

TAXICAB REGULATION REVENUE

ASSUMPTIONS

125 Drivers - Each year 25 drop out and 25 new sign up

15 Companies

75 Vehicles

Current driver revenues - given 5 year term of current permits, use \$20/yr/driver in revenue calcs

Current company revenues - given 5 year term of current permits, use \$50/yr/company in revenue calcs.

Although the calculations do not reflect additional companies, raise company fee to \$1000/year for new companies and renewals.

REVENUE CURRENT FEE STRUCTURE (using annualized calculation)

| | | | |
|--------------------|---------------------|-------------|----------------|
| Drivers | 100 ongoing, 25 new | 125X\$20/yr | \$2,500 |
| Companies | 15 | 15x\$50/yr | \$750 |
| Vehicles | 75 | 75x\$100/yr | <u>\$7,500</u> |
| Total Revenue/Year | | | \$10,750 |

COST

2008 = \$70,000/YEAR (\$63,500 Admin/Legal + \$6500 S/S)

NEXT FOUR YEARS (2009 - 2012)

25 out of 125 drivers are new each year to replace those who quit. Fees remain at \$100 for five years.

Revenues from company fees do not change since current permits are good for five years (assume no new companies during this period).

However, new companies, if any, pay increased fee of \$1000/year.

Work load is a function of the number of drivers and vehicles. Drivers' fees cannot be raised to make a significant difference.

Therefore, vehicles fee is where cost burden is placed.

Drivers

125 drivers at annual revenue of \$20/year = \$2500.

Companies - assume number of companies remains constant and permits are good through 2012

2009 - 2012 - 15x\$50=\$750/year

Vehicles - annual fee alternatives

| | |
|-------------|-----------------------|
| Current fee | 75x\$100/yr= \$7,500 |
| Fee X 6 | 75X\$600/yr=\$45,000 |
| Fee X 8 | 75x\$800/yr=\$60,000 |
| Fee X 9 | 75x\$900=\$67,500 |
| Fee X 10 | 75x\$1000/yr=\$75,000 |

Revenue Distribution Alternatives - uses current company and driver fee per table above

Alt 1 - Public pays 1/3 as cost of public safety program, fees needed \$46,666
 Alt 2 - Industry pays full cost of program, fees needed \$70,000

| | | | | |
|--------------|----------------------------|-------------------------|-----------------------------|-----------------|
| 2009 - 2012* | Alt 1 | Public/Industry .33/.67 | Alt 2 | All Industry |
| | | \$23,333/\$46,666 | | \$70,000 |
| Companies | | \$750 | | \$750 |
| Drivers | | \$2,500 | | \$2,500 |
| Vehicles | Raise fee to \$600/vehicle | <u>\$45,000</u> | Raise fee to \$1000/vehicle | <u>\$75,000</u> |
| Total | | \$48,250 | | \$78,250 |

* Revenues shown in this table do not reflect actual annual revenue, but values on an annualized basis.