

**UVDS
Summary of Adjustments
As of 6/6/18**

Cost Component	Rate Change						
REQUESTED INCREASE	2.31%						
UVA – Adjustment to Projected Cost:							
<p><u>Wages and Benefits</u></p> <ul style="list-style-type: none"> • The Time Study performed by UVDS demonstrated that 67% of the General Manager’s time is allocated to UVDS. 33% is allocated to affiliated companies • Actual and Projected Profit Sharing Costs for the General Manager was decreased for the amount applicable to the affiliates. <p>Actual and projections were adjusted for the allocation.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Proposed</td> <td style="text-align: right;">\$ 4,672,941</td> </tr> <tr> <td>Recommended</td> <td style="text-align: right;"><u>4,672,333</u></td> </tr> <tr> <td>Net Decrease</td> <td style="text-align: right;"><u>\$ (608)</u></td> </tr> </table>		Proposed	\$ 4,672,941	Recommended	<u>4,672,333</u>	Net Decrease	<u>\$ (608)</u>
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Recommended	<u>4,672,333</u>						
Net Decrease	<u>\$ (608)</u>						
<p><u>2017 – Fixed Asset/Depreciation</u> – UVDS submitted a request to purchase \$2,790,804 in fixed assets during the rate period of 2018/2019. For bins and carts, costs were adjusted to reflect prior year actuals applicable to UVDS. On two of the items the depreciation proposed was based on the 100% use by UVDS; however, further discussion indicated that the assets would be shared with Upper Valley Recycling and South Lake Recycling, affiliates. Adjustments were made to change the value of the assets to represent the portion applicable to UVDS. Other minor adjustments were made for shared assets and life of the assets. The analysis resulted in the following adjustment:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Proposed Depreciation</td> <td style="text-align: right;">\$ 943,729</td> </tr> <tr> <td>Recommended Deprec.</td> <td style="text-align: right;"><u>853,207</u></td> </tr> <tr> <td>Net Decrease</td> <td style="text-align: right;"><u>\$ (90,522)</u></td> </tr> </table>		Proposed Depreciation	\$ 943,729	Recommended Deprec.	<u>853,207</u>	Net Decrease	<u>\$ (90,522)</u>
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<p><u>Other Allowable</u> – The cost of Member Services are required to be removed from Other Allowable expenses. UVDS reduced Other Allowable Expenses for Member Services provided in fiscal year 2017/2018; however, the amount was not adjusted for the profit margin. The cost of member services equals the fee charged for those services less the profit margin included in the fees for service.</p> <p>Other Allowable Expenses increased by \$2,322.</p>							

Cost Component	Rate Change								
<p>Construction and Demolition</p> <ul style="list-style-type: none"> Wage and Benefits was reduced for the projected costs of group health benefits. <table border="0" style="width: 100%;"> <tr> <td></td> <td style="text-align: center;"><u>Wages</u></td> </tr> <tr> <td>Proposed Cost</td> <td style="text-align: right;">\$ 657,555</td> </tr> <tr> <td>Recommended Cost.</td> <td style="text-align: right;"><u>620,427</u></td> </tr> <tr> <td>Net Decrease</td> <td style="text-align: right;">\$(<u>37,128</u>)</td> </tr> </table>		<u>Wages</u>	Proposed Cost	\$ 657,555	Recommended Cost.	<u>620,427</u>	Net Decrease	\$(<u>37,128</u>)	
	<u>Wages</u>								
Proposed Cost	\$ 657,555								
Recommended Cost.	<u>620,427</u>								
Net Decrease	\$(<u>37,128</u>)								
<p><u>Debt/Interest</u> – Interest expense was decreased as a result of an adjustment for the prior year projected interest and proposed interest for capital purchases:</p> <table border="0" style="width: 100%;"> <tr> <td>Proposed</td> <td style="text-align: right;">\$ 99,625</td> </tr> <tr> <td>Recommended</td> <td style="text-align: right;"><u>87,604</u></td> </tr> <tr> <td>Net Decrease</td> <td style="text-align: right;">\$(<u>12,021</u>)</td> </tr> </table>	Proposed	\$ 99,625	Recommended	<u>87,604</u>	Net Decrease	\$(<u>12,021</u>)			
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<p><u>Revenue</u> – Actual Revenue collected in 2017 was increased for miscellaneous revenue earned in 2017 and reduced for intentionally over collected revenues in 2017:</p> <table border="0" style="width: 100%;"> <tr> <td>Proposed Amount</td> <td style="text-align: right;">\$ 11,911,000</td> </tr> <tr> <td>Recommended</td> <td style="text-align: right;"><u>11,855,469</u></td> </tr> <tr> <td>Net Decrease</td> <td style="text-align: right;">\$(<u>55,531</u>)</td> </tr> </table>	Proposed Amount	\$ 11,911,000	Recommended	<u>11,855,469</u>	Net Decrease	\$(<u>55,531</u>)			
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Recommended	<u>11,855,469</u>								
Net Decrease	\$(<u>55,531</u>)								
<p>Net Change to recommend Increase AS OF 6/6/18</p>	-.29%								
<p>RECOMMENDED INCREASE BEFORE IOCR</p>	2.02%								
<p>Request for Intentional Over Collected Revenue (IOCR)</p>	.0%								
<p>RECOMMENDED INCREASE</p>	2.02%								