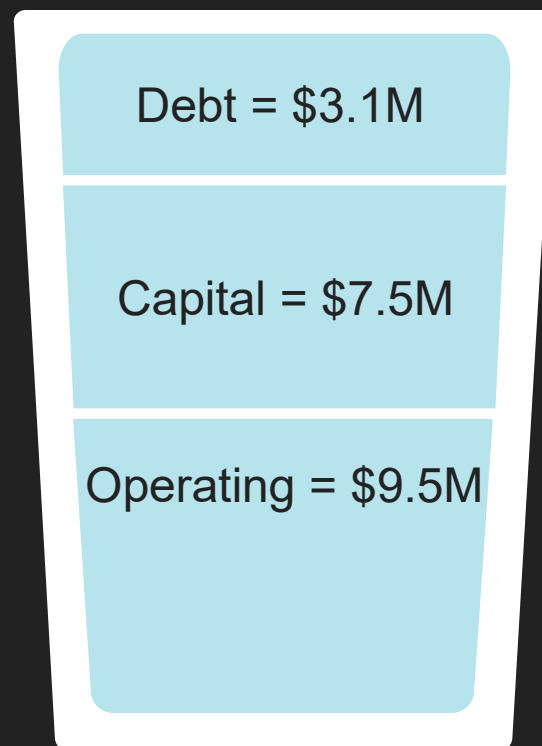
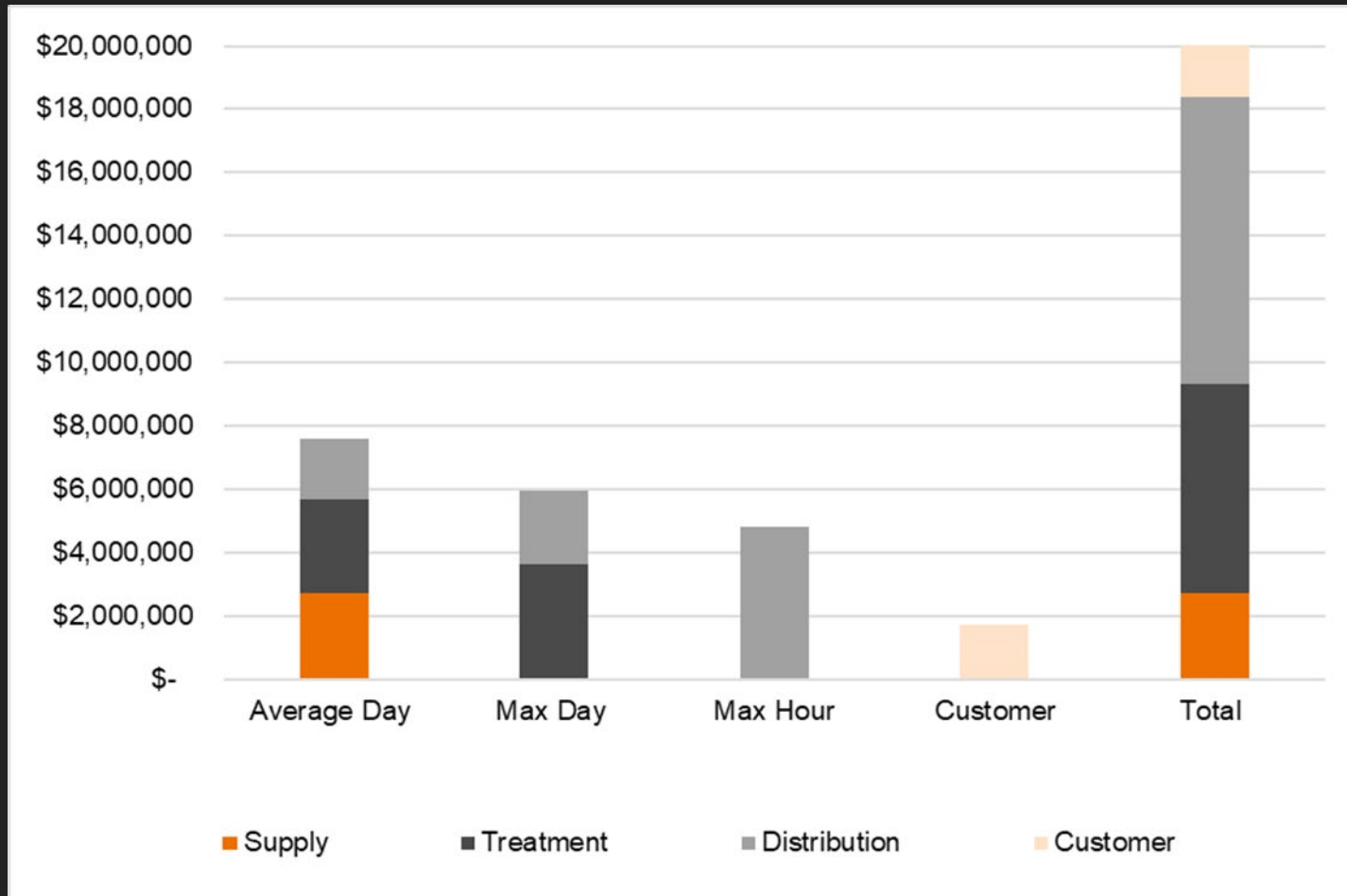


# THE COST TO FILL A GLASS OF WATER

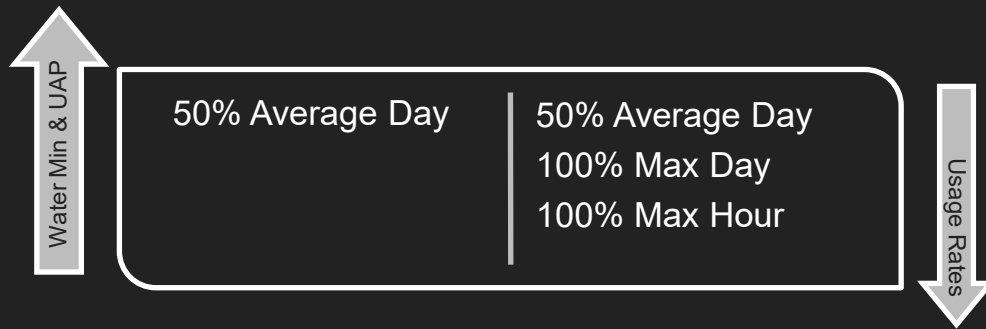


*Represents Test Year - FY 2022 Gross  
Costs*

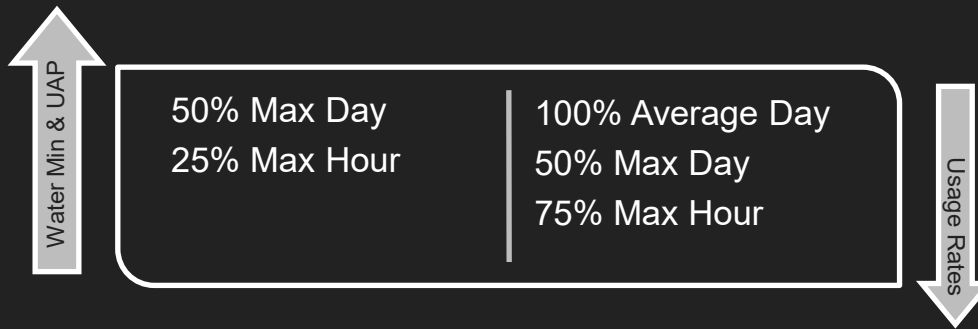
# Test Year – Allocated Costs



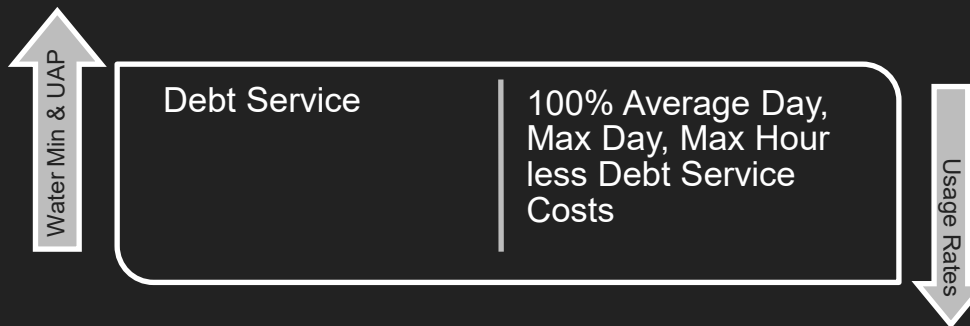
# Cost Recovery in Water Rate Structure



**OPTION A**  
Current Water Minimum includes 50% of the costs associated with serving Average Day Demands.



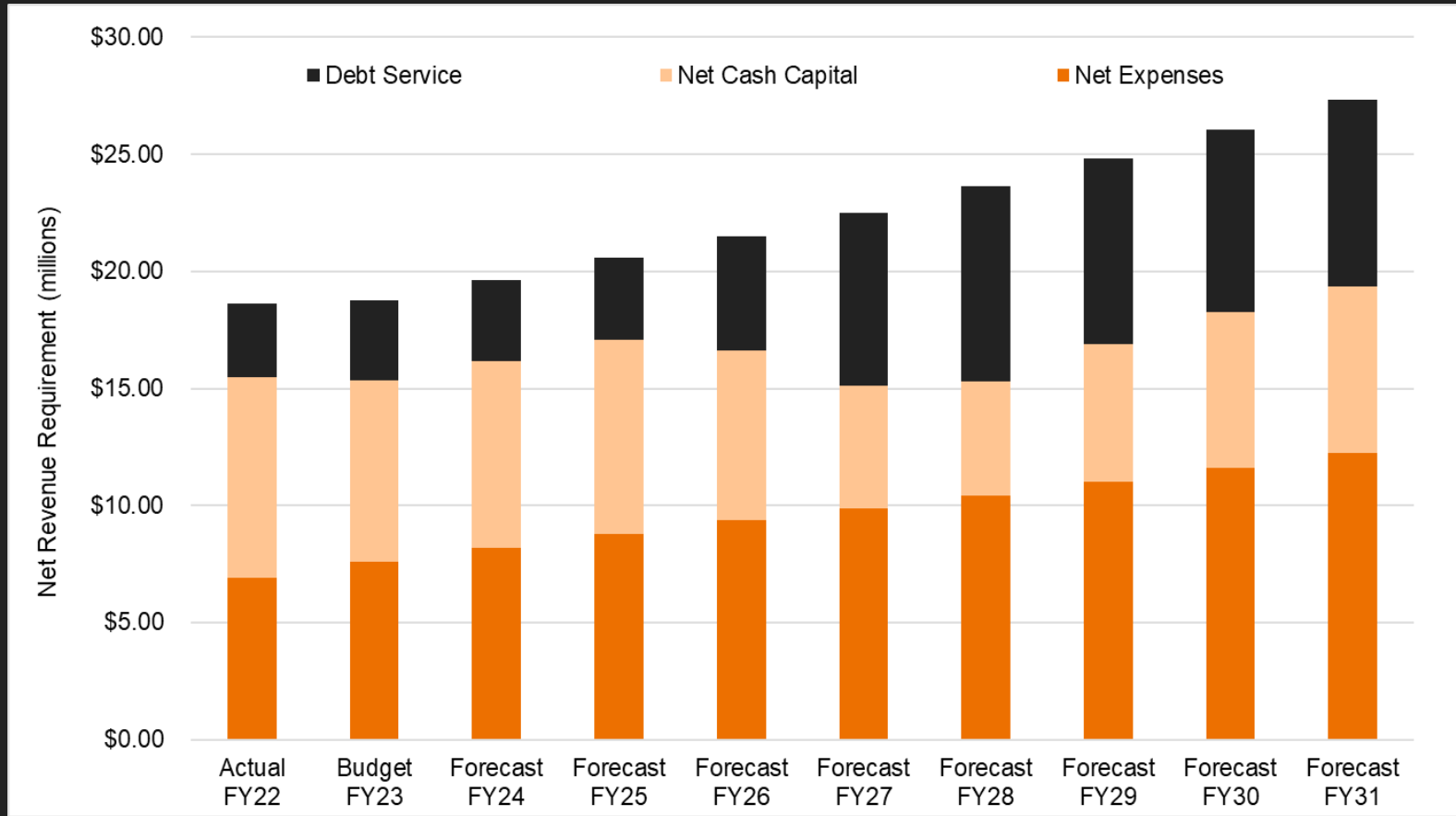
**OPTION B**  
Water Minimum includes portions of the Max Day and Max Hour costs, lowers the unit rate in the high consumption tiers.



**OPTION C**  
Water Minimum includes Debt Service. As Debt Service payments increase over the planning period, the Minimum Charge increase.

*UAP = Utility Account Processing*

# Net Water Revenue Requirements



Net Revenue Requirements – less miscellaneous revenue (against expense) and use of fund balance (against cash funded capital)

OPTION C – According to current financial plan, debt service increases in FY26, FY27, and FY29. Recommend following financial plan, until FY26 when Water Minimum Charge would be re-evaluated.

We recommend the financial plan be reviewed annually and the rate structure reviewed every 2-3 years.

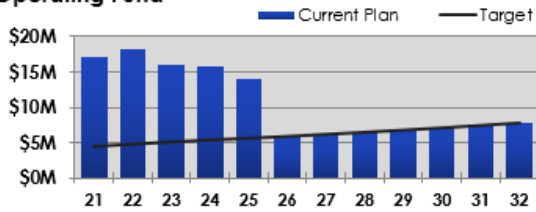
# Water Financial Plan

## FAMS-XL Bismarck, ND - Water Fund

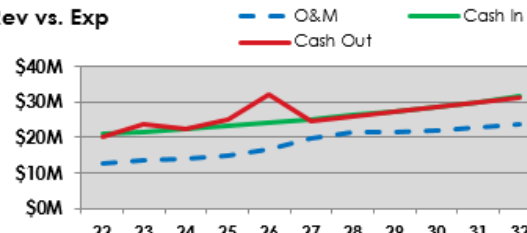


	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2023	FY 2027
Override ▶	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
<b>Base Rate Plan</b>	<b>0.00%</b>	<b>0.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>0.00%</b>	<b>17.02%</b>
Override ▶	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
<b>Usage Rate Plan</b>	<b>0.00%</b>	<b>0.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>0.00%</b>	<b>17.02%</b>
<b>Senior-Lien DSC</b>	<b>3.76</b>	<b>3.25</b>	<b>3.30</b>	<b>3.37</b>	<b>2.49</b>	<b>1.71</b>	<b>1.59</b>	<b>1.74</b>	<b>1.86</b>	<b>1.89</b>	<b>1.97</b>		

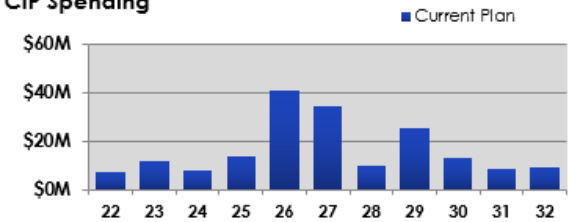
**Operating Fund**



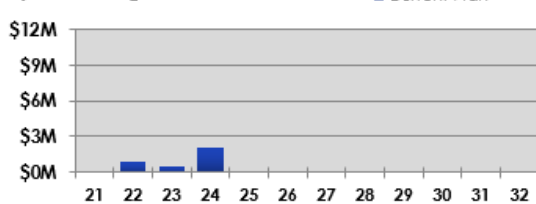
**Rev vs. Exp**



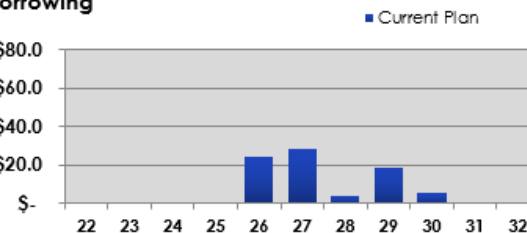
**CIP Spending**



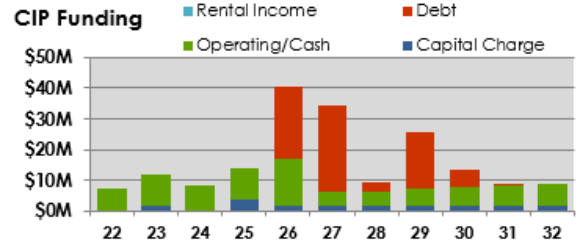
**Capital Charge Fund Balance**



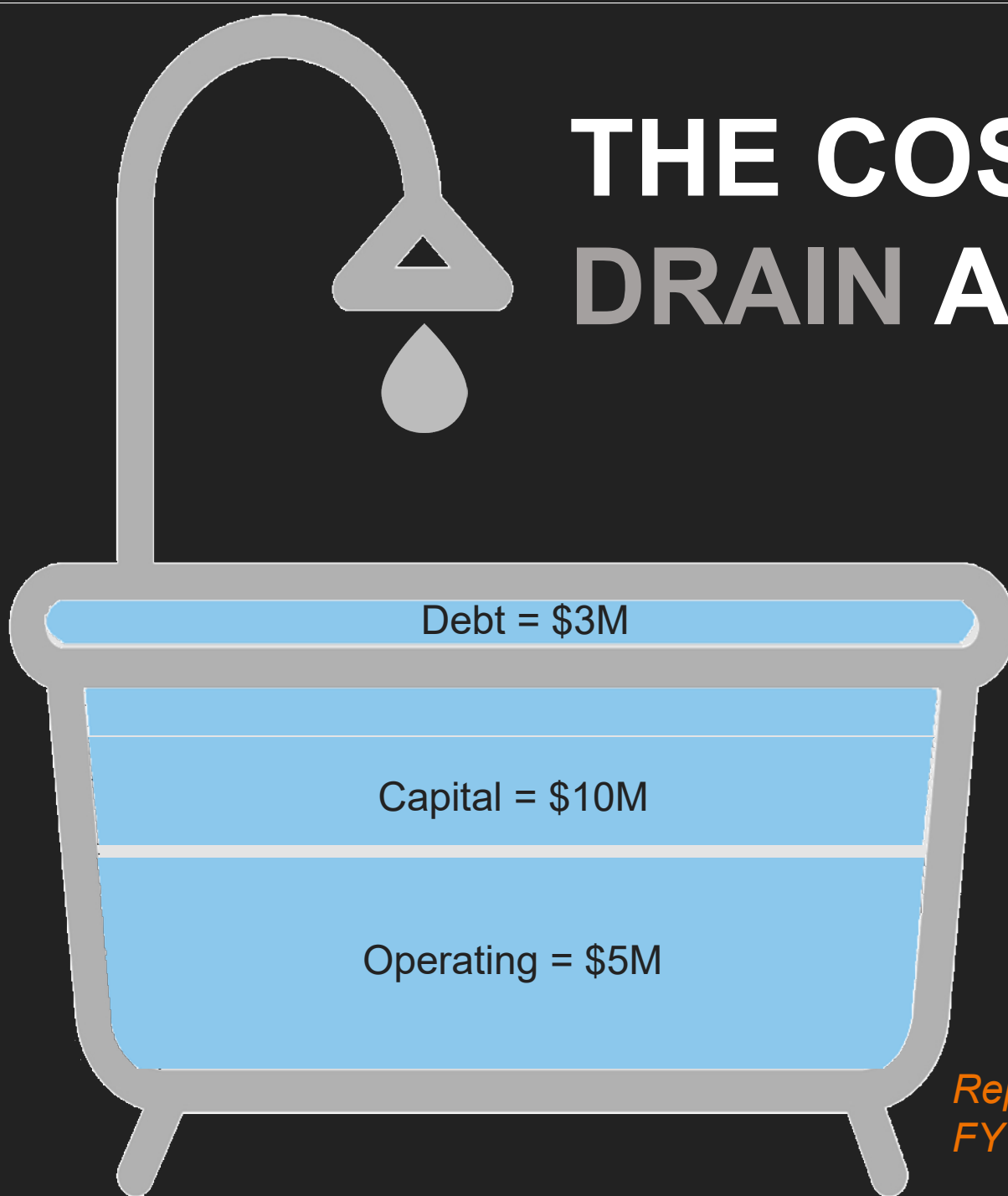
**Borrowing**



**CIP Funding**



# THE COST TO DRAIN A TUB

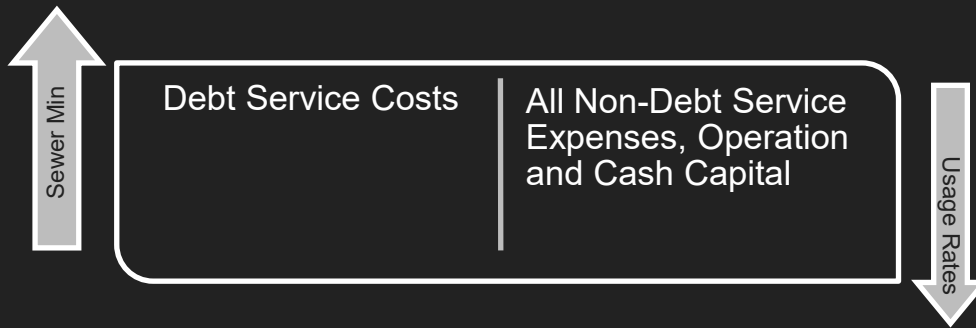


*Represents Test Year  
FY 2022 Gross Costs*

# Cost Recovery in Sewer Rate Structure

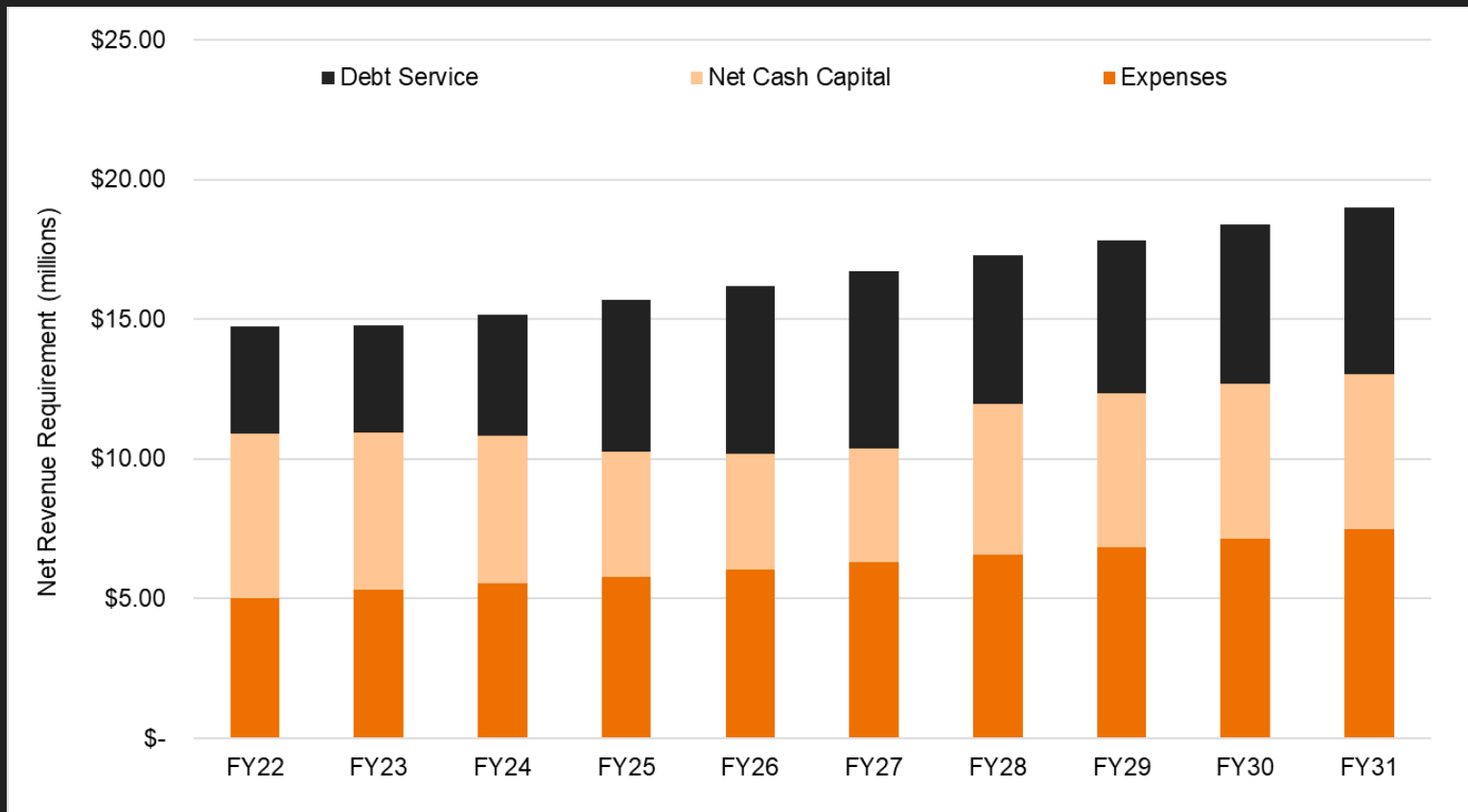


**OPTION A/B**  
Current Sewer Minimum includes costs associated with the wastewater collection system.



**OPTION C**  
Sewer Minimum includes Debt Service. As Debt Service payments increase over the planning period, the Minimum Charge increase.

# Net Sewer Revenue Requirements



Net Revenue Requirements – less miscellaneous revenue (against expense) and use of fund balance (against cash funded capital)

OPTION C – According to current financial plan, debt service increases in FY25. Recommend following current financial plan.

We recommend the financial plan be reviewed annually and the rate structure reviewed every 2-3 years.



# Sewer Financial Plan

CALC  
SAVE

## FAMS-XL Bismarck, ND - Sewer Fund



	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2023	FY 2027
Override ▶	0.00%	0.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	<b>Cumulative</b>	
<b>Base Rate Plan</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>0.00%</b>	<b>9.29%</b>
Override ▶	0.00%	0.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%		
<b>Usage Rate Plan</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>0.00%</b>	<b>9.32%</b>
<b>Senior-Lien DSC</b>	<b>2.52</b>	<b>2.48</b>	<b>2.22</b>	<b>1.83</b>	<b>1.69</b>	<b>1.64</b>	<b>2.01</b>	<b>2.00</b>	<b>1.97</b>	<b>1.93</b>	<b>1.92</b>		

