

Base Year Rate Application

Summary

Rate Change

1.	Percent Rate Change Requested (City of South Lake Tahoe and Douglas County)	9.59%
	Percent Rate Change Requested (El Dorado County)	10.19%

Residential Rate Schedule

	Rate Schedule (per customer, per month)	Current Rate	Rate Adjustment	New Rate
2.	City of South Lake Tahoe	(1)		(1)
	2.1. Unlimited service	\$ 26.55	\$ 2.55	\$ 29.10
	2.2. Mandated pickup per 32-gallon can/bag	5.67	0.54	6.21
	2.3. Mandated pickup per cubic yard	37.96	3.64	41.60
	2.4. Qualified senior rate	22.20	2.13	24.33
	2.5. House service - 1 can	30.41	2.92	33.33
	2.6. House service - 2 cans	34.28	3.29	37.57
	2.7. House service - 3 cans	38.14	3.66	41.80
	2.8. Residential - All other services	-	-	-
3.	Douglas County			
	3.1. 1, 32-gallon can	\$ 17.72	\$ 1.70	\$ 19.42
	3.2. 2, 32-gallon cans	34.11	3.27	37.38
	3.3. 3, 32-gallon cans	52.02	4.99	57.01
	3.4. 4, 32-gallon cans	68.42	6.56	74.98
	3.5. One extra 32-gallon can (also the seasonal service rate)	4.45	0.43	4.88
	3.6. On-call 32-gallon can billed monthly/arrears	n/a	n/a	-
	3.7. Per cubic yard	28.63	2.75	31.38
	3.8. 1, 45-gallon can	21.49	2.06	23.55
	3.9. 2, 45-gallon cans	41.31	3.96	45.27
	3.10. 3, 45-gallon cans	62.95	6.04	68.99
	3.11. One extra 45-gallon can (also the seasonal service rate)	5.41	0.52	5.93
	3.12. On-call 45-gallon can billed monthly/arrears	n/a	n/a	-
	3.13. Residential - All other services	84.03	8.06	92.09
4.	El Dorado County			
	4.1. Unlimited service	\$ 30.47	\$ 3.11	\$ 33.58
	4.2. Mandated pickup per 32-gallon can/bag	6.38	0.65	7.03
	4.3. Mandated pickup per cubic yard	36.53	3.72	40.25
	4.4. Qualified senior rate	26.58	2.71	29.29
	4.5. House service per can	3.86	0.39	4.25
	4.6. Residential - All other services (Area B - formerly ARD)	16.71	1.70	18.41

Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the South Lake Tahoe Basin Waste Management Authority.

Name: Jeffery Tillman

Title: President

Signature:

Date: May 31, 2017

(1) Rate does not include the street sweeping (\$0.25), the nuisance abatement (\$0.25), or the clean community surcharges (\$0.40).

Fiscal Year:

2018

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See summaries of significant assumptions and accounting policies and accompanying independent accountants' report

Base Year Rate Application

Financial Information for All Three Jurisdictions

	Actual Audited	Estimated	Projected	
	Prior Year All Three Jurisdictions Ended 6/30/16	Current Year All Three Jurisdictions Ending 6/30/2017	City of SLT and Douglas County Ending 6/30/2018	Base Year El Dorado County Ending 6/30/2018
Section I--Allowable Operating Costs				
5. Direct Labor	\$ 6,551,762	\$ 6,719,806	\$ 5,628,290	\$ 1,478,926
6. Equipment Costs and Facility Costs	1,476,751	1,383,779	1,142,051	300,093
7. Landfill Disposal Costs	1,028,578	1,241,026	1,196,500	314,400
8. Office Salaries	1,134,479	1,178,374	988,620	259,776
9. General and Administrative Costs	3,389,358	3,331,664	2,687,232	706,526
10. MRF Principal and Interest Payments (El Dorado County)	16,082	6,533	0	6,672
11. RRF Principal and Interest Payments (El Dorado County)	293,807	185,595	0	190,085
Other Interest Expenses	8,097	10,077	0	13,715
12. Total Allowable Operating Costs	\$ 13,888,914	\$ 14,058,854	\$ 11,642,693	\$ 3,270,193
Section II--Allowable Operating Profit				
13. Operating Ratio	87.00%	87.00%	87.00%	89.00%
14. Allowable Operating Profit	\$ 2,076,849	\$ 2,100,449	\$ 1,739,713	\$ 404,181
Section III--Pass Through Costs without Franchise Fees				
15. MRF Principal Payments (City and Douglas)	\$57,441	\$20,594	\$20,594	\$0
16. RRF Principal Payments (City and Douglas)	1,004,865	577,239	577,238	0
17. MRF and RRF Interest Expenses (City and Douglas)	116,938	133,288	150,904	0
Other Interest Expenses	30,810	38,348	52,193	0
18. RRF Fund Credit	0	0	0	0
19. Recycling Revenue Bonus	306,143	356,937	289,720	53,549
20. Total Pass Through Costs	\$1,516,197	\$1,126,405	\$1,090,649	\$53,549
Section IV--Revenue Requirement without Franchise Fees				
21. Total Allowable Operating Costs (Line 12) plus Allowable Operating Profit (Line 14) plus Total Pass Through Costs (Line 20)	\$ 17,491,960	\$ 17,283,709	\$ 14,473,054	\$ 3,727,923
Section V--Revenues without Rate Change in Base Year				
	Current	Months	Projected	Total
	Rate/Month		Accounts	
Residential Revenues				
City of South Lake Tahoe				
22. Unlimited service	\$ 26.55	12	14,183	\$ 4,518,704
23. Mandated pickup per 32-gallon can/bag	5.67	12	0	0
24. Mandated pickup per cubic yard	37.96	12	0	0
25. Qualified senior rate	22.20	12	73	19,447
26. House service - 1 can	30.41	12	3	1,095
27. House service - 2 cans	34.28	12	0	0
28. House service - 3 cans	38.14	12	0	0
29. Residential - All other services	-	12	0	0
Douglas County				
30. 1, 32-gallon can	\$ 17.72	12	1,180	\$ 250,815
31. 2, 32-gallon cans	34.11	12	274	112,154
32. 3, 32-gallon cans	52.02	12	24	14,982
33. 4, 32-gallon cans	68.42	12	4	3,284
34. One extra 32-gallon can (also the seasonal service rate)	4.45	12	0	0
35. On-call 32-gallon can billed monthly/arrears	n/a	12	0	0
36. Per cubic yard	28.63	12	0	0
37. 1, 45-gallon can	21.49	12	325	83,811
38. 2, 45-gallon cans	41.31	12	52	25,777
39. 3, 45-gallon cans	62.95	12	2	1,511
40. One extra 45-gallon can (also the seasonal service rate)	5.41	12	0	0
41. On-call 45-gallon can billed monthly/arrears	n/a	12	0	0
42. Residential - All other services	84.03	12	1	1,008
El Dorado County				
43. Unlimited service	\$ 30.47	12	6,313	\$ 2,308,285
44. Mandated pickup per 32-gallon can/bag	6.38	12	0	0
45. Mandated pickup per cubic yard	36.53	12	0	0
46. Qualified senior rate	26.58	12	27	8,612
47. House service per can	3.86	12	4	185
48. Residential - All other services (Area B - formerly ARD)	16.71	12	135	27,070
49. Residential Revenues Subtotal				\$ 5,032,888
50. Less: Allowance for Uncollectible Residential Accounts				(4,570)
51. Total Residential Revenues (without Rate Change in Base Year)			\$ 7,214,255	\$ 7,251,902
52. Commercial Revenues				\$ 5,898,820
53. Less: Allowance for Uncollectible Commercial Accounts				(1,142)
54. Total Commercial Revenues (without Rate Change in Base Year)			\$ 5,653,319	\$ 6,000,370
55. Transfer Station and RRF Revenues (AND FORESTRY, FED, STATE CONTRACTS)			1,814,497	2,068,166
56. Recycled Material Sales			1,503,646	1,440,245
57. Total Revenues (Lines 51 + 54 + 55 + 56)			\$ 16,185,717	\$ 16,760,883
Section VI--Net Shortfall (Surplus)				
58. Net Shortfall (Surplus) without Franchise Fees (Line 21 - Line 57)	\$ 1,306,243	\$ 523,026	\$ 642,772	\$ 193,730
59. Residential and Commercial Franchise Fees	\$ 665,964	\$ 684,153	\$ 575,361	\$ 140,903
60. Net Shortfall (Surplus) with Franchise Fees (Lines 58 + 59)	\$ 1,972,207	\$ 1,207,179	\$ 1,218,133	\$ 334,633
Section VII--Percent Change in Rates				
61. Total Residential, Commercial, Transfer Station, and RRF Revenues Prior to Rate Change (Line 51 + 54 + 55)			\$ 12,702,010	\$ 3,282,870
62. Percent Change in Existing Residential/Commercial/Transfer Station/RRF Rates (Line 60 + Line 61)			9.59%	10.19%

Base Year Rate Application

Operating Information

Prior Year Audited Information All Three Jurisdictions	Current Year Estimated Information All Three Jurisdictions	Percent Change	Base Year Projected Information City of SLT and Douglas County	El Dorado County	Percent Change
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Section VIII--Operating Data

(1)

63. Residential Accounts	18,996	19,007	0.06%	12,617	6,453	0.33%
64. Multi-family Accounts	3,515	3,515	0.00%	3,504	26	0.43%
65. Commercial Accounts	954	957	0.31%	823	138	0.42%
66. Total Accounts	23,465	23,479	0.06%	16,944	6,617	0.35%
67. Residential Refuse Tons	22,652	25,170	11.12%	22,480	3,509	3.25%
68. Residential Recycling Tons	40,014	42,070	5.14%	37,574	5,864	3.25%
69. Residential Yard Waste Tons	3,957	4,675	18.12%	4,175	652	3.25%
70. Commercial Refuse Tons	23,202	28,727	23.81%	25,657	4,004	3.25%
71. Commercial Recycling Tons	40,986	48,016	17.15%	42,884	6,693	3.25%
Commercial Yard Waste Tons	4,054	5,335	31.62%	4,765	744	3.25%
72. "Free" Drop Boxes Provided (Monthly)	5	5	%	5	0	%
73. "Free" Bins Provided	57	57	%	57	0	%

Section IX--Change in Commercial Rates

74. 2 Yard Bin--Once per Week			%			%
75. 3 Yard Bin--Once per Week			%			%
76. 4 Yard Bin--Once per Week			%			%
77. 5 Yard Bin--Once per Week			%			%
78. 6 Yard Bin--Once per Week			%			%
City - per cubic yard	30.20	30.69	1.62%	33.63	0.00	9.59%
Douglas - per cubic yard	25.61	26.02	1.60%	28.52	0.00	9.59%
El Dorado - per cubic yard	35.95	36.53	1.61%	0.00	40.25	10.19%
City - compacted per cubic yard	42.37	43.06	1.63%	47.19	0.00	9.59%
Douglas - compacted per cubic yard	33.09	33.62	1.60%	36.84	0.00	9.59%
El Dorado - compacted per cubic yard	48.13	48.91	1.62%	0.00	53.90	10.19%
City - per 32 gal can/bag	4.16	4.23	1.68%	4.64	0.00	9.59%
Douglas - per 32 gal can/bag	4.02	4.08	1.49%	4.47	0.00	9.59%
El Dorado - per 32 gal can/bag	6.28	6.38	1.59%	0.00	7.03	10.19%

(1) Amounts are based on management's estimate.