

April 28, 2023

City Of Yachats
Attn: Heide Lambert, City Manager
441 Hwy 101 N.
Yachats, OR 97498

2023 Rate Review Report

Enclosed please find our Annual Report of Operations as required in Section 5.10.140 (d) of the City of Yachats Code.

As required in this section, we have included an annual report of results of operations prepared by our CPA for the year ended 12/31/2022 (Exhibit A). We have also included a schedule of all additional allowable expenses that we anticipate for the current year and calculation of the Operating ratio for last year and the current year (Exhibit B).

Because this is an odd numbered year, we are not proposing to do a CPI-based adjustment. We are proposing to adjust the rates by 9.18% this year, as our Operating Ratio is projected to be outside the allowable range of 85% to 91%. This adjustment should bring us back to the target Operating Ratio of 88% called for in our contract. We have included a proposed rate schedule as Exhibit C.

We have included the schedule from our company Certified Public Accountant of the revenue and expenses subject to rate regulation in this packet. It is produced along with an entire company Reviewed Financial Statement. We have provided the entire Reviewed Financial Statement to the City Manager to allow verification of the data provided while maintaining the proprietary nature of the information included in the entire Statement.

We are also pleased to propose the addition of food waste to our compostables program. Now, a lot more items that used to be trash can be recovered. Our customers have asked for this service, and we were happy we could deliver for them.

As always, if you have any questions or concerns, we are happy to discuss this submittal at your convenience. In addition, if any issues are to be discussed at a council meeting please inform us so that we can plan to attend.

Respectfully,

Joseph Cook
General Manager