

Torre Refuse & Recycling (G-260) Tariff #7  
 Pro Forma Income Statement  
 For the 12 Months Ending March 31, 2018

|   | Test<br>Year<br>Total | Restating<br>Adjs | Restated<br>Total | Pro Forma<br>Adjs | Pro Forma<br>total | Effect of<br>Proposed<br>Rates | Pro Forma<br>w/Proposed<br>Rates |
|---|-----------------------|-------------------|-------------------|-------------------|--------------------|--------------------------------|----------------------------------|
| Residential Revenue                         | 1,692,701             | -                 | 1,692,701         | -                 | 1,692,701          | 203,687                        | 1,896,388                        |
| Commercial Revenue                          | 925,518               | -                 | 925,518           | -                 | 925,518            |                                | 925,518                          |
| Drop Box & Compactor Revenue                | 179,225               | -                 | 179,225           | -                 | 179,225            |                                | 179,225                          |
| Dump Fee Revenue                            | 200,563               | -                 | 200,563           | -                 | 200,563            |                                | 200,563                          |
| Miscellaneous Garbage Revenue               | 2,920                 | -                 | 2,920             | -                 | 2,920              |                                | 2,920                            |
| Revenue                                     | <u>3,000,927</u>      | 0                 | <u>3,000,927</u>  | 0                 | <u>3,000,927</u>   | 203,687                        | <u>3,204,614</u>                 |
| Disposal Fees                               | 791,851               | -                 | 791,851           | -                 | 791,851            |                                | 791,851                          |
| Shop Labor Cost Allocation                  | 72,265                | -                 | 72,265            | 1,810             | 74,075             |                                | 74,075                           |
| Repairs to Garbage Collection Equipment     | 178,327               | -                 | 178,327           | -                 | 178,327            |                                | 178,327                          |
| Tires & Tubes                               | 62,676                | -                 | 62,676            | -                 | 62,676             |                                | 62,676                           |
| Shop Allocation                             | 43,857                | -                 | 43,857            | -                 | 43,857             |                                | 43,857                           |
| Driver Wages                                | 29,924                | -                 | 29,924            | 743               | 30,667             |                                | 30,667                           |
| Employee Benefits                           | 4,298                 | -                 | 4,298             | 329               | 4,626              |                                | 4,626                            |
| Payroll Taxes                               | 6,557                 | -                 | 6,557             | 57                | 6,614              |                                | 6,614                            |
| Driver Labor Cost Allocation                | 485,353               | -                 | 485,353           | 13,029            | 498,382            |                                | 498,382                          |
| Fleet Supplies & Expense                    | 1,676                 | -                 | 1,676             | -                 | 1,676              |                                | 1,676                            |
| Fuel & Oil                                  | 205,651               | -                 | 205,651           | 7,571             | 213,222            |                                | 213,222                          |
| Insurance - Vehicle                         | 23,636                | -                 | 23,636            | -                 | 23,636             |                                | 23,636                           |
| Vehicle License, Registration Fees, Permits | 20,291                | -                 | 20,291            | -                 | 20,291             |                                | 20,291                           |
| Property Damage                             | 2,090                 | -                 | 2,090             | -                 | 2,090              |                                | 2,090                            |
| Fleet Allocation                            | 3,791                 | -                 | 3,791             | -                 | 3,791              |                                | 3,791                            |
| Shop Depreciation                           | 425                   | (425)             | -                 | -                 | -                  |                                | -                                |
| Truck Depreciation                          | 172,588               | 30,952            | 203,540           | -                 | 203,540            |                                | 203,540                          |
| Toter Depreciation                          | 33,846                | #####             | 22,513            | -                 | 22,513             |                                | 22,513                           |
| Container Depreciation                      | 26,994                | (170)             | 26,824            | -                 | 26,824             |                                | 26,824                           |
| Drop Box Depreciation                       | 21,487                | (6,165)           | 15,322            | -                 | 15,322             |                                | 15,322                           |
| Real Estate & Personal Property Taxes       | 5,779                 | -                 | 5,779             | -                 | 5,779              |                                | 5,779                            |
| Regulatory Expense                          | 17,622                | -                 | 17,622            | -                 | 17,622             | 1,039                          | 18,661                           |
| State B&O Tax                               | 43,298                | -                 | 43,298            | -                 | 43,298             | 3,055                          | 46,353                           |
| Labor Cost Allocation                       | 290,966               | -                 | 290,966           | 8,748             | 299,714            |                                | 299,714                          |
| Advertising & Promotion                     | 300                   | -                 | 300               | -                 | 300                |                                | 300                              |
| Bank Fees                                   | 5,826                 | -                 | 5,826             | -                 | 5,826              |                                | 5,826                            |
| Bad Debt                                    | 13,261                | -                 | 13,261            | -                 | 13,261             | 1,018                          | 14,280                           |
| Meals & Entertainment                       | 221                   | -                 | 221               | -                 | 221                |                                | 221                              |
| Office Expense                              | 140                   | -                 | 140               | -                 | 140                |                                | 140                              |
| Operating Taxes & Licenses                  | 1,200                 | -                 | 1,200             | -                 | 1,200              |                                | 1,200                            |
| Phone & Utilities                           | 437                   | -                 | 437               | -                 | 437                |                                | 437                              |
| Postage                                     | 18,169                | -                 | 18,169            | -                 | 18,169             |                                | 18,169                           |
| Rent  | 30,268                | -                 | 30,268            | -                 | 30,268             |                                | 30,268                           |
| G&A Allocation                              | <u>163,292</u>        | -                 | <u>163,292</u>    | -                 | <u>163,292</u>     |                                | <u>163,292</u>                   |
| Total Operating Expense                     | 2,778,361             | 12,858            | 2,791,219         | 32,287            | 2,823,506          | 5,113                          | 2,828,618                        |
| Operating Income                            | 222,566               | (12,858)          | 209,708           | (32,287)          | 177,421            | 198,575                        | 375,996                          |