

	Estimated Actual '07-'08	Estimated Actual/Projected '08-'09	'09-'10 Scenarios - Zero Profit Scenario, 10% Profit Scenario, Requested Rates (8% Profit)						Projected '10-'11 ****			
			Projected '09-'10 Zero Profit Scenario		Projected '09-'10 10% Profit Scenario		Projected '09-'10 Requested Rate Structure (8% Profit)					
			Rate Structure % Increase	Zero Profit	Rate Structure % Increase	10% Profit	Rate Structure % Increase	Requested ***				
Base Rate	\$ 15.19	\$ 15.19										
El Dorado Franchise Fee - 5%	\$ 0.76	\$ 0.76	28.9%	\$ 19.58	43.2%	\$ 21.75	40.3%	\$ 21.31	3.0%	\$ 21.95		\$ 21.95
	<u>15.95</u>	<u>15.95</u>		\$ 0.98		\$ 1.09		\$ 1.07		\$ 1.10		\$ 1.10
				<u>20.56</u>		<u>22.84</u>		<u>22.38</u>		<u>23.05</u>		<u>23.05</u>
TTSD Collected Revenue	\$ 254,760	\$ 259,768		\$ 334,789		\$ 371,988		\$ 364,455		\$ 375,388		\$ 375,388
COSTS:												
El Dorado Franchise Fee	\$ 12,131	\$ (12,131)	\$ 12,370	\$ (12,370)	\$ 17,714	\$ (17,714)	\$ 17,714	\$ (17,714)	\$ 17,714	\$ (17,714)	\$ 17,876	\$ (17,876)
Less: Disposal Costs:												
Tonnage	\$ 1,549	\$ 1,379	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,525	\$ 1,525
Tipping Fees	\$ 75.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 77.50	\$ 80.00	\$ 80.00
Total Tipping Fees	<u>\$ 116,950</u>	<u>\$ (116,950)</u>	<u>\$ 106,873</u>	<u>\$ (106,873)</u>	<u>\$ 108,500</u>	<u>\$ (108,500)</u>	<u>\$ 108,500</u>	<u>\$ (108,500)</u>	<u>\$ 108,500</u>	<u>\$ (108,500)</u>	<u>\$ 122,000</u>	<u>\$ (122,000)</u>
Labor Costs												
Direct Labor - Drivers and Refuse Collection	\$ 66,150	\$ 67,500	\$ 68,850	\$ (68,850)	\$ 68,850	\$ (68,850)	\$ 68,850	\$ (68,850)	\$ 68,850	\$ (68,850)	\$ 70,916	\$ (70,916)
Indirect Operational Labor *	\$ 17,544	\$ 17,811	\$ 17,811	\$ (17,811)	\$ 17,811	\$ (17,811)	\$ 17,811	\$ (17,811)	\$ 17,811	\$ (17,811)	\$ 18,345	\$ (18,345)
Indirect Administrative Labor **	\$ 18,846	\$ 19,133	\$ 19,133	\$ (19,133)	\$ 19,133	\$ (19,133)	\$ 19,133	\$ (19,133)	\$ 19,133	\$ (19,133)	\$ 19,707	\$ (19,707)
Total Labor	<u>\$ 102,540</u>	<u>\$ (102,540)</u>	<u>\$ 104,444</u>	<u>\$ (104,444)</u>	<u>\$ 105,794</u>	<u>\$ (105,794)</u>	<u>\$ 105,794</u>	<u>\$ (105,794)</u>	<u>\$ 105,794</u>	<u>\$ (105,794)</u>	<u>\$ 108,968</u>	<u>\$ (108,968)</u>
Equipment Usage - Frontloaders & Pick-ups	<u>\$ 72,077</u>	<u>\$ (72,077)</u>	<u>\$ 73,106</u>	<u>\$ (73,106)</u>	\$ (74,568)		\$ (74,568)		\$ (74,568)		\$ (76,806)	\$ (76,806)
Safety Equipment & Uniforms	\$ 1,865	\$ 1,923	\$ 1,981	\$ 1,981	\$ 1,981	\$ 1,981	\$ 1,981	\$ 1,981	\$ 1,981	\$ 1,981	\$ 2,040	\$ 2,040
Postage	\$ 1,940	\$ 2,000	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,060	\$ 2,122	\$ 2,122
Contract Administration	\$ 2,000	\$ 5,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 2,500	\$ 2,500
Supplies/Administration	<u>\$ 5,805</u>	<u>\$ (5,805)</u>	<u>\$ 8,923</u>	<u>\$ (8,923)</u>	<u>\$ 16,041</u>	<u>\$ (16,041)</u>	<u>\$ 16,041</u>	<u>\$ (16,041)</u>	<u>\$ 16,041</u>	<u>\$ (16,041)</u>	<u>\$ 6,662</u>	<u>\$ (6,662)</u>
Amortization of El Dorado-related CARB costs - taken over 5 years, no interest					\$ (6,445)		\$ (6,445)		\$ (6,445)		\$ (6,445)	\$ (6,445)
Recapture of Lost Revenue - assumes approx. 11% increase effective per contract date of 7-1-08, taken over 5 years, no interest					\$ (5,720)		\$ (5,720)		\$ (5,720)		\$ (5,720)	\$ (5,720)
Total Costs	<u>\$ (309,503)</u>	<u>\$ (305,716)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (334,782)</u>	<u>\$ (344,476)</u>	<u>\$ (344,476)</u>
Net Profit/(Loss)	<u>\$ (54,743)</u>	<u>\$ (45,948)</u>	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 37,206</u>	<u>\$ 37,206</u>	<u>\$ 29,673</u>	<u>\$ 29,673</u>	<u>\$ 29,673</u>	<u>\$ 30,913</u>	<u>\$ 30,913</u>	<u>\$ 30,913</u>
Profit Margin %	-21.49%	-17.69%	0.00%	0.00%	10.00%	10.00%	8.14%	8.14%	8.14%	8.14%	8.23%	8.23%

* Includes Dispatch, Safety & Mechanic Supervision

** Includes Customer Service, Billing, IT & HR (no executive management)

*** Requested Rate Structure yields an 8% Profit Margin, and is modeled after Placer Franchise Area 2 non-mandatory rates, with adjustments for: 1) CARB costs and, 2) partial recovery of incurred losses associated with delay in rate adjustment beyond contract terms

**** Future '10-'11 Projection is based on a 3% CPI increase applied to the requested '09-'10 rate structure

Note: Proposed rate structures are based on non-mandatory service in the area, with roughly half of the 1,600 homes participating depending on the season. Individual rates would be lower, if converted to mandatory service.