
San Luis Garbage, Co.**Base Year Rate Adjustment Application**

Summary

Summary of Significant Requested Increase Components			
Digester Expense	3.7%	IWMA & Franchise Fees	1.6%
Capital Purchases	3.8%	Market Rate Wage Adjustment	2.0%
Insurance	1.1%	Fuel	0.7%
Commingle Processing Fee	-0.7%	CPI/Other Operational	5.6%

1. Rate Increase Requested **17.75%**

Rate Schedule				
Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate
Single Family Residential				
2. 20 gallon Waste Wheeler	\$ 11.14	\$13.12		\$13.12
3. 32 gallon Waste Wheeler	\$ 17.78	\$20.94		\$20.94
4. 64 gallon Waste Wheeler	\$ 35.56	\$41.87		\$41.87
5. 96 gallon Waste Wheeler	\$ 53.35	\$62.82		\$62.82

(a) Calculated rates are rounded up to the nearest \$0.01.

6. **Multiunit Residential and Non-residential** Rate increases of **17.75%**
will be applied to all rates in each structure
with each rate rounded to the nearest \$0.01

Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: Jeff Clarin

Title: District Manager

Signature:



Date: 08/09/21

San Luis Garbage, Co.

Base Year Rate Adjustment Application

Financial Information	Historical		Current	Projected		
				Base Year		
	2019	2020	2021	2022	2023	
(from Pg. 4)						
Section I-Allowable Costs						
6.	Direct Labor	\$3,134,333	\$3,027,286	\$3,054,099	\$3,267,172	\$3,343,141
7.	Corporate Overhead	\$215,657	\$219,323	\$221,077	\$232,794	\$239,778
8.	Office Salaries	\$345,473	\$223,396	\$379,893	\$412,887	\$424,230
9.	Other General and Admin Costs	\$4,723,608	\$4,665,589	\$4,491,597	\$4,483,040	\$4,862,523
10.	Total Allowable Costs	\$8,419,071	\$8,135,594	\$8,146,666	\$8,395,893	\$8,869,672
Section II-Allowable Operating Profit						
11.	Operating Ratio	116.2%	108.8%	100.3%	93.0%	93.0%
12.	Allowable Operating Profit	(\$1,366,795)	(\$711,979)	(\$24,026)	\$631,949	\$667,610
Section III-Pass Through Costs						
13.	Tipping Fees	\$2,296,042	\$2,339,139	\$2,409,313	\$3,375,834	\$3,390,822
14.	Franchise Fees	\$1,179,293	\$1,240,004	\$1,338,391	\$1,177,209	\$1,188,981
15.	AB939 Fees	\$186,065	\$203,968	\$206,918	\$240,832	\$248,057
16.	Lease Pmts to Affiliated Companies	\$124,200	\$148,444	\$150,671	\$158,657	\$163,416
	Transportation to Affiliated Companies	\$1,952	\$9,644	\$2,750	\$2,750	\$2,750
17.	Total Pass Through Costs	\$3,787,552	\$3,941,199	\$4,108,043	\$4,955,282	\$4,994,026
Section IV - Revenue Requirement						
18.	Revenue Requirement				\$13,983,124	\$14,531,308
19.	Total Revenue Offsets	\$10,839,828	\$11,364,814	\$12,230,684	\$12,162,426	\$12,477,419
(from Page 3)						
Section V - Net Shortfall (Surplus)						
20.	Net Shortfall (Surplus)				\$1,820,698	
21.	Total Residential and Non-residential Revenue without increase in Base Year (pg.3, lines 32+40)				\$12,147,084	
22.	Percent Change in Residential and Non-residential Revenue Requirement				14.99%	
23.	Franchise Fee Adjustment Factor (1 - 10 percent)				90.00%	
24.	Percent Change in Existing Rates				16.65%	
Additional AB939 Fees for the City of SLO						\$100,000
City of SLO Revenue						\$10,126,623
Additional Price Increase						0.99%
Franchise Fee Adjustment Factor (1 - 10 percent)						90.00%
Percent Change in Existing Rates						1.10%
Total Percent Change in Existing Rates						17.75%

San Luis Garbage, Co.**Base Year Rate Adjustment Application****Revenue Offset Summary**

Section VII - Revenue Offsets					
Historical			Current	Projected	
				Base Year	
2019	2020	2021	2022	2023	
Residential Revenue (without increase in Base Yr.)					
Account Type	Current Rate/Mo.	Projected Mo.'s	Accounts	Annualized Revenue	
25. 20 gallon Waste Wheeler	\$ 11.14	12	1,662	\$ 222,176	
26. 32 gallon Waste Wheeler	\$ 17.78	12	5,448	\$ 1,162,385	
26.5 64 gallon Waste Wheeler	\$ 35.56	12	3,948	\$ 1,684,691	
27. 96 gallon Waste Wheeler	\$ 53.35	12	1,094	\$ 700,379	
Adj unincorp/supplemental svcs					
	12,152				
28. Single Family Residential		\$3,485,712	\$3,813,946	\$4,182,830	\$4,179,625
Multiunit Residential Dumpster					
29. Number of Accounts			297	298	298
30. Revenues		\$1,263,540	1,471,248.52	\$1,440,024	\$1,454,424
31. Less Allowance for Uncollectible Resid Accounts					
32. Total Residential Revenue		\$4,749,252	\$5,285,195	\$5,622,854	\$5,634,050
Non-residential Revenue (without increase in Base Yr.)					
Account Type					
Non-residential Can					
33. Number of Accounts			369	373	373
34. Revenues		\$242,173	\$256,232	\$245,868	\$248,325
Non-residential Wastewheeler					
35. Number of Accounts			383	387	387
36. Revenues		\$522,159	\$552,801	\$636,939	\$643,308
Non-residential Dumpster					
37. Number of Accounts		-	1,433	1,447	1,447
38. Revenues		\$5,293,159	\$5,226,825	\$5,710,428	\$5,621,402
39. Less: Allowance for Uncollectible Non-resid					
40. Total Non-residential Revenue		\$6,057,491	\$6,035,858	\$6,593,234	\$6,513,034
45. Interest on Investments		\$0	\$0	\$0	\$0
46. Other Income		\$33,086	\$43,762	\$14,595	\$15,787
47. Total Revenue Offsets		\$10,839,828	\$11,364,814	\$12,230,684	\$12,162,426

San Luis Garbage, Co.**Base Year Rate Adjustment Application****Cost Summary for Base Year**

Description of Cost					
				BASE YEAR	BASE YEAR
	2019	2020	2021	2022	2023
Labor	\$2,907,950	\$2,813,388	\$2,835,660	\$3,033,591	\$3,102,553
Payroll Taxes	\$226,383	\$213,898	\$218,439	\$233,581	\$240,588
48. Total Direct Labor	\$3,134,333	\$3,027,286	\$3,054,099	\$3,267,172	\$3,343,141
49. Corporate Overhead	\$291,594	\$306,513	\$367,318	\$386,786	\$398,390
Less limitation (enter as negative)	(\$75,937)	(\$87,190)	(\$146,241)	(\$153,992)	(\$158,611)
Total Corporate Overhead	\$215,657	\$219,323	\$221,077	\$232,794	\$239,778
Office Salaries	\$321,990	\$200,127	\$351,383	\$382,067	\$392,486
Payroll Taxes - Office	\$23,483	\$23,269	\$28,510	\$30,820	\$31,744
50. Total Office Salaries	\$345,473	\$223,396	\$379,893	\$412,887	\$424,230
Bad Debt	\$529	\$3,349	\$12,017	\$2,500	\$2,500
Allocated expenses	\$0	\$0	\$0	\$0	\$0
Bonds expense	\$5,324	\$4,325	\$3,600	\$3,791	\$3,905
Depreciation	\$845,345	\$1,087,445	\$877,346	\$1,219,062	\$1,479,472
Drive Cam fees	\$29,055	\$15,886	\$17,614	\$18,548	\$19,104
Dues and Subscriptions	\$11,684	\$2,905	\$10,006	\$10,537	\$10,853
Facilities	\$30,610	\$21,456	\$14,637	\$15,413	\$15,875
Gas and oil	\$825,923	\$774,199	\$821,852	\$825,994	\$850,158
Insurance	\$1,122,107	\$857,364	\$994,256	\$1,103,434	\$1,136,537
Interest Expense	\$190,215	\$285,527	\$131,205	\$172,637	\$200,185
Laundry (Uniforms)	\$33,514	\$24,183	\$25,163	\$26,497	\$27,291
Legal and Accounting	\$33,575	\$23,213	\$25,705	\$26,998	\$27,768
Miscellaneous and Other	\$26,610	\$2,656	\$2,577	\$2,713	\$2,795
Office Expense	\$189,252	\$140,845	\$145,129	\$152,844	\$157,442
Operating Supplies	\$58,287	\$68,727	\$63,196	\$66,545	\$68,542
Other Taxes	\$36,778	\$36,995	\$31,476	\$33,145	\$34,139
Outside Services	\$619,299	\$657,187	\$651,191	\$102,740	\$105,822
Public Relations and Promotion	\$8,817	\$4,305	\$3,827	\$3,834	\$3,839
Permits	\$58,311	\$82,759	\$79,007	\$83,194	\$85,690
Postage	\$22,826	\$4,384	\$6,571	\$6,920	\$7,127
Relocation	\$17,372	\$15,396	\$12,898	\$12,898	\$12,898
Rent	\$0	\$0	\$1,315	\$2,054	\$2,116
Telephone	\$37,709	\$20,752	\$20,233	\$21,305	\$21,944
Tires	\$97,837	\$104,931	\$123,170	\$129,698	\$133,589
Travel	\$26,242	\$4,509	\$6,228	\$6,558	\$6,755
Truck Repairs	\$380,228	\$404,552	\$394,966	\$415,899	\$428,376
Utilities	\$16,159	\$17,739	\$16,412	\$17,282	\$17,801
51. Total Other Gen/Admin Costs	\$4,723,608	\$4,665,589	\$4,491,597	\$4,483,040	\$4,862,523
52. Total Tipping Fees	\$2,296,042	\$2,339,139	\$2,409,313	\$3,375,834	\$3,390,822
53. Total Franchise Fee	\$1,179,293	\$1,240,004	\$1,338,391	\$1,177,209	\$1,188,981
54. Total AB 939/Regulatory Fees	\$186,065	\$203,968	\$206,918	\$240,832	\$248,057
55. Total Lease Pmt to Affil Co.'s	\$124,200	\$148,444	\$150,671	\$158,657	\$163,416
56. Total Transportation to Affil Co.'s	\$1,952	\$9,644	\$2,750	\$2,750	\$2,750
57. Total Cost	\$12,206,623	\$12,076,793	\$12,254,709	\$13,351,175	\$13,863,698

San Luis Garbage, Co.**Base Year Rate Adjustment Application****Base Year Revenue Offset Summary****For Information Purposes Only**

Description of Revenue	Section VII-Revenue Offsets				
	Overall	Franchise	Refuse Collection		Non-franchise
	Total	Total	SLO City	SLO County	CMC/Cal Poly
<i>Residential Revenue (without increase in Base Year)</i>					
57. Single Family Residential	\$4,179,625	\$4,179,625	\$3,768,364	\$411,261	\$0
Multiunit Residential Dumpster (Considered Non-residential revenue)					
58. Number of Accounts	298	298	298	-	-
59. Revenues	\$1,454,424	\$1,454,424	\$1,454,424	\$0	\$0
60. Less Allowance for Uncollectable	\$0	\$0	\$0	\$0	\$0
61. Total Residential Revenue	\$5,634,050	\$5,634,050	\$5,222,789	\$411,261	\$0
<i>Non-residential Revenue (without increase in Base Year)</i>					
Account Type					
Non-residential Can					
62. Number of Accounts	373	372	368	4	1
63. Revenues	\$248,325	\$248,151	\$246,693	\$1,458	\$174
Non-residential Wastewheeler					
64. Number of Accounts	387	384	359	25	3
65. Revenues	\$643,308	\$640,433	\$621,301	\$19,132	\$2,875
Non-residential Dumpster					
66. Number of Accounts	1,447	1,339	1,094	245	108
67. Revenues	\$5,621,402	\$4,998,229	\$4,035,840	\$962,389	\$623,172
68. Less: Allowance for Uncollectible Non-residential Accounts	\$0	\$0	\$0	\$0	\$0
69. Total Non-residential Revenue	\$6,513,034	\$5,886,813	\$4,903,834	\$982,979	\$626,221
74. Interest on Investments	\$0	\$0	\$0	\$0	\$0
75. Other Income	\$15,342	\$15,342	\$13,497	\$1,845	\$0
76. Total Revenue Offsets	\$12,162,426	\$11,536,205	\$10,140,121	\$1,396,084	\$626,221

San Luis Garbage, Co.**Base Year Rate Adjustment Application**

Operating Information

Historical			Current			Projected		
	Percent		Percent		Percent	Base Year	Percent	
2019	Change	2020	Change	2021	Change	2022	Change	2023

Section IX-Operating Data

Residential Garbage

77. Accounts	12,123	1.2%	12,263	1.3%	12,417	1.0%	12,541	1.0%	12,667
78. Routes	5	7.2%	6	-10.8%	5	0.0%	5	0.0%	5
79. Tons Collected	7,050	-5.5%	6,661	3.0%	6,861	3.0%	7,067	1.0%	7,137
80. Direct Labor Hours	10,881	7.2%	11,660	-10.8%	10,397	0.0%	10,397	0.0%	10,397

Non-residential Garbage

80. Accounts	2,341	-1.0%	2,318	0.3%	2,325	1.0%	2,348	1.0%	2,372
81. Routes	11	7.2%	12	-10.8%	11	0.0%	11	0.0%	11
Tons Collected	29,419	-5.5%	27,795	3.0%	28,629	3.0%	29,488	1.0%	29,783
82. Direct Labor Hours	23,436	7.2%	25,113	-10.8%	22,394	0.0%	22,394	0.0%	22,394

Recyclable Materials - Commingled Recycling

83. Accounts	14,464	0.8%	14,581	1.1%	14,742	1.0%	14,889	1.0%	15,038
Routes	10	7.2%	10	-10.8%	9	0.0%	9	0.0%	9
Tons Collected	10,731	-10.1%	9,650	3.0%	9,940	3.0%	10,238	1.0%	10,341
84. Direct Labor Hours	19,798	7.2%	21,215	-10.8%	18,918	0.0%	18,918	0.0%	18,918

Recyclable Materials - Greenwaste Collection

85. Accounts	12,123	1.2%	12,263	1.3%	12,417	1.0%	12,541	1.0%	12,667
Routes	3	7.2%	3	-10.8%	3	0.0%	3	0.0%	3
Tons Collected	7,319	-4.8%	6,970	3.0%	7,179	3.0%	7,394	1.0%	7,468
Direct Labor Hours	6,622	7.2%	7,096	-10.8%	6,327	0.0%	6,327	0.0%	6,327

San Luis Garbage Company

Financial Statements

Years Ended December 31, 2020 and 2019

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Independent Auditors' Report

To Management of San Luis Garbage Company
San Luis Obispo, California

We have audited the accompanying financial statements of San Luis Garbage Company, which comprise the statements of revenues and expenses - regulatory basis for the years ended December 31, 2020 and 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independent Auditors' Report - Continued

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the results of the operations of San Luis Garbage Company for the years ended December 31, 2020 and 2019, in accordance with the financial reporting provisions of the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions prescribed or permitted by the City and County of San Luis Obispo, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the City and County of San Luis Obispo. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of the management of San Luis Garbage Company and the City and County of San Luis Obispo and is not intended to be and should not be used by anyone other than these specified parties.

Caliber Audit & Attest, LLP

San Luis Obispo, California
March 19, 2021

San Luis Garbage Company

***Statements of Revenues and Expenses - Regulatory Basis
Years Ended December 31, 2020 and 2019***

	<u>2020</u>	<u>2019</u>
<i>Revenues</i>		
Hauling revenue	\$ 11,321,053	\$ 10,806,742
Other income	43,762	33,086
Total revenue	<u>11,364,815</u>	<u>10,839,828</u>
<i>Allowable Costs</i>		
Direct labor	3,027,286	3,134,333
Corporate overhead	219,323	215,657
Office salaries	223,396	345,473
Other general and administrative costs	4,380,062	4,533,393
Total allowable costs	<u>7,850,067</u>	<u>8,228,856</u>
<i>Allowable Pass-Through Costs</i>		
Tipping fees, related party	2,339,139	2,296,042
Franchise fees and taxes	1,443,972	1,365,358
Related party rent	148,444	124,200
Interest, related party	285,527	190,215
Transportation - compactors, related parties	9,644	1,952
Total pass-through costs	<u>4,226,726</u>	<u>3,977,767</u>
Total allowable and pass-through costs	<u>12,076,793</u>	<u>12,206,623</u>
Loss before non-allowable costs	<u>(711,978)</u>	<u>(1,366,795)</u>
<i>Non-Allowable Costs</i>		
Charitable and political contributions	324	726
Corporate overhead	87,190	75,937
Entertainment	2,008	17,346
Gain on disposal of assets	(15,533)	(43,386)
Penalties	14	-
Total non-allowable costs	<u>74,003</u>	<u>50,623</u>
Net loss	<u>\$ (785,981)</u>	<u>\$ (1,417,418)</u>

See Notes to Financial Statements.

San Luis Garbage Company

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of business:

San Luis Garbage Company (the Company) became a wholly-owned subsidiary of Waste Connections US, Inc. as of April 1, 2002. The Company operates a garbage collection service for residential, commercial, and governmental entities within the city and vicinity of San Luis Obispo, California. The Company services collection routes by use of Company-owned equipment and employees of the Company. The Company extends credit in the form of accounts receivable to customers in its service area.

Prescribed accounting practices:

The County of San Luis Obispo and the City of San Luis Obispo require the Company to utilize the accounting principles prescribed by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo (the Manual) in its financial statement reporting for rate setting purposes.

The primary purpose of the accounting principles prescribed by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo is to determine integrated solid waste management rates which are fair to residents and which provide adequate revenue to the hauler. The basis of presentation prescribed by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo differs from U.S. generally accepted accounting principles (U.S. GAAP) in that the following expenses are non-allowable costs: charitable donations and political contributions, entertainment expenses, income tax expenses, and profit sharing payments not related to an Internal Revenue Service approved pension program. The Manual also specifies a limitation on corporate overhead, which is defined as salaries of corporate officers that can be treated as allowable costs. Bonus costs and allocated facilities costs are included as allowable costs and are not part of the corporate overhead pool subject to limitation. Although not specifically listed as non-allowable costs in the Manual, management has also historically classified the following costs as non-allowable: loss (or gain) on disposal of assets, penalties, and certain employee relocation costs.

In addition, according to the accounting principles prescribed by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management, the operations of the individual garbage districts are considered separate entities for rate setting purposes. Given this, the financial statements for each company have not been consolidated with the other subsidiaries of Waste Connections US, Inc., as would have been specified by U.S. generally accepted accounting principles.

Change in accounting policies:

In 2020, management of the Company changed the accounting policy for the allocation of general and administrative costs. Historically, the general and administrative costs were specifically tracked by Company rather than through allocations. Management of the

San Luis Garbage Company

Notes to Financial Statements

Company believes that because these costs are shared, allocating these costs between the companies receiving the benefits through charges and credits to intercompany receivable and payable accounts is the most effective way to track and record the costs at the standalone district (Company) level. These costs are allocated based on truck hours or customer count, depending on the nature of the cost. Costs that are administrative are allocated on customer count, and costs that are direct are allocated on truck hours, consistent with the direct labor (direct) and office salaries (administrative) allocations. The change in accounting policy has been applied prospectively beginning in 2020.

Interest:

Interest expense is allocated using an estimated internal interest rate and applying that interest rate to the average net book value of fixed assets at the stand-alone district level. The Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo includes interest expense as an allowable cost.

Income tax:

As noted above, income tax expense is a non-allowable cost resulting in a difference between the presentation of the Company's statements of revenue and expenses – regulatory basis under the principles prescribed by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo and U.S. generally accepted accounting principles. The income tax expense, which would be reported in the non-allowable costs portion of these financial statements, does not present, in accordance with U.S. generally accepted accounting principles, a provision for current or deferred income taxes of the Company or any allocation of income tax expense from its parent, Waste Connections US, Inc.

Franchise fees and taxes:

U.S. generally accepted accounting principles would require that tax and franchise fees that are assessed by governmental authorities that are directly imposed on a revenue-producing transaction between a seller and a customer be presented on a net basis (excluded from revenues). However, in accordance with the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo, franchise fees and taxes have been shown gross on the statements of revenues and expenses – regulatory basis and are included in revenues and shown as an allowable cost.

Use of estimates:

The preparation of financial statements in conformity with practices prescribed or permitted by the Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates of the City of San Luis Obispo, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and

San Luis Garbage Company

Notes to Financial Statements

the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition:

Revenues are recognized when services are transferred to customers in an amount that reflects consideration that is expected to be received.

Nature of revenue:

The Company's solid waste collection business involves the collection of waste from residential, commercial and industrial customers for transport directly to the landfill, transfer stations or recycling centers. Solid waste collection services include both recurring and temporary customer relationships. The services are performed under service agreements or franchise agreements with governmental entities. Residential and commercial collection services are provided on a subscription basis with individual households or businesses. The fees received for collection services are based primarily on the market, collection frequency, level of service, route density, type and volume or weight of the waste collected, type of equipment and containers furnished, the distance to the disposal or processing facility, the cost of disposal or processing, and prices charged by competitors for similar services.

Disaggregation of revenue:

The following table presents the Company's revenue disaggregated by contract type:

	<u>2020</u>	<u>2019</u>
Hauling revenues - residential customers	\$ 3,813,946	\$ 3,485,712
Hauling revenues - commercial customers	7,507,107	7,321,030
Total	<u>\$ 11,321,053</u>	<u>\$ 10,806,742</u>

The factors that impact the timing and amount of revenue recognized for each type of revenue may vary based on the nature of the service performed. Generally, the Company recognizes revenue at the time it performs a service. Certain customers are billed in advance (bi-monthly billing) and, accordingly, recognition of the related revenues is deferred until the services are provided.

Contract balances:

The timing of revenue recognition, billings and cash collections results in billed accounts receivable (contract assets), and customer deposits and deferred revenue (contract liabilities) on the Company's balance sheet.

Performance obligations:

Service performance obligations of a long-term nature, such as solid waste collection service contracts, are satisfied over time, and revenue is recognized based on the value

San Luis Garbage Company

Notes to Financial Statements

provided to the customer during the period. The amount billed to the customer is based on variable elements such as the number of residential homes or businesses for which collection services are provided, the volume of waste collected, transported and disposed, and the nature of the waste accepted. The Company does not disclose the value of unsatisfied performance obligations for these contracts as its right to consideration corresponds directly to the value provided to the customer for services completed to date and all future variable consideration is allocated to wholly unsatisfied performance obligations.

Costs to obtain a contract:

The incremental direct costs of obtaining a contract, which consist of sales incentives, would be recognized on the Company's balance sheet as a deferred sales incentive to be amortized to expense over the life of the customer relationship. There were no contract acquisition costs recorded at the stand-alone district level.

Accounts receivable:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company estimates its allowance for doubtful accounts based on historical collection trends, types of customers, the age of the outstanding receivables, and existing economic conditions. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

Property and equipment:

Repairs, maintenance and small equipment purchases are charged to expense when incurred. Expenditures, which significantly increase asset values or extend useful lives, are capitalized and recorded at cost. Depreciation expense is calculated on the straight-line method over the following useful lives:

	<u><i>Years</i></u>
Buildings and improvements	25
Vehicles	7
Containers	7
Equipment	7
Office equipment	5

San Luis Garbage Company
Notes to Financial Statements

Depreciation expense for the years ended December 31, 2020 and 2019 was \$1,087,445 and \$845,345, respectively.

Advertising costs:

The Company expenses advertising costs as incurred.

Insurance:

Waste Connections US, Inc., the sole shareholder and parent of the Company is effectively self-insured for automobile liability, general liability, employer's liability, environmental liability, as well as for certain employee group health claims, property and workers' compensation. Waste Connection's insurance accruals are based on claims filed and estimates of claims incurred but not reported and are developed by corporate management with assistance from its third-party actuary and its third-party claims administrator. The insurance accruals are influenced by past claims experience factors, which have a limited history, and by published industry development factors. Insurance expense and allocated insurance expense for the Company are recorded in other general and administrative costs on the statements of revenues and expenses – regulatory basis.

Economic dependency:

The Company provides disposal services to residential and commercial customers under the terms of franchise agreements with the City of San Luis Obispo and the County of San Luis Obispo. Collection rates are determined annually based on historical expenses, future budgeted expenses, and a reasonable rate of return.

On January 1, 2019, an anaerobic digester came on line in San Luis Obispo, which triggered a technology-related extension of the Company's franchise agreements with the City of San Luis Obispo and County of San Luis Obispo until December 31, 2039, which is 20 years past the Facility Operation Date.

In consideration for the grant of the exclusive franchise to provide services to the respective municipalities, the Company has agreed to pay a franchise fee based upon a percentage of annual gross solid waste revenues provided to each grantee, as follows:

City of San Luis Obispo	10%
County of San Luis Obispo (unincorporated)	10%

The Company is required to submit audited financial statements to the City of San Luis Obispo within four months of their year-end and to the County of San Luis Obispo within six months of their year-end. The contracts allow for an extension of time if mutually agreed upon by both parties.

San Luis Garbage Company

Notes to Financial Statements

Related party rent:

The Company accounts for intercompany leases as related party rent expense and has not adopted the new U.S. GAAP lease guidance because the intercompany leases eliminate on a consolidated level for Waste Connections US, Inc.

COVID-19 impact:

The COVID-19 coronavirus outbreak in the United States and related shelter in place directives resulted in operational challenges for many of the Company's customers and certain industries. Garbage collection services remain an essential service, although there was impact to the Company's commercial customers. Management will be closely monitoring the results and will take actions necessary to, as much as possible, mitigate the impact on the Company's operations.

Note 2. Related Party Transactions

The Company has entered into various related party transactions. The nature of related party transactions and amounts not specifically identified elsewhere in the financial statements are as follows:

Overhead:

San Luis Garbage Company is a wholly-owned subsidiary of Waste Connections US, Inc. Waste Connections US, Inc. provides management and administrative services to San Luis Garbage Company. These costs are included as corporate overhead allowable and non-allowable in the accompanying statements of revenues and expenses - regulatory basis.

Tipping fees:

Waste Connections US, Inc. is also the sole shareholder in Cold Canyon Land Fill, Inc., which operates the sanitary landfill that the Company utilizes for the disposal of garbage collected, and the Materials Recovery Facility (MRF) for the disposal of recyclable material. These costs are included in tipping fees, related party in the accompanying statement of revenues and expenses – regulatory basis.

Transportation:

The Company also pays other related companies for transportation costs of garbage to the landfill. The transportation costs – compactors, related parties are included in the accompanying statement of revenues and expenses – regulatory basis.

Allocated insurance:

The Company incurs expenses for insurance costs that are allocated from a related party company that is a subsidiary of Waste Connections US, Inc. The amount of the insurance cost allocated totaled \$857,364 and \$1,122,107 for the years ended December 31, 2020 and 2019, respectively, which is included in other general and administrative costs.

San Luis Garbage Company

Notes to Financial Statements

Allocated facilities:

The Company incurs expenses for regional facilities costs that are allocated from the regional division of Waste Connections US, Inc. The amount of the facilities cost allocated totaled \$21,456 and \$30,610 for the years ended December 31, 2020 and 2019, respectively, which is included in other general and administrative costs.

Allocated labor:

The related companies pay for labor and services on behalf of each other. These costs are allocated between the companies receiving the benefits through charges and credits to intercompany receivable and payable accounts based upon the actual costs incurred. The allocated labor costs are recorded to direct labor or office salaries. Direct labor costs are allocated to the companies based on truck hours. Office salaries are allocated to the companies based on customer count.

Allocated other general and administrative costs:

The Company incurs other general and administrative costs that are shared between the related companies. These costs are allocated between the companies receiving the benefits through charges and credits to intercompany receivable and payable accounts. Previous to 2020, the general and administrative costs were specifically tracked by company, rather than allocation. Starting in 2020, these costs are allocated based on truck hours or customer count, depending on the nature of the cost. Costs that are administrative are allocated on customer count, and costs that are direct are allocated on truck hours, consistent with the direct labor (direct) and office salaries (administrative) allocations.

Allocated bonuses:

Bonus costs to the local level employees allocated from corporate are included in direct labor and office salaries.

Allocated interest:

Interest expense is allocated to the stand-alone district level based on the policy as described in Note 1, and is shown as interest, related party.

Note 3. Employee Benefit Plan

The Company's employees can participate in the 401(k) profit sharing plan (the Plan) offered by Waste Connections US, Inc. Waste Connections US, Inc. made matching contributions to a trust, for the benefit of qualified employees, subject to certain limitations imposed by the Internal Revenue Service for the years ended December 31, 2020 and 2019. Effective January 1, 2019, the Company matches 100% of employee contributions up to 5% of compensation and the match vests immediately. Substantially all employees are eligible who are 21 years of age and have at least one year of service. As of June 1, 2020, the employer match was suspended in response to the impact of COVID-19. The match will resume on January 1, 2021. For the years ended December 31, 2020 and 2019, the Company's contribution amounted to \$39,237 and \$106,641, respectively. SL The total

San Luis Garbage Company

Notes to Financial Statements

amount of the retirement costs are recorded in the financial statements as part of direct labor and office salaries.

Note 4. Related Party Lease

The Company has a lease for office and yard space with a related party, Corral de Piedra Land Company. The lease is renewed annually. The base rent is allocated to the stand-alone districts. The monthly base rent for the Company's yard and office space for the years ended December 31, 2020 and 2019 was \$12,370 and \$10,350, respectively. The base rent is subject to an annual increase based on the Consumer Price Index (CPI), and is also subject to allocation adjustments. Related party rent expense for the years ended December 31, 2020 and 2019 was \$148,444 and \$124,200, respectively.

Note 5. Commitments and Contingencies

The Company has a workers' compensation claim outstanding at the end of the year. The ultimate responsibility for these claims is held by Waste Connections US, Inc., the sole shareholder and parent of the Company. The liability and expense is allocated from the corporate consolidated level to a related entity, Corral de Piedra, which serves as the Company's insurance manager and whose sole shareholder is also Waste Connections US, Inc. Management does not anticipate any amount related to these claims becoming a liability of the Company on a stand-alone basis. As such, the liability and expense for these claims has not been recorded to the financial statements of the Company.

Note 6. Subsequent Events

The date to which events occurring after December 31, 2020 have been evaluated for possible adjustment to the financial statements or disclosure is March 19, 2021, which is the date on which the financial statements were available to be issued.



Independent Auditors' Report on Supplementary Information

To Management of San Luis Garbage Company
San Luis Obispo, California

We have audited the financial statements of San Luis Garbage Company for the years ended December 31, 2020 and 2019, and our report thereon dated March 19, 2021, which expressed an unmodified opinion on those statements, appears on page one. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of allowable costs – regulatory basis are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Caliber Audit & Attest, LLP

San Luis Obispo, California
March 19, 2021

San Luis Garbage Company

Schedules of Allowable Costs - Regulatory Basis
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<i>Direct Labor</i>		
Labor	\$ 2,813,388	\$ 2,907,950
Payroll taxes	<u>213,898</u>	<u>226,383</u>
Total direct labor	<u>\$ 3,027,286</u>	<u>\$ 3,134,333</u>
<i>Corporate Overhead</i>		
Allowable	\$ 219,323	\$ 215,657
Non-allowable	<u>87,190</u>	<u>75,937</u>
Total corporate overhead	<u>\$ 306,513</u>	<u>\$ 291,594</u>
<i>Office Salaries</i>		
Office salaries	\$ 200,127	\$ 321,990
Payroll taxes	<u>23,269</u>	<u>23,483</u>
Total office salaries	<u>\$ 223,396</u>	<u>\$ 345,473</u>

San Luis Garbage Company

Schedules of Allowable Costs - Regulatory Basis - Continued
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<i>Other General and Administrative Costs</i>		
Bad debt	\$ 3,349	\$ 529
Bond	4,325	5,324
Depreciation	1,087,445	845,345
Drive cam fees	15,886	29,055
Dues and subscriptions	2,905	11,684
Facilities - allocated expenses from related parties	21,456	30,610
Gas and oil	774,199	825,923
Insurance - allocated expenses from related parties	857,364	1,122,107
Laundry and uniforms	24,183	33,514
Legal and accounting	23,213	33,575
Miscellaneous and other	2,656	26,610
Office	140,845	189,252
Operating supplies	68,727	58,287
Other taxes	36,995	36,778
Outside services	136,553	99,023
Non-related party tipping fees	520,634	520,276
Permits and licenses	82,759	58,311
Postage	4,384	22,826
Public relations and promotions	4,305	8,817
Relocation	15,396	17,372
Telephone	20,752	37,709
Tires	104,931	97,837
Travel	4,509	26,242
Truck repairs	404,552	380,228
Utilities	<u>17,739</u>	<u>16,159</u>
 Total other general and administrative costs	 <u>\$ 4,380,062</u>	 <u>\$ 4,533,393</u>

City of San Luis Obispo
Current Rates

Service Description	Line of Business	RATES	
			Current
RESIDENTIAL			
Residential MSW			
19 WW /CURB	RESIDENTIAL MSW	\$	11.14
19WW/YARD/HRDSHP	RESIDENTIAL MSW	\$	11.14
20 WW YARD HARDSHIP	RESIDENTIAL MSW	\$	11.14
32 GAL ADDITIONAL	RESIDENTIAL MSW	\$	16.21
32 WW /CURB	RESIDENTIAL MSW	\$	17.78
32 WW HDCP / IN YD	RESIDENTIAL MSW	\$	13.33
32WW LOW INCOME	RESIDENTIAL MSW	\$	13.33
32WW/YARD/HRDSHP	RESIDENTIAL MSW	\$	17.78
64 IN YARD TRASH WHEELED	RESIDENTIAL MSW	\$	47.69
64 WW /CURB	RESIDENTIAL MSW	\$	35.56
64GAL ADDITIONAL	RESIDENTIAL MSW	\$	32.45
64WW/YARD/HRDSHP	RESIDENTIAL MSW	\$	35.56
96 IN YARD TRASH WHEELED	RESIDENTIAL MSW	\$	65.46
96 WW /CURB	RESIDENTIAL MSW	\$	53.35
96GAL ADDITIONAL	RESIDENTIAL MSW	\$	48.64
96WW/YARD/HRDSHP	RESIDENTIAL MSW	\$	53.35
DESIGNED MANUAL SERVICE	RESIDENTIAL MSW	\$	18.09
DESIGNED MANUAL SERVICE	RESIDENTIAL MSW	\$	18.09
DESIGNED MANUAL SERVICE	RESIDENTIAL MSW	\$	28.94
DESIGNED MANUAL SERVICE	RESIDENTIAL MSW	\$	57.92
DESIGNED MANUAL SERVICE	RESIDENTIAL MSW	\$	86.83
RESIDENTIAL 20 GALLON	RESIDENTIAL MSW	\$	11.14
SLO CO WASTE MGMT AUTH	RESIDENTIAL MSW	\$	0.30
SPECIAL TRIP FEE	RESIDENTIAL MSW	\$	26.91
VACANT RATE	RESIDENTIAL MSW	\$	9.14
VACATION	RESIDENTIAL MSW	\$	9.14
CITY CLEAN UP	RESIDENTIAL MSW	\$	6.14
RESIDENTIAL EXTRAS	RESIDENTIAL MSW	\$	4.45
XTRA 32GAL GREEN WASTE	RESIDENTIAL MSW	\$	3.46
RESTART FEE-RESIDENTIAL	RESIDENTIAL MSW	\$	13.45
SMALL EXTRA	RESIDENTIAL MSW	\$	9.94
RESI TRIP CHARGE	RESIDENTIAL MSW	\$	8.97
20 GL IN YARD	RESIDENTIAL MSW	\$	23.26
32 IN YARD TRASH WHEELED	RESIDENTIAL MSW	\$	29.91
Residential Recycle			
32 RECYCLE/IN YARD	RESI RECYCLING	\$	12.12
64 RECYCLE/IN YARD	RESI RECYCLING	\$	12.12
96 RECYCLE/IN YARD	RESI RECYCLING	\$	12.12
XTRA 32GAL RECYCLE	RESI RECYCLING	\$	0.94
XTRA 64GAL RECYCLE	RESI RECYCLING	\$	0.94
XTRA 96GAL RECYCLE	RESI RECYCLING	\$	0.94
EXTRA RECYCLE	RESI RECYCLING	\$	2.23
Residential Green Waste			
32 GREEN WASTE/IN YARD	RESIDENTIAL GW	\$	12.12

96 GREEN WASTE/IN YARD	RESIDENTIAL GW	\$	12.12
COMM GW 96GAL 2X WKLY	RESIDENTIAL GW	\$	11.27
XTRA 32GAL GREEN WASTE	RESIDENTIAL GW	\$	3.48
XTRA 96GAL GREEN WASTE	RESIDENTIAL GW	\$	3.48

ORGANICS

Organics

32 GAL 3X WKLY ORGANICS	ORGANICS	\$	16.94
64 GAL 3X WKLY ORGANICS	ORGANICS	\$	23.99
XTRA 32 GAL ORGANICS	ORGANICS	\$	1.88
XTRA 64 GAL ORGANICS	ORGANICS	\$	1.88

COMMERCIAL

Commercial MSW

1 CAN 1X WEEKLY	COMMERCIAL MSW	\$	31.63
1 CAN 2X WEEKLY	COMMERCIAL MSW	\$	49.64
1 CAN 3X WEEKLY	COMMERCIAL MSW	\$	67.76
1 CAN 4X WEEKLY	COMMERCIAL MSW	\$	85.78
1 CAN 5X WEEKLY	COMMERCIAL MSW	\$	103.82
1 CAN 7X WEEKLY	COMMERCIAL MSW	\$	139.91
1.5YD 1X WEEKLY	COMMERCIAL MSW	\$	126.45
1.5YD 2X WEEKLY	COMMERCIAL MSW	\$	185.13
1.5YD 3X WEEKLY	COMMERCIAL MSW	\$	243.81
1.5YD 5X WEEKLY	COMMERCIAL MSW	\$	361.23
1.5YD 6X WEEKLY	COMMERCIAL MSW	\$	419.96
1.5YD 7X WEEKLY	COMMERCIAL MSW	\$	478.66
1.5YD APT 1X WKLY	COMMERCIAL MSW	\$	149.02
1.5YD APT 2X WKLY	COMMERCIAL MSW	\$	230.29
1.5YD APT 3X WKLY	COMMERCIAL MSW	\$	311.60
1.5YD APT 4X WKLY	COMMERCIAL MSW	\$	392.86
1.5YD APT 6X WKLY	COMMERCIAL MSW	\$	555.40
1YD 1X WEEKLY	COMMERCIAL MSW	\$	112.89
1YD 2X WEEKLY	COMMERCIAL MSW	\$	158.04
1YD 3X WEEKLY	COMMERCIAL MSW	\$	203.22
1YD 4X WEEKLY	COMMERCIAL MSW	\$	248.37
1YD 7X WEEKLY	COMMERCIAL MSW	\$	383.85
1YD APARTMENT	COMMERCIAL MSW	\$	128.71
1YD APT 2X WKLY	COMMERCIAL MSW	\$	187.46
2 96GAL 1X WEEKLY	COMMERCIAL MSW	\$	92.39
2 96GAL 2X WEEKLY	COMMERCIAL MSW	\$	142.02
2 96GAL 3X WEEKLY	COMMERCIAL MSW	\$	191.70
2 96GAL 4X WEEKLY	COMMERCIAL MSW	\$	241.34
2 96GAL 6X WEEKLY	COMMERCIAL MSW	\$	340.65
2 96GAL 7X WEEKLY	COMMERCIAL MSW	\$	390.39
2 CANS 1X WEEKLY	COMMERCIAL MSW	\$	40.64
2 CANS 2X WEEKLY	COMMERCIAL MSW	\$	63.25
2 CANS 3X WEEKLY	COMMERCIAL MSW	\$	85.80
2 CANS 5X WEEKLY	COMMERCIAL MSW	\$	131.00
2 CANS 6X WEEKLY	COMMERCIAL MSW	\$	153.56
2 CANS 7X WEEKLY	COMMERCIAL MSW	\$	176.13
2 YD 7X WEEKLY	COMMERCIAL MSW	\$	778.89
2YD 1X WEEKLY	COMMERCIAL MSW	\$	139.98
2YD 2X WEEKLY	COMMERCIAL MSW	\$	209.97
2YD 3X WEEKLY	COMMERCIAL MSW	\$	280.02
2YD 4X WEEKLY	COMMERCIAL MSW	\$	349.98
2YD 6X WEEKLY	COMMERCIAL MSW	\$	489.99
2YD 7X WEEKLY	COMMERCIAL MSW	\$	559.98
2YD APARTMENT 1X WK	COMMERCIAL MSW	\$	169.33
2YD APT 2X WKLY	COMMERCIAL MSW	\$	270.95

2YD APT 3X WKLY	COMMERCIAL MSW	\$ 372.53
2YD APT 4X WKLY	COMMERCIAL MSW	\$ 474.13
3 96GAL 1X WEEKLY	COMMERCIAL MSW	\$ 128.41
3 96GAL 2X WEEKLY	COMMERCIAL MSW	\$ 193.87
3 96GAL 5X WEEKLY	COMMERCIAL MSW	\$ 390.31
3 CANS 1X WEEKLY	COMMERCIAL MSW	\$ 49.67
3 CANS 5X WEEKLY	COMMERCIAL MSW	\$ 158.11
3 CANS 6X WEEKLY	COMMERCIAL MSW	\$ 185.21
3 CANS 7X WEEKLY	COMMERCIAL MSW	\$ 212.34
3YD 1X WEEKLY	COMMERCIAL MSW	\$ 167.08
3YD 2X WEEKLY	COMMERCIAL MSW	\$ 264.14
3YD 3X WEEKLY	COMMERCIAL MSW	\$ 361.23
3YD 4X WEEKLY	COMMERCIAL MSW	\$ 458.33
3YD 5X WEEKLY	COMMERCIAL MSW	\$ 555.40
3YD 6X WEEKLY	COMMERCIAL MSW	\$ 652.50
3YD 7X WEEKLY	COMMERCIAL MSW	\$ 749.62
3YD APARTMENT	COMMERCIAL MSW	\$ 209.95
3YD APT 2X WKLY	COMMERCIAL MSW	\$ 352.23
3YD APT 3X WKLY	COMMERCIAL MSW	\$ 494.46
3YD APT 4X WKLY	COMMERCIAL MSW	\$ 636.73
3YD APT 6X WKLY	COMMERCIAL MSW	\$ 921.21
3YD APT 7X WKLY	COMMERCIAL MSW	\$ 1,063.46
4 96GAL 1X WEEKLY	COMMERCIAL MSW	\$ 164.41
4 96GAL 2X WEEKLY	COMMERCIAL MSW	\$ 245.70
4 96GAL 3X WEEKLY	COMMERCIAL MSW	\$ 327.72
4 96GAL 5X WEEKLY	COMMERCIAL MSW	\$ 489.55
4 CANS 2X WEEKLY	COMMERCIAL MSW	\$ 90.35
4 CANS 5X WEEKLY	COMMERCIAL MSW	\$ 185.18
4YD 1X WEEKLY	COMMERCIAL MSW	\$ 194.14
4YD 2X WEEKLY	COMMERCIAL MSW	\$ 320.60
4YD 3X WEEKLY	COMMERCIAL MSW	\$ 447.01
4YD 4X WEEKLY	COMMERCIAL MSW	\$ 573.48
4YD 5X WEEKLY	COMMERCIAL MSW	\$ 699.90
4YD 6X WEEKLY	COMMERCIAL MSW	\$ 826.33
4YD 7X WEEKLY	COMMERCIAL MSW	\$ 952.81
4YD APARTMENT 1X WKLY	COMMERCIAL MSW	\$ 250.62
4YD APT 2X WKLY	COMMERCIAL MSW	\$ 435.75
4YD APT 3X WKLY	COMMERCIAL MSW	\$ 620.94
4YD APT 4X WKLY	COMMERCIAL MSW	\$ 806.10
4YD APT 5X WKLY	COMMERCIAL MSW	\$ 991.22
4YD APT 6X WKLY	COMMERCIAL MSW	\$ 1,176.41
5 96 GAL 1X WEEKLY	COMMERCIAL MSW	\$ 200.44
5 96GAL 2X WEEKLY	COMMERCIAL MSW	\$ 297.59
6 96 GAL 2X WEEKLY	COMMERCIAL MSW	\$ 349.38
6 YD APT 6X WEEK	COMMERCIAL MSW	\$ 1,728.09
6YD 1X WEEKLY	COMMERCIAL MSW	\$ 248.32
6YD 2X WEEKLY	COMMERCIAL MSW	\$ 426.71
6YD 3X WEEKLY	COMMERCIAL MSW	\$ 605.12
6YD 6X WEEKLY	COMMERCIAL MSW	\$ 1,140.28
6YD 7X WEEKLY	COMMERCIAL MSW	\$ 1,318.71
6YD APARTMENT	COMMERCIAL MSW	\$ 331.87
6YD APT 2X WKLY	COMMERCIAL MSW	\$ 600.56
6YD APT 3X WKLY	COMMERCIAL MSW	\$ 869.28
6YD APT 4X WKLY	COMMERCIAL MSW	\$ 1,137.98
8 96GAL 1X WEEKLY	COMMERCIAL MSW	\$ 308.52
8-96GAL WW 7X WKLY	COMMERCIAL MSW	\$ 1,175.60
96GAL 1X WEEKLY	COMMERCIAL MSW	\$ 56.37
96GAL 2X WEEKLY	COMMERCIAL MSW	\$ 90.25
96GAL 3X WEEKLY	COMMERCIAL MSW	\$ 124.13
96GAL 4X WEEKLY	COMMERCIAL MSW	\$ 157.98

96GAL 5X WEEKLY	COMMERCIAL MSW	\$ 191.90
96GAL 6X WEEKLY	COMMERCIAL MSW	\$ 225.73
96GAL 7X WEEKLY	COMMERCIAL MSW	\$ 259.61
RENTAL	COMMERCIAL MSW	\$ 45.20
SILVER CITY / CREEKSIDE	COMMERCIAL MSW	\$ 2.81
SUNDAY PICKUP	COMMERCIAL MSW	\$ 79.04
1.5YD APT 7X WKLY	COMMERCIAL MSW	\$ 636.66
2YD 5X WEEKLY	COMMERCIAL MSW	\$ 419.99
3 96GAL 6X WEEKLY	COMMERCIAL MSW	\$ 455.75
3 96GAL 7X WEEKLY	COMMERCIAL MSW	\$ 521.23
BIN CLEANING	COMMERCIAL MSW	\$ 62.31
EXTRA BAGS, BXS, CANS	COMMERCIAL MSW	\$ 9.70
XTRA 32GAL GREEN WASTE	COMMERCIAL MSW	\$ 6.96
LOOSE YARDAGE	COMMERCIAL MSW	\$ 38.38
SMALL EXTRA	COMMERCIAL MSW	\$ 19.93
Delivery Charge	COMMERCIAL MSW	\$ 29.35
Temporary Rental Charge	COMMERCIAL MSW	\$ 1.51
Special Pickup 1.5yd	COMMERCIAL MSW	\$ 57.62
Special Pickup 1yd	COMMERCIAL MSW	\$ 51.96
Special Pickup 2yd	COMMERCIAL MSW	\$ 67.77
Special Pickup 3yd	COMMERCIAL MSW	\$ 83.54
Special Pickup 4yd	COMMERCIAL MSW	\$ 99.34
Special Pickup 6 yd	COMMERCIAL MSW	\$ 121.12
STANDBY	COMMERCIAL MSW	\$ 1.26
1 CAN 6X WEEKLY	COMMERCIAL MSW	\$ 121.89
2YD APT 6X WEEKLY	COMMERCIAL MSW	\$ 677.32
4 96GAL 7X WEEKLY	COMMERCIAL MSW	\$ 652.13
6YD 5X WEEKLY	COMMERCIAL MSW	\$ 961.91
8YD 1X WEEKLY	COMMERCIAL MSW	\$ 302.51
SPECIAL TRIP FEE	COMMERCIAL MSW	\$ 27.13
Commercial Recycle		
1.5YD CARDBOARD	COMM RECYCLING	
1.5YD CARDBOARD 3X WKLY	COMM RECYCLING	\$ 60.96
1.5YD RECYCLE 3X WKLY	COMM RECYCLING	\$ 60.96
1.5YD RECYCLE 4X WKLY	COMM RECYCLING	\$ 75.62
1.5YD RECYCLE 6X WKLY	COMM RECYCLING	\$ 104.96
1YD CARDBOARD 3X WEEKLY	COMM RECYCLING	\$ 50.81
1YD CARDBOARD 5X WKLY	COMM RECYCLING	\$ 73.35
1YD CARDBOARD 6X WKLY	COMM RECYCLING	\$ 84.70
1YD RECYCLE 3X WKLY	COMM RECYCLING	\$ 50.81
1YD RECYCLE 5X WKLY	COMM RECYCLING	\$ 73.37
2-96 GAL COMM RECY 6XWK	COMM RECYCLING	\$ 85.15
2YD CARDBOARD 3X WKLY	COMM RECYCLING	\$ 69.99
2YD CARDBOARD 6X WKLY	COMM RECYCLING	\$ 122.52
2YD RECYCLE 3X WEEKLY	COMM RECYCLING	\$ 69.99
2YD RECYCLE 4X WEEKLY	COMM RECYCLING	\$ 87.49
2YD RECYCLE 6X WEEKLY	COMM RECYCLING	\$ 122.52
3YD CARDBOARD 3X WKLY	COMM RECYCLING	\$ 90.29
3YD CARDBOARD 4X WKLY	COMM RECYCLING	\$ 114.62
3YD CARDBOARD 6X WKLY	COMM RECYCLING	\$ 163.13
3YD RECYCLE 3X WEEKLY	COMM RECYCLING	\$ 90.29
3YD RECYCLE 4X WEEKLY	COMM RECYCLING	\$ 114.62
3YD RECYCLE 5X WEEKLY	COMM RECYCLING	\$ 138.86
3YD RECYCLE 6X WEEKLY	COMM RECYCLING	\$ 163.13
4YD CARDBOARD 3X WKLY	COMM RECYCLING	\$ 111.79
4YD CARDBOARD 5X WKLY	COMM RECYCLING	\$ 175.00
4YD CARDBOARD 6X WKLY	COMM RECYCLING	\$ 206.63
4YD RECYCLE 3X WEEKLY	COMM RECYCLING	\$ 111.79
4YD RECYCLE 4X WEEKLY	COMM RECYCLING	\$ 143.37
4YD RECYCLE 5X WEEKLY	COMM RECYCLING	\$ 175.00

4YD RECYCLE 6X WEEKLY	COMM RECYCLING	\$	206.63
6YD RECYCLE 3X WKLY	COMM RECYCLING	\$	151.30
6YD RECYCLE 6X WKLY	COMM RECYCLING	\$	285.06
8 YD RECYCLE 3X WKLY	COMM RECYCLING	\$	181.17
8 YD RECYCLE 5X WKLY	COMM RECYCLING	\$	290.53
CMML RECY 32G 2X WKLY	COMM RECYCLING	\$	12.45
CMML RECY 32G 3X WKLY	COMM RECYCLING	\$	16.94
CMML RECY 32G 4X WKLY	COMM RECYCLING	\$	21.45
CMML RECY 32G 5X WKLY	COMM RECYCLING	\$	25.97
CMML RECY 32G 6X WKLY	COMM RECYCLING	\$	30.45
CMML TRIP CHARGE	COMM RECYCLING	\$	18.10
COMM RECY 64 GAL 2X WKLY	COMM RECYCLING	\$	16.91
COMM RECY 64GAL 6X WKLY	COMM RECYCLING	\$	38.39
COMM RECY 96GAL 2X WKLY	COMM RECYCLING	\$	22.54
COMM RECY 96GAL 3X WKLY	COMM RECYCLING	\$	31.02
COMM RECY 96GAL 4X WKLY	COMM RECYCLING	\$	39.49
COMM RECY 96GAL 5X WKLY	COMM RECYCLING	\$	47.95
COMM RECY 96GAL 6X WKLY	COMM RECYCLING	\$	56.42
LOOSE CARDBOARD	COMM RECYCLING	\$	9.61
6YD RECYCLE 4X WKLY	COMM RECYCLE	\$	195.89
EXTRA RECYCLE	COMM RECYCLE	\$	4.49
1.5YD RECYCLE 5X WKLY	COMM RECYCLE	\$	90.29
2YD RECYCLE 5X WEEKLY	COMM RECYCLE	\$	104.97
8 YD RECYCLE 4X WKLY	COMM RECYCLE	\$	235.85
LOOSE CARDBOARD	COMM RECYCLE	\$	9.54
3YD CARDBOARD 5X WKLY	COMM RECYCLING	\$	138.86
COMMERCIAL MAINT FEE	ADJUSTMENT	\$	27.13
TAX LIEN CERT. MAIL FEE	ADJUSTMENT	\$	4.08
DISPOSAL			
WHITE GOODS	DISPOSAL	\$	33.88
WHITE GOODS	DISPOSAL	\$	33.61
MATTRESS	DISPOSAL	\$	19.93

Solid Waste Fee Survey

Section I -- Introduction

1. Name of City/County	Pismo Beach	Paso Robles	Atascadero
2. Contact Person	Mitchell Brewer	Ian Hoover	Liz Gomez
3. Title of Contact Person	Operations Supervisor	General Manager	Operations Supervisor
4. Telephone Number	805 543-0875	805 238-2381	805 466-3636
5. Date Contacted	8/9/2021	8/9/2021	8/9/2021

Section II -- General Information

6. Are residential curbside collection and disposal services provided by the municipality or private contractor?	Private	Private	Private
7. Is a franchise for refuse collection granted to the hauler?	Yes	Yes	Yes
8. Is a franchise for recyclable material collection granted to the hauler?	Yes	Yes	Yes
9. Is there a franchise fee? If so, how much is it?	10%	10%	10%
10. What is the franchise hauler's disposal cost per ton?	\$41.00	Confidential	Confidential
11. Who bills customers?	Hauler	The City of Paso	Hauler

Section III -- Residential Service

12. Are residential rates regulated?	Yes	Yes	Yes
13. What is the monthly charge for residential service?	32 34.62 64 69.20 96 103.88	40 30.90 60 51.12 90 57.25	32 57.10 64 45.01 96 45.95
14. How many cans are picked up at this charge?	3	3	3
15. What is the charge for additional cans?	Double	Double	Double

Solid Waste Fee Survey

Section III -- Residential Service (continued)

16. Is there a separate charge for yard waste collection?	No	No	No
17. Are there any City-wide clean-up days provided at no additional charge by the hauler?	Yes	Yes	Yes
18. Does your community have a curbside recycling program?	Yes	Yes	Yes
19. Is there an additional charge to residents for this program, or is it included in the monthly charge for solid waste collection?	No	No	No
20. If separate, what is the charge per month?	na	na	na

Section V -- Non-residential Service

21. Are non-residential rates regulated?	Yes	Yes	Yes
22. Provide the monthly fee for the following services, assuming pick-up is one time per week:			
23. 1 cubic yard	95.17	NA	124.47
24. 1 1/2 cubic yards	108.04	143.62	127.80
25. 2 cubic yards	120.91	146.79	168.68
26. 3 cubic yards	144.03	185.19	218.67
27. 6 cubic yards	280.06		
28. Effective period of rates quoted:	thru 2021	thru 2021	thru 2021

Rate Comparisons for Garbage Service

Service Size	San Luis Obispo (current)	San Luis Obispo (Proposed)	Pismo Beach ¹	South County Urban ¹	Arroyo Grande ¹	Atascadero	Templeton	San Miguel	Paso Robles ²	City of Santa Maria ^{3,4}	Santa Barbara County (Northern) ⁴	City of Santa Barbara
20 Gallon	\$ 11.14	\$ 13.23										
35 Gallon	\$ 17.78	\$ 21.11	\$ 17.31	\$ 25.60	\$ 19.46	\$ 28.55	\$ 31.40	\$ 28.33	\$ 30.90		\$ 25.84	\$ 45.30
65 Gallon	\$ 35.56	\$ 42.22	\$ 34.63	\$ 34.04	\$ 25.29	\$ 44.50	\$ 45.01	\$ 44.48	\$ 51.12	30.69	\$ 27.89	\$ 56.15
95 Gallon	\$ 53.35	\$ 63.34	\$ 51.94	\$ 47.46	\$ 31.13	\$ 55.77	\$ 45.95	\$ 61.06	\$ 57.25	34.81	\$ 29.86	\$ 67.00
2 yard (1X WK)	\$ 168.15	\$ 199.64	\$ 120.91	\$ 129.25	\$ 122.10	\$ 146.79	\$ 129.54	\$ 103.98	\$ 168.68	166.72	\$ 167.72	\$ 248.79

Notes:

¹ Scheduled increases in 1/1/2022

² Paso Robles does 40 gallon cart pricing

³ 65 gallon Scheduled to increase to \$32.70 in 1/1/22 and \$34.71 in 7/1/22, and 95 gallon Scheduled to increase to \$38.07 in 1/1/22 and \$41.34 in 7/1/22

⁴ Weekly Trash pick-up but every other week recycling and green waste pick-up.