

KURE BEACH

RATE COMPARISON

| Rate Type | Current Rate | New Rate | Monthly Increase/Decrease |
|-----------------------|--------------|-----------|---------------------------|
| Fixed Rate | 10,121.14 | 10,052.61 | (68.53) |
| Capital Recovery Debt | 1,813.98 | 1,813.70 | (0.28) |
| Variable Rate | 10,274.78 | 6,306.42 | (3,968.36) * |
| Per 1000 gallon rate | 1.5865 | 0.8964 | (0.6901) |

| Rate Type | Current Rate | New Rate | Annual Increase/Decrease |
|---|--------------|------------|---------------------------|
| Fixed Rate | 121,453.70 | 120,631.35 | (822.35) |
| Capital Recovery Debt | 21,767.73 | 21,764.40 | (3.33) |
| Variable Rate | 123,297.30 | 75,676.99 | (47,620.31) ** |
| Total Estimated Annual Increase/Decrease | | | <u>(48,445.99)</u> |

*Monthly Average Based on last fiscal year's flows

**Annual Change Based on last fiscal year's flows

**WASTEWATER TREATMENT RATE DETERMINATION for KURE BEACH
FY 2021-2022 Rate Structure**

FLOW PERIOD 7/1/20 TO 6/30/21

| ADMINISTRATION TOTALS | TREAT % | APPLIED COSTS | FIXED COSTS | VARIABLE COSTS | | TOTAL | DEPRECIATED CAPITAL | FIXED % |
|---|---------|---------------|--------------|----------------|--------------|-------|---------------------|---------|
| | | | | | | | | |
| SALARIES | 15% | \$ 258,187.19 | \$ 38,728.08 | \$ - | \$ 38,728.08 | | | 100% |
| FICA | 15% | \$ 19,751.32 | \$ 2,962.70 | \$ - | \$ 2,962.70 | | | 100% |
| GROUP INSURANCE | 15% | \$ 24,853.90 | \$ 3,728.09 | \$ - | \$ 3,728.09 | | | 100% |
| RETIREMENT | 15% | \$ 19,364.04 | \$ 2,904.61 | \$ - | \$ 2,904.61 | | | 100% |
| TRAVEL/TRAINING | 15% | \$ 80.00 | \$ 12.00 | \$ - | \$ 12.00 | | | 100% |
| M&R EQUIP | 5% | \$ - | \$ - | \$ - | \$ - | | | 50% |
| M&R Software | 5% | \$ - | \$ - | \$ - | \$ - | | | 50% |
| PROFESSIONAL SERVICES | 5% | \$ 14,175.00 | \$ 354.38 | \$ 354.38 | \$ 708.75 | | | 50% |
| INSURANCE, BONDS | 18.13% | \$ - | \$ - | \$ - | \$ - | | | 100% |
| CAP PROJECTS EQUIP | 5% | \$ - | \$ - | \$ - | \$ - | | | 50% |
| Notes Pymt for new Town Hall 5.17% 20YR ('03) Final Pymt 7/2019 | 37.25% | \$ - | \$ - | \$ - | \$ - | | \$ - | 100% |
| ADMINISTRATION TOTALS | | \$ 336,411.45 | \$ 48,689.84 | \$ 754.38 | \$ 49,044.22 | | | |
| LESS CAPITAL RECOVERY AMOUNTS | | | | | | | | |
| CAPITAL RECOVERY DEBT (w/beginning year) | | | | | | | | |
| Notes Pymt- WWTP UPGRADE REVENUE BONDS 25 YR ('16) | 100% | \$ 89,715.08 | \$ 89,715.08 | \$ - | \$ 89,715.08 | | \$ 1,303,676 | 100% |
| Total Capital Recovery Debt | | \$ - | \$ 89,715.08 | \$ - | \$ 89,715.08 | | \$ 1,303,676 | 100% |

**WASTEWATER TREATMENT RATE DETERMINATION for KURE BEACH
FY 2021-2022 Rate Structure**

FLOW PERIOD 7/1/20 TO 6/30/21

| TREATMENT OPERATIONS | FIXED COSTS | VARIBALE COSTS | TOTAL | FIXED % | VAR % |
|---|-------------------|-------------------|-------------------|---------|-------|
| SALARIES | 263,252.18 | - | 263,252.18 | 100.00% | 0% |
| OVERTIME | 1,687.58 | - | 1,687.58 | 100.00% | 0% |
| FICA TAXES | 19,700.03 | - | 19,700.03 | 100.00% | 0% |
| GROUP INS | 38,795.67 | - | 38,795.67 | 100.00% | 0% |
| RETIREMENT | 42,040.44 | - | 42,040.44 | 100.00% | 0% |
| 401K Match | 6,482.72 | - | 6,482.72 | 100.00% | 0% |
| UNIFORMS | 2,357.00 | - | 2,357.00 | 100.00% | 0% |
| WORKMANS COMP | 5,593.50 | - | 5,593.50 | 100.00% | 0% |
| UNEMPLOYMENT | - | - | - | 100.00% | 0% |
| PHONES/CELLPHONES/DATA | 3,615.96 | - | 3,615.96 | 100.00% | 0% |
| ELECTRIC | - | 127,071.69 | 127,071.69 | 0% | 100% |
| TRAVEL | 919.33 | - | 919.33 | 100% | 0% |
| M&R BUILDINGS | 10,739.61 | - | 10,739.61 | 100% | 0% |
| M&R EQUIPMENT | 9,390.73 | 9,390.73 | 18,781.46 | 50% | 50% |
| M&R GROUND | 4,650.63 | 4,650.63 | 9,301.25 | 50% | 50% |
| M&R COMPUTERS | 363.36 | 363.36 | 726.72 | 50% | 50% |
| MAINTENANCE FLEET/CAPITAL OUTLAY | | | | | |
| a). OPERATIONAL EXPENSE FOR WWTP (813) | 1,683.29 | 1,683.29 | 3,366.58 | 50% | 50% |
| b). CAPITAL OUTLAY (PROJECT FUND) | - | - | - | 50% | 50% |
| CHEMICALS | - | 74,052.04 | 74,052.04 | 0% | 100% |
| SUPPLIES | 1,584.73 | 1,584.73 | 3,169.45 | 50% | 50% |
| SMALL TOOLS | 542.78 | 542.78 | 1,085.56 | 50% | 50% |
| CONTRACT SERVICES | - | 105,970.85 | 105,970.85 | 0% | 100% |
| PROFESSIONAL SERVICES | - | 42,601.65 | 42,601.65 | 0% | 100% |
| PLANT RENOVATION | 67,842.74 | - | 67,842.74 | 100% | 0% |
| RENTAL OF PROPERTY | 11,250.00 | - | 11,250.00 | 100% | 0% |
| LIABILITY INSURANCE | 20,842.00 | - | 20,842.00 | 100% | 0% |
| DUES & SUBSCRIPTIONS | - | - | - | 100% | 0% |
| PERMITS & FEES | 20,050.00 | - | 20,050.00 | 100% | 0% |
| PPE & SAFETY EQUIPMENT | 4,952.91 | - | 4,952.91 | 100% | 0% |
| CAPITAL PROJECTS EQUIP | - | - | - | 50% | 50% |
| TOTAL OPERATIONS COSTS (Page 2) | 538,337.18 | 367,911.74 | 906,248.92 | | |
| TOTAL ADMINSTRATIVE COSTS (Page 1) | 48,689.84 | 354.38 | 49,044.22 | | |
| TOTAL APPLIED COSTS | 587,027.02 | 368,266.12 | 955,293.14 | | |

**WASTEWATER TREATMENT RATE DETERMINATION for KURE BEACH
FY 2021-2022 Rate Structure**

FLOW PERIOD 7/1/20 TO 6/30/21

Rate Calculation and Summary

Monthly Fixed Cost

Actual Sewerage Flows:

| | |
|---------------------------------------|-------------|
| Annual Flow from Carolina Beach | 326,396,000 |
| Annual Flow from Kure Beach | 84,421,000 |
| Total Flow at WWTP | 410,817,000 |
| (a) Average Annual Flow by Kure Beach | 20.550% |

Percentage Allocation of Total Flow:

| | | |
|--|------------|-----|
| Total Flow allocated to Kure Beach | 727,784 | GPD |
| Total NPDES permitted plant model period | 3 | MGD |
| (b) Percentage of flow allocated to Kure Beach | 24.259467% | |

| | |
|---|------------|
| (c) Fixed Operations Costs from (page 2) | 587,027.02 |
| (d) Fixed Capital Recovery Debt Costs from (page 1) | 89,715.08 |

| | Annual | Monthly |
|---|--------------------------|---------------------|
| Fixed Rate for Kure Beach Fixed Operations Costs (c x a) | \$ 120,631.35 | \$ 10,052.61 |
| Fixed Rate for Kure Beach Capital Recovery Debt Costs (d x b) | \$ 21,764.40 | \$ 1,813.70 |
| Total Fixed Rate for Kure Beach | (1) \$ 142,395.75 | \$ 11,866.31 |

Gallonge Rate from Variable Costs

| | |
|--|---------------|
| (e) Total Variable Costs from (page 2) | \$ 368,266.12 |
| (f) Total Sewage Flow for the period | 410,817,000 |
| (g) Variable Costs per gallon (e ÷ f) | 0.0008964237 |
| (h) Total Sewage Flow from Kure Beach | 84,421,000 |

| | Annual | Monthly |
|---|------------------|-------------|
| Total Annual gallonage costs to Kure Beach based on actual flows for period (g x h) | (2) \$ 75,676.99 | \$ 6,306.42 |
| Variable Rate per 1000 gallons for Kure Beach | \$ 0.8964 | |

| | Annual | Monthly |
|--|-----------------------|--------------|
| Estimated Treatment Costs for Kure Beach | (1 + 2) \$ 218,072.74 | \$ 18,172.73 |

Wastewater Treated

FLOW PERIOD 7/1/20 TO 6/30/21

| Month | Carolina Beach Flow | Kure Beach Flow | Total Flow | KB's Mthly % of Total Flow |
|--------|---------------------|-------------------|--------------------|----------------------------|
| Jul-20 | 31,473,400 | 11,280,600 | 42,754,000 | 26.38% |
| Aug-20 | 35,024,600 | 13,753,400 | 48,778,000 | 28.20% |
| Sep-20 | 28,246,800 | 9,292,200 | 37,539,000 | 24.75% |
| Oct-20 | 26,039,600 | 6,265,400 | 32,305,000 | 19.39% |
| Nov-20 | 25,955,500 | 5,077,500 | 31,033,000 | 16.36% |
| Dec-20 | 23,894,300 | 4,297,700 | 28,192,000 | 15.24% |
| Jan-21 | 22,766,300 | 4,543,700 | 27,310,000 | 16.64% |
| Feb-21 | 30,113,100 | 8,036,900 | 38,150,000 | 21.07% |
| Mar-21 | 23,952,600 | 4,881,400 | 28,834,000 | 16.93% |
| Apr-21 | 21,329,800 | 4,062,200 | 25,392,000 | 16.00% |
| May-21 | 22,580,100 | 2,627,900 | 25,208,000 | 10.42% |
| Jun-21 | 35,019,900 | 10,302,100 | 45,322,000 | 22.73% |
| | 326,396,000 | 84,421,000 | 410,817,000 | 20.55% |

Kure Beach flow gallons in FY20-21

PRIOR YEAR FLOW Wastewater Treated

FLOW PERIOD 7/1/19 TO 6/30/20

| Month | Carolina Beach Flow | Kure Beach Flow | Total Flow | KB's Mthly % of Total Flow |
|--------|---------------------|-------------------|--------------------|----------------------------|
| Jul-19 | 25,233,400 | 7,793,600 | 33,027,000 | 23.60% |
| Aug-19 | 20,971,900 | 10,636,100 | 31,608,000 | 33.65% |
| Sep-19 | 21,911,800 | 8,440,200 | 30,352,000 | 27.81% |
| Oct-19 | 18,095,400 | 5,185,600 | 23,281,000 | 22.27% |
| Nov-19 | 21,180,400 | 4,078,600 | 25,259,000 | 16.15% |
| Dec-19 | 18,636,700 | 4,297,300 | 22,934,000 | 18.74% |
| Jan-20 | 17,859,500 | 4,357,700 | 22,217,200 | 19.61% |
| Feb-20 | 20,351,500 | 5,300,000 | 25,651,500 | 20.66% |
| Mar-20 | 22,194,900 | 6,364,200 | 28,559,100 | 22.28% |
| Apr-20 | 17,326,500 | 2,332,500 | 19,659,000 | 11.86% |
| May-20 | 25,806,200 | 5,803,800 | 31,610,000 | 18.36% |
| Jun-20 | 41,492,600 | 13,127,400 | 54,620,000 | 24.03% |
| | 271,060,800 | 77,717,000 | 348,777,800 | 22.28% |

| | | | |
|--|------------|-----------|------------|
| Variance between FY19/20 and FY20/21 Usage | 55,335,200 | 6,704,000 | 62,039,200 |
|--|------------|-----------|------------|

**Kure Beach Rates and Fees
July 2021-2022
Based On Audited Numbers**

| Month | Monthly Usage | Rate Paid | Actual Rate | Difference In Gallon Cost | Fixed Operation | | Difference In Rates | | Capital Recovery Cost Paid | Difference In Rates | | Total Difference for Month |
|--------|---------------|-----------|-------------|---------------------------|-----------------|-------------|---------------------|----------|----------------------------|---------------------|------------|----------------------------|
| | | | | | Cost Paid | Actual Rate | In | Rates | | In | Rates | |
| Jul-21 | 12,481,200 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -8,682.09 | |
| Aug-21 | 15,206,700 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -10,562.95 | |
| Sep-21 | 10,235,700 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -7,132.47 | |
| Oct-21 | 8,227,800 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -5,746.81 | |
| Nov-21 | 3,333,700 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -2,369.40 | |
| Dec-21 | 2,344,100 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -1,686.47 | |
| Jan-22 | 4,864,400 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -3,425.73 | |
| Feb-22 | 3,744,300 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -2,652.75 | |
| Mar-22 | 4,709,300 | 1.5865 | 0.8964 | 0.690100 | 10,121.14 | 10,052.61 | -68.53 | 1,813.98 | 1,813.98 | -0.28 | -3,318.70 | |
| Apr-22 | | | | 0 | | | 0.00 | | | 0.00 | 0.00 | |
| May-22 | | | | 0 | | | 0.00 | | | 0.00 | 0.00 | |
| Jun-22 | | | | 0 | | | 0.00 | | | 0.00 | 0.00 | |
| Totals | 65,147,200 | | | | | | -44,958.08 | | | -616.77 | -2.52 | -45,577.37 |

Total Due to/from Kure Beach Jul 2021 Through Mar 2022

\$ (45,577.37)