

Appendix D- Table 1, Reserve and Rate Outcome with No Change to the Current Rate Structure

| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|--|-------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Population | | 85,800 | 87,516 | 89,266 | 91,052 | 92,873 | 94,730 | 96,625 | 98,557 | 100,528 | 102,539 | 104,590 |
| Growth | 2.00% | | 1,716 | 1,750 | 1,785 | 1,821 | 1,857 | 1,895 | 1,932 | 1,971 | 2,011 | 2,051 |
| (Reserve Goal \$279 per capita) | | 23,938,200 | 24,416,964 | 24,905,303 | 25,403,409 | 25,911,478 | 26,429,707 | 26,958,301 | 27,497,467 | 28,047,417 | 28,608,365 | 29,180,532 |
| Revenues | | | | | | | | | | | | |
| All accounts | | 29,115 | 29,697 | 30,291 | 30,897 | 31,515 | 32,145 | 32,788 | 33,444 | 34,113 | 34,795 | 35,491 |
| Accounts Growth rate | 2.00% | | 582 | 594 | 606 | 618 | 630 | 643 | 656 | 669 | 682 | 696 |
| Average Consumption per account | | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 |
| Annual Sales Volume m3 | | 8,117,685 | 8,280,038 | 8,445,639 | 8,614,552 | 8,786,843 | 8,962,580 | 9,141,832 | 9,324,668 | 9,511,162 | 9,701,385 | 9,895,412 |
| Average rate \$/m3 | | 1.39 | 1.46 | 1.52 | 1.59 | 1.66 | 1.74 | 1.82 | 1.90 | 1.98 | 2.07 | 2.17 |
| Water Rate Increase amount | 4.50% | | 0.06 | 0.07 | 0.07 | 0.07 | 0.07 | 0.08 | 0.08 | 0.09 | 0.09 | 0.09 |
| Posted Rate | | 1.66 | 1.73 | 1.81 | 1.89 | 1.98 | 2.07 | 2.16 | 2.26 | 2.36 | 2.47 | 2.58 |
| Water volume Revenue | | 11,323,275 | 12,069,479 | 12,864,858 | 13,712,652 | 14,616,316 | 15,579,531 | 16,606,222 | 17,700,572 | 18,867,040 | 20,110,378 | 21,435,652 |
| Fixed account revenue | | 10,045,375 | 10,497,417 | 10,969,801 | 11,463,442 | 11,979,297 | 12,518,365 | 13,081,691 | 13,670,367 | 14,285,534 | 14,928,383 | 15,600,160 |
| Account Inflation | 4.50% | | 452,042 | 472,384 | 493,641 | 515,855 | 539,068 | 563,326 | 588,676 | 615,167 | 642,849 | 671,777 |
| Water Revenues | | 21,368,650 | 22,566,896 | 23,834,659 | 25,176,094 | 26,595,612 | 28,097,896 | 29,687,914 | 31,370,940 | 33,152,574 | 35,038,761 | 37,035,812 |
| Other Revenues | | 870,000 | 896,100 | 922,983 | 950,672 | 979,193 | 1,008,568 | 1,038,825 | 1,069,990 | 1,102,090 | 1,135,153 | 1,169,207 |
| Increases | 3.00% | | 26,100 | 26,883 | 27,689 | 28,520 | 29,376 | 30,257 | 31,165 | 32,100 | 33,063 | 34,055 |
| TOTAL Revenues | | 22,238,650 | 23,462,996 | 24,757,642 | 26,126,766 | 27,574,805 | 29,106,464 | 30,726,739 | 32,440,930 | 34,254,664 | 36,173,914 | 38,205,019 |
| Costs | | | | | | | | | | | | |
| operating total | | 14,623,558 | 15,354,736 | 16,122,473 | 16,928,596 | 17,775,026 | 18,663,777 | 19,596,966 | 20,576,815 | 21,605,655 | 22,685,938 | 23,820,235 |
| Inflation | 5.00% | | 731,178 | 767,737 | 806,124 | 846,430 | 888,751 | 933,189 | 979,848 | 1,028,841 | 1,080,283 | 1,134,297 |
| Reserve Analysis | | | | | | | | | | | | |
| Opening Reserve Balance | | 9,468,085 | 9,256,656 | 3,079,917 | 1,650,086 | 273,256 | (124,965) | 1,187,722 | 2,537,495 | 3,521,610 | 4,790,618 | 5,798,594 |
| Reserve Contribution (net operating Revenues) | | 7,615,092 | 8,108,260 | 8,635,169 | 9,198,170 | 9,799,779 | 10,442,687 | 11,129,773 | 11,864,115 | 12,649,009 | 13,487,975 | 14,384,784 |
| Debt | | | 4,000,000 | 2,000,000 | | | | | | | | |
| Capital Expenditures | | 7,826,521 | 18,285,000 | 12,065,000 | 10,575,000 | 10,198,000 | 9,130,000 | 9,780,000 | 10,880,000 | 11,380,000 | 12,480,000 | 12,980,000 |
| Closing Balance | | 9,256,656 | 3,079,917 | 1,650,086 | 273,256 | (124,965) | 1,187,722 | 2,537,495 | 3,521,610 | 4,790,618 | 5,798,594 | 7,203,378 |
| Reserve Goal | | 23,938,200 | 24,416,964 | 24,905,303 | 25,403,409 | 25,911,478 | 26,429,707 | 26,958,301 | 27,497,467 | 28,047,417 | 28,608,365 | 29,180,532 |
| Total operating and capital cash flow costs | | | | | | | | | | | | |
| Total operating and capital cash flow costs | | 22,450,079 | 33,639,736 | 28,187,473 | 27,503,596 | 27,973,026 | 27,793,777 | 29,376,966 | 31,456,815 | 32,985,655 | 35,165,938 | 36,800,235 |
| Total Revenue | | 22,238,650 | 23,462,996 | 24,757,642 | 26,126,766 | 27,574,805 | 29,106,464 | 30,726,739 | 32,440,930 | 34,254,664 | 36,173,914 | 38,205,019 |
| Net annual Surplus | | (211,429) | (10,176,740) | (3,429,831) | (1,376,830) | (398,221) | 1,312,687 | 1,349,773 | 984,115 | 1,269,009 | 1,007,975 | 1,404,784 |
| Reserve balance per capital | | | | | | | | | | | | |
| Reserve balance per capital | | 107.89 | 35.19 | 18.48 | 3.00 | -1.35 | 12.54 | 26.26 | 35.73 | 47.65 | 56.55 | 68.87 |
| Reserve goal per capita | | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 |
| Deficit | | -171.11 | -243.81 | -260.52 | -276.00 | -280.35 | -266.46 | -252.74 | -243.27 | -231.35 | -222.45 | -210.13 |

Appendix D- Table 2, Reserve and Rate Outcome with Proposed Change to a Uniform Rate Structure

| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|-------|------------|--------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|
| Population | | 85,800 | 87,516 | 89,266 | 91,052 | 92,873 | 94,730 | 96,625 | 98,557 | 100,528 | 102,539 | 104,590 |
| Growth | 2.00% | | 1,716 | 1,750 | 1,785 | 1,821 | 1,857 | 1,895 | 1,932 | 1,971 | 2,011 | 2,051 |
| (Reserve Goal \$279 per capita) | | 23,938,200 | 24,416,964 | 24,905,303 | 25,403,409 | 25,911,478 | 26,429,707 | 26,958,301 | 27,497,467 | 28,047,417 | 28,608,365 | 29,180,532 |
| Revenues | | | | | | | | | | | | |
| All accounts | | 29,115 | 29,697 | 30,291 | 30,897 | 31,515 | 32,145 | 32,788 | 33,444 | 34,113 | 34,795 | 35,491 |
| Accounts Growth rate | 2.00% | | 582 | 594 | 606 | 618 | 630 | 643 | 656 | 669 | 682 | 696 |
| Average Consumption per account | | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 | 279 |
| Annual Sales Volume m3 | | 8,117,685 | 8,280,038 | 8,445,639 | 8,614,552 | 8,786,843 | 8,962,580 | 9,141,832 | 9,324,668 | 9,511,162 | 9,701,385 | 9,895,412 |
| Average rate \$/m3 | | 1.39 | 1.45 | 1.53 | 1.63 | 1.73 | 1.84 | 1.95 | 2.08 | 2.19 | 2.28 | 2.38 |
| Marginal Increase to reach Uniform Rate | | - | 0.02 | 0.03 | 0.03 | 0.04 | 0.04 | 0.05 | 0.02 | 0.01 | 0.01 | 0.01 |
| Adjusted Average Rate \$/m3 | | 1.39 | 1.47 | 1.56 | 1.66 | 1.77 | 1.88 | 2.00 | 2.11 | 2.20 | 2.29 | 2.39 |
| Water Rate Increase amount | 4.00% | | 0.06 | 0.06 | 0.06 | 0.07 | 0.07 | 0.08 | 0.08 | 0.08 | 0.09 | 0.09 |
| Posted Rate | | 1.66 | 1.73 | 1.80 | 1.87 | 1.94 | 2.02 | 2.10 | 2.18 | 2.27 | 2.36 | 2.46 |
| Water volume Revenue | | 11,323,275 | 12,011,731 | 12,944,650 | 14,015,983 | 15,187,139 | 16,468,416 | 17,871,259 | 19,408,385 | 20,828,105 | 22,159,350 | 23,579,452 |
| Fixed account revenue | | 10,045,375 | 10,447,190 | 10,865,078 | 11,299,681 | 11,751,668 | 12,221,735 | 12,710,604 | 13,219,028 | 13,747,789 | 14,297,701 | 14,869,609 |
| Account Inflation | 4.00% | | 401,815 | 417,888 | 434,603 | 451,987 | 470,067 | 488,869 | 508,424 | 528,761 | 549,912 | 571,908 |
| Water Revenues | | 21,368,650 | 22,458,921 | 23,809,727 | 25,315,664 | 26,938,806 | 28,690,151 | 30,581,863 | 32,627,414 | 34,575,895 | 36,457,051 | 38,449,061 |
| Other Revenues | | 870,000 | 896,100 | 922,983 | 950,672 | 979,193 | 1,008,568 | 1,038,825 | 1,069,990 | 1,102,090 | 1,135,153 | 1,169,207 |
| Increases | 3.00% | | 26,100 | 26,883 | 27,689 | 28,520 | 29,376 | 30,257 | 31,165 | 32,100 | 33,063 | 34,055 |
| TOTAL Revenues | | 22,238,650 | 23,355,021 | 24,732,710 | 26,266,336 | 27,917,999 | 29,698,719 | 31,620,688 | 33,697,404 | 35,677,985 | 37,592,204 | 39,618,268 |
| Costs | | | | | | | | | | | | |
| operating total | | 14,623,558 | 15,354,736 | 16,122,473 | 16,928,596 | 17,775,026 | 18,663,777 | 19,596,966 | 20,576,815 | 21,605,655 | 22,685,938 | 23,820,235 |
| Inflation | 5.00% | | 731,178 | 767,737 | 806,124 | 846,430 | 888,751 | 933,189 | 979,848 | 1,028,841 | 1,080,283 | 1,134,297 |
| Reserve Analysis | | | | | | | | | | | | |
| Opening Reserve Balance | | 9,468,085 | 9,256,656 | 2,971,941 | 1,517,179 | 279,919 | 224,892 | 2,129,834 | 4,373,556 | 6,614,145 | 9,306,474 | 11,732,739 |
| Reserve Contribution (net operating Revenues) | | 7,615,092 | 8,000,285 | 8,610,238 | 9,337,740 | 10,142,973 | 11,034,942 | 12,023,722 | 13,120,589 | 14,072,329 | 14,906,266 | 15,798,033 |
| Debt | | | 4,000,000 | 2,000,000 | | | | | | | | |
| Capital Expenditures | | 7,826,521 | 18,285,000 | 12,065,000 | 10,575,000 | 10,198,000 | 9,130,000 | 9,780,000 | 10,880,000 | 11,380,000 | 12,480,000 | 12,980,000 |
| Closing Balance | | 9,256,656 | 2,971,941 | 1,517,179 | 279,919 | 224,892 | 2,129,834 | 4,373,556 | 6,614,145 | 9,306,474 | 11,732,739 | 14,550,772 |
| Reserve Goal | | 23,938,200 | 24,416,964 | 24,905,303 | 25,403,409 | 25,911,478 | 26,429,707 | 26,958,301 | 27,497,467 | 28,047,417 | 28,608,365 | 29,180,532 |
| Total operating and capital cash flow costs | | 22,450,079 | 33,639,736 | 28,187,473 | 27,503,596 | 27,973,026 | 27,793,777 | 29,376,966 | 31,456,815 | 32,985,655 | 35,165,938 | 36,800,235 |
| Total Revenue | | 22,238,650 | 23,355,021 | 24,732,710 | 26,266,336 | 27,917,999 | 29,698,719 | 31,620,688 | 33,697,404 | 35,677,985 | 37,592,204 | 39,618,268 |
| Net annual Surplus | | (211,429) | (10,284,715) | (3,454,762) | (1,237,260) | (55,027) | 1,904,942 | 2,243,722 | 2,240,589 | 2,692,329 | 2,426,266 | 2,818,033 |
| Reserve balance per capital | | 107.89 | 33.96 | 17.00 | 3.07 | 2.42 | 22.48 | 45.26 | 67.11 | 92.58 | 114.42 | 139.12 |
| Reserve goal per capita | | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 | 279.00 |
| Deficit | | -171.11 | -245.04 | -262.00 | -275.93 | -276.58 | -256.52 | -233.74 | -211.89 | -186.42 | -164.58 | -139.88 |