

ANNUAL REPORT 2023

# Ten-Year Financial Forecast







## Highlights of Ten-Year Financial Forecast

OC Waste & Recycling (OCWR) is responsible for the administration and management of Orange County's solid waste disposal system. The department is structured as an enterprise fund and is primarily supported by revenues from waste management gate fees that are charged to customers. OC Waste & Recycling receives no tax revenues or County General Fund contributions to support its operations.

Although landfilling remains an essential public service, OCWR business model has evolved along with the changing environmental landscape, landfill diversion mandates and lack of local recycling infrastructure to support new legislation requirements from Senate Bill (SB) 1383. The department has developed the implementation plan for Waste Infrastructure System Enhancement (WISE) with a focus on increased organics operation, source recovery and renewable energy to support the regional need for organics processing capacity and the County jurisdictions in complying with SB 1383 diversion regulations. Since late 2023, the County has participated in the Environmental Protection Agency's (EPA) Climate Pollution Reduction Grants competition (CPRG) and launched efforts to develop the first Climate Action Plan (CAP). OCWR is assigned to work in close partnership with other County departments in the CAP and in the competition for CPRG funding. If awarded, the funding will be used to modernize the County's landfill gas management system and emission control technologies for the three active and two closed landfill sites.

The 10-Year Financial Forecast included in this Annual Report is for the period of FY 2023/24 through FY 2032/33. The projected tonnage anticipates a trend of significant decline starting FY 2025/26 due to impacts from the forecasted recession and the assumption of maximum organics recovery required by the SB 1383 statewide goal. Since Olinda Alpha landfill is projected to be filled earlier than the closure permit date in 2036, OCWR is in the process of revising the Solid Waste Facility Permit (SWFP) for Prima Deshecha landfill to increase the daily intake tonnage at the site and to accommodate tonnage diversion from Olinda landfill. The department has also planned to continue accepting importation tonnage, which will be lower than current level intake, to supplement the future decrease in In-county tonnage revenue and to provide a stable source of net revenue sharing to the County and cities. Net importation revenue sharing to the County is expected to be in the range of over \$7 million a year then lower to under \$5 million a year starting FY 2026/27, with the same amount going to Orange County cities.

Forecasted system revenues (Exhibit B. Forecasted System Revenues) reflect a trend of tonnage revenue drop due to the projected disposal tonnage decline (CHART 1). Waste Disposal Agreement's (WDA) disposal rate with projected annual CPI escalation is used to forecast system revenue pending negotiation for the new WISE Agreement's rate structure.

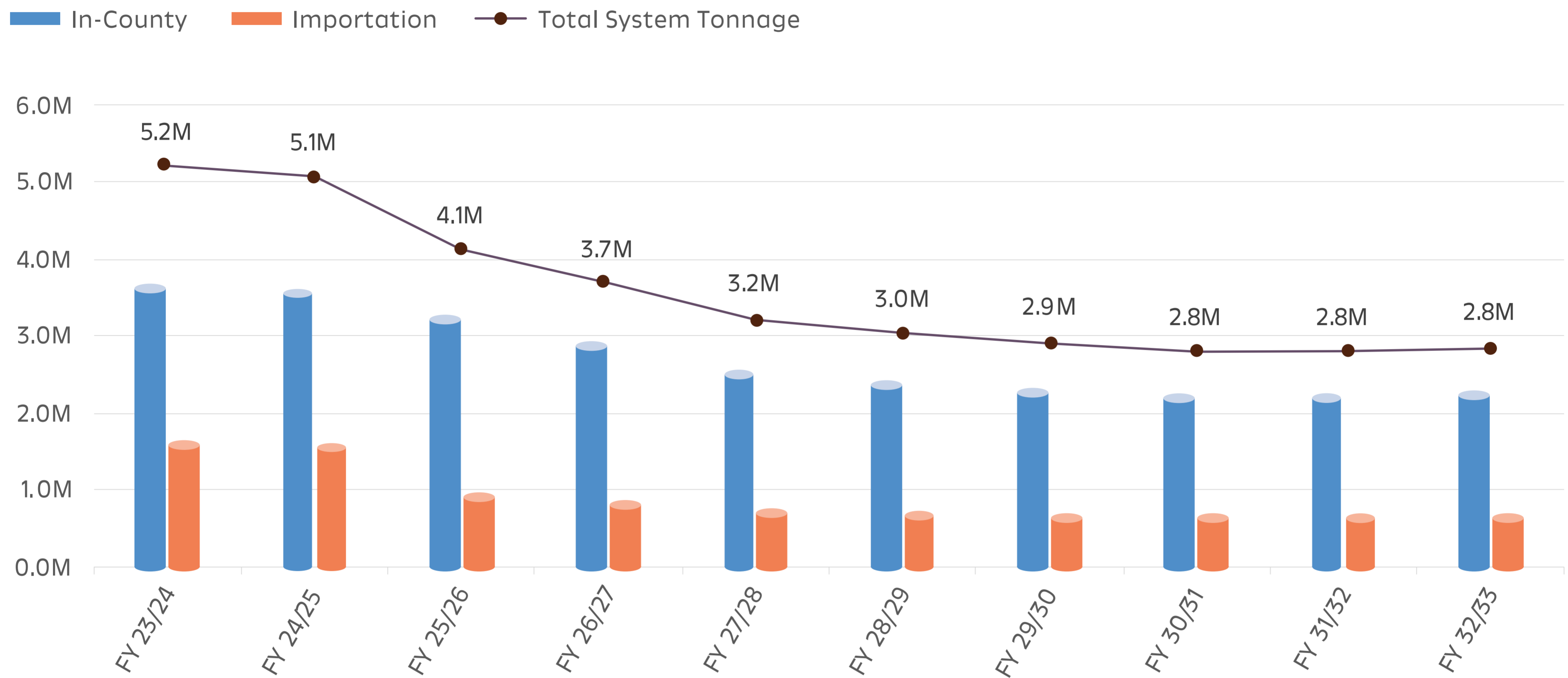
Forecasted system expenses include significant capital project costs related to the future development of the landfill system, costs for organics infrastructure, specifically for the Central and South Region landfills' source separated organics (SSO) facilities, anaerobic digesters (AD), material recovery facilities (MRF), and construction costs of a renewable natural gas (RNG) facility (Exhibit C. Forecasted System Expenses). Expenses are projected to be significantly higher than revenue in all the years of the forecasted period (CHART 2). Despite the department's effort to strategically utilize reserves, maximize operational efficiencies, and closely monitor expenditures, OCWR will experience a negative operating cash flow (non-restricted portion) starting FY 2026/27, which deficit continues to deepen and draw out all other sources of earmarked and restricted cash in the years after 2030 (Exhibit D. Forecasted Cash Balances). The department is in dire need to obtain a new rate structure that provides sufficient financial inflows to sustain its operations, to restore the healthy cash flow, and to continue providing quality services to the County residents.

The schedule following CHART 1 and CHART 2 provides a two-year summary of audited financial data for fiscal years ending June 30, 2023, and 2022, respectively. In addition, detailed schedules for tonnage, revenues, expenses, cash balances and accrued closure and post-closure liabilities for the 10-year forecast period are presented in Exhibits A through F.



## System Tonnage (in millions)

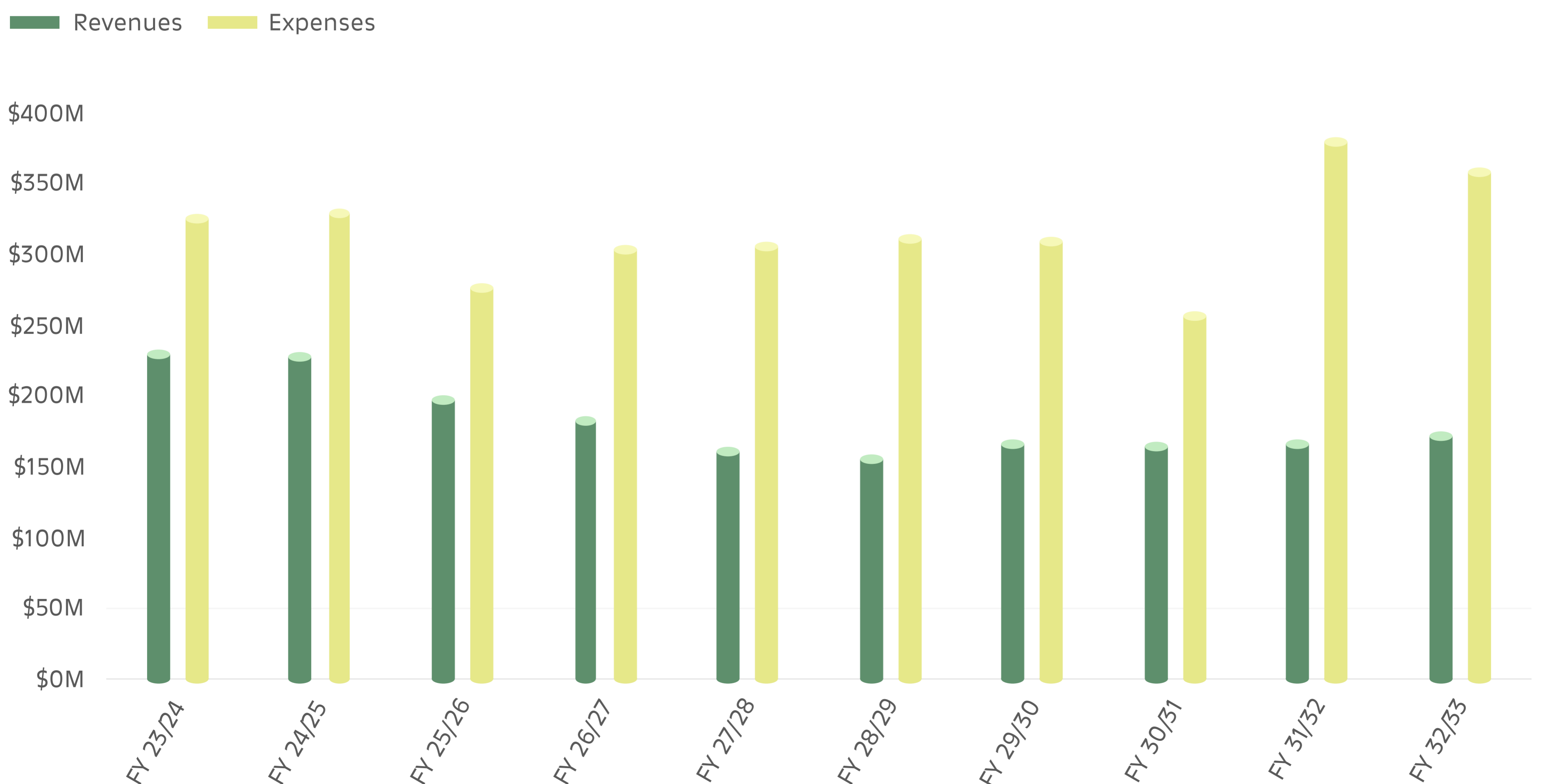
### CHART 1



## System Financial Projections (in millions)

Funds 273, 295 and 299

### CHART 2



# Tonnage & Audited Financial Data for Fiscal Years Ending June 30, 2023 & 2022

## Disposal Waste Tonnage <sup>[1]</sup>

	<b>6/30/23</b>	<b>6/30/22</b>
In-County	3,530,462	3,465,058
Importation	1,540,594	1,588,538
Total System Tonnage	5,071,056	5,053,596

## Statements of Revenues, Expenses and Changes in Fund Net Position For the Years Ended June 30, 2023 & 2022 <sup>[2]</sup>

	<b>6/30/23</b>	<b>6/30/22</b>
Total Revenues <sup>[3]</sup>	\$ 227,608,267	\$ 182,810,859
Total Expenses	\$ 170,790,571	\$ 142,952,173
Change in Net Position	\$ 56,817,696	\$ 39,858,686

## Cash Balances

	<sup>[4]</sup>	<sup>[4]</sup>
	<b>6/30/23</b>	<b>6/30/22</b>
Enterprise/Operating Fund	\$ 322,348,911	\$ 266,337,453
Capital Project Fund	\$ 60,922,705	\$ 90,612,502
Corrective Action Escrow Fund	\$ 13,566,160	\$ 11,811,449
Environmental Reserve Fund	\$ 42,892,120	\$ 41,951,029
Deferred Payment Security Deposits Fund	\$ 1,206,432	\$ 934,982
Habitat Mitigation Escrow Funds	\$ 879,010	\$ 879,010

## Accrued Closure and Postclosure & Cash Balance

	<sup>[4]</sup>	<sup>[4]</sup>
	<b>6/30/23</b>	<b>6/30/22</b>
Landfill Closure Liabilities	\$ 85,236,065	\$ 78,099,985
Landfill Postclosure Liabilities	\$ 118,568,487	\$ 111,276,659
Escrow Funds (Closure) Cash Balance <sup>[5]</sup>	\$ 101,249,951	\$ 95,238,427
Landfill Postclosure Cash Balance <sup>[5]</sup>	\$ 163,413,776	\$ 143,709,608

[1] Source: Disposal Reporting System (DRS) Monthly Tonnage Reports.

[2] Source: OC Waste & Recycling's 2023 & 2022 Financial Statements and Trial Balance audited by Eide Bailly LLP - Certified Public Accountants.

[3] Total Revenues increased by \$44.8M with \$14.4M increase in Operating Revenue and \$30.4M increase in Non-Operating Revenue primarily from higher interest income and fair value investment adjustments, and \$3M grant from CalRecycle.

[4] Source: Data is based on the 2nd Close figures obtained from County financial system reports.

[5] Source: Cash balance is based on the General Ledger report for the official June 30 year-end close.



## A. Forecasted System Tonnage

Description	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Frank R. Bowerman Landfill	1,633,776	1,591,135	1,596,637	1,444,044	1,436,955
Olinda Alpha Landfill	1,360,000	1,360,000	1,065,000	856,800	318,200 <sup>[1]</sup>
Prima Deshecha Landfill	632,009	580,017	542,177	564,327	754,735
<b>Total In-County Tonnage</b>	<b>3,625,785</b>	<b>3,531,152</b>	<b>3,203,814</b>	<b>2,865,171</b>	<b>2,509,890</b>
Frank R. Bowerman Landfill	639,445	622,755	660,199	590,416	517,204
Olinda Alpha Landfill	770,000	770,000	0	0	0
Prima Deshecha Landfill	172,745	148,140	247,101	220,982	193,581
<b>Total Imported Tonnage</b>	<b>1,582,190</b>	<b>1,540,895</b>	<b>907,300</b>	<b>811,398</b>	<b>710,785</b>
<b>Total System Tonnage <sup>[3]</sup></b>	<b>5,207,975</b>	<b>5,072,046</b>	<b>4,111,114</b>	<b>3,676,569</b>	<b>3,220,675</b>

Description	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Frank R. Bowerman Landfill	1,521,194	1,465,495	1,405,084	1,408,460	1,429,430
Olinda Alpha Landfill	134,437	129,515	124,176	124,474	126,327
Prima Deshecha Landfill	701,657	675,966	648,101	649,658	659,330
<b>Total In-County Tonnage</b>	<b>2,357,288</b>	<b>2,270,976</b>	<b>2,177,361</b>	<b>2,182,592</b>	<b>2,215,087</b>
Frank R. Bowerman Landfill	485,758	467,972	448,681	449,759	456,455
Olinda Alpha Landfill	0	0	0	0	0
Prima Deshecha Landfill	181,811	175,154	167,934	168,337	170,843
<b>Total Imported Tonnage <sup>[2]</sup></b>	<b>667,569</b>	<b>643,126</b>	<b>616,615</b>	<b>618,096</b>	<b>627,298</b>
<b>Total System Tonnage <sup>[3]</sup></b>	<b>3,024,858</b>	<b>2,914,102</b>	<b>2,793,976</b>	<b>2,800,688</b>	<b>2,842,385</b>

[1] Olinda Alpha Landfill is projected to fill earlier than the permit date. Disposal tonnage of North Region will be diverted to Central and South Region landfills and Self-haul tonnage will be accepted at North Region for the Material Recovery Facility operation.

[2] Importation is planned to be continued with lower tonnage intake and is based on landfill system's capacity after Olinda closure.

[3] OCWR has been working on additional landfill cell constructions and permitting for tonnage diversion from North Region to other regions' landfills.



## B. Forecasted System Revenues

Description	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Fund 299 Enterprise / Operating - Total Revenues <sup>[1] &amp; [2]</sup>	\$ 175,243,935	\$ 172,537,494	\$ 162,487,390	\$ 149,692,895	\$ 132,830,954
Fund 273 Capital Project / Operating - Total Revenues <sup>[3]</sup>	\$ 1,818,371	\$ 1,764,445	\$ 1,467,242	\$ 1,232,050	\$ 652,977
Fund 295 Importation Revenue Sharing - Total Revenues <sup>[4]</sup>	\$ 52,110,000	\$ 53,972,000	\$ 33,544,041	\$ 30,955,166	\$ 27,826,959
<b>Total Projected Revenues</b>	<b>\$ 229,172,306</b>	<b>\$ 228,273,940</b>	<b>\$ 197,498,674</b>	<b>\$ 181,880,111</b>	<b>\$ 161,310,890</b>

Description	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Fund 299 Enterprise / Operating - Total Revenues <sup>[1] &amp; [2]</sup>	\$ 127,090,115	\$ 139,602,285	\$ 137,240,186	\$ 140,015,611	\$ 144,362,741
Fund 273 Capital Project / Operating - Total Revenues <sup>[3]</sup>	\$ 460,247	\$ 318,554	\$ 437,111	\$ 209,124	\$ 218,398
Fund 295 Importation Revenue Sharing - Total Revenues <sup>[4]</sup>	\$ 26,919,132	\$ 26,711,484	\$ 26,122,588	\$ 26,709,037	\$ 27,648,805
<b>Total Projected Revenues</b>	<b>\$ 154,469,494</b>	<b>\$ 166,632,323</b>	<b>\$ 163,799,886</b>	<b>\$ 166,933,772</b>	<b>\$ 172,229,944</b>

[1] Current major sources of revenue for Fund 299 Operating include In-county disposal tonnage, interest earnings, lease & royalty, and recycling materials rebate.

[2] Future sources of revenue for Fund 299 Operating from Material Recovery Facility, Source Recovery, Biogas and RNG operations are estimated based on projected construction completion date and market rates.

[3] Interest earnings is the only revenue generated by Fund 273. Its annual interest earning projection is based on ending cash balance of prior year.

[4] Importation tonnage revenue is projected to decline significantly starting FY 2025/26 due to lower accepted tonnage.



## C. Forecasted System Expenses

System Expenses by Fund	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Fund 299 Enterprise / Operating	\$ 192,605,357	\$ 215,915,899	\$ 182,170,213	\$ 206,483,520	\$ 194,705,646
Fund 273 Capital Project / Operating <sup>[1]</sup>	\$ 111,968,598	\$ 91,825,000	\$ 81,085,000	\$ 86,180,000	\$ 99,660,000
Fund 295 Importation Revenue Sharing <sup>[2]</sup>	\$ 20,210,000	\$ 20,542,000	\$ 12,765,234	\$ 11,704,989	\$ 10,450,770
<b>Total System Expenses</b>	<b>\$ 324,783,955</b>	<b>\$ 328,282,899</b>	<b>\$ 276,020,447</b>	<b>\$ 304,368,508</b>	<b>\$ 304,816,416</b>

System Expenses by Fund	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Fund 299 Enterprise / Operating	\$ 197,184,259	\$ 216,652,323	\$ 207,725,794	\$ 228,713,964	\$ 227,520,906
Fund 273 Capital Project / Operating <sup>[1]</sup>	\$ 104,110,000	\$ 83,310,000	\$ 38,660,000	\$ 140,360,000	\$ 121,060,000
Fund 295 Importation Revenue Sharing <sup>[2]</sup>	\$ 10,051,746	\$ 9,918,257	\$ 9,663,830	\$ 9,844,932	\$ 10,154,946
<b>Total System Expenses</b>	<b>\$ 311,346,005</b>	<b>\$ 309,880,579</b>	<b>\$ 256,049,624</b>	<b>\$ 378,918,896</b>	<b>\$ 358,735,852</b>

[1] Capital project expenditures are high in the forecasted period due to construction cost of new landfill cells and infrastructures planned for the Waste Infrastructure Enhancement System (WISE).

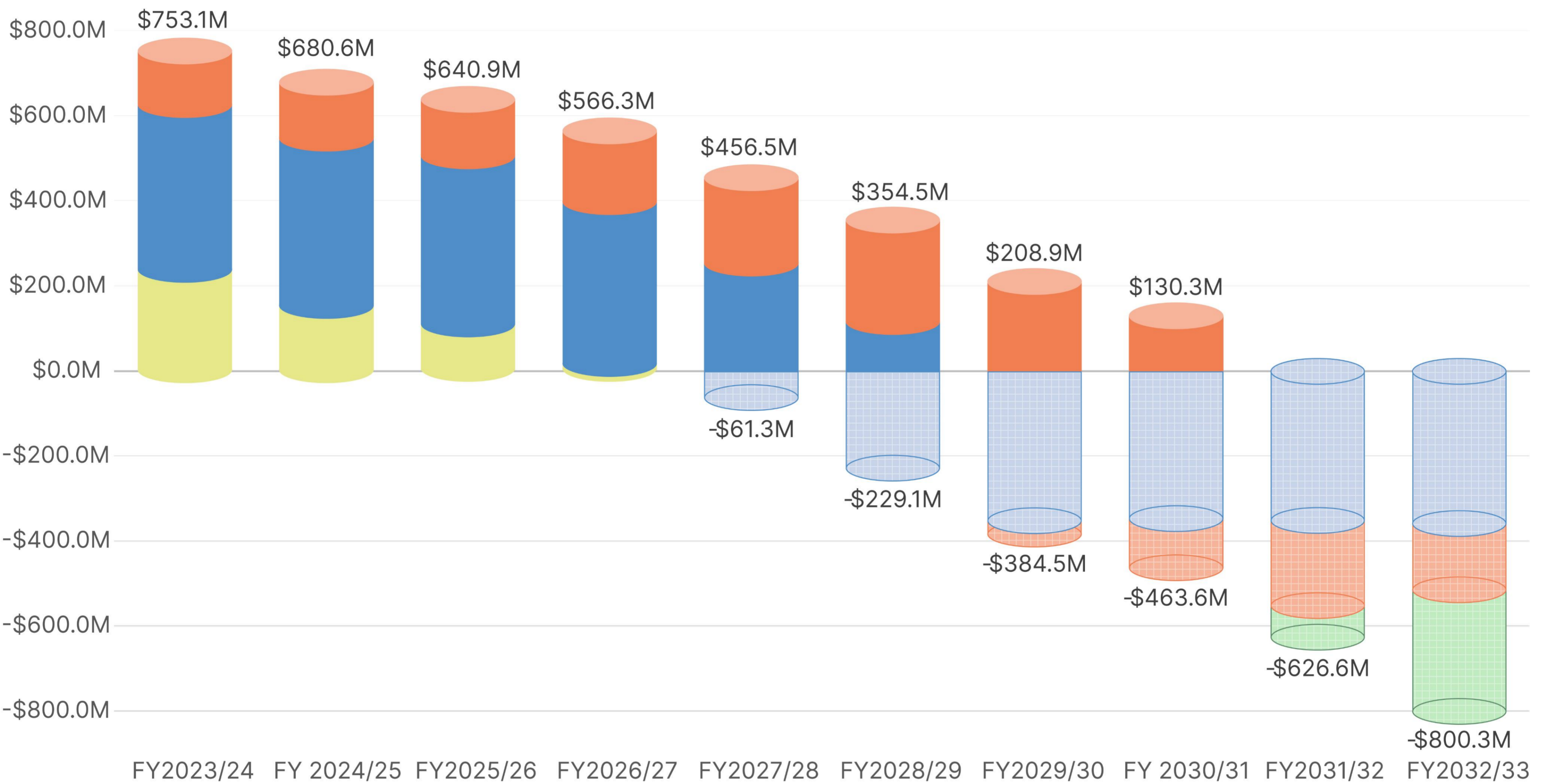
[2] Fund 295 Importation Revenue Sharing's expenses include Net Revenue Sharing to County & Cities, Host Fees and Special Tax for importation tonnage.



## D. Forecasted Cash Balance

### Total Forecasted Cash Balances

- Unrestricted Cash
- Earmarked Cash
- Earmarked Cash-Short Funded
- Restricted Cash
- Restricted Cash-Short Funded
- Other Cash-Short Funded



Cash Requirement	FY2023/24	FY 2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY 2030/31	FY2031/32	FY2032/33
	\$513.4M	\$527.0M	\$530.8M	\$549.8M	\$517.8M	\$583.6M	\$593.4M	\$593.9M	\$554.6M	\$514.4M





## D. Forecasted Cash Balance

Ending Cash Balances		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Fund 299</b>	OCWR Operating Fund	\$180.9M	\$104.7M	\$69.0M	-\$16.1M	-\$84.3M
<b>Fund 273</b>	Capital Project Fund	\$58.8M	\$48.9M	\$41.1M	\$32.6M	\$23.0M
<b>Total Unrestricted Operating Cash</b>		<b>\$239.7M</b>	<b>\$153.6M</b>	<b>\$110.1M</b>	<b>\$16.6M</b>	<b>-\$61.3M</b> <sup>[1]</sup>
<b>Fund 299</b>	Operating Cash Earmarked for Future Use	\$149.7M	\$160.2M	\$146.9M	\$129.2M	\$62.9M
<b>Fund 275</b>	Environmental Reserves Fund <sup>[2]</sup>	\$45.1M	\$46.5M	\$57.8M	\$59.6M	\$60.8M <sup>[2]</sup>
<b>Fund 279</b>	Postclosure Maintenance Fund	\$192.9M	\$188.8M	\$190.6M	\$192.4M	\$192.3M
<b>Total Cash Earmarked for Future Obligations</b>		<b>\$387.6M</b>	<b>\$395.5M</b>	<b>\$395.4M</b>	<b>\$381.2M</b>	<b>\$316.0M</b>
<b>Fund 276</b>	Deferred Payment Security Deposits	\$1.3M	\$1.3M	\$1.3M	\$1.3M	\$1.3M
<b>Fund 274</b>	Corrective Action Escrow Fund	\$14.3M	\$14.7M	\$15.1M	\$15.6M	\$15.9M
<b>Fund 288</b>	FRB Landfill Wetland & Agua Chinon Wash Riparian Escrow Fund	\$0.9M	\$0.9M	\$0.9M	\$0.0M	\$0.0M <sup>[3]</sup>
<b>Fund 286</b>	Olinda Alpha Closure Escrow Fund	\$49.5M	\$50.9M	\$52.5M	\$84.0M	\$115.7M
<b>Fund 284</b>	Frank R. Bowerman Closure Escrow Fund	\$33.3M	\$34.3M	\$35.4M	\$36.4M	\$37.1M
<b>Fund 287</b>	Prima Deshecha Closure Escrow Fund	\$26.6M	\$29.4M	\$30.3M	\$31.2M	\$31.8M
<b>Total Restricted Cash</b>		<b>\$125.8M</b>	<b>\$131.5M</b>	<b>\$135.4M</b>	<b>\$168.5M</b>	<b>\$201.9M</b>
<b>Total Fiscal Year End Cash Balances</b>		<b>\$753.1M</b>	<b>\$680.6M</b>	<b>\$640.9M</b>	<b>\$566.3M</b>	<b>\$456.5M</b>

Ending Cash Balances		FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
<b>Fund 299</b>	OCWR Operating Fund	-\$245.0M	-\$406.3M	-\$474.1M	-\$637.5M	-\$804.7M
<b>Fund 273</b>	Capital Project Fund	\$15.9M	\$21.9M	\$10.5M	\$10.9M	\$4.4M
<b>Total Unrestricted Operating Cash</b>		<b>-\$229.1M</b>	<b>-\$384.5M</b>	<b>-\$463.6M</b>	<b>-\$626.6M</b>	<b>-\$800.3M</b> <sup>[1]</sup>
<b>Fund 299</b>	Operating Cash Earmarked for Future Use	\$67.8M	\$71.5M	\$65.8M	\$70.1M	\$74.5M
<b>Fund 275</b>	Environmental Reserves Fund <sup>[2]</sup>	\$62.0M	\$63.2M	\$64.5M	\$65.8M	\$67.1M <sup>[2]</sup>
<b>Fund 279</b>	Postclosure Maintenance Fund	\$216.0M	\$216.1M	\$216.2M	\$216.3M	\$216.5M
<b>Total Cash Earmarked for Future Obligations</b>		<b>\$345.7M</b>	<b>\$350.8M</b>	<b>\$346.5M</b>	<b>\$352.2M</b>	<b>\$358.1M</b>
<b>Fund 276</b>	Deferred Payment Security Deposits	\$1.3M	\$1.3M	\$1.3M	\$1.3M	\$1.3M
<b>Fund 274</b>	Corrective Action Escrow Fund	\$16.2M	\$16.5M	\$16.9M	\$17.2M	\$17.5M
<b>Fund 288</b>	FRB Landfill Wetland & Agua Chinon Wash Riparian Escrow Fund	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M <sup>[3]</sup>
<b>Fund 286</b>	Olinda Alpha Closure Escrow Fund	\$148.0M	\$151.0M	\$154.0M	\$107.1M	\$59.2M
<b>Fund 284</b>	Frank R. Bowerman Closure Escrow Fund	\$37.9M	\$38.6M	\$39.4M	\$40.2M	\$41.0M
<b>Fund 287</b>	Prima Deshecha Closure Escrow Fund	\$34.4M	\$35.1M	\$35.8M	\$36.5M	\$37.3M
<b>Total Restricted Cash</b>		<b>\$237.9M</b>	<b>\$242.6M</b>	<b>\$247.4M</b>	<b>\$202.4M</b>	<b>\$156.4M</b>
<b>Total Fiscal Year End Cash Balances</b>		<b>\$354.5M</b>	<b>\$208.9M</b>	<b>\$130.3M</b>	<b>-\$72.0M</b>	<b>-\$285.9M</b>

[1] Total Unrestricted Operating Cash Balance is projected to be negative starting FY 2026/27. Total Cash Balances will be in deficit of \$285.9 million by FY 2032/33.

There will be no cash left to satisfy the cash requirement for required restricted escrows, for earmarks of AB 939 Surcharge programs and postclosure maintenance cost.

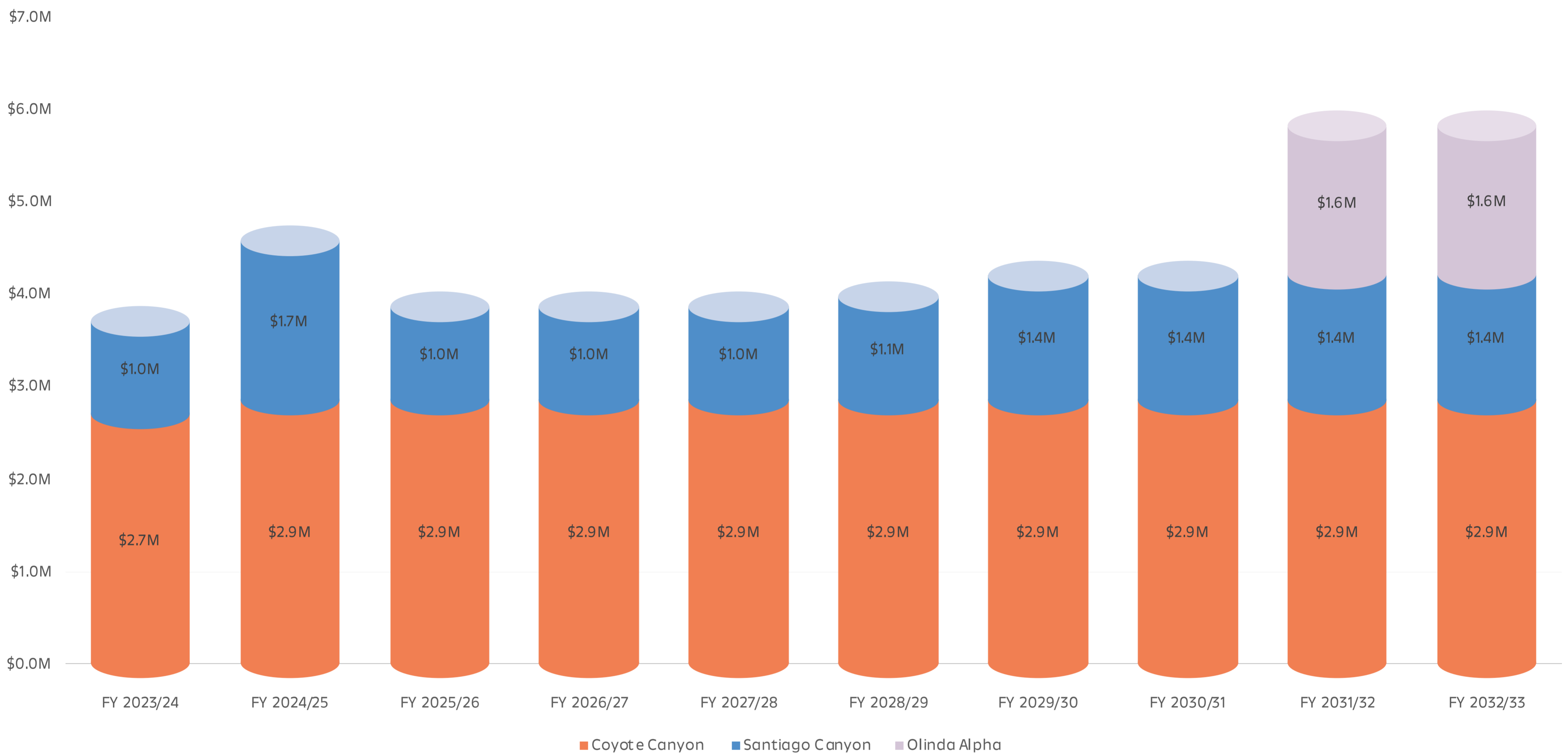
[2] Borrowing from other County departments will be repaid in full in FY 2023/24 and Fund 275 will reinstate the cap balance of \$70 million after FY 2032/33.

[3] Per the agreement with the California Department of Fish and Game for habitat mitigation, requirement for Fund 288 escrow is estimated to end in FY 2025/26.



## E. Landfill Postclosure Maintenance Fund

### Annual Postclosure Maintenance Expenditures



[1] Olinda Alpha Landfill is projected to start its 30-year postclosure maintenance period in FY 2031/32.



## F. Landfill Closure and Postclosure Liabilities

<b>Frank R. Bowerman Landfill</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Annual Tonnage of Refuse Buried	2,304,926	2,213,890	2,256,836	2,034,460	1,954,159
Maximum Permitted Capacity = 266 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	41.09%	42.37%	43.62%	44.75%	45.83%
Estimated Total Closure Cost	\$ 52,551,287	\$ 54,127,825	\$ 55,589,277	\$ 57,090,187	\$ 58,631,622
Accrued Closure Liability	\$ 21,593,324	\$ 22,933,960	\$ 24,248,042	\$ 25,547,859	\$ 26,870,872
Estimated 30-Year Postclosure Cost	\$ 59,522,838	\$ 61,308,523	\$ 62,963,853	\$ 64,663,877	\$ 66,409,802
Accrued Postclosure Liability	\$ 24,457,934	\$ 25,976,421	\$ 27,464,833	\$ 28,937,085	\$ 30,435,612

<b>Olinda Alpha Landfill</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Annual Tonnage of Refuse Buried	2,053,537	2,130,000	1,065,000	856,800	318,200
Maximum Permitted Capacity = 148.8 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	94.32%	97.20%	98.50%	99.20%	100.00%
Estimated Total Closure Cost	\$ 47,294,473	\$ 48,713,307	\$ 50,028,567	\$ 51,379,338	\$ 52,766,580
Accrued Closure Liability	\$ 44,608,147	\$ 47,052,184	\$ 48,887,915	\$ 50,675,441	\$ 52,223,084
Estimated 30-Year Postclosure Cost	\$ 47,191,747	\$ 48,607,499	\$ 49,919,901	\$ 51,267,738	\$ 52,651,967
Less Postclosure Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Postclosure Liability	\$ 44,511,607	\$ 46,947,893	\$ 48,780,817	\$ 50,564,992	\$ 52,108,400

<b>Prima Deshecha Landfill - Zone 1</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Annual Tonnage of Refuse Buried	807,015	728,156	591,958	392,655	474,158
Maximum Permitted Capacity = 53.1 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	81.36%	83.75%	85.69%	86.98%	88.53%
Estimated Total Closure Cost	\$ 30,137,888	\$ 31,042,025	\$ 31,880,159	\$ 32,740,924	\$ 33,624,929
Accrued Closure Liability	\$ 24,520,186	\$ 25,997,696	\$ 27,318,109	\$ 28,478,056	\$ 29,768,149
Estimated 30-Year Postclosure Cost	\$ 47,768,396	\$ 49,201,448	\$ 50,529,887	\$ 51,894,194	\$ 53,295,337
Accrued Postclosure Liability	\$ 38,864,367	\$ 41,206,213	\$ 43,299,060	\$ 45,132,381	\$ 47,171,703

[1] Final closure for Olinda Alpha Landfill is projected to start by CY 2028. Postclosure maintenance will begin in FY 2031/32.

Accrued closure liability for Olinda Alpha Landfill is based on cost estimate approved by Cal Recycle in 2020. New cost projection is significantly higher and pending submission to Cal Recycle for review and approval.

[2] Prima Deshecha Landfill Zone 4 is estimated to start accepting waste in FY 2025/26.

[3] Coyote Canyon Landfill will complete its 30 year postclosure period in FY 2024/25 and GASB 18 liability accrual is no longer required. However, OCWR will continue to accrue liability based on 15 year of annual maintenance cost estimate.



## F. Landfill Closure and Postclosure Liabilities

<b>Prima Deshecha Landfill - Zone 4</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Annual Tonnage of Refuse Buried	0	0	197,319	392,655	474,158
Maximum Permitted Capacity = 118.5 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	0.00%	0.00%	0.29%	0.87%	1.56%
Estimated Total Closure Cost	\$ 52,714,931	\$ 54,296,379	\$ 55,762,381	\$ 57,267,965	\$ 58,814,200
Accrued Closure Liability	\$ -	\$ -	\$ 161,711	\$ 498,231	\$ 917,502
Estimated 30-Year Postclosure Cost	\$ 54,193,456	\$ 55,819,261	\$ 57,326,382	\$ 58,874,195	\$ 60,463,799
Accrued Postclosure Liability	\$ -	\$ -	\$ 166,247	\$ 506,318	\$ 937,189

<b>Santiago Canyon Landfill</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Estimated Remaining Postclosure Cost	\$ 12,717,443	\$ 11,234,240	\$ 11,082,103	\$ 10,166,602	\$ 9,192,848
Annual Postclosure Maintenance	\$ (1,002,000)	\$ (1,719,200)	\$ (1,011,700)	\$ (1,011,700)	\$ (1,011,700)
Accrued Postclosure Liability Balance	\$ 13,719,443	\$ 12,953,440	\$ 12,093,803	\$ 11,178,302	\$ 10,204,548
Optional Accrued Postclosure Reserves	\$ -	\$ 1,000,000	\$ 2,040,000	\$ 3,121,200	\$ 4,244,832

<b>Coyote Canyon Landfill</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Estimated Remaining Postclosure Cost	\$ 3,201,212	\$ 24,800,000	\$ 23,146,600	\$ 21,443,598	\$ 19,689,506
Annual Postclosure Maintenance	\$ 1,600,606	\$ 1,653,400	\$ 1,703,002	\$ 1,754,092	\$ 1,806,715
Accrued Postclosure Liability Balance	\$ 1,600,606	\$ 23,146,600	\$ 21,443,598	\$ 19,689,506	\$ 17,882,791
Estimated Actual Postclosure Reversal	\$ (2,700,000)	\$ (2,850,000)	\$ (2,850,000)	\$ (2,850,000)	\$ (2,850,000)
Required / Funded Postclosure		\$ 24,800,000			

<b>Total Accrued Liability</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
Total Accrued Closure Liability	\$ 90,721,657	\$ 95,983,839	\$ 100,615,777	\$ 105,199,587	\$ 109,779,608
Total Accrued Postclosure Liability	\$ 123,153,956	\$ 150,230,567	\$ 153,248,358	\$ 156,008,584	\$ 158,740,243
Total Accrued Postclosure Reserves	\$ -	\$ 25,800,000	\$ 2,040,000	\$ 3,121,200	\$ 4,244,832
<b>Total Accrued Closure &amp; Postclosure Liability</b>	<b>\$ 213,875,613</b>	<b>\$ 272,014,406</b>	<b>\$ 255,904,135</b>	<b>\$ 264,329,370</b>	<b>\$ 272,764,682</b>

[1] Final closure for Olinda Alpha Landfill is projected to start by CY 2028. Postclosure maintenance will begin in FY 2031/32.

Accrued closure liability for Olinda Alpha Landfill is based on cost estimate approved by Cal Recycle in 2020. New cost projection is significantly higher and pending submission to Cal Recycle for review and approval.

[2] Prima Deshecha Landfill Zone 4 is estimated to start accepting waste in FY 2025/26.

[3] Coyote Canyon Landfill will complete its 30 year postclosure period in FY 2024/25 and GASB 18 liability accrual is no longer required. However, OCWR will continue to accrue liability based on 15 year of annual maintenance cost estimate.



## F. Landfill Closure and Postclosure Liabilities

Frank R. Bowerman Landfill	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Tonnage of Refuse Buried	2,141,389	2,062,982	1,977,941	1,982,693	2,012,212
Maximum Permitted Capacity = 266 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	47.02%	48.16%	49.26%	50.36%	51.47%
Estimated Total Closure Cost	\$ 60,214,676	\$ 61,840,472	\$ 63,510,165	\$ 65,224,939	\$ 66,986,013
Accrued Closure Liability	\$ 28,312,941	\$ 29,782,371	\$ 31,285,107	\$ 32,847,279	\$ 34,477,701
Estimated 30-Year Postclosure Cost	\$ 68,202,867	\$ 70,044,344	\$ 71,935,541	\$ 73,877,801	\$ 75,872,502
Accrued Postclosure Liability	\$ 32,068,988	\$ 33,733,356	\$ 35,435,447	\$ 37,204,861	\$ 39,051,577

Olinda Alpha Landfill	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Tonnage of Refuse Buried	0	0	0	0	0
Maximum Permitted Capacity = 148.8 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	100.00%	100.00%	100.00%	100.00%	100.00%
Estimated Total Closure Cost	\$ 54,296,811	\$ 55,871,418	\$ 57,491,690	\$ 59,158,949	\$ 60,874,558
Accrued Closure Liability	\$ 53,737,554	\$ 55,295,943	\$ 56,899,525	\$ 58,549,611	\$ 60,247,550
Estimated 30-Year Postclosure Cost	\$ 54,073,570	\$ 55,533,556	\$ 57,032,962	\$ 58,572,852	\$ 60,154,319
Less Postclosure Expenditures	\$ -	\$ -	\$ -	\$ 1,591,812	\$ 1,623,648
Accrued Postclosure Liability	\$ 53,515,327	\$ 54,960,241	\$ 56,444,167	\$ 57,968,160	\$ 59,533,300

Prima Deshecha Landfill - Zone 1	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Annual Tonnage of Refuse Buried	441,734	425,560	408,018	408,998	415,087
Maximum Permitted Capacity = 53.1 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	89.98%	91.37%	92.71%	94.05%	95.41%
Estimated Total Closure Cost	\$ 34,532,802	\$ 35,465,187	\$ 36,422,748	\$ 37,406,162	\$ 38,416,128
Accrued Closure Liability	\$ 31,072,615	\$ 32,404,542	\$ 33,767,529	\$ 35,180,495	\$ 36,652,828
Estimated 30-Year Postclosure Cost	\$ 54,734,311	\$ 56,212,137	\$ 57,729,865	\$ 59,288,571	\$ 60,889,362
Accrued Postclosure Liability	\$ 49,238,986	\$ 51,355,408	\$ 53,509,812	\$ 55,749,043	\$ 58,082,362

[1] Final closure for Olinda Alpha Landfill is projected to start by CY 2028. Postclosure maintenance will begin in FY 2031/32.

Accrued closure liability for Olinda Alpha Landfill is based on cost estimate approved by Cal Recycle in 2020. New cost projection is significantly higher and pending submission to Cal Recycle for review and approval.

[2] Prima Deshecha Landfill Zone 4 is estimated to start accepting waste in FY 2025/26.

[3] Coyote Canyon Landfill will complete its 30 year postclosure period in FY 2024/25 and GASB 18 liability accrual is no longer required. However, OCWR will continue to accrue liability based on 15 year of annual maintenance cost estimate.



## F. Landfill Closure and Postclosure Liabilities

<b>Prima Deshecha Landfill - Zone 4</b>	<b>FY 2028/29</b>	<b>FY 2029/30</b>	<b>FY 2030/31</b>	<b>FY 2031/32</b>	<b>FY 2032/33</b>
Annual Tonnage of Refuse Buried	441,734	425,560	408,018	408,998	415,087
Maximum Permitted Capacity = 118.5 MCY	100%	100%	100%	100%	100%
% of Maximum Capacity Filled	2.21%	2.84%	3.43%	4.04%	3.00%
Estimated Total Closure Cost	\$ 60,402,183	\$ 62,033,042	\$ 63,707,934	\$ 65,428,048	\$ 67,194,605
Accrued Closure Liability	\$ 1,334,888	\$ 1,761,738	\$ 2,185,182	\$ 2,643,293	\$ 2,015,838
Estimated 30-Year Postclosure Cost	\$ 62,096,323	\$ 63,772,925	\$ 65,494,795	\$ 67,263,155	\$ 69,079,261
Accrued Postclosure Liability	\$ 1,359,909	\$ 1,359,909	\$ 1,359,909	\$ 1,359,909	\$ 1,359,909

<b>Santiago Canyon Landfill</b>	<b>FY 2028/29</b>	<b>FY 2029/30</b>	<b>FY 2030/31</b>	<b>FY 2031/32</b>	<b>FY 2032/33</b>
Estimated Remaining Postclosure Cost	\$ 8,058,362	\$ 6,720,574	\$ 5,556,821	\$ 4,324,341	\$ 3,020,271
Annual Postclosure Maintenance	\$ (1,111,700)	\$ (1,351,700)	\$ (1,351,700)	\$ (1,351,700)	\$ (1,351,700)
Accrued Postclosure Liability Balance	\$ 9,170,062	\$ 8,072,274	\$ 6,908,521	\$ 5,676,041	\$ 4,371,971
Optional Accrued Postclosure Reserves	\$ 5,412,161	\$ 6,624,485	\$ 7,883,137	\$ 9,189,485	\$ 10,544,934

<b>Coyote Canyon Landfill</b>	<b>FY 2028/29</b>	<b>FY 2029/30</b>	<b>FY 2030/31</b>	<b>FY 2031/32</b>	<b>FY 2032/33</b>
Estimated Remaining Postclosure Cost	\$ 17,882,791	\$ 16,021,875	\$ 26,105,131	\$ 24,130,885	\$ 22,097,412
Annual Postclosure Maintenance	\$ 1,860,916	\$ 1,916,744	\$ 1,974,246	\$ 2,033,473	\$ 2,094,478
Accrued Postclosure Liability Balance	\$ 16,021,875	\$ 14,105,131	\$ 24,130,885	\$ 22,097,412	\$ 20,002,934
Estimated Actual Postclosure Reversal	\$ (2,850,000)	\$ (2,850,000)	\$ (2,850,000)	\$ (2,850,000)	\$ (2,850,000)
Required / Funded Postclosure		\$ 12,000,000			

<b>Total Accrued Liability</b>	<b>FY 2028/29</b>	<b>FY 2029/30</b>	<b>FY 2030/31</b>	<b>FY 2031/32</b>	<b>FY 2032/33</b>
Total Accrued Closure Liability	\$ 114,457,998	\$ 119,244,594	\$ 124,137,344	\$ 129,220,679	\$ 133,393,917
Total Accrued Postclosure Liability	\$ 161,375,147	\$ 163,586,319	\$ 177,788,741	\$ 180,055,426	\$ 182,402,053
Total Accrued Postclosure Reserves	\$ 5,412,161	\$ 18,624,485	\$ 7,883,137	\$ 9,189,485	\$ 10,544,934
<b>Total Accrued Closure &amp; Postclosure Liability</b>	<b>\$ 281,245,305</b>	<b>\$ 301,455,399</b>	<b>\$ 309,809,222</b>	<b>\$ 318,465,590</b>	<b>\$ 326,340,904</b>

[1] Final closure for Olinda Alpha Landfill is projected to start by CY 2028. Postclosure maintenance will begin in FY 2031/32.

Accrued closure liability for Olinda Alpha Landfill is based on cost estimate approved by Cal Recycle in 2020. New cost projection is significantly higher and pending submission to Cal Recycle for review and approval.

[2] Prima Deshecha Landfill Zone 4 is estimated to start accepting waste in FY 2025/26.

[3] Coyote Canyon Landfill will complete its 30 year postclosure period in FY 2024/25 and GASB 18 liability accrual is no longer required. However, OCWR will continue to accrue liability based on 15 year of annual maintenance cost estimate.