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CITY OF SACRAMENTO

DEPARTMENT OF FINANCE
915 I STREET
ROOM 112
SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5736

CITY MANAGER'S OFFICE
RECEIVED

JACK R. CRIST
DIRECTOR OF FINANCE
FRANK MUGARTEGUI
ASSISTANT DIRECTOR

APR 2 1980
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April 1, 1980
FA:80150:FM/ml

By the City Council
Office of the City Clerk

CONT. TO
4-15-80
APR 8 1980

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: TAXICAB RATE INCREASE

SUMMARY

The attached report recommends that taxicab rates be increased.

BACKGROUND

At the April 8, 1980 meeting of the Budget and Finance Committee, the Committee approved the report and directed Staff to forward it to the Full Council for adoption.

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinances.

Respectfully submitted,

Frank Mugartegui
Frank Mugartegui
Assistant Director of Finance

RECOMMENDATION APPROVED:

Walter J. Slive
Walter J. Slive
City Manager

April 8, 1980
All Districts

- cc: Kneeland H. Lobner, Attorney
- Dick Wolgamott, County of Sacramento Administration and Finance Agency
- Mr. Bert Cunningham, 4445 Riverside Blvd. Apt 1, Sacramento 95822
- Mrs. Kerr, 4107 Fotos Court, Sacramento, Ca 95820
- Vern Shorey, Secretary-Treasurer, Teamsters Local 165, 716 - 19th St., Sac 95814



CITY OF SACRAMENTO

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DEPARTMENT OF FINANCE
 915 I STREET SACRAMENTO, CALIFORNIA 95814
 ROOM 112 TELEPHONE (916) 449-6736

JACK R. CRIST
 DIRECTOR OF FINANCE
 FRANK MUGARTEGUI
 ASSISTANT DIRECTOR

April 1, 1980
 FA:80135:FM/ml

Budget and Finance Committee
 City Council
 Sacramento, California

Honorable Members in Session:

SUBJECT: TAXICAB RATE INCREASE

SUMMARY

This report recommends the approval of the taxi rate increase petition of the taxi industry dated January 30, 1980 (Exhibit I).

BACKGROUND

In September of 1976, the City Council approved the present taxicab meter rate of \$1.20 for the first 2/9 of a mile and \$.20 for each additional 2/9 mile or fraction thereof.

On January 30, 1980, the industry requested an increase of the taxi fare as follows:

- 1) Basic meter drop from \$1.20 for the first 2/9 to \$1.20 for the first 1/6 mile; and
- 2) Basic mileage change from \$.20 per 2/9 mile to \$.20 per 1/6 mile.

-RATE INCREASE COMPARISON-

	<u>Flag</u> <u>Drop</u>	<u>Each Additional</u> <u>Fraction/Mile</u>	<u>Cost Per Trip By Distance</u>				
			<u>1 Mile</u>	<u>2 Miles</u>	<u>3 Miles</u>	<u>4 Miles</u>	<u>5 Miles</u>
Requested	\$1.20 1/6	\$.20 1/6	\$2.20	\$3.40	\$4.60	\$5.80	\$7.00
Current	1.20 2/9	.20 2/9	<u>2.00</u>	<u>2.80</u>	<u>3.80</u>	<u>4.60</u>	<u>5.60</u>
Difference			\$.20	\$.60	\$.80	\$1.20	\$1.40
% of Increase			10%	21%	21%	26%	25%

Based on the average trip length experience of 4-1/2 miles the requested increase represents an increase of 23.1% (Ref. Exhibit II).

ANALYSIS

Since the City granted the last rate increase in September 1976, costs have increased considerably. The following listed items reflect the inflationary trend for the past 3-1/2 years -

1. Consumers Price Index for the San Francisco-Oakland Area for all urban consumers:

<u>Period</u>	<u>% Increase</u>
December 1976 - December 1977	8.58%
December 1977 - December 1978	7.21%
December 1978 - December 1979	14.64%
3-Year CPI Increase	30.43%

2. Cost of regular gas (City's experience):

<u>December 1976</u>	<u>December 1979</u>	<u>Increase Amount</u>	<u>%</u>
\$.47/gal.	\$.93/gal.	\$.46 gal	98%

3. Costs of parts (City's experience): up approximately 32%

4. Cost of vehicles (City's experience): up approximately 32%

In reviewing the Yellow Cab Company of Sacramento's Financial and Support Data for 1976, 1977, 1978 and 1979 which accompanies the industries rate increase petition (Exhibit I), the following items were noted -

1. Stockholders return on investment averages 37.5% over the 4 years even though the net income after taxes based on revenue from passengers reflects a low return:

<u>Year</u>	<u>Net Income After Taxes</u>				<u>Stockholders Equity</u>			
	<u>Amount</u>	<u>Income Over Prior Year Amount</u>	<u>%</u>	<u>As a % of Rev.</u>	<u>Amount</u>	<u>Changes From Prior Years Amount</u>	<u>%</u>	<u>Stockholders Return on Investment</u>
1976	\$23,556	-0-	-0-	1.5%	\$ 39,585	-0-	-0-	59.5%
1977	49,262	\$25,706	109.1	2.9%	96,093	\$56,508	142.8	51.3%
1978	60,411	11,149	22.6	3.3%	136,254	40,161	41.8	44.3%
1979	12,800	(47,611)	(78.8)	.7%	117,702	(18,552)	(13.6)	10.9%

Average:

\$36,507	\$ 97,409	37.5%
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2. Revenue from passengers increased 14.8% from 1976 through 1979 (Ref. to Exhibit A of I):

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>3 Yr Increase</u>	
				<u>Amount</u>	<u>%</u>
\$1,608,262	\$1,712,501	\$1,823,110	\$1,846,808	\$238,546	15%

3. Number of trips decreased 15.7% from 1976 through 1979 (Ref. to Exhibit H of I):

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>3 Yr Increase</u>	
				<u>Amount</u>	<u>%</u>
\$425,089	\$376,307	\$378,643	\$366,958	(58,131)	(15.7)

NOTE: The inconsistency of revenues increasing 15.8% (Item 2 above), while passenger usage decreases 15.7% (Item 3 above) is caused by customers going longer distances as explained by Neal Love, C.P.A. for Yellow Cab Co.

4. Operation and Maintenance expenses increased 16.3% from 1976 through 1979 (Ref. to Exhibit B of I):

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>3 Yr Increase</u>	
				<u>Amount</u>	<u>%</u>
\$1,459,417	\$1,529,285	\$1,612,756	\$1,697,376	\$237,595	16.3%

5. Major expenses per taxi trip increased 36.9% from 1976 through 1979 (Ref. to Exhibit H of I):

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>3 Yr. Increase</u>	
				<u>Amount</u>	<u>%</u>
\$3.31	\$3.94	\$4.19	\$4.53	\$1.22	36.9%

6. Fuel and Oil expenses increased 34% from 1976 to 1979 (Ref. to Exhibit B of I):

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>3 Yr. Increase</u>	
				<u>Amount</u>	<u>%</u>
\$144,306	\$138,010	\$152,205	\$193,336	\$49,030	34.0%

A survey of taxi rates in 10 major cities in California (Ref. to Exhibit III) reflects that at the current rates the Sacramento taxi companies are in 9th position. The requested rate increase would move the local industry to 5th position; however, 3 cities -- Anaheim, Long Beach and San Francisco -- are currently petitioning for rate increases.

CONCLUSION

Although over the past four (4) years the Stockholders average return on their

investment was 37.5%, indicating a good return on their investment, the return on their investment has declined from 59.5% in 1976 to 10.5% in 1979. Yet, the requested taxi rate increase of approximately 23.1% in light of the CPI increase of 30.43% from December 1976 through December 1979 seems reasonable and justified.

In addition, with the current economic conditions (i.e. double digit inflation) it would seem in order to index all future taxi rate increases to the United States Department of Labor Consumers Price Index (CPI) for the San Francisco - Oakland area for all urban consumers. This would provide a more realistic approach for dealing with current economic trends for both the City and the taxi industry.

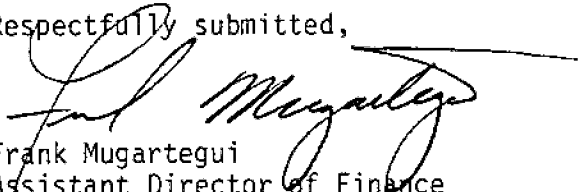
Therefore, Staff is providing two Ordinances for consideration:

1. An Emergency Ordinance to increase the taxi rates immediately; and
2. An Ordinance, not of emergency, that would provide for future rate increases when the rates of fare on a mileage basis, from the date of the last rate change, would equal 10¢ per mile or more, based on the percentage change in the Consumer Price Index for the San Francisco - Oakland Area "All Urban Consumers". This procedure is patterned after the City of Fresno's Taxicab Resolution of January 30, 1979.

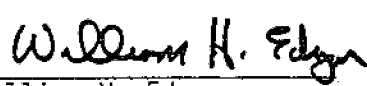
RECOMMENDATION:

It is recommended that the Budget and Finance Committee approve and direct Staff to forward this report to the City Council for enactment of the 1) Emergency Ordinance increasing taxicab rates (Exhibit V); and 2) Ordinance that will provide for future rate increases to the CPI (Exhibit VI).

Respectfully submitted,


Frank Mugartegui
Assistant Director of Finance

RECOMMENDATION APPROVED:


William H. Edgar
Assistant City Manager

Enclosures: Exhibit I - Taxi Industry Petition for Rate Increases
Exhibit II - Proposed Taxicab Rate Comparison
Exhibit III - Taxicab Rate Survey
Exhibit IV - Schedule of Taxicab Companies and Number of Cabs Licensed
Exhibit V - Emergency Ordinance Amending Section 42.55
Exhibit VI - Ordinance Future Adjustments to Rate of Fare

cc: Kneeland H. Lobner, Attorney
Dick Wolgamott, County of Sacramento Administration and Finance Agency
Mr. Bert Cunningham, 4445 Riverside Blvd, Apt. 1, Sacramento 95822
Mrs. Kerr, 4107 Fotos Court, Sacramento, 95820
Vern Shorey, Secretary-Treasurer, Teamster Local 165, 716 - 19th St., Sac. 95814

EXHIBIT I

LAW OFFICES
LOBNER AND BULL

KNEELAND H. LOBNER
JAMES M. BULL
PHILIP D. MINTER

717-20TH STREET
SACRAMENTO, CALIFORNIA 95814
TELEPHONE 444-2140

January 30, 1980

Mr. Walter J. Slipe
City Manager
Sacramento City Hall
10th and I Street
Sacramento, California 95814

CITY MANAGER'S OFFICE
RECEIVED
FEB 11 1980

Mr. Brian Richter, County Executive
County Administration Building
700 H Street
Sacramento, California 95814

SUBJECT: Report in Support of Application for 1980
City and County Taxicab Rate Increase

Gentlemen:

In support of request made this date for a city and county-wide taxicab rate increase on behalf of the taxi companies of Sacramento, we herewith submit a report prepared by Neal Love Accountancy Corporation, a certified public accounting firm, 1800 28th Street; Sacramento, California; Telephone No. 454-2805; and submitted to us on January 15, 1980.

The following information may be of assistance to you in the consideration of this application:

1. The existing taxicab meter rate for the city and county is \$1.20 for the first 2/9 of a mile and \$0.20 for each additional 2/9 of a mile. This particular rate was approved and adopted here by both the city and the county in September 1976. Thus, 3.3 years have passed during which no rate increase has been granted.

The January 1980 application proposes to change the meter rate in Sacramento County to \$1.20 for the first 1/6 of a mile and \$0.20 for each additional 1/6 of a mile. Applications for this particular rate have already been approved in the cities of Oakland, Hayward, and Arroyo Grande.

2. The present rate for 4-1/2 miles is \$5.30. The

Mr. Walter J. Slipe and
Mr. Brian Richter
Re: Report in Support of Application
for Rate Increase
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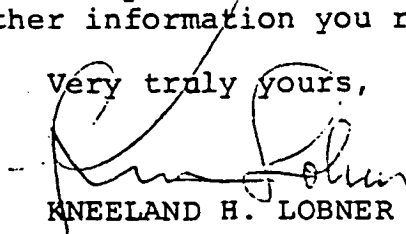
new rate for 4-1/2 miles would be \$6.60. Using 4-1/2 miles as the average trip length, the proposed new meter rate increase represents an increase of 24.5 percent, or an annual appreciation of 7.42 percent.

3. Due to the effects of inflation, the taxi companies have been fighting a losing battle in their attempts to operate on the 1976 rate standards. In order to save accounting costs, we have caused the accountant to produce statements representing only the financial situation for Yellow Cab of Sacramento, but we are informed and believe that the black picture shown in the actual and projected income figures for Yellow Cab, and like losses, are experienced by the other taxicab companies. It is obvious from a review of the attached exhibits that the companies cannot expect to remain in business and suffer the losses projected.
4. The proposed rate increase will produce sufficient income to put the companies in the black and allow a small but reasonable return on operations.

We request that you arrange for this application to be placed upon the agenda of the City Council and the Board of Supervisors, and that you coincidentally refer the application to appropriate officials for evaluation.

Please notify us of the dates for which you schedule hearings and advise us if there is any further information you require.

Very truly yours,



KNEELAND H. LOBNER

KHL:mm
Encls.

NEAL LOVE
ACCOUNTANCY CORPORATION
1800 28th Street, Suite A
Sacramento, California-95816
Telephone 454-2805

January 28, 1980

Mr. Kneeland H. Lobner
Lobner and Bull
717 - 20th Street
Sacramento, CA 95814

Dear Mr. Lobner:

As requested, we are submitting an analysis of the taxi operations of Yellow Cab Company of Sacramento for the period covering January 1, 1976, through December 31, 1980. The basic financial statements were prepared by us on an unaudited basis.

We elected to analyze Yellow Cab Company of Sacramento (hereinafter called "Company") because this company represents the largest segment of the taxi business in the City and County of Sacramento (99 permits). By having the best accounting system, this company provided the most complete data and also offers the City and County continuity with the data submitted to these authorities for prior rate hearings.

The rate increase being requested by the taxi companies, if granted, at an assumed effective date of January 1, 1980, would result in the following:

1. Eliminate the projected 1980 loss situation indicated on page 2 of Exhibit A and Exhibit D.
2. Allow a profit in 1980 of \$64,000 before income taxes or 2.8% profit on revenue.

REVIEW OF FINANCIAL DATA FOR 1976, 1977 and 1978:

The income statements of the Company for the calendar years 1976, 1977, 1978 are unaudited. Accordingly, all historical data contained in this analysis is unaudited and we cannot express an independent accountant's opinion on the accuracy of such data. However, the income statements have been prepared in accordance with generally accepted accounting principals.

The Company's annual financial reports agree with its corporate Federal Income Tax Returns for the years 1976, 1977, and 1978 which were prepared and signed under the penalties of perjury and submitted to the Internal Revenue Service.

Also, the bus (limousine) division departmental data appearing on the annual financial reports of the Company agree with the data filed in reports signed under the penalties of perjury and submitted to the Public Utilities Commission of the State of California for 1976, 1977, and 1978.

The accompanying schedules which contain financial data from 1976, 1977, and 1978 relate only to the taxi division of the Company.

PROJECTIONS FOR 1979 and 1980:

As the major portions of this report were completed before December 31, 1979, we used actual data for the period January 1, 1979 through October 31, 1979, and projected data for the period November 1, 1979 through December 31, 1979.

We have prepared the accompanying projection of income for the Company for 1980, based on assumptions and data provided to us by management, as described below.

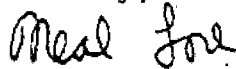
1. The proposed rate structure of \$1.20 for the first 1/6 mile and 20¢ per 1/6 mile thereafter will be approved expeditiously.
2. Wages paid to union labor will not increase more than projected, as a result of upcoming labor negotiations.
3. The average distance per trip will continue to remain at 4½ miles.
4. There will continue to be an average 15.05 taxi trips per shift.
5. Expenses will increase by the amounts and percentages shown in the projection.

The Company's projections for 1979 and 1980 have been related to the Company's actual data for 1976, 1977, and 1978, and we have discussed the statistical data with management.

The projections of income for November and December 1979, and the entire year 1980 are presented in accordance with generally accepted accounting principles and are consistent with methods used by the Company for preparation of its income statement for 1978 and prior years.

However, since these projections portray future events that are based on the above assumptions and present circumstances, we do not express any opinion on the achievability of the projected results or the probability that these projections will approximate the actual results for the period.

Sincerely,


Neal Love, C.P.A.

YELLOW CAB COMPANY OF SACRAMENTO
TAXI OPERATIONS

INDEX

Exhibit

Exhibit A	Statements of Net Income
Exhibit B	Operation and Maintenance Expense
Exhibit C	Rate Structure Schedule
Exhibit D	Diagram of Rate Structure
Exhibit E	Statistical Analysis
Exhibit F	Ratio of Drivers' Compensation to Passenger Revenue
Exhibit G	Number of Licensed Taxis
Exhibit H	Major Expenses Per Taxi Trip
Exhibit I	1980 Salary and Wage Increase
Exhibit J.	Balance Sheets for 1976, 1977, 1978, & 1979

STATEMENTS OF NET INCOME
(See note below)

	1976		1977				1978			
	Amount	Percent of 1976 Revenue	Amount	Percent of 1977 Revenue	Increase Over 1976		Amount	Percent of 1978 Revenue	Increase Over 1977	
					Amount	Percent			Amount	Percent
Revenue from passengers	\$1,608,262	100.0%	\$1,712,501	100.0%	\$104,239	6.5%	\$1,823,110	100.0%	\$110,609	6.5%
Expenses:										
Operation and maintenance (Exhibit B)	1,459,417	90.7	1,529,285	89.3	69,868	4.8	1,612,756	88.5	83,471	5.5
Depreciation	16,536	1.0	16,997	1.0	461	2.8	18,508	1.0	1,511	8.9
Operating taxes and licenses	100,299	6.2	95,478	5.6	(4,821)	(4.8)	101,304	5.5	5,826	6.1
Operating rents	34,716	2.1	39,222	2.3	4,506	1.3	41,738	2.3	2,516	6.4
	<u>1,610,968</u>	<u>100.1</u>	<u>1,680,982</u>	<u>98.2</u>	<u>70,014</u>	<u>4.3</u>	<u>1,774,306</u>	<u>97.3</u>	<u>93,324</u>	<u>5.6</u>
Less other income (expenses): Refunds, sign rents and insurance recoveries	29,077	1.8	48,661	2.8	19,584	67.4	32,614	1.8	(16,047)	(33.0)
Interest	(2,815)	(.2)	(2,598)	(.1)	217	(.8)	(5,085)	(.3)	(2,487)	95.7
	<u>26,262</u>	<u>1.6</u>	<u>46,063</u>	<u>2.7</u>	<u>19,801</u>	<u>75.4</u>	<u>27,529</u>	<u>1.5</u>	<u>(18,534)</u>	<u>(40.2)</u>
Total of expenses less other income	<u>1,584,706</u>	<u>98.5</u>	<u>1,634,919</u>	<u>95.5</u>	<u>50,213</u>	<u>3.2</u>	<u>1,746,777</u>	<u>95.8</u>	<u>111,858</u>	<u>6.8</u>
Net income before taxes	<u>23,556</u>	<u>1.5</u>	<u>77,582</u>	<u>4.5</u>	<u>54,026</u>	<u>229.4</u>	<u>76,333</u>	<u>4.2</u>	<u>(1,249)</u>	<u>(1.6)</u>
Income taxes:										
Federal			21,031	1.2	21,031		10,501	.6	(10,530)	(50.1)
Franchise			7,289	.4	7,289		5,421	.3	(1,868)	(25.6)
			<u>28,320</u>	<u>1.6</u>	<u>28,320</u>		<u>15,922</u>	<u>.9</u>	<u>(12,398)</u>	<u>(43.8)</u>
Net income after taxes	<u>23,556</u>	<u>1.5</u>	<u>49,262</u>	<u>2.9</u>	<u>25,706</u>	<u>109.1</u>	<u>60,411</u>	<u>3.3</u>	<u>11,149</u>	<u>22.6</u>

Note: The above figures relate to taxi operations, alone, and do not include bus operations.

STATEMENTS OF INCOME
Actual and Projected

	1979						1980 - Projected			
	Actual 1/1- 10/31/79	Projected 11/1- 12/31/79	1979 Total	Percent of 1979 Revenue	Increase over 1978		Amount	Percent of 1980 Revenue	Increase over 1979	
					Amount	Percent			Amount	Percent
Revenue	\$1,539,007	\$307,801	\$1,846,808	100.0%	\$23,698	1.3%	\$1,846,808	100.0%	0	0
Expenses:										
Operations and mainten- ance (Exhibit B)	1,414,479	282,897	1,697,376	91.9	84,620	5.2	1,823,080	98.7	125,704	7.4
Depreciation	15,571	3,114	18,685	1.0	177	1.0	18,685	1.0	0	0
Operating taxes and licenses	88,972	17,794	106,766	5.8	5,462	5.4	120,646	6.5	13,880	13.0
Operating rents	34,283	6,857	41,140	2.2	(598)	(1.4)	46,488	2.5	5,348	13.0
	1,553,305	310,662	1,863,967	100.9	89,661	5.1	2,008,899	108.7	144,932	7.7
Less other income, net of other expense:	26,767	3,368	30,135	1.6	2,606	9.5	30,135	1.6	0	0
Expenses less other income, net	1,526,538	307,294	1,833,832	99.3	87,055	5.0	1,978,764	107.1	144,842	7.9
Net income before taxes	12,469	507	12,976	.7	(63,357)	(83.0)	(131,956)	(7.1)	(144,932)	(1116.9)
Income taxes:										
Federal					(10,501)	(100.0)				
Franchise	176		176		(5,245)	(96.8)				
	176		176	.0	(15,746)	(98.9)				
Net income after taxes	12,293	507	12,800	.7	(47,611)	(78.8)				

OPERATION AND MAINTENANCE EXPENSE

	1976		1977				1978			
	Amount	Percent of 1976 Expense	Amount	Percent of 1977 Expense	Increase over 1976		Amount	Percent of 1978 Expense	Increase over 1977	
					Amount	Percent			Amount	Percent
Equipment maintenance:										
Labor	\$ 116,248	8.0%	\$ 73,629	4.8%	\$(42,619)	(36.7)%	\$ 74,843	4.6%	\$ 1,214	1.6%
Auto repairs, maintenance and supplies	50,788	3.5	42,328	2.8	(8,460)	(16.7)	41,061	2.5	(1,267)	(3.0)
Tires and tubes	10,442	.7	10,226	.7	(216)	(2.1)	9,512	.6	(714)	(7.0)
Transportation expense:										
Drivers' wages	749,003	51.3	795,931	52.0	46,928	6.3	826,572	51.4	30,641	3.8
Fuel and oil	144,306	9.9	138,010	9.0	(6,296)	(4.4)	153,205	9.5	15,195	11.0
Station expense:										
Dispatchers' salaries	54,000	3.7	56,016	3.7	2,016	3.7	62,520	3.9	6,504	11.6
Insurance:										
Property damage and public liability	92,365	6.3	111,971	7.3	19,606	21.2	100,583	6.2	(11,388)	(10.2)
Workman's compensation	60,669	4.2	73,560	4.8	12,891	21.2	83,013	5.1	9,453	12.9
Officer and other insurance	8,711	.6	23,923	1.6	15,212	174.6	63,898	4.0	39,975	167.1
Administrative and General Expense:										
Officer salaries	2,332	.2	26,700	1.7	24,368	1045.0	26,400	1.6	(300)	(1.1)
Office employees' salaries	48,189	3.3	57,065	3.7	8,876	18.4	65,163	4.1	8,098	14.2
General office supplies	5,174	.3	5,617	.4	443	8.6	7,947	.5	2,330	41.5
Advertising	3,426	.2	1,101	.1	(2,325)	(67.9)	840		(261)	(23.7)
Taxi and garage welfare and pension	72,400	5.0	70,266	4.6	(2,134)	(2.9)	61,076	3.8	(9,190)	(13.1)
Legal and accounting	11,255	.8	13,430	.9	2,175	19.3	4,727	.3	(8,703)	(64.8)
Other general expense	30,109	2.0	29,512	1.9	(597)	2.0	31,396	1.9	1,884	6.4
	<u>1,459,417</u>	<u>100.0</u>	<u>1,529,285</u>	<u>100.0</u>	<u>69,868</u>	<u>4.75</u>	<u>1,612,756</u>	<u>100.0</u>	<u>83,471</u>	<u>5.5</u>

OPERATION AND MAINTENANCE EXPENSE
Actual and Projected

	1979				1980 - Projected					
	Actual 11/1- 10/31/79	Projected 11/1- 12/31/79	1979 Total	Percent of 1979 Expense	Increase over 1978		Amount	Percent of 1980 Expense	Increase over 1979	
				Amount	Percent					Amount
Equipment maintenance:										
Labor	\$ 78,041	\$ 15,608	\$ 93,649	5.5%	\$ 18,806	25.1%	\$ 97,519	5.3%	\$ 3,870	4.1%
Auto repairs, maintenance, and supplies	52,861	10,572	63,433	3.7	22,372	54.5	71,679	3.9	8,246	13.0
Tires and tubes	8,855	1,771	10,626	.6	1,114	11.7	12,007	.7	1,381	13.0
Transportation expense:										
Drivers' wages	699,994	139,999	839,993	49.5	13,421	1.6	874,553	48.0	34,560	4.1
Fuel and oil	161,113	32,223	193,336	11.4	40,131	26.2	218,470	12.0	25,134	13.0
Station expense:										
Dispatchers' salaries:	54,853	10,971	65,824	3.9	3,304	5.3	68,524	3.8	2,700	4.1
Insurance:										
Property damage and public liability	59,236	11,847	71,083	4.2	(29,500)	(29.3)	101,083	5.5	30,000	42.2
Workman's compensation	76,059	15,212	91,271	5.4	8,258	9.9	91,271	5.0	0	0
Officer and other insurance	42,641	8,528	51,169	3.0	(12,729)	(19.9)	51,169	2.8	0	0
Administrative and general expense:										
Officer salaries	20,253	4,051	24,304	1.4	(2,096)	(7.9)	25,294	1.4	990	4.1
Office employees' salaries	58,375	11,675	70,050	4.1	4,887	7.5	72,930	4.0	2,880	4.1
General office supplies	7,527	1,505	9,032	.5	1,085	13.7	10,206	.5	1,174	13.0
Advertising	2,888	578	3,466	.2	2,626	312.6	3,917	.2	451	13.0
Taxi and garage welfare pension	58,633	11,727	70,360	4.2	9,284	15.2	79,507	4.4	9,147	13.0
Legal and accounting	9,348	1,870	11,218	.7	6,491	137.3	12,676	.7	1,458	13.0
Other general expense	23,802	4,760	28,562	1.7	(2,834)	(9.0)	32,275	1.8	3,713	13.0
	<u>1,414,479</u>	<u>282,897</u>	<u>1,697,376</u>	<u>100.0</u>	<u>84,620</u>	<u>5.2</u>	<u>1,823,080</u>	<u>100.0</u>	<u>125,704</u>	<u>7.4</u>

RATE STRUCTURE SCHEDULE
 COMPONENTS OF PRESENT AND PROPOSED RATE STRUCTURE
 AND
 CALCULATION OF FARE AND MILEAGE OF AVERAGE TRIP.

	<u>1 Mile</u>	<u>2 Miles</u>	<u>3 Miles</u>	<u>4 Miles</u>	<u>5 Miles</u>
Present Rate Structure (Approved 1976)					
1.20 for 2/9 mile; 20¢ for each additional 2/9 mile	\$2.10	\$3.00	\$3.90	\$4.80	\$5.70
Proposed Rate Structure					
1.20 for 1/6 mile; 20¢ for each additional 1/6 mile	\$2.40	\$3.60	\$4.80	\$6.00	\$7.20
Increase	\$.30	\$.60	\$.90	\$1.20	\$1.50
Percent	14.29%	20.00%	23.08%	25.00%	26.32%
Revenue per average trip, per Statistical Analysis (see Exhibit D) experienced in 1979 under present rate structure				<u>\$5.03</u>	
Mileage of average trip in 1979 as indicated from average trip revenue of \$5.03 based on present rate structure					
Rate for 4 miles				\$4.80	
Rate for 4½ miles				5.25	
				<u>\$10.05</u>	
Average for 4½ miles				<u>\$5.03</u>	

Mileage for average 1979 trip is 4½ miles and the average fare is \$5.03, as indicated immediately above. Under the proposed rate structure the fare for a trip of 4½ miles would \$6.30 which is \$1.27 or 25.25% greater than the existing fare for 4½ miles.

PROPOSED RATE

EXISTING RATE

EXHIBIT D

\$1.20 1ST 1/6 MILE
.20 EACH ADDITIONAL 1/6 MILE

\$1.20 1ST 2/9 MILE
.20 EACH ADDITIONAL 2/9 MI.

\$1.20 FLAG DROP

\$1.30 FLAG DROP

1/6 MI	1.40
2/6 MI	1.60
3/6 MI	1.80
4/6 MI	2.00
5/6 MI	2.20
1 MI	2.40
1 1/6 MI	2.60
1 1/3 MI	2.80
1 1/2 MI	3.00
1 2/3 MI	3.20
1 5/6 MI	3.40
2 MI	3.60
3 MI	4.80
4 MI	6.00
4 1/6 MI	6.20
4 1/3 MI	6.40
4 1/2 MI	6.60
4 2/3 MI	6.80
4 5/6 MI	7.00
5 MI	7.20

2/9 MI	1.40
4/9 MI	1.60
6/9	1.80
8/9	2.00
1 MI	2.10
1 1/9 MI	2.20
1 1/3 MI	2.40
1 5/9 MI	2.60
1 7/9 MI	2.80
2 MI	3.00
3 MI	3.90
4 MI	4.80
4 2/9 MI	5.00
4 4/9 MI	5.20
4 2/3 MI	5.40
4 8/9 MI	5.60
5 MI	5.70

STATISTICAL ANALYSIS

	Reference	1976 Actual	1977 Actual	1978 Actual	Jan-Oct 1979 Actual	Nov-Dec 1979 Projected	1979 Total	1980 Projected
1. Taxis	Company's depreciation schedule	122	118	108	100	100	100	100
2. Taxi shifts-full utilization	See Note below	44,530	43,070	39,420	30,400	6,100	36,500	36,500
3. Actual shifts	Company records	26,848	26,949	25,250	19,984	4,400	24,384	24,384
4. Taxi utilization-factor (TUF)	(3 divided by 2)	60%	63%	64%	66%	72%	67%	67%
5. Taxi revenue	Company records	1,608,262	1,712,501	1,823,110	1,539,007	307,801	1,846,808	1,846,808
6. Increase in taxi revenue over prior years	(5 minus prior year 5)	(23,984)	104,239	110,609			23,698	0
7. Percent increase in taxi revenue	(6 divided by prior year 5)	(1.47%)	6.5%	6.5%			1.3%	0
8. Revenue per taxi shift	(5 divided by 3)	\$59.90	\$63.55	\$72.20	\$77.01	\$69.95	\$75.74	\$75.74
9. Average shift per taxi	(3 divided by 1)	220	228	234	200	44	244	244
10. Average trips per shift	(11 divided by 3)	15.83	13.96	15.00	15.16	14.55	15.05	15.05
11. Taxi trips	Company records	425,089	376,307	378,643	302,958	64,000	366,958	366,958
12. Average revenue per trip	(8 divided by 10)	\$3.78	\$4.55	\$4.81	\$5.08	\$4.81	\$5.03	\$5.03
13. Miles per average trip	Exhibit C	2 7/8	3 3/4	4			4 1/2	4 1/2
14. Income (loss) before income taxes	Exhibits A	23,556	77,582	76,333	12,469	507	12,976	(131,956)
15. Percent of taxi revenue	(14 divided by 5)	1.5%	4.5%	4.2%			.7%	(7.15%)
16. Net income projected	Exhibits A	23,556	49,262	60,411	12,293	507	12,800	
17. Percent of taxi revenue	(16 divided by 5)	1.5%	2.9%	3.3%			.7%	

Note:

Taxi shifts equal 1 shift per taxi per day (i.e., number of taxis X 365)

EXHIBIT F

RATIO OF DRIVERS' COMPENSATION TO PASSENGER REVENUE

	Unaudited			Projected	
	1976	1977	1978	1979	1980
Passenger revenue	\$1,608,262	\$1,712,501	\$1,823,110	\$1,846,808	\$1,846,808
Compensation to drivers:					
Wages	749,003	795,931	826,572	839,993	874,553
Welfare & pension	55,915	55,412	47,829	54,029	61,053
Workman's compensation	52,515	67,329	76,123	82,117	82,117
Payroll taxes	62,998	66,105	69,804	84,631	95,634
	<u>\$ 920,431</u>	<u>\$ 984,777</u>	<u>\$1,020,328</u>	<u>\$1,060,770</u>	<u>\$1,113,357</u>
Percent of passenger revenue:					
Drivers' wages	46.57	46.48	45.34	45.48	47.35
Welfare & pension	3.48	3.24	2.62	2.93	3.31
Workman's compensation	3.27	3.93	4.18	4.45	4.45
Payroll taxes	<u>3.92</u>	<u>3.86</u>	<u>3.83</u>	<u>4.58</u>	<u>5.18</u>
	<u>57.24</u>	<u>57.51</u>	<u>55.97</u>	<u>57.44</u>	<u>60.29</u>

Exhibit G

NUMBER OF LICENSED TAXIS*

Effective
January 1, 1980

	<u>Number</u>	<u>Percent</u>
Yellow Cab	99	65%
Greyhound	<u>43</u>	<u>28</u>
	142	93%
Courtesy	<u>11</u>	<u>7</u>
	<u>153</u>	<u>100%</u>

*City and County licenses

MAJOR EXPENSES PER TAXI TRIP

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>Jan-Oct 1979 Actual</u>	<u>Nov-Dec 1979 Projected</u>	<u>Total 1979</u>	<u>1980 Projected</u>
Taxi trips	425,089	376,307	378,643	302,958	64,000	366,958	366,958
Expense items with large increases:							
Fuel and oil	\$144,306	\$ 138,010	\$ 153,205	\$161,113	\$ 32,223	\$ 193,336	\$ 218,470
Insurance	161,745	209,454	247,494	177,936	35,587	213,523	243,523
Repairs, maintenance & supplies	50,788	42,328	41,061	52,861	10,572	63,433	71,679
Payroll taxes	81,572	82,885	89,138	80,823	16,164	96,987	109,595
Salary and wages	969,772	1,009,341	1,055,498	911,516	182,304	1,093,820	1,138,820
Fuel per taxi trip	33.9¢	36.7¢	40.5¢	53.2¢	50.4¢	52.7¢	59.5¢
Insurance per taxi trip	38.0	55.7	65.4	58.7	55.6	58.2	66.4
Repairs, maintenance & supplies per taxi trip	11.9	11.2	10.8	17.4	16.5	17.3	19.5
Payroll taxes per taxi trip	19.2	22.0	23.5	26.7	25.3	26.4	29.9
Salary and wages per taxi trip	\$2.28	\$2.68	\$2.79	\$3.01	\$2.85	\$2.98	\$3.10
Total	\$3.31	\$3.94	\$4.19	\$4.57	\$4.33	\$4.53	\$4.85

1980 SALARY AND WAGE INCREASES

Salary and Wage Increases:

Office personnel, mechanics, dispatchers, phone operators, safety department	\$30,000
Drivers (minimum wage increase)	<u>15,000</u>
	<u>\$45,000</u>

LOVE & SIMONS
ACCOUNTANCY CORPORATION
2222 Sierra Boulevard, Suite 15
Sacramento, California 95825
Telephone 929-4450

February 15, 1977

Mr. Frederick Pleines
Yellow Cab Company of Sacramento
Sacramento, California

The accompanying balance sheet of YELLOW CAB COMPANY OF SACRAMENTO at December 31, 1976 and the related statements of income and retained earnings and changes in financial position for the year then ended were not audited by us and accordingly we do not express an opinion on them.

LOVE & SIMONS ACCOUNTANCY CORPORATION

By Neal Love
Neal Love, C.P.A.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1976
(UNAUDITED)

Pc 20012

ASSETS

CURRENT ASSETS:

Accounts receivable	\$ 58,557	
Supplies and parts inventory, at cost	6,695	
Prepaid expenses	<u>3,792</u>	

TOTAL CURRENT ASSETS:		69,044
-----------------------	--	--------

PROPERTY AND EQUIPMENT:

Automobiles	\$ 248,253	
Radios	44,007	
Taxi meters	11,521	
Garage equipment	20,662	
Leasehold improvements	24,219	
Furniture and fixtures	<u>8,831</u>	
	357,493	
Less accumulated depreciation	<u>274,281</u>	83,212

OTHER ASSETS:

Deposits	3,820	
Goodwill	18,000	
Organization expense	2,616	
Permits	<u>5,200</u>	<u>29,636</u>
		<u>\$ 181,892</u>

See notes to financial statements.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1976
(UNAUDITED)

Pg 3 of 12

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES:

Bank overdraft	\$ 49,521
Accounts payable	23,093
Accrued payroll taxes	13,350
Rent payable	1,005
Accrued insurance	6,493
Franchise tax payable	1,059
Employee benefits payable	6,714
Current maturities of long-term debt	<u>5,456</u>

TOTAL CURRENT LIABILITIES 106,691

LONG-TERM DEBT:

8% note payable - no due date	\$ 16,500
Contract payable - secured by equipment, payable in equal monthly installments of \$458, interest included	<u>7,520</u> 24,020
Less current maturities	<u>5,456</u> 18,564

LOAN PAYABLE - OFFICER

17,052

STOCKHOLDER'S EQUITY:

Capital stock, no par	80,652
Paid-in capital	60,154
Retained earnings (deficit)	<u>(101,221)</u> 39,585
	<u>\$ 181,892</u>

See notes to financial statements.

NEAL LOVE

PC 40012

ACCOUNTANCY CORPORATION
1787 Tribute Road, Suite B
Sacramento, California 95815
Telephone 920-3707

March 8, 1978

Mr. Frederick Pleines
Yellow Cab Company of Sacramento
Sacramento, California

The accompanying balance sheet of YELLOW CAB COMPANY OF SACRAMENTO at December 31, 1977 and the related statements of income and retained earnings and changes in financial position for the year then ended were not audited by us and accordingly we do not express an opinion on them.

NEAL LOVE ACCOUNTANCY CORPORATION

By Neal Love
Neal Love, C.P.A.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1977
(UNAUDITED)

Pc 50012

ASSETS

CURRENT ASSETS:

Cash in bank		\$ 29,488
Accounts receivable	-	68,814
Supplies and parts inventory, at cost		4,094
Prepaid expenses		<u>16,585</u>

TOTAL CURRENT ASSETS 118,981

PROPERTY AND EQUIPMENT:

Automobiles	\$201,999	
Radios	34,434	
Taxi meters	10,007	
Garage equipment	20,747	
Leasehold improvements	25,454	
Furniture and fixtures	9,360	
	<u>302,001</u>	
Less accumulated depreciation	<u>220,857</u>	81,144

OTHER ASSETS:

Deposits	8,910	
Goodwill	18,000	
Organization expense	2,616	
Permits	<u>5,200</u>	34,726

\$234,851

See notes to financial statements.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1977
(UNAUDITED)

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES:		
Accounts payable		\$ 32,719
Accrued wages		20,000
Accrued payroll taxes		20,521
Rent payable		1,317
Accrued insurance		8,276
Income and Franchise tax payable		32,182
Employee benefits payable		<u>6,695</u>
TOTAL CURRENT LIABILITIES		121,710
LOAN PAYABLE - OFFICER		17,048
STOCKHOLDER'S EQUITY:		
Capital stock, no par	\$ 80,652	
Paid-in capital	60,154	
Retained earnings (deficit)	<u>(44,713)</u>	<u>96,093</u>
		<u>\$234,851</u>

See notes to financial statements.

NEAL LOVE
ACCOUNTANCY CORPORATION
1787 Tribute Road, Suite B
Sacramento, California 95815
Telephone 920-3707

PC 70012

March 12, 1979

Mr. Frederick Pleines
Yellow Cab Company of Sacramento
Sacramento, California 95814

The accompanying balance sheet of YELLOW CAB COMPANY OF SACRAMENTO at December 31, 1978 and the related statements of income and retained earnings and changes in financial position for the year then ended were not audited by us and accordingly we do not express an opinion on them.

NEAL LOVE ACCOUNTANCY CORPORATION

By

Neal Love
Neal Love, C.P.A.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
 DECEMBER 31, 1978
 (UNAUDITED)

ASSETS

CURRENT ASSETS:

Cash in bank	\$ 10,627
Accounts receivable	77,127
Supplies and parts inventory, at cost	7,532
Prepaid expenses	13,724
Income and Franchise Tax refunds receivable	<u>22,438</u>

TOTAL CURRENT ASSETS 131,448

PROPERTY AND EQUIPMENT:

Automobiles	\$123,709	
Radios	34,434	
Taxi meters	10,007	
Garage equipment	20,747	
Leasehold improvements	28,646	
Furniture and fixtures	<u>11,234</u>	
	228,777	
Less: accumulated depreciation	<u>152,693</u>	76,084

OTHER ASSETS:

Deposit - Self Insurance	36,474	
Deposits	9,310	
Goodwill	18,000	
Organization expense	2,616	
Permits	<u>5,200</u>	<u>71,600</u>

TOTAL ASSETS \$279,132

See notes to financial statements.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1978
(UNAUDITED)

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES:		
Accounts payable		\$ 53,162
Wages payable		15,550
Payroll taxes payable		7,166
Rent payable		1,412
Transportation tax		96
Employee benefits payable		<u>13,901</u>
TOTAL CURRENT LIABILITIES		91,287
LOAN PAYABLE - OFFICER		51,591
STOCKHOLDER'S EQUITY:		
Capital stock, no par	\$80,652	
Paid-in capital	60,154	
Retained earnings (deficit)	<u>(4,552)</u>	<u>136,254</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		<u>\$279,132</u>

See notes to financial statements.

NEAL LOVE
ACCOUNTANCY CORPORATION
1800 28th Street, Suite A
Sacramento, California 95816
Telephone 454-2805

March 4, 1980

Mr. Frederick Pleines, Sr.
Yellow Cab Company of Sacramento
900 Richards Blvd.
Sacramento, CA 95814

The accompanying balance sheet of YELLOW CAB COMPANY OF SACRAMENTO as of December 31, 1979, and the related income statement for the period then ended have been compiled by us.

A compilation is limited to presenting in the form of a financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

NEAL LOVE ACCOUNTANCY CORPORATION

By Neal Love
Neal Love, C.P.A.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1979

ASSETS

CURRENT ASSETS:

Cash in bank		\$(13,635)
Accounts receivable		82,719
Gasoline inventory		6,704
Parts inventory		2,794
Prepaid taxes and license		2,506
Income and franchise tax refunds recievable		15,136
Prepaid insurance		<u>15,445</u>

Total current assets 111,669

PROPERTY AND EQUIPMENT - AT COST;

Taxi cabs	\$109,618	
Airport buses	6,627	
Radios	34,434	
Meters	10,007	
Furniture & fixtures	11,584	
Garage equipment	23,739	
Leasehold improvements	<u>36,272</u>	
	232,281	
Less accumulated depreciation	<u>161,539</u>	70,742

OTHER ASSETS:

Organization expense	2,616	
Deposits	9,310	
Deposit - self insurance	36,474	
Franchise permit	5,200	
Goodwill	18,000	
Account receivable - officer	2,500	
Account receivable - officer	<u>3,301</u>	<u>77,401</u>

Total assets \$259,812

See notes to financial statements.

YELLOW CAB COMPANY OF SACRAMENTO
BALANCE SHEET
DECEMBER 31, 1979

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 71,963
Airport rent payable	355
Wages payable	9,741
Payroll taxes payable	11,903
Interest payable	292
Compensation insurance payable	7,853
Pension funds payable	4,547
	<u>106,654</u>

LOAN PAYABLE - officer

35,456

STOCKHOLDER'S EQUITY:

Common stock	\$ 80,652	
Additional paid in capital	60,153	
Retained earnings	(23,103)	<u>117,702</u>

Total liabilities and Stockholder's equity \$259,812

See notes to financial statements.

EXHIBIT II

CITY OF SACRAMENTO
 PROPOSED TAXICAB RATE COMPARISON:
 CURRENT VS PROPOSED

<u>CURRENT</u>		<u>PROPOSED</u>		<u>Per Mile</u>	
				<u>Cost</u>	<u>%</u>
				<u>Increase</u>	
\$1.20 Flag Drop (2/9 Mile)		\$1.20 Flag Drop (1/6 Mile)			
.20 Each Additional Fraction/Mile		.20 Each Additional Fraction/Mile			
	\$		\$		
2/9 Flag Drop	1.20	1/6 Flag Drop	1.20		
4/9	1.40	2/6	1.40		
6/9	1.60	3/6	1.60		
8/9	1.80	4/6	1.80		
10/9	2.00	5/6	2.00		
1 Ml.	\$2.00	6/6	2.20	\$2.00	.20 10.0%
1-2/9 (12/9)	2.20	1-1/6	2.40		
1-4/9 (14/9)	2.40	1-2/6	2.60		
1-6/9 (16/9)	2.60	1-3/6	2.80		
1-8/9 (18/9)	2.80	1-4/6	3.00		
		1-5/6	3.20		
2 Ml.	\$2.80	1-6/6	3.40	\$3.40	.60 21.4%
2-2/9 (20/9)	3.00	2-1/6	3.60		
2-4/9 (22/9)	3.20	2-2/6	3.80		
2-6/9 (24/9)	3.40	2-3/6	4.00		
2-8/9 (26/9)	3.60	2-4/6	4.20		
2-10/9 (28/9)	3.80	2-5/6	4.40		
3 Ml.	\$3.80	2-6/6	4.60	\$4.60	.80 21.1%
3-2/9 (30/9)	4.00	3-1/6	4.80		
3-3/4 (32/9)	4.20	3-2/6	5.00		
3-6/9 (34/9)	4.40	3-3/6	5.20		
3-8/9 (36/9)	4.60	3-4/6	5.40		
		3-5/6	5.60		
4 Ml.	\$4.60	3-6/6	5.80	\$5.80	1.20 26.1%
4-2/9 (38/9)	4.80	4-1/6	6.00		
4-4/9 (40/9)	5.00	4-2/6	6.20		
4-6/9 (42/9)	5.20	4-3/6	6.40		
4-8/9 (44/9)	5.40	4-4/6	6.60		
4-10/9 (46/9)	5.60	4-5/6	6.80		
5 Ml.	\$5.60	4-6/6	7.00	\$7.00	1.40 25.0%

COST INCREASE OF 4-1/2 MILE TRIP

4-1/2 Mile = \$5.20 4-1/2 Mile = \$6.40 1.20 23.1%

NOTE: This Exhibit not in agreement with Exhibits C and D of Industry's Petition (Exhibit), due to mis-calculation of Flag Drop and handling fraction rates.

CITY OF SACRAMENTO
TAXI CAB RATE SURVEY
AS OF MARCH 3, 1980

Service Area	Rate Effective Date			Rate Request Changes Contemplated	Current Basic Rates			Cost Per Trip By Distance					
	Current	Prior	Increase %		Flag Drop	Each Additional Fraction/Mile	Charge for Extra Passenger	Waiting Time /hour	1 Mile	2 Miles	3 Miles	4 Miles	5 Miles
City of Fresno	9/79	NR	NR	NR	\$1.20-1/13	.20-2/13	NR	\$13.00	\$2.40	\$3.80	\$5.00	\$6.40	\$7.60
City of San Diego	8/79	NR	NR	NR	\$1.50-1/6	.20-1/6	1st Zone \$2.00 1.20 ea. zone thereafter	10.00	2.50	3.70	4.90	6.10	7.30
City of Stockton	11/79	12/77	36%	No	2.40-1 mi.	.20-1/6	None	12.00	2.40	3.60	4.80	6.00	7.20
City of Oakland	9/79	4/75	50%/33%	No	1.20-1/6	.20-1/6	None	12.00	2.20	3.40	4.60	5.80	7.00
CITY OF SACRAMENTO (proposed)	3/80	8/78	26%	Proposed	1.20-1/6	.20-1/6	None	8.00	2.80	3.40	4.60	5.80	7.00
City of San Jose	1/80	2/77	29%	No	1.00-1/10	.10-1/10	None	10.00	1.90	2.90	3.90	4.90	5.90
City of Los Angeles	10/79	NR	NR	NR	1.00-1/10	.10-1/10	None	10.00	1.90	2.90	3.90	4.90	5.90
City of Anaheim	6/79	4/77	25%	Yes	1.00-1/5	.20-1/5	None	9.00	1.80	2.80	3.80	4.80	5.80
City of Santa Barbara	8/79	NR	NR	NR	1.00-1/5	.10-1/10	None	9.00	1.80	2.80	3.80	4.80	5.80
CITY OF SACRAMENTO (current)	N/A	8/78	N/A	Yes	1.20-2/9	.20-2/9	None	8.00	2.80	3.80	4.80	5.80	
City/County of San Francisco	7/77	NR	NR	Yes	.90-1/9	.20-2/9	None	9.00	1.70	2.70	3.50	4.50	5.30
City of Long Beach ⁽³⁾	7/79	9/77	NR	Yes	1.15-1/4	.20-1/4	.10 ea	9.00	1.75	2.55	3.35	4.15	4.95

LEGEND: NR - No response
N/A - Not applicable

- NOTES: 1. Above ranking based on average trips of 4 miles.
2. Source of information: A) Survey of cities and b) California Taxicab Owners Association.
3. Request for rate increase of 62% recently filed (Flag Drop \$1.30-1/4 plus .20 each 1/7 and when cost of gasoline increases from \$1.11/gallon to \$1.28/gallon flag drop to increase from \$1.30 to \$1.50).

CITY OF SACRAMENTO
SCHEDULE OF TAXICAB COMPANIES
AND NUMBER OF CAB LICENSES

<u>Companies</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1980</u>	<u>% of Cabs</u>
Yellow Cab Company of Sacramento					
a) Oak Park Cab	1	1	1	1	
b) Yellow Cab	20	93	93	93	
c) Union Cab	53	1	1	1	
d) Capitol Transportation	16	-	-	-	
e) Delue Cab	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total Cabs.	95	95	95	95	70%
Greyhound Taxi Company	33	33	33	33	24%
Courtesy Cab Company	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>6%</u>
Total Number of Taxicabs Licensed	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>100%</u>

ADDITIONAL DATA

Business License Fee Structure: 1st Cab, \$75 per year; and \$46 per year for each additional cab

Basis for Number of Cab Permits issued: 1 permit for each 2,000 population.

$$\frac{\text{Population 1979}}{1 \text{ permit}/2000 \text{ pop.}} = \frac{264,511}{2,000} = 132 \text{ permits}$$

Waiting list for taxi permits: None

ORDINANCE NO.

FOURTH SERIES

AN ORDINANCE AMENDING SECTION 42.55 OF DIVISION 6 OF ARTICLE II OF CHAPTER 42 OF THE SACRAMENTO CITY CODE RELATING TO TAXICAB RATES AND CHARGES AND DECLARING THIS TO BE AN EMERGENCY MEASURE TO TAKE EFFECT IMMEDIATELY

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 42.55 of Division 6 of Article II of Chapter 42 of the Sacramento City Code is amended to read as follows:

Sec. 42.55. Taxicab Rates.

The schedule of charges for taxicab service within the City shall be as follows, and no other rate or fare may be charged by any owner or driver for taxicab service than the rates established by this section, save and except the charges for baggage shall be as provided in Section 42.46.

- (a) For the first one-sixth (1/6) mile, or fraction thereof, \$1.20.
- (b) For each additional one-sixth (1/6) mile, or fraction thereof, twenty cents.
- (c) Waiting time shall be computed and paid for at the rate of eight dollars per hour; provided, further, that clock meters shall be in continuous operation at all times after the meter flag is dropped.
- (d) No additional charge shall be imposed for passengers travelling to the same destination.

SECTION 2.

This ordinance is hereby declared to be an emergency measure which shall take effect immediately. The reason for said emergency is the need to establish current reasonable taxicab rates and charges to offset increased operating costs.

MAYOR

ATTEST:

CITY CLERK

ORDINANCE NO.

FOURTH SERIES

AN ORDINANCE ADDING SECTION 42.55-1
TO THE SACRAMENTO CITY CODE RELATING
TO CHANGES IN TAXICAB MILEAGE RATES
BASED UPON ADJUSTMENTS TO THE
CONSUMERS PRICE INDEX

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

SECTION 1.

Section 42.55-1 is hereby added to the Sacramento City Code to read as follows:

Sec. 42.55-1 Adjustments to taxicab rates.

(a) Notwithstanding any other provision of this chapter to the contrary, the Director of Finance ("Director") is hereby authorized to change the taxicab rates established in subdivision (a) and (b) of Section 42.55 whenever he determines that:

(1) an adjustment equal to the percentage change in the United States Department of Labor Consumer Price Index (CPI) for San Francisco-Oakland "All Urban Consumers" from the date of last rate change would equal or exceed ten cents (\$0.10) per mile; and,

(2) that such adjustment would be in the interest of the public welfare and safety and would allow a reasonable rate of return on investment. The Director may increase or decrease a rate to a lesser extent than indicated by the change in the CPI consistent with the provisions of this subsection.

(3) Notwithstanding any provision of this section to the contrary, not more than one taxicab rate change shall be granted in any calendar year.

(b) The Director shall, prior to making a determination pursuant to subdivision (a) of this section, hold a public hearing on the matter. Notice of the time and place of said hearing shall be sent by mail, postage prepaid at least ten (10) days in advance thereof to all taxicab owners in the City and shall be published at least five (5) days in advance in the official newspaper of the City of Sacramento.

(c) The decision of the Director shall be sent by mail, postage prepaid to all taxicab owners in the City under subdivision (a) of this section and shall be published once in the official newspaper of the City of Sacramento within ten (10) days after the date thereof. Said decision shall take effect thirty (30) days after the date thereof unless appealed pursuant to subdivision (d).

(d) Any person aggrieved by the decision of the Director may appeal said decision to the City Council pursuant to Article XIX of Chapter 2 of the City Code (Sections 2.320 et. seq.) within

thirty (30) days of the date thereof. The determination on appeal shall be governed by the criteria set forth in subdivisions (a)(1) and (a)(2) of this Section.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK