

Lower Cape Fear Water and Sewer Authority

FISCAL YEAR 2024 WATER RATE STUDY

February 23, 2024





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Mr. Tim Holloman, Executive Director
Lower Cape Fear WASA
1107 New Pointe Blvd STE 17
Leland, NC 28451

Subject: Fiscal Year 2024 Water Rate Study and 20-Year Projected Operating Results

Mr. Holloman:

Willdan Financial Services ("Willdan" or "Consultant") is pleased to submit to Lower Cape Fear Water & Sewer Authority, North Carolina ("LCFWASA", "Authority" or "Client") the Water Rate Study, 20-Year Projected Operating Results Analysis and Letter Report ("Rate Study", "Analysis", "Report") for your consideration. We have completed the review and update of the Authority's water rates, as well as the development of the 20-year projected operating results to address the Authority's project financing needs for fiscal years 2024 through 2043 (the "Projection Period"). A summary of our investigations, analyses, and conclusions are set forth in this Report.

Disclaimer

The information contained herein, including periodic reports, records of operation, annual reports, monthly and annual financial reports, and data and information, was provided by the Authority and its design engineers, together with information obtained from other sources. While Willdan has utilized such data and information in the development of the Analysis, and Willdan believes such information to be reliable, no attempt has been made to independently verify the accuracy thereof, and Willdan offers no assurances with respect thereto. The projections set forth herein are subject to change based upon indeterminate future events that could include such things as: changes in operating, capital, financing assumptions, and other costs of the Authority; changes in customer usage characteristics or growth patterns; or changes in statutory and/or regulatory requirements. Any such changes could materially impact the financial projections set forth herein.

Purpose & Background

Willdan was engaged to perform a Rate Study for LCFWASA to estimate the rate and financial impacts of funding future capital projects and accumulating monies over time in the Authority's Renewal & Replacement Fund ("R&R Fund") and Enterprise Capital Fund ("ECF"). Willdan was also tasked with developing a differential user rate for Stepan and Praxair, the two smallest users of the Authority, thus allowing them to pay for their allocated share of capital project costs over time. Lastly, Willdan collaborated with Authority staff and its design engineer in the development of multiple capital project cost sharing methodologies as will be discussed in more detail in this Report. The purpose of this Report is to summarize the methodologies, assumptions and findings with regards to the analyses performed by Willdan in the development of the financial projections.

Authority Customer Base

Most of the Authority's user rate revenues are derived from three customers or Partners, including Brunswick County, Cape Fear Public Utility Authority and Pender County. The Authority also serves two smaller private enterprises, Praxair and Stepan. The Authority assesses a flat volumetric user rate for raw water it provides to the Partners, which, together with other non-operating revenue, is intended to pay for the cost of annual operations. In the past, the volumetric rate was set at levels to only pay for annual operating expenses without any significant accumulation or build-up of fund balances.

Rate Study Goals and Objectives

Prior to commencing the Rate Study, specific goals and objectives to be achieved as part of the Rate Study development were discussed with Authority staff. Certain of these goals were to establish the Authority as self-contained regional enterprise whereby the Authority, over time, would build up sufficient balances in the R&R Fund and the ECF to be able to fund capital projects from monies on hand without having to request funds from the Authority's partners. Other goals and objectives of the Rate Study include, but are not limited to, the following:

- Full Cost Recovery of Expenditures
- Meet Financial Metric Targets
- Meet Required Debt Coverage Targets (Liquidity)
- Maintain Adequate/Positive Balances In Enterprise Operating Fund (Liquidity)
- 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
- Develop Rate Differential for Praxair and Stepan
- Determine Project Cost-sharing Methodology Options

Regarding debt service coverage, a target of between 1.5 to 2.0 coverage was assumed for any future debt issued by the Authority. At the onset of this engagement, the Authority provided Willdan with a capital improvement plan, or CIP, through 2046 and indicated the funding source for each project and included debt, pay-go, and grant funding. A more thorough discussion of the CIP will be provided later in this Report.

The Authority maintains three major funds including the Enterprise Operating Fund ("EOF"), the R&R Fund and the ECF. The EOF is essentially the Authority's "checkbook" from which day-to-day operating expenses are paid. The current level of the EOF is approximately \$2.9 million. The goal of this analysis was to maintain a positive annual balance in the EOF and actually increase annual levels to reflect inflationary adjustments.

The R&R Fund is intended to pay for the annual renewal and replacement of system facilities that depreciate over time. The current R&R Fund levels are negligible, and the goal is to build up balances to approximately \$3 million by year 5 (FY 2029) and \$5 million by year 10 (FY 2034). Maintaining higher R&R Fund balances in the future will reduce the need of the Authority to ask Partners for financial contributions for ongoing R&R needs.

The ECF is intended to fund new capital projects required to sustain the future growth of the water system and provide redundancy and backup water supply should portions of the distribution system fail for one reason or another. The Rate Study aims to build up a balance in the ECF of at least \$10 million by year 10 (FY 2034) and increase after that. If significant funds are built up in the ECF, it could possibly eliminate the need for project cost sharing and allow the Authority to operate as a stand-alone, autonomous regional utility. Also, balances in the ECF could mitigate or eliminate altogether the use of debt to fund projects in the future.

As part of this Rate Study, the Authority requested that Willdan develop a rate differential for Praxair and Stepan. This was to allow these two customers to pay for their allocated cost of specific capital projects over time, as it was not feasible to assess the allocated costs in the year the projects were to be funded. The analysis assumes that a 50% differential on the base rate be assessed beginning in FY 2025.

Lastly, Willdan was tasked with developing multiple cost-sharing methodologies to properly allocate the cost of capital projects to Brunswick County, CFPWA and Pender County. The selected cost sharing methodology would depend on which Partner benefitted from the project or not and would either be based on estimated annual consumption or by allocated system capacity.

The following sections discuss in detail the various components of the Rate Study and assumptions relied upon in determining the 20-year rate path. This Report also contains work papers or exhibits developed during the rate study process, each being discussed in more detail in the sections that follow.

Historical & Projected Revenues and Expenses

Exhibit 1 is a summary of the historical and budgeted revenues and expenses for fiscal years 2019 through 2024 for Bladen Bluffs and King's Bluff as provided by the Authority. Only those revenues and expenses pertaining to King's Bluff were utilized herein for projection purposes. The revenues and expenses for Bladen Bluffs are offsetting. A percentage of certain King's Bluff administrative expenses were allocated to Bladen Bluff and is a revenue reimbursement to the Authority, as shown in **Exhibit 1**.

For the projection of expenses and other revenues, certain escalation factors were assumed depending on the type of expense (labor, operating, administration, etc.). These escalation factors, set forth at the bottom of **Exhibit 1**, were reviewed by Authority staff and certain Partners and were deemed appropriate in the projection of administrative and operating expenses. The development of projected user rate revenues will be discussed in more detail in the following section. The projection of transfers to the R&R Fund and ECF was developed in the Projected Operating Results shown in **Exhibit 5**, as will be discussed in the sections that follow.

Customer Analysis and User Charge Revenues

The Authority provided Willdan with historical billed flows and revenues from fiscal year 2013 to 2022, which has been summarized in **Exhibit 2** and used to develop historical usage growth trends for each Partner. The Authority also provided Willdan with estimated fiscal year 2023 and budget year 2024 usage by Partner. For the projection of billed consumption, Willdan relied upon estimated future growth rates by Partner as provided by Authority staff. These growth rates are set forth in **Exhibit 2**. The projected user rate revenues by Partner were calculated using the user rates determined in the Projected Operating Results shown in **Exhibit 5**, the determination of which will be discussed in the sections that follow.

Capital Improvement Plan

Exhibit 3 sets forth the Authority's Capital Improvement Plan (hereinafter, the "CIP") for fiscal years 2023 through 2046 as developed by the Authority's design engineer, McKim & Creed. For the purpose of this Analysis, only projects in fiscal years 2024 through 2043 are being considered; the remaining three years through fiscal year 2046 are included for informational purposes only. Additionally, the capital costs provided by McKim & Creed were in present dollars. Willdan made inflationary adjustments to convert those costs to future dollars, assuming escalation factors of 9% for FY 2025 and then 5% for the remainder of Projection Period. Willdan recommends that the Authority staff review the capital costs each year with McKim & Creed in case actual inflationary factors are materially different than those assumed herein.

The CIP is broken up into 2 sections: those capital projects allocated to all Partners and those projects considered "Cost-Share" in nature. Various methodologies developed for the "cost-sharing" of projects are set forth in **Exhibits 7** through **9** and will be discussed later in this Report.

However, the line item description for those projects under “Cost Sharing Projects” indicates the cost share methodology selected, at least initially, (Option 5A, 5B or 6) depending on how each Partner benefits from each project.

The CIP sets forth the source of funding for each project (pay-go, debt service, grants or already funded). Further, the type of project under the section “Allocated to All” was broken out into either Renewal & Replacement (“R&R”) Fund or Enterprise Capital Fund (“ECF”) which determines what fund the project is to be paid from. This is important as the Analysis includes estimated contributions from the Partners each year of the Projection Period (generated by user rate revenues) into either the R&R Fund or the ECF. The target level for these two funds was discussed earlier in this Report under “Rate Study Goals and Objectives”.

The customer and flow projections were subsequently used in calculating sales revenues for each fund over the Projection Period and assume required user charge increases necessary to recover the cost of System operations, debt service, interfund transfers, maintain minimum debt service coverage and liquidity levels.

Future Debt Service

As discussed in the previous section, specific capital projects are estimated to be paid through future debt issuances. **Exhibit 4** provides the calculation of annual debt service payments for those debt-funded projects. It should be emphasized that the debt service assumptions (amortization period and interest rate) were discussed with Authority staff, deemed reasonable, and are subject to change. Willdan recommends that prior to any future debt issuances, the Authority should retain an independent municipal advisor to guide the Authority through the debt issuance process.

Projected Operating Results

The Projected Operating Results set forth herein as **Exhibit 5** is the culmination of the 1) projected customers & user charge revenues, 2) other operating and non-operating revenue, 3) projected revenue requirements (expenses), 4) projected debt service payments, and 5) transfers to the R&R Fund and ECF. The development and overview of certain of these components was described in detail in the prior sections of this Report. Further discussion and explanation regarding the future R&R Fund and ECF contributions and capital expenditures, debt service coverage, and liquidity (working capital or months cash on hand) is discussed below.

Liquidity Measures

Debt Service Coverage

The Projected Operating Results include a calculation of the annual debt service coverages for future debt. The target coverage levels to achieve were set in the 1.50 to 2.0 times range. Debt service coverage is viewed as an indicator of the financial strength of the Authority and is calculated as follows: Annual debt service divided by Income Available for Debt Service

(Current Year revenues less O&M). The user rate increases estimated in **Exhibit 5** over the Projection Period would be sufficient to generate debt service coverages at or above those established targets. It should be noted that in the early years of the Projection Period, a series of rate adjustments were needed, even though the coverages through fiscal year 2034 were higher than the required targets, in order to achieve the required target levels beginning in fiscal year 2035 when larger annual debt service payments are required.

WORKING CAPITAL (MONTHS CASH ON HAND)

Working Capital, or Months of Cash on Hand, was included in this analysis as an indicator of system liquidity and reflects the number of months of annual operating expenses are available in the Authority's various fund balances. The various funds include the Enterprise Operating Fund, the R&R Fund, and the Enterprise Capital Fund. Months Cash on Hand was calculated herein using both the ending annual Enterprise Operating Fund balance and an aggregate of the ending annual balances in the R&R Fund and the ECF. The targeted Months Cash on Hand for the Enterprise Operating Fund balance was assumed to be 12 months or greater, which was achieved based on the projected user rate adjustments assumed herein, and essentially means the Authority could pay one year of O&M expenses if no revenues were generated.

However, to the extent that actual conditions differ from those assumed by Willdan herein, the actual financial results and liquidity metrics may vary from those projected herein. Thus, changed conditions occurring or becoming known after such date of this Report could affect the results presented herein to the extent of such changes.

R&R and ECF Contributions and Expenditures

As part of the rate study process, Willdan was requested by the Authority Board to allocate the annual R&R and ECF contributions and estimated expenditures from those funds by Partner. Both the contributions to these funds and capital expenses from these funds were assigned to each Partner based on each Partner's percent of total usage each year of the Projection Period. The calculation of these contributions and capital cost allocations is summarized in **Exhibit 5**, pages 3 of 6 and 6 of 6. The bottom section on each of these pages shows the cumulative balances by Partner (contributions less capital expenditures) each year of the Projection Period. It should be noted that only those projects in the CIP that were in the "Projects Allocated to All Partners" section were included in the allocation of R&R and ECF capital costs.

Financial Dashboard

The Financial Dashboard contains six charts showing multiple key performance indicators or financial metrics and other relevant information pertaining to the operation and economic health of the Authority's water system. These include:

- Annual Capital Project expenditures broken down into "Projects Allocated to All Partners" and those projects designated as "Cost Sharing"
- 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)

Based upon the assumed rate adjustments outlined in **Exhibits 2** and **5**, the Authority would meet the debt service coverage requirements set forth herein and accumulate the targeted level of monies in the R&R Fund and ECF over time.

Development of Capital Project Cost-Sharing Methodologies

Willdan worked with Authority staff and its design engineer and partners in the development of multiple capital project cost-sharing methodologies. **Exhibit 7** sets forth the various capital project costs that were identified as "Cost Sharing" in the McKim & Creed CIP. Additionally, the funding source for each project was identified. Only those projects listed as "Pay-Go" funding were utilized in the cost-sharing calculations. The other projects listed either have already been funded or are anticipated to be financed through state or federal grants.

A list of possible allocation methods identified are shown below and include the following:

- Option 1: Allocation of Project Cost by Annual Usage (All Partners)
- Option 2: Allocation of Project Costs by Allocated Capacity for Each Partner
- Option 3: Allocation of Project Costs 3 Ways by Usage (Brunswick, Pender, and CFPUA)
- Option 4: Allocation of Project Costs 3 Ways by Capacity (Brunswick, Pender, and CFPUA)
- Option 5A: Allocation of Project Costs 4 Ways (Pender, CFPUA, and LCFWASA)
- Option 5B: Allocation of Project Costs 4 Ways (Brunswick, Pender, CFPUA, and LCFWASA)
- Option 6: McKim & Creed Utilization

Exhibit 7 shows the calculation of the allocations and relies on either the annual usage or allocated capacity for each Partner (Option 1 through Option 5B). The annual usage is based on the annual usage obtained from the Authority's fiscal year 2024 operating budget, while the allocated capacities (in MGD) were provided by Authority staff. As discussed earlier in this Report, a rate differential for Stepan and Praxair has been recommended whereby their allocated cost of capital projects would be recovered over time and not included in the cost-

sharing methodologies. As such, Options 1 and 2 have been eliminated as possible cost-sharing methods. **Exhibit 8** sets forth the Rate Differential Analysis for Stepan and Praxair which reflects a 50% differential over the base rates for the other 3 Partners. The 50% rate differential is estimated to cover Stepan's and Praxair's allocated cost of future capital projects shown in the CIP, with additional monies left over to pay a portion of unanticipated/emergency repair costs. The Authority staff will budget/track on a periodic basis the differential revenues paid by Stepan and Praxair. **Exhibit 9** sets forth the cost-sharing methodology and calculations developed by McKim & Creed (Option 6). This method utilizes allocated system capacity but goes further by allocating system capacity and project cost using a combination of distribution line length and allocated flow in pipe segments used to serve each Partner. Willdan relied upon the assumption used by, and calculations developed by, McKim & Creed in **Exhibit 9**, and Willdan has not independently verified the accuracy of these assumptions and calculations.

Exhibit 10 summarizes the calculation of allocated capital costs under each option for the three projects that were identified as Pay-Go funding. Based on discussions with Authority staff, Option 5A was selected, at least preliminarily, as the cost-share method for the Intermediate Booster Pump Station projects and Option 6 for the 20 MGD Ground Storage Tank. The allocated capital costs for these projects were subsequently pulled into the CIP shown in Exhibit 3 as sources of funding for these cost-share projects.

The detailed Exhibits discussed in this Report are included in **Appendix A** that follows.

Report Recommendations

Willdan makes the following recommendations to the Authority in the future

- Continue to apply for state/federal grants & matching funds to fund future capital improvement projects that qualify for this type of funding,
- Continue to apply for state revolving loans with lower interest costs than revenue bonds
- Hire a qualified municipal advisor when it is time to issue debt in the future,
- Continue to monitor annually/bi-annually future costs of capital projects & funding sources to better plan for phasing-in of rate adjustments,
- Update the Water Rate Study on a regular basis to ensure the goals and objectives set forth in this study are met, and

We appreciate the opportunity to be of service in this matter. In addition, we would like to thank you and the other members of the Authority Board, outside advisors, and staff for the valuable assistance provided during the completion of this Study.

Respectfully Submitted,

Richard K. McClung, Jr.

WILLDAN FINANCIAL SERVICES

APPENDIX A

EXHIBITS 1 - 9

SUPPORTING OUTPUT FOR THE FISCAL YEAR 2024 WATER RATE STUDY & 20-YEAR PROJECTED OPERATING RESULTS



**FY 2024 WATER RATE STUDY FOR
LOWER CAPE FEAR WATER AND SEWER AUTHORITY, NORTH CAROLINA**

Prepared by Willdan Financial Services



Exhibit 1
Lower Cape Fear WASA
2024 Rate Study
Historical Financial Information

Description	Actuals For Fiscal Year Ended June 30,				Unaudited	Budgeted	BB Alloc %	Escalation Reference	Projections For Fiscal Year Ending June 30,								
	2019	2020	2021	2022	2023	2024			2025	2026	2027	2028	2029	2030	2031	2032	2033
Expenditures																	
Administration Expenses																	
Salaries	\$ 160,703	\$ 163,169	\$ 170,224	\$ 165,791	\$ 180,430	\$ 203,530	30%	Labor	\$ 213,710	\$ 224,400	\$ 235,620	\$ 245,040	\$ 254,840	\$ 265,030	\$ 275,630	\$ 286,660	\$ 298,130
Per Diem and Mileage Board Members	50,872	62,500	51,812	56,590	55,325	64,001	30%	Inflation	69,760	74,640	78,370	80,720	83,140	85,630	88,200	90,850	93,580
Vehicle Allowance	-	1,000	5,000	5,200	5,200	5,200	30%	Inflation	5,670	6,070	6,370	6,560	6,760	6,960	7,170	7,390	7,610
FICA Taxes	15,701	16,823	17,425	17,116	18,251	20,953	30%	Fringe	22,000	23,100	24,260	25,470	26,740	28,080	29,480	30,950	32,500
Retirement	13,344	12,663	17,191	18,655	21,597	26,153	30%	Fringe	27,460	28,830	30,270	31,780	33,370	35,040	36,790	38,630	40,560
401K Plan	4,817	3,626	4,560	4,782	10,948	11,312	30%	Fringe	11,880	12,470	13,090	13,740	14,430	15,150	15,910	16,710	17,550
Miscellaneous Payroll Expenses	2,259	2,250	2,367	2,630	2,711	2,900	0%	Fringe	3,050	3,200	3,360	3,530	3,710	3,900	4,100	4,310	4,530
Group Insurance	31,159	40,039	33,224	37,141	32,778	40,176	30%	Fringe	42,180	44,290	46,500	48,830	51,270	53,830	56,520	59,350	62,320
Property and Liability Insurance	106,845	112,982	105,167	87,417	99,948	103,734	30%	Inflation	113,070	120,980	127,030	130,840	134,770	138,810	142,970	147,260	151,680
Professional Services General	-	-	-	-	-	15,000	30%	Inflation	16,350	17,490	18,360	18,910	19,480	20,060	20,660	21,280	21,920
Attorney	40,574	53,226	32,980	15,596	45,695	50,000	30%	Inflation	54,500	58,320	61,240	63,080	64,970	66,920	68,930	71,000	73,130
Auditor	7,700	12,000	8,200	8,200	8,200	8,000	30%	Inflation	8,720	15,000	15,750	16,220	16,710	17,210	17,730	18,260	18,810
Engineer	55,705	58,156	30,179	41,947	152,830	300,000	8%	Inflation	327,000	349,890	367,380	378,400	389,750	401,440	413,480	425,880	438,660
Information Technology	-	-	4,098	12,638	3,644	16,000	30%	Inflation	17,440	18,660	19,590	20,180	20,790	21,410	22,050	22,710	23,390
Office Maintenance/Repair/Common Charge	8,530	31,400	18,017	18,601	13,729	24,000	0%	Inflation	26,160	27,990	29,390	30,270	31,180	32,120	33,080	34,070	35,090
Office Utilities	2,623	-	5,408	1,856	1,989	5,000	0%	Inflation	5,450	5,830	6,120	6,300	6,490	6,680	6,880	7,090	7,300
Office Expenses (telephone, printing, adv)	9,054	-	39,567	14,134	18,037	14,000	0%	Inflation	15,260	16,330	17,150	17,660	18,190	18,740	19,300	19,880	20,480
Office Equipment	-	-	-	10,975	13,015	10,000	0%	Inflation	10,900	11,660	12,240	12,610	12,990	13,380	13,780	14,190	14,620
Printing and Advertising	-	-	-	1,997	8,240	5,000	0%	Inflation	5,450	5,830	6,120	6,300	6,490	6,680	6,880	7,090	7,300
Telephone and Internet	-	-	-	2,114	3,173	3,500	0%	Inflation	3,820	4,090	4,290	4,420	4,550	4,690	4,830	4,970	5,120
Travel and Training	2,102	15,841	14,863	22,237	25,914	29,000	0%	Inflation	31,610	33,820	35,510	36,580	37,680	38,810	39,970	41,170	42,410
Phone Allowance	-	-	-	520	520	520	0%	Inflation	570	610	640	660	680	700	720	740	760
Vehicle Expense	3,887	-	-	-	8,690	-	0%	Inflation	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	7,047	7,000	18,262	18,084	22,236	20,000	100%	Inflation	21,800	23,330	24,500	25,240	26,000	26,780	27,580	28,410	29,260
Subtotal Admin. Expenses	\$ 522,922	\$ 592,675	\$ 578,544	\$ 564,221	\$ 753,100	\$ 977,979			\$ 1,053,810	\$ 1,126,830	\$ 1,183,150	\$ 1,223,340	\$ 1,264,980	\$ 1,308,050	\$ 1,352,640	\$ 1,398,850	\$ 1,446,710
Operating Expenses																	
Sales Tax Expense	\$ 43,164	\$ 37,000	\$ 55,832	\$ 130,777	\$ 129,704	\$ 100,000		Constant	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Bladen Bluffs O & M	1,252,922	1,200,000	1,809,867	2,775,091	3,534,374	3,324,385		Eliminate	-	-	-	-	-	-	-	-	-
Bladen Bluffs Hurricane Florence	44,928	-	-	-	-	-		Eliminate	-	-	-	-	-	-	-	-	-
Utilities/Energy Kings Bluff	920,762	768,319	718,272	698,525	730,336	786,589		Electric	825,920	867,220	910,580	956,110	1,003,920	1,054,120	1,106,830	1,162,170	1,220,280
Contract O & M Kings Bluff	363,958	595,491	375,620	437,634	502,742	686,749		Inflation	748,560	800,960	841,010	866,240	892,230	919,000	946,570	974,970	1,004,220
O&M Kings Booster Pump Bluff Pump Station	28,000	-	-	-	-	-		Inflation	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2010 Principal	361,305	371,457	-	-	-	-		Constant	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2010 Interest	41,182	20,876	-	-	-	-		Constant	-	-	-	-	-	-	-	-	-
Combined Enterprise System Ref Series 2012 Principal	567,589	578,656	589,940	601,444	-	-		Constant	-	-	-	-	-	-	-	-	-
Combined Enterprise System Ref Series 2012 Interest	45,584	34,516	25,076	11,728	-	-		Constant	-	-	-	-	-	-	-	-	-
Bladen Buffs Debt Service Principal	695,000	740,000	790,000	850,000	910,000	970,000		Eliminate	-	-	-	-	-	-	-	-	-
Bladen Buffs Debt Service Interest	331,016	350,000	25,526	48,580	450,794	450,000		Eliminate	-	-	-	-	-	-	-	-	-
Operating Capital Expense	-	-	55,664	593,356	2,219,441	1,286,360		Pulls	436,000	2,632,350	210,302	-	-	-	-	-	-
Transfer to R&R - Kings Bluff R&R Expense	-	-	-	192,380	250,000	380,000		Pulls	1,350,000	1,450,000	1,200,000	1,600,000	1,200,000	1,000,000	300,000	-	-
Transfer to Enterprise Capital Fund	-	-	-	-	-	100,000		Pulls	200,000	250,000	850,000	825,000	1,200,000	1,700,000	2,750,000	3,250,000	3,500,000
421 Relocation New Hanover County Loan Principal	-	-	390,000	390,000	258,835	-		Inflation	-	-	-	-	-	-	-	-	-
SRF/7 mile parallel line expenditures	-	-	-	-	55,419	2,500,000		Eliminate	-	-	-	-	-	-	-	-	-
Subtotal Operating Expenses	\$ 4,695,410	\$ 4,696,315	\$ 4,835,797	\$ 6,729,515	\$ 9,041,645	\$ 10,584,083			\$ 3,660,480	\$ 6,100,530	\$ 4,111,892	\$ 4,347,350	\$ 4,396,150	\$ 4,773,120	\$ 5,203,400	\$ 5,487,140	\$ 5,824,500
TOTAL EXPENSES	\$ 5,218,332	\$ 5,288,990	\$ 5,414,341	\$ 7,293,736	\$ 9,794,745	\$ 11,562,063			\$ 4,714,290	\$ 7,227,360	\$ 5,295,042	\$ 5,570,690	\$ 5,661,130	\$ 6,081,170	\$ 6,556,040	\$ 6,885,990	\$ 7,271,210
Revenues																	
Operating Revenue																	
Brunswick County	\$ 1,401,159	\$ 1,290,309	\$ 1,425,384	\$ 1,818,301	\$ 2,050,591	\$ 1,725,765		Eliminate	-	-	-	-	-	-	-	-	-
Cape Fear Public Utility Authority	1,250,243	1,102,127	1,102,675	1,323,736	1,679,192	1,652,562		Eliminate	-	-	-	-	-	-	-	-	-
Pender County	154,923	141,838	157,838	189,616	327,094	234,160		Eliminate	-	-	-	-	-	-	-	-	-
Stepan/Invista	78,236	69,432	32,488	101,260	175,133	100,000		Eliminate	-	-	-	-	-	-	-	-	-
Praxair, Inc	2,903	2,975	2,088	2,503	33,927	8,000		Eliminate	-	-	-	-	-	-	-	-	-
Bladen Bluffs Reimbursement for Plant Operation Costs	2,429,630	2,390,689	2,484,174	3,909,071	5,169,651	4,744,385		Eliminate	-	-	-	-	-	-	-	-	-
Bladen Bluffs Administrative Reimbursement	-	37,000	90,888	127,002	139,090	194,218		Eliminate	-	-	-	-	-	-	-	-	-
Sales Tax Refund	39,973	-	67,220	55,833	114,314	100,000		Constant	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Subtotal Operating Revenue	\$ 5,357,067	\$ 5,034,370	\$ 5,362,755	\$ 7,527,324	\$ 9,688,992	\$ 8,759,090			\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Non-Operating																	
Interest	\$ -	\$ 8,775	\$ 2,352	\$ 1,921	\$ 1,969	\$ 500		Inflation	550	590	620	640	660	680	700	720	740
Other Revenue (Insurance Proceeds/FEMA)	54,322	71,372	260,063	2,978	10,587	-		Inflation	-	-	-	-	-	-	-	-	-
Federal Tax Subsidy	17,346	-	-	-	-	-		Inflation	-	-	-	-	-	-	-	-	-
Rental House Income	-	-	-	15,550	16,047	-		Inflation	-	-	-	-	-	-	-	-	-
Transfer In	-	-	60,000	-	-	-		Inflation	-	-	-	-	-	-	-	-	-
SRF/Parallel Revenue	-	-	-	-	1,596,733	-			-	-	-	-	-	-	-	-	-
Renewal and Replacement Fund Appropriated	-	-	192,190	-	-	-		Inflation	-	-	-	-	-	-	-	-	-
Fund Balance Appropriated	399,509	174,473	14,500	-	-	-		Inflation	-	-	-	-	-	-	-	-	-
Reimbursement from BB (% of Admin Expenses)	-	-	-	-	-	214,218		Calculated	229,872	245,763	258,050	267,184	276,660	286,472	296,649	307,215	318,169
Subtotal Non-Operating Revenue	\$ 471,177	\$ 254,620	\$ 529,105														

Exhibit 1
Lower Cape Fear WASA
2024 Rate Study
Historical Financial Information

Description	Actuals For Fiscal Year Ended June 30,				Unaudited 2023	Budgeted 2024	BB Alloc %	Escalation Reference	Projections For Fiscal Year Ending June 30,									
	2019	2020	2021	2022					2025	2026	2027	2028	2029	2030	2031	2032	2033	
Escalation Factors																		
Constant Factor									Constant	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Labor Escalator Factor (WD)									Labor	1.0500	1.0500	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Other Fringes (WD)									Fringe	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
General Inflation Factor									Inflation	1.0900	1.0700	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor									Customer	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metered Flow Factor									Flow	0.8098	1.0489	1.0139	1.0139	1.0139	1.0139	1.0139	1.0140	1.0140
Inflation/Customer Growth Factor									Inf/Cust	1.0900	1.0700	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
Inflation/Metered Flow Factor									Inf/Flow	0.8827	1.1223	1.0646	1.0443	1.0443	1.0443	1.0443	1.0444	1.0444
Materials & Supplies									M&S	1.0700	1.0700	1.0700	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Chemical Costs									Chemicals	1.0700	1.0700	1.0700	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Electrical Costs									Electric	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Eliminate									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
2024 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	\$ 310,060	\$ 322,460	\$ 335,360	\$ 348,770	\$ 362,720	\$ 377,230	\$ 392,320	\$ 408,010	\$ 424,330	\$ 441,300
Per Diem and Mileage Board Members	96,390	99,280	102,260	105,330	108,490	111,740	115,090	118,540	122,100	125,760
Vehicle Allowance	7,840	8,080	8,320	8,570	8,830	9,090	9,360	9,640	9,930	10,230
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	156,230	160,920	165,750	170,720	175,840	181,120	186,550	192,150	197,910	203,850
Professional Services General	22,580	23,260	23,960	24,680	25,420	26,180	26,970	27,780	28,610	29,470
Attorney	75,320	77,580	79,910	82,310	84,780	87,320	89,940	92,640	95,420	98,280
Auditor	19,370	19,950	20,550	21,170	21,810	22,460	23,130	23,820	24,530	25,270
Engineer	451,820	465,370	479,330	493,710	508,520	523,780	539,490	555,670	572,340	589,510
Information Technology	24,090	24,810	25,550	26,320	27,110	27,920	28,760	29,620	30,510	31,430
Office Maintenance/Repair/Common Charge	36,140	37,220	38,340	39,490	40,670	41,890	43,150	44,440	45,770	47,140
Office Utilities	7,520	7,750	7,980	8,220	8,470	8,720	8,980	9,250	9,530	9,820
Office Expenses (telephone, printing, adv)	21,090	21,720	22,370	23,040	23,730	24,440	25,170	25,930	26,710	27,510
Office Equipment	15,060	15,510	15,980	16,460	16,950	17,460	17,980	18,520	19,080	19,650
Printing and Advertising	7,520	7,750	7,980	8,220	8,470	8,720	8,980	9,250	9,530	9,820
Telephone and Internet	5,270	5,430	5,590	5,760	5,930	6,110	6,290	6,480	6,670	6,870
Travel and Training	43,680	44,990	46,340	47,730	49,160	50,630	52,150	53,710	55,320	56,980
Phone Allowance	780	800	820	840	870	900	930	960	990	1,020
Vehicle Expense	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	30,140	31,040	31,970	32,930	33,920	34,940	35,990	37,070	38,180	39,330
Subtotal Admin. Expenses	\$ 1,496,250	\$ 1,547,540	\$ 1,600,670	\$ 1,655,700	\$ 1,712,710	\$ 1,771,720	\$ 1,832,860	\$ 1,896,200	\$ 1,961,830	\$ 2,029,830
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	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Hurricane Florence	-	-	-	-	-	-	-	-	-	-
Utilities/Energy Kings Bluff	1,281,290	1,345,350	1,412,620	1,483,250	1,557,410	1,635,280	1,717,040	1,802,890	1,893,030	1,987,680
Contract O & M Kings Bluff	1,034,350	1,065,380	1,097,340	1,130,260	1,164,170	1,199,100	1,235,070	1,272,120	1,310,280	1,349,590
O&M Kings Booster Pump Bluff Pump Station	-	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2010 Principal	-	-	-	-	-	-	-	-	-	-
Combined Enterprise Funded Series 2010 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	-	-	-	-	-	-	-	-	-	-
Operating Capital Expense	1,773,564	456,693	-	-	-	-	2,117,728	-	-	1,253,470
Transfer to R&R - Kings Bluff R&R Expense	400,000	1,000,000	250,000	250,000	1,200,000	250,000	1,100,000	1,150,000	1,500,000	1,000,000
Transfer to Enterprise Capital Fund	1,450,000	1,250,000	2,300,000	2,400,000	1,500,000	2,700,000	2,200,000	2,400,000	2,250,000	3,000,000
421 Relocation New Hanover County Loan Principal	-	-	-	-	-	-	-	-	-	-
SRF/7 mile parallel line expenditures	-	-	-	-	-	-	-	-	-	-
Subtotal Operating Expenses	\$ 6,039,204	\$ 5,217,423	\$ 5,159,960	\$ 5,363,510	\$ 5,521,580	\$ 5,884,380	\$ 8,469,838	\$ 6,725,010	\$ 7,053,310	\$ 8,690,740
TOTAL EXPENSES	\$ 7,535,454	\$ 6,764,963	\$ 6,760,630	\$ 7,019,210	\$ 7,234,290	\$ 7,656,100	\$ 10,302,698	\$ 8,621,210	\$ 9,015,140	\$ 10,720,570
Revenues										
Operating Revenue										
Brunswick County	-	-	-	-	-	-	-	-	-	-
Cape Fear Public Utility Authority	-	-	-	-	-	-	-	-	-	-
Pender County	-	-	-	-	-	-	-	-	-	-
Stepan/Invista	-	-	-	-	-	-	-	-	-	-
Praxair, Inc	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Reimbursement for Plant Operation Costs	-	-	-	-	-	-	-	-	-	-
Bladen Bluffs Administrative Reimbursement	-	-	-	-	-	-	-	-	-	-
Sales Tax Refund	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
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	760	780	800	820	840	870	900	930	960	990
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 BB (% of Admin Expenses)	329,533	341,309	353,530	366,210	379,366	393,003	407,159	421,842	437,076	452,893
Subtotal Non-Operating Revenue	\$ 330,293	\$ 342,089	\$ 354,330	\$ 367,030	\$ 380,206	\$ 393,873	\$ 408,059	\$ 422,772	\$ 438,036	\$ 453,883
TOTAL REVENUE	\$ 430,293	\$ 442,089	\$ 454,330	\$ 467,030	\$ 480,206	\$ 493,873	\$ 508,059	\$ 522,772	\$ 538,036	\$ 553,883
NET REVENUE REQUIREMENT	\$ 7,105,162	\$ 6,322,874	\$ 6,306,300	\$ 6,552,181	\$ 6,754,084	\$ 7,162,227	\$ 9,794,640	\$ 8,098,438	\$ 8,477,104	\$ 10,166,687

Exhibit 1
Lower Cape Fear WASA
2024 Rate Study
Historical Financial Information

Description	Projections For Fiscal Year Ending June 30,									
	2034	2035	2036	2037	2038	2039	2040	2041	2042	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
Labor Escalator Factor (WD)	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Other Fringes (WD)	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
General Inflation Factor	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metered Flow Factor	1.0140	1.0140	1.0140	1.0141	1.0141	1.0141	1.0141	1.0141	1.0141	1.0142
Inflation/Customer Growth Factor	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300	1.0300
Inflation/Metered Flow Factor	1.0444	1.0444	1.0444	1.0445	1.0445	1.0445	1.0445	1.0445	1.0445	1.0446
Materials & Supplies	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Chemical Costs	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Electrical Costs	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Eliminate	0.0000	1.0000	2.0000	3.0000	4.0000	5.0000	6.0000	7.0000	8.0000	9.0000

Exhibit 2
Lower Cape Fear WASA
2024 Rate Study
Annual Flows & Revenues

	Historical For Fiscal Years Ended June 30,										Estimated
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual Usage (in Kgals)											
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 (%)		-1.9%	-0.1%	0.9%	3.4%	8.3%	7.5%	-8.5%	3.0%	4.0%	10.3%
Annual % Change											
											5-Yr CAGR
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	\$ 0.3300	\$ 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
Percent of Total Revenue (Excluding Praxair & Stephan)											
Brunswick County											
Stepan											
Praxair, Inc.											
CFPUA											
Pender											
Total											

Exhibit 2
Lower Cape Fear WASA
2024 Rate Study
Annual Flows & Revenues

	Test Year	Projected For Fiscal Years Ending June 30,								
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Annual Usage (in Kgals)										
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	250,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Praxair, Inc.	20,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
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	9,301,217	9,755,680	9,890,978	10,028,336	10,167,788	10,309,366	10,453,105	10,599,041	10,747,207	10,897,641
Annual Change (Gals)	(2,184,587)	454,463	135,298	137,358	139,451	141,578	143,739	145,935	148,166	150,434
Annual Change (%)	-19.0%	4.9%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
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	-19.02%	4.89%	1.39%	1.39%	1.39%	1.39%	1.39%	1.40%	1.40%	1.40%
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	\$ 0.6600	\$ 0.7200	\$ 0.7800	\$ 0.8400	\$ 0.9000	\$ 0.9600	\$ 1.0200	\$ 1.0700	\$ 1.1100
Praxair, Inc.	\$ 0.4000	\$ 0.6600	\$ 0.7200	\$ 0.7800	\$ 0.8400	\$ 0.9000	\$ 0.9600	\$ 1.0200	\$ 1.0700	\$ 1.1100
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	\$ 100,000	\$ 132,000	\$ 144,000	\$ 156,000	\$ 168,000	\$ 180,000	\$ 192,000	\$ 204,000	\$ 214,000	\$ 222,000
Praxair, Inc.	\$ 8,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 42,800	\$ 44,400
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	\$ 3,720,487	\$ 4,345,299	\$ 4,805,270	\$ 5,277,135	\$ 5,761,161	\$ 6,257,620	\$ 6,766,787	\$ 7,288,948	\$ 7,716,917	\$ 8,153,054
Percent of Total Revenue (Excluding Praxair & Stephan)										
Brunswick County	47.77%	49.87%	50.02%	50.17%	50.31%	50.46%	50.60%	50.75%	50.89%	51.04%
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	45.75%	43.85%	43.67%	43.49%	43.30%	43.12%	42.94%	42.76%	42.58%	42.40%
Pender	6.48%	6.27%	6.31%	6.35%	6.38%	6.42%	6.45%	6.49%	6.53%	6.56%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Exhibit 2
Lower Cape Fear WASA
2024 Rate Study
Annual Flows & Revenues

	Projected For Fiscal Years Ending June 30,									
	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Annual Usage (in Kgals)										
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	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Praxair, Inc.	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
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	11,050,378	11,205,457	11,362,914	11,522,788	11,685,118	11,849,945	12,017,308	12,187,248	12,359,807	12,535,028
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 (%)	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
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	1.40%	1.40%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.42%	1.42%
Rate										
Brunswick County	\$ 0.7700	\$ 0.8000	\$ 0.8300	\$ 0.8600	\$ 0.8900	\$ 0.9200	\$ 0.9400	\$ 0.9600	\$ 0.9800	\$ 1.0000
Stepan	\$ 1.1600	\$ 1.2000	\$ 1.2500	\$ 1.2900	\$ 1.3400	\$ 1.3800	\$ 1.4100	\$ 1.4400	\$ 1.4700	\$ 1.5000
Praxair, Inc.	\$ 1.1600	\$ 1.2000	\$ 1.2500	\$ 1.2900	\$ 1.3400	\$ 1.3800	\$ 1.4100	\$ 1.4400	\$ 1.4700	\$ 1.5000
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	\$ 232,000	\$ 240,000	\$ 250,000	\$ 258,000	\$ 268,000	\$ 276,000	\$ 282,000	\$ 288,000	\$ 294,000	\$ 300,000
Praxair, Inc.	\$ 46,400	\$ 48,000	\$ 50,000	\$ 51,600	\$ 53,600	\$ 55,200	\$ 56,400	\$ 57,600	\$ 58,800	\$ 60,000
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	\$ 8,602,391	\$ 9,060,365	\$ 9,532,018	\$ 10,012,798	\$ 10,507,755	\$ 11,012,349	\$ 11,409,069	\$ 11,814,958	\$ 12,230,211	\$ 12,655,028
Percent of Total Revenue (Excluding Praxair & Stephan)										
Brunswick County	51.18%	51.33%	51.47%	51.61%	51.76%	51.90%	52.04%	52.19%	52.33%	52.47%
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	42.22%	42.03%	41.85%	41.67%	41.49%	41.31%	41.13%	40.95%	40.77%	40.60%
Pender	6.60%	6.64%	6.67%	6.71%	6.75%	6.79%	6.82%	6.86%	6.90%	6.94%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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

Project No.	Description	Type	Funding Source	20-Year Total	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
	R&R Capital Cost Escalator					0.0%	9.0%	5.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	Major Capital Facility Cost Escalator					0.0%	9.0%	5.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Lower Cape Fear Water and Sewer Authority Projects (Projects Allocated to All Partners)																
KB 1	New 4th Pump @ King's Bluff PS	ECF	Debt Service	\$ 4,828,700		\$ -	\$ 3,569,750	\$ 1,258,950								
KB 1	New 4th Pump @ King's Bluff PS	ECF	Pay-Go Capital	\$ 225,000		\$ 225,000										
KB 2	Rebuild High Service Pump Motors	R&R	Pay-Go Capital	\$ 456,693												
KB 3	New Generators	R&R	Debt Service	\$ 21,550,283												\$ 2,216,955
KB 4	Pig 48" Water Main (KBPS to 3 MG Tank)	R&R	Pay-Go Capital	\$ 2,117,728												
KB 5	Pig Future 54" Water Main	R&R	Pay-Go Capital	\$ 1,773,564												\$ 1,773,564
KB 6	Walkway & Air Backwash Building Rplcmt	R&R	Debt Service	\$ 2,180,000		\$ -	\$ 2,180,000									
KB 6	Walkway & Air Backwash Building Rplcmt	R&R	Pay-Go Capital	\$ 226,360		\$ 226,360										
KB 7	Replace Raw Water Pumps 1, 4, 5	ECF	Debt Service	\$ 15,724,433							\$ 4,589,676					\$ 5,320,693
KB 8	New Surge Tank at KBPS	ECF	Pay-Go Capital	\$ 1,253,470												
KB 9	5 ROW Acquisitions	ECF	Pay-Go Capital	\$ 309,000	\$ 100,000	\$ 100,000	\$ 109,000									
KB 10	48-Inch PCCP Inspect. and Pig - Grd Tank	R&R	Pay-Go Capital	\$ 2,842,652				\$ 2,632,350	\$ 210,302							
KB 11	48-Inch PCCP Repairs	R&R	Pay-Go Capital	\$ 327,000			\$ 327,000									
	Operating Capital (FY 23/24)	Oper	Pay-Go Capital	\$ 735,000		\$ 735,000										
	TOTAL PROJECTS (ALLOCATED TO ALL)			\$ 54,549,884	\$ 100,000	\$ 1,286,360	\$ 6,185,750	\$ 3,891,300	\$ 210,302	\$ -	\$ 4,589,676	\$ -	\$ -	\$ -	\$ -	\$ 9,311,212
Sources of Funding																
	Pay-Go Capital			\$ 10,266,468	\$ 100,000	\$ 1,286,360	\$ 436,000	\$ 2,632,350	\$ 210,302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,773,564
	Debt Service			\$ 44,283,416	\$ -	\$ -	\$ 5,749,750	\$ 1,258,950	\$ -	\$ -	\$ 4,589,676	\$ -	\$ -	\$ -	\$ -	\$ 7,537,648
	TOTAL FUNDING SOURCES			\$ 54,549,884	\$ 100,000	\$ 1,286,360	\$ 6,185,750	\$ 3,891,300	\$ 210,302	\$ -	\$ 4,589,676	\$ -	\$ -	\$ -	\$ -	\$ 9,311,212
	Renewal & Replacement Projects (Pay Go)				\$ -	\$ 226,360	\$ 327,000	\$ 2,632,350	\$ 210,302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,773,564
	Enterprise Capital Fund Projects (Pay Go)				\$ 100,000	\$ 325,000	\$ 109,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Sharing Projects																
CS 1	Intermediate Booster PS Shelter (Option 5A)	ECF	Pay-Go (Cost Share)	\$ 926,500			\$ 926,500									
CS 2	Intermediate Booster PS Upgrade (Option 5A)	R&R	Pay-Go (Cost Share)	\$ 12,663,191											\$ 1,578,415	\$ 11,084,776
CS 3	New 5th Pump at King's Bluff (Option 5B)	ECF	Pay-Go (Cost Share)	\$ -												
CS 4	20 MG Ground Tank (Option 6)	ECF	Pay-Go (Cost Share)	\$ 23,737,627												
CS 5	7-Mile 48" Parallel Raw Water Main	ECF	Already Funded	\$ 48,597,615		\$ 15,000,000	\$ 16,350,000	\$ 17,247,615								
CS 6	3-Mile 48" Parallel Raw Water Main	ECF	Grants/ARPA	\$ 30,493,772					\$ 15,021,563	\$ 15,472,209						
CS 7	100 MGD Reservoir (Possible Grant Funding)	ECF	Grants/ARPA	\$ 55,481,686									\$ 8,115,312	\$ 47,366,374		
	TOTAL PROJECTS (COST SHARING)			\$ 171,900,391	\$ -	\$ 15,000,000	\$ 17,276,500	\$ 17,247,615	\$ 15,021,563	\$ 15,472,209	\$ -	\$ -	\$ 8,115,312	\$ 47,366,374	\$ 1,578,415	\$ 11,084,776
Sources of Funding																
	Pay-Go (Cost Share)															
	LCFWSA			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Brunswick			\$ 17,314,277	\$ -	\$ -	\$ 429,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 732,148	\$ 5,141,673
	CFPUA			\$ 16,580,048	\$ -	\$ -	\$ 411,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 701,100	\$ 4,923,636
	Pender			\$ 2,347,888	\$ -	\$ -	\$ 58,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,282	\$ 697,232
	Stapan			\$ 1,004,105	\$ -	\$ -	\$ 24,923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,459	\$ 298,180
	Praxair			\$ 82,120	\$ -	\$ -	\$ 2,038	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,473	\$ 24,387
	Debt Service			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Grants/ARPA			\$ 85,975,458	\$ -	\$ -	\$ -	\$ -	\$ 15,021,563	\$ 15,472,209	\$ -	\$ -	\$ 8,115,312	\$ 47,366,374	\$ -	\$ -
	Already Funded			\$ 48,597,615	\$ -	\$ 15,000,000	\$ 16,350,000	\$ 17,247,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL FUNDING SOURCES			\$ 171,901,511	\$ -	\$ 15,000,000	\$ 17,276,528	\$ 17,247,615	\$ 15,021,563	\$ 15,472,209	\$ -	\$ -	\$ 8,115,312	\$ 47,366,374	\$ 1,578,462	\$ 11,085,109
	TOTAL - ALL CAPITAL PROJECTS			\$ 226,450,275	\$ 100,000	\$ 16,286,360	\$ 23,462,250	\$ 21,138,915	\$ 15,231,864	\$ 15,472,209	\$ 4,589,676	\$ -	\$ 8,115,312	\$ 47,366,374	\$ 1,578,415	\$ 20,395,988

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

Project No.	Description	Type	Funding Source	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	Grand Total
	R&R Capital Cost Escalator			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
	Major Capital Facility Cost Escalator			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Lower Cape Fear Water and Sewer Authority Projects (Projects Allocated to All Partners)																
KB 1	New 4th Pump @ King's Bluff PS	ECF	Debt Service													\$ 4,828,700
KB 1	New 4th Pump @ King's Bluff PS	ECF	Pay-Go Capital													\$ 225,000
KB 2	Rebuild High Service Pump Motors	R&R	Pay-Go Capital	\$ 456,693												\$ 456,693
KB 3	New Generators	R&R	Debt Service	\$ 19,333,328												\$ 21,550,283
KB 4	Pig 48" Water Main (KBPS to 3 M.G Tank)	R&R	Pay-Go Capital						\$ 2,117,728							\$ 2,117,728
KB 5	Pig Future 54" Water Main	R&R	Pay-Go Capital													\$ 1,773,564
KB 6	Walkway & Air Backwash Building Rplcmt	R&R	Debt Service													\$ 2,180,000
KB 6	Walkway & Air Backwash Building Rplcmt	R&R	Pay-Go Capital													
KB 7	Replace Raw Water Pumps 1, 4, 5	ECF	Debt Service			\$ 5,814,064										\$ 15,724,433
KB 8	New Surge Tank at KBPS	ECF	Pay-Go Capital									\$ 1,253,470				\$ 1,253,470
KB 9	5 ROW Acquisitions	ECF	Pay-Go Capital													\$ 309,000
KB 10	48-Inch PCCP Inspect. and Pig - Grd Tank	R&R	Pay-Go Capital													\$ 2,842,652
KB 11	48-Inch PCCP Repairs	R&R	Pay-Go Capital													\$ 327,000
	Operating Capital (FY 23/24)	Oper	Pay-Go Capital													\$ 735,000
	TOTAL PROJECTS (ALLOCATED TO ALL)			\$ 19,790,021	\$ -	\$ 5,814,064	\$ -	\$ -	\$ 2,117,728	\$ -	\$ -	\$ 1,253,470	\$ -	\$ -	\$ -	\$ 54,323,524
Sources of Funding																
	Pay-Go Capital			\$ 456,693	\$ -	\$ -	\$ -	\$ -	\$ 2,117,728	\$ -	\$ -	\$ 1,253,470	\$ -	\$ -	\$ -	\$ 10,266,468
	Debt Service			\$ 19,333,328	\$ -	\$ 5,814,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,283,416
	TOTAL FUNDING SOURCES			\$ 19,790,021	\$ -	\$ 5,814,064	\$ -	\$ -	\$ 2,117,728	\$ -	\$ -	\$ 1,253,470	\$ -	\$ -	\$ -	\$ 54,549,884
	Renewal & Replacement Projects (Pay Go)			\$ 456,693	\$ -	\$ -	\$ -	\$ -	\$ 2,117,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,743,997
	Enterprise Capital Fund Projects (Pay Go)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,253,470	\$ -	\$ -	\$ -	\$ 1,787,470
Cost Sharing Projects																
CS 1	Intermediate Booster PS Shelter (Option 5A)	ECF	Pay-Go (Cost Share)													\$ 926,500
CS 2	Intermediate Booster PS Upgrade (Option 5A)	R&R	Pay-Go (Cost Share)													\$ 12,663,191
CS 3	New 5th Pump at King's Bluff (Option 5B)	ECF	Pay-Go (Cost Share)										\$ 1,986,268	\$ 5,114,641	\$ 2,317,955	\$ 9,418,865
CS 4	20 MG Ground Tank (Option 6)	ECF	Pay-Go (Cost Share)		\$ 5,487,925	\$ 18,249,702										\$ 23,737,627
CS 5	7-Mile 48" Parallel Raw Water Main	ECF	Already Funded													\$ 48,597,615
CS 6	3-Mile 48" Parallel Raw Water Main	ECF	Grants/ARPA													\$ 30,493,772
CS 7	100 MGD Reservoir (Possible Grant Funding)	ECF	Grants/ARPA													\$ 55,481,686
	TOTAL PROJECTS (COST SHARING)			\$ -	\$ 5,487,925	\$ 18,249,702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,986,268	\$ 5,114,641	\$ 2,317,955	\$181,319,256
Sources of Funding																
	Pay-Go (Cost Share)															
	LCFWSA			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Brunswick			\$ -	\$ 2,545,574	\$ 8,465,124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 921,331	\$ 2,372,426	\$ 1,075,184	\$ 21,683,217
	CFPUA			\$ -	\$ 2,437,626	\$ 8,106,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 882,261	\$ 2,271,821	\$ 1,029,589	\$ 20,763,720
	Pender			\$ -	\$ 345,190	\$ 1,147,906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,936	\$ 321,711	\$ 145,799	\$ 2,940,335
	Stepan			\$ -	\$ 147,625	\$ 490,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,431	\$ 137,584	\$ 62,353	\$ 1,257,472
	Praxair			\$ -	\$ 12,073	\$ 40,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,370	\$ 11,252	\$ 5,100	\$ 102,842
	Debt Service			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Grants/ARPA			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,975,458
	Already Funded			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,597,615
	TOTAL FUNDING SOURCES			\$ -	\$ 5,488,090	\$ 18,250,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,986,328	\$ 5,114,794	\$ 2,318,025	\$181,320,658
	TOTAL - ALL CAPITAL PROJECTS			\$ 19,790,021	\$ 5,487,925	\$ 24,063,767	\$ -	\$ -	\$ 2,117,728	\$ -	\$ -	\$ 1,253,470	\$ 1,986,268	\$ 5,114,641	\$ 2,317,955	\$235,642,780

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 (Projects Allocated to All Partners)											
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,589,676	\$ -	\$ -	\$ -	\$ -
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
10	Walkway & Air Backwash Building Rplcmt	\$ -	\$ 87,464	\$ 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184,144	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287
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	\$ 746,540	\$ 930,684	\$ 930,684	\$ 930,684	\$ 930,684
Cost Sharing Projects											
Project Costs											
14	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Intermediate Booster PS Upgrade (Option 5A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank (Option 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Debt Service											
Assumptions:											
18	Interest Rate	5.0%									
19	Term (Yrs)	20									
20	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Intermediate Booster PS Upgrade (Option 5A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank (Option 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Debt Service	\$ -	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 746,540	\$ 930,684	\$ 930,684	\$ 930,684	\$ 930,684

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 (Projects Allocated to All Partners)									
	<u>Project Costs</u>										
1	New 4th Pump @ King's Bluff PS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Walkway & Air Backwash Building Rplcmt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	New Generators	\$ 2,216,955	\$ 19,333,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Replace Raw Water Pump 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Replace Raw Water Pump 4	\$ 5,320,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 5,814,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>Estimated Debt Service</u>										
	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
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
11	New Generators	\$ 864,625	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250	\$ 1,729,250
12	Replace Raw Water Pump 1	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287	\$ 368,287
13	Replace Raw Water Pump 4	\$ 213,473	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946	\$ 426,946
14	Replace Raw Water Pump 5	\$ -	\$ -	\$ -	\$ 233,268	\$ 466,536	\$ 466,536	\$ 466,536	\$ 466,536	\$ 466,536	\$ 466,536
13	Total Debt (Allocated to All Customer Base)	\$ 2,008,782	\$ 3,086,880	\$ 3,086,880	\$ 3,320,148	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416
		Cost Sharing Projects									
	<u>Project Costs</u>										
14	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Intermediate Booster PS Upgrade (Option 5A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	20 MG Ground Tank (Option 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>Estimated Debt Service</u>										
	Assumptions:										
18	Interest Rate	5.0%									
19	Term (Yrs)	20									
20	100 MGD Reservoir (Possible Grant Funding)-CS 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Intermediate Booster PS Upgrade (Option 5A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	20 MG Ground Tank (Option 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Total Debt (Cost Sharing Projects)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Debt Service	\$ 2,008,782	\$ 3,086,880	\$ 3,086,880	\$ 3,320,148	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416

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	90,000	80,000	132,000	144,000	156,000	168,000	180,000	192,000	204,000	214,000
3	Praxair, Inc.	7,200	16,000	26,400	28,800	31,200	33,600	36,000	38,400	40,800	42,800
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	\$ 0.030	\$ 0.030
7	Effective Increase In Revenues	11.11%	11.35%	9.09%	8.33%	7.69%	7.14%	6.67%	6.25%	4.43%	4.21%
8	Additional Revenue Due to Increase	\$ 372,049	\$ 443,027	\$ 400,439	\$ 405,933	\$ 411,512	\$ 417,175	\$ 422,924	\$ 428,762	\$ 327,216	\$ 329,329
9	Total Water Charge Revenue	\$ 3,720,487	\$ 4,345,299	\$ 4,805,270	\$ 5,277,135	\$ 5,761,161	\$ 6,257,620	\$ 6,766,787	\$ 7,288,948	\$ 7,716,917	\$ 8,153,054
Other Revenues:											
10	Interest	\$ 500	\$ 550	\$ 590	\$ 620	\$ 640	\$ 660	\$ 680	\$ 700	\$ 720	\$ 740
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	258,050	267,184	276,660	286,472	296,649	307,215	318,169
13	Total Other Operating Revenues	\$ 214,718	\$ 230,422	\$ 246,353	\$ 258,670	\$ 267,824	\$ 277,320	\$ 287,152	\$ 297,349	\$ 307,935	\$ 318,909
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	\$ 4,035,205	\$ 4,675,721	\$ 5,151,622	\$ 5,635,805	\$ 6,128,986	\$ 6,634,940	\$ 7,153,940	\$ 7,686,296	\$ 8,124,852	\$ 8,571,963
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	1,054,120	1,106,830	1,162,170	1,220,280
20	Contract O & M Kings Bluff	686,749	748,560	800,960	841,010	866,240	892,230	919,000	946,570	974,970	1,004,220
Administration Expenses											
21	Salaries	203,530	213,710	224,400	235,620	245,040	254,840	265,030	275,630	286,660	298,130
22	Per Diem and Mileage Board Members	64,001	69,760	74,640	78,370	80,720	83,140	85,630	88,200	90,850	93,580
23	Vehicle Allowance	5,200	5,670	6,070	6,370	6,560	6,760	6,960	7,170	7,390	7,610
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	130,840	134,770	138,810	142,970	147,260	151,680
30	Professional Services General	15,000	16,350	17,490	18,360	18,910	19,480	20,060	20,660	21,280	21,920
31	Attorney	50,000	54,500	58,320	61,240	63,080	64,970	66,920	68,930	71,000	73,130
32	Auditor	8,000	8,720	15,000	15,750	16,220	16,710	17,210	17,730	18,260	18,810
33	Engineer	300,000	327,000	349,890	367,380	378,400	389,750	401,440	413,480	425,880	438,660
34	Information Technology	16,000	17,440	18,660	19,590	20,180	20,790	21,410	22,050	22,710	23,390
35	Office Maintenance/Repair/Common Charge	24,000	26,160	27,990	29,390	30,270	31,180	32,120	33,080	34,070	35,090
36	Office Utilities	5,000	5,450	5,830	6,120	6,300	6,490	6,680	6,880	7,090	7,300
37	Office Expenses (telephone, printing, adv)	14,000	15,260	16,330	17,150	17,660	18,190	18,740	19,300	19,880	20,480
38	Office Equipment	10,000	10,900	11,660	12,240	12,610	12,990	13,380	13,780	14,190	14,620
39	Printing and Advertising	5,000	5,450	5,830	6,120	6,300	6,490	6,680	6,880	7,090	7,300
40	Telephone and Internet	3,500	3,820	4,090	4,290	4,420	4,550	4,690	4,830	4,970	5,120
41	Travel and Training	29,000	31,610	33,820	35,510	36,580	37,680	38,810	39,970	41,170	42,410
42	Phone Allowance	520	570	610	640	660	680	700	720	740	760
43	Vehicle Expense	0	0	0	0	0	0	0	0	0	0
44	Miscellaneous Expense	20,000	21,800	23,330	24,500	25,240	26,000	26,780	27,580	28,410	29,260
45	Total Expenses	\$ 2,551,317	\$ 2,728,290	\$ 2,895,010	\$ 3,034,740	\$ 3,145,690	\$ 3,261,130	\$ 3,381,170	\$ 3,506,040	\$ 3,635,990	\$ 3,771,210
46	Income Available for Debt Service	\$ 1,483,887	\$ 1,947,431	\$ 2,256,612	\$ 2,601,065	\$ 2,983,296	\$ 3,373,810	\$ 3,772,770	\$ 4,180,256	\$ 4,488,862	\$ 4,800,753

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	\$ 746,540	\$ 930,684	\$ 930,684	\$ 930,684	\$ 930,684
48	Cost Sharing Projects Debt Service	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
50	Total Annual Debt Service-Water	\$ 0	\$ 281,198	\$ 562,396	\$ 562,396	\$ 562,396	\$ 746,540	\$ 930,684	\$ 930,684	\$ 930,684	\$ 930,684
51	Debt Service Coverage	N/A	6.93	4.01	4.62	5.30	4.52	4.05	4.49	4.82	5.16
52	Remaining Net Revenue After Debt Service	\$ 1,483,887	\$ 1,666,233	\$ 1,694,216	\$ 2,038,669	\$ 2,420,899	\$ 2,627,270	\$ 2,842,086	\$ 3,249,573	\$ 3,558,178	\$ 3,870,069
Other Expenses & Transfers In/(Out)											
53	Operating Capital (FY 23/24)	\$ (735,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
54	Cost Share Pay-Go (LCF Allocated Portion)	0	0	0	0	0	0	0	0	0	0
55	Transfer Out to R&R - Kings Bluff R&R Expense	(420,000)	(1,350,000)	(1,450,000)	(1,200,000)	(1,600,000)	(1,200,000)	(1,000,000)	(300,000)	0	0
56	Transfer Out to Enterprise Capital Fund	(325,000)	(200,000)	(250,000)	(850,000)	(825,000)	(1,200,000)	(1,700,000)	(2,750,000)	(3,250,000)	(3,500,000)
57	Transfer In from R&R Fund	0	0	0	0	0	0	0	0	0	0
58	Transfer In from Enterprise Capital Fund	0	0	0	0	0	0	0	0	0	0
59	Total Other Expenses/Transfers	\$ (1,480,000)	\$ (1,550,000)	\$ (1,700,000)	\$ (2,050,000)	\$ (2,425,000)	\$ (2,400,000)	\$ (2,700,000)	\$ (3,050,000)	\$ (3,250,000)	\$ (3,500,000)
60	Remaining Funds Available from Annual Operations (Net Income)	\$ 3,887	\$ 116,233	\$ (5,784)	\$ (11,331)	\$ (4,101)	\$ 227,270	\$ 142,086	\$ 199,573	\$ 308,178	\$ 370,069
Funds - Balance Activity											
Enterprise Operating Fund											
61	Beginning Fund Balance	\$ 2,900,000	\$ 2,903,887	\$ 3,020,120	\$ 3,014,336	\$ 3,003,005	\$ 2,998,904	\$ 3,226,174	\$ 3,368,260	\$ 3,567,833	\$ 3,876,011
62	Plus Remaining Funds from Operations	3,887	116,233	(5,784)	(11,331)	(4,101)	227,270	142,086	199,573	308,178	370,069
63	Total Funds Available-Operating Fund	\$ 2,903,887	\$ 3,020,120	\$ 3,014,336	\$ 3,003,005	\$ 2,998,904	\$ 3,226,174	\$ 3,368,260	\$ 3,567,833	\$ 3,876,011	\$ 4,246,081
64	Working Capital in Enterprise Fund	15.00	15.00	14.00	13.00	13.00	13.00	13.00	13.00	14.00	15.00
Renewal & Replacement Fund											
65	Beginning Fund Balance	\$ 343,311	\$ 536,951	\$ 1,559,951	\$ 377,601	\$ 1,367,299	\$ 2,967,299	\$ 4,167,299	\$ 5,167,299	\$ 5,467,299	\$ 5,467,299
66	Plus: Transfer From Operations	420,000	1,350,000	1,450,000	1,200,000	1,600,000	1,200,000	1,000,000	300,000	0	0
67	Less: R&R Capital Expenses	(226,360)	(327,000)	(2,632,350)	(210,302)	0	0	0	0	0	0
68	Total Funds Available-R&R Fund	\$ 536,951	\$ 1,559,951	\$ 377,601	\$ 1,367,299	\$ 2,967,299	\$ 4,167,299	\$ 5,167,299	\$ 5,467,299	\$ 5,467,299	\$ 5,467,299
Enterprise Capital Fund (ECF)											
69	Beginning Fund Balance	\$ 381,406	\$ 381,406	\$ 472,406	\$ 722,406	\$ 1,572,406	\$ 2,397,406	\$ 3,597,406	\$ 5,297,406	\$ 8,047,406	\$ 11,297,406
70	Plus: Transfer From Operations	325,000	200,000	250,000	850,000	825,000	1,200,000	1,700,000	2,750,000	3,250,000	3,500,000
71	Less: Enterprise Capital Project Expenses	(325,000)	(109,000)	0	0	0	0	0	0	0	0
72	Total Funds Available-Ent. Cap.Fund	\$ 381,406	\$ 472,406	\$ 722,406	\$ 1,572,406	\$ 2,397,406	\$ 3,597,406	\$ 5,297,406	\$ 8,047,406	\$ 11,297,406	\$ 14,797,406
73	Total R&R and Capital Funds	\$ 918,357	\$ 2,032,357	\$ 1,100,007	\$ 2,939,705	\$ 5,364,705	\$ 7,764,705	\$ 10,464,705	\$ 13,514,705	\$ 16,764,705	\$ 20,264,705
74	Working Capital (R&R Fund and ECF)	5.00	10.00	5.00	13.00	22.00	31.00	41.00	51.00	60.00	70.00

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
R&R Contributions by Partner											
Annual Contributions Allocated by Annual Usage											
75	Brunswick County	\$ 364,651	\$ 673,299	\$ 725,299	\$ 602,004	\$ 805,009	\$ 605,507	\$ 506,044	\$ 152,249	\$ 0	\$ 0
76	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
77	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
78	CFPUA	\$ 349,183	\$ 591,988	\$ 633,195	\$ 521,836	\$ 692,868	\$ 517,468	\$ 429,406	\$ 128,277	\$ 0	\$ 0
79	Pender	\$ 49,478	\$ 84,712	\$ 91,506	\$ 76,160	\$ 102,122	\$ 77,025	\$ 64,550	\$ 19,474	\$ 0	\$ 0
80	Total	\$ 763,311	\$ 1,350,000	\$ 1,450,000	\$ 1,200,000	\$ 1,600,000	\$ 1,200,000	\$ 1,000,000	\$ 300,000	\$ 0	\$ 0
Allocation of R&R Project Costs by Annual Usage											
81	Brunswick County	\$ 108,137	\$ 163,088	\$ 1,316,719	\$ 105,502	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
82	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
83	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
84	CFPUA	\$ 103,550	\$ 143,393	\$ 1,149,510	\$ 91,453	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
85	Pender	\$ 14,673	\$ 20,519	\$ 166,121	\$ 13,347	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
86	Total	\$ 226,360	\$ 327,000	\$ 2,632,350	\$ 210,302	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cumulative R&R Contributions Less R&R Expenses											
87	Brunswick County	\$ 256,513	\$ 766,725	\$ 175,306	\$ 671,807	\$ 1,476,817	\$ 2,082,323	\$ 2,588,367	\$ 2,740,616	\$ 2,740,616	\$ 2,740,616
88	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
89	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
90	CFPUA	\$ 245,633	\$ 694,228	\$ 177,913	\$ 608,296	\$ 1,301,165	\$ 1,818,633	\$ 2,248,039	\$ 2,376,316	\$ 2,376,316	\$ 2,376,316
91	Pender	\$ 34,805	\$ 98,998	\$ 24,383	\$ 87,195	\$ 189,318	\$ 266,343	\$ 330,893	\$ 350,367	\$ 350,367	\$ 350,367
92	Total	\$ 536,951	\$ 1,559,951	\$ 377,601	\$ 1,367,299	\$ 2,967,299	\$ 4,167,299	\$ 5,167,299	\$ 5,467,299	\$ 5,467,299	\$ 5,467,299
93	Check	\$ 536,951	\$ 1,559,951	\$ 377,601	\$ 1,367,299	\$ 2,967,299	\$ 4,167,299	\$ 5,167,299	\$ 5,467,299	\$ 5,467,299	\$ 5,467,299
Enterprise Capital Contributions by Partner											
Annual Contributions Allocated by Annual Usage											
94	Brunswick County	\$ 337,466	\$ 99,748	\$ 125,052	\$ 426,419	\$ 415,083	\$ 605,507	\$ 860,275	\$ 1,395,615	\$ 1,654,074	\$ 1,786,373
95	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
96	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
97	CFPUA	\$ 323,151	\$ 87,702	\$ 109,171	\$ 369,634	\$ 357,260	\$ 517,468	\$ 729,990	\$ 1,175,873	\$ 1,383,773	\$ 1,483,874
98	Pender	\$ 45,789	\$ 12,550	\$ 15,777	\$ 53,946	\$ 52,657	\$ 77,025	\$ 109,735	\$ 178,512	\$ 212,153	\$ 229,753
99	Total	\$ 706,406	\$ 200,000	\$ 250,000	\$ 850,000	\$ 825,000	\$ 1,200,000	\$ 1,700,000	\$ 2,750,000	\$ 3,250,000	\$ 3,500,000
Allocation of ECF Project Costs by Annual Usage											
100	Brunswick County	\$ 155,260	\$ 54,363	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
101	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
102	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
103	CFPUA	\$ 148,674	\$ 47,798	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
104	Pender	\$ 21,066	\$ 6,840	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
105	Total	\$ 325,000	\$ 109,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cumulative ECF Contributions Less ECF Expenses											
106	Brunswick County	\$ 182,206	\$ 227,591	\$ 352,643	\$ 779,063	\$ 1,194,145	\$ 1,799,652	\$ 2,659,927	\$ 4,055,541	\$ 5,709,615	\$ 7,495,988
107	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
108	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
109	CFPUA	\$ 174,477	\$ 214,382	\$ 323,553	\$ 693,187	\$ 1,050,447	\$ 1,567,916	\$ 2,297,906	\$ 3,473,779	\$ 4,857,552	\$ 6,341,427
110	Pender	\$ 24,723	\$ 30,433	\$ 46,210	\$ 100,156	\$ 152,813	\$ 229,838	\$ 339,573	\$ 518,085	\$ 730,239	\$ 959,992
111	Total	\$ 381,406	\$ 472,406	\$ 722,406	\$ 1,572,406	\$ 2,397,406	\$ 3,597,406	\$ 5,297,406	\$ 8,047,406	\$ 11,297,406	\$ 14,797,406
112	Check	\$ 381,406	\$ 472,406	\$ 722,406	\$ 1,572,406	\$ 2,397,406	\$ 3,597,406	\$ 5,297,406	\$ 8,047,406	\$ 11,297,406	\$ 14,797,406

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	222,000	232,000	240,000	250,000	258,000	268,000	276,000	282,000	288,000	294,000
3	Praxair, Inc.	44,400	46,400	48,000	50,000	51,600	53,600	55,200	56,400	57,600	58,800
4	CFPUA	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	\$ 0.020	\$ 0.020	\$ 0.020	\$ 0.020
7	Effective Increase In Revenues	4.07%	3.88%	3.76%	3.60%	3.50%	3.36%	2.17%	2.13%	2.08%	2.04%
8	Additional Revenue Due to Increase	\$ 336,311	\$ 338,564	\$ 345,687	\$ 348,084	\$ 355,354	\$ 357,898	\$ 242,746	\$ 246,145	\$ 249,596	\$ 253,101
9	Total Water Charge Revenue	\$ 8,602,391	\$ 9,060,365	\$ 9,532,018	\$ 10,012,798	\$ 10,507,755	\$ 11,012,349	\$ 11,409,069	\$ 11,814,958	\$ 12,230,211	\$ 12,655,028
Other Revenues:											
10	Interest	\$ 760	\$ 780	\$ 800	\$ 820	\$ 840	\$ 870	\$ 900	\$ 930	\$ 960	\$ 990
11	Fund Balance Appropriated	0	0	0	0	0	0	0	0	0	0
12	Reimbursement from BB (% of Admin Expenses)	329,533	341,309	353,530	366,210	379,366	393,003	407,159	421,842	437,076	452,893
13	Total Other Operating Revenues	\$ 330,293	\$ 342,089	\$ 354,330	\$ 367,030	\$ 380,206	\$ 393,873	\$ 408,059	\$ 422,772	\$ 438,036	\$ 453,883
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	\$ 9,032,684	\$ 9,502,454	\$ 9,986,349	\$ 10,479,827	\$ 10,987,961	\$ 11,506,223	\$ 11,917,128	\$ 12,337,730	\$ 12,768,247	\$ 13,208,911
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	1,281,290	1,345,350	1,412,620	1,483,250	1,557,410	1,635,280	1,717,040	1,802,890	1,893,030	1,987,680
20	Contract O & M Kings Bluff	1,034,350	1,065,380	1,097,340	1,130,260	1,164,170	1,199,100	1,235,070	1,272,120	1,310,280	1,349,590
Administration Expenses											
21	Salaries	310,060	322,460	335,360	348,770	362,720	377,230	392,320	408,010	424,330	441,300
22	Per Diem and Mileage Board Members	96,390	99,280	102,260	105,330	108,490	111,740	115,090	118,540	122,100	125,760
23	Vehicle Allowance	7,840	8,080	8,320	8,570	8,830	9,090	9,360	9,640	9,930	10,230
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	156,230	160,920	165,750	170,720	175,840	181,120	186,550	192,150	197,910	203,850
30	Professional Services General	22,580	23,260	23,960	24,680	25,420	26,180	26,970	27,780	28,610	29,470
31	Attorney	75,320	77,580	79,910	82,310	84,780	87,320	89,940	92,640	95,420	98,280
32	Auditor	19,370	19,950	20,550	21,170	21,810	22,460	23,130	23,820	24,530	25,270
33	Engineer	451,820	465,370	479,330	493,710	508,520	523,780	539,490	555,670	572,340	589,510
34	Information Technology	24,090	24,810	25,550	26,320	27,110	27,920	28,760	29,620	30,510	31,430
35	Office Maintenance/Repair/Common Charge	36,140	37,220	38,340	39,490	40,670	41,890	43,150	44,440	45,770	47,140
36	Office Utilities	7,520	7,750	7,980	8,220	8,470	8,720	8,980	9,250	9,530	9,820
37	Office Expenses (telephone, printing, adv)	21,090	21,720	22,370	23,040	23,730	24,440	25,170	25,930	26,710	27,510
38	Office Equipment	15,060	15,510	16,000	16,460	16,950	17,460	17,980	18,520	19,080	19,650
39	Printing and Advertising	7,520	7,750	7,980	8,220	8,470	8,720	8,980	9,250	9,530	9,820
40	Telephone and Internet	5,270	5,430	5,590	5,760	5,930	6,110	6,290	6,480	6,670	6,870
41	Travel and Training	43,680	44,990	46,340	47,730	49,160	50,630	52,150	53,710	55,320	56,980
42	Phone Allowance	780	800	820	840	870	900	930	960	990	1,020
43	Vehicle Expense	0	0	0	0	0	0	0	0	0	0
44	Miscellaneous Expense	30,140	31,040	31,970	32,930	33,920	34,940	35,990	37,070	38,180	39,330
45	Total Expenses	\$ 3,911,890	\$ 4,058,270	\$ 4,210,630	\$ 4,369,210	\$ 4,534,290	\$ 4,706,100	\$ 4,884,970	\$ 5,071,210	\$ 5,265,140	\$ 5,467,100
46	Income Available for Debt Service	\$ 5,120,794	\$ 5,444,184	\$ 5,775,719	\$ 6,110,617	\$ 6,453,671	\$ 6,800,123	\$ 7,032,158	\$ 7,266,520	\$ 7,503,107	\$ 7,741,811

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)	\$ 2,008,782	\$ 3,086,880	\$ 3,086,880	\$ 3,320,148	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416
48	Cost Sharing Projects Debt Service	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
50	Total Annual Debt Service-Water	\$ 2,008,782	\$ 3,086,880	\$ 3,086,880	\$ 3,320,148	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416	\$ 3,553,416
51	Debt Service Coverage	2.55	1.76	1.87	1.84	1.82	1.91	1.98	2.04	2.11	2.18
52	Remaining Net Revenue After Debt Service	\$ 3,112,012	\$ 2,357,304	\$ 2,688,838	\$ 2,790,469	\$ 2,900,255	\$ 3,246,707	\$ 3,478,742	\$ 3,713,104	\$ 3,949,691	\$ 4,188,395
Other Expenses & Transfers In/(Out)											
53	Operating Capital (FY 23/24)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
54	Cost Share Pay-Go (LCF Allocated Portion)	0	0	0	0	0	0	0	0	0	0
55	Transfer Out to R&R - Kings Bluff R&R Expense	(400,000)	(1,000,000)	(250,000)	(250,000)	(1,200,000)	(250,000)	(1,100,000)	(1,150,000)	(1,500,000)	(1,000,000)
56	Transfer Out to Enterprise Capital Fund	(1,450,000)	(1,250,000)	(2,300,000)	(2,400,000)	(1,500,000)	(2,700,000)	(2,200,000)	(2,400,000)	(2,250,000)	(3,000,000)
57	Transfer In from R&R Fund	0	0	0	0	0	0	0	0	0	0
58	Transfer In from Enterprise Capital Fund	0	0	0	0	0	0	0	0	0	0
59	Total Other Expenses/Transfers	\$ (1,850,000)	\$ (2,250,000)	\$ (2,550,000)	\$ (2,650,000)	\$ (2,700,000)	\$ (2,950,000)	\$ (3,300,000)	\$ (3,550,000)	\$ (3,750,000)	\$ (4,000,000)
60	Remaining Funds Available from Annual Operations (Net Income)	\$ 1,262,012	\$ 107,304	\$ 138,838	\$ 140,469	\$ 200,255	\$ 296,707	\$ 178,742	\$ 163,104	\$ 199,691	\$ 188,395
Funds - Balance Activity											
Enterprise Operating Fund											
61	Beginning Fund Balance	\$ 4,246,081	\$ 5,508,092	\$ 5,615,396	\$ 5,754,234	\$ 5,894,703	\$ 6,094,959	\$ 6,391,665	\$ 6,570,407	\$ 6,733,511	\$ 6,933,202
62	Plus Remaining Funds from Operations	1,262,012	107,304	138,838	140,469	200,255	296,707	178,742	163,104	199,691	188,395
63	Total Funds Available-Operating Fund	\$ 5,508,092	\$ 5,615,396	\$ 5,754,234	\$ 5,894,703	\$ 6,094,959	\$ 6,391,665	\$ 6,570,407	\$ 6,733,511	\$ 6,933,202	\$ 7,121,597
64	Working Capital in Enterprise Fund	18.00	18.00	18.00	18.00	18.00	18.00	18.00	17.00	17.00	17.00
Renewal & Replacement Fund											
65	Beginning Fund Balance	\$ 5,467,299	\$ 4,093,735	\$ 4,637,042	\$ 4,887,042	\$ 5,137,042	\$ 6,337,042	\$ 6,587,042	\$ 5,569,314	\$ 6,719,314	\$ 8,219,314
66	Plus: Transfer From Operations	400,000	1,000,000	250,000	250,000	1,200,000	250,000	1,100,000	1,150,000	1,500,000	1,000,000
67	Less: R&R Capital Expenses	(1,773,564)	(456,693)	0	0	0	0	(2,117,728)	0	0	0
68	Total Funds Available-R&R Fund	\$ 4,093,735	\$ 4,637,042	\$ 4,887,042	\$ 5,137,042	\$ 6,337,042	\$ 6,587,042	\$ 5,569,314	\$ 6,719,314	\$ 8,219,314	\$ 9,219,314
Enterprise Capital Fund (ECF)											
69	Beginning Fund Balance	\$ 14,797,406	\$ 16,247,406	\$ 17,497,406	\$ 19,797,406	\$ 22,197,406	\$ 23,697,406	\$ 26,397,406	\$ 28,597,406	\$ 30,997,406	\$ 33,247,406
70	Plus: Transfer From Operations	1,450,000	1,250,000	2,300,000	2,400,000	1,500,000	2,700,000	2,200,000	2,400,000	2,250,000	3,000,000
71	Less: Enterprise Capital Project Expenses	0	0	0	0	0	0	0	0	0	(1,253,470)
72	Total Funds Available-Ent. Cap.Fund	\$ 16,247,406	\$ 17,497,406	\$ 19,797,406	\$ 22,197,406	\$ 23,697,406	\$ 26,397,406	\$ 28,597,406	\$ 30,997,406	\$ 33,247,406	\$ 34,993,936
73	Total R&R and Capital Funds	\$ 20,341,141	\$ 22,134,448	\$ 24,684,448	\$ 27,334,448	\$ 30,034,448	\$ 32,984,448	\$ 34,166,720	\$ 37,716,720	\$ 41,466,720	\$ 44,213,249
74	Working Capital (R&R Fund and ECF)	68.00	71.00	77.00	82.00	87.00	92.00	92.00	97.00	103.00	106.00

Exhibit 5
Lower Cape Fear WASA
Projected Operating Results

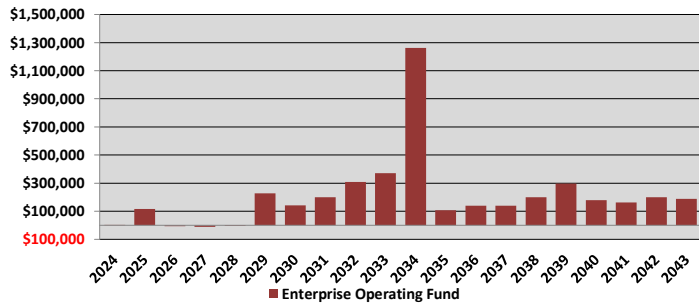
Line	Description	Projected For Fiscal Year Ending June 30,									
		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
R&R Contributions by Partner											
Annual Contributions Allocated by Annual Usage											
75	Brunswick County	\$ 204,734	\$ 513,276	\$ 128,678	\$ 129,037	\$ 621,095	\$ 129,752	\$ 572,475	\$ 600,131	\$ 784,906	\$ 524,686
76	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
77	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
78	CFPUA	\$ 168,861	\$ 420,345	\$ 104,635	\$ 104,184	\$ 497,918	\$ 103,283	\$ 452,466	\$ 470,968	\$ 611,615	\$ 405,952
79	Pender	\$ 26,404	\$ 66,379	\$ 16,687	\$ 16,779	\$ 80,987	\$ 16,965	\$ 75,059	\$ 78,902	\$ 103,479	\$ 69,363
80	Total	\$ 400,000	\$ 1,000,000	\$ 250,000	\$ 250,000	\$ 1,200,000	\$ 250,000	\$ 1,100,000	\$ 1,150,000	\$ 1,500,000	\$ 1,000,000
Allocation of R&R Project Costs by Annual Usage											
81	Brunswick County	\$ 907,773	\$ 234,410	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,102,133	\$ 0	\$ 0	\$ 0
82	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
83	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
84	CFPUA	\$ 748,717	\$ 191,969	\$ 0	\$ 0	\$ 0	\$ 0	\$ 871,092	\$ 0	\$ 0	\$ 0
85	Pender	\$ 117,074	\$ 30,315	\$ 0	\$ 0	\$ 0	\$ 0	\$ 144,504	\$ 0	\$ 0	\$ 0
86	Total	\$ 1,773,564	\$ 456,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,117,728	\$ 0	\$ 0	\$ 0
Cumulative R&R Contributions Less R&R Expenses											
87	Brunswick County	\$ 2,037,577	\$ 2,316,443	\$ 2,445,122	\$ 2,574,159	\$ 3,195,253	\$ 3,325,005	\$ 2,795,347	\$ 3,395,478	\$ 4,180,384	\$ 4,705,070
88	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
89	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
90	CFPUA	\$ 1,796,461	\$ 2,024,838	\$ 2,129,472	\$ 2,233,656	\$ 2,731,574	\$ 2,834,857	\$ 2,416,231	\$ 2,887,199	\$ 3,498,814	\$ 3,904,766
91	Pender	\$ 259,697	\$ 295,761	\$ 312,448	\$ 329,228	\$ 410,215	\$ 427,180	\$ 357,735	\$ 436,637	\$ 540,115	\$ 609,478
92	Total	\$ 4,093,735	\$ 4,637,042	\$ 4,887,042	\$ 5,137,042	\$ 6,337,042	\$ 6,587,042	\$ 5,569,314	\$ 6,719,314	\$ 8,219,314	\$ 9,219,314
93	Check	\$ 4,093,735	\$ 4,637,042	\$ 4,887,042	\$ 5,137,042	\$ 6,337,042	\$ 6,587,042	\$ 5,569,314	\$ 6,719,314	\$ 8,219,314	\$ 9,219,314
Enterprise Capital Contributions by Partner											
Annual Contributions Allocated by Annual Usage											
94	Brunswick County	\$ 742,162	\$ 641,595	\$ 1,183,841	\$ 1,238,755	\$ 776,368	\$ 1,401,318	\$ 1,144,949	\$ 1,252,447	\$ 1,177,359	\$ 1,574,057
95	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
96	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
97	CFPUA	\$ 612,123	\$ 525,432	\$ 962,639	\$ 1,000,162	\$ 622,398	\$ 1,115,455	\$ 904,933	\$ 982,889	\$ 917,422	\$ 1,217,855
98	Pender	\$ 95,715	\$ 82,973	\$ 153,520	\$ 161,083	\$ 101,234	\$ 183,227	\$ 150,118	\$ 164,664	\$ 155,218	\$ 208,088
99	Total	\$ 1,450,000	\$ 1,250,000	\$ 2,300,000	\$ 2,400,000	\$ 1,500,000	\$ 2,700,000	\$ 2,200,000	\$ 2,400,000	\$ 2,250,000	\$ 3,000,000
Allocation of ECF Project Costs by Annual Usage											
100	Brunswick County	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 657,678
101	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
102	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
103	CFPUA	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 508,848
104	Pender	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 86,944
105	Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,253,470
Cumulative ECF Contributions Less ECF Expenses											
106	Brunswick County	\$ 8,238,150	\$ 8,879,745	\$ 10,063,586	\$ 11,302,341	\$ 12,078,709	\$ 13,480,027	\$ 14,624,977	\$ 15,877,424	\$ 17,054,783	\$ 17,971,162
107	Stepan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
108	Praxair, Inc.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
109	CFPUA	\$ 6,953,550	\$ 7,478,981	\$ 8,441,620	\$ 9,441,783	\$ 10,064,180	\$ 11,179,635	\$ 12,084,568	\$ 13,067,457	\$ 13,984,879	\$ 14,693,886
110	Pender	\$ 1,055,707	\$ 1,138,680	\$ 1,292,200	\$ 1,453,283	\$ 1,554,517	\$ 1,737,743	\$ 1,887,861	\$ 2,052,525	\$ 2,207,744	\$ 2,328,888
111	Total	\$ 16,247,406	\$ 17,497,406	\$ 19,797,406	\$ 22,197,406	\$ 23,697,406	\$ 26,397,406	\$ 28,597,406	\$ 30,997,406	\$ 33,247,406	\$ 34,993,936
112	Check	\$ 16,247,406	\$ 17,497,406	\$ 19,797,406	\$ 22,197,406	\$ 23,697,406	\$ 26,397,406	\$ 28,597,406	\$ 30,997,406	\$ 33,247,406	\$ 34,993,936

Exhibit 6

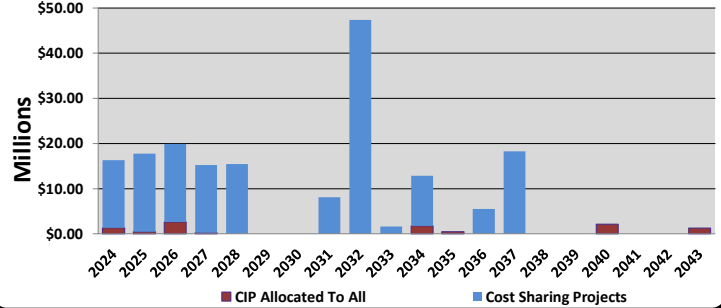
Lower Cape Fear WSA FY 2024 Rate Study Financial Dashboard



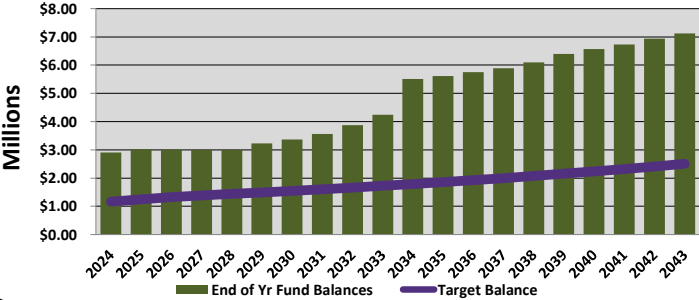
Projected Operating Results (Net Income)



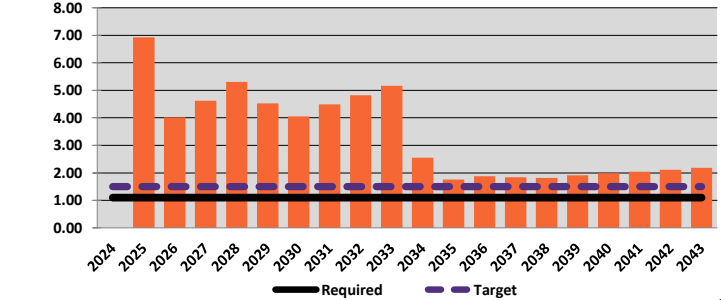
Capital Projects



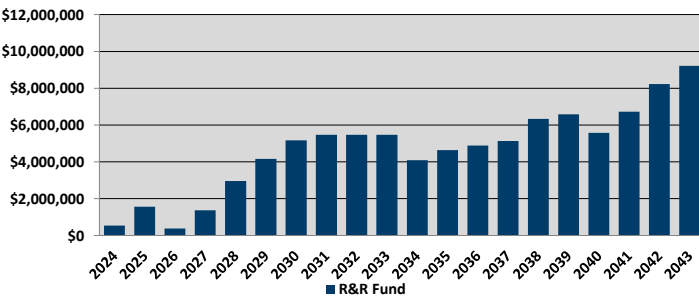
Enterprise Operating Fund Balance



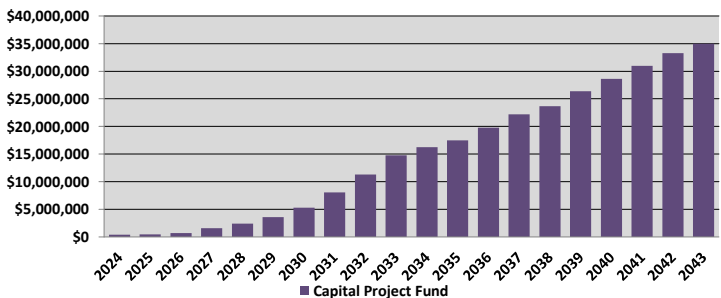
Debt Service Coverage



Renewal & Replacement Fund



Enterprise Capital Fund



	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	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼	\$ 0.030	▼
	2038	▲	2039	▲	2040	▲	2041	▲	2042	▲	2043	▲	2044	▲
Volumetric Increase	\$ 0.030	▼	\$ 0.030	▼	\$ 0.020	▼	\$ 0.020	▼	\$ 0.020	▼	\$ 0.020	▼	\$ -	▼

Exhibit 7
Lower Cape Fear WASA
2024 Rate Study
Capital Projects Cost Share Methodology Assumptions

Cost Share Projects	Funding Source	Estimated Cost (Future Dollars)
Estimated Capital Costs (Cost Share)		
Intermediate Booster PS Shelter (Option 5A)	Pay-Go (Cost Share)	\$ 926,500
Intermediate Booster PS Upgrade (Option 5A)	Pay-Go (Cost Share)	\$ 12,663,191
New 5th Pump at King's Bluff (Option 5B)	Pay-Go (Cost Share)	\$ -
20 MG Ground Tank (Option 6)	Pay-Go (Cost Share)	\$ 23,737,627
7-Mile 48" Parallel Raw Water Main	Already Funded	\$ 48,597,615
3-Mile 48" Parallel Raw Water Main	Grants/ARPA	\$ 30,493,772
100 MGD Reservoir (Possible Grant Funding)	Grants/ARPA	\$ 55,481,686
TOTAL PROJECTS (COST SHARING)		\$ 171,900,391

Possible Cost Allocation Methods:

- Option 1: Allocation of Project Cost by Annual Usage (All Partners)
- Option 2: Allocation of Project Costs by Allocated Capacity for Each Partner
- Option 3: Allocation of Project Costs 3 Ways by Usage (Brunswick, Pender and CFPUA)
- Option 4: Allocation of Project Costs 3 Ways by Capacity (Brunswick, Pender and CFPUA)
- Option 5A: Allocation of Project Costs 4 Ways (Pender, CFPUA and LCFWASA)
- Option 5B: Allocation of Project Costs 4 Ways (Brunswick, Pender, CFPUA and LCFWASA)
- Option 6: McKim & Creed Utilization

Description	Annual Usage - KGals (Based on FY24 Budget)	Allocated Capacity (MGD) (After 54 Inch Line)
Brunswick	4,314,412	50
CFPUA	4,131,405	38
Pender	585,400	6
Praxair	20,000	1
Stepan	250,000	1
Total	9,301,217	96

With Praxair & Stephan	(Option 1)	(Option 2)
Brunswick	46.39%	52.08%
CFPUA	44.42%	39.58%
Pender	6.29%	6.25%
Praxair	0.22%	1.04%
Stepan	2.69%	1.04%
Total	100.00%	100.00%

Without Praxair & Stephan (Differential Rates Instead)	(Option 3)	(Option 4)
Brunswick	47.77%	53.19%
CFPUA	45.75%	40.43%
Pender	6.48%	6.38%
Praxair	0.00%	0.00%
Stepan	0.00%	0.00%
LCFWASA	0.00%	0.00%
Total	100.00%	100.00%

With LCFWASA/With & Without Brunswick (Diff Rates)	(Option 5A)	(Option 5B)
Brunswick	0.000%	42.99%
CFPUA	78.83%	41.18%
Pender	11.17%	5.83%
Praxair	0.000%	0.00%
Stepan	0.000%	0.000%
LCFWASA	10.000%	10.000%
Total	100.00%	100.00%

Exhibit 8
Lower Cape Fear WASA
2024 Rate Study
Rate Differential Analysis

Description	Projected For Fiscal Years Ending June 30,									
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Capital Cost Recovery Under Rate Differential										
Stepan										
Annual Flows (Gallons)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Base Rate	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.71	\$ 0.74	\$ 0.77
Percent Adder for Capital Repayment	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Stepan Rate with Capital Adder	\$ 0.66	\$ 0.72	\$ 0.78	\$ 0.84	\$ 0.90	\$ 0.96	\$ 1.02	\$ 1.07	\$ 1.11	\$ 1.16
Rate Differential	\$ 0.22	\$ 0.24	\$ 0.26	\$ 0.28	\$ 0.30	\$ 0.32	\$ 0.34	\$ 0.36	\$ 0.37	\$ 0.39
Annual Revenues from Differential for Capital Repayment	\$ 44,000	\$ 48,000	\$ 52,000	\$ 56,000	\$ 60,000	\$ 64,000	\$ 68,000	\$ 71,000	\$ 74,000	\$ 77,000
Cumulative Revenues from Rate Differential for Capital	\$ 1,432,000									
Allocated Capital Costs Over 20-Years (Based on Annual Flow)	\$ 1,004,105									
Over/(Under) Recovery of Allocated Capital Costs	\$ 427,895									
Capital Cost Recovery Under Rate Differential										
Praxair, Inc.										
Annual Flows (Gallons)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Base Rate	\$ 0.44	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.71	\$ 0.74	\$ 0.77
Percent Adder for Capital Repayment	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Praxair Rate with Capital Adder	\$ 0.66	\$ 0.72	\$ 0.78	\$ 0.84	\$ 0.90	\$ 0.96	\$ 1.02	\$ 1.07	\$ 1.11	\$ 1.16
Rate Differential	\$ 0.22	\$ 0.24	\$ 0.26	\$ 0.28	\$ 0.30	\$ 0.32	\$ 0.34	\$ 0.36	\$ 0.37	\$ 0.39
Annual Revenues from Differential for Capital Repayment	\$ 8,800	\$ 9,600	\$ 10,400	\$ 11,200	\$ 12,000	\$ 12,800	\$ 13,600	\$ 14,200	\$ 14,800	\$ 15,400
Cumulative Revenues from Rate Differential for Capital	\$ 286,400									
Allocated Capital Costs Over 20-Years (Based on Annual Flow)	\$ 82,120									
Over/(Under) Recovery of Allocated Capital Costs	\$ 204,280									

Exhibit 8
Lower Cape Fear WASA
2024 Rate Study
Rate Differential Analysis

Description	Projected For Fiscal Years Ending June 30,								
	2035	2036	2037	2038	2039	2040	2041	2042	2043
Capital Cost Recovery Under Rate Differential									
Stepan									
Annual Flows (Gallons)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Base Rate	\$ 0.80	\$ 0.83	\$ 0.86	\$ 0.89	\$ 0.92	\$ 0.94	\$ 0.96	\$ 0.98	\$ 1.00
Percent Adder for Capital Repayment	50%	50%	50%	50%	50%	50%	50%	50%	50%
Stepan Rate with Capital Adder	\$ 1.20	\$ 1.25	\$ 1.29	\$ 1.34	\$ 1.38	\$ 1.41	\$ 1.44	\$ 1.47	\$ 1.50
Rate Differential	\$ 0.40	\$ 0.42	\$ 0.43	\$ 0.45	\$ 0.46	\$ 0.47	\$ 0.48	\$ 0.49	\$ 0.50
Annual Revenues from Differential for Capital Repayment	\$ 80,000	\$ 83,000	\$ 86,000	\$ 89,000	\$ 92,000	\$ 94,000	\$ 96,000	\$ 98,000	\$ 100,000
Cumulative Revenues from Rate Differential for Capital									

Allocated Capital Costs Over 20-Years (Based on Annual Flow)
Over/(Under) Recovery of Allocated Capital Costs

Capital Cost Recovery Under Rate Differential									
Praxair, Inc.									
Annual Flows (Gallons)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Base Rate	\$ 0.80	\$ 0.83	\$ 0.86	\$ 0.89	\$ 0.92	\$ 0.94	\$ 0.96	\$ 0.98	\$ 1.00
Percent Adder for Capital Repayment	50%	50%	50%	50%	50%	50%	50%	50%	50%
Praxair Rate with Capital Adder	\$ 1.20	\$ 1.25	\$ 1.29	\$ 1.34	\$ 1.38	\$ 1.41	\$ 1.44	\$ 1.47	\$ 1.50
Rate Differential	\$ 0.40	\$ 0.42	\$ 0.43	\$ 0.45	\$ 0.46	\$ 0.47	\$ 0.48	\$ 0.49	\$ 0.50
Annual Revenues from Differential for Capital Repayment	\$ 16,000	\$ 16,600	\$ 17,200	\$ 17,800	\$ 18,400	\$ 18,800	\$ 19,200	\$ 19,600	\$ 20,000
Cumulative Revenues from Rate Differential for Capital									

Allocated Capital Costs Over 20-Years (Based on Annual Flow)
Over/(Under) Recovery of Allocated Capital Costs

OPTION 6 - ALLOCATION BASED ON CAPACITY

Description	Distance	Distance	Pipe Size	Factor	Factor x Len.	Allocated flow in Pipe Segment (MGD)	Allocation:	Brunswick			Pender			Praxair			Stephan			CFPUA			Sum	
Intermediate Booster PS Shelter (Option 5A)		(miles)	(inches)					50	53.19%		6	6.38%		0	0.00%		0	0.00%		38	40.43%		94	100.00%
Segment Utilization based on Line Length																								
King's Bluff Pump Station to T-junction near NWWTP	70,892	13.426	48 & 54	2	141,783	96	Yes	73,845	52.1%	Yes	8,861	6.3%	Yes	-	0.0%	Yes	-	0.0%	Yes	56,123	39.6%		138,830	97.92%
T-junction to vault near NWWTP	18	0.003	30 & 36	2	37	50	Yes	37	100.0%		-	0.0%		-	0.0%		-	0.0%		-	0.0%		37	100.00%
T-junction near NWWTP to raw water tank	2,556	0.484	48 & 54	2	5,112	96	Yes	2,662	52.1%	Yes	319	6.3%	Yes	-	0.0%	Yes	-	0.0%	Yes	2,023	39.6%		5,005	97.92%
Raw water tank to T-junction near Pender County Vault	37,078	7.022	48	1	37,078	46		-	0.0%	Yes	4,836	13.0%	Yes	-	0.0%	Yes	-	0.0%	Yes	30,629	82.6%		35,466	95.65%
T-junction to Pender County vault	2,366	0.448	30	1	2,366	6		-	0.0%	Yes	2,366	100.0%		-	0.0%		-	0.0%		-	0.0%		2,366	100.00%
T-junction near Pender County vault to Praxair vault	12,141	2.299	48	1	12,141	40		-	0.0%		-	0.0%	Yes	-	0.0%	Yes	-	0.0%	Yes	11,534	95.0%		11,534	95.00%
Praixar vault to Stepan vault	3,510	0.665	48	1	3,510	39		-	0.0%		-	0.0%		-	0.0%	Yes	-	0.0%	Yes	3,420	97.4%		3,420	97.44%
Stepan vault to CFPUA vault	200	0.038	48	1	200	38		-	0.0%		-	0.0%		-	0.0%		-	0.0%	Yes	200	100.0%		200	100.00%
System Utilization%								System Utilization%			System Utilization%			System Utilization%			System Utilization%			System Utilization%				
Total	128,761	24			202,227			38.88%	76,545		8.32%	#####		0.00%	-		0.00%	-		52.79%	103,929		196,857	100.00%
Total Project Cost (in Future Dollars)								\$926,500.00			\$926,500.00			\$ 926,500.00			#####			#####			Totals Check	
Total Partner Cost								\$ 360,255			\$ 77,107			\$ -			\$ -			\$ 489,138			\$ 926,500	

Exhibit 10
Lower Cape Fear WASA
2024 Rate Study
Capital Projects Cost Share Methodology Summary

Line	Description	Total	Brunswick	CFPUA	Pender	Praxair	Stepan	LCFWASA
Allocation Percentages by Option								
1	Option 1 (Annual Usage - All Partners)	100.00%	46.39%	44.42%	6.29%	0.22%	2.69%	0.00%
2	Option 2 (Capacity - All Partners)	100.00%	52.08%	39.58%	6.25%	1.04%	1.04%	0.00%
3	Option 3 (Annual Usage - No Praxair/Stephan)	100.00%	47.77%	45.75%	6.48%	0.00%	0.00%	0.00%
4	Option 4 (Capacity - No Praxair/Stephan)	100.00%	53.19%	40.43%	6.38%	0.00%	0.00%	0.00%
5	Option 5A (Annual Usage - With LCFWASA & Without Brunswick)	100.00%	0.00%	78.83%	11.17%	0.00%	0.00%	10.00%
6	Option 5B (Annual Usage - With LCFWASA & Brunswick)	100.00%	42.99%	41.18%	5.83%	0.00%	0.00%	10.00%
7	Option 6 (M&C Utilization Method Based on Capacity)	100.00%	38.88%	52.79%	8.32%	0.00%	0.00%	0.00%
Allocated Project Costs by Cost Share Option								
Intermediate Booster PS Shelter (Option 5A)								
8	Option 1 (Annual Usage - All Partners)	\$ 926,528	\$ 429,757	\$ 411,533	\$ 58,277	\$ 2,038	\$ 24,923	\$ -
9	Option 2 (Capacity - All Partners)	\$ 926,500	\$ 482,549	\$ 366,736	\$ 57,906	\$ 9,654	\$ 9,654	\$ -
10	Option 3 (Annual Usage - No Praxair/Stephan)	\$ 926,500	\$ 442,589	\$ 423,874	\$ 60,037	\$ -	\$ -	\$ -
11	Option 4 (Capacity - No Praxair/Stephan)	\$ 926,500	\$ 492,805	\$ 374,584	\$ 59,111	\$ -	\$ -	\$ -
12	Option 5A (Annual Usage - With LCFWASA & Without Brunswick)	\$ 926,500	\$ -	\$ 730,361	\$ 103,489	\$ -	\$ -	\$ 92,650
13	Option 5B (Annual Usage - With LCFWASA & Brunswick)	\$ 926,500	\$ 398,330	\$ 381,486	\$ 54,033	\$ -	\$ -	\$ 92,650
14	Option 6 (M&C Utilization Method Based on Capacity)	\$ 926,500	\$ 360,255	\$ 489,138	\$ 77,107	\$ -	\$ -	\$ -
Intermediate Booster PS Upgrade (Option 5A)								
15	Option 1 (Annual Usage - All Partners)	\$ 12,663,571	\$ 5,873,821	\$ 5,624,736	\$ 796,515	\$ 27,859	\$ 340,640	\$ -
16	Option 2 (Capacity - All Partners)	\$ 12,663,191	\$ 6,595,370	\$ 5,012,471	\$ 791,449	\$ 131,950	\$ 131,950	\$ -
17	Option 3 (Annual Usage - No Praxair/Stephan)	\$ 12,663,191	\$ 6,049,206	\$ 5,793,410	\$ 820,575	\$ -	\$ -	\$ -
18	Option 4 (Capacity - No Praxair/Stephan)	\$ 12,663,191	\$ 6,735,551	\$ 5,119,728	\$ 807,912	\$ -	\$ -	\$ -
19	Option 5A (Annual Usage - With LCFWASA & Without Brunswick)	\$ 12,663,191	\$ -	\$ 9,982,413	\$ 1,414,459	\$ -	\$ -	\$ 1,266,319
20	Option 5B (Annual Usage - With LCFWASA & Brunswick)	\$ 12,663,191	\$ 5,444,286	\$ 5,214,069	\$ 738,517	\$ -	\$ -	\$ 1,266,319
21	Option 6 (M&C Utilization Method Based on Capacity)	\$ 12,663,191	\$ 4,923,877	\$ 6,685,432	\$ 1,053,882	\$ -	\$ -	\$ -
20 MG Ground Tank (Option 6)								
22	Option 1 (Annual Usage - All Partners)	\$ 23,738,339	\$ 11,010,698	\$ 10,543,779	\$ 1,493,097	\$ 52,223	\$ 638,542	\$ -
23	Option 2 (Capacity - All Partners)	\$ 23,737,627	\$ 12,363,268	\$ 9,396,065	\$ 1,483,602	\$ 247,346	\$ 247,346	\$ -
24	Option 3 (Annual Usage - No Praxair/Stephan)	\$ 23,737,627	\$ 11,339,465	\$ 10,859,965	\$ 1,538,198	\$ -	\$ -	\$ -
25	Option 4 (Capacity - No Praxair/Stephan)	\$ 23,737,627	\$ 12,626,044	\$ 9,597,123	\$ 1,514,461	\$ -	\$ -	\$ -
26	Option 5A (Annual Usage - With LCFWASA & Without Brunswick)	\$ 23,737,627	\$ -	\$ 18,712,407	\$ 2,651,457	\$ -	\$ -	\$ 2,373,763
27	Option 5B (Annual Usage - With LCFWASA & Brunswick)	\$ 23,737,627	\$ 10,205,518	\$ 9,773,968	\$ 1,384,378	\$ -	\$ -	\$ 2,373,763
28	Option 6 (M&C Utilization Method Based on Capacity)	\$ 23,737,627	\$ 9,229,992	\$ 12,532,094	\$ 1,975,542	\$ -	\$ -	\$ -

