

WM Healthcare Hauling - 02947

For the Period Ending December 31, 2018

Designated information is confidential per WAC 480-07-160

	<u>Total</u>	<u>Reclass/ Acc'ting Adj.'s Dr. (Cr.)</u>	<u>Adjusted Total</u>	<u>Restating/ Pro Forma Adj. Dr. (Cr.)</u>	<u>Pro Forma Total</u>	<u>Adjustments related to Rates</u>	<u>Adjusted Pro Forma Total</u>	<u>%</u>
Operating Revenue								
External Operating Revenue								
Commercial Coll: 404900								
Oth Coll-Healthc: 419030								
New Stop Charge Revenue								
Non-regulated Collection								
Utility Taxes								
Other Collection: 419900								
Sales - Collection								
Disp to Other IC: 501900								
Med Waste Proci: 458520								
Other Operating: 458700								
Other Late Fee R: 458890								
Other Operating Revenue								
External Operating Revenue								
IC Material Sales: 492000								
Intercompany Operating Revenue								
Total Operating Revenue								
Costs & Expenses								
Operating Expenses								
Disposal to Other: 500800								
Disposal to IC La: 501000								
Disp to Other IC: 501800								
Subcontractor Costs - General								
IC Subcontract Costs - General								
Other Third Party: 507390								
Other Intercomp: 507790								
Disposal Fees ar: 509000								
Municipal Franch: 509500								
Disposal Costs								
Wages - Salariec: 510510								
Wages - Hourly C: 511010								
Wages - Overtim: 511510								
Wages - Bonus C: 512010								
Wages - Other C: 512610								
Wages - Comp A: 512710								
Wages - Vacatio: 512810								
Group Insurance: 513000								
Group Insurance: 513050								
Workers Comper: 513100								
Employer 401K R: 514000								
Safety Program F: 514300								
Pension Expense: 514950								
Payroll Tax Expe: 515000								
Temporary Agen: 516100								
Employment Fee: 518100								
Employee & Corr: 518200								
Medical Expense: 518300								
Uniforms: 518400								
Other Employee: 518900								
Labor Costs								
Parts Inventory E: 521000								
Maintenance Sur: 521100								
Small Tools Expr: 521200								
Industrial Gases: 521800								
Building Mainten: 523000								
Third Party Repa: 524000								
Other Third Party: 524900								
Shop Paint Expei: 525100								
Other Maintenan: 529900								
Taxes - Personal: 530000								
Rental - Office E: 531100								
Rental - Ops Equ: 531200								
Building, Land, Lease & Equip								
Clear Diesel Fuel: 535000								
Gasoline: 535100								
Road Use Taxes: 537000								
Toll Roads: 537100								
Vehicle License: 537500								
Fuel & Transportation Costs								
Insurance - Trucl: 570000								

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Insurance - Gene 570400								
Insurance - Umb 570500								
Uninsured Loss - 570800								
License, Fees, Pr 571000								
Miscellaneous 575000								
Procurement Car 577500								
Seminars & Educ 581100								
Training Expense 581300								
Office Supplies 582000								
Other Supplies 582900								
Telephone - Offic 584000								
Telephone - Mob 584100								
Specialized Oper 584200								
Travel - Auto 585000								
Travel - Airlines 585100								
Travel - Meals 585200								
Travel - Lodging 585300								
Travel - Other 585600								
Entertainment 585700								
Meals 585900								
Other Supplies								
Operations Support Costs								
Allocations								
Operating Expenses								
General and Administrative Expenses								
Collection Expen 661500								
Late Fees and Fi 661700								
Charitable Contri 665100								
Corporate Overhead								
Postage 676000								
Computer Suppo 678100								
Sales Gen & Admin Expenses								
Depreciation, Depletion, and Amortization Expense								
Depreciation - Tr 700000								
Depreciation - St 700200								
Depreciation - Cc 700300								
Depreciation & Depletion								
Amort - Non Con 706000								
Amort - Custome 706100								
Intangible Amortization								
Depr Depletion & Amort Expense								
Total Costs & Expenses								
Income From Operations (EBIT)								

Public Companies

INPUTS - Test Year	
Operating Revenue	2,912,161
Operating Expenses	3,467,367
Investment	392,942
Capital Structure-Debt %	61.83%
Capital Structure-Debt Rate	3.86%
Federal Income Tax Rate	21.00%
B&O Tax Rate	1.500%
WUTC Fee	0.510%
City Tax	0.000%
Bad Debts	0.000%
Basis Points - Flotation	0.25%

Check when input is complete

For Initial input: Uncheck Checkbox Until Completed

2018 Version Update Changes

- Allows Income Tax Rate Changes,
- Minimizes impact of changes in test-year revenue from resulting revenue requirement,
- Corrects interest rate transposition in LG.

Line No.	(a)	(b) Historical	(c) Revenue Change	(d) Proforma	(e) Add: Revenue Sensitive Taxes	(f) Revenue Requirement
1	Operating Revenue	2,912,161	641,401	3,553,562	13,489	3,567,051
2	Operating Expenses	3,467,367		3,467,367	13,489	3,480,856
3	Operating Income	(555,206)		86,195		\$86,195
4						
5	Interest Expense	9,378		9,378		9,378
6	Income Tax Expense	-	16,132	16,132		16,132
7						
8	Net Income	(564,584)		60,686		60,686
9						
10	Operating Ratio	119.07%		97.57%		97.58%
11						
12	Revenue Requirement					
13		Historical Revenue	2,912,161	Revenue Increase before taxes		641,401
14		Rate Increase	654,890	Rev Sensitive Taxes		13,489
15		Revenue Requirement	3,567,051	Rate Increase		654,890
16						
17						
18						
19	Capital Structure Financing Investment			Financing Cost		
20	Type	Percent	Amount	Cost of Capital	Weighted	Amount
21	Equity	38.17%	149,980	40.46%	15.44%	60,686
22	Debt	61.83%	242,963	3.86%	2.39%	9,378
23	Total	100.00%	392,942		17.83%	70,064
24						
25	Operating Statistics		Before	After		
26			Income Tax	Income Tax		
27	Return on Investment		21.94%	17.83%		
28	Return on Equity		51.22%	40.46%		
29	Operating Ratio		97.57%	97.58%		
30	Profit Margin		2.43%	2.43%		
31	Final turnover		9.08	9.08		
32	Tax Rate		21.00%	21.00%		
33						
34						
35	Revenue Sensitive Taxes Charges					
36			Rate	Taxes		
37	B & O Tax		1.500%	10,067		
38	WUTC Fee		0.510%	3,423		
39	City Tax		0.000%	-		
40	Bad Debts		0.000%	-		
41	Revenue Sensitive		2.010%	13,489		
42						
43	Conversion Factor		95.57%			

Operations Income Statement
Actuals and Budgets Comparison
WM Healthcare Processing - 02948
For the Period Ending December 31, 2018

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Account #	Current Year-to-Date Actual	Allocation to APHIS	Adjusted Processing Total	Restating/ Pro Forma Adj. Dr. (Cr.)	Pro Forma Total	%
Operating Revenue						
External Operating Revenue						
Commercial Collection	400000					
Commercial Collection Rcy	403000					
Commercial Coll Rcy RCR Fee	403800					
Commercial Coll Rcy Env Chg	403850					
Commercial Collection Fuel Cf	404000					
Commercial Collection Adjust	404900					
Roll Off Collection Permanent	410000					
Roll Off Collection Temporary	410500					
Roll Off Collection Recycling	413000					
Roll Off Fuel Charge	414000					
Roll Off Environmental Charge	414100					
Roll Off Adjustments	414900					
Sales - Collection						
Payment Handling Fee	458880					
Other Late Fee Revenue	458890					
Other Operating Revenue						
External Operating Revenue						
IC Roll Off Collection Perm	495100					
IC Roll Off Coll Perm Env Chg	495110					
IC Roll Off Collection Rcy	495130					
IC Med Waste Processing	498520					
Intercompany Operating Revenue						
Total Operating Revenue						
Revenue Reduction						
Disposal to Other Facility	500800					
Disposal to IC Landfill	501000					
Disp to IC Transfer Station	501500					
Disp to Other IC Facility	501800					
Subcontractor Hauling Costs	502500					
IC Subcontractor Costs	502700					
Other Third Party COGS	507390					
Municipal Franchise Fees	509500					
Disposal Costs						
Net Revenue						
Operating Expenses						
Direct Labor Costs						
Wages - Hourly Operations	511010					
Wages - Overtime Operations	511510					
Wages - Other Comp Ops	512610					
Wages - Comp Absences Ops	512710					
Wages - Vacation Ops	512810					
Group Insurance - WMI	513000					
Group Insurance - Non WMI	513050					
Workers Compensation - Prerr	513100					
Workers Compensation - Claim	513150					
Pension Expense - Union	514950					
Payroll Tax Expense	515000					
Temporary Agency Labor	516100					
Other Employee Costs	518900					
Direct Labor Costs						
Primary Equipment Costs						
Primary Equipment Fixed						
Rental - Ops Equipment	531200					
Insurance - Trucks	570000					
Insurance - General Liability	570400					

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	<u>Account #</u>	Current Year-to-Date Actual	Allocation to APHIS	Adjusted Processing Total	Restating/ Pro Forma Adj. Dr. (Cr.)	Pro Forma Total	%
Insurance - Umbrella	570500						
Uninsured Loss - Corp Charge	570800						
Primary Equipment Fixed							
Primary Equipment Variable Cost							
Safety Program Expense	514300						
Building Maintenance	523000						
Grounds Maintenance	523100						
Shop Paint Expense	525100						
Parts Inventory Expense	521000						
Maintenance Supplies Expense	521100						
Small Tools Expense	521200						
Primary Lubricants	522000						
Third Party Repairs	524000						
Third Party Equipment Maint	524400						
Diesel Emission Fuel Additive	535090						
Propane Fuel	535200						
Computer Supplies	564000						
Procurement Card Rebate	577500						
Office Supplies	582000						
Other Supplies	582900						
Depreciation - Equipment	700400						
Estimated Depreciation	703000						
Truck/Primary Equipment Variable & Shop Costs							
Primary Equipment Costs							
Operations Support and Other							
Wages - Salaried Operations	510510						
Wages - Hourly Operations	511010						
Wages - Overtime Operations	511510						
Wages - Bonus Operations	512010						
Wages - Other Comp Ops	512610						
Wages - Comp Absences Ops	512710						
Wages - Vacation Ops	512810						
Group Insurance - WMI	513000						
Workers Compensation - Prer	513100						
Employer 401K Matching	514000						
Safety Program Expense	514300						
Payroll Tax Expense	515000						
Employment Fees	518100						
Other Employee Costs	518900						
Maintenance Supplies Expense	521100						
Building Maintenance	523000						
Third Party Equipment Maint	524400						
Other Third Party Maintenance	524900						
Other Maintenance	529900						
Taxes - Personal Property	530000						
Rental - Ops Equipment	531200						
Utilities	534000						
Other Transportation Costs	537900						
Technical Services	568100						
Insurance - Building	570200						
Insurance - General Liability	570400						
Insurance - Umbrella	570500						
License, Fees, Permits	571000						
Miscellaneous	575000						
Procurement Card Rebate	577500						
Training Expense	581300						
Office Supplies	582000						
Chemical Supplies & Deodoriz	582400						
Other Supplies	582900						
Telephone - Mobile/Pager	584100						
Travel - Other	585600						
Depreciation - Support Vehicle	700200						
Depreciation - Equipment	700400						
Sale of Assets - PS System	599000						
Sale of Assets - Non-PS Syste	599050						

**Operations Income Statement
 Actuals and Budgets Comparison
 WM Healthcare Processing - 02948
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	<u>Account #</u>	Current Year-to-Date Actual	Allocation to APHIS	Adjusted Processing Total	Restating/ Pro Forma Adj. Dr. (Cr.)	Pro Forma Total	%
Operation Support and Other							
Operating Expenses							
Gross Profit							
Sales, General, and Administrative							
Corporate Overhead							
Corporate Intangible Charge	705950						
Sales, General, and Administrative							
Income From Operations (EBIT)							

WM Healthcare Hauling and Processing - 02947/02948

Teamsters 174 Labor Rates

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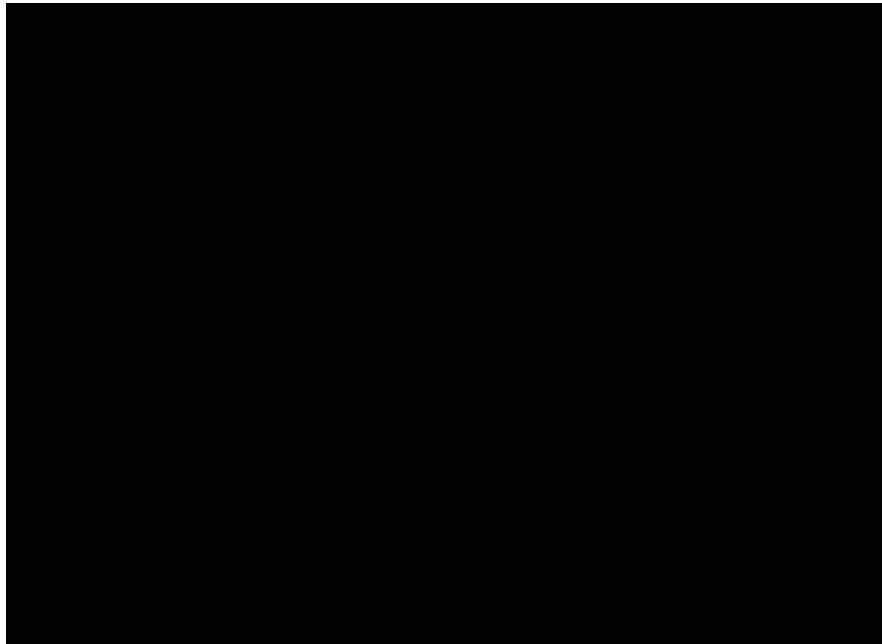
<u>Emplid</u>	<u>Business Unit</u>	<u>Name</u>	<u>2018</u> <u>Hourly Rate</u>	<u>2019</u> <u>Hourly Rate</u>	<u>% Inc.</u>
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Healthcare Collection:

211237	02947				
236130	02947				
252201	02947				
284193	02947				
296779	02947				

Healthcare Processing:

167090	02948				
244418	02948				
258938	02948				
273650	02948				
276553	02948				
276592	02948				
283256	02948				
295632	02948				



Processed Poundage to BU 2948-Processing Y02018

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	January	February	March	April	May	June	July	August	September	October	November	December	Total	Current Rate/lb.	Current Processing Fees	% Increase	Proposed Rate/lb.	Pro Forma Processing Fees	Pro Forma Pro Forma Adj.
<u>Washington - 2947</u>																			
Medical Waste Processing																29.0%			
Incineration																27.5%			
Total weight processed in pounds																			
<u>Oregon - 2989</u>																			
Medical Waste Processing																29.0%			
Incineration																27.5%			
Total weights processed INC																			
Grand Total weights processed																			
Tonnage:																			
APHIS total weights processed																			

Waste Management

Corporate/Group/Allocation

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<u>Corp. Office 2018</u>	<u>Northern Tier Office 2018</u>	<u>Total WM Healthcare</u>	<u>Total WM Processing</u>
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Non-Allowable Costs

Bonuses & Commissions
Employee & Community Activity
Advertising
Promotional Items
Late Fees and Fines Billed
Political & Charitable Contributions
Legal Fees/Litigation Settlements
Lobbying
Franchise Taxes
Spousal Travel
Entertainment/Event Tickets
Other
Amortization - Airspace

Total Non-Allowable Costs

Total Operating Revenues

Total Operating Expenses (Net of Depreciation)

Total Depreciation

Less: Revenue Reduction (Disposal and Taxes)

Total Operating Expense (net of Disposal and Taxes)

Operating Expense Net of Revenue Reduction and Revenue Taxes

Percentage of Net Operating Expense

Overhead Allocation

