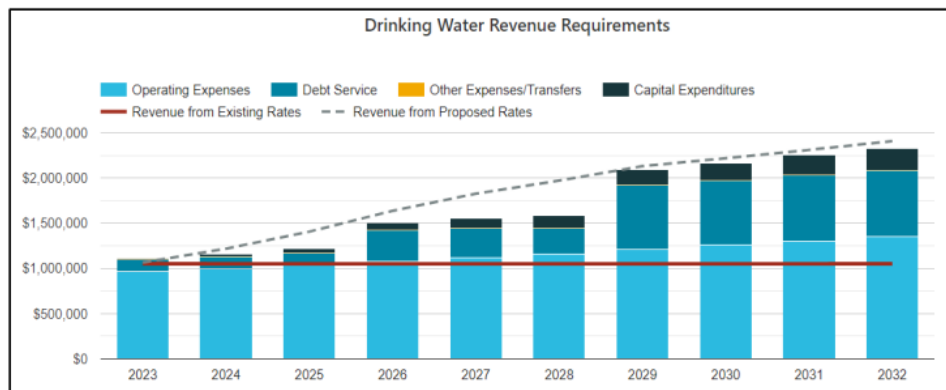




Cottage Hill Water Works, Inc. Water System Asset Management and Fiscal Sustainability Plan

The picture below show the “Best Case Scenario” and the results of the rate adjustments necessary to adequately fund the water system:



Rate Recommendation:

Based on the preliminary financial sufficiency models developed by RevPlan, the annual asset investment requirement, the need to build cash reserves, and the water production reports and billing information, FRWA recommends that the System pursue the proposed “Best Case Scenario” presented. In addition, FRWA strongly encourages the System to review RevPlan, growth projections and Consumer Price Index (CPI) changes at least annually to determine if additional rate increases are needed as well as to pursue aggressively alternative revenue funding sources for the future capital projects identified in the Capital Improvements Plan.

Residential Usage		2025	2026	2027	2028	2029	2030	2031	2032
0 to 2, 000 gallons	MINIMUM Charge	\$34.50	\$39.68	\$45.63	\$47.91	\$50.30	\$52.82	\$55.46	\$58.23
2,001 to 6,000		\$5.18	\$5.95	\$6.84	\$7.19	\$7.55	\$7.92	\$8.32	\$8.73
6,0001 to 8,000		\$6.56	\$7.54	\$8.67	\$9.10	\$9.56	\$10.04	\$10.54	\$11.06
8,001 to 16,000		\$6.90	\$7.94	\$9.13	\$9.58	\$10.06	\$10.56	\$11.09	\$11.65
16,000 to 24,000		\$7.25	\$8.33	\$9.58	\$10.06	\$10.56	\$11.09	\$11.65	\$12.23
24,001 to 300,000		\$7.59	\$8.73	\$10.04	\$10.54	\$11.07	\$11.62	\$12.20	\$12.81
300,000 gallons +		\$8.28	\$9.52	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.98

