

Alto Utilities Ltd.  
 Projected Cash Flow Statements  
 3 Year forecast

	2022 Approved Forecast	Fiscal Year Ending Sep 30/23 Actual	Year 1 Forecast Effective Fiscal Year Sep 30/24	Year 2 Forecast Effective Fiscal Year Sep 30/25	Year 3 Forecast Effective Fiscal Year Sep 30/26
<b>WATER RATES</b>					
<u>WATER RATES TO COVER OPERATING EXPENSES</u>					
Residential Service Flat Rate per month	70.50	70.50	54.99	56.75	58.74
Commercial - Peter Greer Elementary School (per SFE) per month	70.50	70.50	54.99	56.75	58.74
Meter Rates per month - Winfield United Church	46.53	46.50	36.27	37.43	38.74
plus per cubic meter	1.90	1.90	1.48	1.53	1.58
Availability of Service (Rent) Charge per annum	423.00	422.00	329.94	340.50	352.42
RRTF Contribution Rate	30%	30%	n/a	n/a	n/a
<u>WATER RATES TO COVER RRTF PROVISION</u>					
Residential Service Flat Rate per month			25.32	32.56	41.60
Commercial - Peter Greer Elementary School (per SFE) per month			25.32	32.56	41.60
Meter Rates per month - Winfield United Church			16.70	21.47	27.44
plus per cubic meter			0.68	0.88	1.12
Availability of Service (Rent) Charge per annum			151.94	195.36	249.62
<u>WATER TREATMENT CAPITAL FUND RIDER</u>					
Residential Service Flat Rate per month			3.64	9.09	16.37
Commercial - Peter Greer Elementary School (per SFE) per month			3.64	9.09	16.37
Meter Rates per month - Winfield United Church			2.50	6.25	11.25
<b>Cumulative Total Water rate (Operating, RRTF, Treatment)</b>					
Residential Service Flat Rate per month			83.95	98.40	116.71
Commercial - Peter Greer Elementary School (per SFE) per month			1,679.03	1,968.06	2,334.15
Meter Rates per month - Winfield United Church			55.47	65.15	77.43
plus per cubic meter			2.16	2.40	2.70
Availability of Service (Rent) Charge per annum			503.71	590.42	700.25
<b>REVENUE</b>					
<u>Water Fees to cover operating expenses</u>					
Residential Service Flat Rate	370,125	370,078	288,701	297,939	308,367
Commercial - Peter Greer Elementary School (20SFEs)	16,920	16,920	13,198	13,620	14,097
Meter Rates per month - Winfield United Church	558	558	435	449	465
plus per cubic meter	881	673	687	709	734
Availability of Service (Rent) Charge	2,538	2,538	990	1,022	1,057
	391,022	390,767	304,011	313,739	324,720
<u>Water Fees to cover RRTF provision</u>					
Residential Service Flat Rate	-	-	132,950	170,936	218,418
Commercial - Peter Greer Elementary School (20SFEs)	-	-	6,078	7,814	9,985
Meter Rates per month - Winfield United Church	-	-	200	258	329
plus per cubic meter	-	-	317	407	520
Availability of Service (Rent) Charge	-	-	456	586	749
	-	-	140,001	180,001	230,001
Operations and RRTF Contributions Increase			444,012 13.6%	493,740 11.2%	554,722 12.4%
<u>Capital Fund Rider</u>					
Residential Service Flat Rate			19,095	47,737	85,928
Commercial - Peter Greer Elementary School (20SFEs)			873	2,183	3,928
Meter Rates per month - Winfield United Church			30	75	135
			19,998	49,995	89,991
<u>Connections &amp; Transfers</u>					
Other income	1,000	360	1,000	1,000	1,000
	2,400	3,990	2,400	2,400	2,400
<b>TOTAL REVENUE</b>	394,422	395,117	467,410	547,135	648,113
	% Increase		19%	17%	18%
<b>EXPENSES</b>					
Auto	Note 2	10,954	10,954	12,460	13,218
Insurance	Note 3	18,868	21,384	22,453	24,755
Interest and bank charges		1,151	678	698	741
Management fees	Note 2	35,686	35,686	40,591	43,063
Office and miscellaneous		6,545	5,117	5,271	5,591
Operator wages	Note 2	55,257	55,257	62,852	64,737
Payroll costs			5,540	5,706	6,054
Power		24,584	21,087	21,720	22,371
Professional fees		4,605	4,783	4,926	5,074
Property taxes	Note 4	19,590	26,420	29,062	29,934
Rent	Note 2	5,526	5,526	6,286	6,668
Repairs and maintenance		40,292	44,748	46,090	47,473
Bookkeeping fees	Note 2	14,965	15,915	18,102	18,645
Telephone		9,048	7,656	7,886	8,366
<b>TOTAL EXPENSES</b>		247,071	260,751	284,102	293,074
Less RRTF contributions	% Increase		37,031 15%	8,972 3%	9,264 3%
RRTF Provision			140,000	180,000	230,000
Future capital project (100% of capital fund rider)			19,998	49,995	89,991
Estimated income taxes			6,603	6,689	7,725
			166,601	236,683	327,716
<b>NET INCOME</b>		147,351	134,366	16,706	17,377
Less:					
Income taxes		(16,287)	(17,946)		
RRTF Provision		(117,307)	(117,230)		
<b>ADJUSTED NET INCOME (LOSS)</b>		13,758	(810)	16,706	18,059
<b>OPERATING MARGIN (% OF EXPENSES)</b>		5.6%	-0.3%	5.9%	6.0%

Note 1 - Annual cost of Living increase on expense is an estimate based on Bank of Canada's latest inflation data with exception in Note 2

Note 2 - Cost of living increase from 2022 to 2024 (three years) per Bank of Canada for Year 1 only

2022	6.80%	1.0680
2023	3.40%	1.1043
2024	3.00%	1.1374
	compounded 3-year inflation rate	13.744%

Note 3 - Insurance expected to increase by 5% every year

Note 4 - property taxes expected to increase 10% in Year 1; Year 2 and 3 increase at rate of inflation