

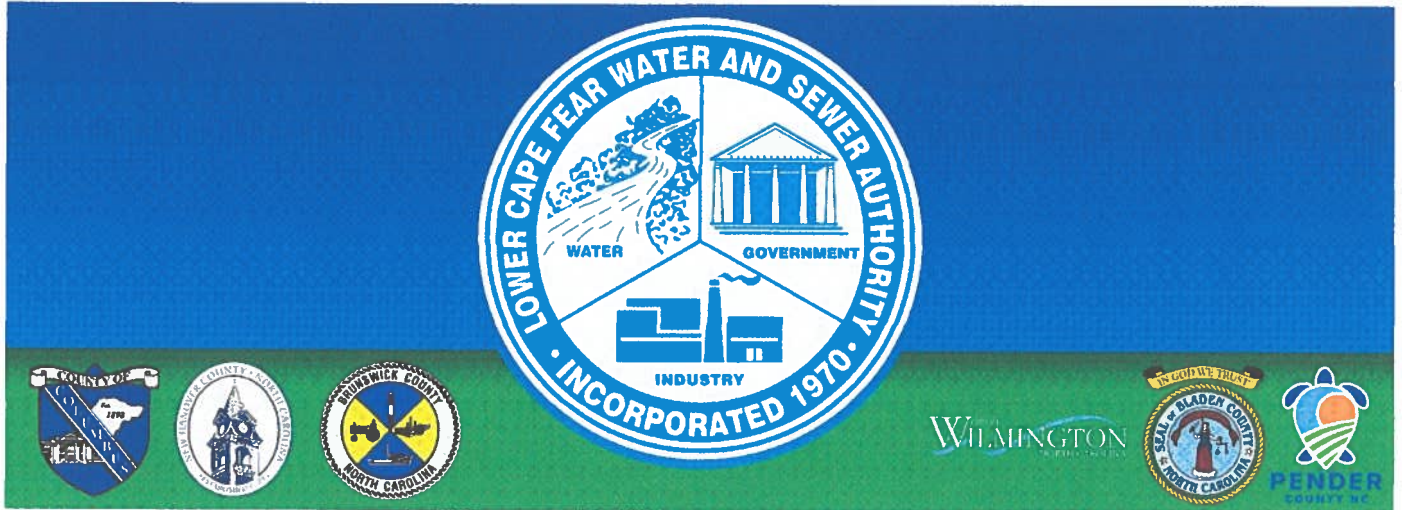
AGENDA
Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
8:45 a.m. – Personnel Committee Meeting
September 11, 2023

MEETING CALL TO ORDER: Chairman Blanchard

DISCUSSION: Update on Financial Administration Assistant Clerk Certification Course for 2023 and Executive Director Accepted to Leadership Brunswick

ACTION/DIRECTION: Discussion

ADJOURNMENT



AGENDA

**Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
9:00 a.m. – Regular Monthly Board Meeting
September 11, 2023**

MEETING CALL TO ORDER: Chairman Blanchard

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT AGENDA

- C1** – Minutes of August 21, 2023, Regular Board Meeting
- C2** – Kings Bluff Monthly Operations and Maintenance Report
- C3** – Bladen Bluffs Monthly Operations and Maintenance Reports
- C4** – Resolution for Recognition of National Source Water Protection Week September 24-30th, 2023

NEW BUSINESS

- NB1** – Consider Draft Plan Rate Review with Willdan

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

- EDR1** – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending August 31, 2023
- EDR2** – Operating Budget Status, Ending July 31, 2023
- EDR3** – Summary of Activities

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

PUBLIC COMMENT

ADJOURNMENT

The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, October 9th at 9:00 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: September 11, 2023

Re: Consent Agenda

Reviewed and approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Please find enclosed the items of a routine nature for consideration and approval by the Board of Directors with one motion. However, that does not preclude a board member from selecting an item to be voted on individually, if so desired.

C1 – Minutes of August 21, 2023, Regular Board Meeting

C2 – Kings Bluff Monthly Operations and Maintenance Report

C3 – Bladen Bluffs Monthly Operations and Maintenance Report

C4 – Resolution for Recognition of National Source Water Protection Week September 24-30th, 2023

Action Requested: Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
August 21st, 2023

Chairman Blanchard called to order the Authority meeting scheduled on August 21st, 2023, at 9:00 a.m. and welcomed everyone present. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina. Director DeVane gave the invocation.

Roll Call by Chairman Blanchard:

Present: Norwood Blanchard, Patrick DeVane, Wayne Edge, Harry Knight, Jackie Newton, Scott Phillips, Charlie Rivenbark, Chris Smith, Bill Sue, Phil Tripp, and Frank Williams

Present by Virtual Attendance: Al Leonard and Bill Saffo

Absent: Rob Zapple

Staff: Tim H. Holloman, Executive Director; Matthew Nichols, General Counsel; Tony Boahn P.E., McKim & Creed Sam Boswell, COG; and Danielle Hertzog, Financial Administration Assistant

Guests Present: Glenn Walker, Brunswick County Water Resources Manager; Jorgen Holmberg, Computer Warriors; Kenny Keel, Pender County Public Utilities Director; Jess Powell P.E., McKim & Creed; Kristen Hole, Cape Fear Solar Systems; and Robert Parker, Cape Fear Solar Systems.

Guests Virtual Attendance: Tom Hendrick, Pender County Utilities Water Treatment Plant Superintendent; Benjamin Kearns, Cape Fear Public Utility Authority Water Recourses Manager Water Treatment; John Nichols, Brunswick County Public Utilities Director; and Ken Waldroup, Cape Fear Public Utility Authority Executive Director

PLEDGE OF ALLEGIANCE: Chairman Blanchard led the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA

C1 – Minutes of July 10, 2023, Regular Board Meeting

C2 – Kings Bluff Monthly Operations and Maintenance Report

C3 – Bladen Bluffs Monthly Operations and Maintenance Reports

C4 – Line-item Adjustment for June 30, 2023

Motion: Director Sue **MOVED**; seconded by Director Rivenbark, approval of the Consent Agenda Items C1-C4 as presented. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NEW BUSINESS

NB1 – Presentation by Cape Fear Solar Systems Solar Proposal

The presentation is attached to the minutes.

NB2 – Consider approval of the Preliminary Engineering Report for the Air backwash and Walkway.

Executive Director Holloman advised that the Engineering services proposal would be for phase one of the board-approved Air Backwash and Access Walkway Building replacement. Tony Boahn stated this is for an initial study to develop a matrix of options, materials, and construction methods.

Motion: Director DeVane **MOVED**, seconded by Director Phillips, to approve the Preliminary Engineering Report for the Air backwash and Walkway. Upon voting, the **MOTION CARRIED**.

NB3 – Consider approval of the Partial Roof Replacement at Kings Bluff – Engineering/ Bid/ Construction Management.

A) Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31

Motion: Director Rivenbark **MOVED**, seconded by Director Williams, to approve the Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31. Upon voting, the **MOTION CARRIED**.

B) Approve the Partial Standing Seam Metal Roof Replacement Proposal

Executive Director Holloman advised McKim and Creed will oversee this process with a design-build and the bid process.

Motion: Director Phillips **MOVED**, seconded by Director Rivenbark, to approve the Partial Standing Seam Metal Roof Replacement Proposal. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

ENGINEER'S COMMENTS

Jess Powell gave an update on the Livingston Creek aerial pipe joint repair. He is glad to say the repair is complete. Mr. Powell advised McKim & Creed has started work on the Kings Bluff Raw Water Main Phase 2 with Garney. For this project, they are looking at material cost and installation. Four materials are being examined: PVC, FPVC, Ductile, and Steel. After looking at the price, steel was the lowest cost. Jess has been working with Dupont, DAK Industries, and Coastal Land Trust to acquire additional easements. Mr. Powell was about to get in touch with CSX. CSX advised that the AK spur is no longer used or needed by them. Therefore, McKim & Creed is looking into utilizing that corridor for the new pipeline. If approved, this will cut about two and half a mile off the pipeline's total distance and be a two-million-dollar savings.

ATTORNEY COMMENTS

No comments

EXECUTIVE DIRECTOR REPORT**EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending June 30, 2023**

Executive Director Holloman reported that during July 2023, Brunswick County was above projections.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments

PUBLIC COMMENT

No comments

ADJOURNMENT

There being no further business, Chairman Blanchard adjourned the meeting at 10:06 a.m.

Respectfully Submitted:

Patrick DeVane Secretary

CAPE FEAR SOLAR SYSTEMS

Prepared For
Lower Cape Fear Water & Sewer
Authority
(910) 383-1919

LCFWASA 1.3MW Solar Proposal

Prepared By
Will Parker
(910) 777-3749
will@capefearsolarsystems.com

6/30/2023



Cape Fear Solar Systems has been installing in Southeastern North Carolina since 2007. With NABCEP Certified Designers and Installers we have maintained a standard of excellence in over 1500 projects. The elegance and accuracy of our work is evident in every system and our customers are happy to share their experiences with you.



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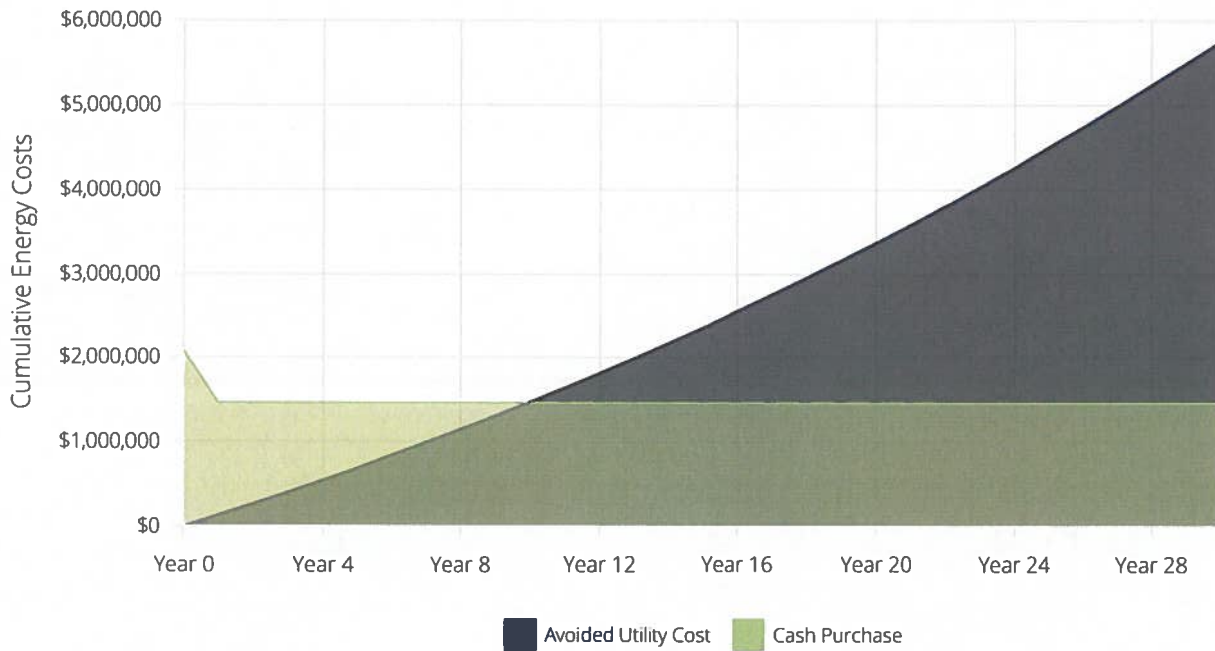
1 Project Summary

Payment Options	Cash Purchase
IRR - Term	10.2%
LCOE PV Generation	\$0.030 /kWh
Net Present Value	\$1,215,238
Payback Period	9.9 Years
Total Payments	\$2,089,293
Total Incentives	\$626,788
Net Payments	\$1,462,505
Electric Bill Savings - Term	\$5,763,003
Upfront Payment	\$2,089,293

Combined Solar PV Rating

Power Rating: 1,303,800 W-DC

Cumulative Energy Costs



2.1.1 PV System Details

General Information

Facility: Meter #1
 Address: 246 Private Rd, Riegelwood, NC, 28456

Solar PV Equipment Description

Solar Panels: (2460) HT-SAAE HT72-18X
 Inverters: (20) SMA America STP 50-US-41

Solar PV Equipment Warranty

Solar Panels: 25 Years
 Inverters: 10 Years

Solar PV System Cost and Incentives

Solar PV System Cost \$2,089,293
 Direct pay - 30% ITC **-\$626,788**

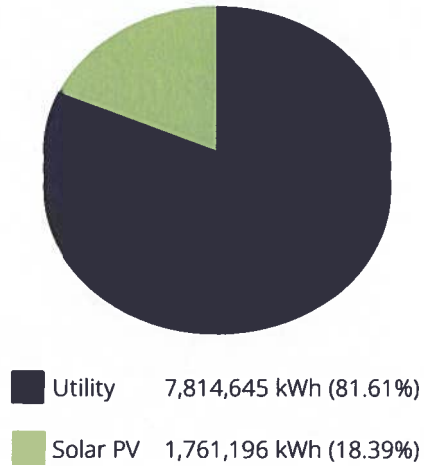
Net Solar PV System Cost \$1,462,505

Solar PV System Rating

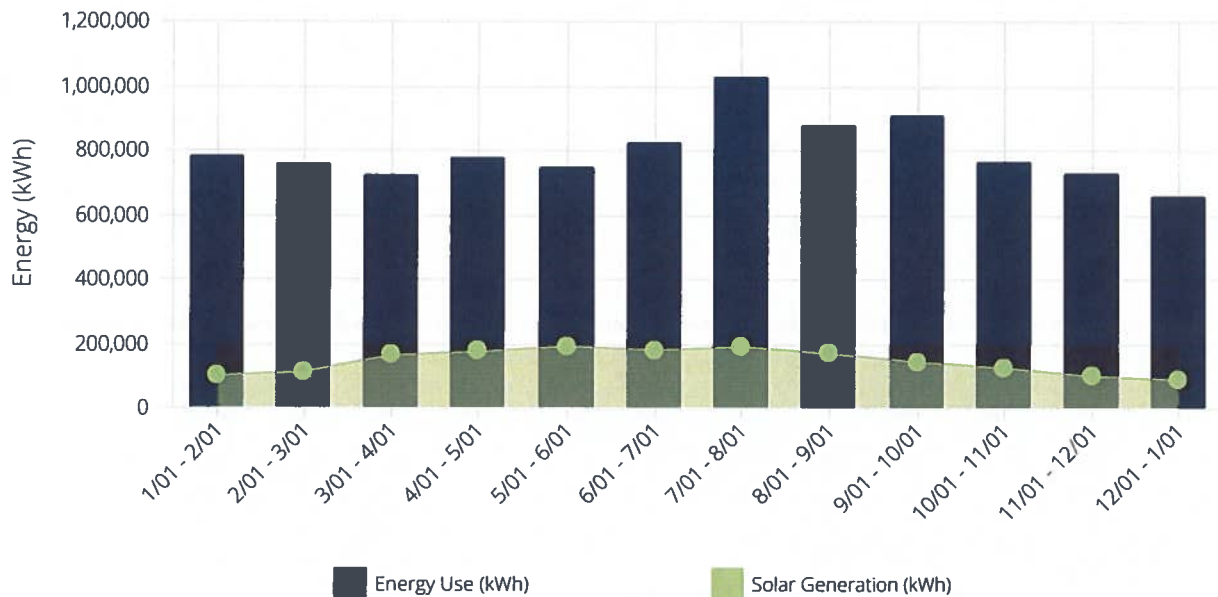
Power Rating: 1,303,800 W-DC
 Power Rating: 1,000,000.0 W-AC

Energy Consumption Mix

Annual Energy Use: 9,575,841 kWh



Monthly Energy Use vs Solar Generation



2.1.2 Rebates and Incentives

This section summarizes all incentives available for this project. The actual rebate and incentive amounts for this project are shown in each example.

Direct Pay, Investment Tax Credit (ITC) - 30%

The Inflation Reduction Act (IRA) of 2022 contains a "direct pay" provision that enables certain tax-exempt customers, including state and local government, to receive a direct cash payment in lieu of an investment tax credit (ITC). Entities that qualify for direct pay are eligible to receive a 30% direct payment, assuming they meet the IRA established prevailing wage and apprenticeship requirements in order to qualify for the full 30% "increased rate", rather than a 6% "base rate". The IRA states that direct pay is only available for entities, including: an entity exempt from the tax, any State government (or political subdivision thereof), the Tennessee Valley Authority, an Indian tribal government, an Alaska Native Corporation, any corporation operating on a cooperative basis which is engaged in furnishing electric energy to persons in rural areas. These entities may take direct pay for solar and storage in the ITC and PTC as well as the ITC/PTC when tech neutral starts after 2025.

Total Incentive Value: \$626,788

Annual Electricity Savings: \$132,160

3.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%
Total Project Costs	\$2,089,293				

Years	Project Costs	Direct pay - 30% ITC	Electric Bill Savings	PV Generation (kWh)	Total Cash Flow	Cumulative Cash Flow
Upfront	-\$2,089,293	-	-	-	-\$2,089,293	-\$2,089,293
1	-	\$626,788	\$132,160	1,761,196	\$758,948	-\$1,330,345
2	-	-	\$135,444	1,752,390	\$135,444	-\$1,194,901
3	-	-	\$138,807	1,743,584	\$138,807	-\$1,056,094
4	-	-	\$142,249	1,734,778	\$142,249	-\$913,845
5	-	-	\$145,772	1,725,972	\$145,772	-\$768,073
6	-	-	\$149,380	1,717,166	\$149,380	-\$618,693
7	-	-	\$153,072	1,708,360	\$153,072	-\$465,621
8	-	-	\$156,851	1,699,554	\$156,851	-\$308,770
9	-	-	\$160,720	1,690,748	\$160,720	-\$148,050
10	-	-	\$164,679	1,681,942	\$164,679	\$16,629
11	-	-	\$168,732	1,673,136	\$168,732	\$185,360
12	-	-	\$172,879	1,664,330	\$172,879	\$358,239
13	-	-	\$177,123	1,655,524	\$177,123	\$535,362
14	-	-	\$181,466	1,646,718	\$181,466	\$716,829
15	-	-	\$185,911	1,637,912	\$185,911	\$902,739
16	-	-	\$190,459	1,629,106	\$190,459	\$1,093,198
17	-	-	\$195,112	1,620,300	\$195,112	\$1,288,310
18	-	-	\$199,873	1,611,494	\$199,873	\$1,488,183
19	-	-	\$204,744	1,602,688	\$204,744	\$1,692,927
20	-	-	\$209,728	1,593,882	\$209,728	\$1,902,655
21	-	-	\$214,826	1,585,076	\$214,826	\$2,117,481
22	-	-	\$220,042	1,576,270	\$220,042	\$2,337,523
23	-	-	\$225,377	1,567,464	\$225,377	\$2,562,900
24	-	-	\$230,834	1,558,658	\$230,834	\$2,793,734
25	-	-	\$236,416	1,549,852	\$236,416	\$3,030,150
26	-	-	\$242,125	1,541,046	\$242,125	\$3,272,275
27	-	-	\$247,963	1,532,240	\$247,963	\$3,520,238
28	-	-	\$253,934	1,523,434	\$253,934	\$3,774,172
29	-	-	\$260,041	1,514,628	\$260,041	\$4,034,213
30	-	-	\$266,285	1,505,822	\$266,285	\$4,300,498
Totals:	-\$2,089,293	\$626,788	\$5,763,003	49,005,270	\$4,300,498	-

4.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%
Total Project Costs	\$2,089,293				

Years	Upfront	1	2	3	4	5	6	7	8	9	10	11
Cash												
Project Costs												
Direct pay - 30% ITC												
Electric Bill Savings												
Cash Total												
Total Cash Flow												
Cumulative Cash Flow												



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4.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years							
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%							
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%							
Total Project Costs	\$2,089,293											
Years	12	13	14	15	16	17	18	19	20	21	22	23
Cash												
Project Costs	-	-	-	-	-	-	-	-	-	-	-	-
Direct pay - 30% ITC	-	-	-	-	-	-	-	-	-	-	-	-
Electric Bill Savings	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Cash Total	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Total Cash Flow	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Cumulative Cash Flow	\$358,239	\$535,362	\$716,829	\$902,739	\$1,093,198	\$1,288,310	\$1,488,183	\$1,692,927	\$1,902,655	\$2,117,481	\$2,337,523	\$2,562,900



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4.1 Cash Purchase

Assumptions and Key Financial Metrics

	24	25	26	27	28	29	30	Totals
IRR - Term	10.2%				\$1,215,238			9.9 Years
ROI	205.8%				0.50%			5.0%
Energy Cost Escalation Rate	3.0%				30.0%			5.0%
Total Project Costs	\$2,089,293							
Years	24	25	26	27	28	29	30	Totals
Cash								
Project Costs	-	-	-	-	-	-	-	-\$2,089,293
Direct pay - 30% ITC	-	-	-	-	-	-	-	\$626,788
Electric Bill Savings	\$230,834	\$236,416	\$242,125	\$247,963	\$253,934	\$260,041	\$266,285	\$5,763,003
Cash Total	\$230,834	\$236,416	\$242,125	\$247,963	\$253,934	\$260,041	\$266,285	\$4,300,498
Total Cash Flow	\$230,834	\$236,416	\$242,125	\$247,963	\$253,934	\$260,041	\$266,285	\$4,300,498
Cumulative Cash Flow	\$2,793,734	\$3,030,150	\$3,272,275	\$3,520,238	\$3,774,172	\$4,034,213	\$4,300,498	-



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COUNTY OF BRUNSWICK
PUBLIC UTILITIES DEPARTMENT
Kings Bluff Pump Station



246 Private Road
Riegelwood, NC 28456
(910) 655-4799 Office
(910) 655-4798 FAX

TO: Tim Holloman

FROM: Greg Lazorchak

DATE: 9/01/2023

SUBJECT: Monthly maintenance report for August 2023

Mr. Holloman,

The Maintenance and Operations of the king's bluff facility for the month of August were performed as prescribed in the station SOP'S and other items are as follows.

The diesel drive booster pumps along with the standby SCADA generator located at the raw tank and the SCADA generator located at INVISTA / CFPWA vaults off HWY 421 were run and tested weekly and verified standby ready.

KB personnel completed all locates issued by the 811 system.

KB personnel successfully blew off screens at river.

KB personnel assisted Maggart with soil resistance corrosion test at DAK.

KB personnel aided Power Secure with annual P.M.'s on generator #1 then load tested.

KB personnel painted various portions of facility.

KB personnel installed new alternator on Dodge.

KB personnel power washed surge tank #1,2, & 3.

KB personnel successfully replaced GYBE sensors at river.

KB personnel continued spraying and inspection of R.O.W.

KB personnel installed new water line leading toward river.

Contractors:

Maggart

Power Secure serviced Gen #1 for annual P.M.'s.

Power secure inspected emissions for generator #1 & #2

Pursuit Cleaning came to Kings Bluff office for bi-monthly cleaning.

LJ's Landscaping cut grass at Kings Bluff pump station.

McDuffie pest control sprayed facility.

Newcomb finished P.M.'s and replenished R22.

Thank you,
Gregory Lazorchak

Smithfield.

To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 9/5/23

Subject: August 2023 Operations

During the month of August, Bladen Bluffs SWTP operated a total of 19 days, treating 49.42 million gallons of water.

We used:

32,802 lbs. of aluminum sulfate (Alum)

9,671 lbs. of sodium hydroxide (Caustic)

1,852 lbs. of sodium hypochlorite (3,719 gallons of 6% Chlorine Bleach)

James Kern
Water Treatment Plant
Supervisor

(910) 862-3114
(910) 862-3146
(910) 733-0016 mobile
jkern@smithfield.com

Smithfield.
Good food. Responsibly.®

Bladen Bluffs Surface Water Treatment
Plant
17014 Highway 87 West
Tar Heel, NC 28392
www.smithfieldfoods.com

Bladen Bluffs SWTP Maintenance Report

Date: 9/5/2023

ISSUE:

PLAN OF ACTION:

Air on finished water line (from GAC)	Installing valve in new location
All PLC need updated	Getting quotes
Found small leak in lagoon liner	Contractor has inspected
Vault intrusion electrical needs sealed	Quote approved
Replacing all faded ARC Flash/safety outdoor labels	COMPLETE
Need new keypad/intercom system front gate	COMPLETE
Install lights and camera at river	COMPLETE
Few lights out on basin	Renting lift
Chlorine Pump #1 flow meter broken	Ordered new
Chlorine Pump #2 leaking around pump	Scheduling repair with Tencarva
Tree down on fence (tropical storm)	Tree cleared, scheduling fence repair

Monthly Operating Reports (MORs) Summary

(No user data entry – all values are auto-populated.)

Year: <u>2023</u>	PWS Name: <u>Bladen Bluffs Water System</u>	PWSID#: <u>NC5009012</u>
Month: <u>August</u>	Facility Name: <u>Bladen Bluff</u>	

Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count): <u>0</u>	Number of samples required: <u>104</u>
Samples exceeding .3 NTU (count): <u>0</u>	Number of samples taken: <u>104</u>
Samples exceeding .3 NTU (pct): <u>0.0%</u>	Highest single turbidity reading NTU: <u>0.098</u>
	Monthly average turbidity NTU: <u>0.057</u>

Individual Filter Effluent (IFE) Turbidity

1) Was each filter <u>continuously</u> monitored for turbidity?	Yes	<u>X</u>	No	
2) Was each filter's monitoring results <u>recorded every 15 minutes</u> ?	Yes	<u>X</u>	No	
3) Was there a failure of the continuous turbidity monitoring equipment?	Yes		No	<u>X</u>
4) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements ?	Yes		No	<u>X</u>
5) Was any individual filter turbidity level > 0.5 NTU in two consecutive measurements at the end of 4 hours of operation after the filter has been backwashed or otherwise taken offline ?	Yes		No	<u>X</u>
6) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements in each 3 consecutive months ?	Yes		No	<u>X</u>
7) Was any individual filter turbidity level > 2.0 NTU in two consecutive measurements in 2 consecutive months ?	Yes		No	<u>X</u>

Entry Point Residual Disinfectant Concentration (EPRD)

Disinfectant Used <u>Chlorine</u>	Number of samples required <u>104</u>
Minimum EPRD concentration <u>0.3500</u>	Number of samples taken <u>104</u>

Distribution Residual Disinfectant Concentration

Number of samples under 0.010 mg/L (without any detectable) excluding where HPC is ≤ 500/mL	<u>0</u>
---	----------

Contact Time (CT) Ratio

Lowest CT ratio reading <u>17.72</u>	Number of CT ratios required <u>19</u>
Number of CT ratios below 1.0 <u>0</u>	Number of CT ratios calculated <u>19</u>

Remarks From General Info Worksheet

By checking this box, the ORC certifies that the requirements of 15A NCAC 18C .1301 "General Requirements", .1302 "Tests, Forms, and Reporting", and .1303 "Facility Oversight" have been met for the month of August, 2023 and that records documenting compliance with this rule are maintained on the premises and available for inspection upon request.

NCDENR/DEH PWSS Version: V02.10-00	COMPLETED BY: James Kern	CERTIFICATE GRADE: A - Surface CERTIFICATE NUMBER: 120147
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**Resolution for Recognition of
National Source Water Protection Week**

WHEREAS, the Board of Directors for Lower Cape Fear Water & Sewer Authority (“the Authority”) wishes to provide and promote the importance of source water to the region; and

WHEREAS, the health, prosperity, and quality of life of the Lower Cape Fear Region citizens and communities depend on a reliable supply of safe, high quality drinking water;

WHEREAS, protecting our drinking water is essential to preserve our own health and economy and that of future generations;

WHEREAS, we strive to build opportunities and work together to ensure clean, safe source water for all;

WHEREAS, the Authority is a regional organization created to aid development of a water supply system for its sponsoring member governments comprised of Bladen, Brunswick, Columbus, New Hanover, and Pender Counties, and the City of Wilmington;

WHEREAS, Residents and Businesses of the Lower Cape Fear Region are encouraged to recognize this precious resource and help conserve the watersheds that are the source of our water, protect our shared water resources from pollution, practice water conservation, become involved in local water issues, and plan to protect water for future community health and economic vitality;

THEREFORE, BE IT RESOLVED, by the Chairman and the Board of Directors for the Lower Cape Fear Water & Sewer Authority that September 24th to September 30th, 2023, is proclaimed as Source Water Protection Week

THEREFORE, BE IT FURTHER RESOLVED, that a copy of this resolution be recorded in the permanent minutes of this Board.

Adopted this 11th day of September 2023

Norwood Blanchard, Chairman

ATTEST:

Patrick DeVane, Secretary

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: September 11, 2023

Re: Willdan Rate study

Reviewed and approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Background: The Authority awarded the contract for the water rate study to Willdan Financial Services on December 12, 2022. The primary goals and objectives of the water rate study conducted by Willdan include full cost recovery of expenditures, meeting financial metric targets, meeting required debt coverage, maintaining adequate/positive balances in enterprise operating fund, achieving target levels in Renewal and Replacement and enterprise capital funds in specified time frames, financial strength for possible future debt issuances, a 20-year financial plan, and determining cost-sharing mechanisms and agreements. There were multiple meetings with partners throughout the process.

Action Requested: Attached resolution for board discretion

Lower Cape Fear WASA

Water Rate Study

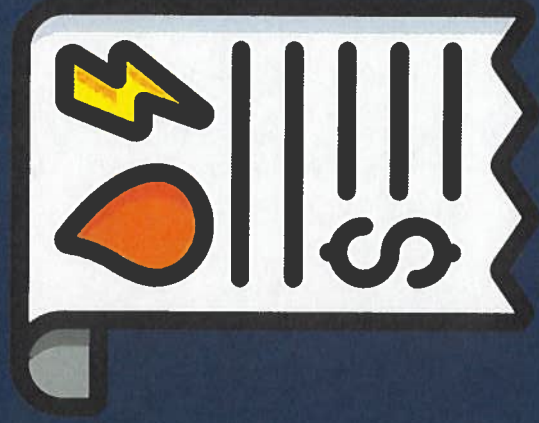
August 21, 2023

Willdan Financial Services

- Rick McClung, MBA, Principal Consultant



Water Rate Study Objectives



- The primary goals and objectives of the rate study include:
 - Full Cost Recovery of Expenditures
 - Meet Financial Metric Targets
 - Meet Required Debt Coverage
 - Maintain Adequate/Positive Balances In Enterprise Operating Fund
 - Achieve Target Levels in R&R And Enterprise Capital Funds In Specified Time Frames
 - Financial Strength Important for Future Debt Issuances
 - 20-year Financial Plan
 - Determine Cost-sharing Mechanism & Agreements

Factors Driving The Financial Plan



- Higher Than Normal Inflation Impacting Operating Costs
- Future Capital Improvements (Converted To Future Dollars)
- Future Debt Issuances Require Meeting Debt Service Coverage Targets

Rate Study Assumptions

- Customer Usage Growth as Set Forth Herein (Subject to Change with Future Study Updates)
- Capital Escalations of 9% for FY 2025 and then 5% for the Remainder of Projection Period
- Future Debt Service Assumptions (Recommend Hiring FA, Especially Prior to Any Debt Issuances):
 - 5% Interest Rate
 - 20-Year Amortization Period
 - Half-Year Payment Year 1 and Full Payment Starting Year 2

Future Capital Improvements Projects & Funding Sources

- Larger Planned Capital Projects (Allocated to All):
 - New 4th Pump at KBPS (Debt)
 - New Generators (Debt)
 - Pig Water Mains (Pay-Go)
 - Walkway & Air Backwash Bldg. Replacement (Debt/Pay-Go)
 - Replace Raw Water Pumps (Debt)
 - 48-inch PCCP Inspect. & Pig Grnd. Tank (Pay-Go)
- Larger Planned Capital Projects (Cost Share):
 - Intermediate BPS Upgrade (Pay-Go)
 - 20 MGD Ground Tank (Pay-Go)
 - 3-Mile 48" Parallel Raw Water Main (Grants)
 - 100 MGD Reservoir (Debt/Possible Grants)



LCFWASA Funds and Target Levels to Achieve



- **Enterprise Operating Fund:**
 - Maintain Positive Ending Annual Balance from Operations and in EOF
- **R&R Fund:**
 - Build Up Balance to Approx. \$3 Million by Year 5 (FY 2029) and \$5 Million by Year 10 (FY 2034)
 - By Maintaining Higher R&R Balances, It Will Reduce the Need to Ask Members for Periodic Financial Contributions for Ongoing R&R Expenditures When Required
- **Enterprise Capital Fund:**
 - Build Up Balance to Approx. \$10 Million by Year 10 (FY 2034)

Water Billing Summary/Rate Adjustments

	Projected For Fiscal Years Ending June 30,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Usage (in Gallons)										
Brunswick County	4,314,412	4,745,853	4,827,482	4,910,515	4,994,975	5,080,889	5,168,280	5,257,175	5,347,598	5,439,577
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,131,405	4,172,719	4,214,446	4,256,591	4,299,157	4,342,148	4,385,570	4,429,425	4,473,720	4,518,457
Pender	585,400	597,108	609,050	621,231	633,656	646,329	659,255	672,441	685,889	699,607
Total	9,781,217	10,265,680	10,400,978	10,538,336	10,677,788	10,819,366	10,963,105	11,109,041	11,257,207	11,407,641
Annual Change	(1,704,587)	484,463	135,298	137,358	139,451	141,578	143,739	145,935	148,166	150,434

	Annual % Change									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Brunswick County	0.00%	10.00%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CFPUA	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pender	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

	Rate									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Brunswick County	\$ 0.40	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72	\$ 0.76
Stepan	\$ 0.40	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72	\$ 0.76
Praxair, Inc.	\$ 0.40	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72	\$ 0.76
CFPUA	\$ 0.40	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72	\$ 0.76
Pender	\$ 0.40	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72	\$ 0.76



Water Billing Summary/Rate Adjustments (Cont.)

Projected For Fiscal Years Ending June 30,

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Usage (in Gallons)										
Brunswick County	5,533,138	5,628,307	5,725,114	5,823,586	5,923,752	6,025,641	6,129,282	6,234,705	6,341,942	6,451,024
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,563,641	4,609,278	4,655,371	4,701,924	4,748,944	4,796,433	4,844,397	4,892,841	4,941,770	4,991,187
Pender	713,599	727,871	742,429	757,277	772,423	787,871	803,629	819,701	836,095	852,817
Total	11,560,378	11,715,457	11,872,914	12,032,788	12,195,118	12,359,945	12,527,308	12,697,248	12,869,807	13,045,028
Annual Change	152,737	155,078	157,457	159,874	162,330	164,826	167,363	169,940	172,559	175,221

Annual % Change

Brunswick County	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CFPUA	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pender	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Rate

Brunswick County	\$ 0.80	\$ 0.84	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16
Stepan	\$ 0.80	\$ 0.84	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16
Praxair, Inc.	\$ 0.80	\$ 0.84	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16
CFPUA	\$ 0.80	\$ 0.84	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16
Pender	\$ 0.80	\$ 0.84	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16



Capital Improvement Plan (Allocated to All)

Test Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
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Projected For Fiscal Years Ending June 30,

Project Costs (Escalated to Future \$)

New 4th Pump @ King's Bluff PS	\$ 0	\$ 3,569,750	\$ 1,258,950	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
New 4th Pump @ King's Bluff PS	225,000	0	0	0	0	0	0	0	0	0
Rebuild High Service Pump Motors	0	0	0	0	0	0	0	0	0	0
New Generators	0	0	0	0	0	0	0	0	0	0
Pig 48" Water Main (KBPS to 3 MG Tank)	0	0	0	0	0	0	0	0	0	0
Pig Future 54" Water Main	0	0	0	0	0	0	0	0	0	0
Walkway & Air Backwash Building Rplcmt	0	2,180,000	0	0	0	0	0	0	0	0
Walkway & Air Backwash Building Rplcmt	226,360	0	0	0	0	0	0	0	0	0
Replace Raw Water Pumps 1, 4, 5	0	0	0	0	0	4,769,647	0	0	0	0
New Surge Tank at KBPS	0	0	0	0	0	0	0	0	0	0
5 ROW Acquisitions	100,000	109,000	0	0	0	0	0	0	0	0
48-Inch PCCP Inspect. and Pig - Grd Tank	0	0	2,632,350	210,302	0	0	0	0	0	0
48-Inch PCCP Repairs	0	327,000	0	0	0	0	0	0	0	0
Operating Capital (FY 23/24)	735,000	0	0	0	0	0	0	0	0	0
TOTAL PROJECTS (ALLOCATED TO ALL)	\$ 1,286,360	\$ 6,185,750	\$ 3,891,300	\$ 210,302	\$ 0	\$ 4,769,647	\$ 0	\$ 0	\$ 0	\$ 0

Funding Sources

Pay-Go Capital	\$ 1,286,360	\$ 436,000	\$ 2,632,350	\$ 210,302	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service	\$ 0	\$ 5,749,750	\$ 1,258,950	\$ 0	\$ 0	\$ 4,769,647	\$ 0	\$ 0	\$ 0	\$ 0



Capital Improvement Plan (Allocated to All)

Projected For Fiscal Years Ending June 30,

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
\$	0	0	0	0	0	0	0	0	0	0
New 4th Pump @ King's Bluff PS	0	0	0	0	0	0	0	0	0	0
New 4th Pump @ King's Bluff PS	0	0	0	0	0	0	0	0	0	0
Rebuild High Service Pump Motors	0	532,649	0	0	0	0	0	0	0	0
New Generators	2,536,422	22,548,788	0	0	0	0	0	0	0	0
Pig 48" Water Main (KBPS to 3 MG Tank)	0	0	0	0	0	0	2,719,238	0	0	0
Pig Future 54" Water Main	2,029,137	0	0	0	0	0	0	0	0	0
Walkway & Air Backwash Building Rplcmt	0	0	0	0	0	0	0	0	0	0
Walkway & Air Backwash Building Rplcmt	0	0	0	0	0	0	0	0	0	0
Replace Raw Water Pumps 1, 4, 5	6,087,412	0	0	7,046,940	0	0	0	0	0	0
New Surge Tank at KBPS	0	0	0	0	0	0	0	0	0	1,705,090
5 ROW Acquisitions	0	0	0	0	0	0	0	0	0	0
48-Inch PCCP Inspect. and Pig - Grd Tank	0	0	0	0	0	0	0	0	0	0
48-Inch PCCP Repairs	0	0	0	0	0	0	0	0	0	0
Operating Capital (FY 23/24)	0	0	0	0	0	0	0	0	0	0
TOTAL PROJECTS (ALLOCATED TO ALL)	\$10,652,971	\$23,081,437	\$0	\$7,046,940	\$0	\$0	\$2,719,238	\$0	\$0	\$1,705,090

Funding Sources

Pay-Go Capital	\$ 2,029,137	\$ 532,649	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,719,238	\$ 0	\$ 0	\$ 1,705,090
Debt Service	\$ 8,623,834	\$ 22,548,788	\$ 0	\$ 7,046,940	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0



Capital Improvement Plan (Cost Share)

	Projected For Fiscal Years Ending June 30,											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Project Costs (Escalated to Future \$)												
Intermediate Booster PS Shelter	\$ 0	\$ 926,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intermediate Booster PS Upgrade	0	0	0	0	0	0	0	0	0	0	0	1,771,469
New 5th Pump at King'sBluff	0	0	0	0	0	0	0	0	0	0	0	0
20 MG Ground Tank	0	0	0	0	0	0	0	0	0	0	0	0
7-Mile 48" Parallel Raw Water Main	15,000,000	16,350,000	17,247,615									
3-Mile 48" Parallel Raw Water Main	0	0	0	15,021,563	15,772,641							
100 MGD Reservoir (Alloc. to All)	0	0	0	0	0	0	0	8,764,225	52,147,142			
TOTAL PROJECTS (COST SHARING)	\$ 15,000,000	\$ 17,276,500	\$ 17,247,615	\$ 15,021,563	\$ 15,772,641	\$ 0	\$ 0	\$ 8,764,225	\$ 52,147,142	\$ 1,771,469	\$ 0	\$ 0
Funding Sources												
LCFWSA	\$ 0	\$ 185,300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 354,294
Brunswick	0	0	0	0	0	0	0	0	0	0	0	0
CFPUA	0	416,925	0	0	0	0	0	0	0	0	0	797,161
Pender	0	231,625	0	0	0	0	0	0	0	0	0	442,867
Stephan	0	46,325	0	0	0	0	0	0	0	0	0	88,573
Praxair	0	46,325	0	0	0	0	0	0	0	0	0	88,573
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Grants/ARPA	0	0	0	15,021,563	15,772,641			8,764,225	52,147,142			
Already Funded	15,000,000	16,350,000	17,247,615	0	0	0	0	0	0	0	0	0



Capital Improvement Plan (Cost Share)

Projected For Fiscal Years Ending June 30,

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
\$	0	0	0	0	0	0	0	0	0	0
Intermediate Booster PS Shelter	12,682,108	0	0	0	0	0	0	0	0	0
Intermediate Booster PS Upgrade	0	0	0	0	0	0	0	0	0	0
New 5th Pump at King's Bluff	0	0	6,524,945	22,119,562	0	0	0	0	0	0
20 MG Ground Tank	0	0	0	0	0	0	0	0	0	0
7-Mile 48" Parallel Raw Water Main	0	0	0	0	0	0	0	0	0	0
3-Mile 48" Parallel Raw Water Main	0	0	0	0	0	0	0	0	0	0
100 MGD Reservoir (Alloc. to All)	0	0	0	0	0	0	0	0	0	0
TOTAL PROJECTS (COST SHARING)	\$ 12,682,108	\$ 0	\$ 6,524,945	\$ 22,119,562	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Costs (Escalated to Future \$)

- Intermediate Booster PS Shelter
- Intermediate Booster PS Upgrade
- New 5th Pump at King's Bluff
- 20 MG Ground Tank
- 7-Mile 48" Parallel Raw Water Main
- 3-Mile 48" Parallel Raw Water Main
- 100 MGD Reservoir (Alloc. to All)

TOTAL PROJECTS (COST SHARING)

Funding Sources

LCFWSA	\$ 2,536,422	\$ 0	\$ 1,304,989	\$ 4,423,912	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Brunswick	0	0	1,957,483	6,635,869	0	0	0	0	0	0
CFPUA	5,706,949	0	1,304,989	4,423,912	0	0	0	0	0	0
Pender	3,170,527	0	1,304,989	4,423,912	0	0	0	0	0	0
Stephan	634,105	0	326,247	1,105,978	0	0	0	0	0	0
Praxair	634,105	0	326,247	1,105,978	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0
Grants/ARPA	0	0	0	0	0	0	0	0	0	0
Already Funded	0	0	0	0	0	0	0	0	0	0



Anticipated New Debt Issuances

<u>Allocated to All</u>	
New 4th Pump @ King's Bluff PS	\$ 4,828,700
Walkway & Air Backwash Building Rplcmt	\$ 2,180,000
New Generators	\$ 25,085,210
Replace Raw Water Pump 1	\$ 4,769,647
Replace Raw Water Pump 4	\$ 6,087,412
Replace Raw Water Pump 5	\$ 7,046,940
<u>Cost Share Project</u>	
100 MGD Reservoir (Possible Grant Funding)	\$ 60,911,367

Projected Operating Results (Reservoir Debt Funded)

Test Year	Projected For Fiscal Years Ending June 30,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Water Charge Revenue	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,561	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 8,105,189	\$ 8,669,807
Proposed Water Rate Increase	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Effective Increase In Revenues	11.1%	10.0%	9.1%	8.3%	7.7%	7.1%	6.7%	6.3%	5.9%	5.6%
Total Other/Non Oper. Revenues	\$ 314,718	\$ 330,422	\$ 346,353	\$ 358,670	\$ 371,607	\$ 385,187	\$ 399,442	\$ 414,419	\$ 430,145	\$ 446,656
TOTAL REVENUES	\$ 4,227,205	\$ 4,847,321	\$ 5,338,822	\$ 5,838,605	\$ 6,351,168	\$ 6,876,807	\$ 7,415,829	\$ 7,968,566	\$ 8,535,334	\$ 9,116,463
Operating/Administration Expenses	\$ 2,551,317	\$ 2,728,290	\$ 2,895,010	\$ 3,034,740	\$ 3,181,490	\$ 3,335,560	\$ 3,517,430	\$ 3,709,780	\$ 3,913,270	\$ 4,128,550
Income Available for Debt Service	\$ 1,675,887	\$ 2,119,031	\$ 2,443,812	\$ 2,803,865	\$ 3,169,678	\$ 3,541,247	\$ 3,898,399	\$ 4,258,786	\$ 4,622,064	\$ 4,987,913
Debt Service	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 3,388,968	\$ 5,832,811	\$ 5,832,811
Debt Service Coverage	N/A	7.54	4.35	4.99	5.64	4.70	4.12	1.26	0.79	0.86
Total Other Expenses/Transfers	\$ (1,666,360)	\$ (1,271,300)	\$ (1,832,350)	\$ (2,210,302)	\$ (2,600,000)	\$ (2,750,000)	\$ (2,900,000)	\$ (750,000)	\$ -	\$ (354,294)
Net Income	\$ 9,527	\$ 566,533	\$ 49,066	\$ 31,167	\$ 7,282	\$ 37,486	\$ 53,274	\$ 119,818	\$ (1,210,746)	\$ (1,199,192)
Total Funds Available-Operating Fund	\$ 2,909,527	\$ 3,476,060	\$ 3,525,126	\$ 3,556,293	\$ 3,563,575	\$ 3,601,061	\$ 3,654,336	\$ 3,774,154	\$ 2,563,408	\$ 1,364,216
Working Capital in Enterprise Fund	15.00	17.00	16.00	15.00	15.00	14.00	14.00	13.00	9.00	4.00
Total Funds Available-R&R Fund	\$ 623,311	\$ 1,123,311	\$ 223,311	\$ 1,223,311	\$ 2,523,311	\$ 3,773,311	\$ 4,973,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
Total Funds Available-Enterprise Fund	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,531,406	\$ 6,231,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406
Total R&R and Capital Funds	\$ 1,104,717	\$ 1,754,717	\$ 954,717	\$ 2,954,717	\$ 5,554,717	\$ 8,304,717	\$ 11,204,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717
Working Capital (R&R/Capital Funds)	6.00	8.00	4.00	13.00	23.00	33.00	42.00	42.00	40.00	38.00



Projected Operating Results (Reservoir Debt Funded)

	Projected For Fiscal Years Ending June 30,									
	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Total Water Charge Revenue	\$ 9,248,303	\$ 9,840,984	\$ 10,448,164	\$ 11,070,165	\$ 11,707,314	\$ 12,359,945	\$ 13,028,400	\$ 13,713,028	\$ 14,414,184	\$ 15,132,233
Proposed Water Rate Increase	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Effective Increase In Revenues	5.3%	5.0%	4.8%	4.6%	4.4%	4.2%	4.0%	3.9%	3.7%	3.6%
Total Other/Non Oper. Revenues	\$ 463,989	\$ 482,184	\$ 501,299	\$ 521,365	\$ 542,445	\$ 564,571	\$ 587,811	\$ 612,208	\$ 637,826	\$ 664,717
TOTAL REVENUES	\$ 9,712,292	\$ 10,323,167	\$ 10,949,463	\$ 11,591,530	\$ 12,249,758	\$ 12,924,516	\$ 13,616,211	\$ 14,325,235	\$ 15,052,010	\$ 15,796,950
Operating/Administration Expenses	\$ 4,356,320	\$ 4,597,310	\$ 4,852,310	\$ 5,122,150	\$ 5,407,790	\$ 5,710,120	\$ 6,030,160	\$ 6,368,960	\$ 6,727,670	\$ 7,107,460
Income Available for Debt Service	\$ 5,355,972	\$ 5,725,857	\$ 6,097,153	\$ 6,469,380	\$ 6,841,968	\$ 7,214,396	\$ 7,586,051	\$ 7,956,275	\$ 8,324,340	\$ 8,689,490
Debt Service	\$ 7,083,497	\$ 8,334,183	\$ 8,334,183	\$ 8,616,915	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647
Debt Service Coverage	0.76	0.69	0.73	0.75	0.77	0.81	0.85	0.89	0.94	0.98
Total Other Expenses/Transfers	\$ (4,565,559)	\$ (532,649)	\$ (1,304,989)	\$ (4,423,912)	\$ -	\$ -	\$ (2,719,238)	\$ -	\$ -	\$ (1,705,090)
Net Income	\$ (6,293,084)	\$ (3,140,974)	\$ (3,542,018)	\$ (6,571,447)	\$ (2,057,679)	\$ (1,685,252)	\$ (4,032,834)	\$ (943,372)	\$ (575,308)	\$ (1,915,247)
Total Funds Available-Operating Fund	\$ (4,928,868)	\$ (8,069,842)	\$ (11,611,860)	\$ (18,183,307)	\$ (20,240,986)	\$ (21,926,238)	\$ (25,959,072)	\$ (26,902,444)	\$ (27,477,752)	\$ (29,392,999)
Working Capital in Enterprise Fund	(15.00)	(23.00)	(31.00)	(46.00)	(49.00)	(50.00)	(56.00)	(55.00)	(53.00)	(54.00)
Total Funds Available-R&R Fund	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
Total Funds Available-Enterprise Fund	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406
Total R&R and Capital Funds	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717
Working Capital (R&R/Capital Funds)	36.00	34.00	32.00	31.00	29.00	27.00	26.00	24.00	23.00	22.00



Revised Projected Operating Results (Reservoir Grant Funded)

- The previous 2 slides show how the debt ratio falls below 1.5 with the debt service for the 100 MGD Reservoir Project.
- The Partners agreed that this project is not viable without direct State or Federal Funding.
- The following 2 slides show the Projected Operating Results assuming the Reservoir Project is funded through State/Federal grants.

Projected Operating Results (Reservoir Grant Funded)

Test Year	Projected For Fiscal Years Ending June 30,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Water Charge Revenue	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,561	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 7,992,617	\$ 8,441,654
Proposed Water Rate Increase	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.03	\$ 0.03
Effective Increase In Revenues	11.1%	10.0%	9.1%	8.3%	7.7%	7.1%	6.7%	6.3%	4.4%	4.2%
Total Other/Non Oper. Revenues	\$ 314,718	\$ 330,422	\$ 346,353	\$ 358,670	\$ 371,607	\$ 385,187	\$ 399,442	\$ 414,419	\$ 430,145	\$ 446,656
TOTAL REVENUES	\$ 4,227,205	\$ 4,847,321	\$ 5,338,822	\$ 5,838,605	\$ 6,351,168	\$ 6,876,807	\$ 7,415,829	\$ 7,968,566	\$ 8,422,762	\$ 8,888,310
Operating/Administration Expenses	\$ 2,551,317	\$ 2,728,290	\$ 2,895,010	\$ 3,034,740	\$ 3,181,490	\$ 3,335,560	\$ 3,517,430	\$ 3,709,780	\$ 3,913,270	\$ 4,128,550
Income Available for Debt Service	\$ 1,675,887	\$ 2,119,031	\$ 2,443,812	\$ 2,803,865	\$ 3,169,678	\$ 3,541,247	\$ 3,898,399	\$ 4,258,786	\$ 4,509,492	\$ 4,759,760
Debt Service	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
Debt Service Coverage	N/A	7.54	4.35	4.99	5.64	4.70	4.12	4.51	4.77	5.04
Total Other Expenses/Transfers	\$ (1,666,360)	\$ (1,771,300)	\$ (1,832,350)	\$ (2,210,302)	\$ (2,600,000)	\$ (2,500,000)	\$ (2,600,000)	\$ (2,900,000)	\$ (3,500,000)	\$ (3,754,294)
Net Income	\$ 9,527	\$ 66,533	\$ 49,066	\$ 31,167	\$ 7,282	\$ 287,486	\$ 353,274	\$ 413,661	\$ 64,367	\$ 60,341
Total Funds Available-Operating Fund	\$ 2,909,527	\$ 2,976,060	\$ 3,025,126	\$ 3,056,293	\$ 3,063,575	\$ 3,351,061	\$ 3,704,336	\$ 4,117,997	\$ 4,182,364	\$ 4,242,705
Working Capital in Enterprise Fund	15.00	14.00	14.00	13.00	13.00	13.00	14.00	15.00	14.00	13.00
Total Funds Available-R&R Fund	\$ 623,311	\$ 1,623,311	\$ 723,311	\$ 1,723,311	\$ 3,023,311	\$ 4,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,623,311
Total Funds Available-Enterprise Fund	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,331,406	\$ 5,931,406	\$ 8,831,406	\$ 12,331,406	\$ 15,331,406
Total R&R and Capital Funds	\$ 1,104,717	\$ 2,254,717	\$ 1,454,717	\$ 3,454,717	\$ 6,054,717	\$ 8,554,717	\$ 11,154,717	\$ 14,054,717	\$ 17,554,717	\$ 20,954,717
Working Capital (R&R/Capital Funds)	6.00	11.00	7.00	15.00	25.00	34.00	42.00	50.00	59.00	66.00



Projected Operating Results (Reservoir Grant Funded)

Projected For Fiscal Years Ending June 30,

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Total Water Charge Revenue	\$ 8,901,491	\$ 9,372,365	\$ 9,854,518	\$ 10,348,198	\$ 10,853,655	\$ 11,371,149	\$ 11,775,669	\$ 12,189,358	\$ 12,612,411	\$ 13,045,028
Proposed Water Rate Increase	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Effective Increase In Revenues	4.1%	3.9%	3.8%	3.6%	3.5%	3.4%	2.2%	2.1%	2.1%	2.0%
Total Other/Non Oper. Revenues	\$ 463,989	\$ 482,184	\$ 501,299	\$ 521,365	\$ 542,445	\$ 564,571	\$ 587,811	\$ 612,208	\$ 637,826	\$ 664,717
TOTAL REVENUES	\$ 9,365,481	\$ 9,854,549	\$ 10,355,818	\$ 10,869,563	\$ 11,396,100	\$ 11,935,720	\$ 12,363,480	\$ 12,801,566	\$ 13,250,237	\$ 13,709,745
Operating/Administration Expenses	\$ 4,356,320	\$ 4,597,310	\$ 4,852,310	\$ 5,122,150	\$ 5,407,790	\$ 5,710,120	\$ 6,030,160	\$ 6,368,960	\$ 6,727,670	\$ 7,107,460
Income Available for Debt Service	\$ 5,009,161	\$ 5,257,239	\$ 5,503,508	\$ 5,747,413	\$ 5,988,310	\$ 6,225,600	\$ 6,333,320	\$ 6,432,606	\$ 6,522,567	\$ 6,602,285
Debt Service	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
Debt Service Coverage	2.28	1.53	1.60	1.54	1.49	1.55	1.58	1.60	1.63	1.65
Total Other Expenses/Transfers	\$ (2,765,559)	\$ (1,782,649)	\$ (2,004,989)	\$ (1,923,912)	\$ (1,900,000)	\$ (2,200,000)	\$ (2,319,238)	\$ (2,350,000)	\$ (2,500,000)	\$ (2,505,090)
Net Income	\$ 47,791	\$ 28,093	\$ 52,022	\$ 94,271	\$ 76,348	\$ 13,639	\$ 2,121	\$ 70,644	\$ 10,605	\$ 85,234
Total Funds Available-Operating Fund	\$ 4,290,496	\$ 4,318,589	\$ 4,370,611	\$ 4,464,882	\$ 4,541,230	\$ 4,554,869	\$ 4,556,990	\$ 4,627,634	\$ 4,638,239	\$ 4,723,472
Working Capital in Enterprise Fund	13.00	12.00	12.00	11.00	11.00	10.00	10.00	9.00	9.00	9.00
Total Funds Available-R&R Fund	\$ 5,823,311	\$ 6,223,311	\$ 6,223,311	\$ 6,223,311	\$ 6,623,311	\$ 7,223,311	\$ 7,223,311	\$ 7,673,311	\$ 8,173,311	\$ 8,373,311
Total Funds Available-Enterprise Fund	\$ 13,331,406	\$ 14,181,406	\$ 14,881,406	\$ 12,381,406	\$ 13,881,406	\$ 15,481,406	\$ 15,081,406	\$ 16,981,406	\$ 18,981,406	\$ 19,581,406
Total R&R and Capital Funds	\$ 19,154,717	\$ 20,404,717	\$ 21,104,717	\$ 18,604,717	\$ 20,504,717	\$ 22,704,717	\$ 22,304,717	\$ 24,654,717	\$ 27,154,717	\$ 27,954,717
Working Capital (R&R/Capital Funds)	58.00	58.00	57.00	47.00	50.00	52.00	48.00	51.00	53.00	51.00



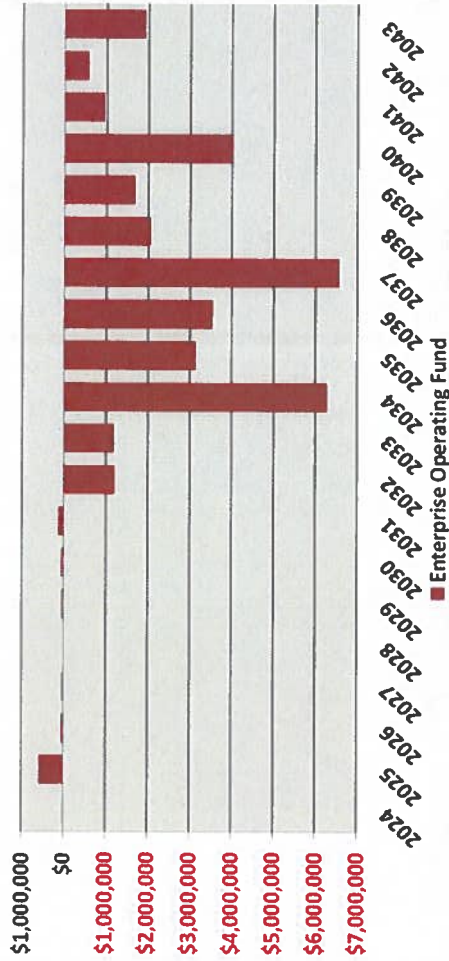
Financial Dashboards



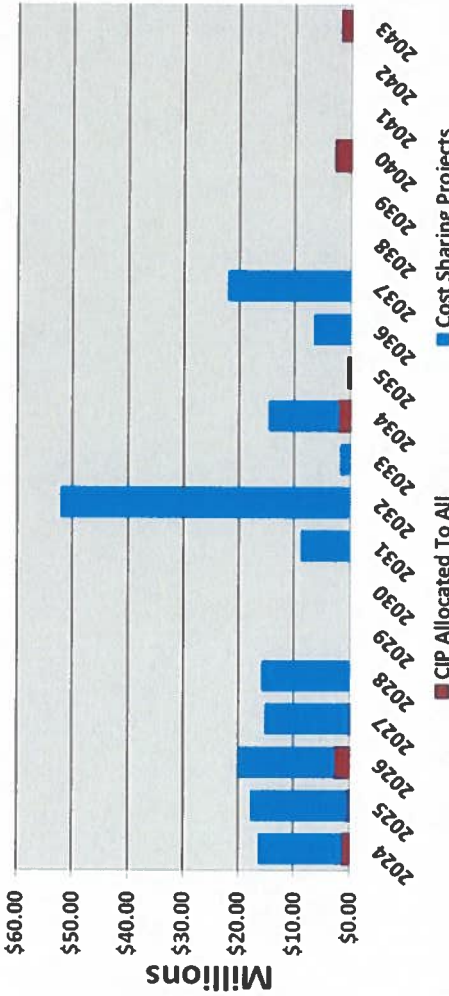
- The Dashboard illustrates multiple Key Performance Indicators & Other Pertinent Information Including:
 - Annual Capital Expenditures
 - Projected Operating Results or Net Income (Revenues less O&M, Debt Service & Transfers)
 - Calculated Debt Service Coverage vs. Required & Targeted Levels (Liquidity)
 - Operating, R&R and Enterprise Capital Fund Balances Over Time (Months Cash on Hand or Liquidity)

Water System Dashboard (Reservoir Debt Funded)

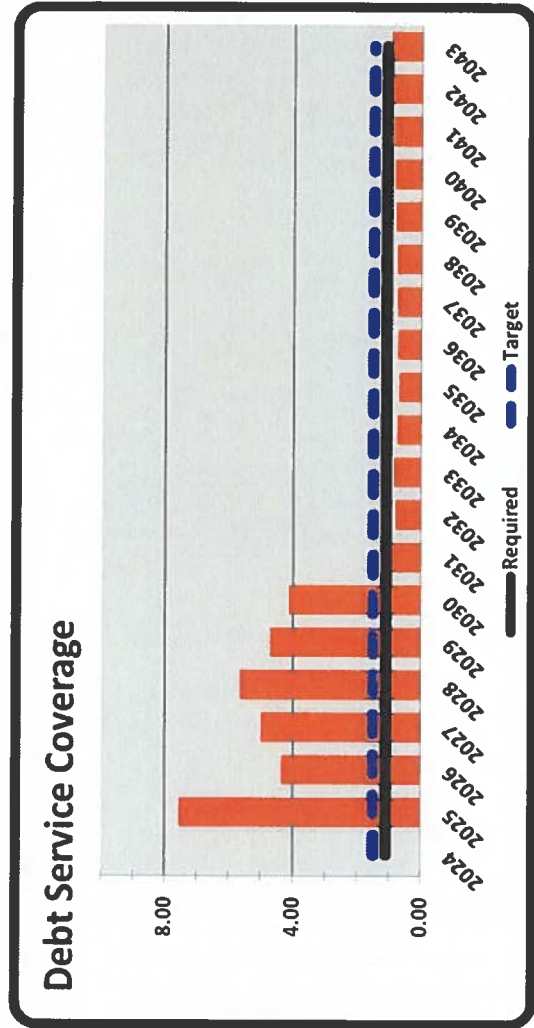
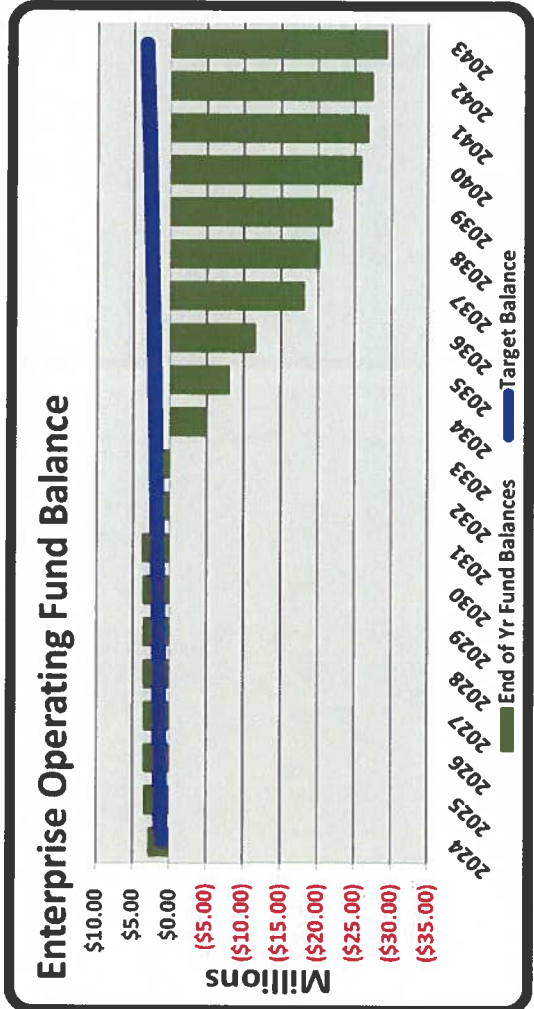
Projected Operating Results (Net Income)



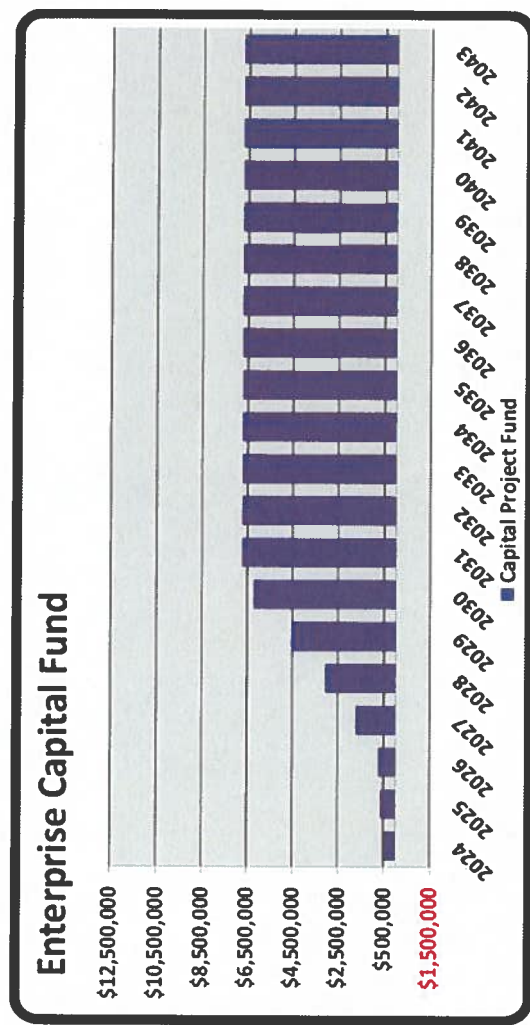
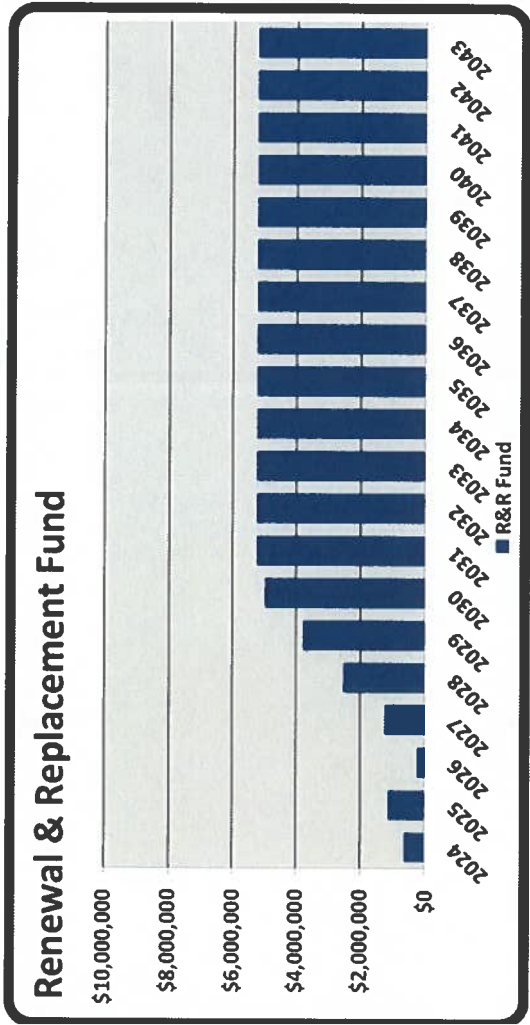
Capital Projects



Water System Dashboard (Reservoir Debt Funded)

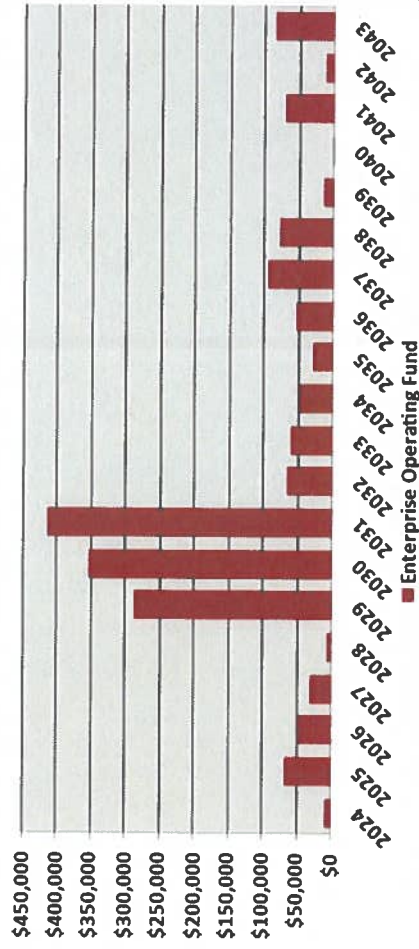


Water System Dashboard (Reservoir Debt Funded)

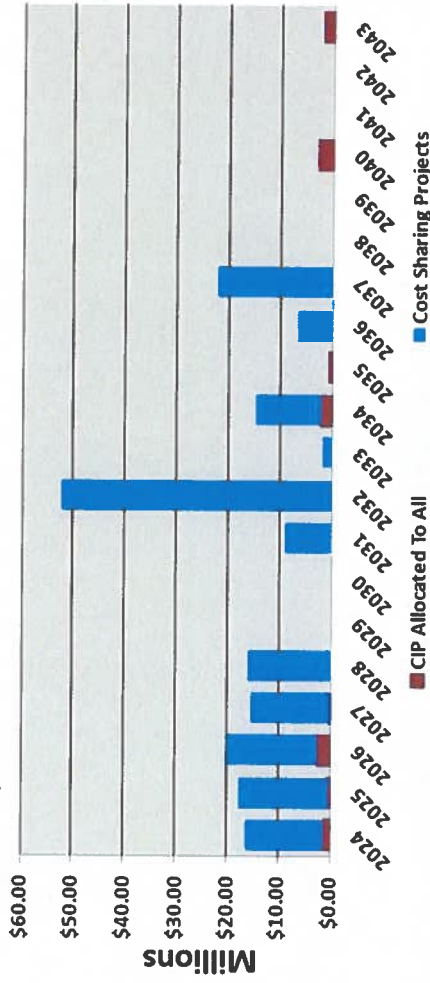


Water System Dashboard (Reservoir Grant Funded)

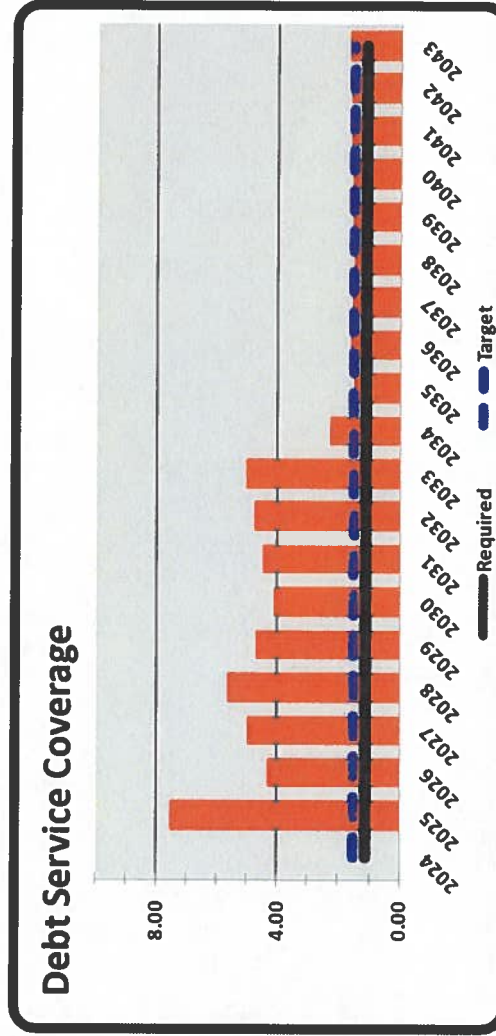
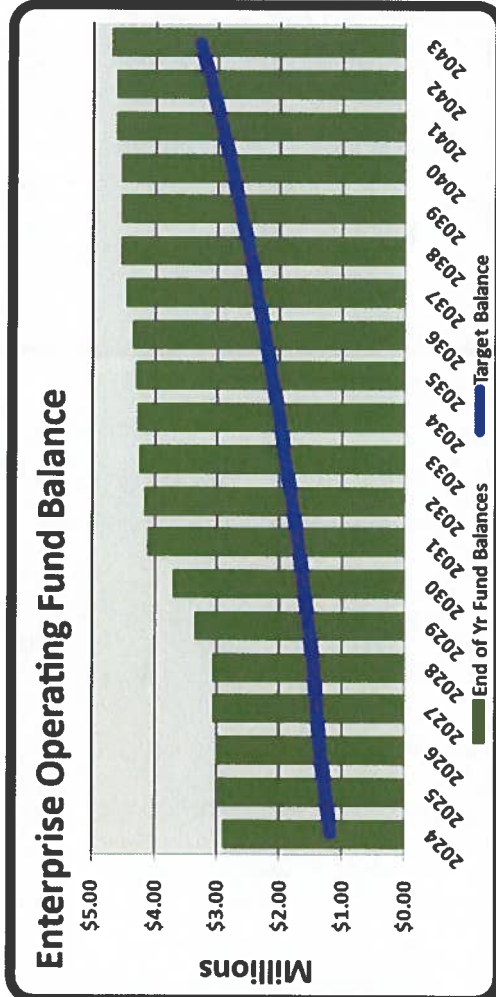
Projected Operating Results (Net Income)



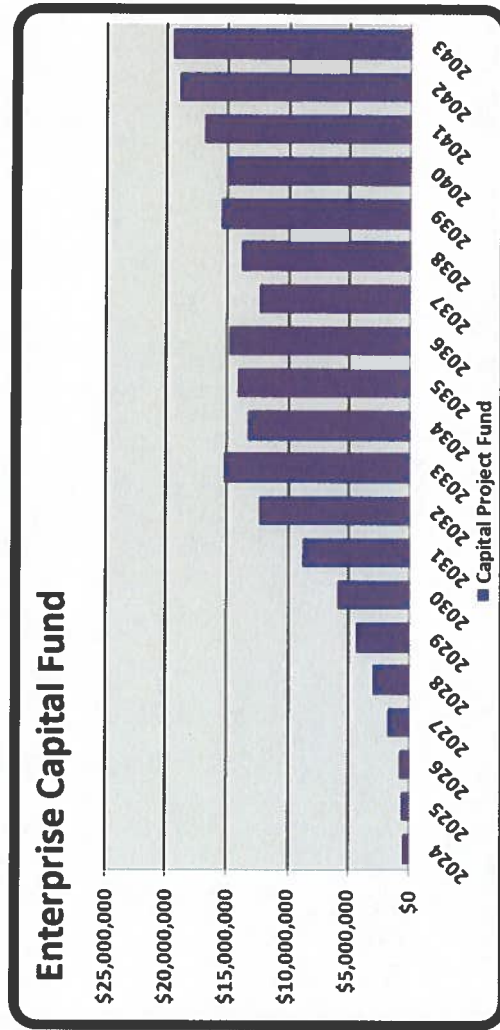
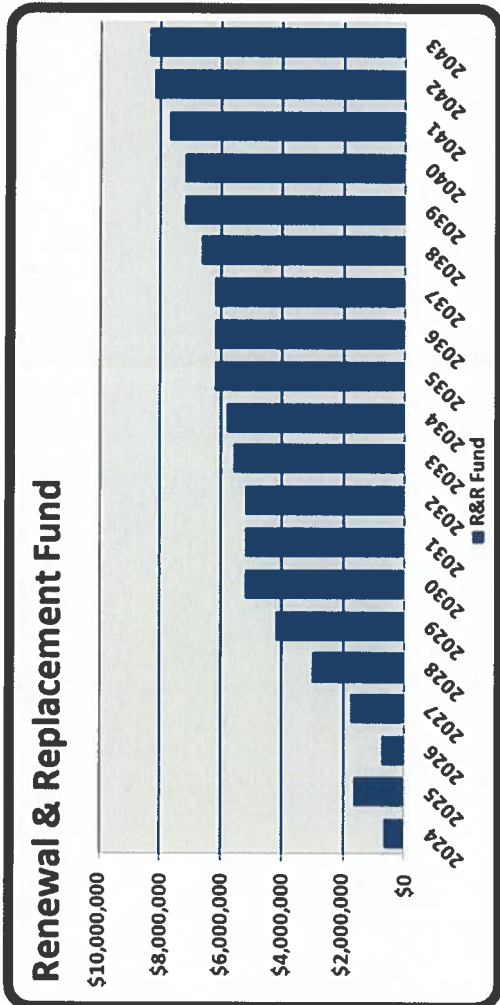
Capital Projects



Water System Dashboard (Reservoir Grant Funded)



Water System Dashboard (Reservoir Grant Funded)



Future Steps to Minimize Necessary Rate Increases

- Continue to Apply for State/Federal Grants & Matching Funds.
- Continue to Apply for State Revolving Loans with Lower Interest Costs Than Revenue Bonds.
- Continue to Monitor Annually/Bi-Annually Future Costs of Capital Projects & Funding Sources to Better Plan for Phasing-In of Rate Adjustments.
- Allowing for Direct Individual Invoicing to LCFWASA Reducing O&M Overhead and Allowing Authority to Realize Sales Tax Receipts. This is the Same Methodology Used for Bladens Bluff.

Questions & Next Steps



- Questions?

RATE STUDY WORKPAPERS EXHIBITS 1 – 6

RESERVOIR DEBT FUNDED



Prepared by Willdan Financial Services



Exhibit 1
Lower Cape Fair WASA
2023 Rate Study
Historical Financial Information

Description	Actuals For Fiscal Year Ended June 30					Projections for Fiscal Year Ending June 30									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Escalation Factors															
Constant Factor							1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Labor Escalator Factor (WD)							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Other Fringes (WD)							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
General Inflation Factor							1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Customer Growth Factor							1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metered Flow Factor							0.8516	1.0495	1.0132	1.0132	1.0132	1.0133	1.0133	1.0133	1.0133
Inflation/Customer Growth Factor							0.9900	1.0700	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Inflation/Metered Flow Factor							0.9282	1.1230	1.0639	1.0639	1.0639	1.0640	1.0640	1.0640	1.0640
Materials & Supplies							1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Chemical Costs							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Electrical Costs							0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Eliminate							0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Exhibit 1
Lower Cape Fear WASA
2023 Rate Study
Historical Financial Information

Description	Projections For Fiscal Year Ending June 30,									
	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Expenditures										
Administration Expenses										
Salaries	331,550	348,130	365,540	383,820	403,010	423,160	444,320	466,540	489,870	514,360
Per Diem and Mileage Board Members	110,270	115,780	121,570	127,650	134,030	140,730	147,770	155,160	162,920	171,070
Vehicle Allowance	8,970	9,420	9,890	10,380	10,900	11,450	12,020	12,620	13,250	13,910
FICA Taxes	34,130	35,940	37,630	39,510	41,990	43,560	45,740	48,030	50,430	52,950
Retirement	42,590	44,720	46,960	49,310	51,780	54,370	57,090	59,940	62,940	66,090
401k Plan	18,430	19,350	20,320	21,340	22,410	23,530	24,710	25,950	27,250	28,610
Miscellaneous Payroll Expenses	4,760	5,000	5,250	5,510	5,790	6,080	6,380	6,700	7,040	7,390
Group Insurance	65,440	68,710	72,150	75,760	79,550	83,530	87,710	92,100	96,710	101,550
Property and Liability Insurance	178,740	187,680	197,060	206,910	217,260	228,120	239,530	251,510	264,090	277,390
Professional Services General	25,830	27,120	28,480	29,900	31,400	32,970	34,620	36,350	38,170	40,080
Attorney	86,180	90,490	95,010	99,760	104,750	109,990	115,490	121,260	127,320	133,690
Auditor	22,180	23,290	24,450	25,670	26,950	28,300	29,720	31,210	32,770	34,410
Engineer	516,940	542,790	569,930	598,430	628,350	659,770	692,760	727,400	763,770	801,960
Information Technology	27,560	28,940	30,390	31,910	33,510	35,190	36,950	38,800	40,740	42,780
Office Maintenance/Repair/Common Charge	41,360	43,430	45,600	47,880	50,270	52,780	55,420	58,190	61,100	64,160
Office Utilities	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
Office Expenses (telephone, printing, adv)	26,130	25,340	26,610	27,940	29,340	30,810	32,350	33,970	35,670	37,450
Office Equipment	17,210	18,070	18,970	19,920	20,920	21,970	23,070	24,220	25,430	26,700
Printing and Advertising	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
Telephone and Internet	6,040	6,340	6,660	6,990	7,340	7,710	8,100	8,510	8,940	9,390
Travel and Training	49,980	52,480	55,100	57,860	60,790	63,790	66,980	70,330	73,850	77,540
Phone Allowance	900	990	1,000	1,050	1,100	1,160	1,220	1,280	1,340	1,410
Vehicle Expense	34,480	36,200	38,010	39,910	41,910	44,010	46,210	48,520	50,950	53,500
Miscellaneous Expense										
Subtotal Admin. Expenses	1,664,890	1,746,150	1,835,560	1,927,330	2,023,790	2,124,940	2,231,220	2,342,810	2,459,990	2,583,010
Operating Expenses										
Sales Tax Expense	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Bladen Bluffs O & M	1,406,050	1,506,610	1,612,070	1,724,910	1,845,650	1,974,850	2,113,090	2,261,010	2,419,280	2,588,630
Bladen Bluffs Hurricane Florence	1,183,980	1,242,550	1,304,680	1,369,910	1,438,410	1,510,330	1,585,850	1,665,140	1,748,400	1,835,820
Utilities/Energy Kings Bluff										
Contract O & M Kings Bluff										
OKM Kings Booster Pump Bluff Pump Station										
Combined Enterprise Funded Series 2010 Principal										
Combined Enterprise Funded Series 2012 Principal										
Combined Enterprise System Ref Series 2012 Principal										
Combined Enterprise System Ref Series 2012 Interest										
Bladen Bluffs Debt Service Principal										
Bladen Bluffs Debt Service Interest										
Operating Capital Expense	4,565,559	532,649	1,304,989	4,423,912			2,719,238			1,705,090
Transfer to R&R - Kings Bluff R&R Expense										
Transfer to Enterprise Fund										
421. Relocation New Hanover County Loan Principal										
SRE7 mile parallel line expenditures										
Subtotal Operating Expenses	7,256,989	3,381,809	4,921,799	7,618,732	3,384,060	3,585,180	6,518,178	4,026,150	4,287,680	6,229,540
TOTAL EXPENSES	8,921,879	5,129,959	6,157,259	9,546,062	5,407,790	5,710,120	8,749,398	6,368,960	6,727,670	8,812,550
Revenues										
Operating Revenue										
Brunswick County										
Cape Fear Public Utility Authority										
Pender County										
Stephens/Wilkes										
Praxair, Inc										
Bladen Bluffs Reimbursement for Plant Operation Costs										
Bladen Bluffs Administrative Reimbursement										
Sales Tax Refund										
Subtotal Operating Revenue	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Non-Operating										
Interest										
Other Revenue (Insurance Proceeds/FEMA)	870	910	960	1,010	1,060	1,110	1,170	1,230	1,290	1,350
Federal Tax Subsidy										
Rental House Income										
Transfer In										
SRE/Parallel Revenue										
Retiree and Replacement Fund Appropriated										
Fund Balance Appropriated										
Reimbursement from BB (% of Admin Expenses)	363,119	381,274	400,359	420,353	441,385	463,461	486,641	510,978	536,258	563,367
Subtotal Non-Operating Revenue	363,989	382,184	401,259	421,363	442,445	464,571	487,811	512,208	537,828	564,717
TOTAL REVENUE	463,989	482,184	501,259	521,363	544,445	568,571	595,611	624,208	655,828	689,717
NET REVENUE REQUIREMENT	8,457,890	4,647,775	5,656,000	9,024,697	4,863,346	5,145,549	8,153,787	5,746,752	6,071,842	8,122,833

Exhibit 1
Lower Cape Fear WASA
2023 Rate Study
Historical Financial Information

Description	Projections For Fiscal Year Ending June 30.											
	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2043	
Escalation Factors												
Constant Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Labor Escalator Factor (WD)	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560
Other Fringes (WF)	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560	1.0560
General Inflation Factor	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Customer Growth Factor	1.0000	2.0000	3.0000	4.0000	5.0000	6.0000	7.0000	8.0000	9.0000	10.0000	10.0000	10.0000
Metered Flow Factor	1.0134	1.0134	1.0134	1.0134	1.0135	1.0135	1.0135	1.0135	1.0136	1.0136	1.0136	1.0136
Inflation/Customer Growth Factor	1.0500	2.1000	3.1500	4.2000	5.2500	6.3000	7.3500	8.4000	9.4500	10.5000	10.5000	10.5000
Inflation/Metered Flow Factor	1.0641	1.0641	1.0641	1.0641	1.0642	1.0642	1.0642	1.0642	1.0643	1.0643	1.0643	1.0643
Materials & Supplies	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Chemical Costs	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900
Electrical Costs	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Eliminate	0.0000	1.0000	2.0000	3.0000	4.0000	5.0000	6.0000	7.0000	8.0000	9.0000	10.0000	10.0000

**Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues**

Historical For Fiscal Years Ended June 30,												Estimated
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Usage (in Gallons)												
Brunswick County	4,104,862	4,085,693	4,138,451	4,236,976	4,502,325	4,818,150	5,157,008	5,095,815	5,246,138	5,510,004	5,710,245	
Stepan	531,090	453,240	212,043	182,598	122,460	150,961	287,950	202,660	119,574	306,850	397,941	
Praxair, Inc.	13,890	18,363	15,346	15,317	15,171	13,671	10,685	8,137	7,686	7,586	15,581	
CFPUA	4,038,823	3,846,216	4,004,487	3,970,821	4,055,680	4,406,808	4,601,557	3,834,778	4,058,426	4,011,323	4,793,236	
Pender	242,710	356,715	377,767	425,444	436,477	498,699	570,200	583,988	580,928	574,595	568,801	
Total	8,931,374	8,760,227	8,748,093	8,831,157	9,132,113	9,888,288	10,627,400	9,725,379	10,012,751	10,410,358	11,485,804	
Annual Change (Gals)	N/A	(171,148)	(12,133)	83,063	300,957	756,175	739,111	(902,020)	287,372	397,606	1,075,446	
Annual % Change												
Brunswick County	-	-0.47%	1.29%	2.38%	6.26%	7.01%	7.03%	-1.19%	2.95%	5.03%	2.72%	
Stepan	-	-14.66%	-53.22%	-13.89%	-32.93%	23.27%	90.75%	-29.62%	-41.00%	156.62%	0.00%	
Praxair, Inc.	-	32.20%	-16.43%	-0.19%	-0.95%	-9.89%	-21.84%	-23.84%	-5.55%	-1.31%	0.00%	
CFPUA	-	-4.77%	4.11%	-0.84%	2.14%	8.66%	4.42%	-16.66%	5.83%	-1.16%	-1.86%	
Pender	-	46.97%	5.90%	12.62%	2.59%	14.26%	14.34%	2.42%	-0.52%	-1.09%	2.87%	
Total	-	-1.92%	-0.14%	0.95%	3.41%	8.28%	7.47%	-8.49%	2.95%	3.97%	1.03%	
Rate												
Brunswick County	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	
Stepan	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	
Praxair, Inc.	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	
CFPUA	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	
Pender	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	
Billed Revenue												
Brunswick County	\$ 1,074,242	\$ 1,069,226	\$ 1,124,417	\$ 1,151,187	\$ 1,223,282	\$ 1,309,091	\$ 1,401,159	\$ 1,384,533	\$ 1,425,376	\$ 1,818,301	\$ 2,055,688	
Stepan	\$ 138,986	\$ 118,613	\$ 57,612	\$ 49,612	\$ 33,272	\$ 41,016	\$ 78,236	\$ 55,063	\$ 32,488	\$ 101,260	\$ 143,259	
Praxair, Inc.	\$ 3,635	\$ 4,805	\$ 4,170	\$ 4,162	\$ 4,122	\$ 3,714	\$ 2,903	\$ 2,211	\$ 2,088	\$ 2,503	\$ 5,609	
CFPUA	\$ 1,056,960	\$ 1,006,555	\$ 1,088,019	\$ 1,078,872	\$ 1,101,928	\$ 1,197,330	\$ 1,250,243	\$ 1,041,909	\$ 1,102,674	\$ 1,323,736	\$ 1,725,565	
Pender	\$ 63,517	\$ 93,352	\$ 102,639	\$ 115,593	\$ 118,591	\$ 135,496	\$ 154,923	\$ 158,670	\$ 157,838	\$ 189,616	\$ 204,768	
Total	\$ 2,337,341	\$ 2,292,551	\$ 2,376,857	\$ 2,399,425	\$ 2,481,195	\$ 2,686,648	\$ 2,887,464	\$ 2,642,386	\$ 2,720,464	\$ 3,435,418	\$ 4,134,889	

**Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues**

Test Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Input from Budget										
Brunswick County	4,314,412	4,745,853	4,827,482	4,910,515	4,994,975	5,080,889	5,168,280	5,257,175	5,347,598	5,439,577
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,131,405	4,172,719	4,214,446	4,256,591	4,299,157	4,342,148	4,385,570	4,429,425	4,473,720	4,518,457
Pender	585,400	597,108	609,050	621,231	633,656	646,329	659,255	672,441	685,889	699,607
Total	9,781,217	10,265,680	10,400,978	10,538,336	10,677,788	10,819,366	10,963,105	11,109,041	11,257,207	11,407,641
Annual Change (Gals)	(1,704,587)	484,463	135,298	137,358	139,451	141,578	143,739	145,935	148,166	150,434
Annual % Change										
Brunswick County	0.00%	10.00%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CFPUA	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pender	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Total	-14.84%	4.95%	1.32%	1.32%	1.32%	1.33%	1.33%	1.33%	1.33%	1.34%
Rate										
Brunswick County	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7200	\$ 0.7600
Stepan	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7200	\$ 0.7600
Praxair, Inc.	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7200	\$ 0.7600
CFPUA	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7200	\$ 0.7600
Pender	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7200	\$ 0.7600
Billed Revenue										
Brunswick County	\$ 1,725,765	\$ 2,088,175	\$ 2,317,191	\$ 2,553,468	\$ 2,797,186	\$ 3,048,533	\$ 3,307,699	\$ 3,574,879	\$ 3,850,271	\$ 4,134,078
Stepan	\$ 200,000	\$ 220,000	\$ 240,000	\$ 260,000	\$ 280,000	\$ 300,000	\$ 320,000	\$ 340,000	\$ 360,000	\$ 380,000
Praxair, Inc.	\$ 100,000	\$ 110,000	\$ 120,000	\$ 130,000	\$ 140,000	\$ 150,000	\$ 160,000	\$ 170,000	\$ 180,000	\$ 190,000
CFPUA	\$ 1,652,562	\$ 1,835,996	\$ 2,022,934	\$ 2,213,427	\$ 2,407,528	\$ 2,605,289	\$ 2,806,765	\$ 3,012,009	\$ 3,221,078	\$ 3,434,027
Pender	\$ 234,160	\$ 262,728	\$ 292,344	\$ 323,040	\$ 354,847	\$ 387,797	\$ 421,924	\$ 457,260	\$ 493,840	\$ 531,701
Total	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,561	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 8,105,189	\$ 8,669,807

**Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues**

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Projected For Fiscal Years Ending June 30,										
Usage (in Gallons)										
Brunswick County	5,533,138	5,628,307	5,725,114	5,823,586	5,923,752	6,025,641	6,129,282	6,234,705	6,341,942	6,451,024
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,563,641	4,609,278	4,655,371	4,701,924	4,748,944	4,796,433	4,844,397	4,892,841	4,941,770	4,991,187
Pender	713,599	727,871	742,429	757,277	772,423	787,871	803,629	819,701	836,095	852,817
Total	11,560,378	11,715,457	11,872,914	12,032,788	12,195,118	12,359,945	12,527,308	12,697,248	12,869,807	13,045,028
Annual Change (Gals)	152,737	155,078	157,457	159,874	162,330	164,826	167,363	169,940	172,559	175,221
Annual % Change										
Brunswick County	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CFPUA	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pender	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Total	1.34%	1.34%	1.34%	1.35%	1.35%	1.35%	1.35%	1.36%	1.36%	1.36%
Rate										
Brunswick County	\$ 0.8000	\$ 0.8400	\$ 0.8800	\$ 0.9200	\$ 0.9600	\$ 1.0000	\$ 1.0400	\$ 1.0800	\$ 1.1200	\$ 1.1600
Stepan	\$ 0.8000	\$ 0.8400	\$ 0.8800	\$ 0.9200	\$ 0.9600	\$ 1.0000	\$ 1.0400	\$ 1.0800	\$ 1.1200	\$ 1.1600
Praxair, Inc.	\$ 0.8000	\$ 0.8400	\$ 0.8800	\$ 0.9200	\$ 0.9600	\$ 1.0000	\$ 1.0400	\$ 1.0800	\$ 1.1200	\$ 1.1600
CFPUA	\$ 0.8000	\$ 0.8400	\$ 0.8800	\$ 0.9200	\$ 0.9600	\$ 1.0000	\$ 1.0400	\$ 1.0800	\$ 1.1200	\$ 1.1600
Pender	\$ 0.8000	\$ 0.8400	\$ 0.8800	\$ 0.9200	\$ 0.9600	\$ 1.0000	\$ 1.0400	\$ 1.0800	\$ 1.1200	\$ 1.1600
Billed Revenue										
Brunswick County	\$ 4,426,510	\$ 4,727,778	\$ 5,038,101	\$ 5,357,699	\$ 5,686,802	\$ 6,025,641	\$ 6,374,453	\$ 6,733,482	\$ 7,102,975	\$ 7,483,187
Stepan	\$ 400,000	\$ 420,000	\$ 440,000	\$ 460,000	\$ 480,000	\$ 500,000	\$ 520,000	\$ 540,000	\$ 560,000	\$ 580,000
Praxair, Inc.	\$ 200,000	\$ 210,000	\$ 220,000	\$ 230,000	\$ 240,000	\$ 250,000	\$ 260,000	\$ 270,000	\$ 280,000	\$ 290,000
CFPUA	\$ 3,650,913	\$ 3,871,793	\$ 4,096,726	\$ 4,325,770	\$ 4,558,986	\$ 4,796,433	\$ 5,036,173	\$ 5,284,269	\$ 5,534,782	\$ 5,789,777
Pender	\$ 570,879	\$ 611,412	\$ 653,337	\$ 696,695	\$ 741,526	\$ 787,871	\$ 835,774	\$ 885,277	\$ 936,427	\$ 989,268
Total	\$ 9,248,303	\$ 9,840,984	\$ 10,448,164	\$ 11,070,165	\$ 11,707,314	\$ 12,359,945	\$ 13,028,400	\$ 13,713,028	\$ 14,414,184	\$ 15,132,233

Exhibit 4
Lower Cape Fear WASA
Estimates of Future Debt Service

Line	Description	Projected For Fiscal Year Ending June 30,											
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Lower Cape Fear Water and Sewer Authority Projects (Allocated Across All ICF Customer Base)													
Project Costs													
1	New 4th Pump @ King's Bluff PS	\$ -	\$ 3,569,750	\$ 1,258,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Walkway & Air Backwash Building Rplcmt	\$ -	\$ 2,180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	New Generators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,769,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Replace Raw Water Pump 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service													
Assumptions:													
7	Interest Rate	5.0%											
8	Term (Yrs)	20											
9	New 4th Pump @ King's Bluff PS	\$ -	\$ 193,734	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467
10	Walkway & Air Backwash Building Rplcmt	\$ -	\$ 87,464	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929
11	New Generators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,364	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729
13	Replace Raw Water Pump 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Total Debt (Allocated to All Customer Base)	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
Cost Sharing Projects													
Project Costs													
14	100 MGD Reservoir (Alloc. to All)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,764,225	\$ 52,147,142	\$ -	\$ -
15	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service													
Assumptions:													
17	Interest Rate	5.0%											
18	Term (Yrs)	20											
20	100 MGD Reservoir (Alloc. to All)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,443,843	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686
21	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,443,843	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686
24	Total Debt Service	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 3,386,968	\$ 5,832,811	\$ 5,832,811	\$ 5,832,811

Exhibit 4
Lower Cape Fear WASA
Estimates of Future Debt Service

Line	Description	Projected For Fiscal Year Ending June 30,											
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043		
Lower Cape Fear Water and Sewer Authority Projects (Allocated Across All LCF Customer Base)													
Project Costs													
1	New 4th Pump @ King's Bluff PS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Walkway & Air Backwash Building Rplcmt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	New Generators	\$ 2,536,422	\$ 22,548,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Replace Raw Water Pump 4	\$ 6,087,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 7,046,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service													
Assumptions:													
7	Interest Rate	5.0%											
8	Term (Yrs)	20											
9	New 4th Pump @ King's Bluff PS	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467
10	Walkway & Air Backwash Building Rplcmt	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929
11	New Generators	\$ 1,006,451	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902
12	Replace Raw Water Pump 1	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729
13	Replace Raw Water Pump 4	\$ 244,235	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470
14	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 282,732	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465
13	Total Debt (Allocated to All Customer Base)	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
Cost Sharing Projects													
Project Costs													
14	100 MGD Reservoir (Alloc. to All)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service													
Assumptions:													
17	Interest Rate	5.0%											
18	Term (Yrs)	20											
20	100 MGD Reservoir (Alloc. to All)-CS 7	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686
21	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686	\$ 4,887,686
24	Total Debt Service	\$ 7,083,497	\$ 8,334,183	\$ 8,334,183	\$ 8,616,915	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,										
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Revenues												
Operating Revenues:												
1	Brunswick County	\$ 1,553,188	\$ 1,898,341	\$ 2,124,092	\$ 2,357,047	\$ 2,597,387	\$ 2,845,298	\$ 3,100,988	\$ 3,364,592	\$ 3,636,367	\$ 3,916,495	
2	Stepan	180,000	200,000	220,000	240,000	260,000	280,000	300,000	320,000	340,000	360,000	
3	Praxair, Inc.	90,000	100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	180,000	
4	CFPUA	1,487,306	1,669,088	1,854,356	2,043,164	2,235,561	2,431,603	2,631,342	2,834,832	3,042,129	3,253,289	
5	Pender	210,744	238,843	267,982	298,191	329,501	361,944	395,553	430,362	466,405	503,717	
6	Proposed Water Rate Increase	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	
7	Effective Increase In Revenues	11.11%	10.00%	8.83%	8.3%	7.69%	7.14%	6.67%	6.25%	5.89%	5.56%	
8	Additional Revenue Due to Increase	\$ 391,249	\$ 410,627	\$ 416,039	\$ 421,533	\$ 427,112	\$ 432,775	\$ 438,524	\$ 444,362	\$ 450,288	\$ 456,306	
9	Total Water Charge Revenue	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,362	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 8,105,189	\$ 8,669,807	
Other Revenues:												
10	Interest	\$ 500	\$ 550	\$ 590	\$ 620	\$ 650	\$ 680	\$ 710	\$ 750	\$ 790	\$ 830	
11	Fund Balance Appropriated	0	0	0	0	0	0	0	0	0	0	
12	Reimbursement from BB (% of Admin Expenses)	214,218	229,872	245,507	259,050	273,957	284,507	298,732	313,669	329,355	345,826	
13	Total Other Operating Revenues	\$ 214,718	\$ 230,422	\$ 246,353	\$ 258,670	\$ 271,607	\$ 285,187	\$ 299,442	\$ 314,419	\$ 330,145	\$ 346,656	
Other Non-Operating Revenues:												
14	Sales Tax Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
15	Miscellaneous	0	0	0	0	0	0	0	0	0	0	
16	Total Other Non Operating Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
17	TOTAL REVENUES	\$ 4,227,205	\$ 4,847,321	\$ 5,338,822	\$ 5,836,605	\$ 6,351,168	\$ 6,876,807	\$ 7,415,829	\$ 7,968,566	\$ 8,535,334	\$ 9,116,463	
Operating/Administration Expenses												
Operating Expenses												
18	Sales Tax Expense	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
19	Utilities/Energy Kings Bluff	786,589	825,920	867,220	910,580	956,110	1,003,920	1,074,190	1,149,380	1,229,840	1,315,930	
20	Contract O & M Kings Bluff	686,749	748,560	800,960	841,010	883,060	927,210	973,570	1,022,250	1,073,360	1,127,030	
Administration Expenses												
21	Salaries	203,530	213,710	224,400	235,620	247,400	259,770	272,760	286,400	300,720	315,760	
22	Per Diem and Mileage Board Members	64,001	69,760	74,640	78,370	82,290	86,400	90,720	95,260	100,020	105,020	
23	Vehicle Allowance	5,200	5,670	6,070	6,370	6,690	7,020	7,370	7,740	8,130	8,540	
24	FICA Taxes	20,953	22,000	23,100	24,260	25,470	26,740	28,080	29,480	30,950	32,500	
25	Retirement	26,153	27,460	28,830	30,270	31,780	33,370	35,040	36,790	38,630	40,560	
26	401K Plan	11,312	11,880	12,470	13,090	13,740	14,430	15,150	15,910	16,710	17,550	
27	Miscellaneous Payroll Expenses	2,900	3,050	3,200	3,360	3,530	3,710	3,900	4,100	4,310	4,530	
28	Group Insurance	40,176	42,180	44,290	46,500	48,830	51,270	53,830	56,520	59,350	62,320	
29	Property and Liability Insurance	103,734	113,070	120,980	127,030	133,380	140,050	147,050	154,400	162,120	170,230	
30	Professional Services General	15,000	16,350	17,490	18,360	19,280	20,240	21,250	22,310	23,430	24,600	
31	Attorney	50,000	54,500	58,320	61,240	64,300	67,520	70,900	74,450	78,170	82,080	
32	Auditor	8,000	8,720	9,400	10,040	10,640	11,210	11,760	12,290	12,800	13,290	
33	Engineer	300,000	327,000	349,890	367,380	385,750	405,040	425,290	446,550	468,880	492,320	
34	Information Technology	16,000	17,440	18,660	19,590	20,570	21,600	22,680	23,810	25,000	26,250	
35	Office Maintenance/Repair/Common Charge	24,000	26,160	27,990	29,390	30,860	32,400	34,020	35,720	37,510	39,390	
36	Office Utilities	5,000	5,450	5,830	6,120	6,430	6,750	7,090	7,440	7,810	8,200	
37	Office Expenses (telephone, printing, adv)	14,000	15,260	16,330	17,150	18,010	18,910	19,860	20,850	21,890	22,980	
38	Office Equipment	10,000	10,900	11,660	12,240	12,850	13,490	14,160	14,870	15,610	16,390	
39	Printing and Advertising	5,000	5,450	5,830	6,120	6,430	6,750	7,090	7,440	7,810	8,200	
40	Telephone and Internet	3,500	3,820	4,090	4,290	4,500	4,730	4,970	5,220	5,480	5,750	
41	Travel and Training	29,000	31,610	33,820	35,510	37,290	39,150	41,110	43,170	45,330	47,600	
42	Phone Allowance	520	570	610	640	670	700	740	780	820	860	
43	Vehicle Expense	0	0	0	0	0	0	0	0	0	0	
44	Miscellaneous Expense	20,000	21,800	23,330	24,500	25,730	27,020	28,370	29,790	31,280	32,840	
45	Total Expenses	\$ 2,551,317	\$ 2,728,290	\$ 2,895,010	\$ 3,034,740	\$ 3,181,490	\$ 3,335,560	\$ 3,517,430	\$ 3,709,780	\$ 3,913,270	\$ 4,128,550	
46	Income Available for Debt Service	\$ 1,675,887	\$ 2,119,031	\$ 2,443,812	\$ 2,803,865	\$ 3,169,678	\$ 3,541,247	\$ 3,898,399	\$ 4,258,786	\$ 4,622,064	\$ 4,987,913	

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Projected For Fiscal Year Ending June 30,											
47	LCFWSA Capital Projects (Allocated to All)	\$ 0	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
48	Cost Sharing Projects Debt Service	0	0	0	0	0	0	0	2,443,843	4,887,686	4,887,686
49	Future Debt Service #3	0	0	0	0	0	0	0	0	0	0
50	Total Annual Debt Service-Water	\$ 0	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
51	Debt Service Coverage	N/A	7.54	4.35	4.99	5.64	4.70	4.12	1.26	0.79	0.86
52	Remaining Net Revenue After Debt Service	\$ 1,675,887	\$ 1,837,833	\$ 1,881,416	\$ 2,244,469	\$ 2,607,282	\$ 2,787,486	\$ 2,953,274	\$ 869,818	\$ (1,210,746)	\$ (844,898)
Other Expenses & Transfers In/(Out)											
53	Pay-Go Capital Projects (Allocated to All & Cost Share)	\$ (1,286,360)	\$ (621,300)	\$ (2,632,350)	\$ (210,302)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (354,294)
54	Transfer Out to R&R - Kings Bluff R&R Expense	(380,000)	(500,000)	(1,000,000)	(1,000,000)	(1,300,000)	(1,250,000)	(1,200,000)	(250,000)	0	0
55	Transfer Out to Enterprise Capital Fund	(100,000)	(150,000)	(500,000)	(1,000,000)	(1,300,000)	(1,500,000)	(1,700,000)	(500,000)	0	0
56	Transfer In from R&R Fund	100,000	0	1,900,000	0	0	0	0	0	0	0
57	Transfer In from Enterprise Capital Fund	0	0	400,000	0	0	0	0	0	0	0
58	Total Other Expenses/Transfers	\$ (1,666,360)	\$ (1,271,300)	\$ (1,832,350)	\$ (2,210,302)	\$ (2,600,000)	\$ (2,750,000)	\$ (2,900,000)	\$ (750,000)	\$ 0	\$ (354,294)
59	Remaining Funds Available from Annual Operations (Net Income)	\$ 9,527	\$ 566,533	\$ 49,066	\$ 31,167	\$ 7,282	\$ 37,486	\$ 53,274	\$ 119,818	\$ (1,210,746)	\$ (1,199,192)
Funds - Balance Activity											
Enterprise Operating Fund											
60	Beginning Fund Balance	\$ 2,900,000	\$ 2,909,527	\$ 3,476,060	\$ 3,525,126	\$ 3,556,293	\$ 3,563,575	\$ 3,601,061	\$ 3,654,336	\$ 3,774,154	\$ 2,563,408
61	Plus Remaining Funds from Operations	9,527	566,533	49,066	31,167	7,282	37,486	53,274	119,818	(1,210,746)	(1,199,192)
62	Transfer In from Operations	0	0	0	0	0	0	0	0	0	0
63	Transfer Out	0	0	0	0	0	0	0	0	0	0
64	Total Funds Available-Operating Fund	\$ 2,909,527	\$ 3,476,060	\$ 3,525,126	\$ 3,556,293	\$ 3,563,575	\$ 3,601,061	\$ 3,654,336	\$ 3,774,154	\$ 2,563,408	\$ 1,364,216
65	Working Capital In Enterprise Fund	15.00	17.00	16.00	15.00	15.00	14.00	14.00	13.00	9.00	4.00
Renewal & Replacement Fund											
66	Beginning Fund Balance	\$ 343,311	\$ 623,311	\$ 1,123,311	\$ 223,311	\$ 1,223,311	\$ 2,523,311	\$ 3,773,311	\$ 4,973,311	\$ 5,223,311	\$ 5,223,311
67	Plus: Transfer From Operations	380,000	500,000	1,000,000	1,000,000	1,300,000	1,250,000	1,200,000	250,000	0	0
68	Less: R&R Capital Expenses	(100,000)	0	(1,900,000)	0	0	0	0	0	0	0
69	Total Funds Available-R&R Fund	\$ 623,311	\$ 1,123,311	\$ 223,311	\$ 1,223,311	\$ 2,523,311	\$ 3,773,311	\$ 4,973,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
Enterprise Capital Fund											
70	Beginning Fund Balance	\$ 481,406	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,531,406	\$ 6,231,406	\$ 6,731,406	\$ 6,731,406
71	Plus: Transfer From Operations	100,000	150,000	500,000	1,000,000	1,300,000	1,500,000	1,700,000	500,000	0	0
72	Less: Capital Project Expense	0	0	(400,000)	0	0	0	0	0	0	0
73	Total Funds Available-Enterprise Fund	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,531,406	\$ 6,231,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406
74	Total R&R and Capital Funds	\$ 1,104,717	\$ 1,754,717	\$ 954,717	\$ 2,954,717	\$ 5,554,717	\$ 8,304,717	\$ 11,204,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717
75	Working Capital (R&R/Capital Funds)	6.00	8.00	4.00	13.00	23.00	33.00	42.00	42.00	40.00	38.00

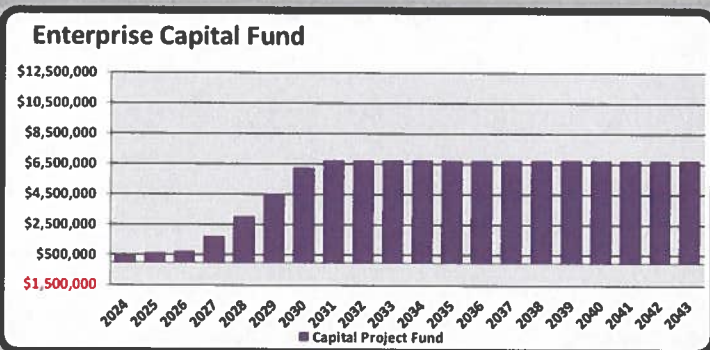
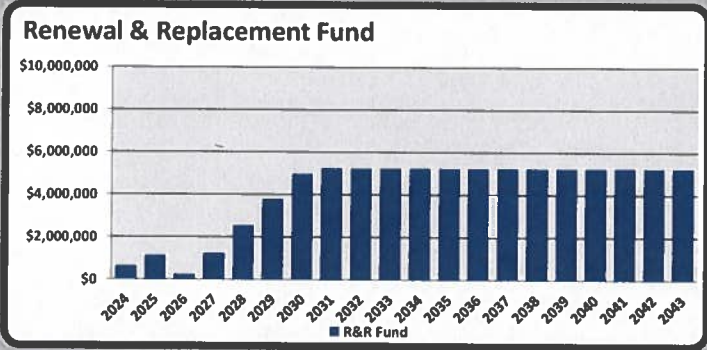
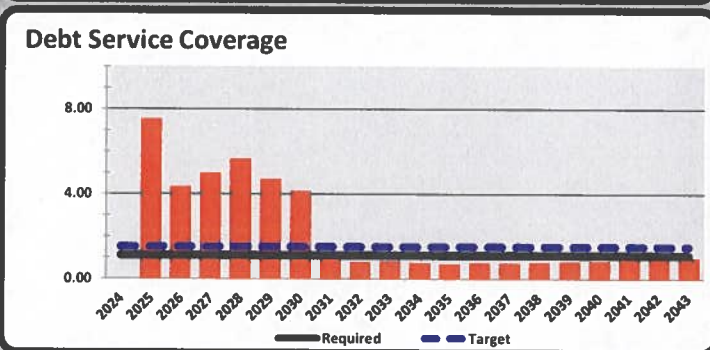
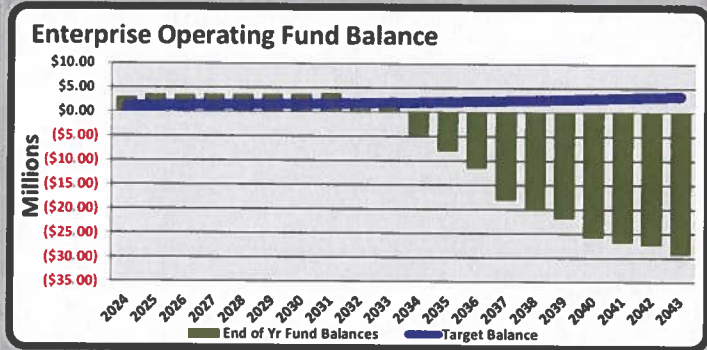
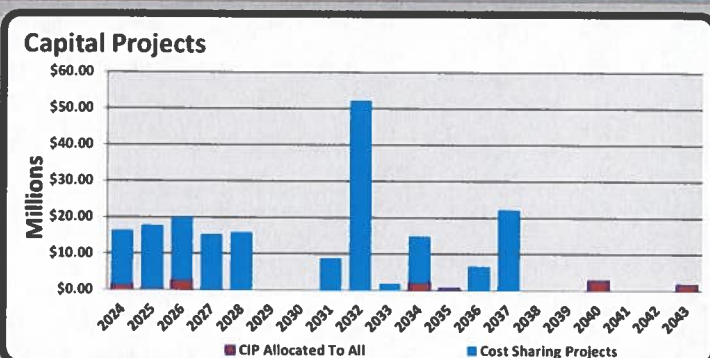
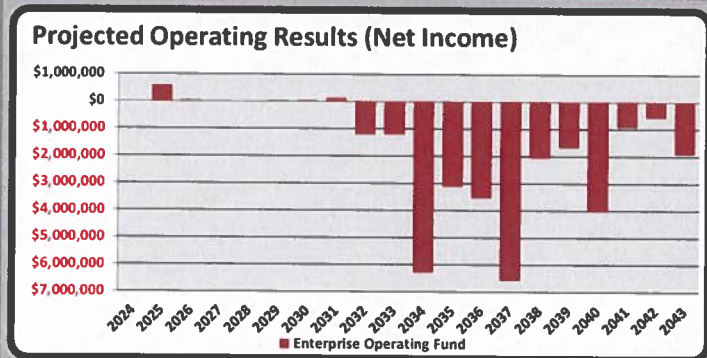
Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,										
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	
Revenues												
Operating Revenues:												
1	Brunswick County	\$ 4,205,185	\$ 4,502,646	\$ 4,809,096	\$ 5,124,756	\$ 5,449,852	\$ 5,784,615	\$ 6,129,282	\$ 6,484,093	\$ 6,849,298	\$ 7,225,146	
2	Stepan	380,000	400,000	420,000	440,000	460,000	480,000	500,000	520,000	540,000	560,000	
3	Praxair, Inc.	190,000	200,000	210,000	220,000	230,000	240,000	250,000	260,000	270,000	280,000	
4	CFPUA	3,468,367	3,687,422	3,910,511	4,137,693	4,369,028	4,604,576	4,844,397	5,088,555	5,337,111	5,590,130	
5	Pender	542,335	582,297	625,640	666,404	710,629	756,356	803,629	852,489	902,983	955,155	
6	<i>Proposed Water Rate Increase</i>	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	
7	<i>Effective Increase In Revenues</i>	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%	3.80%	3.70%	3.57%	
8	Additional Revenue Due to Increase	\$ 462,415	\$ 468,618	\$ 474,917	\$ 481,312	\$ 487,805	\$ 494,398	\$ 501,092	\$ 507,890	\$ 514,792	\$ 521,801	
9	Total Water Charge Revenue	\$ 9,248,303	\$ 9,840,984	\$ 10,448,164	\$ 11,070,165	\$ 11,707,314	\$ 12,359,945	\$ 13,028,400	\$ 13,713,028	\$ 14,414,184	\$ 15,132,233	
Other Revenues:												
10	Interest	\$ 870	\$ 910	\$ 960	\$ 1,010	\$ 1,060	\$ 1,110	\$ 1,170	\$ 1,230	\$ 1,290	\$ 1,350	
11	Fund Balance Appropriated	0	0	0	0	0	0	0	0	0	0	
12	Reimbursement from 88 % of Admin Expenses	363,119	381,274	400,339	420,355	441,385	463,461	486,641	510,978	536,536	563,367	
13	Total Other Operating Revenues	\$ 363,989	\$ 382,184	\$ 401,299	\$ 421,365	\$ 442,445	\$ 464,571	\$ 487,811	\$ 512,208	\$ 537,826	\$ 564,717	
Other Non-Operating Revenues:												
14	Sales Tax Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
15	Miscellaneous	0	0	0	0	0	0	0	0	0	0	
16	Total Other Non Operating Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
17	TOTAL REVENUES	\$ 9,712,292	\$ 10,323,167	\$ 10,949,463	\$ 11,591,530	\$ 12,249,758	\$ 12,924,516	\$ 13,616,211	\$ 14,325,235	\$ 15,052,010	\$ 15,796,950	
Operating/Administration Expenses												
Operating Expenses												
18	Sales Tax Expense	\$ 1,408,050	\$ 1,506,610	\$ 1,612,070	\$ 1,724,910	\$ 1,845,650	\$ 1,974,850	\$ 2,113,090	\$ 2,261,010	\$ 2,419,280	\$ 2,588,630	
19	Utilities/Energy Kings Bluff	1,183,380	1,242,550	1,304,680	1,369,910	1,438,410	1,510,330	1,585,850	1,665,140	1,748,400	1,835,820	
20	Contract O & M Kings Bluff	331,550	348,130	365,540	383,820	403,010	423,160	444,320	466,540	489,870	514,360	
21	Salaries	110,270	115,780	121,570	127,650	134,030	140,730	147,770	155,160	162,920	171,070	
22	Per Diem and Mileage Board Members	9,420	9,420	9,420	9,420	9,420	9,420	9,420	9,420	9,420	9,420	
23	Vehicle Allowance	34,130	35,840	37,630	39,510	41,490	43,560	45,740	48,030	50,430	52,950	
24	FICA Taxes	42,590	44,720	46,960	49,310	51,780	54,370	57,090	59,940	62,940	66,090	
25	Retirement	18,430	19,350	20,320	21,340	22,410	23,550	24,710	25,950	28,610	30,900	
26	401K Plan	4,760	5,000	5,250	5,510	5,790	6,080	6,380	6,700	7,040	7,390	
27	Miscellaneous Payroll Expenses	65,440	68,710	72,150	75,760	79,550	83,530	87,710	92,100	96,710	101,550	
28	Group Insurance	178,740	187,680	197,060	206,910	217,260	228,120	239,530	251,510	264,090	277,290	
29	Property and Liability Insurance	25,830	27,120	28,480	29,900	31,400	32,970	34,620	36,350	38,170	40,080	
30	Professional Services General	86,180	90,490	95,010	99,760	104,750	109,990	115,490	121,260	127,320	133,690	
31	Attorney	22,180	23,290	24,450	25,670	26,950	28,300	29,720	31,210	32,770	34,410	
32	Auditor	516,940	542,790	569,930	598,430	628,350	659,770	692,760	727,400	763,770	801,960	
33	Engineer	27,560	28,940	30,390	31,910	33,510	35,190	36,950	38,800	40,740	42,780	
34	Information Technology	41,360	43,430	45,600	47,880	50,270	52,780	55,420	58,190	61,100	64,160	
35	Office Maintenance/Repair/Common Change	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360	
36	Office Utilities	24,130	25,340	26,610	27,940	29,340	30,810	32,350	33,970	35,670	37,450	
37	Office Expenses (telephone, printing, adv)	17,210	18,070	18,970	19,920	20,920	21,970	23,070	24,220	25,430	26,700	
38	Office Equipment	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360	
39	Printing and Advertising	6,040	6,340	6,660	7,000	7,340	7,710	8,100	8,510	8,940	9,390	
40	Telephone and Internet	49,980	52,480	55,100	57,860	60,750	63,790	66,980	70,330	73,850	77,540	
41	Travel and Training	900	950	1,000	1,050	1,100	1,160	1,220	1,280	1,340	1,410	
42	Phone Allowance	0	0	0	0	0	0	0	0	0	0	
43	Vehicle Expense	34,480	36,200	38,010	39,910	41,910	44,010	46,210	48,520	50,950	53,500	
44	Miscellaneous Expense	0	0	0	0	0	0	0	0	0	0	
45	Total Expenses	\$ 4,356,320	\$ 4,597,310	\$ 4,852,310	\$ 5,122,150	\$ 5,407,790	\$ 5,710,120	\$ 6,030,160	\$ 6,368,980	\$ 6,727,670	\$ 7,107,460	
46	Income Available for Debt Service	\$ 5,355,972	\$ 5,725,857	\$ 6,097,153	\$ 6,469,380	\$ 6,841,968	\$ 7,214,396	\$ 7,586,051	\$ 7,956,275	\$ 8,324,340	\$ 8,689,490	

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Projected For Fiscal Year Ending June 30											
47	LCFWSA Capital Projects (Allocated to All)	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
48	Cost Sharing Projects Debt Service	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686	4,887,686
49	Future Debt Service #3	0	0	0	0	0	0	0	0	0	0
50	Total Annual Debt Service-Water	\$ 7,083,497	\$ 8,334,183	\$ 8,334,183	\$ 8,616,915	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647	\$ 8,899,647
51	Debt Service Coverage	0.76	0.69	0.73	0.75	0.77	0.81	0.85	0.89	0.94	0.98
52	Remaining Net Revenue After Debt Service	\$ (1,727,525)	\$ (2,608,325)	\$ (2,237,029)	\$ (2,247,535)	\$ (2,057,679)	\$ (1,685,252)	\$ (1,313,596)	\$ (943,372)	\$ (575,308)	\$ (210,158)
Other Expenses & Transfers In/(Out)											
53	Pay-Go Capital Projects (Allocated to All & Cost Share)	\$ (4,565,559)	\$ (532,649)	\$ (1,304,989)	\$ (4,423,912)	\$ 0	\$ 0	\$ (2,719,238)	\$ 0	\$ 0	\$ (1,705,090)
54	Transfer Out to R&R - Kings Bluff R&R Expense	0	0	0	0	0	0	0	0	0	0
55	Transfer Out to Enterprise Capital Fund	0	0	0	0	0	0	0	0	0	0
56	Transfer In from R&R Fund	0	0	0	0	0	0	0	0	0	0
57	Transfer In from Enterprise Capital Fund	0	0	0	0	0	0	0	0	0	0
58	Total Other Expenses/Transfers	\$ (4,565,559)	\$ (532,649)	\$ (1,304,989)	\$ (4,423,912)	\$ 0	\$ 0	\$ (2,719,238)	\$ 0	\$ 0	\$ (1,705,090)
59	Remaining Funds Available from Annual Operations (Net Income)	\$ (6,293,084)	\$ (3,240,974)	\$ (3,542,018)	\$ (6,571,447)	\$ (2,057,679)	\$ (1,685,252)	\$ (4,032,834)	\$ (943,372)	\$ (575,308)	\$ (1,915,247)
Funds - Balance Activity											
Enterprise Operating Fund											
60	Beginning Fund Balance	\$ 1,364,216	\$ (4,928,868)	\$ (8,059,842)	\$ (11,611,860)	\$ (18,183,307)	\$ (20,240,986)	\$ (21,926,238)	\$ (25,959,072)	\$ (26,902,444)	\$ (27,477,752)
61	Plus Remaining Funds from Operations	(6,293,084)	(3,140,974)	(3,542,018)	(6,571,447)	(2,057,679)	(1,685,252)	(4,032,834)	(943,372)	(575,308)	(1,915,247)
62	Transfer In from Operations	0	0	0	0	0	0	0	0	0	0
63	Transfer Out	0	0	0	0	0	0	0	0	0	0
64	Total Funds Available-Operating Fund	\$ (4,928,868)	\$ (8,069,842)	\$ (11,611,860)	\$ (18,183,307)	\$ (20,240,986)	\$ (21,926,238)	\$ (25,959,072)	\$ (26,902,444)	\$ (27,477,752)	\$ (29,392,999)
65	Working Capital In Enterprise Fund	(15.00)	(23.00)	(31.00)	(46.00)	(49.00)	(50.00)	(56.00)	(55.00)	(53.00)	(54.00)
66	Renewal & Replacement Fund	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
67	Beginning Fund Balance	0	0	0	0	0	0	0	0	0	0
68	Plus: Transfer From Operations	0	0	0	0	0	0	0	0	0	0
69	Less: R&R Capital Expenses	0	0	0	0	0	0	0	0	0	0
69	Total Funds Available-R&R Fund	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
Enterprise Capital Fund											
70	Beginning Fund Balance	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406
71	Plus: Transfer From Operations	0	0	0	0	0	0	0	0	0	0
72	Less: Capital Project Expense	0	0	0	0	0	0	0	0	0	0
73	Total Funds Available-Enterprise Fund	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406	\$ 6,731,406
74	Total R&R and Capital Funds	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717	\$ 11,954,717
75	Working Capital (R&R/Capital Funds)	36.00	34.00	32.00	31.00	29.00	27.00	26.00	24.00	23.00	22.00

Exhibit 6
Lower Cape Fear WSA
FY 2024 Rate Study
Financial Dashboard



	2024	▲	2025	▲	2026	▲	2027	▲	2028	▲	2029	▲	2030	▲
Volumetric Increase	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼
	2031	▲	2032	▲	2033	▲	2034	▲	2035	▲	2036	▲	2037	▲
Volumetric Increase	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼
	2038	▲	2039	▲	2040	▲	2041	▲	2042	▲	2043	▲	2044	▲
Volumetric Increase	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ -	▼

RATE STUDY WORKPAPERS EXHIBITS 1 – 6

RESERVOIR GRANT FUNDED



Prepared by Willdan Financial Services



Exhibit 1
Lower Cape Fear WASA
2023 Base Study
Historical Financial Information

Description	Actuals For Fiscal Year Ended June 30										Projections For Fiscal Year Ending June 30									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033					
Administration Expenses																				
Salaries	\$ 160,703	\$ 163,169	\$ 170,224	\$ 165,791	\$ 180,430	\$ 203,530														
Per Diem and Mileage Board Members	50,872	62,500	51,812	56,590	55,325	64,001														
Vehicle Allowance	-	1,000	5,000	5,200	5,200	5,200														
FICA Taxes	15,701	16,823	17,425	17,116	18,251	20,953														
Retirement	13,344	12,663	17,191	18,655	21,597	26,132														
401K Plan	4,817	3,626	4,782	10,948	11,312	11,312														
Miscellaneous Payroll Expenses	2,259	4,039	2,367	2,630	2,900	2,900														
Group Insurance	31,159	40,059	33,224	37,141	32,778	40,176														
Property and Liability Insurance	106,845	112,982	105,167	87,417	99,948	103,734														
Professional Services General																				
Attorney	40,574	53,226	32,960	15,986	45,695	50,000														
Auditor	7,700	12,000	8,200	8,200	8,200	8,000														
Engineer	95,705	56,156	30,179	41,947	152,830	300,900														
Information Technology																				
Office Maintenance/Repair/Common Charge																				
Office Utilities	8,530	31,400	18,017	18,601	13,729	24,000														
Office Expenses (Telephone, printing, sev)	2,623	-	4,098	12,638	3,644	16,000														
Office Equipment	9,054	-	5,408	1,856	1,989	5,000														
Printing and Advertising	-	-	39,567	14,134	18,037	14,000														
Telephone and Internet	-	-	-	10,975	13,015	10,000														
Travel and Training	-	-	-	1,997	8,240	5,000														
Phone Allowance	2,102	15,841	14,863	22,237	25,914	29,000														
Vehicle Expense	3,887	-	-	520	520	520														
Miscellaneous Expense	7,047	7,000	18,262	18,084	8,690	-														
Subtotal Admin. Expenses	\$ 522,922	\$ 592,675	\$ 578,544	\$ 564,221	\$ 753,100	\$ 977,979														
Operating Expenses																				
Sales Tax Expense	\$ 43,164	\$ 37,000	\$ 55,832	\$ 130,777	\$ 129,704	\$ 100,000														
Bladen Bluffs O & M	1,252,922	1,200,000	1,809,867	2,775,091	3,534,374	3,324,385														
Utilities/Energy/Kings Bluff	970,762	768,319	718,272	688,525	730,336	785,589														
Contract O & M Kings Bluff	363,958	595,491	375,620	437,634	502,472	686,789														
O&M Kings Booster Pump Bluff Pump Station	28,000	-	-	-	-	-														
Combined Enterprise Funded Series 2010 Principal	361,305	371,457	-	-	-	-														
Combined Enterprise Funded Series 2012 Principal	41,182	20,876	-	-	-	-														
Combined Enterprise System Ref Series 2012 Principal	567,589	578,656	-	-	-	-														
Combined Enterprise System Ref Series 2012 Interest	45,584	34,516	25,076	11,728	-	-														
Bladen Bluffs Debt Service Principal	695,000	740,000	790,000	850,000	910,000	970,000														
Bladen Bluffs Debt Service Interest	331,016	350,000	25,526	48,580	450,794	450,000														
Operating Capital Expense	-	-	55,664	593,356	2,219,441	1,286,360														
Transfer to R&R - Kings Bluff R&R Expense	-	-	-	192,380	250,000	380,000														
Transfer to Enterprise Fund	-	-	-	-	-	100,000														
421 Relocation New Hanover County Loan Principal	-	-	-	-	-	-														
SFR7 mile parallel line expenditures	-	-	-	-	-	-														
Subtotal Operating Expenses	\$ 4,695,410	\$ 4,698,315	\$ 4,835,797	\$ 6,729,515	\$ 9,061,645	\$ 10,554,083														
TOTAL EXPENSES	\$ 5,218,332	\$ 5,288,990	\$ 5,414,341	\$ 7,293,736	\$ 9,794,745	\$ 11,562,063														
Operating Revenue																				
Brunswick County	\$ 1,401,159	\$ 1,290,309	\$ 1,425,384	\$ 1,818,301	\$ 2,050,591	\$ 1,725,765														
Cape Fear Public Utility Authority	1,250,243	1,102,127	1,102,675	1,323,736	1,679,192	1,652,562														
Pender County	154,923	141,838	157,838	189,616	327,094	234,160														
Stepan/Invista	78,236	69,432	32,488	101,260	175,133	200,000														
Prezahl, Inc	2,903	2,975	2,088	2,503	33,927	100,000														
Bladen Bluffs Reimbursement for Plant Operation Costs	2,429,630	2,390,689	2,484,174	3,509,071	5,169,651	4,744,385														
Bladen Bluffs Administrative Reimbursement	-	-	-	90,888	127,002	139,090														
Sales Tax Refund	39,973	-	67,220	55,833	114,314	100,000														
Subtotal Operating Revenue	\$ 5,357,067	\$ 5,034,370	\$ 5,382,755	\$ 7,527,824	\$ 9,868,992	\$ 8,951,990														
Non-Operating																				
Interest	-	-	8,775	2,352	1,921	1,969														
Other Revenue (Insurance Proceeds/FEMA)	54,322	71,372	260,063	2,978	10,587	-														
Federal Tax Subsidy	17,346	-	-	-	-	-														
Rental House Income	-	-	-	15,550	16,047	-														
Transfer In	-	-	-	-	-	-														
SRF/Parallel Revenue	-	-	-	-	-	-														
Renewal and Replacement Fund Appropriated	-	-	-	-	-	-														
Fund Balance Appropriated	399,509	174,473	-	-	1,596,733	-														
Reimbursement from BS (% of Admin Expenses)	-	-	-	-	-	-														
Subtotal Non-Operating Revenue	\$ 471,177	\$ 254,620	\$ 529,105	\$ 20,449	\$ 1,625,336	\$ 214,718														
TOTAL REVENUE	\$ 5,828,244	\$ 5,289,990	\$ 5,911,860	\$ 7,547,773	\$ 11,314,328	\$ 9,165,008														
NET REVENUE REQUIREMENT																				
Waldan Financial Services																				

Exhibit 1
Lower Cape Fear WASA
2023 Rate Study
Historical Financial Information

Description	Actuals For Fiscal Year Ended June 30,					Projections For Fiscal Year Ending June 30,									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Constant Factor							1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Labor Escalator Factor (WPI)							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Other Fringes (WD)							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
General Inflation Factor							1.0900	1.0700	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Customer Growth Factor							1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metered Flow Factor							0.8516	1.0495	1.0132	1.0132	1.0132	1.0133	1.0133	1.0133	1.0133
Inflation/Customer Growth Factor							1.0900	1.0700	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Materials & Supplies							0.9282	1.1230	1.0639	1.0639	1.0639	1.0640	1.0640	1.0640	1.0640
Inflation/Metered Flow Factor							1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Chemicals							1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Electrical Costs							1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Eliminate							0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Exhibit 1
Lower Cape Fear WASA
2023 Rate Study
Historical Financial Information

Description	Projections for Fiscal Year Ending June 30,									
	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Expenses										
Administration Expenses										
Salaries	\$ 331,550	\$ 348,130	\$ 365,540	\$ 383,820	\$ 403,010	\$ 423,160	\$ 444,320	\$ 466,540	\$ 489,870	\$ 514,360
Per Diem and Mileage Board Members	110,270	115,780	121,570	127,650	134,030	140,730	147,770	155,160	162,920	171,070
Vehicle Allowance	8,970	9,420	9,890	10,380	10,900	11,450	12,020	12,620	13,250	13,910
FICA Taxes	34,130	35,840	37,630	39,510	41,490	43,560	45,740	48,030	50,430	52,950
Retirement	42,590	44,720	46,960	49,310	51,780	54,370	57,090	59,940	62,940	66,090
401k Plan	18,430	19,350	20,320	21,340	22,410	23,530	24,710	25,950	27,250	28,610
Miscellaneous Payroll Expenses	4,760	5,000	5,250	5,510	5,790	6,080	6,380	6,700	7,040	7,390
Group Insurance	65,440	68,710	72,150	75,760	79,550	83,530	87,710	92,100	96,710	101,550
Property and Liability Insurance	176,740	187,680	197,650	206,930	217,260	228,120	239,530	251,510	264,090	277,290
Professional Services General	25,830	27,120	28,480	29,960	31,490	33,070	34,620	36,250	37,970	39,780
Attorney	22,180	23,290	24,450	25,670	26,950	28,290	29,720	31,210	32,770	34,410
Auditor	3,650	3,830	3,990	4,160	4,340	4,530	4,730	4,940	5,160	5,390
Engineer	516,940	542,790	569,930	598,430	628,350	659,770	692,760	727,400	763,770	801,960
Information Technology	27,590	28,940	30,390	31,910	33,510	35,190	36,950	38,800	40,740	42,780
Office Maintenance/Repair/Common Charge	41,360	43,360	45,600	47,880	50,270	52,770	55,420	58,190	61,000	64,160
Office Utilities	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
Office Expenses (telephone, printing, adv)	24,130	25,340	26,610	27,940	29,340	30,810	32,350	33,970	35,670	37,450
Office Equipment	17,210	18,070	18,970	19,920	20,920	21,970	23,070	24,220	25,430	26,700
Printing and Advertising	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
Telephone and Internet	6,040	6,340	6,660	6,990	7,340	7,710	8,100	8,510	8,940	9,390
Travel and Training	49,980	52,480	55,100	57,860	60,750	63,790	66,980	70,330	73,850	77,540
Phone Allowance	900	950	1,000	1,050	1,100	1,160	1,220	1,280	1,340	1,410
Vehicle Expense	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	34,480	36,200	38,010	39,910	41,910	44,010	46,210	48,520	50,950	53,500
Subtotal Admin. Expenses	\$ 1,664,890	\$ 1,748,150	\$ 1,835,560	\$ 1,927,830	\$ 2,023,780	\$ 2,124,940	\$ 2,231,220	\$ 2,342,810	\$ 2,459,890	\$ 2,583,010
Operating Expenses										
Sales Tax Expense	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Bladen Bluffs O & M	-	-	-	-	-	-	-	-	-	-
Utilities/Energy Kings Bluff	1,408,090	1,506,510	1,612,070	1,724,910	1,845,690	1,974,850	2,113,090	2,261,010	2,419,280	2,588,630
Contract O & M Kings Bluff	1,183,380	1,242,350	1,304,080	1,369,910	1,438,410	1,510,330	1,585,850	1,665,140	1,748,400	1,835,820
Okw/ King booster Pump, Bluff Pump Station	-	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2010 Principal	-	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2012 Interest	-	-	-	-	-	-	-	-	-	-
Combined Enterprise System Ref Series 2012 Principal	-	-	-	-	-	-	-	-	-	-
Combined Enterprise System Ref Series 2012 Interest	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Debt Service Principal	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Debt Service Interest	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Debt Service	-	-	-	-	-	-	-	-	-	-
Operating Capital Expense	4,565,559	532,649	1,304,989	4,423,912	-	-	2,719,238	-	-	1,705,090
Transfer to R&R - Kings Bluff R&R Expense	200,000	400,000	400,000	400,000	400,000	600,000	450,000	450,000	500,000	200,000
Transfer to Enterprise Fund	850,000	850,000	850,000	1,500,000	1,500,000	1,600,000	1,900,000	2,000,000	2,000,000	600,000
421. Relocation New, Hanover County Loan Principal	-	-	-	-	-	-	-	-	-	-
SRF/7 mile parallel line expenditures	-	-	-	-	-	-	-	-	-	-
Subtotal Operating Expenses	\$ 7,456,989	\$ 4,631,809	\$ 5,171,799	\$ 7,618,732	\$ 5,284,060	\$ 5,785,180	\$ 6,518,178	\$ 6,376,150	\$ 6,767,680	\$ 7,029,540
TOTAL EXPENSES	\$ 9,121,879	\$ 6,379,959	\$ 7,007,359	\$ 9,546,562	\$ 7,307,790	\$ 7,910,120	\$ 8,749,398	\$ 8,718,960	\$ 9,227,670	\$ 9,612,550
Revenues										
Operating Revenues										
Brunswick County	-	-	-	-	-	-	-	-	-	-
Cape Fear Public Utility Authority	-	-	-	-	-	-	-	-	-	-
Pender County	-	-	-	-	-	-	-	-	-	-
Stoper/Invista	-	-	-	-	-	-	-	-	-	-
Praxair, Inc	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Reimbursement for Plant Operation Costs	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Administrative Reimbursement	-	-	-	-	-	-	-	-	-	-
Sales Tax Refund	-	-	-	-	-	-	-	-	-	-
Subtotal Operating Revenue	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Non-Operating										
Interest	870	910	960	1,010	1,060	1,110	1,170	1,230	1,290	1,350
Other Revenue (Insurance Proceeds/FEMA)	-	-	-	-	-	-	-	-	-	-
Federal Tax Subsidy	-	-	-	-	-	-	-	-	-	-
Rental House Income	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
SRF/Parallel Revenue	-	-	-	-	-	-	-	-	-	-
Renewal and Replacement Fund Appropriated	-	-	-	-	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-	-	-	-	-
Reimbursement from BS (% of Admin Expenses)	353,119	381,274	400,339	420,815	441,385	463,461	486,641	510,978	536,536	563,367
Subtotal Non-Operating Revenue	\$ 353,989	\$ 382,184	\$ 401,299	\$ 421,865	\$ 442,445	\$ 464,571	\$ 487,811	\$ 512,208	\$ 537,826	\$ 564,717
TOTAL REVENUE	\$ 453,989	\$ 482,184	\$ 501,299	\$ 523,865	\$ 544,445	\$ 568,571	\$ 595,811	\$ 624,208	\$ 655,826	\$ 689,717
NET REVENUE REQUIREMENT	\$ 8,657,890	\$ 5,897,775	\$ 6,506,060	\$ 9,024,497	\$ 6,763,345	\$ 7,341,549	\$ 8,153,587	\$ 8,104,752	\$ 8,571,844	\$ 8,922,833

Exhibit 1
Lower Cost Rate WASA
2023 Rate Study
Miscellaneous Financial Information

Description	Projections for Fiscal Year Ending June 30,											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Escalation Factors												
Constant Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Labor Escalator Factor (WD)	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Other Fringes (WD)	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
General Inflation Factor	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Customer Growth Factor	1.0000	2.0000	3.0000	4.0000	5.0000	6.0000	7.0000	8.0000	9.0000	10.0000	10.0000	10.0000
Metered Flow Factor	1.0134	1.0134	1.0134	1.0134	1.0135	1.0135	1.0135	1.0135	1.0135	1.0135	1.0136	1.0136
Inflation/Customer Growth Factor	1.0500	2.1000	3.1500	4.2000	5.2500	6.3000	7.3500	8.4000	9.4500	10.5000	10.5000	10.5000
Materials & Supplies	1.0641	1.0641	1.0641	1.0641	1.0641	1.0642	1.0642	1.0642	1.0642	1.0642	1.0643	1.0643
Chemical Costs	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Electrical Costs	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900	1.0900
E/m/haute	0.0000	1.0000	2.0000	3.0000	4.0000	5.0000	6.0000	7.0000	8.0000	9.0000	10.0000	10.0000

Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues

	Historical For Fiscal Years Ended June 30,										Estimated 2023	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Usage (in Gallons)												
Brunswick County	4,104,862	4,085,693	4,138,451	4,236,976	4,502,325	4,818,150	5,157,008	5,095,815	5,246,138	5,510,004	5,710,245	
Stepan	531,090	453,240	212,043	182,598	122,460	150,961	287,950	202,660	119,574	306,850	397,941	
Praxair, Inc.	13,890	18,363	15,346	15,317	15,171	13,671	10,685	8,137	7,686	7,586	15,581	
CFPUA	4,038,823	3,846,216	4,004,487	3,970,821	4,055,680	4,406,808	4,601,557	3,834,778	4,058,426	4,011,323	4,793,236	
Pender	242,710	356,715	377,767	425,444	436,477	498,699	570,200	583,988	580,928	574,595	568,801	
Total	8,931,374	8,760,227	8,748,093	8,831,157	9,132,113	9,888,288	10,627,400	9,725,379	10,012,751	10,410,358	11,485,804	
Annual Change (Gals)	N/A	(171,148)	(12,133)	83,063	300,957	756,175	739,111	(902,020)	287,372	397,606	1,075,446	
Annual % Change												
Brunswick County	-	-0.47%	1.29%	2.38%	6.26%	7.01%	7.03%	-1.19%	2.95%	5.03%	2.72%	
Stepan	-	-14.66%	-53.22%	-13.89%	-32.93%	23.27%	90.75%	-29.62%	-41.00%	156.62%	0.00%	
Praxair, Inc.	-	32.20%	-16.43%	-0.19%	-0.95%	-9.89%	-21.84%	-23.84%	-5.55%	-1.31%	0.00%	
CFPUA	-	-4.77%	4.11%	-0.84%	2.14%	8.66%	4.42%	-16.66%	5.83%	-1.16%	-1.86%	
Pender	-	46.97%	5.90%	12.62%	2.59%	14.26%	14.34%	2.42%	-0.52%	-1.09%	2.87%	
Total	-	-1.92%	-0.14%	0.95%	3.41%	8.28%	7.47%	-8.49%	2.95%	3.97%	1.03%	
Rate												
Brunswick County	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.3600	
Stepan	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.3300	\$ 0.3600	
Praxair, Inc.	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.3300	\$ 0.3600	
CFPUA	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.3300	\$ 0.3600	
Pender	\$ 0.2617	\$ 0.2617	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.2717	\$ 0.3300	\$ 0.3600	
Billed Revenue												
Brunswick County	\$ 1,074,242	\$ 1,069,226	\$ 1,124,417	\$ 1,151,187	\$ 1,223,282	\$ 1,309,091	\$ 1,401,159	\$ 1,384,533	\$ 1,425,376	\$ 1,818,301	\$ 2,055,688	
Stepan	\$ 138,986	\$ 118,613	\$ 57,612	\$ 49,612	\$ 33,272	\$ 41,016	\$ 78,236	\$ 55,063	\$ 32,488	\$ 101,260	\$ 143,259	
Praxair, Inc.	\$ 3,635	\$ 4,805	\$ 4,170	\$ 4,162	\$ 4,122	\$ 3,714	\$ 2,903	\$ 2,211	\$ 2,088	\$ 2,503	\$ 5,609	
CFPUA	\$ 1,056,960	\$ 1,006,555	\$ 1,088,019	\$ 1,078,872	\$ 1,101,928	\$ 1,197,330	\$ 1,250,243	\$ 1,041,909	\$ 1,102,674	\$ 1,323,736	\$ 1,725,565	
Pender	\$ 63,517	\$ 93,352	\$ 102,639	\$ 115,593	\$ 118,591	\$ 135,496	\$ 154,923	\$ 158,670	\$ 157,838	\$ 189,616	\$ 204,768	
Total	\$ 2,337,341	\$ 2,292,551	\$ 2,376,857	\$ 2,399,425	\$ 2,481,195	\$ 2,686,648	\$ 2,887,464	\$ 2,642,386	\$ 2,720,464	\$ 3,435,418	\$ 4,134,889	

**Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues**

Test Year	Projected for Fiscal Years Ending June 30,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Input from Budget										
Brunswick County	4,314,412	4,745,853	4,827,482	4,910,515	4,994,975	5,080,889	5,168,280	5,257,175	5,347,598	5,439,577
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,131,405	4,172,719	4,214,446	4,256,591	4,299,157	4,342,148	4,385,570	4,429,425	4,473,720	4,518,457
Pender	585,400	597,108	609,050	621,231	633,656	646,329	659,255	672,441	685,889	699,607
Total	9,781,217	10,265,680	10,400,978	10,538,336	10,677,788	10,819,366	10,963,105	11,109,041	11,257,207	11,407,641
Annual Change (Gals)	(1,704,587)	484,463	135,298	137,358	139,451	141,578	143,739	145,935	148,166	150,434
Annual % Change										
Brunswick County	0.00%	10.00%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CFPUA	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pender	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Total	-14.84%	4.95%	1.32%	1.32%	1.32%	1.33%	1.33%	1.33%	1.33%	1.34%
Rate										
Brunswick County	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7100	\$ 0.7400
Stepan	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7100	\$ 0.7400
Praxair, Inc.	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7100	\$ 0.7400
CFPUA	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7100	\$ 0.7400
Pender	\$ 0.4000	\$ 0.4400	\$ 0.4800	\$ 0.5200	\$ 0.5600	\$ 0.6000	\$ 0.6400	\$ 0.6800	\$ 0.7100	\$ 0.7400
Billed Revenue										
Brunswick County	\$ 1,725,765	\$ 2,088,175	\$ 2,317,191	\$ 2,553,468	\$ 2,797,186	\$ 3,048,533	\$ 3,307,699	\$ 3,574,879	\$ 3,796,795	\$ 4,025,287
Stepan	\$ 200,000	\$ 220,000	\$ 240,000	\$ 260,000	\$ 280,000	\$ 300,000	\$ 320,000	\$ 340,000	\$ 355,000	\$ 370,000
Praxair, Inc.	\$ 100,000	\$ 110,000	\$ 120,000	\$ 130,000	\$ 140,000	\$ 150,000	\$ 160,000	\$ 170,000	\$ 177,500	\$ 185,000
CFPUA	\$ 1,652,562	\$ 1,835,996	\$ 2,022,934	\$ 2,213,427	\$ 2,407,528	\$ 2,605,289	\$ 2,806,765	\$ 3,012,009	\$ 3,176,341	\$ 3,343,658
Pender	\$ 234,160	\$ 262,728	\$ 292,344	\$ 323,040	\$ 354,847	\$ 387,797	\$ 421,924	\$ 457,260	\$ 486,981	\$ 517,709
Total	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,561	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 7,992,617	\$ 8,441,654

**Exhibit 2
Lower Cape Fear WASA
2023 Rate Study
Annual Flows & Revenues**

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Projected For Fiscal Years Ending June 30,										
Usage (in Gallons)										
Brunswick County	5,533,138	5,628,307	5,725,114	5,823,586	5,923,752	6,025,641	6,129,282	6,234,705	6,341,942	6,451,024
Stepan	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Praxair, Inc.	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
CFPUA	4,563,641	4,609,278	4,655,371	4,701,924	4,748,944	4,796,433	4,844,397	4,892,841	4,941,770	4,991,187
Pender	713,599	727,871	742,429	757,277	772,423	787,871	803,629	819,701	836,095	852,817
Total	11,560,378	11,715,457	11,872,914	12,032,788	12,195,118	12,359,945	12,527,308	12,697,248	12,869,807	13,045,028
Annual Change (Gals)	152,737	155,078	157,457	159,874	162,330	164,826	167,363	169,940	172,559	175,221
Annual % Change	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
Brunswick County	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Stepan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Praxair, Inc.	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CFPUA	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Pender	1.34%	1.34%	1.34%	1.35%	1.35%	1.35%	1.35%	1.36%	1.36%	1.36%
Total	1.34%	1.34%	1.34%	1.35%	1.35%	1.35%	1.35%	1.36%	1.36%	1.36%
Rate										
Brunswick County	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
Stepan	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
Praxair, Inc.	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
CFPUA	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
Pender	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
Billed Revenue										
Brunswick County	\$ 4,260,516	\$ 4,502,646	\$ 4,751,845	\$ 5,008,284	\$ 5,272,139	\$ 5,543,589	\$ 5,761,525	\$ 5,985,317	\$ 6,215,103	\$ 6,451,024
Stepan	\$ 385,000	\$ 400,000	\$ 415,000	\$ 430,000	\$ 445,000	\$ 460,000	\$ 470,000	\$ 480,000	\$ 490,000	\$ 500,000
Praxair, Inc.	\$ 192,500	\$ 200,000	\$ 207,500	\$ 215,000	\$ 222,500	\$ 230,000	\$ 235,000	\$ 240,000	\$ 245,000	\$ 250,000
CFPUA	\$ 3,514,004	\$ 3,687,422	\$ 3,863,958	\$ 4,043,655	\$ 4,226,560	\$ 4,412,718	\$ 4,553,733	\$ 4,697,128	\$ 4,842,934	\$ 4,991,187
Pender	\$ 549,471	\$ 582,297	\$ 616,216	\$ 651,258	\$ 687,456	\$ 724,842	\$ 755,411	\$ 786,913	\$ 819,373	\$ 852,817
Total	\$ 8,901,491	\$ 9,372,365	\$ 9,854,518	\$ 10,348,198	\$ 10,853,655	\$ 11,371,149	\$ 11,775,669	\$ 12,189,358	\$ 12,612,411	\$ 13,045,028

Exhibit 3
Lower Cape Fear WASA
Kings Bluff Raw Water Facilities
Annual Capital Projects

Project No.	Description	Funding Source	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	Grand Total
	R&R Capital Cost Escalator		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
	Major Capital Facility Cost Escalator		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Lower Cape Fear Water and Sewer Authority Projects (Allocated Across All LCF Customer Base)															
KB 1	New 4th Pump @ King's Bluff PS	Debt Service													\$ 4,928,700
KB 1	New 4th Pump @ King's Bluff PS	Pay-Go Capital	\$ 532,649												\$ 228,000
KB 2	Rebuild High Service Pump Motors	Pay-Go Capital	\$22,548,788												\$ 532,449
KB 3	New Generators	Debt Service													\$ 25,085,210
KB 4	Pig 48" Water Main (KBPS to 3 MG Tank)	Pay-Go Capital													\$ 2,719,238
KB 5	Pig Future 54" Water Main	Pay-Go Capital			\$ 2,719,238										\$ 2,029,137
KB 6	Walkway & Air Backwash Building Rplem't	Debt Service													\$ 2,180,000
KB 6	Walkway & Air Backwash Building Rplem't	Pay-Go Capital													\$ 17,903,999
KB 7	Replace Raw Water Pumps 1, 4, 5	Debt Service		\$ 7,046,940											\$ 1,705,090
KB 8	New Surge Tank at KBPS	Pay-Go Capital													\$ 1,705,090
KB 9	5 ROW Aquisitions	Pay-Go Capital													\$ 309,000
KB 10	48-inch PCCP Inspect. and Pig - Grd Tank	Pay-Go Capital													\$ 2,842,452
KB 11	48-inch PCCP Repairs	Pay-Go Capital													\$ 327,000
	Operating Capital (FY 23/24)	Pay-Go Capital	\$23,081,437		\$ 7,046,940			\$ 2,719,238							\$ 60,487,474
	TOTAL PROJECTS (ALLOCATED TO ALL)														
	Pay-Go Capital		\$ 532,649					\$ 2,719,238							\$ 11,451,126
	Debt Service		\$22,548,788		\$ 7,046,940										\$ 49,997,909
	TOTAL FUNDING SOURCES		\$23,081,437		\$ 7,046,940			\$ 2,719,238							\$ 61,449,034
Cost Sharing Projects															
CS 1	Intermediate Booster PS Shelter	Pay-Go (Cost Share)													\$ 924,500
CS 2	Intermediate Booster PS Upgrade	Pay-Go (Cost Share)													\$ 14,463,577
CS 3	New 5th Pump at King's Bluff	Pay-Go (Cost Share)										\$ 2,754,376	\$ 7,230,236	\$ 3,340,369	\$ 13,324,981
CS 4	20 MG Ground Tank	Pay-Go (Cost Share)													\$ 28,644,507
CS 5	7-Mile 48" Parallel Raw Water Main	Already Funded	\$ 6,524,945	\$22,119,562											\$ 48,597,615
CS 6	3-Mile 48" Parallel Raw Water Main	Grants/ARPA													\$ 30,794,203
CS 7	100 MGD Reservoir (Possible Grant Funding)	Grants/ARPA													\$ 40,911,347
	TOTAL PROJECTS (COST SHARING)		\$ -	\$ 6,524,945	\$22,119,562								\$ 2,754,376	\$ 7,230,236	\$ 3,340,369
	Pay-Go (Cost Share)														\$197,482,751
	LCFWSA		\$ -	\$ 1,304,989	\$ 4,423,912										\$ 668,074
	Bonawick		\$ -	\$ 1,957,483	\$ 6,635,869										\$ 2,169,071
	CFPIA		\$ -	\$ 1,304,989	\$ 4,423,912										\$ 1,002,111
	Fender		\$ -	\$ 1,304,989	\$ 4,423,912										\$ 1,446,047
	Stephan		\$ -	\$ 326,247	\$ 1,105,978										\$ 550,875
	Prattair		\$ -	\$ 326,247	\$ 1,105,978										\$ 1,446,047
	Debt Service		\$ -	\$ -	\$ -										\$ 361,512
	Grants/ARPA		\$ -	\$ -	\$ -										\$ 137,719
	Already Funded		\$ -	\$ -	\$ -										\$ 167,018
	TOTAL FUNDING SOURCES		\$ -	\$ 6,524,945	\$22,119,562								\$ 2,754,376	\$ 7,230,236	\$ 3,340,369
	TOTAL - ALL CAPITAL PROJECTS		\$23,081,437	\$ 6,524,945	\$22,119,562			\$ 2,719,238			\$ 1,705,090		\$ 2,754,376	\$ 7,230,236	\$ 3,340,369

Exhibit 4
Lower Cape Fear WASA
Estimates of Future Debt Service

Line	Description	Projected For Fiscal Year Ending June 30,										
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Lower Cape Fear Water and Sewer Authority Projects (Allocated Across All LCF Customer Base)												
Project Costs												
1	New 4th Pump @ King's Bluff PS	\$ -	\$ 3,569,750	\$ 1,258,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Walkway & Air Backwash Building Rplcmt	\$ -	\$ 2,180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	New Generators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,769,647	\$ -	\$ -	\$ -	\$ -	\$ -
5	Replace Raw Water Pump 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service												
Assumptions:												
7	Interest Rate	5.0%										
8	Term (Yrs)	20										
9	New 4th Pump @ King's Bluff PS	\$ -	\$ 193,734	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467
10	Walkway & Air Backwash Building Rplcmt	\$ -	\$ 87,464	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929
11	New Generators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,364	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729
13	Replace Raw Water Pump 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Total Debt (Allocated to All Customer Base)	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
Cost Sharing Projects												
Project Costs												
14	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service												
Assumptions:												
17	Interest Rate	5.0%										
18	Term (Yrs)	20										
20	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Debt Service	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125

**Exhibit 4
Lower Cape Fear WASA
Estimates of Future Debt Service**

Line	Description	Projected For Fiscal Year Ending June 30,										
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2043
Lower Cape Fear Water and Sewer Authority Projects (Allocated Across All ICF Customer Base)												
Project Costs												
1	New 4th Pump @ King's Bluff PS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Walkway & Air Backwash Building Rplcmt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	New Generators	\$ 2,536,422	\$ 22,548,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Replace Raw Water Pump 4	\$ 6,087,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 7,046,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service												
Assumptions:												
7	Interest Rate	5.0%										
8	Term (Yrs)	20										
9	New 4th Pump @ King's Bluff PS	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467	\$ 387,467
10	Walkway & Air Backwash Building Rplcmt	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929	\$ 174,929
11	New Generators	\$ 1,006,451	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902	\$ 2,012,902
12	Replace Raw Water Pump 1	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729	\$ 382,729
13	Replace Raw Water Pump 4	\$ 244,235	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470	\$ 488,470
14	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 282,732	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465	\$ 565,465
13	Total Debt (Allocated to All Customer Base)	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
Cost Sharing Projects												
Project Costs												
14	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service												
Assumptions:												
17	Interest Rate	5.0%										
18	Term (Yrs)	20										
20	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Intermediate Booster PS Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Debt Service	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,									
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Revenues											
Operating Revenues:											
1	Brunswick County	\$ 1,553,188	\$ 1,898,341	\$ 2,124,092	\$ 2,357,047	\$ 2,597,387	\$ 2,845,298	\$ 3,100,968	\$ 3,364,592	\$ 3,636,367	\$ 3,862,100
2	Stepan	180,000	200,000	220,000	240,000	260,000	280,000	300,000	320,000	340,000	355,000
3	Praxair, Inc.	90,000	100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	177,500
4	CFPUA	1,487,306	1,669,088	1,854,356	2,043,164	2,235,561	2,431,603	2,631,342	2,834,832	3,042,129	3,208,104
5	Pender	210,744	238,843	267,982	298,191	329,501	361,944	395,553	430,362	466,405	496,721
6	Proposed Water Rate Increase	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.040	\$ 0.030
7	Effective Increase In Revenues	11.11%	10.00%	9.09%	8.33%	7.69%	7.14%	6.67%	6.25%	5.84%	4.41%
8	Additional Revenue Due to Increase	\$ 391,249	\$ 410,627	\$ 416,039	\$ 421,533	\$ 427,112	\$ 432,775	\$ 438,524	\$ 444,362	\$ 449,196	\$ 454,029
9	Total Water Charge Revenue	\$ 3,912,487	\$ 4,516,899	\$ 4,992,470	\$ 5,479,935	\$ 5,979,561	\$ 6,491,620	\$ 7,016,387	\$ 7,554,148	\$ 7,992,617	\$ 8,441,654
Other Revenues:											
10	Interest	\$ 500	\$ 550	\$ 590	\$ 620	\$ 650	\$ 680	\$ 710	\$ 750	\$ 790	\$ 830
11	Fund Balance Appropriated	0	0	0	0	0	0	0	0	0	0
12	Reimbursement from BB (% of Admin Expenses)	214,218	229,872	245,763	259,050	270,957	284,507	298,732	313,669	329,355	345,806
13	Total Other Operating Revenues	\$ 214,718	\$ 230,422	\$ 246,353	\$ 258,670	\$ 271,607	\$ 285,187	\$ 299,442	\$ 314,419	\$ 330,145	\$ 346,656
14	Other Non-Operating Revenues:	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
15	Sales Tax Revenues	0	0	0	0	0	0	0	0	0	0
16	Miscellaneous	0	0	0	0	0	0	0	0	0	0
17	Total Other Non Operating Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
17	TOTAL REVENUES	\$ 4,227,205	\$ 4,847,321	\$ 5,338,822	\$ 5,838,605	\$ 6,351,168	\$ 6,876,807	\$ 7,415,829	\$ 7,968,566	\$ 8,422,762	\$ 8,888,310
Operating/Administration Expenses											
Operating Expenses											
18	Sales Tax Expense	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
19	Utilities/Energy/Kings Bluff	786,589	825,920	867,220	910,580	956,110	1,003,920	1,074,190	1,149,380	1,229,840	1,315,930
20	Contract O & M Kings Bluff	686,749	748,550	800,960	841,010	883,060	927,210	973,570	1,022,250	1,073,360	1,127,030
21	Salaries	209,530	213,710	224,400	235,620	247,400	259,770	272,760	286,400	300,720	315,760
22	Per Diem and Mileage Board Members	64,001	69,760	74,640	79,370	82,290	86,400	90,720	95,260	100,020	105,020
23	Vehicle Allowance	5,200	5,670	6,070	6,370	6,690	7,020	7,370	7,740	8,130	8,540
24	FICA Taxes	20,953	22,000	23,100	24,260	25,470	26,740	28,080	29,480	30,950	32,500
25	Retirement	26,153	27,460	28,830	30,270	31,780	33,370	35,040	36,790	38,630	40,560
26	401K Plan	11,312	11,880	12,470	13,090	13,740	14,430	15,150	15,910	16,710	17,550
27	Miscellaneous Payroll Expenses	2,900	3,050	3,200	3,360	3,550	3,710	3,900	4,100	4,310	4,530
28	Group Insurance	40,176	42,180	44,290	46,500	48,830	51,270	53,830	56,520	59,350	62,320
29	Property and Liability Insurance	103,734	113,070	120,980	127,030	133,380	140,050	147,050	154,400	162,120	170,230
30	Professional Services General	15,000	16,350	17,490	18,360	19,280	20,240	21,250	22,310	23,430	24,600
31	Attorney	50,000	54,500	58,320	61,240	64,300	67,520	70,900	74,450	78,170	82,080
32	Auditor	8,000	8,720	9,300	9,840	10,350	10,830	11,290	11,730	12,150	12,550
33	Engineer	300,000	327,000	349,890	367,380	385,750	405,040	425,290	446,550	468,880	492,320
34	Information Technology	16,000	17,440	18,660	19,590	20,570	21,600	22,680	23,810	25,000	26,250
35	Office Maintenance/Repair/Common Charge	24,000	26,160	27,990	29,390	30,860	32,400	34,020	35,720	37,510	39,390
36	Office Utilities	5,000	5,450	5,830	6,120	6,430	6,750	7,090	7,440	7,810	8,200
37	Office Expenses (telephone, printing, adv)	14,000	15,260	16,330	17,150	18,010	18,910	19,840	20,800	21,890	22,980
38	Office Equipment	10,000	10,900	11,600	12,240	12,850	13,490	14,160	14,870	15,610	16,390
39	Printing and Advertising	5,000	5,450	5,830	6,120	6,430	6,750	7,090	7,440	7,810	8,200
40	Telephone and Internet	3,500	3,820	4,090	4,290	4,500	4,730	4,970	5,220	5,480	5,750
41	Travel and Training	29,000	31,610	33,820	35,510	37,290	39,150	41,110	43,170	45,330	47,600
42	Phone Allowance	520	570	640	700	770	820	880	940	1,000	1,060
43	Vehicle Expense	0	0	0	0	0	0	0	0	0	0
44	Miscellaneous Expense	20,000	21,800	23,330	24,500	25,730	27,020	28,370	29,790	31,280	32,840
45	Total Expenses	\$ 2,551,317	\$ 2,728,290	\$ 2,895,010	\$ 3,034,740	\$ 3,181,490	\$ 3,335,560	\$ 3,517,430	\$ 3,709,780	\$ 3,913,270	\$ 4,128,550
46	Income Available for Debt Service	\$ 1,675,887	\$ 2,119,031	\$ 2,443,812	\$ 2,803,865	\$ 3,169,678	\$ 3,541,247	\$ 3,898,399	\$ 4,258,786	\$ 4,509,492	\$ 4,759,760

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,										
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Debt Service												
47	LCFWSA Capital Projects (Allocated to All)	\$ 0	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
48	Cost Sharing Projects Debt Service	0	0	0	0	0	0	0	0	0	0	0
49	Future Debt Service #3	0	0	0	0	0	0	0	0	0	0	0
50	Total Annual Debt Service-Water	\$ 0	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 753,761	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125	\$ 945,125
51	Debt Service Coverage	N/A	7.54	4.35	4.99	5.64	4.70	4.12	4.51	4.77	5.04	
52	Remaining Net Revenue After Debt Service	\$ 1,675,887	\$ 1,837,833	\$ 1,881,416	\$ 2,241,469	\$ 2,607,282	\$ 2,787,486	\$ 2,953,274	\$ 3,313,661	\$ 3,564,367	\$ 3,814,635	
Other Expenses & Transfers In/(Out)												
53	Pay-Go Capital Projects (Allocated to All & Cost Share)	\$ (1,286,360)	\$ (621,300)	\$ (2,632,350)	\$ (210,302)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (354,294)
54	Transfer Out to R&R - Kings Bluff R&R Expense	(380,000)	(1,000,000)	(1,300,000)	(1,000,000)	(1,300,000)	(1,200,000)	(1,600,000)	0	0	0	(400,000)
55	Transfer Out to Enterprise Capital Fund	(100,000)	(150,000)	(500,000)	(1,000,000)	(1,300,000)	(1,300,000)	(1,600,000)	(2,900,000)	(3,500,000)	(3,000,000)	0
56	Transfer In from R&R Fund	100,000	0	1,900,000	0	0	0	0	0	0	0	0
57	Transfer In from Enterprise Capital Fund	0	0	400,000	0	0	0	0	0	0	0	0
58	Total Other Expenses/Transfers	\$ (1,666,360)	\$ (1,771,300)	\$ (1,832,350)	\$ (2,210,302)	\$ (2,600,000)	\$ (2,500,000)	\$ (2,600,000)	\$ (2,900,000)	\$ (3,500,000)	\$ (3,754,294)	0
59	Remaining Funds Available from Annual Operations (Net Income)	\$ 9,527	\$ 66,533	\$ 49,066	\$ 31,167	\$ 7,282	\$ 287,486	\$ 353,274	\$ 413,661	\$ 64,367	\$ 60,341	
Funds - Balance Activity												
Enterprise Operating Fund												
60	Beginning Fund Balance	\$ 2,900,000	\$ 2,909,527	\$ 2,976,060	\$ 3,025,126	\$ 3,056,293	\$ 3,063,575	\$ 3,063,575	\$ 3,051,061	\$ 3,704,336	\$ 4,117,997	\$ 4,182,364
61	Plus: Remaining Funds from Operations	9,527	66,533	49,066	31,167	7,282	287,486	287,486	413,661	64,367	60,341	60,341
62	Transfer In from Operations	0	0	0	0	0	0	0	0	0	0	0
63	Transfer Out	0	0	0	0	0	0	0	0	0	0	0
64	Total Funds Available-Operating Fund	\$ 2,909,527	\$ 2,976,060	\$ 3,025,126	\$ 3,056,293	\$ 3,063,575	\$ 3,351,061	\$ 3,704,336	\$ 4,117,997	\$ 4,182,364	\$ 4,242,705	
65	Working Capital in Enterprise Fund	15.00	14.00	14.00	13.00	13.00	13.00	14.00	15.00	14.00	13.00	
Renewal & Replacement Fund												
66	Beginning Fund Balance	\$ 343,311	\$ 623,311	\$ 1,623,311	\$ 723,311	\$ 1,723,311	\$ 3,023,311	\$ 4,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311
67	Plus: Transfer From Operations	380,000	1,000,000	1,000,000	1,000,000	1,300,000	1,200,000	1,000,000	0	0	0	400,000
68	Less: R&R Capital Expenses	(100,000)	0	(1,900,000)	0	0	0	0	0	0	0	0
69	Total Funds Available-R&R Fund	\$ 623,311	\$ 1,623,311	\$ 723,311	\$ 1,723,311	\$ 3,023,311	\$ 4,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,223,311	\$ 5,623,311
Enterprise Capital Fund												
70	Beginning Fund Balance	\$ 381,406	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,331,406	\$ 5,931,406	\$ 8,831,406	\$ 12,331,406	\$ 15,331,406
71	Plus: Transfer From Operations	100,000	150,000	500,000	1,000,000	1,300,000	1,300,000	1,600,000	2,900,000	3,500,000	3,000,000	3,000,000
72	Less: Capital Project Expense	0	0	(400,000)	0	0	0	0	0	0	0	0
73	Total Funds Available-Enterprise Fund	\$ 481,406	\$ 631,406	\$ 731,406	\$ 1,731,406	\$ 3,031,406	\$ 4,331,406	\$ 5,931,406	\$ 8,831,406	\$ 12,331,406	\$ 15,331,406	\$ 18,331,406
74	Total R&R and Capital Funds	\$ 1,104,717	\$ 2,254,717	\$ 1,454,717	\$ 3,454,717	\$ 6,054,717	\$ 8,554,717	\$ 11,154,717	\$ 14,054,717	\$ 17,554,717	\$ 20,954,717	\$ 24,454,717
75	Working Capital (R&R/Capital Funds)	6.00	11.00	7.00	15.00	25.00	34.00	42.00	50.00	59.00	66.00	

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,									
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Revenues											
Operating Revenues:											
1	Brunswick County	\$ 4,094,522	\$ 4,333,797	\$ 4,580,091	\$ 4,833,577	\$ 5,094,427	\$ 5,362,820	\$ 5,638,939	\$ 5,860,623	\$ 6,088,264	\$ 6,322,003
2	Stepan	370,000	385,000	400,000	415,000	430,000	445,000	460,000	470,000	480,000	490,000
3	Praxair, Inc.	185,000	192,500	200,000	207,500	215,000	222,500	230,000	235,000	240,000	245,000
4	CFPIA	3,377,095	3,549,144	3,724,296	3,902,597	4,084,091	4,268,825	4,456,845	4,599,271	4,744,099	4,891,364
5	Pender	528,064	560,461	593,943	628,540	664,284	701,205	739,338	770,519	802,652	835,761
6	Proposed Water Rate Increase	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030
7	Effective Increase In Revenues	\$ 4,055	\$ 3,900	\$ 3,975	\$ 3,615	\$ 3,495	\$ 3,375	\$ 2,475	\$ 2,135	\$ 2,085	\$ 2,045
8	Additional Revenue Due to Increase	\$ 346,811	\$ 351,464	\$ 356,187	\$ 360,984	\$ 365,854	\$ 370,798	\$ 375,742	\$ 380,686	\$ 385,630	\$ 390,574
9	Total Water Charge Revenue	\$ 8,901,491	\$ 9,372,365	\$ 9,854,518	\$ 10,348,198	\$ 10,853,655	\$ 11,371,149	\$ 11,875,669	\$ 12,412,411	\$ 12,981,411	\$ 13,045,028
Other Revenues:											
10	Interest	\$ 870	\$ 910	\$ 960	\$ 1,010	\$ 1,060	\$ 1,110	\$ 1,170	\$ 1,230	\$ 1,290	\$ 1,350
11	Fund Balance Appropriated	0	0	0	0	0	0	0	0	0	0
12	Reimbursement from BB % of Admin Expenses	\$ 363,119	\$ 381,274	\$ 400,339	\$ 420,355	\$ 441,385	\$ 463,451	\$ 486,541	\$ 510,678	\$ 537,826	\$ 564,717
13	Total Other Operating Revenues	\$ 363,989	\$ 382,184	\$ 401,299	\$ 421,365	\$ 442,445	\$ 464,571	\$ 487,811	\$ 512,208	\$ 537,826	\$ 564,717
Other Non-Operating Revenues:											
14	Sales Tax Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
15	Miscellaneous	0	0	0	0	0	0	0	0	0	0
16	Total Other Non Operating Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
17	TOTAL REVENUES	\$ 9,365,481	\$ 9,854,549	\$ 10,355,818	\$ 10,869,563	\$ 11,396,100	\$ 11,935,720	\$ 12,363,480	\$ 12,801,566	\$ 13,250,237	\$ 13,709,745
Operating/Administration Expenses											
Operating Expenses											
18	Sales Tax Expense	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
19	Utilities/Energy Kings Bluff	1,408,050	1,506,610	1,612,070	1,724,910	1,845,650	1,974,850	2,113,090	2,261,010	2,419,280	2,586,630
20	Contract O & M Kings Bluff	1,183,380	1,242,550	1,304,680	1,369,910	1,438,410	1,510,330	1,585,850	1,665,140	1,748,400	1,835,820
Administration Expenses											
21	Salaries	331,550	348,130	365,540	383,820	403,010	423,160	444,320	466,540	489,870	514,360
22	Per Diem and Mileage Board Members	110,270	115,780	121,570	127,650	134,030	140,730	147,770	155,160	162,920	171,070
23	Vehicle Allowance	8,970	9,420	9,890	10,380	10,900	11,450	12,020	12,620	13,250	13,910
24	FICA Taxes	34,130	35,840	37,630	39,510	41,490	43,560	45,740	48,030	50,430	52,950
25	Retirement	42,590	44,720	46,960	49,310	51,780	54,370	57,090	59,940	62,940	66,090
26	401K Plan	18,430	19,350	20,320	21,340	22,410	23,530	24,710	25,950	27,250	28,610
27	Miscellaneous Payroll Expenses	4,760	5,000	5,250	5,510	5,790	6,080	6,380	6,700	7,040	7,390
28	Group Insurance	65,440	68,710	72,150	75,760	79,550	83,530	87,710	92,100	96,710	101,550
29	Property and Liability Insurance	178,740	187,680	197,060	206,910	217,260	228,120	239,530	251,510	264,090	277,290
30	Professional Services General	25,830	27,120	28,480	29,900	31,400	32,970	34,620	36,350	38,170	40,080
31	Attorney	86,180	90,490	95,010	99,760	104,750	109,990	115,490	121,260	127,320	133,690
32	Auditor	22,180	23,290	24,450	25,670	26,950	28,300	29,720	31,210	32,770	34,410
33	Engineer	516,940	542,790	569,930	598,430	628,350	659,770	692,700	727,400	763,770	801,960
34	Information Technology	41,360	43,430	45,600	47,880	50,270	52,780	55,420	58,190	61,100	64,160
35	Office Maintenance/Repair/Common Charge	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
36	Office Utilities	24,130	25,340	26,610	27,940	29,340	30,810	32,350	33,970	35,670	37,450
37	Office Expenses (telephone, printing, adv)	17,210	18,070	19,020	19,920	20,920	21,970	23,020	24,220	25,430	26,700
38	Office Equipment	8,610	9,040	9,490	9,960	10,460	10,980	11,530	12,110	12,720	13,360
39	Printing and Advertising	6,040	6,340	6,660	6,990	7,340	7,710	8,100	8,510	8,940	9,390
40	Telephone and Internet	49,980	52,480	55,100	57,860	60,750	63,790	66,980	70,330	73,850	77,540
41	Travel and Training	900	950	1,000	1,050	1,100	1,120	1,180	1,240	1,300	1,410
42	Phone Allowance	0	0	0	0	0	0	0	0	0	0
43	Vehicle Expense	34,480	36,200	38,010	39,910	41,910	44,010	46,210	48,520	50,950	53,500
44	Miscellaneous Expense	0	0	0	0	0	0	0	0	0	0
45	Total Expenses	\$ 4,356,320	\$ 4,597,310	\$ 4,852,310	\$ 5,122,150	\$ 5,407,790	\$ 5,710,120	\$ 6,030,160	\$ 6,368,960	\$ 6,727,670	\$ 7,107,460
46	Income Available for Debt Service	\$ 5,009,161	\$ 5,257,239	\$ 5,503,508	\$ 5,747,413	\$ 5,988,310	\$ 6,225,600	\$ 6,333,320	\$ 6,432,606	\$ 6,522,567	\$ 6,602,285

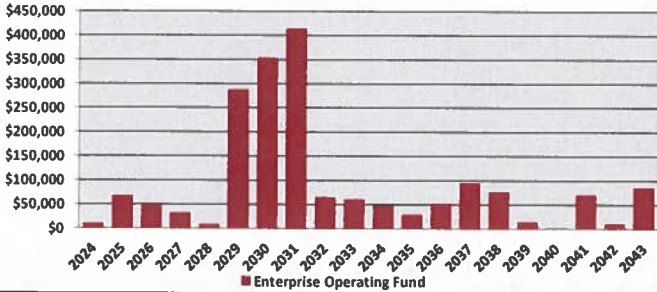
Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

Line	Description	Projected For Fiscal Year Ending June 30,										
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	
Debt Service												
47	LCFWSA Capital Projects (Allocated to All)	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
48	Cost Sharing Projects Debt Service	0	0	0	0	0	0	0	0	0	0	0
49	Future Debt Service #3	0	0	0	0	0	0	0	0	0	0	0
50	Total Annual Debt Service-Water	\$ 2,195,811	\$ 3,446,497	\$ 3,446,497	\$ 3,729,229	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962	\$ 4,011,962
51	Debt Service Coverage	2.28	1.53	1.54	1.49	1.55	1.58	1.60	1.63	1.65	1.65	1.65
52	Remaining Net Revenue After Debt Service	\$ 2,813,350	\$ 1,810,742	\$ 2,057,011	\$ 2,018,184	\$ 1,976,348	\$ 2,213,639	\$ 2,321,359	\$ 2,420,644	\$ 2,510,605	\$ 2,590,324	\$ 2,590,324
Other Expenses & Transfers In/(Out)												
53	Pay-Go Capital Projects (Allocated to All & Cost Share)	\$ (4,565,559)	\$ (532,649)	\$ (1,304,989)	\$ (4,423,912)	\$ 0	\$ 0	\$ (2,719,238)	\$ 0	\$ 0	\$ 0	\$ (1,705,090)
54	Transfer Out to R&R - Kings Bluff R&R Expense	(200,000)	(800,000)	(850,000)	0	(400,000)	(600,000)	0	(450,000)	(500,000)	0	(200,000)
55	Transfer Out to Enterprise Capital Fund	0	(850,000)	(850,000)	0	(1,500,000)	(1,600,000)	0	(1,900,000)	(2,000,000)	0	(600,000)
56	Transfer In from R&R Fund	0	0	0	0	0	0	0	0	0	0	0
57	Transfer In from Enterprise Capital Fund	2,000,000	0	150,000	2,500,000	0	0	400,000	0	0	0	0
58	Total Other Expenses/Transfers	\$ (2,765,559)	\$ (1,782,649)	\$ (2,004,989)	\$ (1,923,912)	\$ (1,900,000)	\$ (2,200,000)	\$ (2,319,238)	\$ (2,350,000)	\$ (2,500,000)	\$ (2,505,090)	\$ (2,505,090)
59	Remaining Funds Available from Annual Operations (Net Income)	\$ 47,791	\$ 28,093	\$ 52,022	\$ 94,271	\$ 76,348	\$ 13,639	\$ 2,121	\$ 70,644	\$ 10,605	\$ 85,234	\$ 85,234
Funds - Balance Activity												
Enterprise Operating Fund												
60	Beginning Fund Balance	\$ 4,242,705	\$ 4,290,496	\$ 4,318,589	\$ 4,370,611	\$ 4,464,882	\$ 4,541,230	\$ 4,554,869	\$ 4,556,990	\$ 4,627,634	\$ 4,638,239	\$ 4,638,239
61	Plus Remaining Funds from Operations	47,791	28,093	52,022	94,271	76,348	13,639	2,121	70,644	10,605	85,234	85,234
62	Transfer In from Operations	0	0	0	0	0	0	0	0	0	0	0
63	Transfer Out	0	0	0	0	0	0	0	0	0	0	0
64	Total Funds Available-Operating Fund	\$ 4,290,496	\$ 4,318,589	\$ 4,370,611	\$ 4,464,882	\$ 4,541,230	\$ 4,554,869	\$ 4,556,990	\$ 4,627,634	\$ 4,638,239	\$ 4,723,472	\$ 4,723,472
65	Working Capital in Enterprise Fund	13.00	12.00	12.00	11.00	11.00	10.00	10.00	9.00	9.00	9.00	9.00
Renewal & Replacement Fund												
66	Beginning Fund Balance	\$ 5,623,311	\$ 5,823,311	\$ 6,223,311	\$ 6,223,311	\$ 6,223,311	\$ 6,223,311	\$ 7,223,311	\$ 7,223,311	\$ 7,673,311	\$ 8,173,311	\$ 8,173,311
67	Plus: Transfer From Operations	200,000	400,000	0	0	400,000	600,000	0	450,000	500,000	200,000	200,000
68	Less: R&R Capital Expenses	0	0	0	0	0	0	0	0	0	0	0
69	Total Funds Available-R&R Fund	\$ 5,823,311	\$ 6,223,311	\$ 6,223,311	\$ 6,223,311	\$ 6,623,311	\$ 7,223,311	\$ 7,223,311	\$ 7,673,311	\$ 8,173,311	\$ 8,373,311	\$ 8,373,311
Enterprise Capital Fund												
70	Beginning Fund Balance	\$ 15,331,406	\$ 13,331,406	\$ 14,181,406	\$ 14,881,406	\$ 12,381,406	\$ 13,881,406	\$ 15,481,406	\$ 15,081,406	\$ 16,981,406	\$ 18,981,406	\$ 18,981,406
71	Plus: Transfer From Operations	0	850,000	0	0	1,500,000	1,600,000	0	1,900,000	2,000,000	600,000	600,000
72	Less: Capital Project Expense	(2,000,000)	0	(150,000)	(2,500,000)	0	0	(400,000)	0	0	0	0
73	Total Funds Available-Enterprise Fund	\$ 13,331,406	\$ 14,181,406	\$ 14,031,406	\$ 12,381,406	\$ 13,881,406	\$ 15,481,406	\$ 15,081,406	\$ 16,981,406	\$ 18,981,406	\$ 19,581,406	\$ 19,581,406
74	Total R&R and Capital Funds	\$ 19,154,717	\$ 20,404,717	\$ 21,104,717	\$ 18,604,717	\$ 20,504,717	\$ 22,704,717	\$ 22,304,717	\$ 24,654,717	\$ 27,154,717	\$ 27,954,717	\$ 27,954,717
75	Working Capital (R&R/Capital Funds)	58.00	56.00	57.00	47.00	50.00	52.00	48.00	51.00	53.00	51.00	51.00

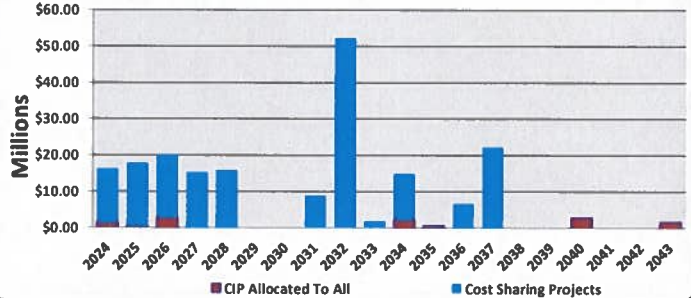
Exhibit 6
Lower Cape Fear WSA
FY 2024 Rate Study
Financial Dashboard



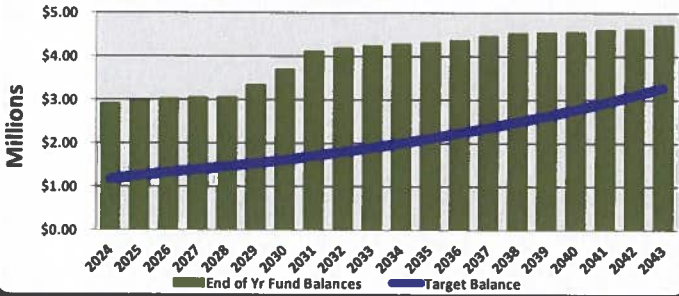
Projected Operating Results (Net Income)



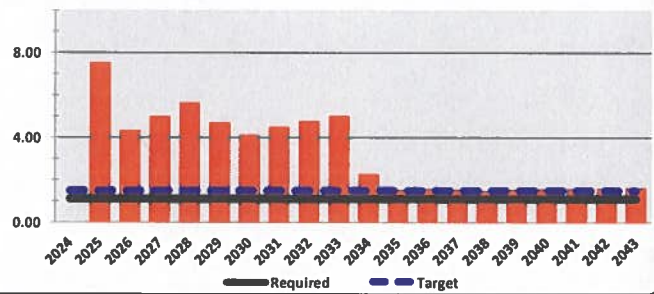
Capital Projects



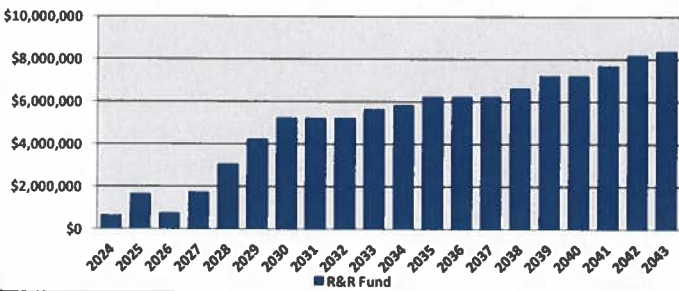
Enterprise Operating Fund Balance



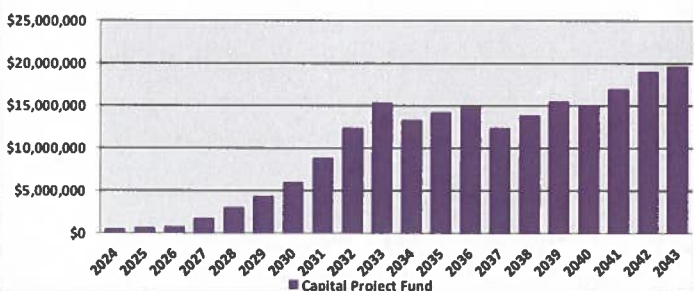
Debt Service Coverage



Renewal & Replacement Fund



Enterprise Capital Fund



Volumetric Increase	2024	▲	2025	▲	2026	▲	2027	▲	2028	▲	2029	▲	2030	▲
	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼	\$ 0.040	▼
Volumetric Increase	2031	▲	2032	▲	2033	▲	2034	▲	2035	▲	2036	▲	2037	▲
	\$ 0.040	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼
Volumetric Increase	2038	▲	2039	▲	2040	▲	2041	▲	2042	▲	2043	▲	2044	▲
	\$ 0.030	▼	\$ 0.030	▼	\$ 0.020	▼	\$ 0.020	▼	\$ 0.020	▼	\$ 0.020	▼	\$ -	▼

**RESOLUTION OF THE LOWER CAPE FEAR WATER AND SEWER AUTHORITY BOARD
OF DIRECTORS ADOPTING RECOMMENDATIONS OF WATER RATE STUDY AS
SOUND FISCAL POLICY**

WHEREAS, the Lower Cape Fear Water and Sewer Authority (“LCFWASA”) serves Brunswick, Bladen, Pender, New Hanover, Columbus Counties, and the City of Wilmington with a Board of Directors representing those local governments. As the largest regional water system in Eastern North Carolina, LCFWASA’s primary role is to provide raw water from the Cape Fear River to supply treatment facilities that serve 550,000 customers;

WHEREAS, LCFWASA and its partners have recognized the importance of financial planning in relation to infrastructure, construction, maintenance and emergency work;

WHEREAS, LCFWASA received funding from the State Revolving Loan Fund to proceed with a water rate study to assist LCFWASA in its financial planning;

WHEREAS, at its December 12, 2022 Board Meeting, the LCFWASA Board of Directors awarded the contract for the water rate study to Willdan Financial Services (“Willdan”);

WHEREAS, the primary goals and objectives of the water rate study conducted by Willdan (the “Willdan Study”) include full cost recovery of expenditures, meeting financial metric targets, meeting required debt coverage, maintaining adequate/positive balances in enterprise operating fund, achieving target levels in Renewal and Replacement and enterprise capital funds in specified time frames, financial strength for possible future debt issuances, a 20-year financial plan, and determining cost-sharing mechanisms and agreements;

WHEREAS, factors driving the financial planning for LCFWASA in the Willdan Study includes current inflation in line with the economic fluctuations for the first two years (FY 2025 and FY 2026) and industry standard rates for the remaining years impacting LCFWASA’s operating costs, LCFWASA’s future capital improvements, and requirements for meeting debt service coverage targets for possible future debt issuances;

WHEREAS, the Willdan Study provides guidance and recommendations to LCFWASA regarding funds and target levels to achieve, including maintaining an Enterprise Operating Fund positive ending annual balance from operations, an R&R Fund balance build-up to approximately \$3 million by Year 5 (FY 2029) and \$5 million by Year 10 (FY 2034), and an Enterprise Capital Fund build-up balance to approximately \$6 million by Year 10 (FY 2034);

WHEREAS, the Willdan Study contains recommendations for LCFWASA water rate increases for the 20-year period FY 2024 through FY 2043 necessary for LCFWASA to achieve the recommended financial plan, in conjunction with recommended future steps to minimize rate increases;

WHEREAS, the Willdan Study recommends that LCFWASA continue to apply for State/Federal grants and matching funds, continue to apply for State revolving loans with lower interest costs than revenue bonds and payments, and continue to monitor annually/bi-annually future costs of capital projects to better plan for phasing-in rate adjustments; and,

WHEREAS, while the LCFWASA Board of Directors is not bound by the recommendations in the Willdan Study, the Board wishes to adopt the recommendations of the Willdan Study as sound fiscal policy for the purpose of providing guidance to the Board as it establishes LCFWASA's annual budgets and water rates in the future.

NOW, THEREFORE, BE IT RESOLVED by the LCFWASA Board of Directors as follows:

1. While the Board of Directors is not bound by the recommendations in the aforementioned Willdan Study, the Board hereby adopts the recommendations of the Willdan Study as sound fiscal policy for the purpose of providing guidance to the Board as it establishes LCFWASA's annual budgets and water rates in the future.

2. This Resolution shall be effective upon passage.

THEREFORE, BE IT FURTHER RESOLVED, that a copy of this Resolution be recorded in the permanent minutes of this Board.

Adopted this _____ day of September 2023.

Norwood Blanchard, Chairman

ATTEST:

Patrick DeVane, Secretary

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: September 11, 2023

Re: Executive Director's Report

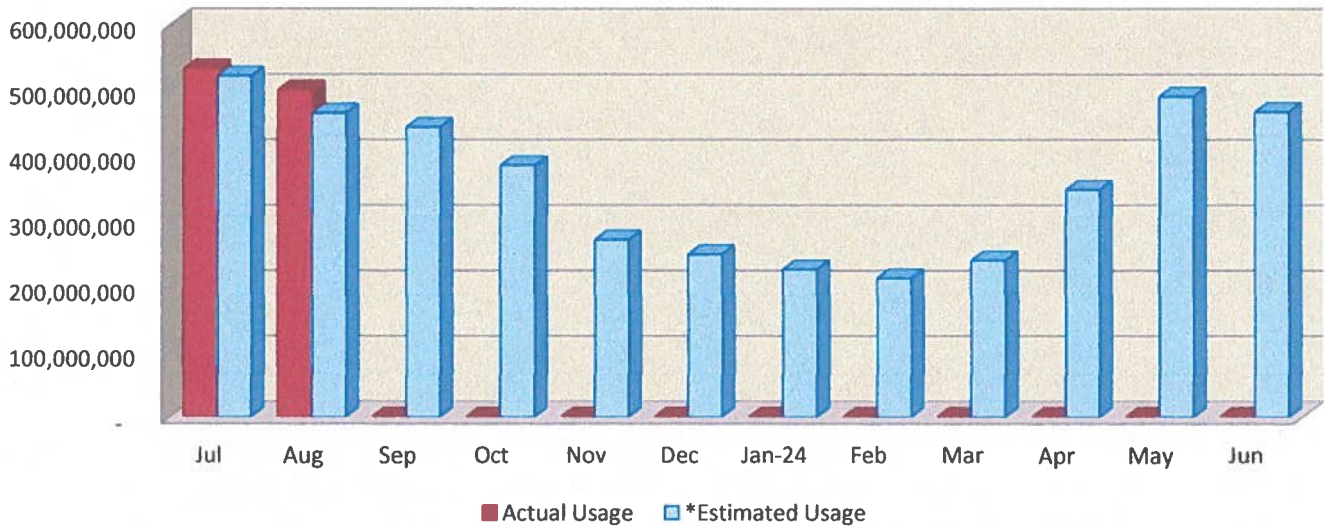
EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending August 31, 2023

EDR2 - Operating Budget Status, Ending July 31, 2023

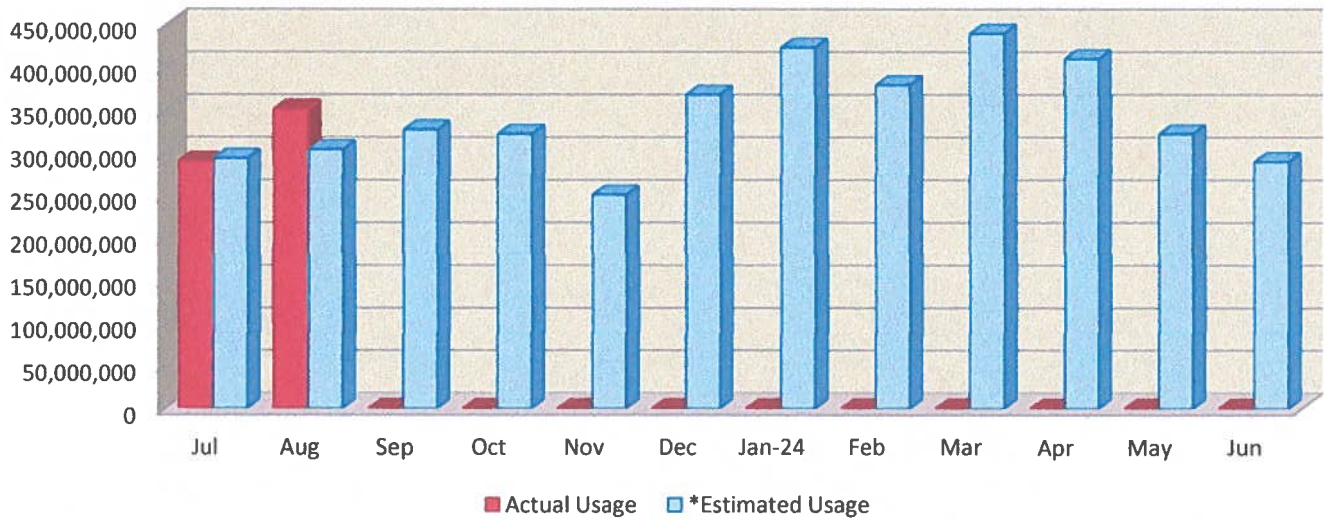
EDR3 - Summary of Activities.

Action Requested: For information purposes.

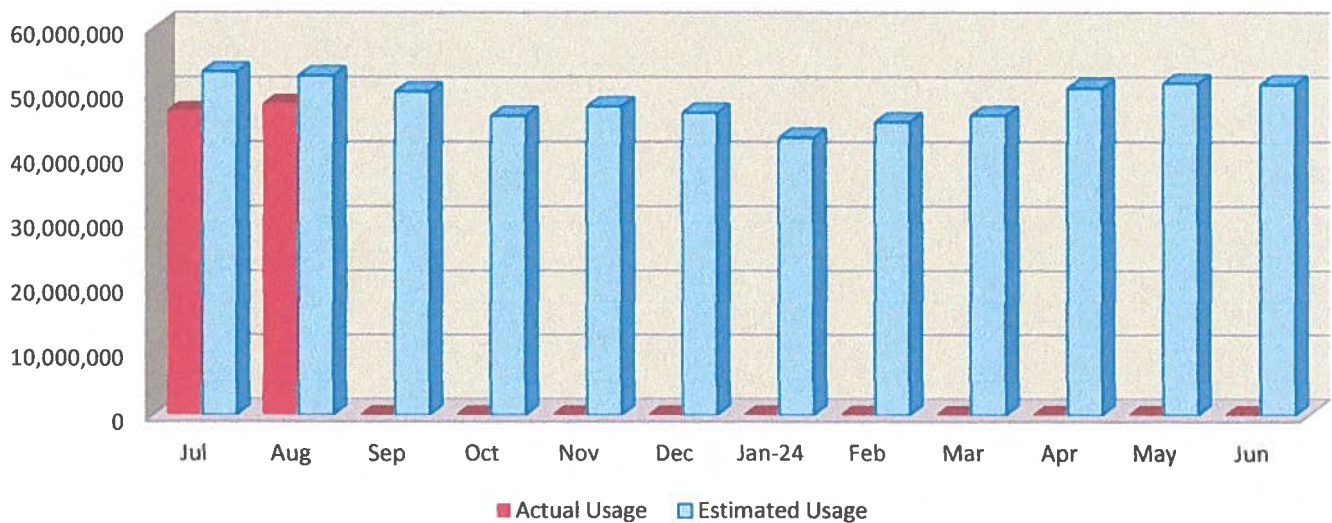
Brunswick County Water Usage FY 22-23



CFPUA Water Usage FY 22-23



Pender County Water Usage FY 22-23



OPERATING FUND BUDGET PERFORMANCE

Jul-1 through Jul-31

Income	Approved Annual Budget	Jul 1- Jul 31	Jul 1- Jul 31	Jul 1- Jul 31	Budget As of 7/31/21
		Kings Bluff	Bladen Bluffs	OF BUDGET	
3000-01 · OPERATING REVENUE					
3001-01 · 01 Bruns County Public Utility	1,725,765	212,068		212,068	12%
3002-01 · 01 CFPUA	1,652,562	115,968		115,968	7%
3003-01 · 01 Pender County	234,160	18,882		18,882	8%
3004-01 · 01 HWY 421 - Invista	200,000	11,542		11,542	6%
3005-01 · 01 Praxair, Inc	100,000	1,456		1,456	1%
3006-01 · 01 Bladen Bluffs Revenue	4,938,603		341,271	341,271	7%
Bladen Admin Reimb	110,473		13,230	13,230	12%
3007-01 · Sales Tax Refund Revenue	100,000		0	0	0%
Total 3000-01 · OPERATING REVENUE	9,061,563	359,915	354,500	714,416	8%
3100-00 · OF NONOPERATING REVENUE					
3120-00 · Revenue-Other					
Interest & Investment Revenue	500	2,865		2,865	573%
FEMA Reimbursement	0	0		0	0%
Refunds / Insurance Proceeds/ Other	0	432		432	0%
3180-00 · SRF/Parallel Revenue	2,500,000	0		0	0%
3900-01 R&R Fund Appropriated	0	0		0	0%
2900-00 Fund Balance	0	0		0	0%
Total 3100-00 · OF NONOPERATING REVENUE	2,500,500	3,297	0	3,297	0%
Total Income	11,562,063	363,212	354,500	717,712	6%
Expense					
4000-01 · ADMINISTRATION EXPENDITURES					
4001-01 · Salary - gross	203,530	9,415	5,088	14,503	7%
4010-01 · Per Diem= mileage+per diem pay	64,001	2,979	1,600	4,579	7%
4012-01 · Vehicle Allowance	5,200	270	130	400	8%
4070-02 · Phone Allowance	520	27	13	40	8%
4015-01 · Payroll Taxes	20,953	943	524	1,467	7%
4029-01 · Retirement Employer's Part	26,153	1,376	654	2,030	8%
4035-01 · 401K Employer PD Contribution	11,312	550	283	833	7%
4036-01 · Payroll Processing Exp	2,900	190		190	7%
4038-01 · Insurance Group	40,176	2,162	1,004	3,167	8%
4039-01 · Insurance, Property	103,734	25,745	2,593	28,338	27%
4046-00 Professional Services General	15,000	0	0	0	0%
4046-01 · Attorney	50,000	2,139		2,139	4%
4047-01 · Auditor	8,000	1,200	2,800	4,000	50%
4048-01 · Engineer	300,000	13,242		13,242	4%
4049-01 Information Technology	16,000	3,073		3,073	19%
4055-01 · Office Maint/Repair	24,000	1,026		1,026	4%
4058-01 Office Utilities	5,000	0		0	0%
4059-01 Office Expense	14,000	190		190	1%
4062-01 Office Equipment	10,000	1,378		1,378	
4064-01 Printing & Advertising	5,000	0		0	0%
4065-01 Telephone and Internet	3,500	263		263	8%
4070-01 · Travel & Training	29,000	567		567	2%
4080-01 · Miscellaneous Expenses	20,000	4,495		4,495	22%
Total 4000-01 · ADMINISTRATION EXPENDITURES	977,979	71,230	14,689	85,920	9%
4500-01 · OPERATING EXPENDITURES					
4501-00 · Sales Tax Expense - Other	100,000		6,205	6,205	6%
4510-01 · Bladen Bluffs Expenses	3,324,385		191,280	191,280	6%
4520-01 · Utilities-Energy Pump Station	786,589	63,802		63,802	8%
4530-01 · Kings Bluff O&M Expenses	686,749	44,122		44,122	6%
4535-01 Kings Bluff Hurricane Other FEMA	0	0		0	0%
4543-01 · Series 2012 Bond Principal (ST)	0	0		0	0%
4544-01 · Series 2012 Bond Interest (ST)	0	0		0	0%
4545-01 · Series 2010 Bond Principal (BB)	970,000		0	0	0%
4546-01 · Series 2010 Bond Interest (BB)	450,000		43,699	43,699	10%
5180-00 · SRF/Parallel Expenditures	2,500,000		26,377	26,377	
7400-01 · Operating Capital Expense	1,286,360		0	0	
4998-05- Transfer to R&R- KB R&R Expense	380,000		0	0	0%
4998-05- Transfer to Enterprise Fund	100,000		0	0	0%
Total 4500-01 · OPERATING EXPENDITURES	10,584,083	107,923	267,561	375,485	4%
Total Expense	11,562,062	179,154	282,251	481,405	4%

Executive Director Highlighted Activities:

- Meeting with Owners Advisor to review financial submissions and the State process.
- Reviewed the rate study presented to our partners on August 21, 2023, with Rick McClung of Willdan and made minor changes. The presentation was well received by our partners and officers.
- Work with McKim and Creed to move forward on the Airback wash and walkway project.
- Began meeting with Financial Advisors to discuss potential scopes that work for the Authority.
- Coordinated work with Underwood Pumps on the Kings Bluff facility as budgeted in FY 2023-24.
- Accepted into Leadership Brunswick for the 2023-24 Cohort
- Monthly meeting with the Design Build Team and Owners Advisor to review route changes and related items.