

Tualatin

2020 Rate Review

Leadership Team

Jason Jordan, General Manager

KJ Lewis, Municipal Manager

John Olivares, Operations Manager

Will Mathias, Finance Manager

Travis Comfort, Municipal Contract Administrator



REPUBLIC
SERVICES

Republic Services

Tualatin



We have 20 drivers servicing Tualatin

Drivers are at the curbs of 5,902 Tualatin homes each month

There were 2,313,584 containers picked up in 2019 (Commercial, Residential, & Industrial)

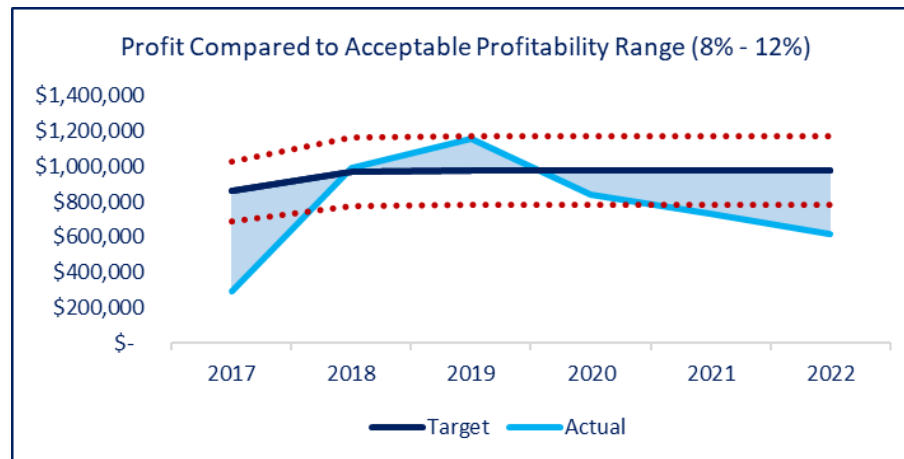
We have 19 CNG collection vehicles serving City of Tualatin

In 2019, Republic collected 47,197.64 tons of material for recovery and disposal:

- Residential tons – 9,108.9
- Commercial tons – 13,998.96
- Industrial tons – 24,089.78

Statement of Income (Without Requested Adjustment Included) For Years Ended December 31, 2017 - 2022

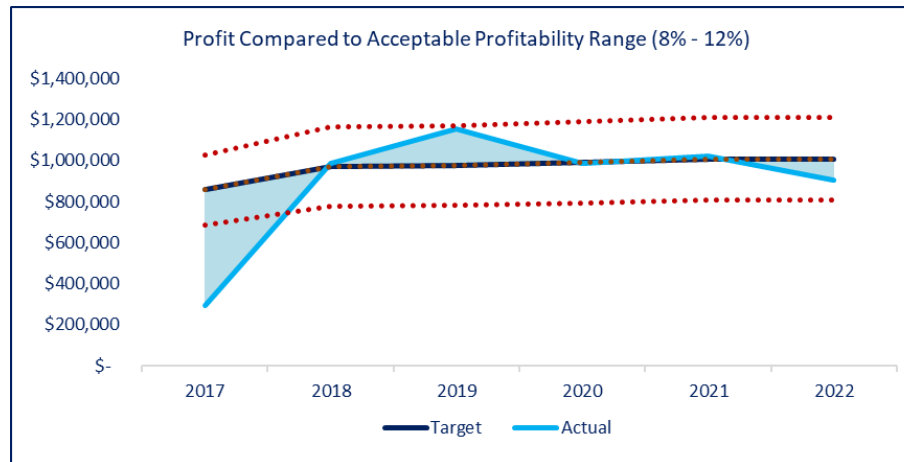
	2017	2018	% Δ	2019	% Δ	2020 *	% Δ	2021	% Δ	2022	% Δ
	Actuals					Forecasted					
Revenue	8,574,339	9,693,679	13.1%	9,765,280	0.7%	9,765,280	0.0%	9,765,280	0.0%	9,765,280	0.0%
Cost of Operations	7,239,828	7,643,643	5.6%	7,777,811	1.8%	7,971,223	2.5%	8,059,508	1.1%	8,150,160	1.1%
Corporate Activity Tax	-	-	0.0%	-	0.0%	41,747	0.0%	41,747	0.0%	41,747	0.0%
Gross Profit	1,334,511	2,050,036	53.6%	1,987,469	-3.1%	1,752,311	-11.8%	1,664,025	-5.0%	1,573,374	-5.4%
Sales, General and Administrative	1,039,412	1,063,587	2.3%	831,027	-21.9%	911,969	9.7%	935,582	2.6%	959,816	2.6%
Operating Income	295,099	986,449	234.3%	1,156,442	17.2%	840,342	-27.3%	728,443	-13.3%	613,558	-15.8%
<i>Op Income as a % of Revenue</i>	<i>3.4%</i>	<i>10.2%</i>		<i>11.8%</i>		<i>8.6%</i>		<i>7.5%</i>		<i>6.3%</i>	
Income Taxes	125,712	282,124	124.4%	330,742	17.2%	245,128	-25.9%	219,771	-10.3%	185,294	-15.7%
Net Income	169,387	704,324	315.8%	825,700	17.2%	595,214	-27.9%	508,672	-14.5%	428,263	-15.8%
<i>Net Income as a % of Revenue</i>	<i>2.0%</i>	<i>7.3%</i>		<i>8.5%</i>		<i>6.1%</i>		<i>5.2%</i>		<i>4.4%</i>	



** 2020 does not include the estimated impacts of COVID-19 related costs. We are still in the process of estimating these impacts.*

Statement of Income (With Rate Adjustment Request Implemented) For Years Ended December 31, 2017 - 2022

	2017	2018	% Δ	2019	% Δ	2020 *	% Δ	2021	% Δ	2022	% Δ
	Actuals					Forecasted					
Revenue	8,574,339	9,693,679	13.1%	9,765,280	0.7%	9,916,642	1.6%	10,068,004	1.5%	10,068,004	0.0%
Cost of Operations	7,239,828	7,643,643	5.6%	7,777,811	1.8%	7,975,764	2.5%	8,068,590	1.2%	8,159,242	1.1%
Corporate Activity Tax	-	-	0.0%	-	0.0%	42,394	0.0%	43,041	1.5%	43,041	0.0%
Gross Profit	1,334,511	2,050,036	53.6%	1,987,469	-3.1%	1,898,485	-4.5%	1,956,373	3.0%	1,865,721	-4.6%
Sales, General and Administrative	1,039,412	1,063,587	2.3%	831,027	-21.9%	911,969	9.7%	935,582	2.6%	959,816	2.6%
Operating Income	295,099	986,449	234.3%	1,156,442	17.2%	986,516	-14.7%	1,020,791	3.5%	905,905	-11.3%
<i>Op Income as a % of Revenue</i>	<i>3.4%</i>	<i>10.2%</i>		<i>11.8%</i>		<i>9.9%</i>		<i>10.1%</i>		<i>9.0%</i>	
Income Taxes	125,712	282,124	124.4%	330,742	17.2%	287,767	-13.0%	307,973	7.0%	273,583	-11.2%
Net Income	169,387	704,324	315.8%	825,700	17.2%	698,749	-15.4%	712,818	2.0%	632,322	-11.3%
<i>Net Income as a % of Revenue</i>	<i>2.0%</i>	<i>7.3%</i>		<i>8.5%</i>		<i>7.0%</i>		<i>7.1%</i>		<i>6.3%</i>	



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Schedule of Expenses

For Years Ended December 31, 2017 - 2022

	2017	2018	2019	2020	% Δ	2021	% Δ	2022	% Δ
	Actuals					Forecasted			
Cost of Operations									
Labor	1,769,334	1,902,649	1,941,454	1,989,990	2.5%	2,039,740	2.5%	2,090,734	2.5%
Repairs and Maintenance	285,401	294,460	296,958	305,867	3.0%	315,043	3.0%	324,494	3.0%
Vehicle Operating Costs	276,474	305,601	233,515	240,520	3.0%	247,736	3.0%	255,168	3.0%
Facility	157,173	144,628	27,479	27,754	1.0%	28,031	1.0%	28,312	1.0%
Insurance	131,626	144,693	135,634	138,347	2.0%	141,114	2.0%	143,936	2.0%
Disposal & Recycle	3,833,787	3,953,620	4,297,232	4,404,663	2.5%	4,404,663	0.0%	4,404,663	0.0%
Franchise Fees	193,502	206,266	227,434	227,434	0.0%	227,434	0.0%	227,434	0.0%
Other Operating Costs	48,389	180,672	177,182	182,497	3.0%	187,972	3.0%	193,612	3.0%
Depreciation	544,142	511,054	440,923	454,151	3.0%	467,775	3.0%	481,808	3.0%
Cost of Operations	7,239,828	7,643,643	7,777,811	7,971,223	2.5%	8,059,508	1.1%	8,150,160	1.1%
Sales, General and Administrative									
Salaries	562,511	509,789	285,027	351,533	23.3%	360,322	2.5%	369,330	2.5%
Rent and Office Expense	82,438	79,501	83,169	85,664	3.0%	88,234	3.0%	90,881	3.0%
Travel and Entertainment	21,648	11,124	11,648	11,997	3.0%	12,357	3.0%	12,728	3.0%
Professional Fees	5,416	7,664	11,231	11,568	3.0%	11,915	3.0%	12,272	3.0%
Bad Debt Expense	11,074	5,945	7,212	7,212	0.0%	7,212	0.0%	7,212	0.0%
Management Services	261,561	347,823	345,656	354,297	2.5%	363,155	2.5%	372,234	2.5%
Other Expenses	94,764	101,741	87,084	89,697	3.0%	92,387	3.0%	95,159	3.0%
Sales, General, and Administrative	1,039,412	1,063,587	831,027	911,969	9.7%	935,582	2.6%	959,816	2.6%

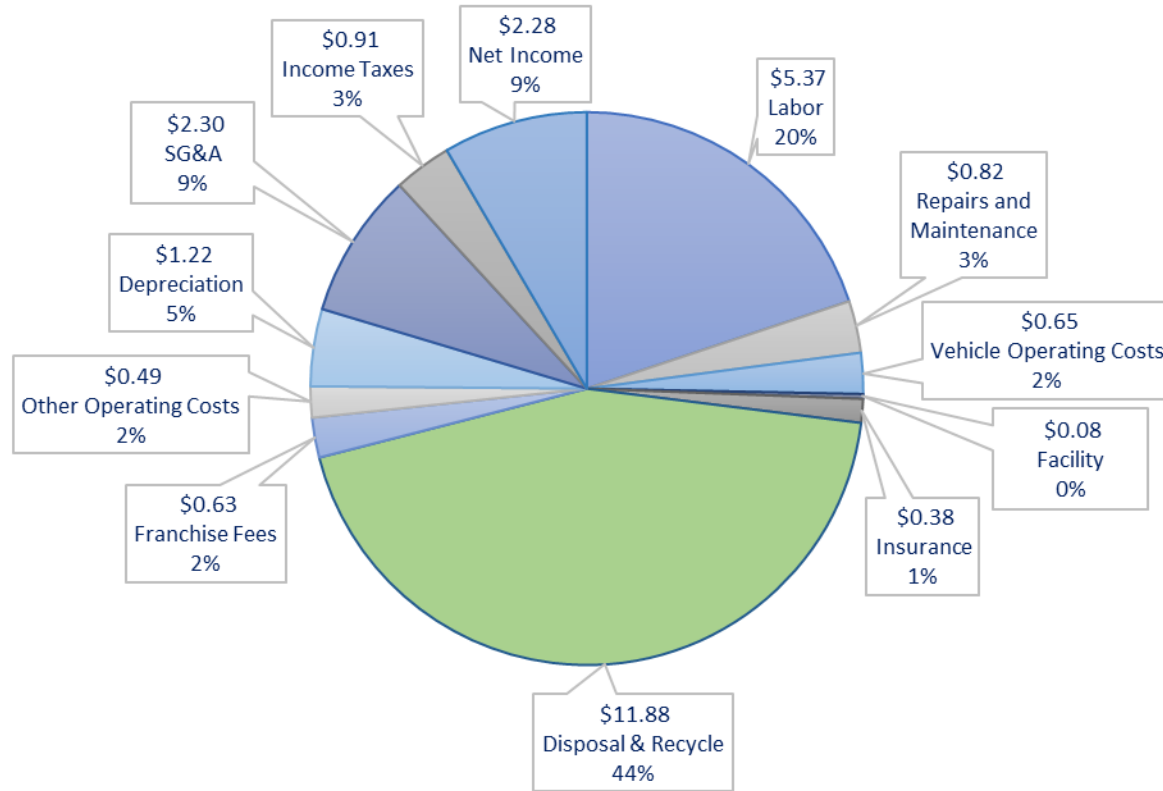
NOTE: This expense schedule is based on NO rate adjustment taking effect for 2020 - 2022. The only two line items that we would expect to see changed with a rate adjustment are Franchise Fees and Bad Debt.

** Some DCR expense classifications have changed in our 2019 reporting, consequently some 2019 expense line items may not align precisely with how expenses were previously reported.*

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What does my monthly payment go towards?

(Based on 2019 figures for a 35 gallon customer)



Current and Proposed Rate Adjustment with Comparables For Year Ended December 31, 2019

	Clackamas Co. Urban	Clackamas Co. Rural	Wilsonville	Lake Oswego	Current	Proposed	\$ Δ
Residential Rates							
20 gallon	29.15	26.25	21.32	21.20	23.00	23.71	0.71
35 gallon	33.15	30.20	28.11	30.06	27.00	27.84	0.84
65 gallon	42.80	41.95	36.89	46.77	36.00	37.12	1.12
90 gallon	49.90	47.80	-	49.27	-	-	-
Commercial Rates							
35 gallon	29.20	30.20	21.32	27.58	24.50	25.26	0.76
65 gallon	40.75	41.95	33.22	41.10	33.02	34.04	1.02
90 gallon	43.75	47.80	41.84	43.71	40.47	41.72	1.25
1 yard	-	-	108.96	-	105.01	108.27	3.26
1.5 yard	136.59	-	143.05	169.48	133.13	137.26	4.13
2 yard	173.47	208.13	186.79	211.80	175.76	181.21	5.45
3 yard	237.20	-	258.73	279.85	245.29	252.89	7.60
4 yard	303.08	381.46	337.05	351.51	311.11	320.75	9.64
6 yard	423.13	553.39	470.53	475.50	438.72	452.32	13.60
8 yard	524.33	718.91	623.89	568.54	550.64	567.71	17.07
Industrial Rates							
10 yard	150.00	150.00	123.66	125.14	121.41	125.17	3.76
20 yard	150.00	150.00	123.66	125.14	121.41	125.17	3.76
30 yard	160.00	160.00	155.64	146.97	144.84	149.33	4.49

Thank You

Developed by Travis Comfort
-Municipal Contract Administrator

