

Docket TC-150295,

Application

Heckman Motors, Inc. Review by Mike Young 3/16/2015

### Conclusion

Staff has reviewed the company's financial information submitted in Docket TC-150295 and concludes the company has made reasonable efforts to estimate its finances under the proposed operations. The company already holds a certificate from the Commission and is currently providing regulated transportation service. This application is for an extension to add additional stops on existing routes. Based on the company's projections, operations due to the extension would result in a net profit. The company has adequate resources to continue operations in event of a net loss in the first year. Therefore, staff concludes the company is financially fit to provide the applied for service.

### The balance sheet review:

- Assets, \$787,000;
- Liabilities, \$84,000;
- Net Worth, \$703,000

Applicant has a positive net worth. \$87,000 of assets is cash and very liquid.

- The company currently owns several vehicles and is currently providing regulated service between Port Angeles and Sea Tac International Airport.

### The Proforma Income Statement:

- The company projects \$2,200 additional annual revenue (75 additional passengers at \$28 or \$32 per trip depending on pick-up and destination)
- The company did not project any additional operating expense as a result of the new service as it will utilize existing routes and time tables.

The company would incur some additional expense for increased reservations, but the increase in vehicle operating expense would be negligible.