Davenport & Company

Town of Warrenton, Virginia

FY 2026 Plan of Finance

July 8, 2025

Background

- Davenport & Company LLC ("Davenport") serves as Financial Advisor to the Town of Warrenton, VA (the "Town").
- Davenport presented a Financial Review to Town Council during the FY 2026 Budget process to brief the Town Council on the financial status of the Town.
- The Town adopted the FY 2026 Budget which included revenue increases to support both operating and capital costs.
- Davenport was asked to present a Plan of Finance for the identified FY 2026 Capital Projects – these include both General Fund and Water & Sewer Fund capital. Additional details are included herein.

Goals and Objectives

- Identify the capital investments approved via the FY 2026 Budget.

- Review long-term borrowing and short-term interest rate trends.

- Present a Plan of Finance that provides the Town flexibility and the most cost-effective access to financing.

- Present a preliminary timetable for action.

FY 2026 Capital Projects

- Within the Adopted FY 2026 Budget, the Town has identified approximately $22.8 million in capital projects via the Capital Improvement Plan ("CIP) and Capital Asset Replacement Program ("CARP").
  - The CIP generally captures larger, long-lived assets such as infrastructure improvements, buildings, etc.
  - The CARP includes shorter useful life assets such as equipment, fleet vehicles, etc.

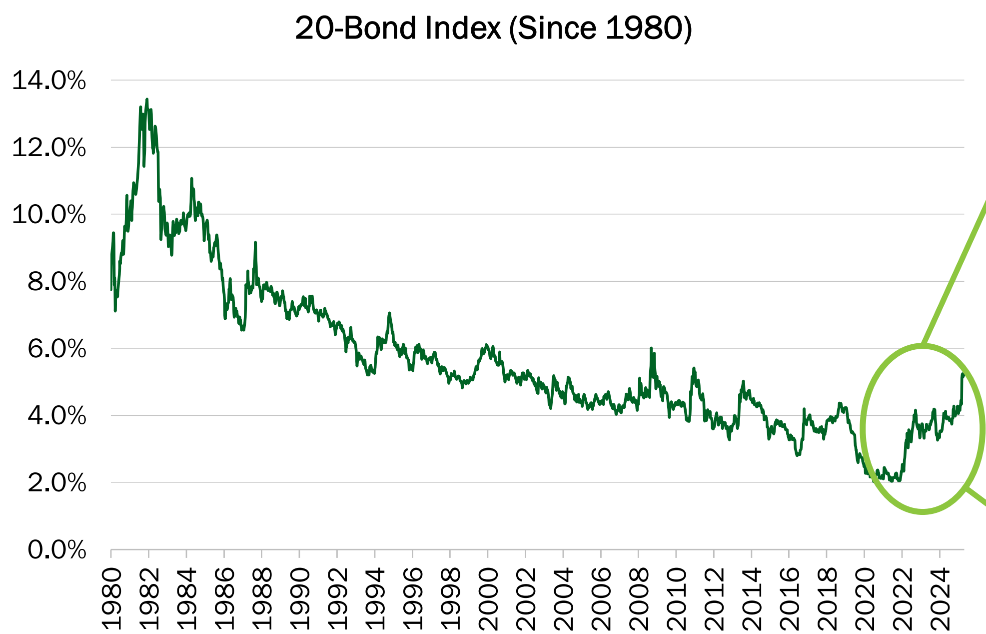
Fund		Estimate
General Fund CIP	$	2,526,936
General Fund CARP		2,756,241
General Fund Sub-total		5,283,177
Water & Sewer Fund CIP		16,416,489
Water & Sewer Fund CARP		1,070,000
Water & Sewer Fund Sub-total		17,486,489
FY 2026 CIP & CARP Total	$	22,769,665

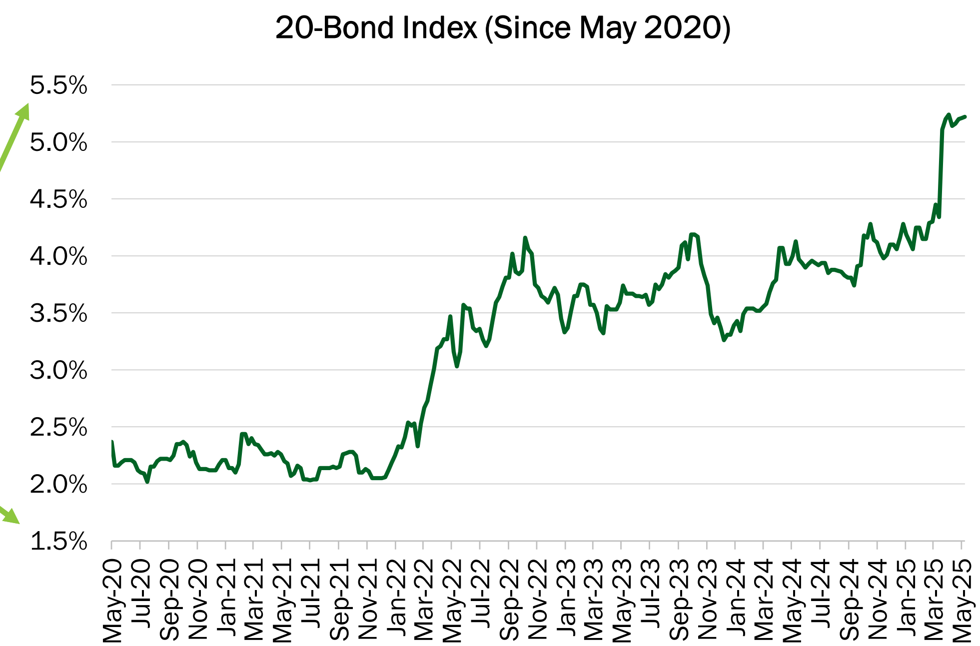
Debt Funding
~$21.7 million

Cash Funding
$1.07 million

- Debt funding capital projects spreads the cost of the capital over the time frame in which tax-payers/users will benefit from the project.

Interest Rate Environment | Tax-Exempt

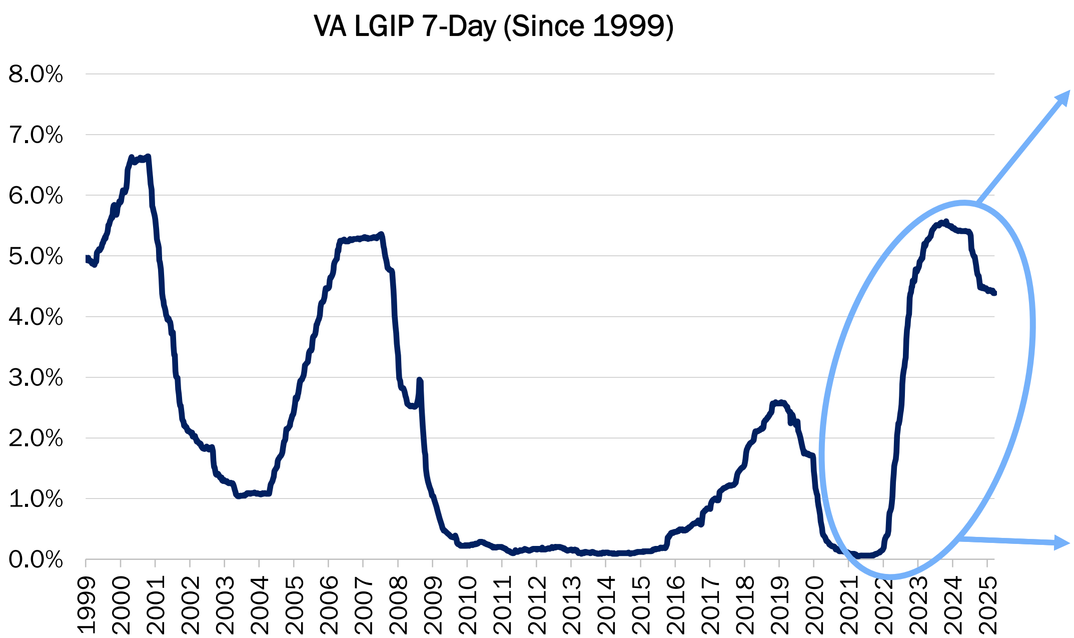


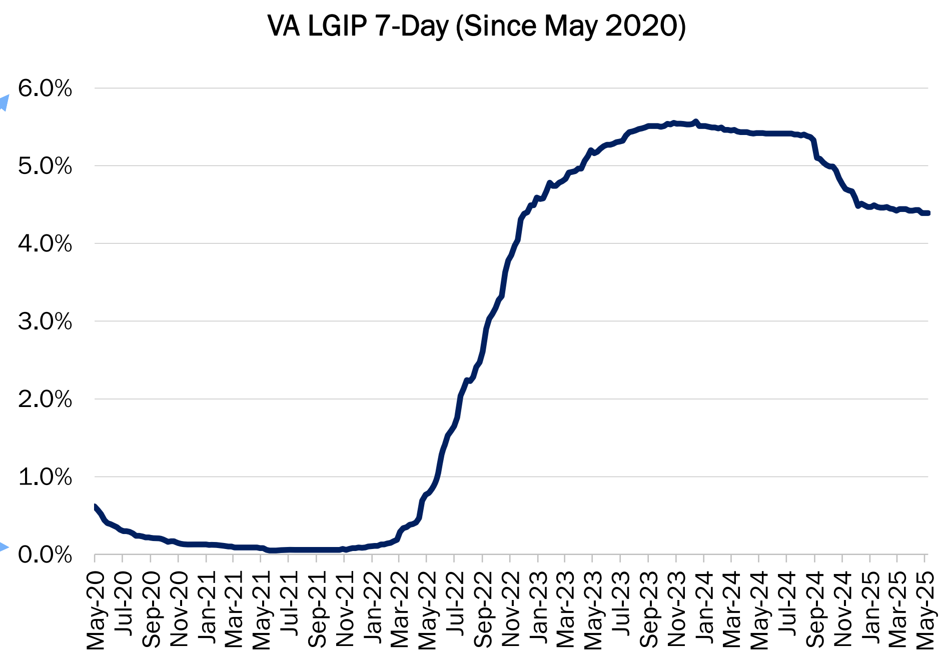


Interest rates for highly-rated, tax-exempt borrowers, remain historically favorable.

The 20-year interest rates above show the Bond Buyer's "20-Bond Index" which consists of 20 tax-exempt bonds with an average rating of 'Aa2'/'AA' (Moody's / S&P) that mature in 20 years. The 20-Bond Index serves as a general indicator of prevailing interest rates for tax-exempt borrowers. Updated as of 06/26/2025.

Reinvestment Rate Trends | LGIP 7-Day Rate





Short-term reinvestment rates have increased to levels last seen over a decade ago.

The above charts show VA-LGIP 7 Day rate data as of 06/26/2025.

Plan of Finance

- The majority of the FY 2026 Capital Program consists of Water & Sewer infrastructure projects.
- The multi-year planning undertaken as part of the budget process contemplated a 30-year repayment term for the Water & Sewer CIP projects.
  - Repayment over 30 years for Water & Sewer infrastructure is typical in the industry, given the type of assets financed.
- Similar to prior financings, the General Fund CIP contemplates a 20-year repayment term.
- The General Fund CARP contemplates a 7-15 year repayment term to reflect the shorter-lived assets.
  - The Water and Sewer Fund CARP is anticipated to be cash-funded.
- The individual debt schedules for each program can be aggregated into one loan for purposes of securing financing. The repayment can be broken out internally to ensure the General Fund and Water & Sewer Funds remain independent from one another.

Plan of Finance (cont.)

- Given the size (~$21.7 million) and potential term of the loan, Davenport recommends that the Town secure credit ratings to access the Public Credit Markets.

- Davenport recommends that the Town consider formally engaging **Moody's** and **Standard & Poor's** for credit ratings.

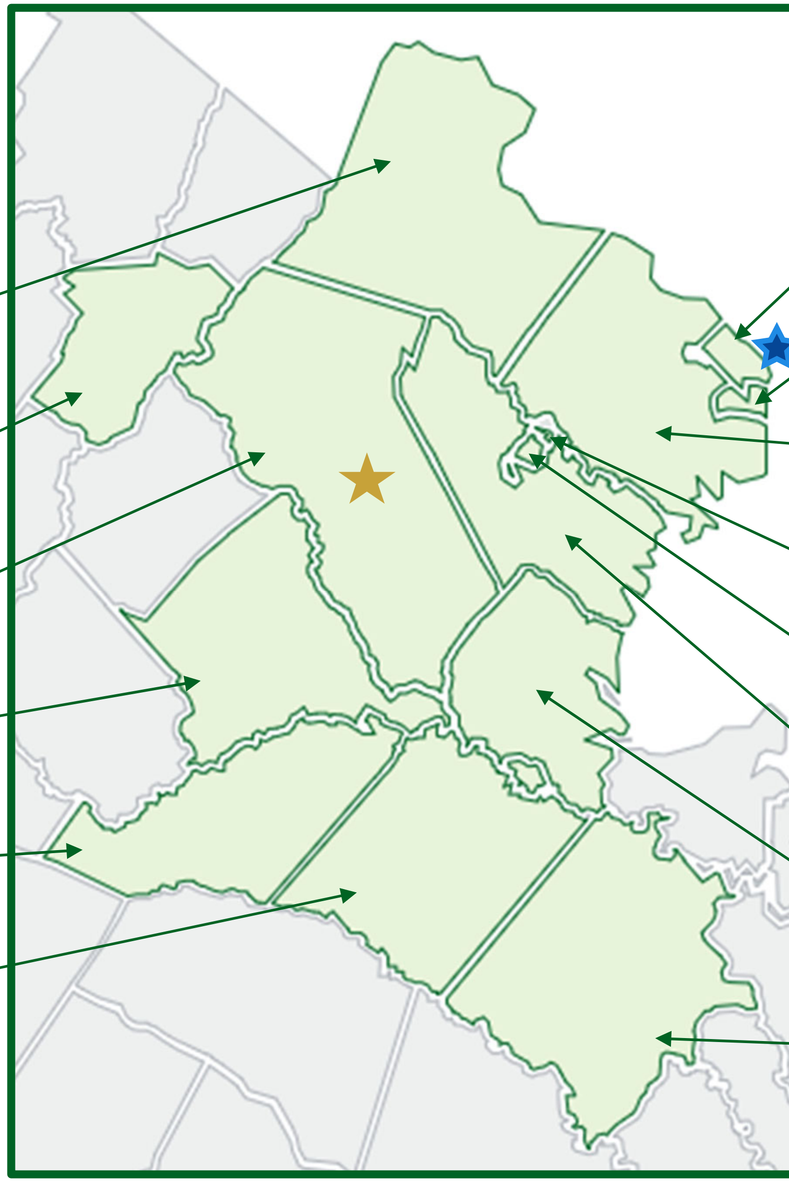
- Maintaining multiple credit ratings is typical, as shown on the following page.

- Issuances in the Public Credit Markets commonly go out 30 years, and in some instances, longer.

- The Public Credit Markets provide the Town with the most flexibility in terms of repayment structure, issuance timing, final maturity, etc.

Peer Credit Ratings

Washington D.C.



Loudoun County (Aaa/AAA/AAA)
Town of Leesburg (Aaa/AAA/AAA)
Town of Purcellville (Aa2/AAA/AAA)

Warren County (Aa2/AA/AA+)

Fauquier County (Aaa/AAA/AAA)
Town of Warrenton (NR)

Culpeper County (Aa1/AA+/AAA)
Town of Culpeper (Aa2/AA/NR)

Orange County (Aa2/AA+/NR)

Spotsylvania County (Aaa/AAA/AAA)

Arlington County (Aaa/AAA/AAA)

City of Alexandria (Aaa/AAA/NR)

Fairfax County (Aaa/AAA/AAA)
City of Fairfax (Aaa/AAA/NR)
Town of Herndon (Aaa/AAA/AAA)
Town of Vienna (Aaa/AAA/NR)

City of Manassas Park (Aa3/AA/NR)

City of Manassas (Aaa/AAA/NR)

Prince William County (Aaa/AAA/AAA)

Stafford County (Aaa/AAA/AAA)

Caroline County (Aa2/AA/NR)

Credit Rating Key (Moody's/S&P/Fitch). Sourced from each respective rating agency as of June 29, 2025.

Additional Considerations

- The Town has been historically well-run from a financial perspective.

- The Town's CIP and CARP programs total nearly $125 million over the next 6 years.

- The FY 2026 issuance will be the first in a series of borrowings to support the Town's capital program.

- Credit ratings provide local governments, like Warrenton, with the widest variety of financing options for capital projects.

- The following page describes in summary form the rating agency criteria (i.e. how the rating agencies arrive at their credit ratings).

Key Drivers to a Credit Rating

Economic Base

[Moody's = 30% / S&P = 20% / Fitch = 44%]

- Demographic Characteristics
- Tax Base
- Industry Mix & Composition
- Local and Regional Growth patterns

Financial Performance & Flexibility

[Moody's = 30% / S&P = 40% / Fitch = 35%]

- Revenue & Expenditure structure and patterns
- Annual Operating & Budgetary performance
- Financial flexibility/Fund Balance position
- Long-Term Financial Plan

Debt

[Moody's = 30% / S&P = 20% / Fitch = 21%]

- Nature of the pledged security & debt structure
- Balance between accelerated debt issuance and under-investment in capital facilities
- Debt Burden measured against: Tax Base & Total Budget

Management

[Moody's = 10% / S&P = 20%]

- Financial Forecasting and management
- Consistent and prudent budgeting practices
- Range and growth of services provided in relation to capacity to provide services
- Adherence to long-range financial planning and policies

Note: %'s are from Moody's updated methodology November 2022/ S&P updated methodology September 2024 / Fitch updated methodology April 2024.

Advantages of a Credit Rating

- From a financial and capital perspective, the Town is well positioned to meet future challenges.

- As such, obtaining strong inaugural Issuer Credit Rating(s) from the National Credit Rating Agencies (i.e. Moody's and S&P) could produce multiple benefits for the Town including, but not limited to:

  – Improving the favorability of interest rates and terms that the Town could achieve for any potential future borrowings or refinancings;

  – Acting as a signal of strength to the business community about the governance, management, and financial health of the Town, which can help further drive economic development opportunities;

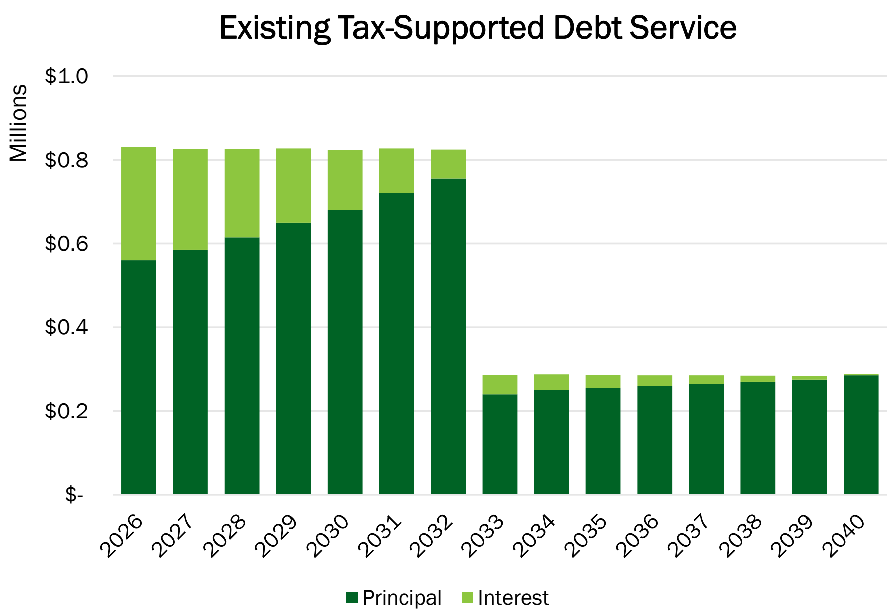
  – Providing a basis of comparison between the Town and other localities within the region and nationally;

  – Serving as an external and independent validation of the strength of Town operations; and,

  – Acting as a "check and balance" in the event a future Council(s) move in a direction(s) that does not follow industry standard "best practices."

General Fund Planning Estimate

Existing Tax–Supported Debt Profile



Existing Tax-Supported Debt Service							
Fiscal Year		Principal		Interest		Total	Payout Ratio
2026	$	560,000	$	270,169	$	830,169	8.4%
2027		585,000		240,828		825,828	17.2%
2028		615,000		210,078		825,078	26.4%
2029		650,000		177,663		827,663	36.2%
2030		680,000		143,581		823,581	46.4%
2031		720,000		107,706		827,706	57.2%
2032		755,000		69,909		824,909	68.5%
2033		240,000		46,063		286,063	72.1%
2034		250,000		37,656		287,656	75.8%
2035		255,000		31,041		286,041	79.7%
2036		260,000		25,569		285,569	83.6%
2037		265,000		20,106		285,106	87.5%
2038		270,000		14,653		284,653	91.6%
2039		275,000		8,978		283,978	95.7%
2040		285,000		3,028		288,028	100.0%
Total	$	6,665,000		$1,407,028	$	8,072,028	

Summary of Outstanding Tax-Supported Debt

Series		Original Par		Par Outstanding	Interest Rate	Final Maturity
G.O. Refunding Bond, Series 2021B	$	8,720,000	$	6,665,000	5.125% - 2.037%	10/1/2039
		Total	$	6,665,000		

Source: Davenport Debt Model.

General Fund FY 2026 Debt Service Estimates

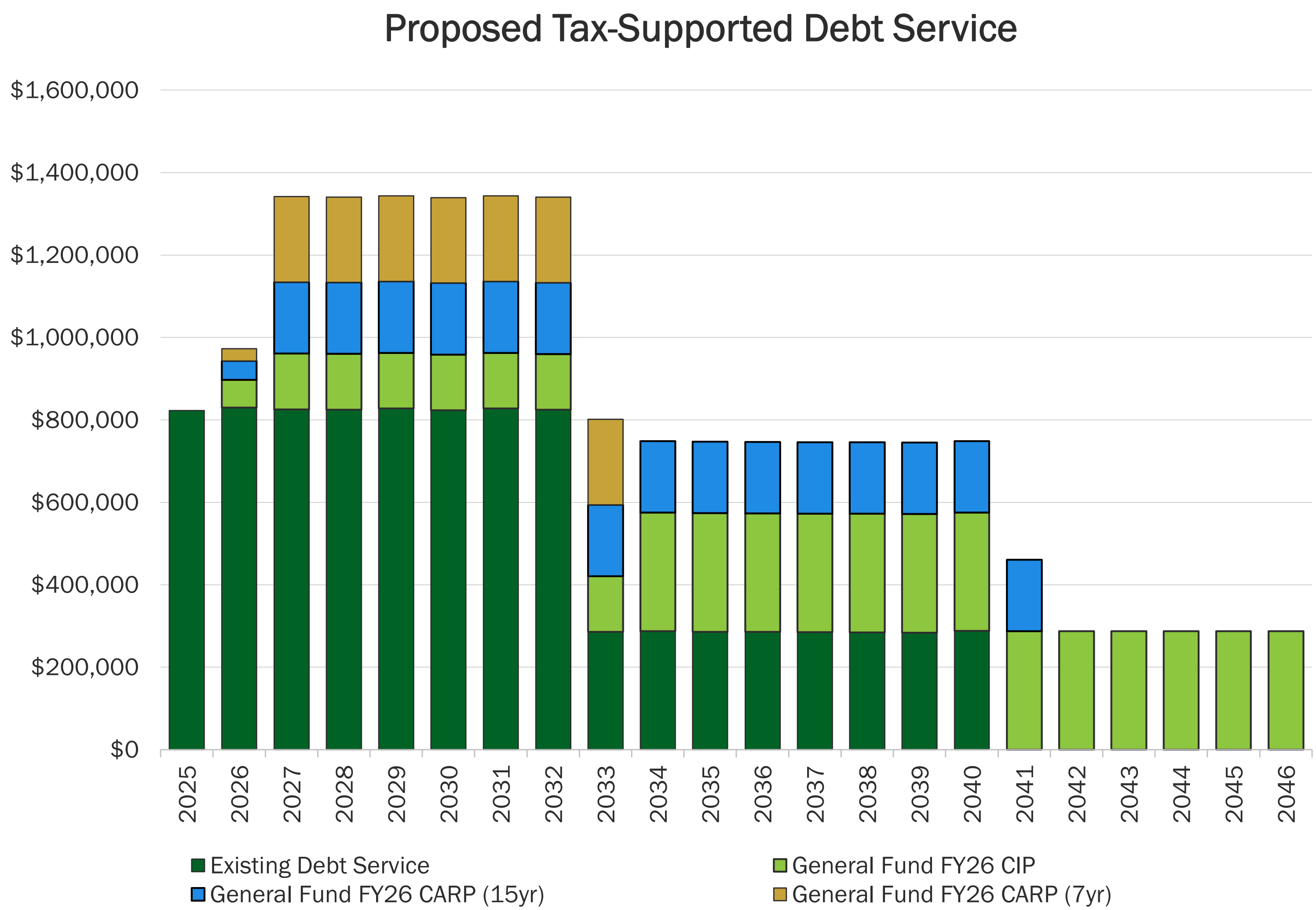
- As shown below, Davenport has estimated the debt service associated with the General Fund portion of the FY 2026 Adopted Capital Program.
  - General Fund CIP ($2.5M) utilizes a 5.0% planning interest rate and a 20-year repayment term.
  - General Fund CARP (15yr/$1.7M) utilizes a 5.0% planning interest rate and a 15-year repayment term.
  - General Fund CARP (7yr/$1.1M) utilizes a 5.0% planning interest rate and a 7-year repayment term.

	A	B	C	D	E = Sum(B:D)
Fiscal Year	Existing Debt Service	General Fund FY26 CIP	General Fund FY26 CARP (15yr)	General Fund FY26 CARP (7yr)	Total Proposed Debt Service
2026	$ 830,169	$ 67,500	$ 45,000	$ 30,000	$ 142,500
2027	825,828	135,000	173,416	207,384	515,800
2028	825,078	135,000	173,416	207,384	515,800
2029	827,663	135,000	173,416	207,384	515,800
2030	823,581	135,000	173,416	207,384	515,800
2031	827,706	135,000	173,416	207,384	515,800
2032	824,909	135,000	173,416	207,384	515,800
2033	286,063	135,000	173,416	207,384	515,800
2034	287,656	287,431	173,416	-	460,847
2035	286,041	287,431	173,416	-	460,847
2036	285,569	287,431	173,416	-	460,847
2037	285,106	287,431	173,416	-	460,847
2038	284,653	287,431	173,416	-	460,847
2039	283,978	287,431	173,416	-	460,847
2040	288,028	287,431	173,416	-	460,847
2041	-	287,431	173,416	-	460,847
2042	-	287,431	-	-	287,431
2043	-	287,431	-	-	287,431
2044	-	287,431	-	-	287,431
2045	-	287,431	-	-	287,431
2046	-	287,431	-	-	287,431

Preliminary, subject to change.

General Fund FY 2026 Debt Service Estimates (cont.)

- The graph below shows how the FY 2026 General Fund Capital Program layers onto the Town's existing Tax-Supported Debt Profile.



Preliminary, subject to change.

Impact on Key Debt Ratios

- In the graph below, Davenport has projected the impact the Fiscal Year 2026 General Fund borrowing would have on the Town's Tax-Supported Debt vs. Assessed Value Financial Policy.
- After the Fiscal Year 2026 borrowing for the CIP and CARP, the Town would continue to be within policy levels for Debt vs. Assessed Value.

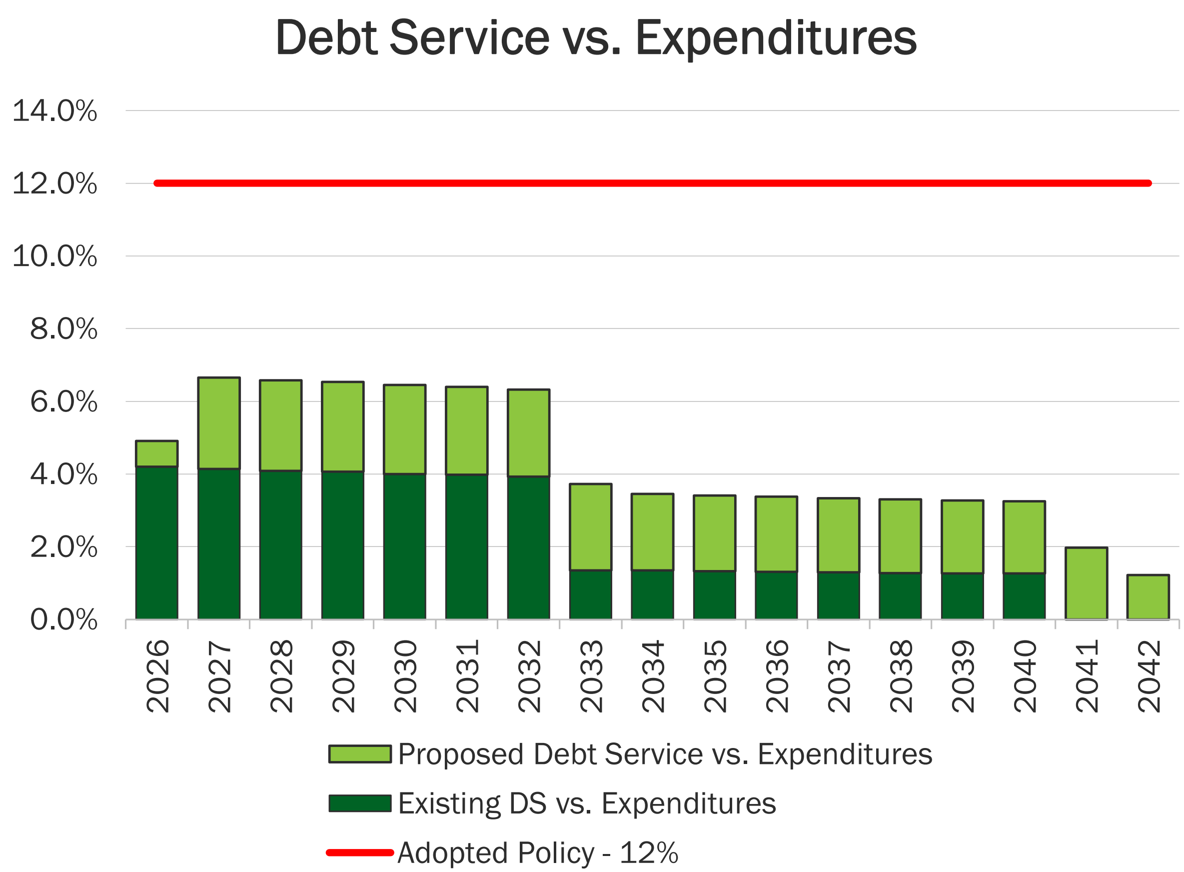
Note: Assessed Value is based on the 2024 Audit ($2,354,371,869). Assessed Value is grown at 1% annually.

Preliminary, subject to change.

Impact on Key Debt Ratios (cont.)

- In the graph below, Davenport has projected the impact the Fiscal Year 2026 General Fund borrowing would have on the Town's Tax-Supported Debt Service vs. Expenditures Financial Policy.

- After the Fiscal Year 2026 borrowing for the CIP and CARP, the Town would continue to be within policy levels for Debt Service vs. Expenditures.

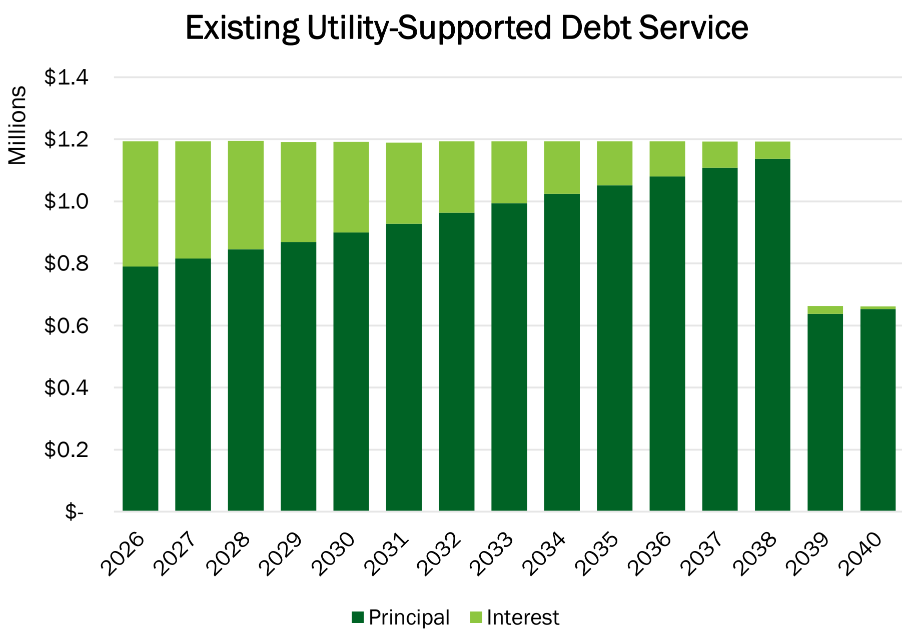


Note: Expenditures are based on the 2024 Audit value ($19,392,167). Expenditures are grown at 1% annually.

Preliminary, subject to change.

Water & Sewer Fund Planning Estimate

Existing Utility–Supported Debt Profile



Existing Utility-Supported Debt Service			
Fiscal Year	Principal	Interest	Total
2026	$ 790,000	$ 403,510	$ 1,193,510
2027	816,000	377,130	1,193,130
2028	845,000	349,773	1,194,773
2029	869,000	321,497	1,190,497
2030	899,000	292,303	1,191,303
2031	927,000	262,033	1,189,033
2032	963,000	230,602	1,193,602
2033	994,000	199,539	1,193,539
2034	1,024,000	169,822	1,193,822
2035	1,052,000	141,308	1,193,308
2036	1,080,000	113,252	1,193,252
2037	1,108,000	84,558	1,192,558
2038	1,137,000	55,225	1,192,225
2039	637,000	24,996	661,996
2040	653,000	8,403	661,403
Total	$ 13,794,000	$3,033,951	$ 16,827,951

Summary of Outstanding Utility-Supported Debt

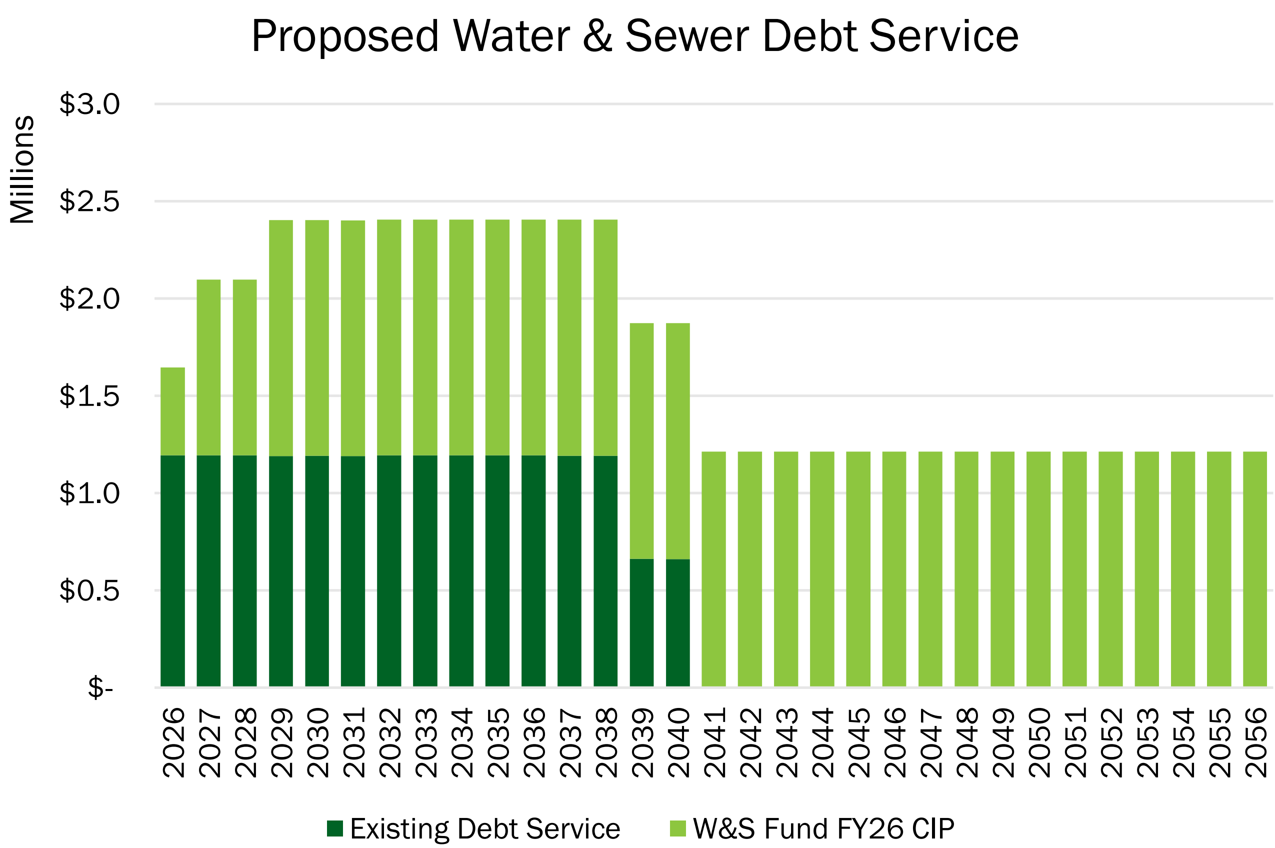
Series	Original Par	Par Outstanding	Interest Rate	Final Maturity
G.O. Refunding Bond, Series 2021A	$ 6,935,000	$ 5,722,000	2.750%	1/15/2038
G.O. Refunding Bond, Series 2021B	3,975,000	3,405,000	5.125% - 2.037%	10/1/2039
G.O. Bond, Water & Sewer Financing 2022	5,150,000	4,667,000	2.900%	10/1/2039
	Total	$ 13,794,000		

Source: Davenport Debt Model.

W&S Fund FY 2026 Debt Service Estimates

- The estimate below contemplates a 30-year term, a planning interest rate of 5.0%, and a project fund of roughly **$16.4 million.**
  - It is assumed that the FY 2026 Water and Sewer Fund CARP is cash funded.

- The estimated debt service payments below fit within the multi-year rate planning that the Town has completed over the last several years.



Preliminary, subject to change.

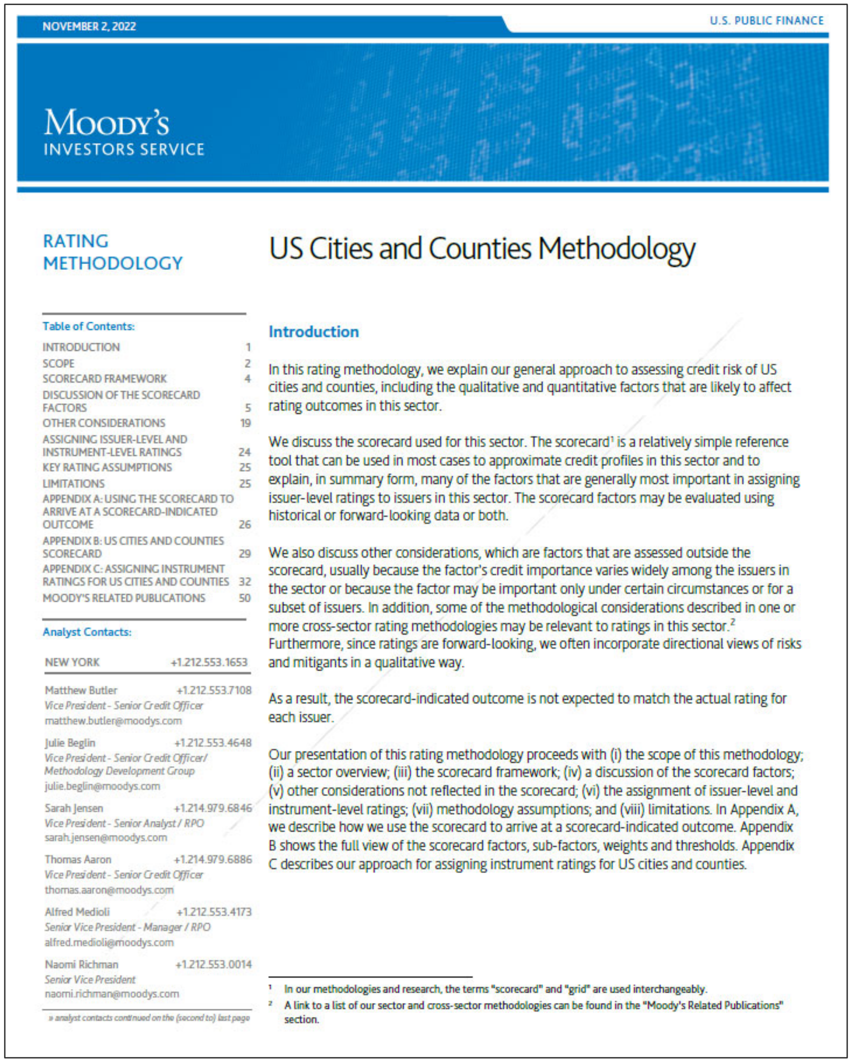
Proposed Financing Schedule

Proposed Next Steps – Public Sale

Timing	Action
Tuesday, July 8	▪ Davenport to present the FY 2026 Plan of Finance to Town Council. Obtain Town Council feedback and preliminary approval to move forward with engaging the Credit Rating Agencies.
Months of July and August	▪ Prepare Preliminary Official Statement and Credit Package for Credit Rating Agency Meetings.
Tuesday, September 9	▪ Town Council holds Public Hearing and Adopts authorizing documentation.
Month of October	▪ Credit Rating Meetings
Mid November	▪ Bond Sale via competitive bidding process in the public credit markets.
Mid December	▪ Closing. Funds advanced to the Town.

Appendix

Moody's Rating Methodology Overview


NOVEMBER 2, 2022

U.S. PUBLIC FINANCE

MOODY'S
INVESTORS SERVICE

RATING METHODOLOGY

US Cities and Counties Methodology

Table of Contents:

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Introduction

In this rating methodology, we explain our general approach to assessing credit risk of US cities and counties, including the qualitative and quantitative factors that are likely to affect rating outcomes in this sector.

We discuss the scorecard used for this sector. The scorecard[1] is a relatively simple reference tool that can be used in most cases to approximate credit profiles in this sector and to explain, in summary form, many of the factors that are generally most important in assigning issuer-level ratings to issuers in this sector. The scorecard factors may be evaluated using historical or forward-looking data or both.

We also discuss other considerations, which are factors that are assessed outside the scorecard, usually because the factor's credit importance varies widely among the issuers in the sector or because the factor may be important only under certain circumstances or for a subset of issuers. In addition, some of the methodological considerations described in one or more cross-sector rating methodologies may be relevant to ratings in this sector.[2] Furthermore, since ratings are forward-looking, we often incorporate directional views of risks and mitigants in a qualitative way.

As a result, the scorecard-indicated outcome is not expected to match the actual rating for each issuer.

Our presentation of this rating methodology proceeds with (i) the scope of this methodology; (ii) a sector overview; (iii) the scorecard framework; (iv) a discussion of the scorecard factors; (v) other considerations not reflected in the scorecard; (vi) the assignment of issuer-level and instrument-level ratings; (vii) methodology assumptions; and (viii) limitations. In Appendix A, we describe how we use the scorecard to arrive at a scorecard-indicated outcome. Appendix B shows the full view of the scorecard factors, sub-factors, weights and thresholds. Appendix C describes our approach for assigning instrument ratings for US cities and counties.

1 In our methodologies and research, the terms "scorecard" and "grid" are used interchangeably.

2 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's Related Publications" section.

- On November 2, 2022, Moody's Investors Service ("Moody's") updated its US Local Governments General Obligation Debt methodology and assumptions.
- Under the new methodology, an initial indicative rating via a scorecard is calculated from a weighted average of four key factors.
  - Economy (30%).
  - Financial Performance (30%).
  - Institutional Framework (10%).
  - Leverage (30%).
- Below the line qualitative adjustments can be made based upon certain factors not included in the quantitative score.
- Analysts present this information to a rating committee that ultimately determines the Credit Rating.

Source: Moody's US Cities and Counties Methodology published November 2, 2022.

S&P Global Ratings Methodology Overview

S&P Global
Ratings

Criteria | Governments | U.S. Public Finance

Methodology For Rating U.S. Governments

September 9, 2024

This report does not constitute a rating action.

This article presents S&P Global Ratings' criteria for determining a stand-alone credit profile (SACP) and assigning issuer credit ratings and issue credit ratings to U.S. governments, which include U.S. states, counties, municipalities, school districts, and special government districts. These criteria apply only to U.S. governments not in scope of other issuer credit rating (ICR) criteria.

Although the scope of activities may vary, governments share the following characteristics:

- Leadership is elected or is appointed by others who are elected;
- The entity provides public services and/or public infrastructure; and
- The entity is supported directly or indirectly by taxes and fees levied on residents or funds transferred from other levels of government.

For information about the initial publication of this article as of Sep 9th, 2024, including key changes, the impact on ratings, and superseded criteria, see "New U.S. Government Rating Methodology Published," Sept. 9, 2024.

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spglobal.com/ratings

- On September 9, 2024, S&P Global Ratings ("S&P") published new criteria to determine the credit ratings of U.S. Governments.
- The criteria utilizes a scorecard matrix composed of two components:
  - Institutional Framework: the formal rules and laws by which a government operates.
  - Individual Credit Profile: the creditworthiness of the particular government analyzed via specific credit factors.
- Analysts present their scoring to a Rating Committee to determine the ultimate Credit Rating.

--Institutional framework assessment--	--Individual credit profile--										
	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5	6
1	aaa	aaa	aa+	aa	aa-	a+	a	a-	bbb	bb+	bb-
2	aaa	aa+	aa	aa-	a+	a	a-	bbb+	bbb-	bb	b+
3	aa+	aa	aa-	a+	a	a-	bbb	bbb-	bb+	bb-	b
4	aa-	a+	a	a-	bbb+	bbb	bb+	bb	bb-	b	b-
5	a	a-	bbb+	bbb	bbb-	bb+	bb-	b+	b	b-	b-
6	bbb+	bbb	bbb-	bb+	bb	bb-	b+	b	b-	b-	b-

Source: S&P Ratings Methodology For Rating U.S. Governments published September 9, 2024.

Fitch Methodology Overview

FitchRatings

Public Finance
Tax-Supported
United States

U.S. Public Finance Local Government Rating Criteria

Master Criteria

Scope

This report outlines Fitch Ratings' methodology for assigning new and monitoring existing credit ratings on debt issued by, or on behalf of, U.S. local governments. Local governments are defined as governmental jurisdictions below the state level, which include cities, counties, school districts and special districts, among others. The criteria can also support the assessment of tax-supported hospital districts, water and/or sewer utilities, public transit systems or other enterprises with tax support, in conjunction with Fitch's "Public Sector Revenue-Supported Entities Rating Criteria" or relevant sector criteria, where applicable.

Key Rating Drivers

Fitch's approach to U.S. local government rating analysis reflects an assessment of quantitative and qualitative rating factors grouped into three Key Rating Drivers (KRDs) within a multiple regression rating model. The Financial Profile and Demographic and Economic Strength KRDs are typically weighted higher than the Long-Term Liability Burden KRD. However, additional credit considerations may result in differing weighting for a given issuer.

Financial Profile: This reflects the degree of the local government's financial resilience, as measured by its combined available fund balance, inherent budgetary tools and operating framework, and the sensitivity of its revenues to economic stress.

Demographic and Economic Strength: This entails an assessment of the level, trend and composition of economic activity and demographic factors, providing a broad view of the resource base's stability and growth potential.

Long-Term Liability Burden: Metrics capture the combined burden of direct debt and Fitch-adjusted net pension liabilities (NPL) relative to personal income and governmental revenue, as well as the sustainability of the ongoing cost of servicing these liabilities relative to governmental spending.

Model-Supported Methodology: The Local Government Rating Model (LGRM) combines issuer-specific metrics and assessments to generate a Metric Profile, which represents an ordinal ranking of credit quality relative to Fitch's local government rating portfolio. The Metric Profile is notch-specific and calibrated to Fitch's long-term rating scale.

Additional Analytical Factors: The LGRM includes a framework to account for factors not captured in the Metric Profile that can either mitigate or exacerbate credit risks. Additional Analytical Factors (AAFs) applied to the Metric Profile are capped at +/– three notches. The Metric Profile and AAFs result in the Model-Implied Rating (MIR), which will be the Issuer Default Rating (IDR), except in certain circumstances as explained in these criteria.

Security Ratings Reflect Legal Safeguards: Fitch assigns ratings to specific securities of an issuer based on the terms and conditions of and safeguards provided to investors in the financial instruments, as well as the relationship to or separation of the issuer from the general credit quality of the related government.

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This report updates and replaces "Exposure Draft: U.S. Public Finance Local Government Rating Criteria," dated September 2023.

Related Criteria

U.S. Public Finance State Governments and Territories Rating Criteria (April 2024)
Completion Risk Rating Criteria (July 2023)
Public Sector, Revenue-Supported Entities Rating Criteria (January 2024)
Public-Sector Counterparty Obligations in PPP Transactions Rating Criteria (April 2022)
U.S. Water and Sewer Rating Criteria (February 2024)
U.S. Public Power Rating Criteria (March 2024)

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Rating Criteria | April 2, 2024 fitchratings.com 1

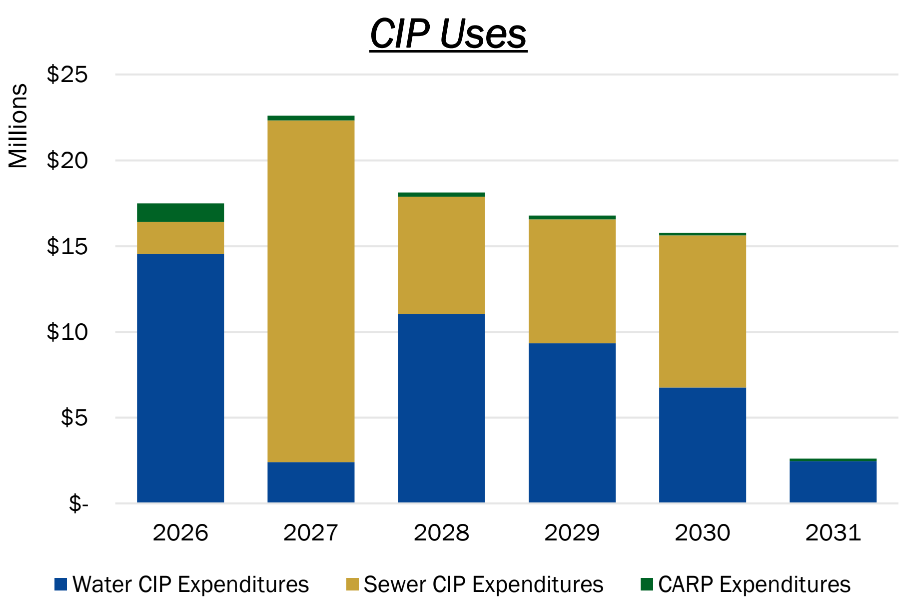
- On April 2, 2024, FitchRatings ("Fitch") published its new U.S. Public Finance Local Government Rating Criteria.
- The new methodology reflects an assessment of quantitative and qualitative rating factors grouped into three Key Rating Drivers:
  - Financial Profile (35%).
  - Demographic and Economic Strength (44%).
  - Long-Term Liability Burden (21%).
- The new methodology includes a scorecard estimated outcome with potential notching factors that impact an issuer's final credit rating.

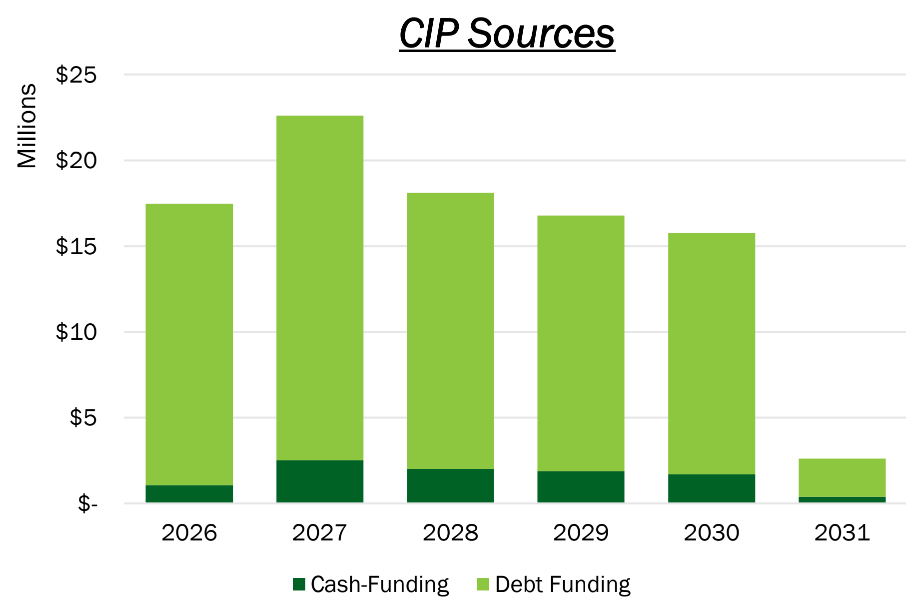
Source: Fitch Ratings U.S. Public Finance Local Government Rating Criteria published April 2, 2024.

Water & Sewer Multi-Year Planning

Water and Sewer Fund CIP / CARP

- The Water and Sewer CIP and CARP totals roughly $93 million over the next six years.





FY	2026	2027	2028	2029	2030	2031	Total
Water CIP Expenditures	$ 14,542,982	$ 2,420,000	$ 11,055,982	$ 9,339,000	$ 6,765,000	$ 2,475,000	$ 46,597,965
Sewer CIP Expenditures	1,873,507	19,910,000	6,836,451	7,218,211	8,855,000	-	44,693,168
CARP Expenditures	1,070,000	285,000	230,000	230,000	150,000	150,000	2,115,000
Total Uses	**17,486,489**	**22,615,000**	**18,122,433**	**16,787,211**	**15,770,000**	**2,625,000**	**93,406,133**
Cash-Funding	1,070,000	2,518,000	2,019,243	1,885,721	1,712,000	397,500	9,602,464
Debt Funding	16,416,489	20,097,000	16,103,190	14,901,490	14,058,000	2,227,500	83,803,669
Total Sources	**$ 17,486,489**	**$ 22,615,000**	**$ 18,122,433**	**$ 16,787,211**	**$ 15,770,000**	**$ 2,625,000**	**$ 93,406,133**

Preliminary, subject to change.

Water and Sewer Fund Projected Debt Service

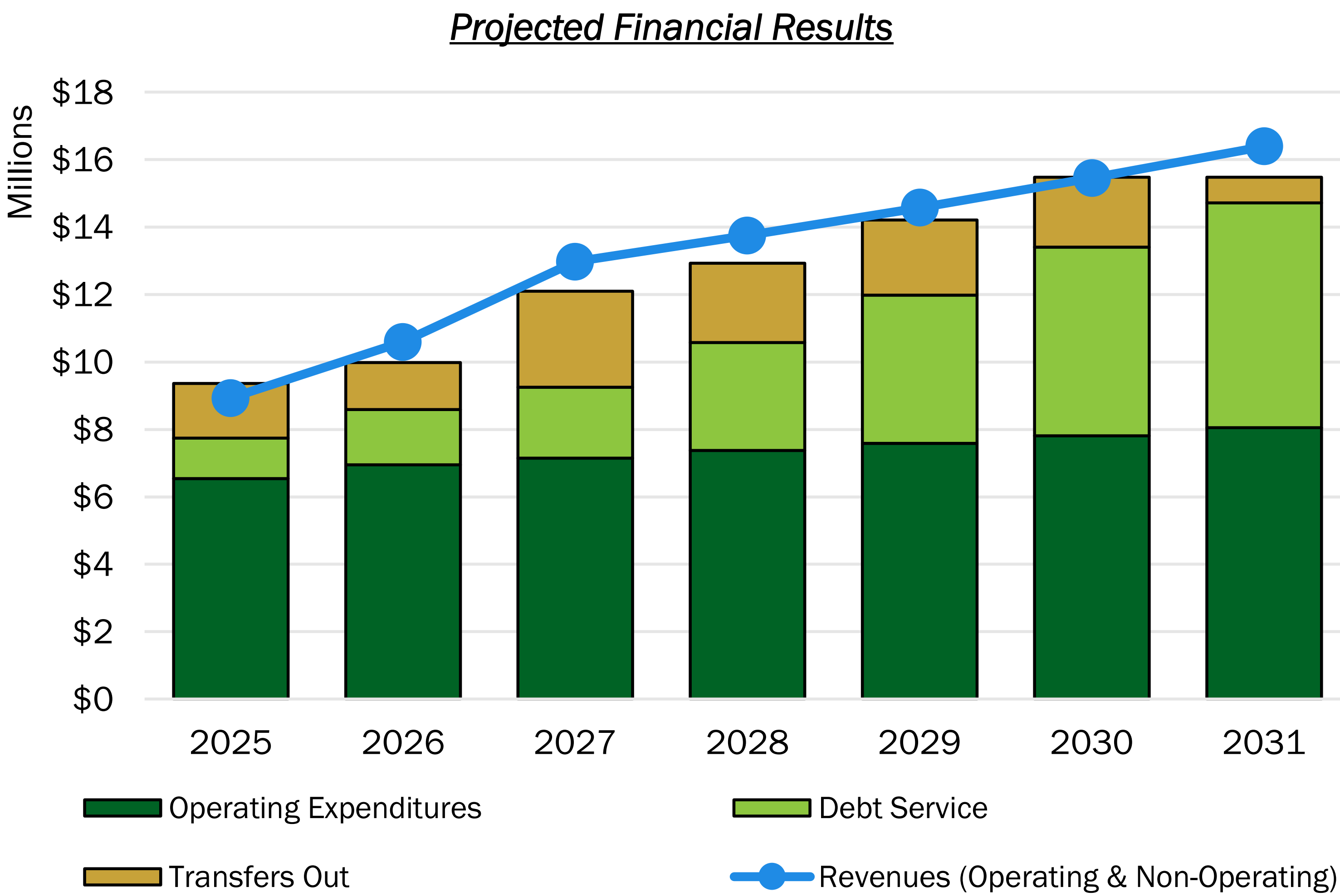
FY	Existing Debt Service	FY 2026 Issuance	FY 2027 Issuance	FY 2028 Issuance	FY 2029 Issuance	FY 2030 Issuance	FY 2031 Issuance	Total
Totals	$ 16,827,951	$ 32,576,660	$ 43,758,684	$ 35,062,665	$ 32,446,116	$ 30,609,523	$ 4,850,100	$ 196,131,699
2026	1,193,510	406,308	-	-	-	-	-	1,599,818
2027	1,193,130	812,616	-	-	-	-	-	2,005,746
2028	1,194,773	812,616	1,105,335	-	-	-	-	3,112,724
2029	1,190,497	1,090,897	1,105,335	885,675	-	-	-	4,272,405
2030	1,191,303	1,090,897	1,483,858	885,675	819,582	-	-	5,471,315
2031	1,189,033	1,090,897	1,483,858	1,188,976	819,582	773,190	-	6,545,535
2032	1,193,602	1,090,897	1,483,858	1,188,976	1,100,248	773,190	122,513	6,953,283
2033	1,193,539	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	122,513	7,217,999
2034	1,193,822	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	7,260,237
2035	1,193,308	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	7,259,723
2036	1,193,252	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	7,259,667
2037	1,192,558	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	7,258,973
2038	1,192,225	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	7,258,640
2039	661,996	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,728,411
2040	661,403	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,727,818
2041	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2042	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2043	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2044	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2045	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2046	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2047	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2048	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2049	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2050	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2051	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2052	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2053	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2054	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2055	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2056	-	1,090,897	1,483,858	1,188,976	1,100,248	1,037,969	164,467	6,066,415
2057	-	-	1,483,858	1,188,976	1,100,248	1,037,969	164,467	4,975,518
2058	-	-	-	1,188,976	1,100,248	1,037,969	164,467	3,491,660
2059	-	-	-	-	1,100,248	1,037,969	164,467	2,302,685
2060	-	-	-	-	-	1,037,969	164,467	1,202,436
2061	-	-	-	-	-	-	164,467	164,467

*Note: Estimates assume a 30-year debt service structure comprised of 2 years of interest only followed by 28 years of level debt service. A 5.0% interest rate has been utilized for planning purposes.

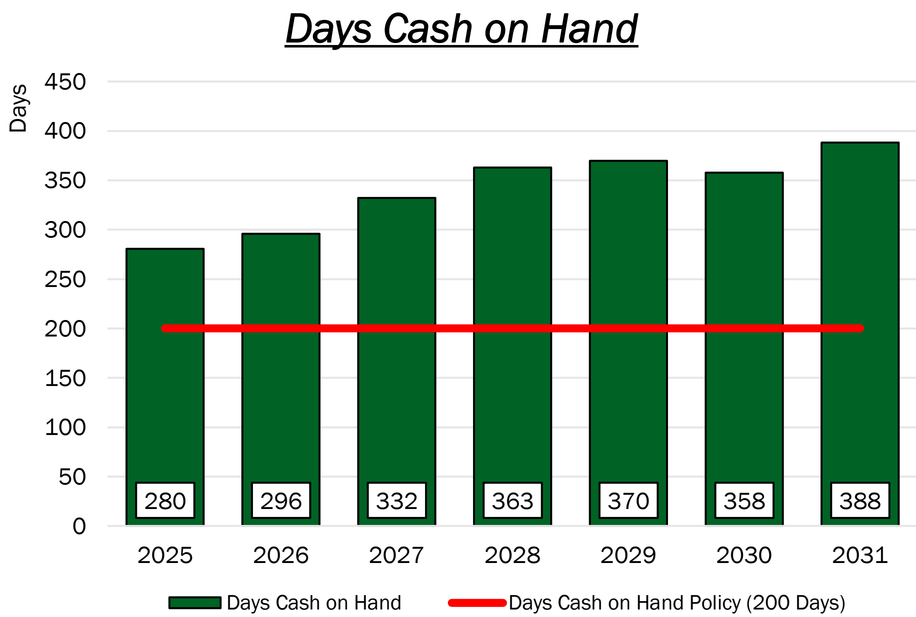
A 10% contingency has been added to each Project Fund for COI, DSRF, etc..

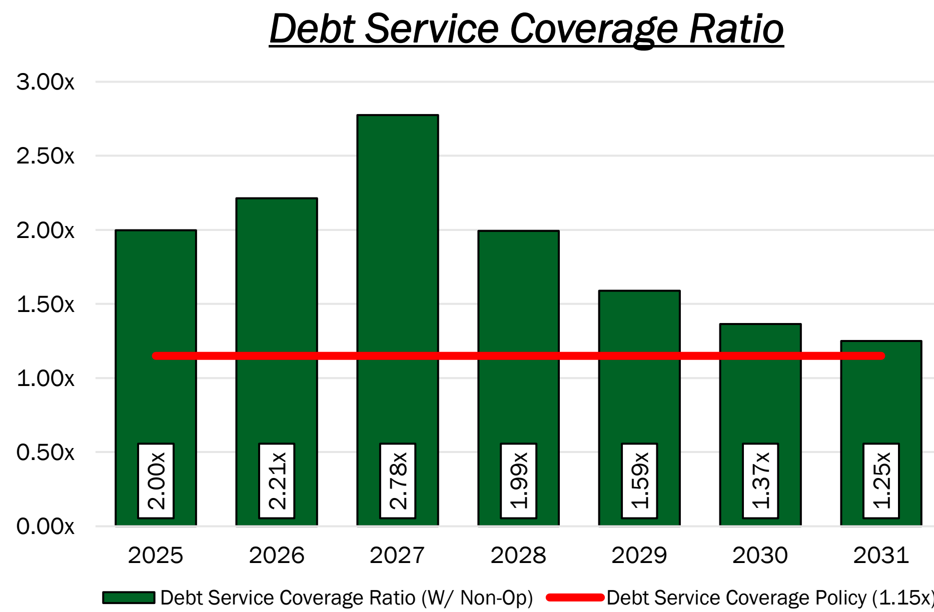
Preliminary, subject to change.

Water and Sewer Fund Projected Financials



Water and Sewer Fund Projected Financial Ratios





FY	2026	2027	2028	2029	2030	2031
Debt Service Coverage Ratio	2.21x	2.78x	1.99x	1.59x	1.37x	1.25x
Days Cash on Hand	296	332	363	370	358	388
Ending Cash Balance	$ 5,634,347	$ 6,509,079	$ 7,329,615	$ 7,688,884	$ 7,663,393	$ 8,566,236

Preliminary, subject to change.

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