

Mason County Garbage Service

New Single-Stream Recycling Program

Program Start Date 8-17-09

Acct No.	General Ledger Accounts:	Sept 09	Aug 09	Total
31100	Recycling	77,489	40,299	117,788
	Total Revenue	77,489	40,299	117,788
41800	Truck Variable	4,498	1,544	6,042
42300	Supervisor	0	0	0
42310	Wages-Recycling Driver	14,751	7,318	22,069
42400	Fuel	8,020	3,833	11,853
42800	Uniforms	219	219	438
42810	Material Processing	11,721	3,684	15,405
44300	Tariffs & Schedules	310	161	471
45300	Public Liability	833	833	1,667
45400	Workmen's Comp	242	242	485
46130	Salaries - Office	1,166	1,166	2,332
46200	Office & Other Expense	150	150	300
46500	Employee Welfare	1,076	1,076	2,151
46510	Pension	196	104	300
46700	Bad Debts	310	161	471
46910	Corporate Overhead	2,712	1,410	4,123
50200	Depr-Collection Equipment	12,399	6,200	18,599
50300	Leasehold Improvement	156	78	234
50500	Depr-Office Equipment	34	34	69
51500	Amortization-Start Up Costs	897	449	1,346
52030	State Excise Tax	1,233	627	1,860
52200	Vehicle License	444	444	889
52300	Property Tax	500	500	999
52400	Employment Taxes	1,299	702	2,001
52410	Property Lease	3,000	3,000	6,000
	Total Expenses	66,166	33,937	100,104
	Net Operating Income	11,323	6,362	17,684
	Operating Ratio	85.39%	84.21%	84.99%

Mason County Recycling Program

	Sept 09	Aug 09	Sept 09	Oct 09	Nov 09
Labor:					
Regular rate per hour:	Various	18.30			
OT rate per hour:	Various	27.45			
Regular hours worked - routes	503.42	265.06			
Regular hours worked - transport	66.76	27.50			
Regular hours worked - delivery	75.73	0.00			
OT hours worked - routes	76.20	70.20			
OT hours worked - transport	0.00	0.00			
OT hours worked - delivery	14.37	0.00			
Total regular wage expense	11,931.03	5,353.85			
Total OT wage expense per week:	2,380.98	1,926.99			
Total Holiday (non-work hrs)	439.20				
Adj		37.10			
Labor Expense:	14,751.21	7,317.94			
Fuel:					
Price per gallon:	2.990	2.850			
Total number of gallons - route trucks	1,681.11	1,009.00			
Total number of gallons - transport	798.00	336.00			
Total number of gallons - delivery	203.14	0.00			
Fuel expense per month:	8,019.93	3,833.25			
TV:					
Estimated at \$.76 per mile, less fuel					
Miles route trucks	5,447.00	2,652.00			
Miles transport truck	1,995.00	735.00			
Miles delivery truck	1,554.00	0.00			
Total miles per month, all truck:	8,996.00	3,387.00			
Variable operating cost per mile:	0.50	0.46			
Monthly variable operating cost	4,498.00	1,544.47			
Truck Licensing:					
Automated Side Load trucks:	3.00	3.00			
Licensing per truck	825.00	825.00			
Tractor	1.00	1.00			
Licensing	1,832.00	1,832.00			
Federal Heavy Use Tax	550.00	550.00			
Delivery truck:	1.00	1.00			
Licensing per truck	475.00	475.00			
Monthly licensing	444.33	444.33			
Insurance:					
Per truck:	166.67	166.67			
Monthly insurance expense	833.35	833.35			
Workmen's Comp:					
Number of employees:	4.50	4.50			
Expense per employee:	53.83	53.83			
Expense	242.25	242.25			
0.055 per payroll \$					

Driver Uniforms:		
Uniforms per month per driver	54.73	54.73
4 Drivers	218.92	218.92

Real Estate Rental:		
Increase per month over existing lease	2,800.00	2,800.00
Property tax per month:	200.00	200.00
Monthly lease expense:	3,000.00	3,000.00

Supervisor:
Hrs per day:
Rate per hr:
Working days:

Office:		
Number of employees:	0.50	0.50
Regular wage rate per hour:	13.25	13.25
Hours	88.00	88.00
Payroll	1,166.00	1,166.00

Payroll Tax & Benefits:		
Total payroll:	15,917.21	8,483.94
FICA	1,217.67	649.02
SUI	60.49	32.24
FUTA	21.00	21.00
Payroll Tax	1,299.15	702.26

Benefits:		
Number of employees:	4.50	4.50
Medical per month per employee	239.00	239.00
Medical expense per month:	1,075.50	1,075.50
Pension rate per payroll dollar:	0.0123	0.0123
Pension expense per month:	195.78	104.35
Employee benefit expense	1,271.28	1,179.85

Other Office:		
Office telephone:	50.00	50.00
Misc office supplies:	100.00	100.00
Total monthly:	150.00	150.00

Material Tons:		
Number of customers:	9,473.00	9,853.00
Estimated participants:	0.95	0.95
Adjusted number of customers:	8,999.35	9,360.35
Estimated setout, percent:	0.83	0.70
Setout per pickup:	7,488.36	6,552.25
Number of pickup:	2.17	1.00
Number of pickups per month:	16,250	6,552
Materials picked up, per setout, lbs:	22.94	17.88
Tons per month:	186.38	58.58

Tons picked up - actual	186.37	58.58
Lbs per paying customer per pickup	39.35	11.89
Processing Costs:		
Number of tons:	186.37	58.58
Processing cost per ton:	62.89	62.89
Processing expense	11,720.81	3,684.10
Hauling Materials to Recycling Center:		
Number of tons:	186.37	58.58
Number of tons per haul:	9.81	8.37
Number of trips:	19.00	7.00
Time per trip, hours:	3.51	3.93
Number of hours:	66.76	27.50
Transport cost per hour:	0.00	0.00
Recycling Material Revenue:		
Number of ton:	186	59
Average rate per ton:	112.01	116.02
Revenue	20,875.30	6,796.45
Revenue	20,875	6,796
Commodity credit:	0.70	0.70
Company retention:	0.30	0.30
Credit per customer per month:	\$1.54	\$0.48
Estimated Credit per cust per month was	\$1.15	\$1.15
Prorated month		0.58
Actual Credit	1.54	0.48
(Over)/Under Refunded	0.39	-0.09

Dec 09

Mason**Payroll**

Aug 17 - Aug 31, 2009

	Hrly Rate	OT Rate	Regular Hrs	OT Hrs	Wages
Peterson, Eric	16.90	25.35	89.51	19.50	2,007.04
Reed, Doug	19.00	28.50	88.12	22.17	2,306.13
White, Chad	19.00	28.50	87.43	28.53	2,474.28
Total Driver Wages			265.06	70.20	6,787.44
Transfer-Ken Henderson	21.40	32.10	7.50		160.50
Transfer-Eric Perez	18.50	27.75	20.00		370.00
Delivery	16.90	25.35	0.00		0.00
Total			27.50	0	531
			292.56	70.20	7,317.94

Payroll

Sept 1 - Sept 30, 2009

	Hrly Rate	OT Rate	Regular Hrs	OT Hrs	Holiday	Wages
Peterson, Eric	16.90	25.35	166.56	32.38	8.00	3,770.90
Reed, Doug	19.00	28.50	168.34	24.46	8.00	4,047.57
White, Chad	19.00	28.50	168.52	19.36	8.00	3,905.64
Total Driver Wages			503.42	76.20	24.00	11,724.11
Transfer-Ken Henderson	21.40	32.10	50.26			1,075.56
Transfer-Eric Perez	18.50	27.75	12.50			231.25
Transfer-Gene Hildebrandt	18.60	27.90	4.00			74.40
			66.76	0.00	0.00	1,381.21
Delivery-Feffrey Chappell	16.10	24.15	40.25			648.03
Delivery-Gary Cress	19.00	28.50	31.18			592.42
Delivery-Erik Jacobs	16.10	24.15		5.20		125.58
Delivery-Issac Powers	13.50	20.25		9.17		185.69
Delivery-Larry Lund	21.90	32.85	4.30			94.17
			75.73	14.37	0.00	1,645.89
Total Sept Payroll						14,751.21

Trips to TRCI

Tons: 59

Trips:

WF 5 5
RO box 3 2

Tons per trip 8.37

Miles: 735

Miles per trip 105

Fuel gallons 336

Fuel price p/gal 3

Fuel expense **957.60**

Route Trucks:

	#27	#28	#29	
Miles	977	901	774	\$2,652.00
Fuel gallons	310.01	365.04	334.00	\$1,009.05
Miles p/gallon	3.15	2.47	2.32	
Average p/gallon	\$2.85	\$2.85	\$2.85	
Fuel expense	\$883.53	\$1,040.36	\$951.90	\$2,875.79

Total Fuel Exp August 3,833

Sept 09

Tons: 186

Trips:

WF 18 18
RO box 2 1

Tons per trip 9.81

Miles: 1995

Miles per trip 105

Fuel gallons 798

Fuel price p/gal 2.99

Fuel expense **\$2,386.02**

Delivery:

Miles: 1554

Fuel gallons 203.14

Fuel price p/gal 2.99

Fuel expense **607.39**

Route Trucks:

	#27	#28	#29	
Miles	1929	1801	1717	\$5,447.00
Fuel gallons	519.02	571.04	591.05	\$1,681.11
Miles p/gallon	3.72	3.15	2.90	
Average p/gallon	\$2.99	\$2.99	\$2.99	
Fuel expense	\$1,551.87	\$1,707.41	\$1,767.24	\$5,026.52

Sept Fuel Exp: \$8,019.93

NEW IMPROVED LURITO - GALLAGHER FORMULA - Recycling

!!!	Revenue Requirement	\$130,846	!!!<--	
!!!	Revenue Deficiency	\$13,058	!!!<--	
*	Revenue	- \$117,788	* p/f before rates	
*	Expenses	- \$100,104	* p/f before rates	
*	Avg. Investment -	\$225,766	* p/f before rates	
	curve turnover	55.42	(calculated)	
	final turnover	57.78	(calculated)	
	curve No. used	2	(calculated)	
	Company actual			
	capital structure:	!!! OPERATING RATIO ->		76.73 !!!<--
*	Actual Debt Ratio	40.00%	Conversion factor data:	
*	Actual Equity Ratio	60.00%	B & O Tax	1.500% *
*	Actual Cost of Debt	5.30%	WUTC Fee	0.400% *
*	Basis Pts	25%	Corp OH	0.00% *
*	Tax Rate	34%	Bad Debts	0.40% *
		Revenue Sensitive		2.30%
		Conversion Factor		0.7443

FORMULAS

- | | |
|------------------------|---------------|
| 1. less than 50 | @EXP(5.72260- |
| 2. Between 50 and 125 | @EXP(5.70827- |
| 3. Between 125 and 140 | @EXP(5.69850- |
| 4. greater than 400 | @EXP(5.69220- |

	1st Revenue	1st Turnover	M	ROR	ROE
-(.68367*@LN(T))	125,130	55.42	19.6416	10.8863	12.23
-(.68367*@LN(T))	125,130	55.42	19.3622	10.7314	11.93
-(.68367*@LN(T))	125,130	55.42	19.1739	10.6270	11.73
-(.68367*@LN(T))	125,130	55.42	19.0535	10.5603	11.60

	2nd Turnover	M	ROR	ROE
	58.57	18.914	11.0780	12.60
	58.19	18.727	10.8982	12.25
	57.94	18.600	10.7776	12.02
	57.79	18.518	10.7006	11.87

	3rd Turnover	M	ROR	ROE
	58.01	19.040	11.0442	12.53
	57.71	18.834	10.8697	12.20
	57.52	18.694	10.7524	11.97
	57.39	18.605	10.6774	11.83

	4th Turnover	M	ROR	ROE
	58.10	19.018	11.0500	12.54
	57.79	18.816	10.8745	12.21
	57.59	18.679	10.7565	11.98
	57.46	18.590	10.6812	11.84

	5th Turnover	M	ROR	ROE
	58.09	19.022	11.0490	12.54
	57.78	18.819	10.8737	12.21
	57.58	18.681	10.7558	11.98
	57.44	18.593	10.6806	11.84

	6th Turnover	M	ROR	ROE
	58.09	19.021	11.0492	12.54
	57.78	18.818	10.8738	12.21
	57.58	18.681	10.7559	11.98
	57.45	18.592	10.6807	11.84

	7th turnover	M	ROR	ROE
	58.09	19.021	11.0492	12.54
	57.78	18.818	10.8738	12.21
	57.58	18.681	10.7559	11.98
	57.45	18.592	10.6807	11.84

	8th turnover	M	ROR	ROE
	58.09	19.021	11.0492	12.54
	57.78	18.818	10.8738	12.21
	57.58	18.681	10.7559	11.98
	57.45	18.592	10.6807	11.84

9th turnover	M	ROR	ROE
58.09	19.021	11.0492	12.54
57.78	18.818	10.8738	12.21
57.58	18.681	10.7559	11.98
57.45	18.592	10.6807	11.84

!?! OP/RATIO

	Adj ROE	Pre Tax ROE	Adj M	Revenues	Decision	
0	12.48	13.47	0.2430	132,229	not yet	75.70
0	12.18	13.20	0.2381	131,383	not yet	76.19
0	11.98	13.01	0.2348	130,819	not yet	76.52
0	11.85	12.90	0.2327	130,461	not yet	76.73
0	12.85	13.80	0.2356	130,960	not yet	76.44
0	12.50	13.49	0.2317	130,300	not yet	76.83
0	12.27	13.28	0.2291	129,855	not yet	77.09
0	12.12	13.14	0.2274	129,570	not yet	77.26
0	12.78	13.74	0.2369	131,177	not yet	76.31
0	12.45	13.44	0.2328	130,481	not yet	76.72
0	12.22	13.23	0.2300	130,013	not yet	77.00
0	12.08	13.10	0.2283	129,715	not yet	77.17
0	12.79	13.75	0.2367	131,140	not yet	76.33
0	12.46	13.44	0.2326	130,450	not yet	76.74
0	12.23	13.24	0.2299	129,987	not yet	77.01
0	12.09	13.11	0.2281	129,691	not yet	77.19
0	12.79	13.75	0.2367	131,146	not yet	76.33
0	12.46	13.44	0.2327	130,456	not yet	76.73
0	12.23	13.24	0.2299	129,991	not yet	77.01
0	12.09	13.11	0.2282	129,695	not yet	77.18
0	12.79	13.75	0.2367	131,145	not yet	76.33
0	12.46	13.44	0.2327	130,455	not yet	76.73
0	12.23	13.24	0.2299	129,991	not yet	77.01
0	12.09	13.11	0.2282	129,694	not yet	77.18
0	12.79	13.75	0.2367	131,145	yes	76.33
0	12.46	13.44	0.2327	130,455	yes	76.73
0	12.23	13.24	0.2299	129,991	yes	77.01
0	12.09	13.11	0.2282	129,694	yes	77.18
0	12.79	13.75	0.2367	131,145	yes	76.33
0	12.46	13.44	0.2327	130,455	yes	76.73
0	12.23	13.24	0.2299	129,991	yes	77.01
0	12.09	13.11	0.2282	129,694	yes	77.18

0	12.79	13.75	0.2367	131,145 yes	76.33
0	12.46	13.44	0.2327	130,455 yes	76.73
0	12.23	13.24	0.2299	129,991 yes	77.01
0	12.09	13.11	0.2282	129,694 yes	77.18

curve

lookup table

0	1
50	2
125	3
401	4

lookup tables

	1	2	3	4	5	6
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
1	75.70	76.44	76.31	76.33	76.33	76.33
2	76.19	76.83	76.72	76.74	76.73	76.73
3	76.52	77.09	77.00	77.01	77.01	77.01
4	76.73	77.26	77.17	77.19	77.18	77.18

yes

76.73

	not yet	not yet	not yet	not yet	not yet	not yet
1	55.42	58.57	58.01	58.10	58.09	58.09
2	55.42	58.19	57.71	57.79	57.78	57.78
3	55.42	57.94	57.52	57.59	57.58	57.58
4	55.42	57.79	57.39	57.46	57.44	57.45

yes

57.78

	not yet	not yet	not yet	not yet	not yet	not yet
1	132,229	130,960	131,177	131,140	131,146	131,145
2	131,383	130,300	130,481	130,450	130,456	130,455
3	130,819	129,855	130,013	129,987	129,991	129,991
4	130,461	129,570	129,715	129,691	129,695	129,694

yes

130,455

	7	8	9
yes	yes	yes	
yes	yes	yes	
yes	yes	yes	
yes	yes	yes	

yes	yes	yes	
	76.33	76.33	76.33
	76.73	76.73	76.73
	77.01	77.01	77.01
	77.18	77.18	77.18

yes	yes	yes	
	58.09	58.09	58.09
	57.78	57.78	57.78
	57.58	57.58	57.58
	57.45	57.45	57.45

yes	yes	yes	
	131,145	131,145	131,145
	130,455	130,455	130,455
	129,991	129,991	129,991
	129,694	129,694	129,694

Mason County Garbage Company
 Depreciation Schedule
 July 31, 2010

	GARBAGE	Date in		Salvage			Year
Truck		Service		Value	Method	Life	Fully
<u>od</u> No	<u>Asset Classification</u>	<u>Year</u>	<u>Mo</u>	<u>%</u>	<u>M</u>	<u>Years</u>	<u>Depr</u>
28	2009 ASL Tnd Axle (N)V-719770	2009	7	20%	S/L	7	2016
29	2009 ASL Tnd Axle (N)V-719772	2009	7	20%	S/L	7	2016
27	2009 ASL Single Axle (N)V-718353	2009	7	20%	S/L	7	2016
	Delivery Trk (N)	2009	7	20%	S/L	7	2016
	Cart Delivery Trl (N)	2009	7	20%	S/L	7	2016
17	2000 Frlnr, Lft Ax Trctr (U)	2009	7	33%	S/L	5	2014
T17	WF Trl (N)	2009	7	20%	S/L	7	2016
	Total Trks						
10500	96 Gallon Carts	2009	7		S/L	10	2019
500	65 Gallon Carts	2009	7		S/L	10	2019
	Total Carts						
	Tipping Wall	2009	7		S/L	10	2019
	Office Improvement	2009	7		S/L	10	2019
	Office Furniture	2009	7		S/L	7	2016
	Computer	2009	7		S/L	5	2014
	Total Office						
	Start Up Cost	2009	7		S/L	5	2014

Start up cost:	
Labor	28,425
Fuel	3,180
Trailer rental	600
Cart delivery-sub-total (1)	32,205
Notification	6,216
Brochures-printing	1,588
Calendar-printing	822
Misc labor to assemble packet	600
Sub-total (2)	9,226
Attorney fee	12,397
Total Start Up Cost	53,829

5 Months in first year
 7 Months in second year
2,009 First year
2,010 Second year

A.
 B.
 C.
 D.
 E.

Asset	Depr	Monthly	Test	Allocated	Allocated	Average	A.	B
				Accum.	Accum.			
Cost	Cost	Depr	Year	Depr.	Depr.	Investment		
				8/1/09	7/31/10	-		
250,755	200,604	2,388	28,658	0	28,658	236,426	2,009.50	2,010.58
249,777	199,822	2,379	28,546	0	28,546	235,504	2,009.50	2,010.58
235,798	188,639	2,246	26,948	0	26,948	222,325	2,009.50	2,010.58
21,561	17,249	205	2,464	0	2,464	20,329	2,009.50	2,010.58
6,959	5,567	66	795	0	796	6,561	2,009.50	2,010.58
22,500	15,075	251	3,015	0	3,015	20,992	2,009.50	2,010.58
72,932	58,346	695	8,335	0	8,335	68,765	2,009.50	2,010.58
860,283	685,301	8,230	98,762	0	98,762	810,902		
477,578	477,578	3,980	47,758	0	47,758	453,699	2,009.50	2,010.58
22,742	22,742	190	2,274	0	2,274	21,605	2,009.50	2,010.58
500,320	500,320	4,169	50,032	0	50,031	475,304		
9,000	9,000	75	900	0	900	8,550	2,009.50	2,010.58
9,687	9,687	81	969	0	968	9,203	2,009.50	2,010.58
1,200	1,200	14	171	0	172	1,114	2,009.50	2,010.58
1,200	1,200	20	240	0	240	1,080	2,009.50	2,010.58
2,400	2,400	34	411	0	412	2,194		
53,829	53,829	897	10,766	0	10,766	48,446	2,009.50	2,010.58
			161,839			1,354,598		

Purchase date
End of Test Period
Date fully Depr
Beg of Test Period
Disposition Date

C. D. E.

2,016.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,014.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,019.50	2,009.58	-0.08
2,019.50	2,009.58	-0.08
2,019.50	2,009.58	-0.08
2,019.50	2,009.58	-0.08
2,016.50	2,009.58	-0.08
2,014.50	2,009.58	-0.08
2,014.50	2,009.58	-0.08

Mason County Garbage Service

New Single-Stream Recycling Program

Date Proposed June 12, 2009
 Date to be Effective August 1, 2009

Acct No.	General Ledger Accounts:	Mason County Garbage August 1, 2009	
31100	Recycling	1,010,176	8.180
Total Revenue		1,010,176	
41800	Truck Variable	99,072	
42300	Supervisor	0	
42310	Wages-Recycling Driver	165,947	
42400	Fuel	78,396	
42800	Uniforms	2,627	
42810	Material Processing	134,279	
44300	Tariffs & Schedules	4,041	
45300	Public Liability	10,000	
45400	Workmen's Comp	2,907	
46130	Salaries - Office	13,769	
46200	Office & Other Expense	1,800	
46500	Employee Welfare	12,906	
46510	Pension	2,211	
46700	Bad Debts	4,041	
46910	Corporate Overhead	35,356	
50200	Depr-Collection Equipmen	152,444	
50300	Leasehold Improvemen	1,750	
50500	Depr-Office Equipment	411	
51500	Amortization-Start Up Costs	7,157	
52030	State Excise Tax	15,838	
52200	Vehicle License	5,332	
52300	Property Tax	5,781	
52400	Employment Taxes	14,623	
52410	Property Lease	36,000	
Total Expenses		806,689	
Net Operating Income		203,487	
	Lurito Gallagher	79.74	

NEW IMPROVED LURITO - GALLAGHER FORMULA - Recycling

!!!	Revenue Requirement	\$1,011,750	!!!<--	
!!!	Revenue Deficiency	\$1,574	!!!<--	
*	Revenue	- \$1,010,176	* p/f before rates	
*	Expenses	- \$806,689	* p/f before rates	
*	Avg. Investment -	\$1,368,513	* p/f before rates	
	curve turnover	73.68	(calculated)	
	final turnover	73.93	(calculated)	
	curve No. used	2	(calculated)	
	Company actual			
	capital structure:	!!! OPERATING RATIO ->		79.74 !!!<--
*	Actual Debt Ratio	40.00%	Conversion factor data:	
*	Actual Equity Ratio	60.00%	B & O Tax	1.500% *
*	Actual Cost of Debt	5.30%	WUTC Fee	0.400% *
*	Basis Pts	25%	Corp OH	0.00% *
*	Tax Rate	34%	Bad Debts	0.40% *
		Revenue Sensitive		2.30%
		Conversion Factor		0.7744

FORMULAS

- | | |
|------------------------|---------------|
| 1. less than 50 | @EXP(5.72260- |
| 2. Between 50 and 125 | @EXP(5.70827- |
| 3. Between 125 and 140 | @EXP(5.69850- |
| 4. greater than 400 | @EXP(5.69220- |

	1st Revenue	1st Turnover	M	ROR	ROE
(.68367*@LN(T))	1,008,361	73.68	16.1671	11.9124	14.20
(.68367*@LN(T))	1,008,361	73.68	15.9370	11.7429	13.87
(.68367*@LN(T))	1,008,361	73.68	15.7821	11.6287	13.65
(.68367*@LN(T))	1,008,361	73.68	15.6830	11.5557	13.51
		2nd Turnover	M	ROR	ROE
		74.34	16.070	11.9457	14.26
		73.96	15.896	11.7570	13.90
		73.71	15.778	11.6302	13.66
		73.55	15.702	11.5493	13.50
		3rd Turnover	M	ROR	ROE
		74.24	16.084	11.9408	14.25
		73.92	15.902	11.7549	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.699	11.5502	13.50
		4th Turnover	M	ROR	ROE
		74.25	16.082	11.9415	14.25
		73.93	15.901	11.7552	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.700	11.5500	13.50
		5th Turnover	M	ROR	ROE
		74.25	16.082	11.9414	14.25
		73.93	15.901	11.7552	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.699	11.5500	13.50
		6th Turnover	M	ROR	ROE
		74.25	16.082	11.9414	14.25
		73.93	15.901	11.7552	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.699	11.5500	13.50
		7th turnover	M	ROR	ROE
		74.25	16.082	11.9414	14.25
		73.93	15.901	11.7552	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.700	11.5500	13.50
		8th turnover	M	ROR	ROE
		74.25	16.082	11.9414	14.25
		73.93	15.901	11.7552	13.90
		73.71	15.778	11.6300	13.66
		73.57	15.700	11.5500	13.50

9th turnover	M	ROR	ROE
74.25	16.082	11.9414	14.25
73.93	15.901	11.7552	13.90
73.71	15.778	11.6300	13.66
73.57	15.700	11.5500	13.50

!??!

OP/RATIO

	Adj ROE	Pre Tax ROE	Adj M	Revenues	Decision	
0	14.45	15.26	0.2070	1,017,309	not yet	79.30
0	14.12	14.96	0.2030	1,012,188	not yet	79.70
0	13.90	14.76	0.2003	1,008,767	not yet	79.97
0	13.76	14.63	0.1986	1,006,591	not yet	80.14
0	14.51	15.31	0.2060	1,015,978	not yet	79.40
0	14.15	14.98	0.2026	1,011,635	not yet	79.74
0	13.91	14.76	0.2003	1,008,710	not yet	79.97
0	13.75	14.62	0.1988	1,006,839	not yet	80.12
0	14.50	15.30	0.2062	1,016,175	not yet	79.38
0	14.15	14.98	0.2027	1,011,715	not yet	79.73
0	13.91	14.76	0.2003	1,008,718	not yet	79.97
0	13.75	14.62	0.1988	1,006,804	not yet	80.12
0	14.50	15.31	0.2061	1,016,146	not yet	79.39
0	14.15	14.98	0.2026	1,011,703	not yet	79.74
0	13.91	14.76	0.2003	1,008,717	not yet	79.97
0	13.75	14.62	0.1988	1,006,809	not yet	80.12
0	14.50	15.31	0.2061	1,016,150	not yet	79.39
0	14.15	14.98	0.2026	1,011,705	not yet	79.74
0	13.91	14.76	0.2003	1,008,717	not yet	79.97
0	13.75	14.62	0.1988	1,006,808	not yet	80.12
0	14.50	15.31	0.2061	1,016,149	not yet	79.39
0	14.15	14.98	0.2026	1,011,705	not yet	79.74
0	13.91	14.76	0.2003	1,008,717	not yet	79.97
0	13.75	14.62	0.1988	1,006,808	not yet	80.12
0	14.50	15.31	0.2061	1,016,150	yes	79.39
0	14.15	14.98	0.2026	1,011,705	yes	79.74
0	13.91	14.76	0.2003	1,008,717	yes	79.97
0	13.75	14.62	0.1988	1,006,808	yes	80.12
0	14.50	15.31	0.2061	1,016,149	not yet	79.39
0	14.15	14.98	0.2026	1,011,705	yes	79.74
0	13.91	14.76	0.2003	1,008,717	yes	79.97
0	13.75	14.62	0.1988	1,006,808	yes	80.12

0	14.50	15.31	0.2061	1,016,150 yes	79.39
0	14.15	14.98	0.2026	1,011,705 yes	79.74
0	13.91	14.76	0.2003	1,008,717 yes	79.97
0	13.75	14.62	0.1988	1,006,808 yes	80.12

curve

lookup table

0	1
50	2
125	3
401	4

lookup tables

	1	2	3	4	5	6
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
not yet	not yet	not yet	not yet	not yet	not yet	not yet
1	79.30	79.40	79.38	79.39	79.39	79.39
2	79.70	79.74	79.73	79.74	79.74	79.74
3	79.97	79.97	79.97	79.97	79.97	79.97
4	80.14	80.12	80.12	80.12	80.12	80.12

yes

79.74

	not yet	not yet	not yet	not yet	not yet	not yet
1	73.68	74.34	74.24	74.25	74.25	74.25
2	73.68	73.96	73.92	73.93	73.93	73.93
3	73.68	73.71	73.71	73.71	73.71	73.71
4	73.68	73.55	73.57	73.57	73.57	73.57

yes

73.93

	not yet	not yet	not yet	not yet	not yet	not yet
1	1,017,309	1,015,978	1,016,175	1,016,146	1,016,150	1,016,149
2	1,012,188	1,011,635	1,011,715	1,011,703	1,011,705	1,011,705
3	1,008,767	1,008,710	1,008,718	1,008,717	1,008,717	1,008,717
4	1,006,591	1,006,839	1,006,804	1,006,809	1,006,808	1,006,808

yes

1,011,705

	7	8	9
yes	not yet	yes	
yes	yes	yes	
yes	yes	yes	
yes	yes	yes	

yes	yes	yes	
	79.39	79.39	79.39
	79.74	79.74	79.74
	79.97	79.97	79.97
	80.12	80.12	80.12

yes	yes	yes	
	74.25	74.25	74.25
	73.93	73.93	73.93
	73.71	73.71	73.71
	73.57	73.57	73.57

yes	yes	yes	
	1,016,150	1,016,149	1,016,150
	1,011,705	1,011,705	1,011,705
	1,008,717	1,008,717	1,008,717
	1,006,808	1,006,808	1,006,808

Mason County Garbage

Traditional
COS1

**TIME:
(Hrs)**

Res & Com
D Box
mileage
del'y
tarping

Commingled Recycling

Yard Waste **1.0003**

Service Category	Cust/PickUps	Adjusted Cust/PickUps	OH Adjust Factor	OH Dist. Customers	Container Size Adj.	Rate
Resl	(A)	(C)	(D)	(E)	(F)	(G)
8.20 Recycling	10275	10,279	1	4737	10,278.6	8.19
Chargeable Deliveries	0	0	2	0	0.0	16.00
Total	10275	10,279		4,737	10,279	
				was	8.56	8.19 (1.15) 7.04
				Garbage	96-gallon EOW less dump fee	19.22 -6.30 12.92

Stop	Run	Total
1,421	4,039	5,459.8
		0.0
	0	0.0
	0	0.0
0.0		0.0
1,421	4039.0	5,459.8

Actual Revenue Extension	Adjusted Revenue Extension	Unit Wt	Ext. Wt (tons)	Stop Time (secs)	Ext Stop Time (hours) actual	Run Time	Total Time
(H)	(I)	(J)	(K)	(L)	(M)	wt (N)	stop + run (O)
1,009,827	1,010,176	16	2,137.9	20	1484.7	4,039.0	5523.7
0	0	0	0.0	0	0.0	0.0	0.0
1,009,827	1,010,176	16.0	2,138	20	1,485	4,039	5,524
8.40							
(1.65)							
6.75							

Pass Thru Rev	Office Exp	Reg Rt Trk & Reg Rte Dr	DBx Trk & DBxDvr	R&M	Containers	D Box	SubTotal B/4
0	57,128	397,362	0	269,351	62,970		786,810
wt (P)	OH Cust (Q)	Reg Time (R)	DBxTime (S)	Total Time (T)	Wtd Avg (V)	Wtd Avg (W)	(X)
	57128	397,362		269351	62970		786809.5
	0	0		0	0		0.0
	57,128	397,362		269,351	62,970		786,810

WUTC & Rev Taxes	Grand Ttl	RevReqmt	Calculated Rate	% Diff
19,879	806,689	79.74%		
Tot Rev (AA)	Total (BB)	(CC)	(DD)	
19,879.1 0.0	806,689 0	1,011,705 0	\$ 8.20	0.15%
19,879	806,689			

Mason County Recycling Program

Labor:

Regular rate per hour:	18.25	18.25
OT rate per hour:	27.38	4.50
Number of drivers to cover the routes:	3.00	
Number of transport/delivery driver	1.00	
Regular hours per driver, per week:	40.00	
OT hours per driver, per week:	2.50	
Total regular wage expense per week:	2,920.00	
Total OT wage expense per week:	273.75	
Total monthly regular wages	12,643.60	
Total monthly OT wage expense:	1,185.34	

Total Annual Labor Expense: **165,947**

Fuel:

Price per gallon:	2.529 On 6/4/09	
Hours per week, per driver:	40.00	
Hours per month, per driver:	173.20	
Gallons per hour, per truck:	4.00	
Gallons per month, per driver	692.80	2771.20
Total number of trucks:	3.00	
Total number of gallons per month;	2,078.40	
Fuel expense per month:	5,256.27	
Annual fuel expense:	63,075.28	
Delivery truck:	1.00	
Miles per day:	95.00	260
Working days:	184.95	-60
Annual miles:	17,570.18	-15
Miles per gallon;	7.20	185
Average price per gallon:	2.529	
Annual fuel expense:	6,171.53	
Tractor:	1.00	
Number of trips;	106.76	60.05
Gallons per round trip: 122 miles at 3.6 mpg	33.89	
Annual fuel expense:	9,149.59	

Annual Fuel Expense: **78,396**

TV:

Estimated at \$.76 per mile, less fuel		
Number of route trucks:	3.00	636,231
Gallons per month, per truck:	692.80	-336,532
Miles per month, per truck: 4 miles per gallon	2,771.20	299,699
Total miles per month, route trucks:	8,313.60	395,178
Miles per month delivery truck:	1,464.18	0.76
Miles per month tractor:	1,085.36	
Total miles per month, all truck:	10,863.14	
Variable operating cost per mile:	0.76	4.00
Monthly variable operating cost	8,255.99	

Annual TV **99,072**

Truck Licensing:			
Automated Side Load trucks:	3.00		
Licensing per truck	825.00		
Tractor	1.00		
Licensing	1,832.00		
Federal Heavy Use Tax	550.00		
Delivery truck:	1.00		
Licensing per truck	475.00		
Annual Licensing:		5,332	
Insurance:			
Per truck:	2,000.00		
Annual insurance expense:		10,000	166.67
Workmen's Comp:			
Number of employees:	4.50		
Expense per employee:	646.00		0.055
Annual expense:		2,907	
Driver Uniforms:			
Uniforms per month per driver	54.73		
4 Drivers	218.92		
Annual uniform expense		2,627	
Real Estate Rental:			
Increase per month over existing lease	2,800.00		3 acres & 2 bay sh
Property tax per month:	200.00		
Monthly lease expense:	3,000.00		
Annual Lease Expense:		36,000	
Supervisor:			
Hrs per day:	2.00		
Rate per hr:	29.57		0.25
Working days:	260.00		
Annual Supervisor Salary;		0	
Office:			
Number of employees:	1.00		
Regular wage rate per hour:	13.25		
Hours per week:	20.00		
Hours per month:	86.60		
Total wages per month:	1,147.45		
Total office labor:		13,769	27539.00
Payroll Tax & Benefits:			
Total payroll:	179,716.65		
FICA	13,748.32		
SUI	594.96		

FUTA	280.00	
Total payroll taxes:		14,623
Benefits:		
Number of employees:	4.50	
Medical per month per employee	239.00	
Medical expense per month:	1,075.50	
Pension rate per payroll dollar:	0.0123	
Pension expense per month:	184.21	
Total benefit expense per month:	1,259.71	
Annual benefit expense:		15,117

Other Office:		
Office telephone:	50.00	
Misc office supplies:	100.00	
Total monthly:	150.00	

Annual other office expenses: **1,800**

Start-Up Costs:		
Labor, delivery, and placement per cart:	1.50	
Number of deliveries:	10,275.00	
Projected costs:	15,412.50	
Pamphlets, brochures, notifications, per cust:	1.50	
Postage per customer:	0.44	
Projected notifications	10,500.00	
Total notification cost:	20,370.00	

One time start-up cost: **35,783**

Material Tons:		
Number of customers:	10,275.00	
Estimated participants:	0.95	
Adjusted number of customers:	9,761.25	325.38
Estimated setout, percent:	0.70	
Setout per pickup:	6,832.88	227.76
Number of pickup:	2.17	
Number of pickups per month:	14,827	
Materials picked up, per setout, lbs:	24.00	
Tons per month:	177.93	

Annual Tons: **2,135**

Processing Costs:		
Number of tons:	2,135	
Processing cost per ton:	62.89	

Annual processing cost: **134,279**

Hauling Materials to Recycling Center:		
Number of tons:	2,135	
Number of tons per haul:	20.00	
Number of trips:	106.76	
Time per trip, hours:	4.50	
Number of hours:	480.41	
Transport cost per hour:	0.00	

Annual transport expenses: **0**

Recycling Material Revenue:			
Number of ton:	2,135		
Estimated average rate per ton:	95.00		
Annual revenue:		202,838	141986.60
			685.80
Annual Revenue:	202,838		
Commodity credit:	0.70		
Company retention:	0.30		
Credit per customer per month:	1.15		
	1.65	1.00	
Current Portion of LT Debt	4,698		
Long Term Debt	830,758		
	835,456	0.3997	
Stockholder Equity	1,254,727	0.6003	
Total	2,090,183	100.00%	
Interest Expense;	38,824		
Debt 2007	732,833	5.30%	
LG-Annual Revenue Requirement	1,011,750		
Monthly Customers	10275.00		
Monthly hauling	8.21		
Monthly Commodity Credit	1.15		
Adj Rate per customer per month	7.05		

miles per month

days
Transport to Tacoma
Relief-Vacation
Adj delivery days

days for transport

TV 2008
Fuel 2008
Expense
miles
per mile

miles per gallon

per month per trk

per payroll \$

op & cont storage

Mason County Garbage Company
 Depreciation Schedule
 July 31, 2010

5 Months in first year
 7 Months in second year
 2,009 First year
 2,010 Second year

													Allocated	Allocated	
	Truck	GARBAGE	Date in		Salvage			Year			Test		Accum.	Accum.	Average
Codes	No	Asset Classification	Service	Mo	Value	Method	Life	Fully	Asset	Depr	Monthly	Year	Depr.	Depr.	Investment
			Year		%	M	Years	Depr	Cost	Cost	Depr	Depr	8/1/09	7/31/10	-
	28	2009 ASL Tnd Axle (N)V-479770	2009	7	20%	S/L	7	2016	252,588	202,070	2,406	28,867	0	28,867	238,155
		2009 ASL Tnd Axle (N)V-479772	2009	7	20%	S/L	7	2016	249,025	199,220	2,372	28,460	0	28,460	234,796
	27	2009 ASL Single Axle (N)	2009	7	20%	S/L	7	2016	236,975	189,580	2,257	27,083	0	27,083	223,434
		Delivery Trk (N)	2009	7	20%	S/L	7	2016	45,000	36,000	429	5,143	0	5,142	42,429
		Cart Delivery Trl (N)	2009	7	20%	S/L	7	2016	7,014	5,611	67	802	-362	439	6,975
	17	2000 Frlnr, Lft Ax Trctr (U)	2009	7	33%	S/L	5	2014	20,045	13,430	224	2,686	0	2,686	18,702
		WF Trl (N)	2009	7	20%	S/L	7	2016	82,000	65,600	781	9,371	0	9,371	77,314
		Total Trks							892,647	711,512	8,534	102,412	-363	102,048	841,805
	10500	96 Gallon Carts	2009	7		S/L	10	2019	477,578	477,578	3,980	47,758	0	47,758	453,699
	500	65 Gallon Carts	2009	7		S/L	10	2019	22,742	22,742	190	2,274	0	2,274	21,605
		Total Carts							500,320	500,320	4,169	50,032	0	50,031	475,304
		Tipping Wall	2009	7		S/L	10	2019	9,000	9,000	75	900	0	900	8,550
		Office Improvement	2009	7		S/L	10	2019	8,500	8,500	71	850	0	850	8,075
		Office Furniture	2009	7		S/L	7	2016	1,200	1,200	14	171	0	172	1,114
		Computer	2009	7		S/L	5	2014	1,200	1,200	20	240	0	240	1,080
		Total Office							2,400	2,400	34	411	0	412	2,194
		Start Up Cost	2009	7		S/L	5	2014	35,783	35,783	596	7,157	-381	6,776	32,585
												161,762			1,368,513