	35,266	32,092	10,531	10,279	11,933	278	12,211	Labor	13,310	13,710	14,121	14,545	14,981
183	FICA Taxes (Medicare)	8,248	7,554	2,475	2,404	2,789	65	2,854	Labor	3,111	3,204	3,300	3,399	3,501
184	Regular Retirement	53,366	48,525	15,779	17,685	20,823	486	21,309	Labor	23,227	23,923	24,641	25,380	26,142
185	Senior Management Retirement	926	-	-	-	-	-	-	Labor	-	-	-	-	-
186	Health Insurance	134,437	138,755	46,150	50,068	59,116	-	59,116	HealthIns	61,185	63,327	65,543	67,837	70,211
187	Health Ins Opt Out	126	132	12	6	6	-	6	HealthIns	6	6	7	7	7
188	Life Insurance	1,301	1,182	320	326	323	-	323	Inflation	335	343	351	359	367
189	Dental Insurance	3,749	3,684	1,079	1,044	1,192	-	1,192	Inflation	1,235	1,266	1,295	1,325	1,355
190	Disability Insurance	2,482	2,394	770	583	616	-	616	Inflation	638	654	669	685	700
191	Worker's Comp-(IGS)	19,512	17,454	8,033	8,033	-	-	-	Labor	-	-	-	-	-
192	Total Personnel Services	\$ 846,998	\$ 791,827	\$ 262,710	\$ 262,984	\$ 289,245	\$ 5,320	\$ 294,565		\$ 317,709	\$ 327,535	\$ 337,662	\$ 348,103	\$ 719,032
<b><u>Operating Expenses</u></b>														
193	Other Professional Services	\$ 42,990	\$ 20,260	\$ 32,660	\$ 76,053	\$ 50,000	\$ -	\$ 50,000	Inflation	\$ 51,800	\$ 53,095	\$ 54,316	\$ 55,565	\$ 56,843
194	Comp Data Proc & Netwk-IGS	7,014	-	-	-	-	-	-	Inflation	-	-	-	-	-
195	Data Processing	1,138	542	542	1,227	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
196	Other Contracted Services - Republic	113,931	4,010,868	4,101,508	1,091,757	2,614,000	(1,696,144)	917,856	Calculated	2,782,628	3,063,360	3,337,153	3,618,411	3,906,352
197	Local Travel - Class C	-	152	-	-	400	-	400	Inflation	414	425	435	445	455
198	Out-of-County Travel	428	968	-	1,140	3,000	-	3,000	Inflation	3,108	3,186	3,259	3,334	3,411
199	Telecommunications	880	690	1,250	1,575	1,350	-	1,350	Inflation	1,399	1,434	1,467	1,500	1,535
200	Advertising	21,765	10,070	3,515	-	-	-	-	Inflation	-	-	-	-	-
201	Int. Phone Line (IGS-Var)	9,192	7,923	7,524	6,897	7,587	-	7,587	Inflation	7,860	8,057	8,242	8,432	8,625
202	Int. Phone Usage (IGS-Var)	39	-	-	-	-	-	-	Inflation	-	-	-	-	-
203	Freight, Postage & Courier Svc	225	-	-	245	40,000	-	40,000	Inflation	41,440	42,476	43,453	44,452	45,475
204	Vehicle Rental	340	270	1,545	-	-	-	-	Inflation	-	-	-	-	-
205	Trash, Garbage&Sludge Removal	472,528	944,508	848,214	-	-	-	-	DisposalRate	-	-	-	-	-
206	All Utility Services	-	-	-	-	900,000	-	900,000	DisposalRate	936,000	973,440	1,012,378	1,052,873	1,094,988
207	Rental&Lease <12mos <5,000	-	-	-	711	-	-	-	Inflation	-	-	-	-	-
208	Self Ins Assess-Auto Ins	4,735	1,305	1,966	1,966	-	-	-	Inflation	-	-	-	-	-
209	Self Ins Assess-Prop Ins	47,398	59,550	58,025	58,025	-	-	-	Inflation	-	-	-	-	-
210	Building Maintenance	17,820	-	-	-	-	-	-	Repair	-	-	-	-	-
211	Maintenance Material	19	-	-	-	-	-	-	Repair	-	-	-	-	-
212	Equipment Maintenance	650	-	-	-	-	-	-	Repair	-	-	-	-	-
213	Equipment Repair Parts	-	43,846	-	-	-	-	-	Repair	-	-	-	-	-
214	Repair & Maint. - Services & Labor	-	-	-	4,391	2,000	-	2,000	Repair	2,080	2,163	2,250	2,340	2,433
215	Internal Repair & Maint.	-	100	-	-	-	-	-	Repair	-	-	-	-	-
216	Pmtng, Bndng & Copy Ext	32,072	26,348	24,969	22,126	43,500	-	43,500	Inflation	45,066	46,193	47,255	48,342	49,454
217	Promo, Advertising & Expenses	71,568	213,170	166,982	82,157	217,500	-	217,500	Inflation	225,330	230,963	236,275	241,710	247,269
218	Indirect Cost	14,833	15,515	19,835	21,631	21,401	-	21,401	Inflation	22,171	22,726	23,248	23,783	24,330
219	Fiscal Support	6,525	11,820	12,175	12,604	13,044	-	13,044	Inflation	13,514	13,851	14,170	14,496	14,829
220	License,Permit & Appl.Fee	-	-	4,171	-	-	-	-	Inflation	-	-	-	-	-
221	Gen. Office Supplies	110	-	-	1,492	-	-	-	Inflation	-	-	-	-	-
222	Clothing & Wearing Apparel	-	150	-	-	-	-	-	Inflation	-	-	-	-	-
223	Jani. & Other Maint. Supplies	8	-	-	-	-	-	-	Inflation	-	-	-	-	-
224	Minor Equipment	125,282	150,416	177,406	206,867	240,000	-	240,000	Calculated	265,926	258,493	249,045	196,407	183,263
225	Other Supplies	45	-	-	244	500	-	500	Inflation	518	531	543	556	568
226	Reference Materials	391	299	180	299	250	-	250	Inflation	259	265	272	278	284
227	Memberships	1,472	1,413	981	860	4,300	-	4,300	Inflation	4,455	4,566	4,671	4,779	4,889
228	Educational Expenses	200	-	138	-	-	-	-	Inflation	-	-	-	-	-
229	Training/Seminars/Bus. Meeting	4,025	5,567	1,170	3,541	13,000	-	13,000	Inflation	13,468	13,805	14,122	14,447	14,779
230	Furniture and Equipment	-	-	-	-	875,100	(875,100)	-	Eliminate	-	-	-	-	-
231	Electronic Subscriptions	-	-	90	531	-	-	-	Eliminate	-	-	-	-	-
232	Aids to Priv. Organizations	85,000	85,000	85,000	85,000	85,000	-	85,000	Constant	85,000	85,000	85,000	85,000	85,000
233	County-Sponsored Functions	-	8,000	22,500	20,000	21,500	-	21,500	Inflation	22,274	22,831	23,356	23,893	24,443
234	Grants/Aid to Local Governments	204,515	1,381	-	230,161	-	-	-	Calculated	-	-	-	-	-
235	Total Operating Expenses	\$ 1,287,136	\$ 5,620,131	\$ 5,572,346	\$ 1,931,501	\$ 5,154,432	\$ (2,571,244)	\$ 2,583,188		\$ 4,525,745	\$ 4,847,921	\$ 5,161,995	\$ 5,442,153	\$ 5,770,363
236	Total Recycling	\$ 2,134,134	\$ 6,411,957	\$ 5,835,056	\$ 2,194,485	\$ 5,443,677	\$ (2,565,924)	\$ 2,877,753		\$ 4,843,454	\$ 5,175,456	\$ 5,499,657	\$ 5,790,257	\$ 6,489,395

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	2018	2019	Actual 2020	2021	Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	2023	2024	Fiscal Year Ending September 30, 2025	2026	2027
53408- Disposal														
Personnel Services														
237	Salaries - Full Time Regular	\$ 1,280,106	\$ 1,555,887	\$ 3,032,643	\$ 3,024,145	\$ 3,817,712	\$ 89,080	\$ 3,906,792	Labor	\$ 4,258,403	\$ 4,386,155	\$ 4,517,740	\$ 4,653,272	\$ 4,792,870
238	Salaries - PT Regular	3,353	14,711	22,538	7,664	25,740	-	25,740	Labor	28,057	28,898	29,765	30,658	31,578
239	Disaster Pay (1.0)	(429)	-	-	7,588	-	-	-	Labor	-	-	-	-	-
240	Special Pay (w/ Retirement)	8	322	981	2,957	-	-	-	Labor	-	-	-	-	-
241	Sick Leave	52,715	75,840	118,247	151,014	-	-	-	Labor	-	-	-	-	-
242	Vacation Leave	78,590	95,936	170,309	219,924	-	-	-	Labor	-	-	-	-	-
243	CPI-Consumer Price Index	-	-	-	-	151,143	3,527	154,670	Labor	168,590	173,648	178,857	184,223	189,749
244	Pay-Non-Perm Labor	3,771	21,342	3,392	43,356	-	-	-	Labor	-	-	-	-	-
245	Pay-Non-Perm Labor	3,771	21,342	-	-	-	-	-	Labor	-	-	-	-	-
246	Overtime (OT 1.0)	59,335	64,232	108,995	112,961	110,000	2,567	112,567	Labor	122,698	126,379	130,170	134,075	138,097
247	Overtime (OT 1.5)	356,653	271,798	372,173	502,801	400,000	9,333	409,333	Labor	446,173	459,559	473,345	487,546	502,172
248	Holiday Pay	62,981	75,610	146,596	150,317	-	-	-	Labor	-	-	-	-	-
249	Disaster Pay - (OT 1.5)	400	-	-	3,223	-	-	-	Labor	-	-	-	-	-
250	Special Pay (w/o Retirement)	-	-	-	10,251	-	-	-	Labor	-	-	-	-	-
251	Sick Leave Buy Back	497	-	423	399	-	-	-	Labor	-	-	-	-	-
252	FICA Taxes (OASDI)	114,722	131,037	240,837	255,255	247,008	5,764	252,772	Labor	275,521	283,787	292,300	301,069	310,101
253	FICA Taxes (Medicare)	26,830	30,648	56,379	59,878	57,954	1,352	59,306	Labor	64,644	66,583	68,581	70,638	72,757
254	Regular Retirement	155,530	186,901	355,928	421,493	419,262	9,783	429,045	Labor	467,659	481,689	496,139	511,023	526,354
255	Senior Management Retirement	3,704	-	21,759	-	45,233	-	45,233	Labor	49,304	50,783	52,307	53,876	55,492
256	Health Insurance	403,957	534,125	1,002,554	1,089,204	1,247,046	-	1,247,046	HealthIns	1,290,693	1,335,867	1,382,622	1,431,014	1,481,099
257	Health Ins Opt Out	1,686	1,657	2,955	2,357	2,100	-	2,100	HealthIns	2,174	2,250	2,328	2,410	2,494
258	Life Insurance	3,833	4,172	8,184	8,426	7,912	-	7,912	Inflation	8,197	8,402	8,595	8,793	8,995
259	Dental Insurance	11,924	14,808	26,647	25,815	28,902	-	28,902	Inflation	29,942	30,691	31,397	32,119	32,858
260	Disability Insurance	6,804	8,499	16,520	11,084	12,713	-	12,713	Inflation	13,171	13,500	13,810	14,128	14,453
261	Worker's Comp-(IGS)	68,294	77,572	128,534	128,534	80,659	-	80,659	Labor	87,918	90,556	93,273	96,071	98,953
262	Total Personnel Services	\$ 2,699,035	\$ 3,186,436	\$ 5,836,593	\$ 6,238,647	\$ 6,653,384	\$ 121,405	\$ 6,774,789		\$ 7,313,143	\$ 7,538,745	\$ 7,771,230	\$ 8,010,915	\$ 8,258,024
Operating Expenses														
263	Legal Services	\$ 23,606	\$ 12,137	\$ -	\$ -	\$ -	\$ -	\$ -	Inflation	\$ -	\$ -	\$ -	\$ -	\$ -
264	Financial Services	77,351	89,308	116,471	164,936	135,000	-	135,000	Inflation	139,860	143,357	146,654	150,027	153,477
265	Architect and Engin. Serve	516,394	498,559	759,195	535,145	575,000	-	575,000	Inflation	595,700	610,593	624,636	639,003	653,700
266	Architect and Engin. Serve	-	-	9,510	20,000	190,000	-	190,000	Inflation	196,840	201,761	206,402	211,149	216,005
267	Other Professional Services	69,368	134,693	270,556	12,832	100,000	-	100,000	Inflation	103,600	106,190	108,632	111,131	113,687
268	Other Professional Services	-	-	55,324	123,159	15,000	-	15,000	Inflation	15,540	15,929	16,295	16,670	17,053
269	Auditing	-	-	5,000	5,000	-	-	-	Inflation	-	-	-	-	-
270	Janitorial Services	4,673	1,580	2,620	-	-	-	-	Inflation	-	-	-	-	-
271	Uniform/Laundry Service	6,396	5,969	6,237	-	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369
272	Comp Data Proc & Netwk-IGS	59,619	118,400	95,800	168,294	185,123	-	185,123	Inflation	191,787	196,582	201,104	205,729	210,461
273	Data Processing	7,677	19,531	7,698	18,261	-	-	-	Inflation	-	-	-	-	-
274	Data Processing	-	-	-	1,135	700	-	700	Inflation	725	743	760	778	796
275	Other Contracted Services	30,278,465	30,211,663	30,286,633	32,802,885	27,806	-	27,806	Repair	28,918	30,075	31,278	32,529	33,830
276	Covanta Operation	N/A	N/A	N/A	N/A	29,728,703	1,025,854	30,754,557	Calculated	33,920,017	36,881,438	36,593,076	37,827,635	39,113,898
277	Yard Waste Processing	N/A	N/A	N/A	N/A	2,300,000	647,833	2,947,833	Calculated	3,022,438	3,081,062	3,139,264	3,195,477	3,249,684
278	Local Travel - Class C	764	290	851	2,318	-	-	-	Inflation	-	-	-	-	-
279	Local Travel - Class C	-	-	196	-	-	-	-	Inflation	-	-	-	-	-
280	Bridge Tickets & Passes	10	6	-	-	-	-	-	Inflation	-	-	-	-	-
281	Out-of-County Travel	12,324	17,744	2,276	1,940	4,000	-	4,000	Inflation	4,144	4,248	4,345	4,445	4,547
282	Out-of-County Travel 392	-	-	488	-	4,000	-	4,000	Inflation	4,144	4,248	4,345	4,445	4,547
283	Telecommunications	12,473	15,244	23,100	21,697	7,838	-	7,838	Inflation	8,120	8,323	8,515	8,710	8,911
284	Telecommunications 392	-	-	-	-	2,250	-	2,250	Inflation	2,331	2,389	2,444	2,500	2,558
285	Advertising	1,811	1,083	4,523	-	-	-	-	Inflation	-	-	-	-	-
286	Int. Phone Line (IGS-Var)	17,676	20,151	20,007	19,280	19,312	-	19,312	Inflation	20,007	20,507	20,979	21,462	21,955
287	Int. Phone Usage (IGS-Var)	49	161	212	190	161	-	161	Inflation	167	171	175	179	183
288	Freight, Postage & Courier Svc	15	947	274	15	-	-	-	Inflation	-	-	-	-	-
289	Trash, Garbage&Sludge Removal	270,973	144,099	141,812	-	-	-	-	DisposalRate	-	-	-	-	-
290	All Utility Services	-	-	-	45,942	150,000	-	150,000	Inflation	155,400	159,285	162,949	166,696	170,530
291	Other Equipment Rental	5,290	6,544	-	-	-	-	-	Inflation	-	-	-	-	-
292	Rental&Lease <12mos <5,000	-	-	-	96	-	-	-	Inflation	-	-	-	-	-
293	Small Equipment Leases	-	-	-	319	-	-	-	Inflation	-	-	-	-	-
294	Self Ins Assess-General Liability	135,667	156,908	-	11,080	17,283	-	17,283	Inflation	17,905	18,353	18,775	19,207	19,649
295	Self Ins Assess-Auto Ins	22,996	9,323	-	18,536	27,878	-	27,878	Inflation	28,882	29,604	30,285	30,981	31,694
296	Self Ins Assess-Prop Ins	96,231	120,906	-	117,807	279,952	-	279,952	Inflation	290,030	297,281	304,118	311,113	318,269
297	Insurance and Bonds	183,035	183,035	233,635	213,987	250,000	-	250,000	Inflation	259,000	265,475	271,581	277,827	284,217
298	Building Maintenance	9,934	-	-	-	-	-	-	Repair	-	-	-	-	-
299	Maintenance Material	8,254	6,476	32	-	-	-	-	Repair	-	-	-	-	-
300	Vehicle Maintenance	2,337	-	-	-	-	-	-	DisposalHauling	-	-	-	-	-
301	Equipment Maintenance	14,372	3,936	4,536	-	-	-	-	Repair	-	-	-	-	-

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

### Historical and Projected Operating Expenses

Line No.	Description	Actual				Budget		Adjusted	Escalation	Fiscal Year Ending September 30,				
		2018	2019	2020	2021	2022	Adjustments	2022	Reference	2023	2024	2025	2026	2027
302	Equipment Repair Parts	3,354	1,816	320	-	-	-	-	Repair	-	-	-	-	-
303	Repair & Maint. - Services & Labor	-	-	-	3,831	-	-	-	Repair	-	-	-	-	-
304	Repair & Maint. - Services & Labor	-	-	-	-	1,000	-	1,000	Repair	1,040	1,082	1,125	1,170	1,217
305	Repairs & Maint. - Parts	-	-	-	1,777	-	-	-	Repair	-	-	-	-	-
306	Repairs & Maint. - Parts	-	-	-	324	-	-	-	Repair	-	-	-	-	-
307	Repairs & Maint. - Parts	-	-	-	524	-	-	-	Repair	-	-	-	-	-
308	Repairs & Maint. - Parts	-	-	-	3,174	-	-	-	Repair	-	-	-	-	-
309	Tires & Tubes	266	251	98	-	-	-	-	Inflation	-	-	-	-	-
310	Internal Repair & Maint.	1,782	2,677	20	-	-	-	-	Repair	-	-	-	-	-
311	Prntng. Bndng & Copy Ext	717	4,500	215	845	-	-	-	Inflation	-	-	-	-	-
312	Promo. Advertising & Expenses	-	109,303	15,005	430	-	-	-	Inflation	-	-	-	-	-
313	Deputy Clerk Fees	40	10	-	-	-	-	-	Inflation	-	-	-	-	-
314	Indirect Cost	323,961	343,660	439,353	479,134	474,033	-	474,033	Inflation	491,098	503,376	514,953	526,797	538,914
315	Solid Waste Assessment	9,160	-	9,188	9,188	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369
316	Fiscal Support	86,380	116,256	119,744	123,962	128,289	-	128,289	Inflation	132,907	136,230	139,363	142,569	145,848
317	License,Permit & Appl.Fee	26,467	26,892	291	4,112	-	-	-	Inflation	-	-	-	-	-
318	License,Permit & Appl.Fee 392	-	-	-	24,562	37,225	-	37,225	Inflation	38,565	39,529	40,438	41,368	42,320
319	Gen. Office Supplies	3,857	3,230	341	-	20,000	-	20,000	Inflation	20,720	21,238	21,726	22,226	22,737
320	Fuel and Lubricants	12,800	-	33,609	38,534	38,000	-	38,000	Disposal/Hauling	37,688	39,078	40,436	41,829	43,258
321	Medical Supplies & Drugs	1,669	619	53	-	-	-	-	Inflation	-	-	-	-	-
322	Clothing & Wearing Apparel	9,247	1,934	2,896	-	9,450	-	9,450	Inflation	9,790	10,035	10,266	10,502	10,743
323	Clothing & Wearing Apparel 392	-	-	-	-	300	-	300	Inflation	311	319	326	333	341
324	Chem. Insect & Fertilizer	97	69	-	223	-	-	-	Chemicals	-	-	-	-	-
325	Jani. & Other Maint. Supplies	4,748	1,899	1,154	-	7,500	-	7,500	Inflation	7,770	7,964	8,147	8,335	8,527
326	Jani. & Other Maint. Supplies	-	-	51	-	-	-	-	Inflation	-	-	-	-	-
327	Recreational Supplies	-	-	7	-	-	-	-	Inflation	-	-	-	-	-
328	Minor Equipment	22,078	11,148	8,664	38,319	4,200	-	4,200	Inflation	4,351	4,460	4,563	4,667	4,775
329	Attractive Items	-	-	-	1,550	-	-	-	Inflation	-	-	-	-	-
330	Attractive Items	-	-	-	2,820	-	-	-	Inflation	-	-	-	-	-
331	Attractive Items	-	-	-	2,129	-	-	-	Inflation	-	-	-	-	-
332	Other Supplies	12,345	11,472	7,939	15,014	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369
333	Other Supplies	-	-	-	344	-	-	-	Inflation	-	-	-	-	-
334	Road Base Materials	-	852	-	-	-	-	-	Inflation	-	-	-	-	-
335	Cement and Concrete	6	-	329	-	-	-	-	Inflation	-	-	-	-	-
336	Fill Material	2,353	-	-	-	-	-	-	Inflation	-	-	-	-	-
337	Other Road Materials	493	-	-	-	-	-	-	Inflation	-	-	-	-	-
338	Reference Materials	764	120	918	745	2,000	-	2,000	Inflation	2,072	2,124	2,173	2,223	2,274
339	Reference Materials 392	-	-	-	-	1,120	-	1,120	Inflation	1,160	1,189	1,217	1,245	1,273
340	Memberships	1,177	2,779	6,017	4,843	750	-	750	Inflation	777	796	815	833	853
341	Memberships 392	-	-	-	-	4,200	-	4,200	Inflation	4,351	4,460	4,563	4,667	4,775
342	Educational Expenses	200	-	276	409	400	-	400	Inflation	414	425	435	445	455
343	Educational Expenses	-	-	138	-	-	-	-	Inflation	-	-	-	-	-
344	Training/Seminars/Bus. Meeting	17,256	20,819	12,632	19,221	3,150	-	3,150	Inflation	3,263	3,345	3,422	3,501	3,581
345	Training/Seminars/Bus. Meeting 392	-	-	755	-	3,000	-	3,000	Inflation	3,108	3,186	3,259	3,334	3,411
346	Furniture and Equipment	-	-	119,099	-	11,800	(11,800)	-	Eliminate	-	-	-	-	-
347	Vehicle & Rolling Stock	-	-	56,112	265,953	934,000	(934,000)	-	Eliminate	-	-	-	-	-
348	County-Sponsored Functions	-	-	813	-	-	-	-	Inflation	-	-	-	-	-
349	Appraisal Services	-	-	200	-	-	-	-	Inflation	-	-	-	-	-
350	Misc Fines-Like Fire Alarms	-	-	-	194	-	-	-	Inflation	-	-	-	-	-
351	Administrative Charges	-	-	2,236	2,057	2,319	-	2,319	Inflation	2,402	2,463	2,519	2,577	2,636
352	Total Operating Expense	\$ 32,378,978	\$ 32,439,000	\$ 32,885,461	\$ 35,349,146	\$ 35,732,742	\$ 727,887	\$ 36,460,629		\$ 39,798,426	\$ 42,890,767	\$ 42,728,946	\$ 44,089,655	\$ 45,501,695
353	Total Disposal	\$ 35,078,013	\$ 35,625,436	\$ 38,722,054	\$ 41,587,793	\$ 42,386,126	\$ 849,292	\$ 43,235,418		\$ 47,111,569	\$ 50,429,512	\$ 50,500,176	\$ 52,100,569	\$ 53,759,719

### 53408- Buckingham Campus Transfer Station

### Personnel Services

354	Salaries - Full Time Regular	\$	-	\$	84,392	\$	2,852	\$	-	\$	-	\$	-	\$	-	Labor	\$	-	\$	-	\$	-	\$	-
355	Sick Leave	-	-	-	2,278	-	12	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
356	Vacation Leave	-	-	-	3,669	-	125	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
357	Overtime (OT 1.0)	-	-	-	2,089	-	47	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
358	Overtime (OT 1.5)	-	-	-	16,364	-	585	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
359	Holiday Pay	-	-	-	2,858	-	-	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
360	FICA Taxes (OASDI)	-	-	-	6,769	-	220	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
361	FICA Taxes (Medicare)	-	-	-	1,583	-	52	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
362	Regular Retirement	-	-	-	9,309	-	307	-	-	-	-	-	-	-	-	Labor	-	-	-	-	-	-	-	-
363	Health Insurance	-	-	-	23,085	-	-	-	-	-	-	-	-	-	-	HealthIns	-	-	-	-	-	-	-	-
364	Life Insurance	-	-	-	174	-	-	-	-	-	-	-	-	-	-	Inflation	-	-	-	-	-	-	-	-
365	Dental Insurance	-	-	-	703	-	-	-	-	-	-	-	-	-	-	Inflation	-	-	-	-	-	-	-	-
366	Disability Insurance	-	-	-	414	-	-	-	-	-	-	-	-	-	-	Inflation	-	-	-	-	-	-	-	-



**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
367	Worker's Comp-(IGS)	-	3,879	-	-	-	-	-	Labor	-	-	-	-	-
368	Total Personnel Services	\$ -	\$ 157,568	\$ 4,201	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>Operating Expenses</u></b>														
369	Other Professional Services	\$ 12,779	\$ 6,397	\$ -	\$ -	\$ 20,000	\$ -	\$ 20,000	Inf+LF	\$ 17,873	\$ 19,113	\$ 20,360	\$ 21,628	\$ 22,916
370	Janitorial Services	5,040	-	-	-	-	-	-	Inflation	-	-	-	-	-
371	Comp Data Proc & Netwk-IGS	17,535	14,800	15,328	16,028	17,631	-	17,631	Inflation	18,266	18,722	19,153	19,593	20,044
372	Other Contracted Services	22,815	18,250	64,869	11,812	65,646	-	65,646	Inflation	68,009	69,709	71,313	72,953	74,631
373	Telecommunications	-	-	-	3,982	15,704	-	15,704	Inflation	16,269	16,676	17,060	17,452	17,853
374	Int. Phone Line (IGS-Var)	7,070	6,373	6,156	5,643	6,207	-	6,207	Inflation	6,430	6,591	6,743	6,898	7,057
375	Other Equipment Rental	32,958	34,052	5,450	-	-	-	-	Inflation	-	-	-	-	-
376	Rental & Lease (<12 mos, <\$5,000)	-	-	-	-	6,000	-	6,000	Inflation	6,216	6,371	6,518	6,668	6,821
377	Building Maintenance	49	-	-	-	-	-	-	Repair	-	-	-	-	-
378	Maintenance Material	2,649	5,011	-	-	-	-	-	Repair	-	-	-	-	-
379	Equipment Maintenance	5,147	4,170	436	-	-	-	-	Repair	-	-	-	-	-
380	Equipment Repair Parts	11,745	1,447	989	-	-	-	-	Inflation	-	-	-	-	-
381	Repair & Maint. - Services & Labor	-	-	-	891	-	-	-	Inflation	-	-	-	-	-
382	Internal Repair & Maint.	-	15	-	-	-	-	-	Repair	-	-	-	-	-
383	License, Permit & Appl.Fee	171	360	82	83	-	-	-	Inflation	-	-	-	-	-
384	Gen. Office Supplies	-	21	-	-	-	-	-	Inflation	-	-	-	-	-
385	Fuel and Lubricants	38	15	-	-	-	-	-	Fuel	-	-	-	-	-
386	Medical Supplies & Drugs	409	243	108	-	-	-	-	Inflation	-	-	-	-	-
387	Clothing & Wearing Apparel	3,556	6,511	4,898	-	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
388	Chem. Insect & Fertilizer	380	-	-	-	-	-	-	Chemicals	-	-	-	-	-
389	Jani. & Other Maint. Supplies	1,989	3,856	3,456	-	2,500	-	2,500	Inflation	2,590	2,655	2,716	2,778	2,842
390	Minor Equipment	5,626	1,829	1,351	5,196	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369
391	Other Supplies	2,188	822	371	10,338	1,500	-	1,500	Inflation	1,554	1,593	1,629	1,667	1,705
392	Reference Materials	-	3,284	-	-	-	-	-	Inflation	-	-	-	-	-
393	Furniture and Equipment	-	-	3,141	-	-	-	-	Eliminate	-	-	-	-	-
394	Vehicle & Rolling Stock	-	-	246,993	-	-	-	-	Eliminate	-	-	-	-	-
395	Total Operating Expense	\$ 132,145	\$ 107,454	\$ 353,628	\$ 53,973	\$ 146,188	\$ -	\$ 146,188		\$ 148,604	\$ 153,112	\$ 157,442	\$ 161,862	\$ 166,375
396	Total Buckingham Campus Transfer Station	\$ 132,145	\$ 265,022	\$ 357,829	\$ 53,973	\$ 146,188	\$ -	\$ 146,188		\$ 148,604	\$ 153,112	\$ 157,442	\$ 161,862	\$ 166,375
<b>53408- Hazardous Waste</b>														
<b><u>Personnel Services</u></b>														
397	Salaries - Full Time Regular	\$ 269,301	\$ 297,454	\$ 270,464	\$ 265,476	\$ 363,622	\$ 8,485	\$ 372,107	Labor	\$ 405,596	\$ 417,764	\$ 430,297	\$ 443,206	\$ 456,502
398	Special Pay (w/ Retirement)	2	78	650	1,499	-	-	-	Labor	-	-	-	-	-
399	Sick Leave	13,452	13,224	10,240	14,565	-	-	-	Labor	-	-	-	-	-
400	Vacation Leave	17,640	22,075	19,753	19,982	-	-	-	Labor	-	-	-	-	-
401	CPI-Consumer Price Index	-	-	-	-	13,130	\$ 306	13,436	Labor	14,646	15,085	15,538	16,004	16,484
402	Overtime (OT 1.0)	1,781	3,307	2,273	3,188	1,440	34	1,474	Labor	1,606	1,654	1,704	1,755	1,808
403	Overtime (OT 1.5)	10,547	12,399	8,414	8,572	2,880	67	2,947	Labor	3,212	3,309	3,408	3,510	3,616
404	Holiday Pay	13,349	13,675	13,284	13,417	-	-	-	Labor	-	-	-	-	-
405	Disaster Pay - (OT 1.5)	0	-	-	31	-	-	-	Labor	-	-	-	-	-
406	Disaster Pay (1.0)	(0)	-	-	99	-	-	-	Labor	-	-	-	-	-
407	Sick Leave Buy Back	38	-	-	-	-	-	-	Labor	-	-	-	-	-
408	FICA Taxes (OASDI)	19,734	21,854	19,718	19,877	23,449	547	23,996	Labor	26,156	26,940	27,749	28,581	29,439
409	FICA Taxes (Medicare)	4,616	5,111	4,612	4,649	5,480	128	5,608	Labor	6,113	6,296	6,485	6,679	6,880
410	Regular Retirement	25,969	30,210	28,827	33,475	40,916	955	41,871	Labor	45,639	47,008	48,418	49,871	51,367
411	Senior Management Retirement	463	-	-	-	-	-	-	Labor	-	-	-	-	-
412	Health Insurance	84,041	101,676	91,358	99,569	122,428	-	122,428	HealthIns	126,713	131,148	135,738	140,489	145,406
413	Health Ins Opt Out	-	-	-	-	6	-	6	HealthIns	6	6	7	7	7
414	Life Insurance	775	716	628	616	632	-	632	Inflation	655	671	687	702	719
415	Dental Insurance	1,949	2,279	1,890	1,844	2,392	-	2,392	Inflation	2,478	2,540	2,598	2,658	2,719
416	Disability Insurance	1,498	1,598	1,505	1,095	1,210	-	1,210	Inflation	1,254	1,285	1,314	1,345	1,376
417	Worker's Comp-(IGS)	15,610	15,514	12,050	12,050	-	-	-	Labor	-	-	-	-	-
418	Total Personnel Services	\$ 480,762	\$ 541,169	\$ 485,666	\$ 500,053	\$ 577,585	\$ 10,521	\$ 588,106		\$ 634,073	\$ 653,707	\$ 673,943	\$ 694,808	\$ 716,321

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget	Adjustments	Adjusted	Escalation Reference	Fiscal Year Ending September 30,					
		2018	2019	2020	2021	2022		2022		2023	2024	2025	2026	2027	
<u>Operating Expenses</u>															
419	Other Professional Services	\$ 13,486	\$ 9,224	\$ 1,291	\$ -	\$ -	\$ -	\$ -	Inflation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420	Janitorial Services	4,533	2,532	-	-	-	-	-	Inflation	-	-	-	-	-	-
421	Uniform/Laundry Service	1,396	1,327	1,454	-	-	-	-	Inflation	-	-	-	-	-	-
422	Comp Data Proc & Netwk-IGS	3,507	3,700	3,832	8,014	8,815	-	8,815	Inflation	9,132	9,361	9,576	9,796	10,022	
424	Other Contracted Services	311,852	198,960	235,031	333,706	363,300	-	363,300	Inflation	376,379	385,788	394,661	403,739	413,025	
425	Out-of-County Travel	-	-	-	-	3,000	-	3,000	Inflation	3,108	3,186	3,259	3,334	3,411	
426	Telecommunications	959	1,299	531	1,017	2,302	-	2,302	Inflation	2,385	2,444	2,501	2,558	2,617	
427	Advertising	-	76	-	-	-	-	-	Inflation	-	-	-	-	-	
428	Int. Phone Line (IGS-Var)	1,414	1,091	57	1,463	2,759	-	2,759	Inflation	2,858	2,930	2,997	3,066	3,137	
429	Electric	9,212	11,308	9,505	-	-	-	-	Electric	-	-	-	-	-	
430	Water and Sewer	1,195	434	173	-	-	-	-	W&S	-	-	-	-	-	
431	Trash, Garbage&Sludge Removal	21,571	57,717	66,090	-	-	-	-	DisposalRate	-	-	-	-	-	
432	All Utility Services	-	-	1,221	36,570	35,000	-	35,000	DisposalRate	36,400	37,856	39,370	40,945	42,583	
433	Other Equipment Rental	320	1,432	-	-	-	-	-	Inflation	-	-	-	-	-	
434	Rental & Lease (<12 mos, <\$5,000)	-	-	-	-	2,500	-	2,500	Inflation	2,590	2,655	2,716	2,778	2,842	
435	Self Ins Assess-Auto Ins	1,353	374	-	-	-	-	-	Inflation	-	-	-	-	-	
436	Maintenance Material	4,549	3,473	51	-	-	-	-	Repair	-	-	-	-	-	
437	Equipment Maintenance	4,517	3,630	195	-	-	-	-	Repair	-	-	-	-	-	
438	Equipment Repair Parts	1,620	452	124	-	-	-	-	Repair	-	-	-	-	-	
439	Internal Repair & Maint.	-	41	-	-	-	-	-	Repair	-	-	-	-	-	
440	Pmntg. Bndng & Copy Ext	-	-	-	17	-	-	-	Inflation	-	-	-	-	-	
441	Solid Waste Assessment	457	9,637	449	449	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137	
442	Gen. Office Supplies	124	8	12	-	-	-	-	Inflation	-	-	-	-	-	
443	Fuel and Lubricants	1,762	319	290	410	-	-	-	Fuel	-	-	-	-	-	
444	Medical Supplies & Drugs	288	566	456	-	-	-	-	Inflation	-	-	-	-	-	
445	Clothing & Wearing Apparel	1,140	1,061	1,519	-	-	-	-	Inflation	-	-	-	-	-	
446	Chem. Insect & Fertilizer	10	-	-	-	-	-	-	Chemicals	-	-	-	-	-	
447	Jani. & Other Maint. Supplies	24,366	6,470	2,752	-	-	-	-	Inflation	-	-	-	-	-	
448	Minor Equipment	3,278	10,823	2,681	3,042	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369	
449	Other Supplies	4,099	3,547	4,021	6,473	10,250	-	10,250	Inflation	10,619	10,884	11,135	11,391	11,653	
450	Other Road Materials	278	212	1,094	-	-	-	-	Inflation	-	-	-	-	-	
451	Memberships	740	400	800	-	-	-	-	Inflation	-	-	-	-	-	
452	Training/Seminars/Bus. Meeting	-	-	(190)	-	500	-	500	Inflation	518	531	543	556	568	
453	Furniture and Equipment	-	-	-	29,065	35,000	(35,000)	-	Eliminate	-	-	-	-	-	
454	Vehicle & Rolling Stock	-	-	-	-	118,000	(118,000)	-	Eliminate	-	-	-	-	-	
455	Total Operating Expense	\$ 418,025	\$ 330,113	\$ 333,437	\$ 421,342	\$ 592,426	\$ (153,000)	\$ 439,426		\$ 455,385	\$ 467,316	\$ 478,708	\$ 490,387	\$ 502,362	
456	Total Hazardous Waste	\$ 898,787	\$ 871,283	\$ 819,104	\$ 921,395	\$ 1,170,011	\$ (142,479)	\$ 1,027,532		\$ 1,089,459	\$ 1,121,023	\$ 1,152,651	\$ 1,185,195	\$ 1,218,684	
<b>53408- Vehicle Maintenance</b>															
<u>Operating Expenses</u>															
457	Comp Data Proc & Netwk-IGS	\$ 21,042	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Inflation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
458	Other Contracted Services	300	-	-	-	-	-	-	Inflation	-	-	-	-	-	-
459	Int. Phone Line (IGS-Var)	4,949	-	-	-	-	-	-	Inflation	-	-	-	-	-	-
460	Vehicle Maintenance	(584)	-	-	-	-	-	-	Repair	-	-	-	-	-	-
461	Equipment Maintenance	885	-	-	-	-	-	-	Repair	-	-	-	-	-	-
462	Equipment Repair Parts	(1,647)	-	-	-	-	-	-	Repair	-	-	-	-	-	-
463	Other Supplies	200	-	-	-	-	-	-	Inflation	-	-	-	-	-	-
464	Total Operating Expense	\$ 25,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
465	Total Vehicle Maintenance	\$ 25,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>53408- C&amp;D</b>															
<u>Personnel Services</u>															
466	Salaries - Full Time Regular	\$ 397,483	\$ 447,450	\$ 389,828	\$ 490,091	\$ 582,393	\$ 13,589	\$ 595,982	Labor	\$ 649,621	\$ 669,109	\$ 689,182	\$ 709,858	\$ 731,154	
467	Special Pay (w/ Retirement)	7	134	525	812	-	-	-	Labor	-	-	-	-	-	-
468	Sick Leave	21,119	22,956	12,449	29,491	-	-	-	Labor	-	-	-	-	-	-
469	Vacation Leave	25,632	25,882	20,532	27,678	-	-	-	Labor	-	-	-	-	-	-
470	CPI-Consumer Price Index	-	-	-	-	23,298	544	23,842	Labor	25,987	26,767	27,570	28,397	29,249	
471	Pay-Non-Perm Labor	1,012	4,420	-	18,696	40,000	933	40,933	Labor	44,617	45,956	47,335	48,755	50,217	
472	Overtime (OT 1.0)	27,914	26,387	26,117	35,525	40,000	933	40,933	Labor	44,617	45,956	47,335	48,755	50,217	
473	Overtime (OT 1.5)	156,110	127,799	113,186	205,365	100,000	2,333	102,333	Labor	111,543	114,890	118,336	121,886	125,543	
474	Holiday Pay	20,066	22,169	18,587	23,985	-	-	-	Labor	-	-	-	-	-	
475	Disaster Pay - (OT 1.5)	28	-	-	206	-	-	-	Labor	-	-	-	-	-	
476	Disaster Pay (1.0)	(22)	-	-	661	-	-	-	Labor	-	-	-	-	-	
477	Sick Leave Buy Back	44	-	-	397	-	-	-	Labor	-	-	-	-	-	

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
478	FICA Taxes (OASDI)	39,111	40,849	35,215	50,388	37,555	876	38,431	Labor	41,890	43,147	44,441	45,774	47,148
479	FICA Taxes (Medicare)	9,147	9,554	8,236	11,784	8,783	205	8,988	Labor	9,797	10,091	10,393	10,705	11,026
480	Regular Retirement	53,062	58,057	51,613	85,621	65,535	1,529	67,064	Labor	73,100	75,293	77,552	79,878	82,275
481	Health Insurance	152,413	166,871	143,130	220,070	232,497	-	232,497	HealthIns	240,634	249,057	257,774	266,796	276,134
482	Health Ins Opt Out	-	-	-	-	90	-	90	HealthIns	93	96	100	103	107
483	Life Insurance	1,121	1,076	867	1,127	1,014	-	1,014	Inflation	1,051	1,077	1,102	1,127	1,153
484	Dental Insurance	4,439	4,667	3,685	4,982	5,244	-	5,244	Inflation	5,433	5,569	5,697	5,828	5,962
485	Disability Insurance	2,180	2,406	2,073	2,011	1,939	-	1,939	Inflation	2,009	2,059	2,106	2,155	2,204
486	Worker's Comp-(IGS)	23,415	25,211	14,058	14,058	-	-	-	Labor	-	-	-	-	-
487	Total Personnel Services	\$ 934,282	\$ 985,889	\$ 840,101	\$ 1,222,948	\$ 1,138,348	\$ 20,943	\$ 1,159,291		\$ 1,250,392	\$ 1,289,065	\$ 1,328,922	\$ 1,370,017	\$ 1,412,388
<b><u>Operating Expenses</u></b>														
488	Other Professional Services	\$ 32,554	\$ 12,215	\$ -	\$ 29,000	\$ 20,000	\$ -	\$ 20,000	Inflation	\$ 20,720	\$ 21,238	\$ 21,726	\$ 22,226	\$ 22,737
489	Janitorial Services	5,452	-	-	-	-	-	-	Inflation	-	-	-	-	-
490	Uniform/Laundry Service	2,029	3,205	2,578	-	-	-	-	Inflation	-	-	-	-	-
491	Comp Data Proc & Netwk-IGS	7,014	11,100	7,664	4,007	4,408	-	4,408	Inflation	4,567	4,681	4,789	4,899	5,011
492	Data Processing	-	-	-	-	-	-	-	Inflation	-	-	-	-	-
493	Other Contracted Services	715,403	636,700	469,364	416,579	495,662	-	495,662	Inflation	513,506	526,343	538,449	550,834	563,503
494	Local Travel - Class C	-	-	188	-	-	-	-	Inflation	-	-	-	-	-
495	Out-of-County Travel	-	-	-	-	4,000	-	4,000	Inflation	4,144	4,248	4,345	4,445	4,547
496	Telecommunications	3,971	8,210	8,563	7,070	7,546	-	7,546	Inflation	7,818	8,013	8,197	8,386	8,579
497	Advertising	-	-	83	-	-	-	-	Inflation	-	-	-	-	-
498	Int. Phone Usage (IGS-Var)	1,547	387	-	-	387	-	387	Inflation	401	411	420	430	440
499	Other Equipment Rental	169,295	53,793	18,151	-	-	-	-	Inflation	-	-	-	-	-
500	Rental & Lease (<12 mos, <\$5,000)	-	-	-	36,818	18,000	-	18,000	Inflation	18,648	19,114	19,554	20,004	20,464
501	Self Ins Assess-Auto Ins	4,735	2,051	-	-	-	-	-	Inflation	-	-	-	-	-
502	Building Maintenance	-	110	-	-	-	-	-	Repair	-	-	-	-	-
503	Maintenance Material	10,637	25,553	7	-	-	-	-	Repair	-	-	-	-	-
504	Equipment Maintenance	1,400	1,390	130	-	-	-	-	Repair	-	-	-	-	-
505	Equipment Repair Parts	57,106	21,764	3,939	-	-	-	-	Repair	-	-	-	-	-
506	Internal Repair & Maint.	-	23	-	-	-	-	-	Repair	-	-	-	-	-
507	Pmtng, Bndng & Copy Ext	290	-	-	-	-	-	-	Inflation	-	-	-	-	-
508	License,Permit & Appl.Fee	-	-	83	50	-	-	-	Inflation	-	-	-	-	-
509	Gen. Office Supplies	45	80	-	-	-	-	-	Inflation	-	-	-	-	-
510	Fuel and Lubricants	239	101	75	50	-	-	-	Fuel	-	-	-	-	-
511	Medical Supplies & Drugs	542	944	697	-	-	-	-	Inflation	-	-	-	-	-
512	Clothing & Wearing Apparel	4,873	5,987	4,524	-	5,500	-	5,500	Inflation	5,698	5,840	5,975	6,112	6,253
513	Chem, Insect & Fertilizer	9	107	-	-	250	-	250	Chemicals	263	276	289	304	319
514	Jani. & Other Maint. Supplies	3,546	3,459	2,281	-	3,500	-	3,500	Inflation	3,626	3,717	3,802	3,890	3,979
515	Minor Equipment	19,345	2,209	523	2,208	2,500	-	2,500	Inflation	2,590	2,655	2,716	2,778	2,842
516	Other Supplies	3,629	681	537	9,091	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
517	Cement and Concrete	166	-	-	-	-	-	-	Inflation	-	-	-	-	-
518	Other Road Materials 278	-	650	1,075	2,415	800	-	800	Inflation	829	850	869	889	909
519	Reference Materials	-	-	-	-	3,450	-	3,450	Inflation	3,574	3,664	3,748	3,834	3,922
520	Memberships	525	-	-	-	850	-	850	Inflation	881	903	923	945	966
521	Educational Expenses	-	-	551	-	-	-	-	Inflation	-	-	-	-	-
522	Training/Seminars/Bus. Meeting	-	-	253	(50)	5,350	-	5,350	Inflation	5,543	5,681	5,812	5,946	6,082
523	Furniture and Equipment	-	-	9,267	-	328,100	(328,100)	-	Eliminate	-	-	-	-	-
524	Vehicle & Rolling Stock	-	-	11,735	399,033	115,000	(115,000)	-	Eliminate	-	-	-	-	-
525	Total Operating Expense	\$ 1,044,352	\$ 790,717	\$ 542,269	\$ 906,271	\$ 1,016,303	\$ (443,100)	\$ 573,203		\$ 593,842	\$ 608,694	\$ 622,702	\$ 637,032	\$ 651,692
526	Total C&D	\$ 1,978,634	\$ 1,776,607	\$ 1,382,370	\$ 2,129,218	\$ 2,154,651	\$ (422,157)	\$ 1,732,494		\$ 1,844,234	\$ 1,897,760	\$ 1,951,624	\$ 2,007,049	\$ 2,064,080
<b>53409- Hendry County Transfer Stations</b>														
<b><u>Personnel Services</u></b>														
527	Salaries - Full Time Regular	\$ 308,827	\$ 379,768	\$ 197,253	\$ 152,141	\$ 247,665	\$ 5,779	\$ 253,444	Labor	\$ 276,254	\$ 284,541	\$ 293,078	\$ 301,870	\$ 310,926
528	Disaster Pay (1.0)	(137)	-	-	330	-	-	-	Labor	-	-	-	-	-
529	Special Pay (w/ Retirement)	2	90	105	239	-	-	-	Labor	-	-	-	-	-
530	Sick Leave	11,272	15,695	6,288	12,149	-	-	-	Labor	-	-	-	-	-
531	Vacation Leave	17,884	20,139	7,786	13,323	-	-	-	Labor	-	-	-	-	-
532	CPI-Consumer Price Index	-	-	-	-	9,907	231	10,138	Labor	11,051	11,382	11,724	12,075	12,438
533	Pay-Non-Perm Labor	4,162	5,474	-	199	-	-	-	Labor	-	-	-	-	-
534	Overtime (OT 1.0)	18,684	21,219	14,221	11,979	16,000	373	16,373	Labor	17,847	18,382	18,934	19,502	20,087
535	Overtime (OT 1.5)	91,651	79,978	51,233	43,587	35,000	817	35,817	Labor	39,040	40,211	41,418	42,660	43,940
536	Holiday Pay	14,560	18,049	8,811	7,771	-	-	-	Labor	-	-	-	-	-
537	Disaster Pay - (OT 1.5)	117	-	-	103	-	-	-	Labor	-	-	-	-	-
538	Sick Leave Buy Back	1	-	-	-	-	-	-	Labor	-	-	-	-	-
539	FICA Taxes (OASDI)	27,777	32,420	17,250	14,547	15,970	373	16,343	Labor	17,813	18,348	18,898	19,465	20,049

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
540	FICA Taxes (Medicare)	6,558	7,583	4,034	3,402	3,736	87	3,823	Labor	4,167	4,292	4,421	4,554	4,690
541	Regular Retirement	37,941	45,787	25,754	-	27,869	650	28,519	Labor	31,086	32,019	32,979	33,969	34,988
542	Health Insurance	113,356	144,401	70,505	73,273	110,981	-	110,981	HealthIns	114,865	118,886	123,047	127,353	131,811
543	Health Ins Opt Out	276	293	23	21	24	-	24	HealthIns	25	26	27	28	29
544	Life Insurance	831	949	420	366	429	-	429	Inflation	444	456	466	477	488
545	Dental Insurance	3,354	4,237	1,884	1,700	2,425	-	2,425	Inflation	2,512	2,575	2,634	2,695	2,757
546	Disability Insurance	1,596	2,049	1,002	660	822	-	822	Inflation	852	873	893	913	935
547	Worker's Comp-(IGS)	17,561	19,393	10,042	10,042	-	-	-	Labor	-	-	-	-	-
548	Total Personnel Services	\$ 676,273	\$ 797,525	\$ 416,609	\$ 345,832	\$ 470,828	\$ 8,310	\$ 479,138		\$ 515,957	\$ 531,991	\$ 548,518	\$ 565,561	\$ 583,136
<b><u>Operating Expenses</u></b>														
549	Other Professional Services	\$ 15,248	\$ 2,682	\$ 727	\$ 505	\$ 30,000	\$ -	\$ 30,000	Inflation	\$ 31,080	\$ 31,857	\$ 32,590	\$ 33,339	\$ 34,106
550	Janitorial Services	-	1,590	-	-	-	-	-	Inflation	-	-	-	-	-
551	Uniform/Laundry Service	1,032	950	480	-	-	-	-	Inflation	-	-	-	-	-
552	Comp Data Proc & Netwk-IGS	7,014	7,400	7,664	16,028	17,631	-	17,631	Inflation	18,266	18,722	19,153	19,593	20,044
553	Data Processing	163	217	542	763	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
554	Other Contracted Services	21,403	5,616	239	1,224	3,216	-	3,216	Inflation	3,332	3,415	3,494	3,574	3,656
555	Local Travel - Class C	-	1,477	-	132	-	-	-	Inflation	-	-	-	-	-
556	Telecommunications	1,518	1,887	188	1,151	1,800	-	1,800	Inflation	1,865	1,911	1,955	2,000	2,046
557	Int. Phone Line (IGS-Var)	1,414	1,378	1,368	1,254	1,379	-	1,379	Inflation	1,429	1,464	1,498	1,532	1,568
558	Int. Phone Usage (IGS-Var)	1,596	1,617	3,775	4,131	1,617	-	1,617	Inflation	1,675	1,717	1,757	1,797	1,838
559	Electric	3,835	3,852	3,480	-	-	-	-	Electric	-	-	-	-	-
560	Water and Sewer	7,315	7,668	8,046	-	-	-	-	W&S	-	-	-	-	-
561	Gas and Fuel Oil	-	(2,810)	-	-	-	-	-	DisposalRate	-	-	-	-	-
562	All Utility Services	-	-	-	12,297	12,500	-	12,500	DisposalRate	13,000	13,520	14,061	14,623	15,208
563	Land, Bldg. Parking Rental	-	-	-	-	-	-	-	Inflation	-	-	-	-	-
564	Other Equipment Rental	43,567	3,847	1,370	-	-	-	-	Inflation	-	-	-	-	-
565	Rental & Lease (<12 mos, <\$5,000)	-	-	-	-	6,000	-	6,000	Inflation	6,216	6,371	6,518	6,668	6,821
566	Self Ins Assess-Auto Ins	5,411	1,678	-	2,528	-	-	-	Inflation	-	-	-	-	-
567	Maintenance Material	1,582	-	191	-	-	-	-	Repair	-	-	-	-	-
568	Vehicle Maintenance	8,501	2,810	-	-	-	-	-	Repair	-	-	-	-	-
569	Equipment Maintenance	14,731	350	106	-	-	-	-	Repair	-	-	-	-	-
570	Equipment Repair Parts	11,247	1,523	1,291	-	-	-	-	Repair	-	-	-	-	-
571	Repair & Maint-Svcs & Labor	-	-	-	3,100	5,000	-	5,000	Repair	5,200	5,408	5,624	5,849	6,083
572	Repairs & Maint-Parts	-	-	-	698	2,500	-	2,500	Repair	2,600	2,704	2,812	2,925	3,042
573	Indirect Cost	11,241	11,758	15,032	16,393	16,218	-	16,218	Inflation	16,802	17,222	17,618	18,023	18,438
574	Fiscal Support	-	15,285	15,744	16,298	16,868	-	16,868	Inflation	17,475	17,912	18,324	18,746	19,177
575	Fiscal Support	8,391	-	-	-	-	-	-	Inflation	-	-	-	-	-
576	License,Permit & Appl.Fee	807	772	632	807	-	-	-	Inflation	-	-	-	-	-
577	License,Permit & Appl.Fee	807	772	-	-	2,175	-	2,175	Inflation	2,253	2,310	2,363	2,417	2,473
577	Expenses Other Than Salaries	60	-	-	-	-	-	-	Inflation	-	-	-	-	-
578	Fuel and Lubricants	35	25	-	-	-	-	-	Fuel	-	-	-	-	-
579	Medical Supplies & Drugs	138	103	231	-	-	-	-	Inflation	-	-	-	-	-
580	Clothing & Wearing Apparel	232	162	-	-	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
581	Chem, Insect & Fertilizer	-	62	177	-	-	-	-	Chemicals	-	-	-	-	-
582	Jani. & Other Maint. Supplies	420	2,600	1,754	-	1,500	-	1,500	Inflation	1,554	1,593	1,629	1,667	1,705
583	Minor Equipment	4,032	4,180	127	525	10,000	-	10,000	Inflation	10,360	10,619	10,863	11,113	11,369
584	Other Supplies	371	515	-	4,292	3,000	-	3,000	Inflation	3,108	3,186	3,259	3,334	3,411
585	Reference Materials	2	-	-	-	-	-	-	Inflation	-	-	-	-	-
586	Memberships	223	-	-	-	-	-	-	Inflation	-	-	-	-	-
587	Educational Expenses	-	-	276	-	-	-	-	Inflation	-	-	-	-	-
588	Training/Seminars/Bus. Meeting	-	1,251	-	-	-	-	-	Inflation	-	-	-	-	-
589	Furniture and Equipment	-	-	3,045	301,236	6,500	(6,500)	-	Eliminate	-	-	-	-	-
590	Vehicle & Rolling Stock	-	-	133,080	133,080	-	-	-	Eliminate	-	-	-	-	-
591	Total Operating Expense	\$ 172,332	\$ 81,215	\$ 199,564	\$ 516,441	\$ 139,904	\$ (6,500)	\$ 133,404		\$ 138,287	\$ 142,056	\$ 145,691	\$ 149,424	\$ 153,259
592	Total Transfer Stations	\$ 848,604	\$ 878,740	\$ 616,173	\$ 862,272	\$ 610,732	\$ 1,810	\$ 612,542		\$ 654,243	\$ 674,047	\$ 694,209	\$ 714,985	\$ 736,394

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget	Adjustments	Adjusted	Escalation	Fiscal Year Ending September 30,					
		2018	2019	2020	2021	2022		2022		2023	2024	2025	2026	2027	
53410- Lee-Hendry Landfill															
Personnel Services															
593	Salaries - Full Time Regular	\$ 961,651	\$ 1,071,962	\$ 708,546	\$ 683,273	\$ 929,086	\$ 21,679	\$ 950,765	Inf+LF	\$ 849,657	\$ 908,607	\$ 967,902	\$ 1,028,177	\$ 1,089,385	
594	Disaster Pay (1.0)	(150)	-	-	2,626	-	-	-	Inf+LF	-	-	-	-	-	
595	Special Pay (w/ Retirement)	2	234	3,265	4,707	-	-	-	Inf+LF	-	-	-	-	-	
596	Sick Leave	41,171	57,923	34,395	45,028	-	-	-	Inf+LF	-	-	-	-	-	
597	Vacation Leave	61,476	58,118	36,954	48,173	-	-	-	Inf+LF	-	-	-	-	-	
598	CPI-Consumer Price Index	-	-	-	-	35,645	832	36,477	Labor	39,760	40,952	42,181	43,446	44,750	
599	Pay-Non-Perm Labor	1,226	15,490	3,425	1,637	-	-	-	Inf+LF	-	-	-	-	-	
600	Overtime (OT 1.0)	36,147	40,566	31,827	31,039	50,000	1,167	51,167	Inf+LF	45,725	48,898	52,089	55,333	58,627	
601	Overtime (OT 1.5)	205,959	153,306	92,832	109,100	75,000	1,750	76,750	Inf+LF	68,588	73,347	78,133	82,999	87,940	
602	Holiday Pay	45,984	52,619	33,782	34,683	-	-	-	Inf+LF	-	-	-	-	-	
603	Disaster Pay - (OT 1.5)	159	-	-	508	-	-	-	Inf+LF	-	-	-	-	-	
604	Sick Leave Buy Back	135	-	-	271	-	-	-	Inf+LF	-	-	-	-	-	
605	FICA Taxes (OASDI)	81,491	86,430	55,748	57,112	59,907	1,398	61,305	Inf+LF	54,785	58,587	62,410	66,296	70,243	
606	FICA Taxes (Medicare)	19,057	20,304	13,190	13,436	14,008	327	14,335	Inf+LF	12,810	13,699	14,593	15,502	16,425	
607	Regular Retirement	109,273	121,500	83,844	-	104,547	2,439	106,986	Inf+LF	95,609	102,243	108,915	115,697	122,585	
608	Senior Management Retirement	1,389	-	-	-	-	-	-	Labor	-	-	-	-	-	
609	Health Insurance	309,438	373,676	262,938	291,892	343,797	-	343,797	HealthIns	355,830	368,284	381,174	394,515	408,323	
610	Health Ins Opt Out	756	808	144	131	150	-	150	HealthIns	155	161	166	172	178	
611	Life Insurance	3,034	2,929	1,822	1,843	1,813	-	1,813	Inflation	1,878	1,925	1,970	2,015	2,061	
612	Dental Insurance	8,652	9,903	6,438	6,318	7,527	-	7,527	Inflation	7,798	7,993	8,177	8,365	8,557	
613	Disability Insurance	5,140	5,846	3,787	2,676	3,092	-	3,092	Inflation	3,203	3,283	3,359	3,436	3,515	
614	Worker's Comp-(IGS)	46,830	48,483	28,117	28,117	-	-	-	Labor	-	-	-	-	-	
615	Total Personnel Services	\$ 1,938,822	\$ 2,120,098	\$ 1,401,053	\$ 1,362,569	\$ 1,624,572	\$ 29,591	\$ 1,654,163		\$ 1,535,800	\$ 1,627,978	\$ 1,721,068	\$ 1,815,954	\$ 1,912,589	
Operating Expenses															
616	Architect and Engin. Servc	\$ 84,150	\$ -	\$ 133,743	\$ 108,981	\$ 495,000	\$ -	\$ 495,000	Inflation	\$ 512,820	\$ 525,641	\$ 537,730	\$ 550,098	\$ 562,750	
617	Other Professional Services	201,517	227,531	7,545	13,217	3,000	-	3,000	Inflation	3,108	3,186	3,259	3,334	3,411	
618	Other Professional Services	-	-	86,512	11,392	-	-	-	Inflation	-	-	-	-	-	
619	Other Professional Services	-	-	86,512	191,707	70,000	-	70,000	Inflation	72,520	74,333	76,043	77,792	79,581	
620	Janitorial Services	8,400	8,730	-	-	-	-	-	Inflation	-	-	-	-	-	
621	Uniform/Laundry Service	4,479	5,012	4,389	-	-	-	-	Inflation	-	-	-	-	-	
622	Comp Data Proc & Netwk-IGS	17,535	29,600	26,824	36,063	39,669	-	39,669	Inflation	41,097	42,125	43,093	44,085	45,098	
623	Data Processing	4,046	300	775	1,063	1,500	-	1,500	Inflation	1,554	1,593	1,629	1,667	1,705	
624	Other Contracted Services	254,119	201,774	1,448,604	2,556,536	-	-	-	Inflation	-	-	-	-	-	
625	WMI - Landfill Operator	1,803,789	1,678,079	1,889,305	2,286,750	2,401,750	194,632	2,596,382	Calculated	2,439,773	2,646,066	3,358,309	3,535,092	3,716,322	
626	Other Contracted Services	-	-	-	125	-	-	-	Inflation	-	-	-	-	-	
627	Other Contracted Services	-	-	7,262	-	-	-	-	Inflation	-	-	-	-	-	
628	Local Travel - Class C	1,212	687	960	36	-	-	-	Inflation	-	-	-	-	-	
629	Local Travel - Class C	1,212	687	-	-	400	-	400	Inflation	414	425	435	445	455	
630	Bridge Tickets & Passes	16	-	-	-	-	-	-	Inflation	-	-	-	-	-	
631	County-Sponsored Functions	-	-	-	3,488	-	-	-	Inflation	-	-	-	-	-	
632	Out-of-County Travel	1,217	2,102	1,087	1,502	1,250	-	1,250	Inflation	1,295	1,327	1,358	1,389	1,421	
633	Out-of-County Travel 381	-	-	-	-	1,250	-	1,250	Inflation	1,295	1,327	1,358	1,389	1,421	
634	Telecommunications	6,884	8,068	10,704	10,813	10,600	-	10,600	Inflation	10,982	11,256	11,515	11,780	12,051	
635	Advertising	1,502	445	726	-	-	-	-	Inflation	-	-	-	-	-	
636	Int. Phone Line (IGS-Var)	8,484	8,267	8,208	5,957	8,276	-	8,276	Inflation	8,574	8,788	8,990	9,197	9,409	
637	Int. Phone Usage (IGS-Var)	18	10	9	11	10	-	10	Inflation	10	11	11	11	11	
638	Freight, Postage & Courier Svc	5,625	7,075	-	823	-	-	-	Inflation	-	-	-	-	-	
639	Freight, Postage & Courier Svc	5,625	7,075	8,373	6,604	6,600	-	6,600	Inflation	6,838	7,009	7,170	7,335	7,503	
640	Electric	35,187	28,238	36,677	-	-	-	-	Electric	-	-	-	-	-	
641	All Utility Services	-	-	-	39,876	45,000	-	45,000	DisposalRate	46,800	48,672	50,619	52,644	54,749	
642	Office Equip Lease	-	693	943	-	-	-	-	Inf+LF	-	-	-	-	-	
643	Other Equipment Rental	112,932	9,674	19,706	-	-	-	-	Inf+LF	-	-	-	-	-	
644	Other Equipment Rental	-	-	15,950	-	-	-	-	Inf+LF	-	-	-	-	-	
645	Rental & Lease (<12 mos, <\$5,000)	-	-	-	-	14,000	-	14,000	Inf+LF	12,511	13,379	14,252	15,140	16,041	
646	Rental & Lease (<12 mos, <\$5,000)	-	-	-	127,600	-	-	-	Inf+LF	-	-	-	-	-	
647	Small Equipment Leases	-	-	-	935	-	-	-	Inf+LF	-	-	-	-	-	
648	Self Ins Assess-Auto Ins	13,527	3,170	-	4,774	-	-	-	Inf+LF	-	-	-	-	-	
649	Maintenance Material	7,675	50,530	6,172	-	-	-	-	Repair	-	-	-	-	-	
650	Maintenance Material 381	-	-	1,369	-	-	-	-	Repair	-	-	-	-	-	
651	Vehicle Maintenance	190	-	170	-	-	-	-	SludgeHauling	-	-	-	-	-	
652	Equipment Maintenance	32,926	22,301	6,053	-	-	-	-	Repair	-	-	-	-	-	
653	Equipment Maintenance 381	-	-	2,344	-	-	-	-	Repair	-	-	-	-	-	
654	Equipment Repair Parts	93,918	74,619	43,153	-	-	-	-	Repair	-	-	-	-	-	
655	Equipment Repair Parts 381	-	-	2,064	-	-	-	-	Repair	-	-	-	-	-	
656	Repair & Maint. - Services & Labor	-	-	-	6,883	15,000	-	15,000	Repair	15,600	16,224	16,873	17,548	18,250	
657	Repair & Maint. - Services & Labor	-	-	-	344	1,000	-	1,000	Repair	1,040	1,082	1,125	1,170	1,217	

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
657	Repairs & Maint. - Parts	-	-	-	71,435	75,000	-	75,000	Repair	78,000	81,120	84,365	87,739	91,249
658	Repairs & Maint. - Parts	-	-	-	7,539	10,000	-	10,000	Repair	10,400	10,816	11,249	11,699	12,167
659	Tires & Tubes	-	50	-	-	-	-	-	Inflation	-	-	-	-	-
660	Internal Repair & Maint.	811	5,283	-	-	-	-	-	Repair	-	-	-	-	-
661	Promo. Advertising & Expenses	-	-	4,675	-	-	-	-	Inflation	-	-	-	-	-
662	Indirect Cost	51,687	54,063	69,117	75,375	74,573	-	74,573	Inflation	77,258	79,189	81,010	82,874	84,780
663	Fiscal Support	25,141	39,952	41,151	42,600	44,088	-	44,088	Inflation	45,675	46,817	47,894	48,995	50,122
664	License, Permit & Appl. Fee	32,688	37,584	950	28,586	-	-	-	Permits-LHLF	-	-	-	-	-
665	License, Permit & Appl. Fee 392	-	-	61,765	250	56,750	-	56,750	Permits-LHLF	31,319	14,897	14,897	31,319	31,319
666	Gen. Office Supplies	238	508	145	339	-	-	-	Inflation	-	-	-	-	-
667	Fuel and Lubricants	466	372	584	920	2,200	-	2,200	Sludge Hauling	2,314	2,408	2,502	2,599	2,700
668	Fuel and Lubricants	-	-	135	-	-	-	-	Inflation	-	-	-	-	-
669	Medical Supplies & Drugs	421	623	728	-	-	-	-	Inflation	-	-	-	-	-
670	Clothing & Wearing Apparel	9,473	6,326	4,952	-	-	-	-	Inflation	-	-	-	-	-
671	Clothing & Wearing Apparel 381	-	-	1,047	-	-	-	-	Inflation	-	-	-	-	-
672	Chem. Insect & Fertilizer	2,399	3,115	3,454	-	-	-	-	Chemicals	-	-	-	-	-
673	Food and Food Supplies	-	114	-	-	-	-	-	Inflation	-	-	-	-	-
674	Jani. & Other Maint. Supplies	10,441	11,487	6,454	-	-	-	-	Inflation	-	-	-	-	-
675	Jani. & Other Maint. Supplies 381	-	-	530	-	-	-	-	Inflation	-	-	-	-	-
676	Minor Equipment	32,265	18,694	12,307	16,629	8,500	-	8,500	Inf+LF	7,596	8,123	8,653	9,192	9,739
677	Minor Equipment 381	-	-	1,352	1,317	1,000	-	1,000	Inf+LF	894	956	1,018	1,081	1,146
678	Other Supplies	5,586	11,053	10,280	20,770	12,200	-	12,200	Inf+LF	10,903	11,659	12,420	13,193	13,979
679	Other Supplies 381	-	-	899	14,792	15,000	-	15,000	Inf+LF	13,405	14,335	15,270	16,221	17,187
680	Road Base Materials	-	3,359	-	-	-	-	-	Inflation	-	-	-	-	-
681	Cement and Concrete	10	40	-	-	-	-	-	Inflation	-	-	-	-	-
682	Reference Materials	637	60	-	228	-	-	-	Inflation	-	-	-	-	-
683	Memberships	3,676	2,004	2,542	508	2,000	-	2,000	Inflation	2,072	2,124	2,173	2,223	2,274
684	Memberships 381	-	-	-	-	1,000	-	1,000	Inflation	1,036	1,062	1,086	1,111	1,137
685	Educational Expenses	-	-	414	-	2,600	-	2,600	Inflation	2,694	2,761	2,824	2,889	2,956
686	Training/Seminars/Bus. Meeting	1,240	3,157	4,008	3,256	1,500	-	1,500	Inflation	1,554	1,593	1,629	1,667	1,705
687	Furniture and Equipment	-	-	339,686	114,595	101,900	(101,900)	-	Eliminate	-	-	-	-	-
688	Furniture and Equipment	-	-	-	447,590	1,007,400	(1,007,400)	-	Eliminate	-	-	-	-	-
689	Vehicle & Rolling Stock	-	-	181,281	-	437,900	(437,900)	-	Eliminate	-	-	-	-	-
690	Lease Purchase Principal	-	-	-	-	5,500	-	5,500	Constant	5,500	5,500	5,500	5,500	5,500
691	Total Operating Expense	\$ 2,883,363	\$ 2,572,514	\$ 4,604,593	\$ 6,262,207	\$ 4,973,416	\$ (1,352,568)	\$ 3,620,848		\$ 3,466,850	\$ 3,685,802	\$ 4,426,261	\$ 4,648,418	\$ 4,859,355
692	Total Lee-Hendry Landfill	\$ 4,822,185	\$ 4,692,612	\$ 6,005,646	\$ 7,624,776	\$ 6,597,988	\$ (1,322,977)	\$ 5,275,011		\$ 5,002,650	\$ 5,313,780	\$ 6,147,329	\$ 6,464,372	\$ 6,771,944
<b>53410 - Closure</b>														
693	Other Contracted Services	\$ 1,580,403	\$ 2,585,642	\$ -	\$ -	\$ -	\$ -	\$ -	Inflation	-	-	-	-	-
694	Total Closure	\$ 1,580,403	\$ 2,585,642	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b>53402- Solid Waste Fleet</b>														
<b><u>Personnel Services</u></b>														
695	Salaries - Full Time Regular	\$ 31,999	\$ 27,771	\$ 23,008	\$ 27,443	\$ 24,235	\$ 565	\$ 24,800	Labor	\$ 27,033	\$ 27,844	\$ 28,679	\$ 29,539	\$ 30,425
697	Special Pay (w/ Retirement)	-	-	35	90	-	-	-	Labor	-	-	-	-	-
698	Sick Leave	280	1,952	958	1,786	-	-	-	Labor	-	-	-	-	-
699	Vacation Leave	2,528	1,825	1,041	1,599	-	-	-	Labor	-	-	-	-	-
700	CPI-Consumer Price Index	-	-	-	-	968	23	991	Labor	1,080	1,112	1,145	1,180	1,215
701	Overtime (OT 1.0)	-	-	1,335	1,839	-	-	-	Labor	-	-	-	-	-
702	Overtime (OT 1.5)	-	-	993	4,020	-	-	-	Labor	-	-	-	-	-
703	Holiday Pay	1,578	1,367	1,098	1,383	-	-	-	Labor	-	-	-	-	-
704	Disaster Pay - (OT 1.5)	-	-	-	103	-	-	-	Labor	-	-	-	-	-
705	FICA Taxes (OASDI)	2,242	2,021	1,698	2,303	1,566	37	1,603	Labor	1,747	1,799	1,853	1,909	1,966
706	FICA Taxes (Medicare)	524	473	397	539	363	8	371	Labor	405	417	430	442	456
707	Regular Retirement	2,918	2,738	2,549	3,952	2,725	64	2,789	Labor	3,040	3,131	3,225	3,321	3,421
708	Health Insurance	4,470	4,326	8,832	12,039	8,608	-	8,608	HealthIns	8,909	9,221	9,544	9,878	10,224
709	Health Ins Opt Out	-	-	-	5	6	-	6	HealthIns	6	6	7	7	7
710	Life Insurance	92	98	52	64	42	-	42	Inflation	44	45	46	47	48
711	Dental Insurance	178	155	222	256	172	-	172	Inflation	178	183	187	191	196
712	Disability Insurance	179	154	124	116	80	-	80	Inflation	83	85	87	89	91
713	Worker's Comp-(IGS)	1,951	1,939	24,100	24,100	-	-	-	Labor	-	-	-	-	-
714	Total Personnel Services	\$ 48,938	\$ 44,818	\$ 66,442	\$ 81,966	\$ 38,765	\$ 697	\$ 39,462		\$ 42,524	\$ 43,842	\$ 45,202	\$ 46,603	\$ 48,048



**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget	Adjustments	Adjusted	Escalation	Fiscal Year Ending September 30,				
		2018	2019	2020	2021	2022		2022	Reference	2023	2024	2025	2026	2027
<u>Operating Expenses</u>														
715	Other Professional Services	\$ 41,831	\$ 24,283	\$ 19,209	\$ 33,849	\$ 39,851	\$ -	\$ 39,851	Inflation	\$ 41,286	\$ 42,318	\$ 43,291	\$ 44,287	\$ 45,305
716	Uniform/Laundry Service	2,276	4,253	4,581	-	-	-	-	Inflation	-	-	-	-	-
717	Comp Data Proc & Netwk-IGS	-	-	34,488	32,056	35,262	-	35,262	Inflation	36,531	37,445	38,306	39,187	40,088
718	Data Processing	71,101	20,493	50,838	24,785	25,000	-	25,000	Inflation	25,900	26,548	27,158	27,783	28,422
719	Other Contracted Services	74,905	107,219	102,375	69,789	119,202	-	119,202	Inflation	123,493	126,581	129,492	132,470	135,517
720	Telecommunications	1,283	1,442	3,125	3,412	4,000	-	4,000	Inflation	4,144	4,248	4,345	4,445	4,547
721	Advertising	-	552	-	-	-	-	-	Inflation	-	-	-	-	-
722	Int. Phone Line (IGS-Var)	-	4,822	4,788	4,389	4,828	-	4,828	Inflation	5,002	5,127	5,245	5,365	5,489
723	Int. Phone Usage (IGS-Var)	-	31	-	3	31	-	31	Inflation	32	33	34	34	35
724	Freight, Postage & Courier Svc	-	885	1,042	1,593	996	-	996	Inflation	1,032	1,058	1,082	1,107	1,132
725	Trash, Garbage&Sludge Removal	68	143	157	-	-	-	-	DisposalRate	-	-	-	-	-
726	All Utility Services	-	-	-	130	399	-	399	DisposalRate	415	432	449	467	485
727	Office Equip Lease	-	532	948	-	-	-	-	Inflation	-	-	-	-	-
728	Other Equipment Rental	2,251	2,546	28,845	-	-	-	-	Inflation	-	-	-	-	-
729	Rental & Lease (<12 mos, <\$5,000)	-	-	-	4,347	2,391	-	2,391	Inflation	2,477	2,539	2,597	2,657	2,718
730	Small Equipment Leases	-	-	-	935	-	-	-	Inflation	-	-	-	-	-
731	Self Ins Assess-Auto Ins	2,029	559	-	1,123	-	-	-	Inflation	-	-	-	-	-
732	Building Maintenance	291	4,884	-	-	-	-	-	Repair	-	-	-	-	-
733	Maintenance Material	2,577	3,716	3,953	-	-	-	-	Repair	-	-	-	-	-
734	Vehicle Maintenance	651,827	716,326	447,380	(4)	-	-	-	Repair	-	-	-	-	-
735	Equipment Maintenance	223,279	413,959	582,113	-	-	-	-	Repair	-	-	-	-	-
736	Equipment Repair Parts	645,805	891,584	747,058	-	-	-	-	Repair	-	-	-	-	-
737	Repair & Maint. - Services & Labor	-	-	-	738,873	851,020	-	851,020	Repair	885,061	920,463	957,282	995,573	1,035,396
738	Repairs & Maint. - Parts	-	-	1,074	714,565	873,867	-	873,867	Repair	908,822	945,175	982,982	1,022,301	1,063,193
739	Tires & Tubes	167	-	32,337	-	-	-	-	Inflation	-	-	-	-	-
740	Batteries	6,995	10,057	9,859	-	-	-	-	Inflation	-	-	-	-	-
741	Internal Repair & Maint.	-	85	433	37	-	-	-	Repair	-	-	-	-	-
742	Pmntng, Bndng & Copy Ext	-	1,002	-	-	-	-	-	Inflation	-	-	-	-	-
743	Fiscal Support	-	24,890	25,637	26,540	27,467	-	27,467	Inflation	28,456	29,167	29,838	30,524	31,226
744	License,Permit & Appl.Fee	570	670	120	697	2,790	-	2,790	Inflation	2,890	2,963	3,031	3,101	3,172
745	Gen. Office Supplies	34	209	762	50	-	-	-	Inflation	-	-	-	-	-
746	Fuel and Lubricants	897,073	832,529	587,796	852,954	1,115,450	-	1,115,450	Fuel	1,160,068	1,206,471	1,254,730	1,304,919	1,357,115
747	Medical Supplies & Drugs	362	301	429	-	-	-	-	Inflation	-	-	-	-	-
748	Clothing & Wearing Apparel	4,274	5,255	12,973	-	-	-	-	Inflation	-	-	-	-	-
749	Chem. Insect & Fertilizer	3,493	3,835	7,054	-	-	-	-	Chemicals	-	-	-	-	-
750	Jani. & Other Maint. Supplies	28,920	30,153	41,450	-	-	-	-	Inflation	-	-	-	-	-
751	Minor Equipment	33,513	19,744	31,383	39,432	60,777	-	60,777	Inflation	62,965	64,539	66,023	67,542	69,096
752	Other Supplies	7,567	4,410	18,243	73,190	74,206	-	74,206	Inflation	76,877	78,799	80,612	82,466	84,363
753	Other Road Materials	1,698	-	-	-	-	-	-	Inflation	-	-	-	-	-
754	Reference Materials	3,899	6,622	580	15,760	3,985	-	3,985	Inflation	4,128	4,232	4,329	4,429	4,530
755	Memberships	196	212	218	630	-	-	-	Inflation	-	-	-	-	-
757	Training/Seminars/Bus. Meeting	-	-	1,148	150	-	-	-	Inflation	-	-	-	-	-
758	Furniture and Equipment	-	-	80,286	131,645	78,000	(78,000)	-	Eliminate	-	-	-	-	-
759	Vehicle & Rolling Stock	-	-	199,695	-	34,500	(34,500)	-	Eliminate	-	-	-	-	-
760	Lease Purchase Principal	-	-	-	-	996	-	996	Constant	996	996	996	996	996
761	Total Operating Expense	\$ 2,708,282	\$ 3,138,202	\$ 3,082,653	\$ 2,770,929	\$ 3,355,018	\$ (112,500)	\$ 3,242,518		\$ 3,370,576	\$ 3,499,131	\$ 3,631,821	\$ 3,769,652	\$ 3,912,827
762	Total Solid Waste Fleet	\$ 2,757,221	\$ 3,183,020	\$ 3,149,094	\$ 2,852,895	\$ 3,393,783	\$ (111,803)	\$ 3,281,980		\$ 3,413,099	\$ 3,542,973	\$ 3,677,023	\$ 3,816,256	\$ 3,960,875
<b>53400- General Fund / Solid Waste Control</b>														
<u>Personnel Services</u>														
763	Salaries - Full Time Regular	\$ 1,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Labor	\$ -	\$ -	\$ -	\$ -	\$ -
764	Sick Leave	7	-	-	-	-	-	-	Labor	-	-	-	-	-
765	Vacation Leave	90	-	-	-	-	-	-	Labor	-	-	-	-	-
766	Overtime (OT 1.0)	31	-	-	-	-	-	-	Labor	-	-	-	-	-
767	Overtime (OT 1.5)	329	-	-	-	-	-	-	Labor	-	-	-	-	-
768	Holiday Pay	36	-	-	-	-	-	-	Labor	-	-	-	-	-
769	FICA Taxes (OASDI)	100	-	-	-	-	-	-	Labor	-	-	-	-	-
770	FICA Taxes (Medicare)	23	-	-	-	-	-	-	Labor	-	-	-	-	-
771	Regular Retirement	129	-	-	-	-	-	-	Labor	-	-	-	-	-
772	Health Insurance	184	-	-	-	-	-	-	Labor	-	-	-	-	-
773	Life Insurance	3	-	-	-	-	-	-	Labor	-	-	-	-	-

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
774	Dental Insurance	9	-	-	-	-	-	-	Labor	-	-	-	-	-
775	Disability Insurance	6	-	-	-	-	-	-	Labor	-	-	-	-	-
776	Total Personnel Services	\$ 2,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
777	Total General Fund	\$ 2,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>ZZ/CB/GE/400 - Other Expense</u></b>														
<b><u>Personnel Services</u></b>														
778	Compensated Absences	\$ 18,974	\$ 73,908	\$ 71,081	\$ (40,771)	\$ -	\$ -	\$ -	Labor	\$ -	\$ -	\$ -	\$ -	\$ -
779	Pension Expense (Finance Only)	-	(2,586)	-	-	-	-	-	Labor	-	-	-	-	-
780	OPEB - Current Year Expenditures	2,365,403	-	-	-	-	-	-	Labor	-	-	-	-	-
781	OPEB-United	3,245	5,181	4,863	-	-	-	-	Labor	-	-	-	-	-
782	OPEB-Aetna	11,862	30,859	32,702	-	-	-	-	Labor	-	-	-	-	-
783	Total Personnel Services	\$ 2,399,484	\$ 107,362	\$ 108,646	\$ (40,771)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>Operating Expenses</u></b>														
	Financial Services	\$ 3,740	\$ -	\$ -	\$ (11,014)	\$ -	\$ -	\$ -	Eliminate	\$ -	\$ -	\$ -	\$ -	\$ -
784	Tax Collector Financial Services	420,601	433,112	442,539	458,204	-	-	-	Eliminate	-	-	-	-	-
785	Architect and Engin. Serv	-	60,261	-	-	-	-	-	Eliminate	-	-	-	-	-
785	Appraisal Services	13,929	15,450	14,965	15,997	-	-	-	Eliminate	-	-	-	-	-
786	Other Professional Services	19,883	-	-	-	-	-	-	Eliminate	-	-	-	-	-
786	Other Professional Services	-	48,967	24,181	-	-	-	-	Eliminate	-	-	-	-	-
787	Other Professional Services	265,357	268,494	272,979	277,316	-	-	-	Eliminate	-	-	-	-	-
798	Data Processing	-	(2,165)	(11,605)	3,987	-	-	-	Eliminate	-	-	-	-	-
799	Other Contracted Services	646,474	-	-	-	-	-	-	Eliminate	-	-	-	-	-
800	Building Maintenance	37,901	-	-	-	-	-	-	Eliminate	-	-	-	-	-
801	Equipment Repair Parts	36,554	-	-	-	-	-	-	Eliminate	-	-	-	-	-
802	Equipment Repair Parts	38,102	40,898	-	-	-	-	-	Eliminate	-	-	-	-	-
803	Equipment Repair Parts	78,810	44,976	77,036	53,611	-	-	-	Eliminate	-	-	-	-	-
804	Equipment Repair Parts	-	-	30,111	46,831	-	-	-	Eliminate	-	-	-	-	-
805	License, Permit, & Appl. Fee	(10,789)	4,592	7,280	4,796	-	-	-	Eliminate	-	-	-	-	-
806	Training/Seminars/Bus. Meeting	4,670	-	-	-	-	-	-	Eliminate	-	-	-	-	-
807	Total Operating Expenses	\$ 1,555,232	\$ 914,584	\$ 1,192,192	\$ 930,347	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
808	Total ZZ/CB/GE/400 - Other Expense	\$ 3,954,716	\$ 1,021,946	\$ 1,300,838	\$ 889,576	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>11116440100 - Hurricane</u></b>														
<b><u>Operating Expenses</u></b>														
809	Architect and Engin. Serv	\$ 100,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Calculated	\$ -	\$ -	\$ -	\$ -	\$ -
810	Other Professional Services	420,435	865,794	-	-	-	-	-	Calculated	-	-	-	-	-
811	Other Contracted Services	32,480,615	55,522	-	-	-	-	-	Calculated	-	-	-	-	-
812	Building Maintenance	-	1,141,527	-	-	-	-	-	Calculated	-	-	-	-	-
813	Advertising	8,790	-	-	-	-	-	-	Calculated	-	-	-	-	-
814	Trash, Garbage&Sludge Removal	245,870	995	-	-	-	-	-	Calculated	-	-	-	-	-
815	Land, Bldg. Parking Rental	9,971	1,458	-	-	-	-	-	Calculated	-	-	-	-	-
816	Other Equipment Rental	568	-	-	-	-	-	-	Calculated	-	-	-	-	-
817	Equipment Repair Parts	2,590	-	-	-	-	-	-	Calculated	-	-	-	-	-
818	Deputy Clerk Fees	36	-	-	-	-	-	-	Calculated	-	-	-	-	-
819	Minor Equipment	1,135	-	-	-	-	-	-	Calculated	-	-	-	-	-
820	Other Road Materials	1,546	-	-	-	-	-	-	Calculated	-	-	-	-	-
821	Furniture and Equipment	16,768	64,995	-	-	-	-	-	Calculated	-	-	-	-	-
822	Total Operating Expense	\$ 33,288,869	\$ 2,130,292	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
823	Total 11116440100 - Hurricane	\$ 33,288,869	\$ 2,130,292	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -

**Table 8**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical and Projected Operating Expenses**

Line No.	Description	Actual				Budget 2022	Adjustments	Adjusted 2022	Escalation Reference	Fiscal Year Ending September 30,				
		2018	2019	2020	2021					2023	2024	2025	2026	2027
10116440100 - Hurricane / Compost Building														
	Operating Expenses													
824	Architect and Engin. Serve	\$ -	\$ 60,261	\$ -	\$ -	\$ -	\$ -	\$ -	Eliminate	\$ -	\$ -	\$ -	\$ -	\$ -
825	Total Operating Expense	\$ -	\$ 60,261	\$ 305,967	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
826	Total 10116440100 - Hurricane / Compost Building	\$ -	\$ 60,261	\$ 305,967	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
827	Grand Total Operating Budget	\$ 114,006,170	\$ 86,642,859	\$ 86,706,101	\$ 88,534,850	\$ 92,941,227	\$ (2,881,605)	\$ 90,059,622		\$ 104,376,386	\$ 119,403,419	\$ 123,247,404	\$ 127,522,646	\$ 132,242,594

**Table 9**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Operating Expense Escalation Factors**

Line No.	Description	Escalation Reference	Fiscal Year Ending September 30,				
			2023	2024	2025	2026	2027
Operating Escalation Factors							
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
2	General Inflation - Consumer Price Index (CPI-U) [*]	Inflation	1.0360	1.0250	1.0230	1.0230	1.0230
3	Labor	Labor	1.0900	1.0300	1.0300	1.0300	1.0300
4	Electric	Electric	1.0500	1.0500	1.0500	1.0500	1.0500
5	Water and Sewer	W&S	1.0500	1.0500	1.0500	1.0500	1.0500
6	Gas / Fuel	Fuel	1.0400	1.0400	1.0400	1.0400	1.0400
7	Chemicals	Chemicals	1.0500	1.0500	1.0500	1.0500	1.0500
8	Health Insurance	HealthIns	1.0350	1.0350	1.0350	1.0350	1.0350
9	Solid Waste Disposal Fee Increase	DisposalRate	1.0400	1.0400	1.0400	1.0400	1.0400
10	Repairs and Maintenance	Repair	1.0400	1.0400	1.0400	1.0400	1.0400
11	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
12	Calculated	Calculated	1.0000	1.0000	1.0000	1.0000	1.0000
13	Population Growth	Pop	1.0211	1.0206	1.0202	1.0166	1.0163
14	Change in Population Growth	Pop Change	0.9789	0.9794	0.9798	0.8195	0.9836
15	Population + Inflation	Pop+Inf	1.0578	1.0461	1.0437	1.0399	1.0397
16	Population + Landfill	Pop+LF	0.8757	1.0659	1.0633	1.0565	1.0534
17	Landfill	LF	0.8577	1.0444	1.0423	1.0393	1.0365
18	Inflation + Landfill	Inf+LF	0.8937	1.0694	1.0653	1.0623	1.0595
19	Labor + Landfill	Labor+LF	0.9477	1.0744	1.0723	1.0693	1.0665
20	Disposal Cost Center Hauling Costs (WTE to LHLF)	DisposalHauling	0.9918	1.0369	1.0348	1.0345	1.0342
21	Landfill Cost Center Hauling Costs (Sludge to LHLF)	SludgeHauling	1.0518	1.0408	1.0388	1.0388	1.0388
22	Franchise Hauler MSW Diversions	FranchiseDivert	0.6848	1.1858	1.1602	1.1386	1.1219
23	Municipal Cost Index	MCI	1.0300	1.0300	1.0300	1.0300	1.0300
24	Urban Wage Earners and Clerical Workers (CPI-W)	CPI-W	1.0300	1.0300	1.0300	1.0300	1.0300
25	Employment Cost Index (NAICS) - Total Compensation	NAICS-A	1.0300	1.0300	1.0300	1.0300	1.0300
26	Employment Cost Index (NAICS) - Salaries and Wages	NAICS-B	1.0300	1.0300	1.0300	1.0300	1.0300
27	Machinery and Equipment Index	Machine	1.0400	1.0400	1.0400	1.0400	1.0400
Cumulative Capital Improvement Plan Escalation Factors							
28	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
29	Capital Outlay	Outlay	1.0300	1.0610	1.0930	1.1260	1.1600
30	Repairs and Maintenance	Repair	1.0400	1.0820	1.1250	1.1700	1.2170
31	Marginal Increase	Marginal	1.0100	1.0200	1.0300	1.0400	1.0500
32	High Increase	High	1.0500	1.1030	1.1580	1.2160	1.2770
33	Inflation	Inflation	1.0360	1.0620	1.0860	1.1110	1.1370

**Footnote:**

[\*] Inflation figures obtained from the "An Overview of the Budget and Economic Outlook: 2022 to 2032" report published by the Congressional Budget Office in May

**Table 10**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Six-Year Capital Improvement Program**

Line No.	Project Number	Description	Funding Source	Adjusted 2022	Fiscal Year Ended September 30,					6-Year Total
					2023	2024	2025	2026	2027	
<b>Disposal</b>										
<u>Capital Projects</u>										
1	xxxxx	Recycling Facilities	Cap	\$ -	\$ 904,000	\$ 3,800,000	\$ 7,796,000	\$ -	\$ -	\$ 12,500,000
2	200754	MRF Development	Cap	1,500,000	7,620,000	1,620,000	-	-	-	10,740,000
3	200754	MRF Development (Split Funding)	NewDebt1	-	-	-	37,414,000	8,500,000	-	45,914,000
4	200753	Landfill Connectivity	Cap	476,000	-	-	-	-	-	476,000
5	200751	Buckingham Resource Area	Cap	-	130,000	770,000	-	-	-	900,000
6	200752	LCCF Capacity Improvements	Cap	800,000	1,400,000	2,200,000	-	-	-	4,400,000
7	200680	Buckingham Scale Improvements	Cap	658,921	-	-	-	-	-	658,921
8	200624	Hendry County Transfer Station Improvements	Cap	2,490,508	700,000	-	-	-	-	3,190,508
9	200955	Parts and Equipment Storage Area	Cap	837,000	-	-	-	-	-	837,000
10	200657	Compost Facility and Well Improvements	Cap	689,514	-	-	-	-	-	689,514
11	200936	Landfill Gas Collection System	Cap	100,000	1,838,000	8,000,000	3,430,000	-	-	13,368,000
12	200956	Landfill Class I Update and Design	Cap	4,643,483	6,000,000	4,230,000	-	-	-	14,873,483
13	N/A	Ash Monofill Leachate System Modification	Cap	1,041,900	-	-	-	-	-	1,041,900
14	200710	Umbrella - Equipment Related to MRF Agreement	Cap	681,000	-	-	-	-	-	681,000
15	200682	Umbrella - Buckingham Upgrades	Cap	213,450	-	190,800	-	-	-	404,250
16	200681	Umbrella - Mechanical Systems	Cap	152,908	30,900	31,800	32,700	33,600	40,800	322,708
17	200684	Umbrella - Scales	Cap	122,000	203,940	137,800	147,150	-	-	610,890
18		Total Capital Projects - Disposal		14,406,684	18,826,840	20,980,400	48,819,850	8,533,600	40,800	111,608,174
<u>Major Maintenance</u>										
19	N/A	Roof Systems	R&R	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
20	N/A	MRF Life Extension Projects	R&R	500,000	1,500,000	500,000	500,000	500,000	500,000	4,000,000
21	N/A	WTE Life Extension Projects	R&R	800,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	13,300,000
22	400941	Landfill Leachate System Maintenance	R&R	441,550	285,000	285,000	285,000	285,000	285,000	1,866,550
23	400945	R&R Asphalt and Paving Repairs	R&R	505,822	149,505	169,223	169,223	160,832	165,830	1,320,435
24	400942	R&R - C&D Facility	R&R	188,378	100,825	103,600	106,375	109,150	111,925	720,253
25	400943	R&R Compost Facility	R&R	208,960	89,816	94,976	100,280	105,728	111,320	711,080
26	403274	R&R Scale Systems	R&R	59,084	33,681	35,616	37,605	38,640	41,745	246,371
27	403273	R&R Tipping Floors	R&R	437,500	128,750	132,500	141,700	145,600	139,150	1,125,200
28		Total Major Maintenance - Disposal		\$ 3,141,294	\$ 5,037,577	\$ 3,820,915	\$ 3,840,183	\$ 3,844,950	\$ 3,854,970	\$ 23,539,889
29	506	Departmental Capital Outlay	Rates	\$ 4,352,691	\$ 2,590,000	\$ 2,655,000	\$ 2,715,000	\$ 2,777,500	\$ 2,842,500	\$ 17,932,691
30		Total Capital Improvement Plan - Disposal		\$ 21,900,669	\$ 26,454,417	\$ 27,456,315	\$ 55,375,033	\$ 15,156,050	\$ 6,738,270	\$ 153,080,754
31		Grand Total Capital Improvement Plan		\$ 21,900,669	\$ 26,454,417	\$ 27,456,315	\$ 55,375,033	\$ 15,156,050	\$ 6,738,270	\$ 153,080,754

**Table 10**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Six-Year Capital Improvement Program**

Line No.	Project Number	Description	Funding Source	Adjusted 2022	Fiscal Year Ended September 30,					6-Year Total
					2023	2024	2025	2026	2027	
		<b>Total Capital Improvement Plan Funding Sources</b>								
32		Rate Revenue	Rates	\$ 4,352,691	\$ 2,590,000	\$ 2,655,000	\$ 2,715,000	\$ 2,777,500	\$ 2,842,500	\$ 17,932,691
33		System Reserve Fund - Solid Waste Management (Capital Account)	Cap	14,406,684	18,826,840	20,980,400	11,405,850	33,600	40,800	65,694,174
34		Renewal and Replacement	R&R	3,141,294	5,037,577	3,820,915	3,840,183	3,844,950	3,854,970	23,539,889
35		New Debt I	NewDebtI	-	-	-	37,414,000	8,500,000	-	45,914,000
36		<b>Total Allocated Funding Sources</b>		<u>\$ 21,900,669</u>	<u>\$ 26,454,417</u>	<u>\$ 27,456,315</u>	<u>\$ 55,375,033</u>	<u>\$ 15,156,050</u>	<u>\$ 6,738,270</u>	<u>\$ 153,080,754</u>

**Table 11**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Annual Debt Service Payments - Accrual Basis**

Line No.	Fiscal Year	Total Debt Service - Existing and Proposed			Total Ending Principal Outstanding
		Principal	Interest	Total	
1	2022	\$ 6,715,000	\$ 1,859,750	\$ 8,574,750	\$ 76,855,000
2	2023	7,065,000	1,524,000	8,589,000	69,790,000
3	2024	7,425,000	1,170,750	8,595,750	62,365,000
4	2025	9,234,965	3,002,313	12,237,278	53,130,035
5	2026	9,703,364	2,544,164	12,247,528	43,426,671
6	2027	1,580,011	2,062,767	3,642,778	41,846,660
7	2028	1,655,062	1,987,716	3,642,778	40,191,598
8	2029	1,733,677	1,909,101	3,642,778	38,457,921
9	2030	1,816,027	1,826,751	3,642,778	36,641,894
10	2031	1,902,288	1,740,490	3,642,778	34,739,607
11	2032	1,992,647	1,650,131	3,642,778	32,746,960
12	2033	2,087,297	1,555,481	3,642,778	30,659,663
13	2034	2,186,444	1,456,334	3,642,778	28,473,219
14	2035	2,290,300	1,352,478	3,642,778	26,182,919
15	2036	2,399,089	1,243,689	3,642,778	23,783,829
16	2037	2,513,046	1,129,732	3,642,778	21,270,783
17	2038	2,632,416	1,010,362	3,642,778	18,638,368
18	2039	2,757,455	885,322	3,642,778	15,880,912
19	2040	2,888,435	754,343	3,642,778	12,992,478
20	2041	3,025,635	617,143	3,642,778	9,966,842
21	2042	3,169,353	473,425	3,642,778	6,797,489
22	2043	3,319,897	322,881	3,642,778	3,477,592
23	2044	3,477,592	165,186	3,642,778	-
24	2045	-	-	-	-
25	2046	-	-	-	-
26	2047	-	-	-	-
27	2048	-	-	-	-
28	2049	-	-	-	-
29	2050	-	-	-	-
30	2051	-	-	-	-
31	2052	-	-	-	-
32	2053	-	-	-	-
33	2054	-	-	-	-



**Table 12**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Fund Balances and Interest Income**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	<b>ENDING CASH BALANCE SUMMARY:</b>						
1	OPERATIONS AND MAINTENANCE FUND	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348
2	DEBT SERVICE SINKING FUND	7,645,173	7,827,298	8,010,673	10,736,420	10,975,744	2,611,692
3	DEBT SERVICE FUND RESERVE ACCOUNT	7,708,220	7,708,220	7,708,220	7,708,220	7,708,220	0
4	RENEWAL AND REPLACEMENT FUND	4,108,036	4,108,036	4,108,036	4,108,036	4,108,036	4,108,036
5	SYSTEM RESERVE FUND	5,542,409	5,542,409	5,542,409	5,542,409	5,542,409	9,395,659
6	SYSTEM RESERVE FUND - SW MANAGEMENT	0	0	0	8,500,000	0	0
7	SYSTEM RESERVE FUND CIP	32,394,708	20,067,868	5,587,468	681,618	7,148,018	13,607,218
8	LANDFILL CLOSURE FUND	17,135,972	18,921,869	20,851,118	22,940,654	25,172,558	27,547,683
9	RATE STABILIZATION FUND	24,235,766	23,921,141	25,033,507	28,345,398	33,665,446	53,256,863
10	TOTAL PROJECTED END OF YEAR BALANCES	<u>\$123,744,456</u>	<u>\$113,071,013</u>	<u>\$101,815,604</u>	<u>\$113,536,927</u>	<u>\$119,294,603</u>	<u>\$135,501,324</u>
	<b>OPERATIONS AND MAINTENANCE FUND</b>						
11	Beginning Balance	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348	\$24,946,348
	Transfers In - Rate Revenues for Reserve Balances	0	0	0	0	0	0
12	Transfers In - Rate Revenues for Operating Expenses	90,059,622	104,376,386	119,403,419	123,247,404	127,522,646	132,242,594
13	Transfers Out - Operating Expenses	90,059,622	104,376,386	119,403,419	123,247,404	127,522,646	132,242,594
14	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
15	Interest Income in Fund	374,200	374,200	374,200	374,200	374,200	374,200
16	Use of Interest Income to Fund Revenue Requirements	374,200	374,200	374,200	374,200	374,200	374,200
17	Ending Balance	<u>\$24,946,348</u>	<u>\$24,946,348</u>	<u>\$24,946,348</u>	<u>\$24,946,348</u>	<u>\$24,946,348</u>	<u>\$24,946,348</u>
	<b>DEBT SERVICE SINKING FUND</b>						
18	Beginning Balance	\$7,474,798	\$7,645,173	\$7,827,298	\$8,010,673	\$10,736,420	\$10,975,744
19	Transfers In - Rate Revenues / Accrued Payments	8,574,750	8,589,000	8,595,750	12,237,278	12,247,528	3,642,778
20	Transfers Out - Debt Payments / Cash Basis	8,404,375	8,406,875	8,412,375	9,511,531	12,008,204	12,006,829
21	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
22	Interest Income in Fund	113,400	116,000	118,800	140,600	162,800	101,900
23	Use of Interest Income to Fund Revenue Requirements	113,400	116,000	118,800	140,600	162,800	101,900
24	Ending Balance	<u>\$7,645,173</u>	<u>\$7,827,298</u>	<u>\$8,010,673</u>	<u>\$10,736,420</u>	<u>\$10,975,744</u>	<u>\$2,611,692</u>



**Table 12**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Fund Balances and Interest Income**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
SYSTEM RESERVE FUND - SW MANAGEMENT							
47	Beginning Balance	\$0	\$0	\$0	\$0	\$8,500,000	\$0
48	Transfers In - Reserves	0	0	0	0	0	0
49	Transfers Out - CIP	0	0	0	37,414,000	8,500,000	0
50	Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
51	Interest Income in Fund	0	0	0	0	0	0
52	Use of Interest Income to Fund Revenue Requirements	0	0	0	0	0	0
53	Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,500,000</u>	<u>\$0</u>	<u>\$0</u>
SYSTEM RESERVE FUND CIP							
54	Beginning Balance	\$40,301,392	\$32,394,708	\$20,067,868	\$5,587,468	\$681,618	\$7,148,018
55	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
56	Interest Income in Fund	545,200	393,500	192,400	47,000	58,700	155,700
57	Use of Interest Income to Fund Revenue Requirements	545,200	393,500	192,400	47,000	58,700	155,700
58	Ending Balance	<u>\$32,394,708</u>	<u>\$20,067,868</u>	<u>\$5,587,468</u>	<u>\$681,618</u>	<u>\$7,148,018</u>	<u>\$13,607,218</u>
LANDFILL CLOSURE FUND							
59	Beginning Balance	\$12,336,081	\$17,135,972	\$18,921,869	\$20,851,118	\$22,940,654	\$25,172,558
60	Transfers In - Annual Operations / Rate Revenues	4,580,491	1,517,497	1,633,150	1,763,535	1,873,704	1,982,625
61	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
62	Interest Income in Fund	219,400	268,400	296,100	326,000	358,200	392,500
63	Use of Interest Income to Fund Revenue Requirements	0	0	0	0	0	0
64	Ending Balance	<u>\$17,135,972</u>	<u>\$18,921,869</u>	<u>\$20,851,118</u>	<u>\$22,940,654</u>	<u>\$25,172,558</u>	<u>\$27,547,683</u>

**Table 12**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Projected Fund Balances and Interest Income**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
RATE STABILIZATION FUND							
65	Beginning Balance	\$26,851,502	\$24,235,766	\$23,921,141	\$25,033,507	\$28,345,398	\$33,665,446
66	Transfers Out - System Reserve Fund	5,248,297	7,395,279	6,316,198	3,840,183	3,844,950	0
67	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
68	Interest Income in Fund	383,200	361,200	367,200	400,300	465,100	651,900
69	Use of Interest Income to Fund Revenue Requirements	383,200	361,200	367,200	400,300	465,100	651,900
70	Ending Balance	<u>\$24,235,766</u>	<u>\$23,921,141</u>	<u>\$25,033,507</u>	<u>\$28,345,398</u>	<u>\$33,665,446</u>	<u>\$53,256,863</u>
INTEREST INCOME BY FUND							
71	Operations And Maintenance Fund	\$374,200	\$374,200	\$374,200	\$374,200	\$374,200	\$374,200
72	Debt Service Sinking Fund	113,400	116,000	118,800	140,600	162,800	101,900
73	Debt Service Fund Reserve Account	115,600	115,600	115,600	115,600	115,600	57,800
74	Renewal And Replacement Fund	61,600	61,600	61,600	61,600	61,600	61,600
75	System Reserve Fund	98,900	100,800	101,900	83,100	83,100	112,000
76	System Reserve Fund - Sw Management	0	0	0	0	0	0
77	System Reserve Fund Cip	545,200	393,500	192,400	47,000	58,700	155,700
78	Rate Stabilization Fund	383,200	361,200	367,200	400,300	465,100	651,900
79	Investment Earnings	\$1,692,500	\$1,523,300	\$1,332,100	\$1,222,800	\$1,321,500	\$1,515,500
80	Landfill Closure Fund	219,400	268,400	296,100	326,000	358,200	392,500
81	Total Interest Income	<u>\$1,911,900</u>	<u>\$1,791,700</u>	<u>\$1,628,200</u>	<u>\$1,548,800</u>	<u>\$1,679,700</u>	<u>\$1,908,000</u>

**Table 13**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
1	Operation and Maintenance Expenses	\$ 61,701,821	\$ 67,795,781	\$ 72,094,187	\$ 73,665,477	\$ 76,223,451	\$ 79,239,341
	Other Revenue Requirements						
	Annual Debt Service:						
2	Series 2016 Bonds	\$ 8,574,750	\$ 8,589,000	\$ 8,595,750	\$ 8,594,500	\$ 8,604,750	\$ -
3	New Debt 1	-	-	-	3,642,778	3,642,778	3,642,778
4	Total Annual Debt Service	\$ 8,574,750	\$ 8,589,000	\$ 8,595,750	\$ 12,237,278	\$ 12,247,528	\$ 3,642,778
	Other Transfers and Funding Requirements:						
5	Capital Funded From Rates	\$ 4,352,691	\$ 2,590,000	\$ 2,655,000	\$ 2,715,000	\$ 2,777,500	\$ 2,842,500
6	Transfer to Landfill Closure Fund	4,580,491	1,517,497	1,633,150	1,763,535	1,873,704	1,982,625
7	Transfer to SW Management Fund (Capital)	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
8	Transfer to System Reserves - Rate Stabilization	4,739,464	9,438,157	9,146,870	7,152,074	9,164,998	19,591,417
9	Total Other Transfers and Funding Requirements	\$ 20,172,646	\$ 20,045,653	\$ 19,935,020	\$ 18,130,610	\$ 20,316,202	\$ 30,916,542
10	Total Other Revenue Requirements	28,747,396	28,634,653	28,530,770	30,367,887	32,563,730	34,559,320
11	Gross Revenue Requirements	\$ 90,449,216	\$ 96,430,434	\$ 100,624,957	\$ 104,033,365	\$ 108,787,181	\$ 113,798,661
	Less Income and Funds from Other Sources:						
	Interest Income						
12	Operations And Maintenance Fund	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200
13	System Reserve Fund Cip	545,200	393,500	192,400	47,000	58,700	155,700
14	Debt Service Sinking Fund	113,400	116,000	118,800	140,600	162,800	101,900
15	Debt Service Fund Reserve Account	115,600	115,600	115,600	115,600	115,600	57,800
16	Renewal And Replacement Fund	61,600	61,600	61,600	61,600	61,600	61,600
17	Landfill Closure Fund	-	-	-	-	-	-
18	Debt Proceeds	-	-	-	-	-	-
19	System Reserve Fund	98,900	100,800	101,900	83,100	83,100	112,000
20	Rate Stabilization Fund	383,200	361,200	367,200	400,300	465,100	651,900
21	Gross Energy Revenues	9,245,777	8,834,974	8,833,608	8,832,287	8,831,082	8,829,997
22	Comm. Electronics Revenue	15,000	15,000	15,000	15,000	15,000	15,000
23	Sale of Equipment	182,500	217,640	217,640	217,640	217,640	217,640
24	Miscellaneous Revenues (Sale of Metals)	375,000	375,000	375,000	375,000	375,000	375,000
25	Franchise Fees (County)	1,819,049	1,857,344	1,895,638	1,933,933	1,965,950	1,997,965
26	Franchise Fees (Municipalities)	592,000	604,463	616,926	629,388	639,808	650,227
27	Advanced Disposal Fees	300,000	300,000	300,000	300,000	300,000	300,000
28	Contracted Sludge Disposal	2,891,785	3,017,293	3,146,031	3,196,379	3,247,504	3,299,457
29	Compost Sales	295,609	295,609	295,609	295,609	295,609	295,609

**Table 13**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
30	Ferrous/Non-Ferrous Revenues (County)	1,467,137	1,543,024	1,543,024	1,543,024	1,543,024	1,543,024
31	Ferrous/Non-Ferrous Revenues (Covanta)	1,467,137	1,543,024	1,543,024	1,543,024	1,543,024	1,543,024
32	Recycling Residue	900,000	936,000	973,440	1,012,378	1,052,873	1,094,988
33	Recycling Host Fees	505,800	540,000	540,000	540,000	540,000	540,000
34	Transfers from Rate Stabilization Fund	2,106,903	2,357,502	1,718,307	-	-	-
	Total Income and Funds from Other Sources	\$ 23,856,198	\$ 23,960,172	\$ 23,345,347	\$ 21,656,461	\$ 21,888,014	\$ 22,217,430
35	Net Revenue Requirements from Rates	\$ 66,593,018	\$ 72,470,262	\$ 77,279,610	\$ 82,376,904	\$ 86,899,168	\$ 91,581,231
<b><u>DISPOSAL FEE REVENUE:</u></b>							
Revenues Under Existing & Adopted Rates:							
36	Residential Assessed Tip Fees	\$ 10,176,152	\$ 12,177,383	\$ 12,432,750	\$ 12,674,795	\$ 12,882,691	\$ 13,055,740
37	Disposal Facility Assessment	12,356,461	13,063,443	13,269,806	13,471,791	13,657,598	13,827,057
38	Recycling Fee	3,595,714	3,389,367	3,459,733	3,528,110	3,590,347	3,646,304
39	Assessment Billing Charge	702,120	716,452	729,771	742,620	753,932	754,328
40	Tipping Fees	39,762,570	43,123,617	43,707,569	44,300,965	44,903,996	45,516,569
41	Total Disposal Rate / Fee Revenue - Existing Rates	\$ 66,593,018	\$ 72,470,262	\$ 73,599,629	\$ 74,718,280	\$ 75,788,564	\$ 76,799,997

**Table 13**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	Rate Adjustment Input (%):						
42	Residential Assessed Tip Fees	0.0%	0.00%	5.00%	5.00%	4.00%	4.00%
43	Disposal Facility Assessment	0.0%	0.00%	5.00%	5.00%	4.00%	4.00%
44	Recycling Fee	0.0%	0.00%	5.00%	5.00%	4.00%	4.00%
45	Assessment Billing Charge	0.0%	0.00%	5.00%	5.00%	4.00%	4.00%
46	Tipping Fees	0.0%	0.00%	5.00%	5.00%	4.00%	4.00%
	Calculated Prior Period Rate Adjustment Revenues:						
47	Residential Assessed Tip Fees	N/A	\$ -	\$ -	\$ 633,740	\$ 1,320,476	\$ 1,913,971
48	Disposal Facility Assessment	N/A	-	-	673,590	1,399,904	2,027,046
49	Recycling Fee	N/A	-	-	176,405	368,011	534,548
50	Assessment Billing Charge	N/A	-	-	37,131	77,278	110,584
51	Tipping Fees	N/A	-	-	2,215,048	4,602,660	6,672,729
52	Total Disposal Rate / Fee Revenue - Prior Period Rate Adjustments	N/A	\$ -	\$ -	\$ 3,735,914	\$ 7,768,328	\$ 11,258,879
	Calculated Current Period Rate Adjustment Revenues:						
53	Residential Assessed Tip Fees	\$ -	\$ -	\$ 621,637	\$ 665,427	\$ 568,127	\$ 598,788
54	Disposal Facility Assessment	-	-	663,490	707,269	602,300	634,164
55	Recycling Fee	-	-	172,987	185,226	158,334	167,234
56	Assessment Billing Charge	-	-	36,489	38,988	33,248	34,596
57	Tipping Fees	-	-	2,185,378	2,325,801	1,980,266	2,087,572
58	Total Disposal Rate / Fee Revenue - Current Period Rate Adjustments	\$ -	\$ -	\$ 3,679,981	\$ 3,922,710	\$ 3,342,276	\$ 3,522,355
	Adjusted Rate Revenues:						
59	Residential Assessed Tip Fees	\$ 10,176,152	\$ 12,177,383	\$ 13,054,387	\$ 13,973,962	\$ 14,771,294	\$ 15,568,500
60	Disposal Facility Assessment	12,356,461	13,063,443	13,933,297	14,852,649	15,659,802	16,488,267
61	Recycling Fee	3,595,714	3,389,367	3,632,719	3,889,741	4,116,692	4,348,086
62	Assessment Billing Charge	702,120	716,452	766,260	818,738	864,459	899,508
63	Tipping Fees	39,762,570	43,123,617	45,892,947	48,841,814	51,486,921	54,276,870
64	Total Disposal Rate / Fee Revenue - Current Period Rate Adjustments	\$ 66,593,018	\$ 72,470,262	\$ 77,279,610	\$ 82,376,904	\$ 86,899,168	\$ 91,581,231
	Revenue Surplus / (Deficiency) Under Identified Rate Adjustments						
65	Amount of Surplus / (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
66	As Percent of Existing Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Table 14**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
1	Operation and Maintenance Expenses	\$ 28,357,801	\$ 36,580,606	\$ 47,309,232	\$ 49,581,927	\$ 51,299,194	\$ 53,003,253
	Other Revenue Requirements						
	Annual Debt Service:						
2	Series 2016 Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Total Annual Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Other Transfers and Funding Requirements:						
4	Capital Funded From Rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Transfer to Landfill Closure Fund	-	-	-	-	-	-
6	Transfer to System Reserves - Rate Stabilization	-	-	-	-	-	-
7	Total Other Transfers and Funding Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Total Other Revenue Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Gross Revenue Requirements	\$ 28,357,801	\$ 36,580,606	\$ 47,309,232	\$ 49,581,927	\$ 51,299,194	\$ 53,003,253
	Less Income and Funds from Other Sources:						
	Interest Income						
10	Operations And Maintenance Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	System Reserve Fund Cip	-	-	-	-	-	-
12	Debt Service Sinking Fund	-	-	-	-	-	-
13	Debt Service Fund Reserve Account	-	-	-	-	-	-
14	Renewal And Replacement Fund	-	-	-	-	-	-
15	Landfill Closure Fund	-	-	-	-	-	-
16	Debt Proceeds	-	-	-	-	-	-
17	System Reserve Fund	-	-	-	-	-	-
18	Rate Stabilization Fund	-	-	-	-	-	-
19	Gross Energy Revenues	-	-	-	-	-	-
20	Comm. Electronics Revenue	-	-	-	-	-	-
21	Electric Maintenance Revenue	-	-	-	-	-	-
22	MRF Recycling Revenues & Recycling Residual Revenues	-	-	-	-	-	-
23	Sale of Equipment	-	-	-	-	-	-
24	Contractual Fines Revenue	50,000	50,000	50,000	50,000	50,000	50,000
25	Miscellaneous Revenues (Sale of Metals)	-	-	-	-	-	-



**Table 14**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
26	Franchise Fees (County)	-	-	-	-	-	-
27	Franchise Fees (Municipalities)	-	-	-	-	-	-
28	Advanced Disposal Fees	-	-	-	-	-	-
29	Contractual Reimbursement	-	-	-	-	-	-
30	Restitution	-	-	-	-	-	-
31	Contracted Sludge Disposal	-	-	-	-	-	-
32	Compost Sales	-	-	-	-	-	-
33	Ferrous/Non-Ferrous Revenues (County)	-	-	-	-	-	-
34	Ferrous/Non-Ferrous Revenues (Covanta)	-	-	-	-	-	-
35	Recycling Residue	-	-	-	-	-	-
36	Recycling Host Fees	-	-	-	-	-	-
37	Other Revenues	-	-	-	-	-	-
38	Transfers from Operating Fund	-	-	-	-	-	-
39	Transfers from Rate Stabilization Fund	-	-	-	-	-	-
40	Net Revenue Requirements from Rates	\$ 28,307,801	\$ 36,530,606	\$ 47,259,232	\$ 49,531,927	\$ 51,249,194	\$ 52,953,253

**Table 14**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	<u>COLLECTION FEE REVENUE:</u>						
	Revenues Under Existing & Adopted Rates:						
41	Collection Assessment	\$ 26,200,798	\$ 34,172,904	\$ 34,903,664	\$ 35,593,987	\$ 36,186,535	\$ 36,679,293
42	Total Collection Revenues Under Existing Rates	\$ 26,200,798	\$ 34,172,904	\$ 34,903,664	\$ 35,593,987	\$ 36,186,535	\$ 36,679,293
	Rate Adjustment Input (%):						
43	Collection Assessment	0.00%	0.00%	28.25%	8.51%	1.77%	1.94%
	Calculated Prior Period Rate Adjustment Revenues:						
44	Collection Assessment	N/A	\$ -	\$ -	\$ 10,055,301	\$ 14,169,971	\$ 15,267,769
45	Residential Credit for Recycling	N/A	-	-	-	-	-
46	Assessment Billing Charge	N/A	-	-	-	-	-
47	Total Collection Rate / Fee Revenue - Prior Period Rate Adjustments	N/A	\$ -	\$ -	\$ 10,055,301	\$ 14,169,971	\$ 15,267,769
	Calculated Current Period Rate Adjustment Revenues:						
48	Collection Assessment	\$ -	\$ -	\$ 9,860,285	\$ 3,882,639	\$ 892,688	\$ 1,006,191
49	Residential Credit for Recycling	-	-	-	-	-	-
50	Assessment Billing Charge	-	-	-	-	-	-
51	Total Collection Rate / Fee Revenue - Current Period Rate Adjustments	\$ -	\$ -	\$ 9,860,285	\$ 3,882,639	\$ 892,688	\$ 1,006,191
	Adjusted Rate Revenues:						
52	Collection Assessment	\$ 26,200,798	\$ 34,172,904	\$ 44,763,949	\$ 49,531,927	\$ 51,249,194	\$ 52,953,253
53	Residential Credit for Recycling	-	-	-	-	-	-
54	Assessment Billing Charge	-	-	-	-	-	-
55	Total Collection Rate / Fee Revenue - Current Period Rate Adjustments	\$ 26,200,798	\$ 34,172,904	\$ 44,763,949	\$ 49,531,927	\$ 51,249,194	\$ 52,953,253
	Revenue Surplus / (Deficiency) Under Identified Rate Adjustments						
56	Amount of Surplus / (Deficiency)	\$ (2,107,003)	\$ (2,357,702)	\$ (2,495,283)	\$ -	\$ -	\$ -
57	As Percent of Existing Revenue	(8.04%)	(6.90%)	(7.15%)	0.00%	0.00%	0.00%

**Table 15**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection and Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
1	Operation and Maintenance Expenses	\$ 90,059,622	\$104,376,386	\$119,403,419	\$123,247,404	\$127,522,646	\$132,242,594
	Other Revenue Requirements						
	Annual Debt Service:						
2	Series 2016 Bonds	\$ 8,574,750	\$ 8,589,000	\$ 8,595,750	\$ 8,594,500	\$ 8,604,750	\$ -
3	New Debt 1	-	-	-	3,642,778	3,642,778	3,642,778
4	Total Annual Debt Service	\$ 8,574,750	\$ 8,589,000	\$ 8,595,750	\$ 12,237,278	\$ 12,247,528	\$ 3,642,778
5	Other Transfers and Funding Requirements:	15,592,155	18,528,157	18,301,870	16,367,074	18,442,498	28,933,917
6	Capital Funded From Rates	\$ 4,352,691	\$ 2,590,000	\$ 2,655,000	\$ 2,715,000	\$ 2,777,500	\$ 2,842,500
7	Transfer to Landfill Closure Fund	4,580,491	1,517,497	1,633,150	1,763,535	1,873,704	1,982,625
8	Transfer to SW Management Fund (Capital)	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
9	Transfer to System Reserves - Rate Stabilization	4,739,464	9,438,157	9,146,870	7,152,074	9,164,998	19,591,417
10	Total Other Transfers and Funding Requirements	\$ 20,172,646	\$ 20,045,653	\$ 19,935,020	\$ 18,130,610	\$ 20,316,202	\$ 30,916,542
11	Total Other Revenue Requirements	28,747,396	28,634,653	28,530,770	30,367,887	32,563,730	34,559,320
12	Gross Revenue Requirements	\$118,807,017	\$133,011,040	\$147,934,189	\$153,615,292	\$160,086,376	\$166,801,914
	Income and Funds from Other Sources:						
	Interest Income						
13	Operations And Maintenance Fund	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200	\$ 374,200
14	System Reserve Fund Cip	545,200	393,500	192,400	47,000	58,700	155,700
15	Debt Service Sinking Fund	113,400	116,000	118,800	140,600	162,800	101,900
16	Debt Service Fund Reserve Account	115,600	115,600	115,600	115,600	115,600	57,800
17	Renewal And Replacement Fund	61,600	61,600	61,600	61,600	61,600	61,600
17	Landfill Closure Fund	-	-	-	-	-	-
18	Debt Proceeds	-	-	-	-	-	-
19	System Reserve Fund	98,900	100,800	101,900	83,100	83,100	112,000
20	Rate Stabilization Fund	383,200	361,200	367,200	400,300	465,100	651,900
21	O&M Fund Customer Deposits	400	400	400	400	400	400
22	Gross Energy Revenues	9,245,777	8,834,974	8,833,608	8,832,287	8,831,082	8,829,997

**Table 15**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection and Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
23	Comm. Electronics Revenue	15,000	15,000	15,000	15,000	15,000	15,000
24	Sale of Equipment	182,500	217,640	217,640	217,640	217,640	217,640
25	Contractual Fines Revenue	50,000	50,000	50,000	50,000	50,000	50,000
26	Miscellaneous Revenues (Sale of Metals)	375,000	375,000	375,000	375,000	375,000	375,000
27	Franchise Fees (County)	1,819,049	1,857,344	1,895,638	1,933,933	1,965,950	1,997,965
28	Franchise Fees (Municipalities)	592,000	604,463	616,926	629,388	639,808	650,227
29	Advanced Disposal Fees	300,000	300,000	300,000	300,000	300,000	300,000
30	Contracted Sludge Disposal	2,891,785	3,017,293	3,146,031	3,196,379	3,247,504	3,299,457
31	Compost Sales	295,609	295,609	295,609	295,609	295,609	295,609
32	Ferrous/Non-Ferrous Revenues (County)	1,467,137	1,543,024	1,543,024	1,543,024	1,543,024	1,543,024
33	Ferrous/Non-Ferrous Revenues (Covanta)	1,467,137	1,543,024	1,543,024	1,543,024	1,543,024	1,543,024
34	Recycling Residue	900,000	936,000	973,440	1,012,378	1,052,873	1,094,988
35	Recycling Host Fees	505,800	540,000	540,000	540,000	540,000	540,000
36	Transfers from Rate Stabilization Fund	2,106,903	2,357,502	1,718,307	-	-	-
37	Subtotal Income and Funds from Other Sources	\$ 23,906,198	\$ 24,010,172	\$ 23,395,347	\$ 21,706,461	\$ 21,938,014	\$ 22,267,430
38	Net Revenue Requirements from Rates	\$ 94,900,819	\$ 109,000,868	\$ 124,538,842	\$ 131,908,831	\$ 138,148,362	\$ 144,534,484
<b><u>DISPOSAL FEE REVENUE:</u></b>							
39	Disposal Assessment	\$ 10,176,152	\$ 12,177,383	\$ 12,432,750	\$ 12,674,795	\$ 12,882,691	\$ 13,055,740
40	Disposal Facility Charge	12,356,461	13,063,443	13,269,806	13,471,791	13,657,598	13,827,057
41	Recycling Fee	3,595,714	3,389,367	3,459,733	3,528,110	3,590,347	3,646,304
42	Assessment Billing Charge	702,120	716,452	729,771	742,620	753,932	754,328
43	Tipping Fees	39,762,570	43,123,617	43,707,569	44,300,965	44,903,996	45,516,569
44	Disposal Rate Adjustments	-	-	3,679,981	7,658,624	11,110,604	14,781,235
45	Total Disposal Fee Revenue Received	\$ 66,593,018	\$ 72,470,262	\$ 77,279,610	\$ 82,376,904	\$ 86,899,168	\$ 91,581,231
46	Percent Change	N/A	8.83%	6.64%	6.60%	5.49%	5.39%

**Table 15**  
**Lee County, Florida**  
**Solid Waste System**

**Fiscal Year 2022 Rate Study**

**Development of Solid Waste Collection and Disposal Net Revenue Requirements From Rates**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	<u>COLLECTION FEE REVENUE:</u>						
47	Collection Assessment	\$ 26,200,798	\$ 34,172,904	\$ 34,903,664	\$ 35,593,987	\$ 36,186,535	\$ 36,679,293
48	Collection Rate Adjustments	-	-	9,860,285	13,937,940	15,062,659	16,273,961
49	Total Collection Fee Revenue Received	\$ 26,200,798	\$ 34,172,904	\$ 44,763,949	\$ 49,531,927	\$ 51,249,194	\$ 52,953,253
50	Percent Change	N/A	30.43%	30.99%	10.65%	3.47%	3.33%
51	COMBINED DISPOSAL AND COLLECTION RATE REVENUE:	\$ 92,793,817	\$106,643,166	\$122,043,559	\$131,908,831	\$138,148,362	\$144,534,484
	Revenue Surplus / (Deficiency) Under Identified Rate Adjustments						
52	Amount of Surplus / (Deficiency)	\$ (2,107,003)	\$ (2,357,702)	\$ (2,495,283)	\$ -	\$ -	\$ -
53	As Percent of Existing Revenue	(2.27%)	(2.21%)	(2.04%)	0.00%	0.00%	0.00%

**Table 16**  
**Lee County, Florida**  
**Fiscal Year 2022 Rate Study**

**Projected Rate Covenant Compliance Under Adopted and Identified Rates [1]**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
Gross Revenues							
1	Collection Revenues	\$ 26,200,798	\$ 34,172,904	\$ 44,763,949	\$ 49,531,927	\$ 51,249,194	\$ 52,953,253
2	Disposal & Other Charges	70,080,412	76,083,164	81,021,251	86,168,892	90,742,281	95,476,297
3	Total Rate Revenues [2]	96,281,211	110,256,067	125,785,199	135,700,819	141,991,475	148,429,550
Other Revenue and Income							
4	WTE Facility - Gross Electric Sales [3]	\$ 9,245,777	\$ 8,834,974	\$ 8,833,608	\$ 8,832,287	\$ 8,831,082	\$ 8,829,997
5	Gross Ferrous and Non-Ferrous Revenues [4]	2,934,275	3,086,048	3,086,048	3,086,048	3,086,048	3,086,048
6	Gross Franchise Fee Revenues	2,411,049	2,461,806	2,512,564	2,563,321	2,605,758	2,648,192
7	Other Miscellaneous Revenues	440,000	440,000	440,000	440,000	440,000	440,000
8	Interest Income	1,692,500	1,523,300	1,332,100	1,222,800	1,321,500	1,515,500
9	Recycling Revenues [5]	-	-	-	-	-	-
10	Recycling Residue	900,000	936,000	973,440	1,012,378	1,052,873	1,094,988
11	Recycling Host Fees	505,800	540,000	540,000	540,000	540,000	540,000
12	Transfers From / (To) Rate Stabilization Fund [6]	(2,632,561)	(7,080,655)	(7,428,564)	(7,152,074)	-	-
13	Total Other Revenue and Income	\$ 15,496,841	\$ 10,741,473	\$ 10,289,196	\$ 10,544,759	\$ 17,877,260	\$ 18,154,724
14	Total Gross Revenues	\$ 111,778,051	\$ 120,997,541	\$ 136,074,395	\$ 146,245,577	\$ 159,868,736	\$ 166,584,274
Operating Expenses [7]							
15	Facilities	\$ 549,812	\$ 573,321	\$ 591,652	\$ 610,058	\$ 629,074	\$ 648,722
16	Operations/SW MGMT	31,320,891	39,695,753	50,504,103	52,857,237	54,653,027	56,426,406
17	Recycling	2,877,753	4,843,454	5,175,456	5,499,657	5,790,257	6,489,395
18	Disposal / WTE / Yard Waste	43,235,418	47,111,569	50,429,512	50,500,176	52,100,569	53,759,719
19	Buckingham Transfer Station / Diversion Transport	146,188	148,604	153,112	157,442	161,862	166,375
20	Hazardous Waste	1,027,532	1,089,459	1,121,023	1,152,651	1,185,195	1,218,684
21	C&D Facility	1,732,494	1,844,234	1,897,760	1,951,624	2,007,049	2,064,080
22	Transfer Stations	612,542	654,243	674,047	694,209	714,985	736,394
23	LHLF	5,275,011	5,002,650	5,313,780	6,147,329	6,464,372	6,771,944
24	Solid Waste Fleet	3,281,980	3,413,099	3,542,973	3,677,023	3,816,256	3,960,875
25	Total Operating Expenses	\$ 90,059,622	\$ 104,376,386	\$ 119,403,419	\$ 123,247,404	\$ 127,522,646	\$ 132,242,594
26	Net Revenues	\$ 21,718,430	\$ 16,621,154	\$ 16,670,976	\$ 22,998,173	\$ 32,346,090	\$ 34,341,680
27	Fund Balance [8]	37,964,941	25,638,101	11,157,701	14,751,851	12,718,251	23,030,702
28	Net Revenues and Fund Balance	\$ 59,683,371	\$ 42,259,256	\$ 27,828,678	\$ 37,750,025	\$ 45,064,341	\$ 57,372,382
Annual Debt Service [9]							
29	Existing Bonds	8,574,750	8,589,000	8,595,750	8,594,500	8,604,750	-
30	Additional Bonds	-	-	-	3,642,778	3,642,778	3,642,778
31	Total Annual Debt Service	\$ 8,574,750	\$ 8,589,000	\$ 8,595,750	\$ 12,237,278	\$ 12,247,528	\$ 3,642,778
Rate Covenant (Section 5.04):							
Test A: Net Revenues + Fund Balance							
32	Calculated Coverage	6.96	4.92	3.24	3.08	3.68	15.75
33	Minimum Required Coverage	1.20	1.20	1.20	1.20	1.20	1.20
AND							
Test B: Net Revenues Only							
34	Calculated Coverage	2.53	1.94	1.94	1.88	2.64	9.43
35	Minimum Required Coverage	1.00	1.00	1.00	1.00	1.00	1.00
36	Net Available After Debt + Coverage	\$ 13,143,680	\$ 8,032,154	\$ 8,075,226	\$ 10,760,895	\$ 20,098,562	\$ 30,698,902
Other Required Transfers							
37	Subordinate Debt Service	-	-	-	-	-	-
38	Debt Service Reserve Requirement	-	-	-	-	-	-
39	Renewal and Replacement Fund Requirement	-	-	-	-	-	-
40	Net Amount After Required Transfers	\$ 13,143,680	\$ 8,032,154	\$ 8,075,226	\$ 10,760,895	\$ 20,098,562	\$ 30,698,902
41	Net Revenues After Debt Service	\$ 13,143,680	\$ 8,032,154	\$ 8,075,226	\$ 10,760,895	\$ 20,098,562	\$ 30,698,902

**Table 16**  
**Lee County, Florida**  
**Fiscal Year 2022 Rate Study**

**Projected Rate Covenant Compliance Under Adopted and Identified Rates [1]**

Line No.	Description	Fiscal Year Ending September 30,					
		2022	2023	2024	2025	2026	2027
	Other Funding Requirements						
42	Landfill Closure Fund	\$3,064,844	\$2,768,978	\$2,976,055	\$3,201,801	\$3,426,756	\$3,622,412
43	Capital Acquisitions / Capital Outlay Funded from Rates	4,352,691	2,590,000	2,655,000	2,715,000	2,777,500	2,842,500
44	Net Available for Other System Purposes	<u>\$ 20,561,215</u>	<u>\$ 13,391,133</u>	<u>\$ 13,706,281</u>	<u>\$ 16,677,696</u>	<u>\$ 26,302,818</u>	<u>\$ 37,163,814</u>

**Footnotes:**

- [1] Unless otherwise noted, amounts shown are calculated pursuant to the definitions and provisions of rate covenant pursuant to the draft of the Bond Resolution (the "Bond R
- [2] Amounts shown represent Assessments, Tipping Fees and Surcharges calculated based on the reported and forecasted customer and tonnage billing statistics applied to the adopted and/or assumed rate adjustments recognized during the Forecast Period.
- [3] Amounts shown reflect the gross electric revenues. Pursuant to the agreement with the County's contract operator for the Waste-to-Energy (the "WTE") facility, the County remits 10% of electric revenues to the operator. The remission of revenues is reported as an operating expense for the WTE facility.
- [4] Ferrous and non-ferrous revenues are shown gross, of which fifty percent (50%) is shared with the contract operator for the facility and reflected as a cost of operation.
- [5] Pursuant to the Bond Resolution, the County may recognize recycling revenues associated with shared revenues produced from operation of the Materials Recovery Facility (the "MRF").
- [6] Pursuant to the Bond Resolution, moneys deposited from / (to) the Rate Stabilization Fund may either be recognized as an increase/(reduction) to Gross Revenues for purposes of calculating compliance with the Bond Resolution. It should be noted that deposits from the Rate Stabilization (i.e., increasing Gross Revenues) may not be greater than 25% of Net Revenues (referred to as the "Rate Stabilization Amount")
- [7] Amounts shown are net of depreciation, amortization of capital costs and preparation and closures of landfill, among other things, pursuant to the definition of Operating Expenses for the Trust Indenture.
- [8] The Bond Resolution defines "Fund Balance" as "...an amount of money equal to the unencumbered moneys on deposit in the Solid Waste System Reserve Fund as of September 30 of the immediately preceding Fiscal Year. Moneys shall be considered unencumbered to the extent such moneys are unrestricted and may be used for any lawful purpose relating to the Solid Waste System."
- [9] Amounts shown reflect the accrued payments for Annual Debt Service or when the payments must be deposited to the sinking fund in advance of when the actual payment

**Table 17**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical, Current, and Adopted Assessment, Tipping and Gate Fees**

Line No.	Description	Historical 2021	Existing 2022	Adopted 2023
<u>Residential Disposal and Collection Assessment</u>				
1	Area 1 - Bonita/Ft. Myers Beach	\$ 225.83	\$ 232.84	\$ 286.27
2	Change - Amount		\$ 7.01	\$ 53.43
3	Change - Percent		3.10%	22.95%
4	Area 2 - SFM West/Iona-McGregor/Captiva	\$ 214.45	\$ 221.47	\$ 274.90
5	Change - Amount		\$ 7.02	\$ 53.43
6	Change - Percent		3.27%	24.13%
7	Area 3 - SFM East/San Carlos	\$ 242.08	\$ 249.09	\$ 302.52
8	Change - Amount		\$ 7.01	\$ 53.43
9	Change - Percent		2.90%	21.45%
10	Area 4 - East/Lehigh	\$ 238.50	\$ 245.52	\$ 298.95
11	Change - Amount		\$ 7.02	\$ 53.43
12	Change - Percent		2.94%	21.76%
13	Area 5 - Pine Island/NFM	\$ 258.58	\$ 265.59	\$ 319.02
14	Change - Amount		\$ 7.01	\$ 53.43
15	Change - Percent		2.71%	20.12%
16	<u>Disposal Facility Assessment (Grossed Up)</u>	\$ 17.97	\$ 17.97	\$ 19.38
17	Change - Amount		\$ -	\$ 1.41
18	Change - Percent		0.00%	7.85%
<u>Gate Fee for Tipping Waste per Ton</u>				
19	MSW - Base Tip Fee	\$ 50.20	\$ 50.20	\$ 59.96
20	Change - Amount		\$ -	\$ 9.76
21	Change - Percent		0.00%	19.44%
<u>Gate Fee for Tipping Waste per Ton (continued)</u>				
22	MSW Gate Fee - Unincorporated	\$ 50.20	\$ 50.20	\$ 59.96
23	Change - Amount		\$ -	\$ 9.76
24	Change - Percent		0.00%	19.44%
25	MSW Gate Fee - Hendry County	\$ 72.45	\$ 72.45	\$ 83.57
26	Change - Amount		\$ -	\$ 11.12
27	Change - Percent		0.00%	15.36%
28	C&D - Tip Fee per Ton	\$ 48.40	\$ 60.00	\$ 61.72
29	Change - Amount		\$ 11.60	\$ 1.72
30	Change - Percent		23.97%	2.87%
31	C&D & Class III Gate Fee - Hendry County	\$ 53.40	\$ 65.00	\$ 66.72
32	Change - Amount		\$ 11.60	\$ 1.72
33	Change - Percent		21.72%	2.65%
34	Class III - Tip Fee per Ton	\$ 48.40	\$ 60.00	\$ 61.72
35	Change - Amount		\$ 11.60	\$ 1.72
36	Change - Percent		23.97%	2.87%
37	Yard Waste - Tip Fee per Ton	\$ 31.00	\$ 37.50	\$ 38.58
38	Change - Amount		\$ 6.50	\$ 1.08
39	Change - Percent		20.97%	2.88%



**Table 17**  
**Lee County, Florida**  
**Solid Waste System**  
**Fiscal Year 2022 Rate Study**

**Historical, Current, and Adopted Assessment, Tipping and Gate Fees**

Line No.	Description	Historical 2021	Existing 2022	Adopted 2023
40	Yard Waste Gate Fee - Hendry County	\$ 36.00	\$ 42.50	\$ 43.58
41	Change - Amount		\$ 6.50	\$ 1.08
42	Change - Percent		18.06%	2.54%
43	Tires - Tip Fee per Ton	\$ 120.00	\$ 160.00	\$ 160.00
44	Change - Amount		\$ -	\$ -
45	Change - Percent		0.00%	0.00%
46	Commercial (Non-XXL) Tires - Tip Fee per Ton - Hendry County	\$ 160.00	\$ 200.00	\$ 200.00
47	Change - Amount		\$ -	\$ -
48	Change - Percent		0.00%	0.00%
49	Recycling - Tip Fee per Ton	N/A	\$ 38.12	\$ 41.12
50	Change - Amount		N/A	\$ 3.00
51	Change - Percent		N/A	7.87%