

**UVDS
Summary of Adjustments
As of 6/8/16**

Cost Component	Rate Change						
REQUESTED DECREASE	-0.36%						
UVA – Adjustment to Projected Cost:							
<p><u>Wages and Benefits</u> – Time Study performed by UVDS demonstrated that 66% of the General Manager’s time is allocated to UVDS. Actual and projections were adjusted for the allocation.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;">Proposed</td> <td style="text-align: right;">\$4,381,275</td> </tr> <tr> <td style="padding-left: 40px;">Recommended</td> <td style="text-align: right;"><u>4,372,754</u></td> </tr> <tr> <td style="padding-left: 40px;">Net Decrease</td> <td style="text-align: right;"><u>\$(- 8,521)</u></td> </tr> </table>	Proposed	\$4,381,275	Recommended	<u>4,372,754</u>	Net Decrease	<u>\$(- 8,521)</u>	
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<p><u>2016 – Fixed Asset/Depreciation</u> – After initial discussion UVDS submitted a request to purchase \$3,326,219 in fixed assets during the rate period of 2016/2017. On six of the items the depreciation proposed was based on the remaining years of the franchise agreement. Adjustments were made to change the lift of the assets to be depreciated in accordance with the methodology and past practices. Requests were made and further discussion occurred on the costs of the assets. The analysis resulted in the following adjustment:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;">Proposed Depreciation</td> <td style="text-align: right;">\$ 557,615</td> </tr> <tr> <td style="padding-left: 40px;">Recommended Deprec.</td> <td style="text-align: right;"><u>522,833</u></td> </tr> <tr> <td style="padding-left: 40px;">Net Decrease</td> <td style="text-align: right;"><u>\$(- 34,782)</u></td> </tr> </table>	Proposed Depreciation	\$ 557,615	Recommended Deprec.	<u>522,833</u>	Net Decrease	<u>\$(- 34,782)</u>	
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<p><u>Other Allowable Non-Fuel Expenses</u> – CPI was reduced to 93% as required by the methodology.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;">Proposed Amount</td> <td style="text-align: right;">\$ 1,392,546</td> </tr> <tr> <td style="padding-left: 40px;">Recommended Amount</td> <td style="text-align: right;"><u>1,389,631</u></td> </tr> <tr> <td style="padding-left: 40px;">Net Decrease</td> <td style="text-align: right;"><u>\$(- 2,915)</u></td> </tr> </table>	Proposed Amount	\$ 1,392,546	Recommended Amount	<u>1,389,631</u>	Net Decrease	<u>\$(- 2,915)</u>	
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Net Decrease/Increase	<u>\$ (3,042)</u>	<u>\$ 3,042</u>											
<p><u>Debt/Interest</u> – Interest expense was reduced when the cost of the projected assets was reduced:</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 40%;">Proposed</td> <td style="width: 30%; text-align: right;">\$ 5,475</td> <td style="width: 30%;"></td> </tr> <tr> <td>Recommended</td> <td style="text-align: right;"><u>2,275</u></td> <td></td> </tr> <tr> <td>Net Decrease/Increase</td> <td style="text-align: right;"><u>\$ (3,200)</u></td> <td></td> </tr> </tbody> </table>	Proposed	\$ 5,475		Recommended	<u>2,275</u>		Net Decrease/Increase	<u>\$ (3,200)</u>					
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<p><u>Revenue</u> – IOCR amount was changed from the actual over collection of 2014 to the actual over collection of 2015:</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 40%;">Proposed</td> <td style="width: 30%; text-align: right;">\$ 109,292</td> <td style="width: 30%;"></td> </tr> <tr> <td>Recommended</td> <td style="text-align: right;"><u>110,843</u></td> <td></td> </tr> <tr> <td>Net Increase</td> <td style="text-align: right;"><u>\$ 1,551</u></td> <td></td> </tr> </tbody> </table>	Proposed	\$ 109,292		Recommended	<u>110,843</u>		Net Increase	<u>\$ 1,551</u>					
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Net Change to recommend Decrease AS OF 6/8/16	-0.50%												
RECOMMENDED DECREASE	-0.86%												