# AGENDA ITEM HISTORY SHEET

**ITEM TITLE**

Ordinance 2025-11 Water Rates

**AGENDA NO.** 10

**AGENDA DATE:** 12/16/2025

**FUNDING CERTIFICATION** (Finance Director) (Signature, if applicable)

**MANAGEMENT STAFF REVIEW** (Signature)

**MAYOR** (Signature)

**ITEM HISTORY** (Previous Council reviews, action related to this item, and other pertinent history)

This rate ordinance includes the REMOVAL of the 1 FTE to the water department each year for 5 years. This ordinance will be getting it's first reading, and WSAC has recommended this ordinance to be adopted by Council as is. Ryan Bowman with Friday Firm drafed/reviewed the ordinance.

**ITEM COMMENTARY** (Background discussion, key points, recommendations, etc.) Please identify any or all impacts this proposed action would have on the City budget, personnel resources, and/or residents.

This ordinance reflects the rates that were most recently proposed in our water/wastewater rate study. Once the rate ordinance is adopted, the rate study will be turned into Natural Resources Division for approval. Act 605 requires the implementation of full cost pricing meaning we mst have rates that provide us with adequate revenue to continue operating the system at current level of service as well as completing our Council adopted water capital improvment plan. The rates will allow us to be compliant with Act 605 and allow us to continue doing the upgrades needed for our system. The proposed 2026 budget numbers are reliant on our rates. If these rates are not implemented by January 1, 2026, we will have to do major adjustments to the budget to cover the shortfall in revenue which may result in the capital improvement plan projects as well as day to day oeprations being negatively affected.

(This section to be completed by the Mayor)

**ACTION PROPOSED** (Motion for Consideration)

Complete 2nd & 3rd reading and adopt

ORDINANCE NO. _____

AN ORDINANCE FIXING RATES FOR SERVICES RENDERED BY THE WATER FACILITIES OF THE WATER AND SEWER SYSTEM OF THE CITY OF BRYANT, ARKANSAS; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Bryant, Arkansas (the "City") owns and operates a water and sewer system (the "System"); and

WHEREAS, in order to comply with Act 605 of 2021, the City Council has determined that the rates charged for water services of the System should be increased;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bryant, Arkansas:

Section 1. The following monthly rates and charges, which the City Council hereby finds and declares are fair, reasonable and necessary rates, are hereby fixed as rates to be charged for water services to be rendered by the System.

Monthly Water Rates. (a) For water service between January 1, 2026 and December 31, 2026, the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

January 1, 2026 - December 31, 2026

For the first 2,000 gallons of water consumption per month or portion thereof:

| *Meter Size* | *Minimum Charge* |
|---|---|
| 5/8" | $ 15.69 |
| 1" | 23.54 |
| 1 1/2" | 39.24 |
| 2" | 78.46 |
| 3" | 125.54 |
| 4" | 235.40 |
| 6" | 784.65 |

All consumption in excess of 2,000 gallons: $0.754 per 100 gallons

(b) For water service between January 1, 2027 and December 31, 2027, the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

January 1, 2027 - December 31, 2027

For the first 2,000 gallons of water consumption per month or portion thereof:

| *Meter Size* | *Minimum Charge* |
|---|---|
| 5/8" | $ 16.95 |
| 1" | 25.43 |
| 1 1/2" | 42.38 |
| 2" | 84.74 |
| 3" | 135.58 |
| 4" | 254.23 |
| 6" | 847.42 |

All consumption in excess of 2,000 gallons: $0.814 per 100 gallons

(c) For water service between January 1, 2028 and December 31, 2028, the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

January 1, 2028 - December 31, 2028

For the first 2,000 gallons of water consumption per month or portion thereof:

| *Meter Size* | *Minimum Charge* |
|---|---|
| 5/8" | $ 18.30 |
| 1" | 27.46 |
| 1 1/2" | 45.77 |
| 2" | 91.52 |
| 3" | 146.43 |
| 4" | 274.57 |
| 6" | 915.22 |

All consumption in excess of 2,000 gallons: $0.879 per 100 gallons

(d) For water service between January 1, 2029 and December 31, 2029, the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

January 1, 2029 - December 31, 2029

For the first 2,000 gallons of water consumption per month or portion thereof:

| *Meter Size* | *Minimum Charge* |
|---|---|
| 5/8" | $ 19.58 |
| 1" | 29.38 |
| 1 1/2" | 48.97 |
| 2" | 97.92 |
| 3" | 156.68 |

| | |
|---|---|
| 4" | 293.79 |
| 6" | 979.28 |

All consumption in excess of 2,000 gallons: $0.941 per 100 gallons

(e) For water service on and after January 1, 2030, the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

On and After January 1, 2030

For the first 2,000 gallons of water consumption per month or portion thereof:

| *Meter Size* | *Minimum Charge* |
|---|---|
| 5/8" | $ 20.96 |
| 1" | 31.44 |
| 1 1/2" | 52.40 |
| 2" | 104.78 |
| 3" | 167.65 |
| 4" | 314.35 |
| 6" | 1,047.83 |

All consumption in excess of 2,000 gallons: $1.007 per 100 gallons

(f) Customers receiving water services to locations outside of City limits will be charged double the prevailing minimum charge.

(g) Each customer 65 years and older, with verification of age, shall receive a senior citizen discount of three dollars and eighty-one cents ($3.81), which shall be deducted from the monthly water bill.

(h) If the City determines that it is necessary to purchase from any secondary water provider, customers will be charged an additional surcharge of $0.04 per 100 gallons of water consumption, in addition to the then-prevailing water rates, for the month in which the City purchases from said secondary provider.

Section 2. (a) On or before June 30, 2029 and on or before June 30 of each fourth (4th) year thereafter, the City shall engage a duly qualified rate analyst not in the regular employ of the City (an "Analyst") to review the then current water and sewer rates and make recommendations as to whether any rate increases are necessary to produce revenues sufficient to pay debt service on outstanding bonds secured by System revenues ("System Bonds"), provide an adequate depreciation fund, pay the costs of operating and maintaining the System and meet any required bond covenants for the ensuing fiscal year.

(b) Beginning in 2026, the City, on or before June 30 of each year that an Analyst is not engaged pursuant to subsection (a) above, shall review the then current water and sewer rates to determine whether any rate increases are necessary to produce revenues sufficient

to pay debt service on outstanding System Bonds, provide an adequate depreciation fund, pay the costs of operating and maintaining the System and meet any required bond covenants for the ensuing fiscal year.

Section 3. None of the water services afforded by the System shall be furnished without a charge being made therefore. Any multi-unit that has installed a master meter will pay the Minimum Charge on each unit plus usage shown on the master meter.

Section 4. The provisions of this Ordinance are separable and if a section, phrase or provision shall be declared invalid, such declaration shall not affect the validity of the remainder of this Ordinance.

Section 5. All ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. It is hereby ascertained and declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety shall take effect and be in force from and after its passage.

[Remainder of page intentionally left blank]

PASSED: _____, 2025.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

(SEAL)

CERTIFICATE

The undersigned, City Clerk of the City of Bryant, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. _____, adopted at a _____ session of the City Council of the City of Bryant, Arkansas, held at the regular meeting place in said City at 6:30 o'clock p.m., on the _____ day of _____, 2025, and that the Ordinance is of record in Ordinance Record Book No. _____, Page _____, now in my possession.

GIVEN under my hand and seal on this _____ day of _____, 2025.

_____
City Clerk

(SEAL)

# City of Bryant, AR

## 2025 Water and Wastewater Rate Study

WILLDAN



# CITY OF BRYANT, ARKANSAS
# WATER AND WASTEWATER RATE STUDY
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# Acknowledgements

During the course of this rate study, several City of Bryant employees and engineer consultants expended considerable amounts of time and effort in assisting the project team. These employees included the Mayor and City Council, Mr. Tim Fournier, Mr. Troy Ellis, Ms. Moriah Winkle and Mr. Ted Taylor. The project team owes a debt of gratitude to the hard work, dedication and professionalism of these and other staff members, without whom this project would not have been successfully completed.

The project team has relied upon the extensive data supplied by the City of Bryant. Thus, the integrity of the study is largely dependent upon the accuracy of this financial and customer data. Every effort has been made by the project team to validate and confirm the information contained herein prior to the preparation of the final study documents. **This report presents no assurance or guarantee that the forecast contained herein will be consistent with actual results or performances**. These represent forecasts based on a series of assumptions about future behavior, and are not guarantees. Any changes in assumptions or actual events may result in significant revisions to the forecast and its conclusions. The cash flow projections and debt service coverage calculations are not intended to present overall financial positions, results of operations, and/or cash flows for the periods indicated, which is in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants.

Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: https://www.sec.gov/edgar/searchedgar/companysearch.html and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.

# *Executive Summary*

# Executive Summary

## Background

In late 2024, the City of Bryant, Arkansas (the "City") engaged **Willdan Financial Services** to conduct a water and wastewater rate study and long-term financial plan. The City was interested in developing an updated comprehensive water and wastewater rate plan for FY 2026 and beyond. The objective is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service and coverage requirements, while at the same time minimizing the impact on ratepayers.

The City identified numerous objectives for this study, including but not limited to the following:

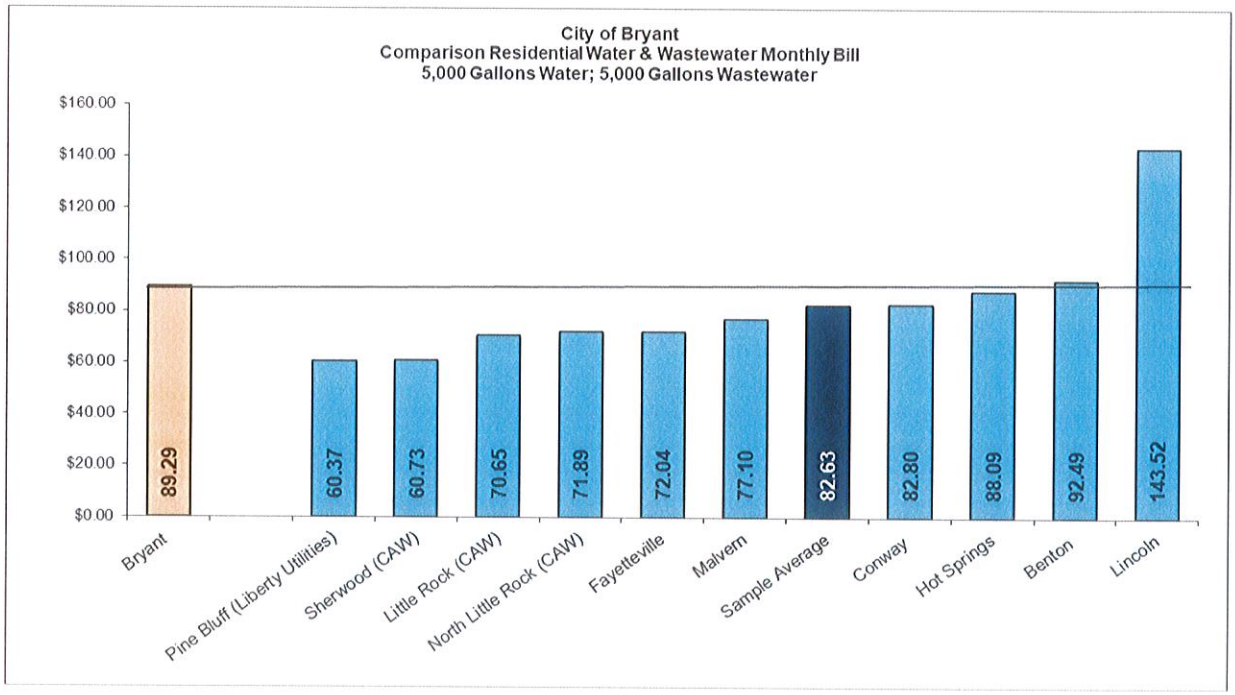
- A comprehensive analysis and evaluation of the water and wastewater systems' current cost of service and revenue requirements.
- A forecast of operating expenses over the next decade, taking into consideration salient factors such as cost of water and wastewater treatment, inflation, system growth, and increases in staffing levels.
- A thorough review of the water and wastewater systems' known capital improvement needs, as well as a determination of the need for funding capital requirements through the issuance of long-term debt for the existing identified capital improvements.
- An estimate of current and forecast accounts, volumes and billing units for the ten-year forecast period.
- A detailed analysis and comparison of the City's current and proposed rates to rates in other surrounding communities.
- A statement with supporting documentation affirming the rate study's compliance with Act 605.

## Water and Wastewater Rate Comparison

**Chart ES-1** compares Bryant's current monthly water and wastewater charges to those of nearby cities in Arkansas. A billing volume of 5,000 gallons for water and 5,000 gallons for wastewater was used for the residential comparison as it represents typical usage levels for an average household in the City. The rate data is based on published rates and ordinances posted by each municipality on their websites as of May 2025. These rates do not include sales tax, activation, infrastructure fee, or other charges beyond the basic

minimum and volume charges. The table reveals that the City's rates are only slightly higher when compared to most other cities in the region.

CHART ES-1




## Water and Wastewater Customers and Meters – Test Year & Forecast

The majority of the water and wastewater accounts served by Bryant are inside city Residential and Non-Residential customers. **Table ES-2** on the next page presents total water and wastewater connections (customers) by customer class for the City for the test year and forecast period. As shown, overall water accounts are forecast to increase from **8,800** in the test year to **10,221** in FY 2034, an average annual increase of 1.7%. The City has a larger number of wastewater accounts as it provides sewer services to outside city customers. Wastewater accounts are expected to grow faster than water accounts as Bryant continues to expand sewer services to the County. Overall wastewater accounts are forecast to increase from **10,056** in the test year to **11,974** in FY 2034. The addition of these new connections will result in both non-recurring connection fees and increasing monthly water and wastewater revenues.

TABLE ES-2

CITY OF BRYANT, AR

**FORECAST TOTAL CUSTOMERS**
**WATER Customer Classes**

| Fiscal Year | Residential & Non-Residential | Sprinkler | Multi-Family | Wholesale (COB Parks & Rec) | Woodland Hills | No Charge | Total |
|---|---|---|---|---|---|---|---|
| **WATER Total Customers** | | | | | | | |
| 2023 | 8,223 | 334 | 100 | 7 | 1 | 9 | 8,649 |
| 2024 | 8,182 | 406 | 99 | 7 | 1 | 9 | 8,704 |
| 2025 | 8,376 | 308 | 99 | 7 | 1 | 9 | 8,800 |
| 2026 | 8,518 | 313 | 99 | 7 | 1 | 9 | 8,947 |
| 2027 | 8,663 | 318 | 99 | 7 | 1 | 9 | 9,097 |
| 2028 | 8,810 | 324 | 99 | 7 | 1 | 9 | 9,250 |
| 2029 | 8,960 | 329 | 99 | 7 | 1 | 9 | 9,405 |
| 2030 | 9,113 | 334 | 99 | 7 | 1 | 9 | 9,563 |
| 2031 | 9,267 | 340 | 99 | 7 | 1 | 9 | 9,723 |
| 2032 | 9,425 | 345 | 99 | 7 | 1 | 9 | 9,886 |
| 2033 | 9,585 | 351 | 99 | 7 | 1 | 9 | 10,052 |
| 2034 | 9,748 | 357 | 99 | 7 | 1 | 9 | 10,221 |

**FORECAST TOTAL CUSTOMERS**
**WASTEWATER Customer Classes**

| | Residential & Non-Residential | Salem Metered Sewer | Salem Sewer | Quail Ridge | Drain Water (County Landfield) | Total |
|---|---|---|---|---|---|---|
| **WASTEWATER Total Customers** | | | | | | |
| 2023 | 7,647 | 1,180 | 390 | 19 | - | 9,237 |
| 2024 | 7,717 | 1,307 | 653 | 46 | 1 | 9,724 |
| 2025 | 7,894 | 1,414 | 701 | 46 | 1 | 10,056 |
| 2026 | 8,028 | 1,455 | 722 | 46 | 1 | 10,252 |
| 2027 | 8,165 | 1,498 | 743 | 46 | 1 | 10,452 |
| 2028 | 8,303 | 1,541 | 765 | 46 | 1 | 10,656 |
| 2029 | 8,445 | 1,586 | 787 | 46 | 1 | 10,865 |
| 2030 | 8,588 | 1,632 | 810 | 46 | 1 | 11,077 |
| 2031 | 8,734 | 1,680 | 834 | 46 | 1 | 11,295 |
| 2032 | 8,883 | 1,729 | 858 | 46 | 1 | 11,517 |
| 2033 | 9,034 | 1,779 | 884 | 46 | 1 | 11,743 |
| 2034 | 9,187 | 1,831 | 910 | 46 | 1 | 11,974 |

## Net Revenue Requirement

**Table ES-3** presents the City's forecast Net Revenue Requirement for the ten-year period FY2025 through FY2034. The table reveals that the total revenue requirement is expected to increase from **$11,464,551** in FY2025 to **$22,847,341** in FY2034. Detailed calculations are presented in the rate model contained in **Appendix A** of this report.

As shown in this table, Operating and Capital Outlay Expenses are by far the largest annual expense paid by Bryant's water and wastewater utilities. The second largest expense is the cost of water purchases from Central Arkansas Water ("CAW"). **Any changes in forecast estimates used in determining the City's water and wastewater revenue requirement for this rate study could require significant changes to the rate plan presented in this report.**

TABLE ES-3

CITY OF BRYANT, AR

**CURRENT AND FORECAST NET REVENUE REQUIREMENT**

| | Operating & Capital Expenses | CAW Costs | Cap Outlays/ Reserve Rqmt | Debt Service | Transfers & Contingencies | Total Cost of Service | Less Non-Rate Revenues | Net Revenue Requirement |
|---|---|---|---|---|---|---|---|---|
| | **WATER Revenue Requirement** | | | | | | | |
| 2025 | $ 2,913,240 | $ 1,955,149 | $ 345,001 | $ 427,392 | $ 187,500 | **$ 5,828,281** | $ 1,088,702 | $ 4,739,579 |
| 2026 | 3,104,094 | 2,149,653 | 350,176 | 1,468,321 | 187,500 | **7,259,744** | 1,124,870 | 6,134,875 |
| 2027 | 3,311,516 | 2,405,360 | 355,429 | 1,720,714 | 187,500 | **7,980,519** | 1,195,608 | 6,784,910 |
| 2028 | 3,528,874 | 2,736,556 | 360,760 | 1,724,422 | 187,500 | **8,538,112** | 1,336,510 | 7,201,602 |
| 2029 | 3,756,619 | 3,031,717 | 366,171 | 1,802,372 | 187,500 | **9,144,380** | 1,481,843 | 7,662,538 |
| 2030 | 3,995,220 | 3,230,386 | 371,664 | 1,806,031 | 187,500 | **9,590,801** | 1,526,506 | 8,064,295 |
| 2031 | 4,123,758 | 3,458,036 | 377,239 | 1,808,413 | 187,500 | **9,954,946** | 1,572,418 | 8,382,528 |
| 2032 | 4,257,065 | 3,692,154 | 382,898 | 1,813,361 | 187,500 | **10,332,977** | 1,619,685 | 8,713,292 |
| 2033 | 4,395,354 | 3,932,326 | 388,641 | 1,816,988 | 187,500 | **10,720,809** | 1,667,769 | 9,053,040 |
| 2034 | 4,538,852 | 4,192,980 | 394,471 | 2,262,333 | 187,500 | **11,576,136** | 1,718,684 | 9,857,451 |
| | **WASTEWATER Revenue Requirement** | | | | | | | |
| 2025 | 4,746,095 | - | 1,033,015 | 656,362 | 289,500 | **6,724,972** | - | 6,724,972 |
| 2026 | 5,012,861 | - | 1,048,510 | 972,261 | 298,185 | **7,331,817** | - | 7,331,817 |
| 2027 | 5,297,939 | - | 1,064,238 | 1,424,855 | 307,131 | **8,094,163** | - | 8,094,163 |
| 2028 | 5,596,725 | - | 1,080,201 | 1,511,437 | 316,344 | **8,504,707** | - | 8,504,707 |
| 2029 | 5,909,869 | - | 1,096,404 | 2,426,544 | 325,835 | **9,758,652** | - | 9,758,652 |
| 2030 | 6,238,055 | - | 1,112,851 | 3,101,874 | 335,610 | **10,788,390** | - | 10,788,390 |
| 2031 | 6,457,134 | - | 1,129,543 | 3,102,619 | 345,678 | **11,034,974** | - | 11,034,974 |
| 2032 | 6,685,391 | - | 1,146,486 | 3,110,950 | 356,048 | **11,298,875** | - | 11,298,875 |
| 2033 | 6,923,290 | - | 1,163,684 | 3,115,210 | 366,730 | **11,568,913** | - | 11,568,913 |
| 2034 | 7,171,324 | - | 1,181,139 | 4,259,695 | 377,732 | **12,989,890** | - | 12,989,890 |
| | **TOTAL Revenue Requirement** | | | | | | | |
| 2025 | 7,659,334 | 1,955,149 | 1,378,016 | 1,083,754 | 477,000 | 12,553,253 | 1,088,702 | **11,464,551** |
| 2026 | 8,116,955 | 2,149,653 | 1,398,686 | 2,440,583 | 485,685 | 14,591,562 | 1,124,870 | **13,466,692** |
| 2027 | 8,609,455 | 2,405,360 | 1,419,667 | 3,145,569 | 494,631 | 16,074,682 | 1,195,608 | **14,879,074** |
| 2028 | 9,125,599 | 2,736,556 | 1,440,962 | 3,235,859 | 503,844 | 17,042,819 | 1,336,510 | **15,706,309** |
| 2029 | 9,666,488 | 3,031,717 | 1,462,576 | 4,228,916 | 513,335 | 18,903,033 | 1,481,843 | **17,421,190** |
| 2030 | 10,233,275 | 3,230,386 | 1,484,515 | 4,907,905 | 523,110 | 20,379,191 | 1,526,506 | **18,852,685** |
| 2031 | 10,580,892 | 3,458,036 | 1,506,782 | 4,911,032 | 533,178 | 20,989,920 | 1,572,418 | **19,417,502** |
| 2032 | 10,942,456 | 3,692,154 | 1,529,384 | 4,924,310 | 543,548 | 21,631,852 | 1,619,685 | **20,012,167** |
| 2033 | 11,318,645 | 3,932,326 | 1,552,325 | 4,932,197 | 554,230 | 22,289,723 | 1,667,769 | **20,621,953** |
| 2034 | 11,710,176 | 4,192,980 | 1,575,610 | 6,522,028 | 565,232 | 24,566,026 | 1,718,684 | **22,847,341** |

## Capital Improvement Plan

One of the key assumptions used in the development of the long-term revenue requirement is the City's Capital Improvement Plan. The City's near-term (2025-2029) CIP assumptions are summarized in **Table ES-4**. The table reveals that the City's CIP over the next five years is estimated to be **$14,160,000** for the water system and **$47,669,000** for the wastewater system. Bryant anticipates funding a portion of the CIP with impact fees, transfers and other sources available to the City. Additional funding is forecasted to come from long-term bond issues totaling **$44,726,000**.

TABLE ES-4

**CITY OF BRYANT, AR**
**CAPITAL IMPROVEMENT PLAN FOR FUNDING THROUGH NEW BOND ISSUES**
**FY 2020 - FY 2025**

| **SCENARIO:** 2025 09 02 -- Scenario I Status Quo | | **Cost** |
|---|---|---|
| **WATER PROJECTS** | | |
| NEAR TERM (2025 -- 2029) | | |
| 1.5M Gallon Tank @ N. Reynolds / High School | $ | 11,000,000 |
| 12" extension Boon Rd | | 1,300,000 |
| System Transmission, Springhill, I-30 to Hwy 5N | | 1,000,000 |
| Bryant Pkwy I-30 to Johnswood | | 740,000 |
| Fireflow Improvemnet Project -- N. Reynolds Rd at Rogers Rd.Crossig | | 40,000 |
| Woody Dr to Steeplechase Cir | | 80,000 |
| **Total** | | **14,160,000** |
| **WASTEWATER PROJECTS** | | |
| NEAR TERM (2025 -- 2029) | | |
| Disinfection / Contact Basin / Dissolved Oxygen Basin Improvements | $ | 4,230,000 |
| Headworks & Grit Removal Improvements | | 5,922,000 |
| Activated Sludge Process Improvements | | 12,250,000 |
| Clarification Improvements / WAS / RAS | | 9,024,000 |
| BR-04 Lift Station LS-05 Upgrade | | 8,625,000 |
| Lift Station LS-05 Parallel Force Main | | 7,618,000 |
| **Total** | | **47,669,000** |
| **TOTAL CIP** | $ | **61,829,000** |

It should be noted that if the City materially revises its CIP, the rate plan may be subject to potentially significant revision.

## Water and Wastewater Rate Design

Based on an extensive series of discussions with the City, the project team is presenting the following rate plan for the City Council to consider. The following is notable regarding the proposed rate plan:

- While the rate models present a forecast of rates for ten years, the project team recommends that the City adopts a 5-year rate plan, with rates to be automatically implemented annually on January 1, 2026 through January 1, 2030.
- Given the significant growth in the City and potential for unexpected events the project team recommends that the City periodically review these rates during the next five years, to incorporate any changes to costs, volumes or growth assumptions that may occur during that time.
- The most significant impact on rates will be the cost of operating expenses and Central Arkansas Water purchases. Should the City make material changes to its operating expenses and/or CIP, the City should undertake an immediate review of its rate plan.
- The second largest impact on rates will be debt issued to fund the CIP. The initial cost of service and rate proposal assumes that the Utility rate adjustments will be funded on a stand-alone basis, whereby debt service will be fully funded through rates.
- Future debt is assumed to have a 20-year term and 4.0% interest rate. If other credit terms become available, the recommended rate plan may require revision.
- Finally, the project team recommends the City continue using the existing water and wastewater rate structure. This rate structure is effective and easily understood by customers.

Uniform adjustments are applied to the water and wastewater's existing base and volumetric rates for each rate class. There is no change to the basic rate structure other than the uniform annual adjustments in the rate plan. As part of this rate proposal, a significant adjustment in wastewater infrastructure monthly charge is recommended for all wastewater customers served by a 5/8" water meter. The wastewater infrastructure charge for 5/8" meters is set to decrease from **$15.75** per month to **$10.00** per month starting in January 2026 and will automatically increase by 5% each year after that. Wastewater infrastructure charges for customers served by larger meters will remain unchanged (will also automatically increase by 5% each year). The rate plan and forecast revenues and expenses under this scenario are presented in **Appendix A.**

**Table ES-5** on the next page presents a summary of the rate plan proposed for water customers. **Table ES-6** presents a summary of the rate plan proposed for wastewater customers. **Table ES-7** presents the customer rate impact assuming the proposed rate plan is adopted by City Council.

## Act 605 Compliance

This rate study was completed in compliance with Act 605 rules established by the Arkansas Natural Resources Commission as dictated by Ark. Code Ann. § 14-234-801 et. seq. These rules, and the rate study compliance thereof, are documented in **Appendix B "Check List of Rules Implementing AR Act 605 of 2021"**. Willdan used this check list to certify Act 605 compliance as part of this rate study.

It should be noted that the City's asset management plan is contained in its comprehensive Master Plan, a separate document that will be made available upon request.

As stated throughout the rate study, **Appendix A** of the report presents the rate model worksheet summaries that detail the financial ratios, financial analysis and rate design prepared as part of the rate study. References to where each of the specific criteria is fulfilled is contained in the checklist in Appendix B.

TABLE ES-5

CITY OF BRYANT, AR

PROPOSED WATER AND WASTEWATER RATE PLAN

| | | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|---|
| **WATER** | | | | | | | |
| **Residential and Non Residential** | | | | | | | |
| Monthly Minimum Charge | | | | | | | |
| 5/8" | | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 |
| 1" | | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 |
| 1 1/2" | | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 |
| 2" | | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 |
| 3" | | 116.24 | 126.70 | 138.10 | 150.53 | 164.08 | 178.85 |
| 4" | | 217.96 | 237.58 | 258.96 | 282.26 | 307.67 | 335.36 |
| 6" | | 726.53 | 791.92 | 863.19 | 940.88 | 1,025.56 | 1,117.86 |
| Volume Rate Per 100 Gal | | | | | | | |
| 2,000 | Above | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| **Woodland Hills** | | | | | | | |
| Monthly Minimum Charge | | 447.10 | 480.64 | 516.69 | 554.16 | 581.87 | 610.97 |
| (Rate set by CAW) | | | | | | | |
| Volume Rate Per 1,000 Gal | | | | | | | |
| (Rate set by CAW) | | | | | | | |
| - | Above | 2.166 | 2.326 | 2.513 | 2.700 | 2.834 | 2.968 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |

TABLE ES-6

CITY OF BRYANT, AR

PROPOSED WATER AND WASTEWATER RATE PLAN

| | | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|---|
| **WASTEWATER** | | | | | | | |
| **Residential & Non-Residential Inside** | | | | | | | |
| Monthly Minimum Charge | | $ 20.70 | $ 21.94 | $ 23.26 | $ 24.65 | $ 25.15 | $ 25.65 |
| Volume Rate/100 Gal (2,000-Above) | | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 |
| **Salem/Quail Ridge** | | | | | | | |
| Monthly Minimum Charge | | $ 41.40 | $ 43.88 | $ 46.52 | $ 49.31 | $ 50.29 | $ 51.30 |
| Volume Rate/100 Gal | | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 |
| **Drain Water (County Landfield)** | | | | | | | |
| Volume Rate/per Gallon | | 0.0575 | 0.0610 | 0.0646 | 0.0685 | 0.0699 | 0.0713 |
| **WW Infrastructure Monthly Charge** | | | | | | | |
| (in addition to mthly chgs) | 5/8" | $ 15.75 | $ 10.00 | $ 10.50 | $ 11.03 | $ 11.58 | $ 12.16 |
| | 1" | 52.50 | 55.13 | 57.88 | 60.78 | 63.81 | 67.00 |
| | 1 1/2" | 105.00 | 110.25 | 115.76 | 121.55 | 127.63 | 134.01 |
| | 2" | 168.00 | 176.40 | 185.22 | 194.48 | 204.21 | 214.42 |
| | 3" | 336.00 | 352.80 | 370.44 | 388.96 | 408.41 | 428.83 |
| | 4" | 530.25 | 556.76 | 584.60 | 613.83 | 644.52 | 676.75 |
| | 6" | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 |
| | 8" | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 |

TABLE ES-7

CITY OF BRYANT, AR

IMPACT OF RATE PLAN ON MONTHLY CHARGES

| | | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|---|
| **Residential Monthly Charges -- 5/8"** | | | | | | | |
| 2,000 Water | 2,000 WW | $ 50.98 | $ 47.78 | $ 51.02 | $ 54.50 | $ 57.23 | $ 60.16 |
| | Increase -- $ | | (3.20) | 3.24 | 3.47 | 2.74 | 2.93 |
| | Increase -- % | | -6.3% | 6.8% | 6.8% | 5.0% | 5.1% |
| 5,000 Water | 5,000 WW | 105.04 | 105.71 | 113.11 | 121.06 | 127.03 | 133.42 |
| | Increase -- $ | | 0.67 | 7.40 | 7.95 | 5.97 | 6.39 |
| | Increase -- % | | 0.6% | 7.0% | 7.0% | 4.9% | 5.0% |
| 10,000 Water | 10,000 WW | 195.14 | 202.26 | 216.60 | 232.00 | 243.35 | 255.52 |
| | Increase -- $ | | 7.12 | 14.34 | 15.40 | 11.35 | 12.17 |
| | Increase -- % | | 3.7% | 7.1% | 7.1% | 4.9% | 5.0% |
| **Commercial Monthly Charges -- 2"** | | | | | | | |
| 25,000 Water | 25,000 WW | $ 675.81 | $ 721.67 | $ 770.84 | $ 823.55 | $ 866.99 | $ 913.50 |
| | Increase -- $ | | 45.86 | 49.16 | 52.71 | 43.44 | 46.51 |
| | Increase -- % | | 6.8% | 6.8% | 6.8% | 5.3% | 5.4% |

# *Section I*

SECTION I

# Introduction and Demographic Profile

## Background




In late 2024, the City of Bryant, Arkansas (the "City") engaged **Willdan Financial Services** to conduct a water and wastewater rate study and long-term financial plan. The City was interested in developing an updated comprehensive water and wastewater rate plan for FY 2026 and beyond. The objective of this study is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service and coverage requirements, while at the same time to the best extent possible minimizing the impact of any adjustments on ratepayers. Further, the purpose of this report is to provide documentary assurance that the City's rate plan complies with *Arkansas Oversight of Retail Water Providers Act 605 of 2021* (Act 605).

The City identified numerous objectives for this study, including but not limited to the following:

- A comprehensive analysis and evaluation of the water and wastewater systems' current cost of service and revenue requirements.
- A forecast of operating expenses over the next decade, taking into consideration such factors as inflation, system growth, and increases in staffing levels.
- A thorough review of the water and wastewater systems' known capital improvement needs, as well as a determination of the need for funding capital requirements through the issuance of long-term debt for the existing identified capital improvements.
- An estimate of current and forecast accounts, volumes and billing units for the ten-year forecast period.
- An analysis of alternative multi-year water and wastewater rate plans that will distribute costs equitably.
- A detailed analysis and comparison of the City's current and proposed rates to rates in other surrounding communities.
- A statement and supporting documentation affirming the rate study's compliance with Act 605.

## Report Organization

This report is organized into the following sections:

**Section I – Introduction and Community Profile** - outlines the background, objectives and scope of this rate study and long-term financial plan. It also presents the City's current rate structure and a community profile of the City of Bryant. This includes a comparison of the City's water and wastewater charges with other local communities.

**Section II – Water and Wastewater Test Year and Forecast Volumes** – analyzes the City's customer base, total accounts and current volumes of treated water and wastewater. This section presents totals for the current year and a forecast ten years into the future.

**Section III – Water and Wastewater Test Year and Forecast Revenue Requirement** – outlines the process of analyzing the City's current water and wastewater utility cost structure. The total current or "test year" revenue requirements are developed, and costs are functionalized between treatment, distribution/collection, administration and customer billing. Using the test year as a basis, costs are forecast for a ten-year period.

**Section IV – Water and Wastewater Rate Design** – presents rate recommendations for the City of Bryant City Council and Staff to consider which would enable it to meet its revenue requirements over the next decade. This section also presents an analysis of the impact of proposed rate plan on ratepayers.

**Appendix A** – presents a hard copy printout of the interactive Microsoft Excel spreadsheet model summary developed for the City of Bryant to calculate water and wastewater current and future revenue requirements. The model automatically generates all calculations based on a set of defined user inputs and has an executive dashboard for users to develop real-time "what-if" scenarios.

**Appendix B** – A project team check list designed to affirm rate study compliance with the rules developed by the Arkansas Natural Resources Commission implementing Act 605 in accordance with Ark. Code Ann. § 14-234-801 et. Seq.

## Community Overview

The City of Bryant is located in the geographic center of Arkansas. The City is approximately 20.58 [1] square miles and has an estimated 2025 population of approximatley 22,271 [2]. While precise official 2025 figures are unavailable, the city's population is projected to continue growing based on data from sources like the U.S. Census Bureau and organizations that track population changes The City is located in Saline County.

The City of Bryant has a Mayor-Council form of government in which the elected Mayor serves as the City's chief administrative officer. The City Council Members establish and adopt City policies. Those policies are then implemented by the Mayor and City Staff. The Bryant City Council consists of eight aldermen, two are elected by, and represent, each of the four City wards. The Mayor is elected at large.

The Mayor operates in much the same way as a Chief Executive Officer of a corporation. The Mayor's Office is responsible for the day-to-day administration of Bryant's City government, including managing the City's budget, departments and operations, and programs for communicating with residents and employees.

[1] Wikipedia - https://en.wikipedia.org/wiki/Bryant,_Arkansas

[2] https://www.arkansas-demographics.com/cities_by_population

## Water and Wastewater Current Rates

**Table I-1A** summarizes the City of Bryant's current water and wastewater rate structure.

TABLE I-1A

CITY OF BRYANT, AR

### CURRENT WATER AND WASTEWATER RATES

#### Water Rates

**Residential & Non-Residential**

| | | |
|---|---|---|
| Minimum Charge by Meter Size | 5/8" | $ 14.53 |
| (Includes 2,000 Gallons in Base) | 1" | 21.80 |
| | 1 1/2" | 36.33 |
| | 2" | 72.65 |
| | 3" | 116.24 |
| | 4" | 217.96 |
| | 6"+ | 726.53 |
| Volume Rate (per 100 Gallons) | | |
| 2,000 | Above | $ 0.698 |

**COB Parks&Rec***

| | | |
|---|---|---|
| Minimum Charge by Meter Size | | $ - |
| Volume Rate (per 100 Gallons) | | |
| - | Above | 0.2166 |

**Woodland Hills***

| | | |
|---|---|---|
| Minimum Charge by Meter Size | | |
| | 6" CMPD | $ 447.10 |
| Volume Rate (per 100 Gallons) | | |
| 2,000 | Above | 0.2166 |

NOTE: *Are being charged the CAW rate

#### Wastewater Rates

**Residential & Non-Residential**

| | | |
|---|---|---|
| Minimum Charge | | $ 20.70 |
| (Includes 2,000 Gallons in Base) | | |
| Volume Rate (per 100 Gallons) | | |
| 2,000 | Above | 1.104 |

**Salem Sewer****

| | | |
|---|---|---|
| Minimum Charge | | $ 41.40 |
| (Includes 2,000 Gallons in Base) | | |
| Volume Rate (per 100 Gallons) | | |
| 2,000 | Above | 1.104 |

**Quail Ridge****

| | | |
|---|---|---|
| Minimum Charge | | $ 41.40 |
| (Includes 2,000 Gallons in Base) | | |
| Volume Rate (per 100 Gallons) | | 1.104 |

**Saline County Landfill**

| | | |
|---|---|---|
| Minimum Charge by Meter Size | | $ - |
| Volume Rate (per 1 Gallon) | | 0.0575 |

NOTE: **OCL Customer rate 2x Inside Customer Rate

Additionally, all wastewater accounts served by the City are charged a monthly System Infrastructure Fee based on the size of water meter. The Fee was adopted by the Council in 2023 and is used for repayment of sewer or water system bonds and loans. The Fee is charged in addition to all other water and sewer rates and charges.

**Table I-1B** summarizes the System Infrastructure Fee for different meter sizes.

TABLE I-1B

CITY OF BRYANT, AR

**SYSTEM INFRASTRUCTURE FEE**

**Wastewater**

**All Customers**

| Meter Size | | |
|---|---|---|
| 5/8" | $ | 15.75 |
| 1" | | 52.50 |
| 1 1/2" | | 105.00 |
| 2" | | 168.00 |
| 3" | | 336.00 |
| 4" | | 530.25 |
| 6" | | 1,060.50 |
| 6"+ | | 1,060.50 |

**NOTE**: The Fee is set to automatically increase by 5% each year

The City of Bryant last adjusted its water and wastewater rates by 2% in January 2025. The current water rate structure assesses a base charge that increases based on meter size for all rate classes except COB Parks&Rec meters and Woodland Hills. COB Parks&Rec and Woodland Hills accounts are charged the CAW water rate. All other water customers are charged a uniform volume rate set by the City for all metered water consumption in excess of 2,000 gallons that are included in the base.

Residential and Non-Residential wastewater accounts are billed a base charge and uniform rate per 100 gallons of metered water consumed. Outside city customers pay 2x times inside city base charge and the same volume rate. The City has a contract with the Saline County landfill to treat leachate trucked from the landfill. The City charges a uniform rate per gallon to treat the waste delivered to its wastewater treatment facility.

## Water and Wastewater Rate Comparison

**Chart I-2 and Table I-3** compare the City's monthly water and wastewater charges to surrounding communities in Arkansas. Volumes of 5,000 gallons for water and 5,000 gallons for wastewater were used for the residential comparison as it represents typical usage levels for an average household in Bryant. The comparison is based on inside residential rates for neighboring communities. The rate data is based on published rates and ordinances posted by each municipality on their website. These rates do not include sales tax, activation or other charges beyond the basic minimum and volume charges.

The following points are also notable:

- Many cities do not assess rates that recover the full cost of service, choosing instead to subsidize their water and wastewater utilities with other revenues or to defer needed repairs and maintenance at the expense of system reliability and integrity.

- Some cities use tax bonds to fund water/wastewater system construction. This results in lower rates but higher ad valorem taxes.

CHART I-2

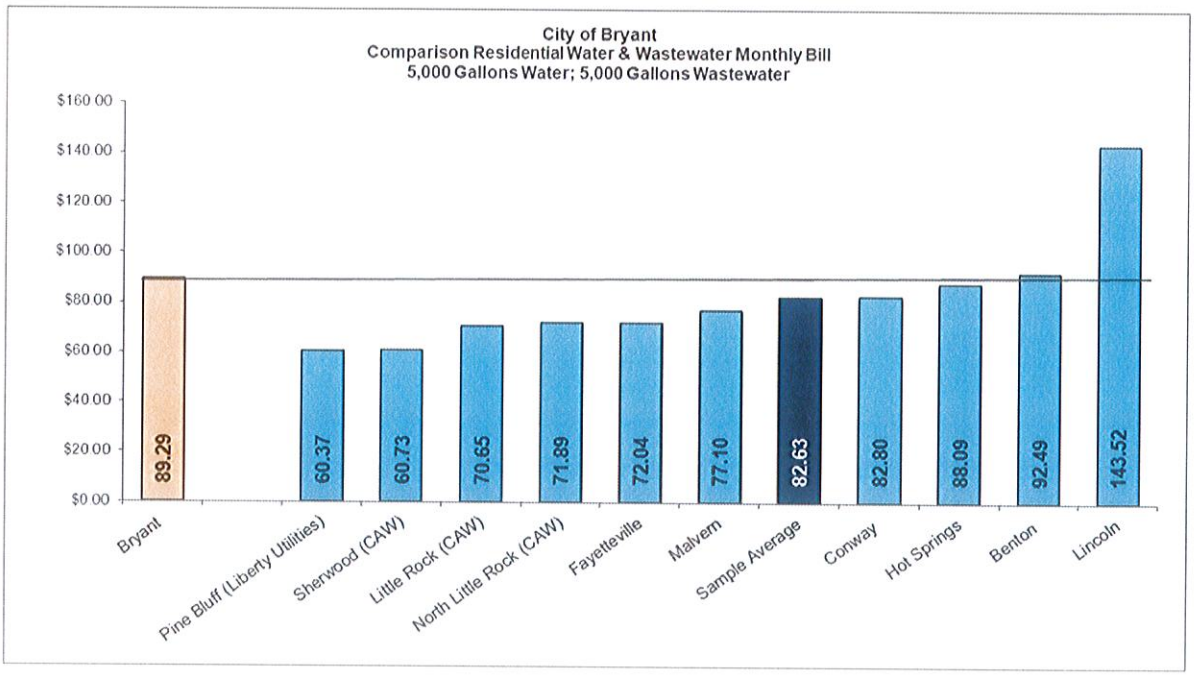



TABLE I-3

CITY OF BRYANT, AR

**MONTHLY RESIDENTIAL CHARGES**
**5,000 GALLONS WATER; 5,000 GALLONS WASTEWATER**

| | Water | Wastewater | Total |
|---|---|---|---|
| **Bryant** | **$ 35.47** | **$ 53.82** | **$ 89.29** |
| Benton | 35.81 | 56.68 | 92.49 |
| Hot Springs | 30.71 | 57.38 | 88.09 |
| Pine Bluff (Liberty Utilities) | 38.29 | 22.07 | 60.37 |
| Fayetteville | 23.77 | 48.27 | 72.04 |
| Conway | 30.73 | 52.07 | 82.80 |
| Lincoln | 97.22 | 46.30 | 143.52 |
| Sherwood (CAW) | 25.64 | 35.09 | 60.73 |
| Little Rock (CAW) | 25.64 | 45.01 | 70.65 |
| North Little Rock (CAW) | 25.64 | 46.25 | 71.89 |
| Malvern | 32.10 | 45.00 | 77.10 |
| Sample Average | 36.46 | 46.18 | 82.63 |

Source: Cities' Website

*Section II*

SECTION II

# Water & Wastewater Test Year and Forecast Volumes




In order to accurately forecast future revenues and expenses, it is necessary to examine current water and wastewater utility conditions. The first step in developing cost of service rates is to analyze patterns of usage, both for the system as a whole, and for specified customer classes.

For the City of Bryant, monthly water and wastewater records were reviewed for the period February 2023 through January 2025. These records provided summary information on the monthly water volumes distributed system-wide as well as the number of accounts for each period by defined customer class and the associated revenues. Additionally, these records provided the number of accounts and revenues monthly for all classifications of wastewater customers.

According to standard utility ratemaking methodology, in order to allocate revenue requirements equitably among system users, customers must be classified into relatively homogeneous groups with similar usage characteristics or service demands. Costs are then allocated to the customer classes in proportion to the usage characteristics of each class. For the water system, costs are typically allocated to customers based on their average and peak water demands. For the wastewater system, costs are allocated to customers based on their estimated wastewater flows, and in some cases, based on wastewater strengths.

After thoroughly examining volume and customer data, the project team made no revisions to the City's existing rate classifications. The project team finds these customer class distinctions to be reasonable and appropriate, meeting the criteria of homogenous groups with similar usage patterns.

In this section, the City's functional customer classes and test year usage patterns will be thoroughly analyzed. A ten-year projection of customers and usage will also be presented. These forecasts, along with the revenue requirements, will form the basis of the proposed rate designs.

## Water and Wastewater Customers and Meters – Test Year & Ten-Year Forecast

The majority of the water accounts served by Bryant are residential and non-residential accounts, with the balance being sprinkler, multi-family, COB Parks&Recs, and special contract customers. **Table II-1** and **Chart II-2** present total water accounts for the City for the test year and forecast period.

TABLE II-1

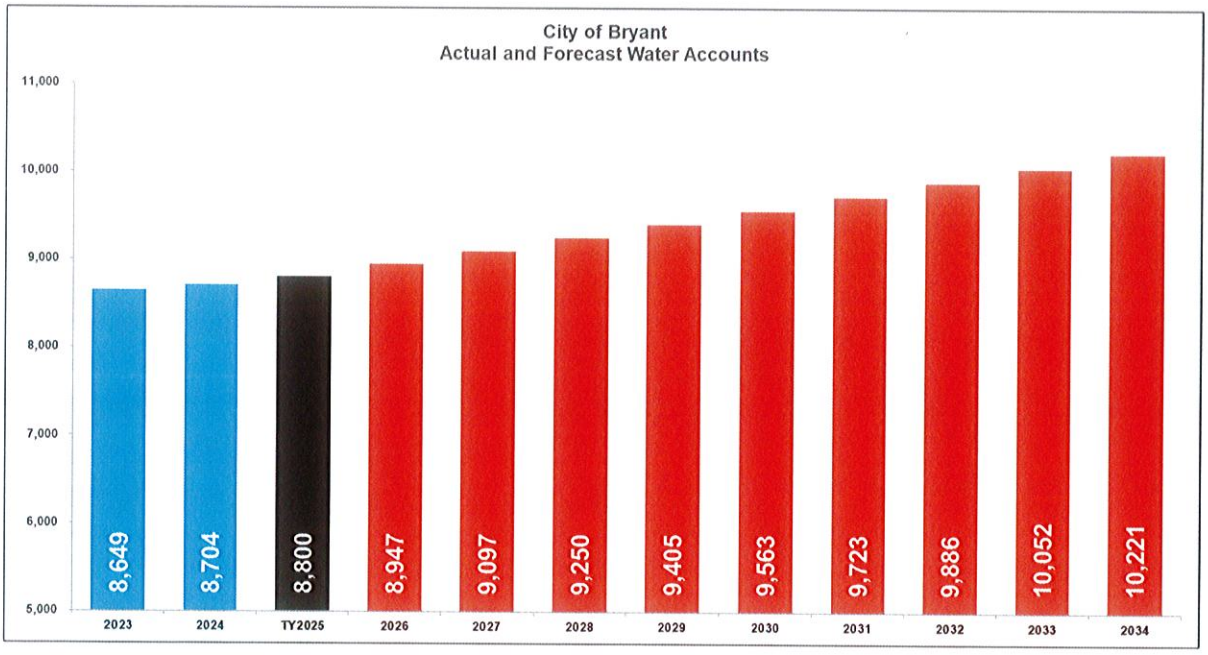
CITY OF BRYANT, AR

**FORECAST TOTAL CUSTOMERS**

**WATER Customer Classes**

| Fiscal Year | Residential & Non-Residential | Sprinkler | Multi-Family | Wholesale (COB Parks & Rec) | Woodland Hills | No Charge | Total |
|---|---|---|---|---|---|---|---|
| | **WATER Total Customers** | | | | | | |
| 2023 | 8,223 | 334 | 100 | 7 | 1 | 9 | **8,649** |
| 2024 | 8,182 | 406 | 99 | 7 | 1 | 9 | **8,704** |
| 2025 | 8,376 | 308 | 99 | 7 | 1 | 9 | **8,800** |
| 2026 | 8,518 | 313 | 99 | 7 | 1 | 9 | **8,947** |
| 2027 | 8,663 | 318 | 99 | 7 | 1 | 9 | **9,097** |
| 2028 | 8,810 | 324 | 99 | 7 | 1 | 9 | **9,250** |
| 2029 | 8,960 | 329 | 99 | 7 | 1 | 9 | **9,405** |
| 2030 | 9,113 | 334 | 99 | 7 | 1 | 9 | **9,563** |
| 2031 | 9,267 | 340 | 99 | 7 | 1 | 9 | **9,723** |
| 2032 | 9,425 | 345 | 99 | 7 | 1 | 9 | **9,886** |
| 2033 | 9,585 | 351 | 99 | 7 | 1 | 9 | **10,052** |
| 2034 | 9,748 | 357 | 99 | 7 | 1 | 9 | **10,221** |

CHART II-2




For each of the historical years, the average number of accounts for the year is shown and the growth reflects the difference from one fiscal year end to the next. Overall water accounts are forecast to increase from **8,800** in the test year to **10,221** in FY 2034, an average annual increase of 1.7% for water customers. The number of multi-family and special contract accounts are not expected to grow during the rate plan period.

**Table II-3** and **Chart II-4** present the project team's ten-year forecast of wastewater account growth. Wastewater accounts are forecast to increase **10,056** in the test year to **11,974** in FY 2034, an average annual increase of 2.0% for wastewater customers. The City has a larger number of wastewater accounts due to the fact that it provides sewer services to outside city customers. Wastewater accounts are expected to grow faster than water accounts as Bryant continues to expand sewer services to the County.

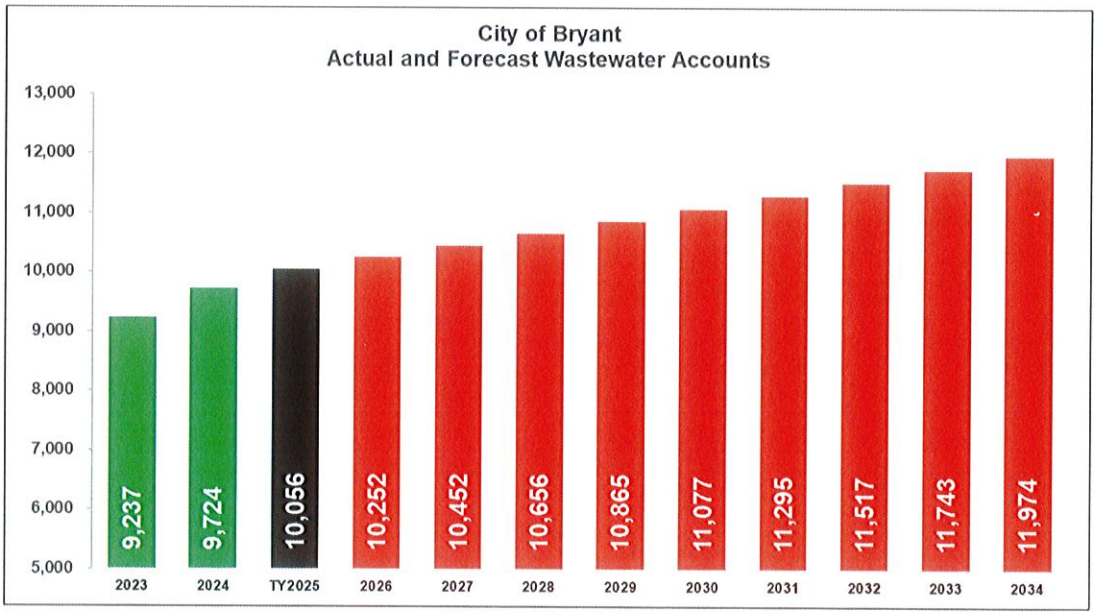
TABLE II-3

CITY OF BRYANT, AR

**FORECAST TOTAL CUSTOMERS**
**WASTEWATER Customer Classes**

| | Residential & Non-Residential | Salem Metered Sewer | Salem Sewer | Quail Ridge | Drain Water (County Landfield) | Total |
|---|---|---|---|---|---|---|
| **WASTEWATER Total Customers** | | | | | | |
| 2023 | 7,647 | 1,180 | 390 | 19 | - | 9,237 |
| 2024 | 7,717 | 1,307 | 653 | 46 | 1 | 9,724 |
| 2025 | 7,894 | 1,414 | 701 | 46 | 1 | 10,056 |
| 2026 | 8,028 | 1,455 | 722 | 46 | 1 | 10,252 |
| 2027 | 8,165 | 1,498 | 743 | 46 | 1 | 10,452 |
| 2028 | 8,303 | 1,541 | 765 | 46 | 1 | 10,656 |
| 2029 | 8,445 | 1,586 | 787 | 46 | 1 | 10,865 |
| 2030 | 8,588 | 1,632 | 810 | 46 | 1 | 11,077 |
| 2031 | 8,734 | 1,680 | 834 | 46 | 1 | 11,295 |
| 2032 | 8,883 | 1,729 | 858 | 46 | 1 | 11,517 |
| 2033 | 9,034 | 1,779 | 884 | 46 | 1 | 11,743 |
| 2034 | 9,187 | 1,831 | 910 | 46 | 1 | 11,974 |

CHART II-4



## Historical and Forecast Water Consumption

Total water system consumption data was analyzed over the same time period as customer data. A combination of consumption over the past 12 months and historical trends was used as the basis for the development of the forecast water and wastewater usage within the rate model.

The project team prepared a ten-year forecast of water usage based on the same principles on which customer accounts were projected. The results of this forecast for water usage are presented in **Table II-5** and **Chart II-6.**

Water usage is expected to increase at an average annual rate of approximately 1.55% over the next decade. By FY 2034 total water consumption is expected to reach **643,731,475** gallons.

TABLE II-5

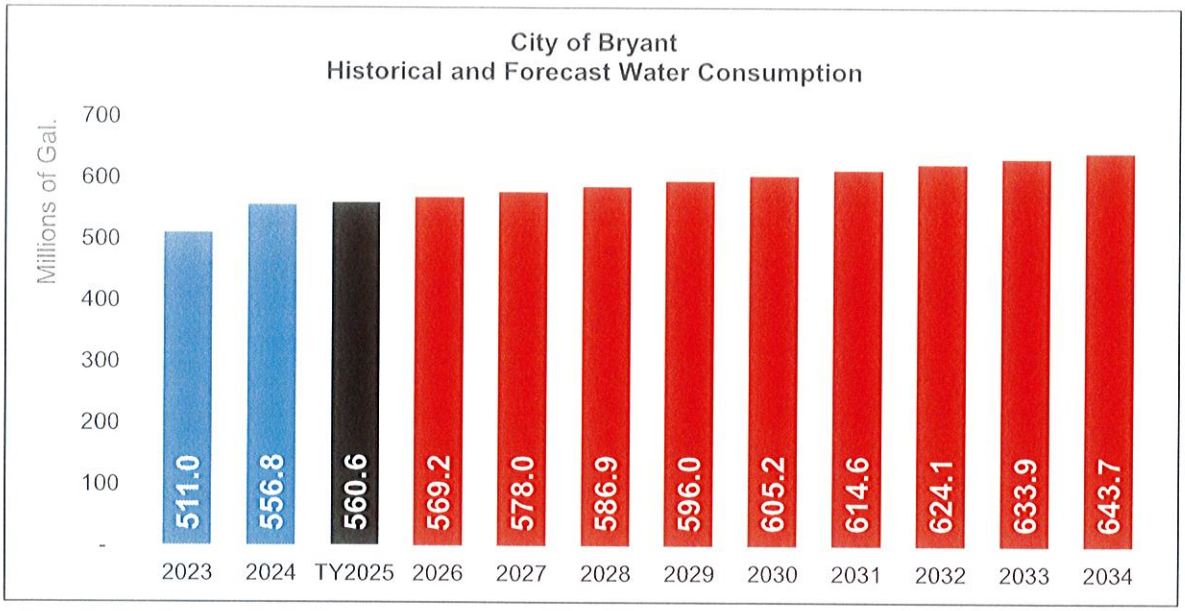
CITY OF BRYANT, AR

**FORECAST BILLED CONSUMPTION**

**WATER Customer Classes**

| | Residential & Non-Residential | Sprinkler | Multi-Family | Wholesale (COB Parks & Rec) | Woodland Hills | No Charge | Total |
|---|---|---|---|---|---|---|---|
| **WATER Historical Volume** | | | | | | | |
| 2023 | 399,502,400 | 37,925,300 | 2,319,000 | 619,600 | 32,985,375 | 1,810,800 | **510,998,575** |
| 2024 | 446,228,600 | 60,263,200 | 2,887,700 | 1,016,200 | 44,922,871 | 1,443,700 | **556,762,271** |
| **WATER Forecast Volume** | | | | | | | |
| 2025 | 449,305,278 | 60,296,438 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **560,560,371** |
| 2026 | 456,942,813 | 61,291,429 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **569,192,897** |
| 2027 | 464,710,175 | 62,302,839 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **577,971,669** |
| 2028 | 472,609,571 | 63,330,938 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **586,899,164** |
| 2029 | 480,643,245 | 64,376,003 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **595,977,904** |
| 2030 | 488,813,480 | 65,438,314 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **605,210,449** |
| 2031 | 497,122,597 | 66,518,154 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **614,599,406** |
| 2032 | 505,572,957 | 67,615,813 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **624,147,425** |
| 2033 | 514,166,961 | 68,731,586 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **633,857,201** |
| 2034 | 522,907,050 | 69,865,770 | 2,828,900 | 1,010,000 | 45,824,455 | 1,295,300 | **643,731,475** |

CHART II-6



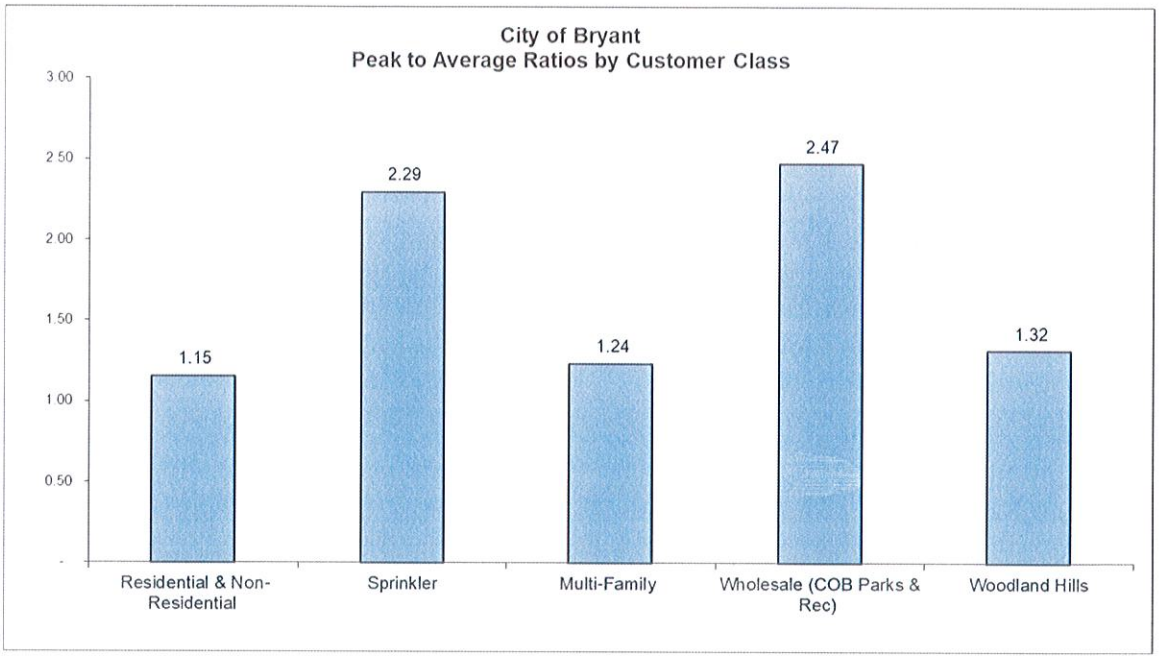

## Peaking Factors

The cost of providing water to customers depends not only on the amount of water each class uses, but also on how that usage occurs over time. The maximum-day and maximum-hour peaking requirements of a water utility's customers are an important influence on the utility's costs. Because water utilities attempt to meet all of the demands of their customers, water systems are sized to meet customers' peak requirements. Therefore, during off-peak periods, there are usually significant costs associated with the unused capacity of the system. These costs must be allocated to customers in proportion to the contribution of each customer class to the system peak, in order to develop equitable cost-based rates. Thus, it is necessary to determine the peak rate of use relative to the average rate of use for each class. This ratio is called a ***Peaking Factor***.

The calculation of peaking factors for individual classes relies on available pumping and consumption information as well as professional judgment. If customer meters could record daily flow rates for each customer, more refined information could be obtained on peaking factors. This is not feasible because of the enormous cost that would be imposed on the utility. Therefore, it is accepted practice in the water industry to develop peaking factor estimates based on standard formulas using system peak day information and monthly customer class usage records. This is a conservative methodology, since customer class peaking factors based on peak months will inevitably be lower than the system-wide peaking factor, which is based on the peak day.

Based on AWWA guidelines, the customer class peaking factors calculated in this study are for non-coincidental peaks. The peaking factors developed for this analysis are based on the annualized water consumption by customer class for Test Year Ending January 2025. The calculations of the peaking factors by class are presented graphically in **Chart II-7**.

CHART II-7


City of Bryant
Peak to Average Ratios by Customer Class
3.00
2.50
2.00
1.50
1.00
0.50
-
1.15
2.29
1.24
2.47
1.32
Residential & Non-Residential
Sprinkler
Multi-Family
Wholesale (COB Parks & Rec)
Woodland Hills

# *Section III*

SECTION III

# Water & Wastewater Forecast Revenue Requirement




In this section of the water and wastewater rate study and long-term financial plan, the City of Bryant's test year and forecast water and wastewater utility revenue requirements are developed. The test year consists of the City's fiscal year, January 1, 2025 through December 31, 2025. The estimates presented in this section are based on the City's proposed budget for FY 2025.

The calculation of a revenue requirement differs from a utility's budget in that it represents only that amount that must be raised through the City's user rates. This means that non-rate revenue (such as reconnection fees, late payment charges and interest) must be subtracted from the budgeted operating and capital expenditures to determine the net revenue requirement to be raised from rates.

As is typical for publicly owned utilities, the City of Bryant's system revenue requirements were developed using the cash basis of ratemaking. Under the cash basis, as defined by the AWWA Manual M-1, system revenue requirements consist of cash expenditures and other financial commitments (such as debt service coverage or reserves) that must be met through system operating revenues and other revenue sources.

All data used in the development of the revenue requirements was obtained from the financial statements, budgets and other information provided by the City. Detailed calculations are presented in the rate model contained in **Appendix A** of this report. For rate design purposes, revenue requirements are developed separately for the water and wastewater systems.

The assumptions utilized in this expense forecast will be thoroughly detailed in this section of the report. These assumptions are critical to the development of both the revenue requirement and the ultimate rate recommendation. The project team reviewed these assumptions with the City staff and considers all to be consistent with staff recommendations.

In this section, current and forecast Operating Costs, Capital Outlays, Transfers, and Debt Service will be examined first. Non-rate revenues will be subtracted from the total to yield the Net Revenue Requirement.

## Operating Expenses and Capital Outlays/Reserve Rqmt – Test Year and Forecast

**Table III-1** on the following page summarizes the test year FY 2025 water system operating expenses and capital outlays in detail by expense category item. **Table III-2** presents the test year FY 2025 operating expenses and capital outlays in detail by expense category item for the wastewater system.

The following is noteworthy about these tables:

- There are two (2) departments within the City's Water Operating Fund (510), each with their own budget: Water Department (510-0900) and Wastewater Department (510-0950).
- Each department's budget includes one or more of the following expense categories:
  - **Personnel**, which includes all personnel costs, such as salary and benefit expenses, and payroll taxes.
  - **Building and Grounds Expense,** includes utility costs and repair and maintenance of buildings and grounds.
  - **Supply Expense**, which includes postage, office and operating supplies, chemicals, and the cost of water purchased from Central Arkansas Water (CAW).
  - **Operations Expense**, which captures administrative expenses associated with the management of the water and wastewater system, such as dues and subscriptions, permit fees and sales tax expense.
  - **Vehicle Expense** includes fuel, repairs and insurance expenses for department vehicles.
  - **Professional Services,** these expenses include such items as financial audits, engineering services and other consulting.
  - **Miscellaneous Expense** includes computer hardware and software expense and depreciation.
  - **Capital Expenses** include bond principal and interest payments and improvement projects and equipment purchased with rate revenues.

**Tables III-1** and **III-2** also allocate water and wastewater operating expenses between the water and wastewater functions based on function and general ratemaking principles.

The tables also present Capital Outlays/Reserve Requirements as estimated by the City in the test year.

As the tables show, total operating expenses, transfers, and capital outlays in the test year are **$11,469,499** of which $5,400,889 is for the water utility and $6,068,610 is for the wastewater utility. it should be noted that for the purposes of State Law 605, expenses that are defined as Capital Outlays by AWWA Cash Basis ratemaking methodology should be defined as Refurbishment and Replacement Reserve. These are expenditures specifically designated to be used for system replacement and maintenance. As will be shown later in this study, the funds designated by the City for this reserve requirement exceed Act 605's guideline of 5.0% of gross revenues each year of the forecast.

TABLE III-1

CITY OF BRYANT, AR

**TEST YEAR WATER BUDGET**

SCENARIO: 2025 10 03 -- Scenario I Status Quo

| | Net Budget | Treatment | Distribution | Admin | Customer Billing |
|---|---|---|---|---|---|
| Operating & Maintenance | | | | | |
| Personnel Svcs | $ 1,633,049 | $ - | $ 1,469,744 | $ - | $ 163,305 |
| Building & Grounds Exp | 141,024 | - | 104,002 | 30,695 | 6,327 |
| Supply Expense | 155,000 | - | 144,000 | 9,000 | 2,000 |
| Operations Expense | 503,200 | - | 6,000 | 430,000 | 67,200 |
| Professional Services | 330,652 | - | 256,000 | 19,650 | 55,002 |
| Miscellaneous Expense | 36,534 | - | 32,881 | - | 3,653 |
| Vehicle Expense | 113,781 | - | 56,891 | 28,445 | 28,445 |
| CAW Water Supply | 1,955,149 | 1,955,149 | - | - | - |
| **Total Operating & Maintenance** | **4,868,388** | **1,955,149** | **2,069,517** | **517,790** | **325,933** |
| **Transfers** | **187,500** | **-** | **-** | **187,500** | **-** |
| **Cap Outlays/Reserve Rqmt** | **345,001** | **-** | **345,001** | **-** | **-** |
| **Total WATER Operating Expenses, Transfers and Capital Outlays** | $ 5,400,889 | $ 1,955,149 | $ 2,414,518 | $ 705,290 | $ 325,933 |

TABLE III-2

CITY OF BRYANT, AR

**TEST YEAR WASTEWATER BUDGET**

SCENARIO: 2025 10 03 -- Scenario I Status Quo

| | Net Budget | Treatment | Collection | Admin | Customer Billing |
|---|---|---|---|---|---|
| Operating & Maintenance | | | | | |
| Personnel Svcs | $ 2,463,234 | $ 1,108,455 | $ 1,108,455 | $ - | $ 246,323 |
| Building & Grounds Exp | 726,208 | 481,304 | 206,842 | 36,260 | 1,802 |
| Supply Expense | 870,000 | 685,000 | 175,000 | 8,500 | 1,500 |
| Vehicle Expense | 253,769 | - | 253,769 | - | - |
| Operations Expense | 89,200 | 3,500 | 3,500 | 15,000 | 67,200 |
| Professional Services | 294,150 | 94,000 | 143,000 | 21,150 | 36,000 |
| Miscellaneous Expense | 49,534 | 12,000 | 12,000 | 12,384 | 13,151 |
| **Total Operating & Maintenance** | **4,746,095** | **2,384,259** | **1,902,566** | **93,294** | **365,976** |
| **Transfers** | **289,500** | **-** | **289,500** | **-** | **-** |
| **Cap Outlays/Reserve Rqmt** | **1,033,015** | **125,006** | **908,009** | **-** | **-** |
| **Total WASTEWATER Operating Expenses, Transfers and Capital Outlays** | $ 6,068,610 | $ 2,509,265 | $ 3,100,075 | $ 93,294 | $ 365,976 |

**Table III-3** and **Chart III-4** present the water and wastewater utility operating expense, transfers, and capital outlay/reserve requirement forecast for the ten-year period FY 2025 – FY 2034. Details behind these calculations can be found in the rate model contained in **Appendix A**. This forecast is based on the following set of assumptions:

- Most operating costs are expected to increase at an annual rate of 3.0%, which is approximately equivalent to the rate of inflation.
- Certain expenses will increase at above-inflation rates, to reflect the rapid rate of increase of these costs. These expenses include chemicals, workers compensation, Medicare, and insurance.
- Personnel expenses will increase at higher rates to reflect the forecast growth in number of employees.
- CAW projected rate is based on a published CAW 10-year rate forecast for 2022 – 2032.

TABLE III-3

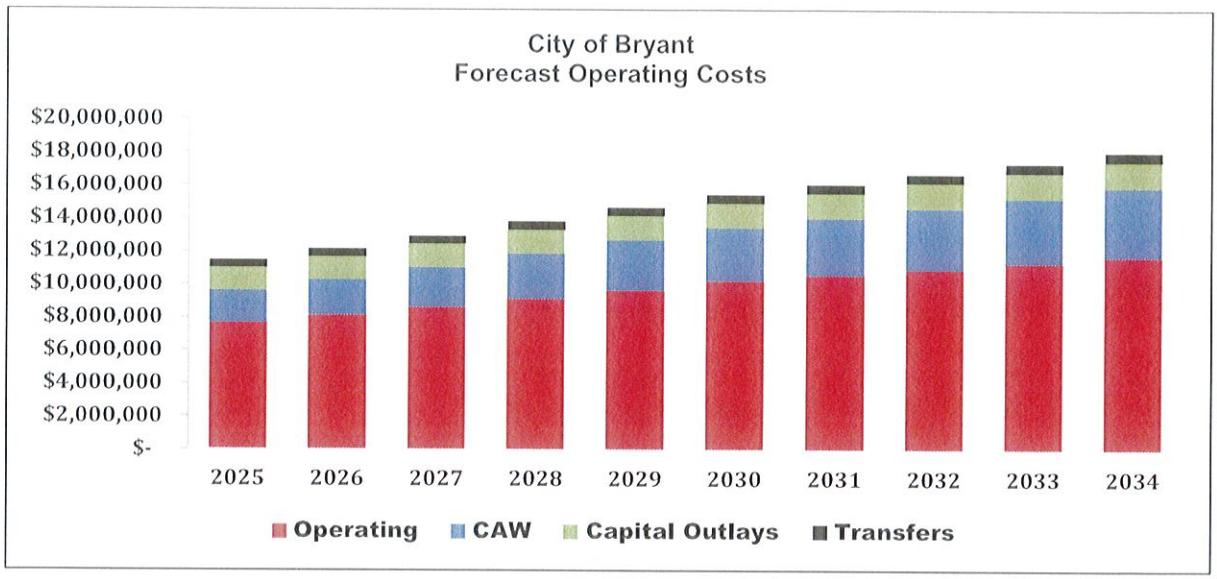
CITY OF BRYANT, AR

**FORECAST OPERATING EXPENSES AND CAPITAL OUTLAYS**

SCENARIO:
2025 10 03 -- Scenario I Status Quo

| | Operating Expenses | CAW Payments | Cap Outlays/ Reserve Rqmt | Transfers & Contingencies | Total Operating & Capital Exp. |
|---|---|---|---|---|---|
| | **WATER Revenue Requirement** | | | | |
| 2025 | $ 2,913,240 | $ 1,955,149 | $ 345,001 | $ 187,500 | $ **5,400,889** |
| 2026 | 3,104,094 | 2,149,653 | 350,176 | 187,500 | **5,791,423** |
| 2027 | 3,311,516 | 2,405,360 | 355,429 | 187,500 | **6,259,804** |
| 2028 | 3,528,874 | 2,736,556 | 360,760 | 187,500 | **6,813,690** |
| 2029 | 3,756,619 | 3,031,717 | 366,171 | 187,500 | **7,342,008** |
| 2030 | 3,995,220 | 3,230,386 | 371,664 | 187,500 | **7,784,770** |
| 2031 | 4,123,758 | 3,458,036 | 377,239 | 187,500 | **8,146,533** |
| 2032 | 4,257,065 | 3,692,154 | 382,898 | 187,500 | **8,519,617** |
| 2033 | 4,395,354 | 3,932,326 | 388,641 | 187,500 | **8,903,822** |
| 2034 | 4,538,852 | 4,192,980 | 394,471 | 187,500 | **9,313,803** |
| | **WASTEWATER Revenue Requirement** | | | | |
| 2025 | $ 4,746,095 | $ - | $ 1,033,015 | $ 289,500 | $ **6,068,610** |
| 2026 | 5,012,861 | - | 1,048,510 | 298,185 | **6,359,556** |
| 2027 | 5,297,939 | - | 1,064,238 | 307,131 | **6,669,308** |
| 2028 | 5,596,725 | - | 1,080,201 | 316,344 | **6,993,271** |
| 2029 | 5,909,869 | - | 1,096,404 | 325,835 | **7,332,108** |
| 2030 | 6,238,055 | - | 1,112,851 | 335,610 | **7,686,515** |
| 2031 | 6,457,134 | - | 1,129,543 | 345,678 | **7,932,355** |
| 2032 | 6,685,391 | - | 1,146,486 | 356,048 | **8,187,926** |
| 2033 | 6,923,290 | - | 1,163,684 | 366,730 | **8,453,704** |
| 2034 | 7,171,324 | - | 1,181,139 | 377,732 | **8,730,195** |

CHART III-4




As shown in these charts, operating charges are by far the largest annual expense paid by Bryant's water and wastewater utilities. Labor and equipment charges used to accomplish capital improvement projects "in-house" in lieu of retaining contractors are included in the budgeted operating expenses. If the projects require significantly more effort than budgeted or the City is compelled to retain outside contractor services, this could change the costs included in the rate study. **Any changes in the operating forecast estimates used in determining the City's water and wastewater revenue requirement for this rate study could require significant changes to the rate plan presented in this report.**

## Capital Improvement Plan

The City has developed a comprehensive long-term capital improvements plan for the next five years. The purpose of the CIP is to rehabilitate and maintain the existing system, expand the system and to service new growth. In addition, the project team consulted with City Staff to forecast CIP through the end of the rate plan period.

The capital improvement plan is an integral part of any long-term rate and financing plan. The City finances its capital improvements through a combination of impact fees revenues, reserves, and revenue-funded long-term debt.

**Table III-5** on the following pages summarizes the City's CIP. The water CIP includes a new water tank and water lines extensions, wastewater CIP includes wastewater collection system improvements, lift station upgrades, and activated sludge process improvements.

**Table III-6** reveals that over the next five years the City is forecast to issue long-term debt totaling **$44,726,000** to finance the CIP.

TABLE III-5

CITY OF BRYANT, AR

**CAPITAL IMPROVEMENT PLAN FOR FUNDING THROUGH NEW BOND ISSUES**
**FY 2020 - FY 2025**

| SCENARIO: 2025 09 02 -- Scenario I Status Quo | Cost |
|---|---|
| **WATER PROJECTS** | |
| NEAR TERM (2025 -- 2029) | |
| 1.5M Gallon Tank @ N. Reynolds / High School | $ 11,000,000 |
| 12" extension Boon Rd | 1,300,000 |
| System Transmission, Springhill, I-30 to Hwy 5N | 1,000,000 |
| Bryant Pkwy I-30 to Johnswood | 740,000 |
| Fireflow Improvemnet Project -- N. Reynolds Rd at Rogers Rd.Crossig | 40,000 |
| Woody Dr to Steeplechase Cir | 80,000 |
| **Total** | **14,160,000** |
| **WASTEWATER PROJECTS** | |
| NEAR TERM (2025 -- 2029) | |
| Disinfection / Contact Basin / Dissolved Oxygen Basin Improvements | $ 4,230,000 |
| Headworks & Grit Removal Improvements | 5,922,000 |
| Activated Sludge Process Improvements | 12,250,000 |
| Clarification Improvements / WAS / RAS | 9,024,000 |
| BR-04 Lift Station LS-05 Upgrade | 8,625,000 |
| Lift Station LS-05 Parallel Force Main | 7,618,000 |
| **Total** | **47,669,000** |
| **TOTAL CIP** | **$ 61,829,000** |

TABLE III-6

CITY OF BRYANT, AR

**FORECAST BOND ISSUES**

SCENARIO: 2025 09 02 -- Scenario I Status Quo

| Year | Water | Wastewater | Total |
|---|---|---|---|
| 2025 | $ 12,300,000 | $ 4,230,000 | $ 16,530,000 |
| 2026 | - | 5,922,000 | 5,922,000 |
| 2027 | - | - | - |
| 2028 | 1,000,000 | 12,250,000 | 13,250,000 |
| 2029 | - | 9,024,000 | 9,024,000 |
| 2030 | - | - | - |
| **Total** | **$ 13,300,000** | **$ 31,426,000** | **$ 44,726,000** |

## Existing and Forecast Debt Service

**Table III-7** presents current and forecast debt service assuming that the City issues $44,726,000 in new water and/or wastewater revenue bonds from FY 2025 through FY 2029 to fund the CIP. The City currently has five bond issues outstanding. These bonds were issued to fund both water and wastewater system improvements and meter replacement. Debt service on these issues is currently being paid from Utility System Revenue. For FY 2025 forward, it is projected that bonds will also be repaid entirely with Utility System Revenues. Future revenue debt is assumed to have a 20-year term, 4.0% interest rate and level principal and interest payments.

As shown **Table III-6**, the City is assumed to issue approximately **$44,726,000** in wastewater-related debt over the next five years. The timing and amount of debt issues can vary based on many factors, but the totals listed in this study are sufficient for the purpose of setting a long-term rate plan.

These assumptions are preliminary in nature and subject to change. Should the City Council choose to issue more or less revenue debt than assumed in this study or should different financing terms be available at the time the debt is issued, then the rate plans contained in this study may require revision.

TABLE III-7

CITY OF BRYANT, AR

**CURRENT AND FORECAST DEBT SERVICE**

SCENARIO: 2025 09 02 -- Scenario I Status Quo

| | Water | | Wastewater | | |
|---|---|---|---|---|---|
| Year | Current | Forecast | Current | Forecast | Total |
| 2025 | $ 427,392 | $ - | $ 656,362 | $ - | $ 1,083,754 |
| 2026 | 554,215 | 914,106 | 657,898 | 314,363 | 2,440,583 |
| 2027 | 806,608 | 914,106 | 670,383 | 754,472 | 3,145,569 |
| 2028 | 810,316 | 914,106 | 756,965 | 754,472 | 3,235,859 |
| 2029 | 813,948 | 988,424 | 761,682 | 1,664,862 | 4,228,916 |
| 2030 | 817,607 | 988,424 | 766,370 | 2,335,504 | 4,907,905 |
| 2031 | 819,989 | 988,424 | 767,115 | 2,335,504 | 4,911,032 |
| 2032 | 824,937 | 988,424 | 775,446 | 2,335,504 | 4,924,310 |
| 2033 | 828,564 | 988,424 | 779,706 | 2,335,504 | 4,932,197 |
| 2034 | 632,511 | 1,629,821 | 787,682 | 3,472,013 | 6,522,028 |

## Non-Rate Revenues

Although sales revenues constitute the majority of the revenue received by the City of Bryant for water and wastewater service, a certain amount of revenue is accrued from non-rate sources. These revenues include other penalties, credit card fees, miscellaneous charges, sales tax receipts, and CAW Infrastructure and Watershed Fees. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement to be raised from rates. The only non-rate revenues forecast to increase in the next ten years are CAW related fees that are set to increase in accordance with CAW's published rate schedule forecast. Annual non-rate revenue totals are presented in **Table III-8.**

TABLE III-8

CITY OF BRYANT, AR

FORECAST NON-RATE REVENUES

SCENARIO:

2025 09 02 -- Scenario I Status Quo

| | Water | Wastewater | Total Water & WW |
|---|---|---|---|
| 2025 | $ 1,088,702 | $ - | $ 1,088,702 |
| 2026 | 1,124,870 | - | 1,124,870 |
| 2027 | 1,195,608 | - | 1,195,608 |
| 2028 | 1,336,510 | - | 1,336,510 |
| 2029 | 1,481,843 | - | 1,481,843 |
| 2030 | 1,526,506 | - | 1,526,506 |
| 2031 | 1,572,418 | - | 1,572,418 |
| 2032 | 1,619,685 | - | 1,619,685 |
| 2033 | 1,667,769 | - | 1,667,769 |
| 2034 | 1,718,684 | - | 1,718,684 |

## Net Revenue Requirement

**Table III-9** presents the test year and ten-year forecast for the City's net revenue requirement to be raised from rates for the water and wastewater utility for the test year 2025 and forecast period. Combined water and wastewater net revenue requirements are expected to increase from **$11,464,551** in FY 2025 to **$22,847,341** in FY 2034.

TABLE III-9

CITY OF BRYANT, AR

CURRENT AND FORECAST NET REVENUE REQUIREMENT

| | Operating & Capital Expenses | CAW Costs | Cap Outlays/ Reserve Rqmt | Debt Service | Transfers & Contingencies | Total Cost of Service | Less Non-Rate Revenues | Net Revenue Requirement |
|---|---|---|---|---|---|---|---|---|
| **WATER Revenue Requirement** | | | | | | | | |
| 2025 | $ 2,913,240 | $ 1,955,149 | $ 345,001 | $ 427,392 | $ 187,500 | **$ 5,828,281** | $ 1,088,702 | **$ 4,739,579** |
| 2026 | 3,104,094 | 2,149,653 | 350,176 | 1,468,321 | 187,500 | **7,259,744** | 1,124,870 | **6,134,875** |
| 2027 | 3,311,516 | 2,405,360 | 355,429 | 1,720,714 | 187,500 | **7,980,519** | 1,195,608 | **6,784,910** |
| 2028 | 3,528,874 | 2,736,556 | 360,760 | 1,724,422 | 187,500 | **8,538,112** | 1,336,510 | **7,201,602** |
| 2029 | 3,756,619 | 3,031,717 | 366,171 | 1,802,372 | 187,500 | **9,144,380** | 1,481,843 | **7,662,538** |
| 2030 | 3,995,220 | 3,230,386 | 371,664 | 1,806,031 | 187,500 | **9,590,801** | 1,526,506 | **8,064,295** |
| 2031 | 4,123,758 | 3,458,036 | 377,239 | 1,808,413 | 187,500 | **9,954,946** | 1,572,418 | **8,382,528** |
| 2032 | 4,257,065 | 3,692,154 | 382,898 | 1,813,361 | 187,500 | **10,332,977** | 1,619,685 | **8,713,292** |
| 2033 | 4,395,354 | 3,932,326 | 388,641 | 1,816,988 | 187,500 | **10,720,809** | 1,667,769 | **9,053,040** |
| 2034 | 4,538,852 | 4,192,980 | 394,471 | 2,262,333 | 187,500 | **11,576,136** | 1,718,684 | **9,857,451** |
| **WASTEWATER Revenue Requirement** | | | | | | | | |
| 2025 | 4,746,095 | - | 1,033,015 | 656,362 | 289,500 | **6,724,972** | - | **6,724,972** |
| 2026 | 5,012,861 | - | 1,048,510 | 972,261 | 298,185 | **7,331,817** | - | **7,331,817** |
| 2027 | 5,297,939 | - | 1,064,238 | 1,424,855 | 307,131 | **8,094,163** | - | **8,094,163** |
| 2028 | 5,596,725 | - | 1,080,201 | 1,511,437 | 316,344 | **8,504,707** | - | **8,504,707** |
| 2029 | 5,909,869 | - | 1,096,404 | 2,426,544 | 325,835 | **9,758,652** | - | **9,758,652** |
| 2030 | 6,238,055 | - | 1,112,851 | 3,101,874 | 335,610 | **10,788,390** | - | **10,788,390** |
| 2031 | 6,457,134 | - | 1,129,543 | 3,102,619 | 345,678 | **11,034,974** | - | **11,034,974** |
| 2032 | 6,685,391 | - | 1,146,486 | 3,110,950 | 356,048 | **11,298,875** | - | **11,298,875** |
| 2033 | 6,923,290 | - | 1,163,684 | 3,115,210 | 366,730 | **11,568,913** | - | **11,568,913** |
| 2034 | 7,171,324 | - | 1,181,139 | 4,259,695 | 377,732 | **12,989,890** | - | **12,989,890** |
| **TOTAL Revenue Requirement** | | | | | | | | |
| 2025 | 7,659,334 | 1,955,149 | 1,378,016 | 1,083,754 | 477,000 | 12,553,253 | 1,088,702 | **11,464,551** |
| 2026 | 8,116,955 | 2,149,653 | 1,398,686 | 2,440,583 | 485,685 | 14,591,562 | 1,124,870 | **13,466,692** |
| 2027 | 8,609,455 | 2,405,360 | 1,419,667 | 3,145,569 | 494,631 | 16,074,682 | 1,195,608 | **14,879,074** |
| 2028 | 9,125,599 | 2,736,556 | 1,440,962 | 3,235,859 | 503,844 | 17,042,819 | 1,336,510 | **15,706,309** |
| 2029 | 9,666,488 | 3,031,717 | 1,462,576 | 4,228,916 | 513,335 | 18,903,033 | 1,481,843 | **17,421,190** |
| 2030 | 10,233,275 | 3,230,386 | 1,484,515 | 4,907,905 | 523,110 | 20,379,191 | 1,526,506 | **18,852,685** |
| 2031 | 10,580,892 | 3,458,036 | 1,506,782 | 4,911,032 | 533,178 | 20,989,920 | 1,572,418 | **19,417,502** |
| 2032 | 10,942,456 | 3,692,154 | 1,529,384 | 4,924,310 | 543,548 | 21,631,852 | 1,619,685 | **20,012,167** |
| 2033 | 11,318,645 | 3,932,326 | 1,552,325 | 4,932,197 | 554,230 | 22,289,723 | 1,667,769 | **20,621,953** |
| 2034 | 11,710,176 | 4,192,980 | 1,575,610 | 6,522,028 | 565,232 | 24,566,026 | 1,718,684 | **22,847,341** |

## Water Utility Cost Functionalization

Once the total water and wastewater system costs have been identified, the next step in the rate development process is to isolate the costs associated with each system function. Some of these expenditures are a function of base water demand; others are based on the peak demands placed on the system. Certain costs are associated with serving customers regardless of the volume of water use or wastewater discharge. The basic steps used to allocate the City's water revenue requirements include the following:

1. Each system's costs (revenue requirements) are categorized by utility function (i.e. treatment, distribution, administrative, customer). This process is known as *functionalization*.

2. Functionalized costs are classified based on the service characteristics or the types of demand served by the utility (base and maximum day). This process is known as *classification.*
3. Costs by service characteristic are allocated to customer classes in proportion to the service demands demonstrated by each class.

This three-step process allows for the allocation of system costs in the same terms as customer classes. The approaches described in this section follow standard industry practices. Water system costs are allocated to the following functions:

*Treatment* – the process by which raw water is converted to potable water

*Distribution* – the lines that carry water to individual customers' properties

*Administration* – miscellaneous overhead and other non-operating costs

*Customer Billing* – the processes involved in billing and providing other services to customers

The project team allocated operating budget line-item expenses individually to system functions based on general guidelines, specific research and input from the City of Bryant staff. The results of the allocation process for the test year are summarized in **Table III-10.**

TABLE III-10

CITY OF BRYANT, AR

**TEST YEAR WATER COST FUNCTIONALIZATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Function | 2025 Revenue Requirement | Percent |
|---|---|---|
| Treatment | $ 1,589,934 | 33.5% |
| Distribution | 2,311,051 | 48.8% |
| Administration | 573,545 | 12.1% |
| Customer | 265,050 | 5.6% |
| **Total** | **4,739,579** | **100.0%** |

## Water Utility Cost Classification

The allocation of functionalized water system costs to service characteristics follows the base-extra capacity cost allocation method recommended by AWWA. Using this method, costs are segregated into the following categories:

*Base costs* – capital costs and O&M expenses associated with service to customers under average demand conditions. This category does not include any costs attributable to variations in water use resulting from peaks in demand. Base costs tend to vary directly with the total quantity of water used.

*Maximum Day/Extra Capacity costs* – costs attributable to facilities that are designed to meet peaking requirements. These costs include capital and operating charges for additional plant and system capacity beyond that required for average usage.

*Customer Billing costs* – costs associated with any aspect of customer service, including billing, accounting, and meter services. These costs are independent of the amount of water used and the size of the customer's meter and are not subject to peaking factors.

According to AWWA Manual M-1, in the base-extra capacity method, care must be taken in separating costs between those devoted to base capacity and those devoted to extra capacity. The peak to average factor is calculated by dividing the volume on the peak day of the year by the average daily volume. Facilities designed to meet maximum-day requirements, such as the treatment and distribution functions, are allocated 78.7% (1/1.27) to base, and 21.3% to extra capacity (Max Day). This means that facilities designed to meet maximum-day requirements, such as the treatment and distribution functions, are allocated 78.7% to base, and 21.3% to extra capacity.

All customer service-related costs are allocated 100% to customer billing. Administration costs are generally not directly assignable to individual classifications. Therefore, it is standard rate-making practice to allocate these costs on an indirect basis to service characteristics.

The system-wide costs by service characteristic are shown in **Table III-11**. As with cost functionalization, these percentages are not expected to change significantly in the forecast period.

TABLE III-11

CITY OF BRYANT, AR
**TEST YEAR WATER COST CLASSIFICATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Function | 2025 Revenue Requirement | Percent |
|---|---|---|
| Base | $ 3,491,904 | 73.68% |
| Maximum Day | 942,814 | 19.89% |
| Customer | 304,861 | 6.43% |
| Total | 4,739,579 | 100.0% |

## Water Utility Cost Allocation

Allocation of costs by service characteristic to customer classes is based on the proportionate use levels of each characteristic by each class. The total water utility costs by customer class for the test year are summarized in **Table III-12** and for the ten-year forecast period in **Table III-13.**

TABLE III-12

CITY OF BRYANT, AR

**TEST YEAR WATER COST ALLOCATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Function | 2025 Revenue Requirement | Percent |
|---|---|---|
| Residential & Non-Residential | $ 3,451,156 | 72.8% |
| Sprinkler | 827,395 | 17.5% |
| Multi-Family | 24,454 | 0.5% |
| Wholesale (COB Parks & Rec) | 14,936 | 0.3% |
| Woodland Hills | 367,992 | 7.8% |
| No Charge | 19,281 | 0.4% |
| Senior Citizen Discount -- Water | 34,365 | 0.7% |
| Total | 4,739,579 | 100.0% |

TABLE III-13

CITY OF BRYANT, AR

**FORECAST WATER COST ALLOCATION**

SCENARIO: 2025 09 02 -- Scenario I Status Quo

| | Residential & Non-Residential | Sprinkler | Multi-Family | Wholesale (COB Parks & Rec) | Woodland Hills | No Charge | Senior Citizen Discount -- Water | Total |
|---|---|---|---|---|---|---|---|---|
| 2025 | $ 3,451,156 | $ 827,395 | $ 24,454 | $ 14,936 | $ 367,992 | $ 19,281 | $ 34,365 | $ 4,739,579 |
| 2026 | 4,474,038 | 1,072,425 | 31,170 | 19,045 | 469,158 | 24,586 | 44,453 | 6,134,875 |
| 2027 | 4,955,617 | 1,187,634 | 33,947 | 20,749 | 511,048 | 26,785 | 49,130 | 6,784,910 |
| 2028 | 5,267,844 | 1,262,218 | 35,481 | 21,694 | 534,246 | 28,006 | 52,113 | 7,201,602 |
| 2029 | 5,613,290 | 1,344,726 | 37,175 | 22,737 | 559,846 | 29,352 | 55,411 | 7,662,538 |
| 2030 | 5,916,204 | 1,417,012 | 38,524 | 23,571 | 580,278 | 30,429 | 58,277 | 8,064,295 |
| 2031 | 6,158,496 | 1,474,747 | 39,430 | 24,133 | 594,031 | 31,155 | 60,536 | 8,382,528 |
| 2032 | 6,410,559 | 1,534,795 | 40,357 | 24,709 | 608,094 | 31,897 | 62,882 | 8,713,292 |
| 2033 | 6,669,808 | 1,596,533 | 41,286 | 25,285 | 622,197 | 32,642 | 65,289 | 9,053,040 |
| 2034 | 7,272,440 | 1,740,419 | 44,262 | 27,117 | 667,165 | 35,007 | 71,041 | 9,857,451 |

## Wastewater Utility Cost Functionalization and Classification

Wastewater system costs are allocated to the following functions:

*Treatment -- Volume* – the costs associated with treating wastewater volume discharges

*Collection* – the lines that transport wastewater from customers' properties to the wastewater treatment plant

*Administration* – miscellaneous overhead and other non-operating costs

*Customer Billing* – the processes involved in billing and other services to customers

As was the case for the water system, wastewater utility operating budget line item expenses are allocated individually to functions. The results of the allocation process are presented on **Table III-14**. As with the water utility, these percentages are not forecast to change significantly during the next ten years.

TABLE III-14

CITY OF BRYANT, AR
**TEST YEAR WASTEWATER COST FUNCTIONALIZATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Function | 2025 Revenue Requirement | Percent |
|---|---|---|
| Treatment | $ 2,837,446 | 42.2% |
| Collection | 3,428,256 | 51.0% |
| Administration | 93,294 | 1.4% |
| Customer | 365,976 | 5.4% |
| **Total** | **6,724,972** | **100.0%** |

## Wastewater Utility Cost Allocation

Allocation of wastewater utility costs by service characteristic to customer classes is performed in the same manner as described for the water utility. The total wastewater utility costs by customer class for the test year are summarized in **Table III-15** and for the ten-year forecast period in **Table III-16.**

TABLE III-15

CITY OF BRYANT, AR

**TEST YEAR WASTEWATER COST ALLOCATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Function | 2025 Revenue Requirement | Percent |
|---|---|---|
| Residential & Non-Residential | $ 5,115,154 | 76.1% |
| Salem Metered Sewer | 1,307,194 | 19.4% |
| Salem Sewer | 12,650 | 0.2% |
| Quail Ridge | 40,540 | 0.6% |
| Drain Water (County Landfield) | 59,775 | 0.9% |
| System Infrastructure Fee | 142,686 | 2.1% |
| System Infrastructure Fee - Salem Sewer | 25,535 | 0.4% |
| Senior Citizen Discount -- Sewer | 20,175 | 0.3% |
| Senior Citizen Discount -- Salem Sewer | 1,263 | 0.0% |
| **Total** | **6,724,972** | **100.0%** |

TABLE III-16

CITY OF BRYANT, AR

**FORECAST WASTEWATER COST ALLOCATION**

SCENARIO:
2025 09 02 -- Scenario I Status Quo

| Year | Residential & Non-Residential | Salem Metered Sewer | Salem Sewer | Quail Ridge | Drain Water (County Landfield) | System Infrastructure Fee | System Infrastructure Fee - Salem Sewer | Senior Citizen Discount -- Sewer | Senior Citizen Discount -- Salem Sewer | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 2025 | $ 5,115,154 | $ 1,307,194 | $ 12,650 | $ 40,540 | $ 59,775 | $ 142,686 | $ 25,535 | $ 20,175 | $ 1,263 | **$ 6,724,972** |
| 2026 | 5,569,928 | 1,440,768 | 13,490 | 43,418 | 64,060 | 150,328 | 27,223 | 21,256 | 1,347 | **$ 7,331,817** |
| 2027 | 6,143,206 | 1,608,575 | 14,393 | 47,101 | 69,556 | 158,454 | 29,036 | 22,406 | 1,436 | **$ 8,094,163** |
| 2028 | 6,439,717 | 1,706,222 | 15,358 | 48,547 | 71,684 | 167,049 | 30,976 | 23,622 | 1,532 | **$ 8,504,707** |
| 2029 | 7,388,803 | 1,982,306 | 16,363 | 54,803 | 81,050 | 175,836 | 32,994 | 24,865 | 1,632 | **$ 9,758,652** |
| 2030 | 8,159,313 | 2,215,851 | 17,435 | 59,525 | 88,105 | 185,100 | 35,146 | 26,176 | 1,738 | **$ 10,788,390** |
| 2031 | 8,324,443 | 2,287,424 | 18,230 | 59,710 | 88,360 | 191,210 | 36,739 | 27,041 | 1,817 | **$ 11,034,974** |
| 2032 | 8,501,600 | 2,363,734 | 19,065 | 59,957 | 88,708 | 197,560 | 38,412 | 27,940 | 1,899 | **$ 11,298,875** |
| 2033 | 8,682,070 | 2,442,455 | 19,943 | 60,201 | 89,052 | 204,164 | 40,169 | 28,874 | 1,986 | **$ 11,568,913** |
| 2034 | 9,743,998 | 2,775,449 | 20,843 | 66,469 | 98,461 | 210,809 | 41,971 | 29,815 | 2,075 | **$ 12,989,890** |

*Section IV*

SECTION IV

# Water and Wastewater Rate Design



Rate design involves determining charges for each class of customers that will generate a desired level of revenue in accordance with AWWA and other industry cost of service rate-making principles. The water and wastewater rates developed in this section are designed to recover the test year and forecast revenue requirements while providing funding for the identified capital improvements and existing debt service.

Based on an extensive series of discussions with the City, the project team is presenting the following rate plan for the City Council to consider. The following is notable regarding the proposed rate plan:

- While the rate models present a forecast of rates for ten years, the project team recommends that the City adopt a 5-year rate plan, with rates to be automatically implemented annually on January 1, 2026 through January 1, 2030.
- Given the significant growth in the City and potential for unexpected events the project team recommends that the City periodically review these rates during the next five years, to incorporate any changes to costs, volumes or growth assumptions that may occur during that time.
- The most significant impact on rates will be the cost of operating expenses and Central Arkansas Water purchases. Should the City make material changes to its operating expenses and/or CIP, the City should undertake an immediate review of its rate plan.
- The second largest impact on rates will be debt issued to fund the CIP. The initial cost of service and rate proposal assumes that the Utility rate adjustments will be funded on a stand-alone basis, whereby debt service will be fully funded through rates.
- Future debt is assumed to have a 20-year term and 4.0% interest rate. If other credit terms become available, the recommended rate plan may require revision.
- Finally, the project team recommends the City continue using the existing water and wastewater rate structure. This rate structure is effective and easily understood by customers.

Uniform adjustments are applied to the water and wastewater's existing base and volumetric rates for each rate class. There is no change to the basic rate structure other than the uniform annual adjustments in the rate plan.

As part of this rate proposal, a significant adjustment in wastewater infrastructure monthly fee is recommended for all wastewater customers served by a 5/8" water meter. The wastewater infrastructure charge for 5/8" meters is recommended to decrease from **$15.75** per month to **$10.00** per month in January 2026 and will automatically increase by 5% each year afterwards. Wastewater infrastructure charges for customers served by larger meters will remain unchanged in 2026, and will also automatically increase by 5% each subsequent year. The rate plan and forecast revenues and expenses under this scenario is presented in **Appendix A.**

**Table IV-1** presents a summary of the rate plan proposed for water customers. **Table IV-2** presents a summary of the rate plan proposed for wastewater customers. **Table IV-3** presents the customer rate impact assuming the proposed rate plan is adopted by the City Council. **Table IV-4** presents a forecast of revenues and expenses for the next five years.

Details behind these calculations can be found in the rate model presented in **Appendix A.**

TABLE IV-1

CITY OF BRYANT, AR

PROPOSED WATER AND WASTEWATER RATE PLAN

| | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|
| **WATER** | | | | | | |
| **Residential and Non Residential** | | | | | | |
| Monthly Minimum Charge | | | | | | |
| 5/8" | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 |
| 1" | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 |
| 1 1/2" | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 |
| 2" | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 |
| 3" | 116.24 | 126.70 | 138.10 | 150.53 | 164.08 | 178.85 |
| 4" | 217.96 | 237.58 | 258.96 | 282.26 | 307.67 | 335.36 |
| 6" | 726.53 | 791.92 | 863.19 | 940.88 | 1,025.56 | 1,117.86 |
| Volume Rate Per 100 Gal | | | | | | |
| 2,000 Above | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 |
| - - | - | - | - | - | - | - |
| - - | - | - | - | - | - | - |
| **Woodland Hills** | | | | | | |
| Monthly Minimum Charge (Rate set by CAW) | 447.10 | 480.64 | 516.69 | 554.16 | 581.87 | 610.97 |
| Volume Rate Per 1,000 Gal (Rate set by CAW) | | | | | | |
| - Above | 2.166 | 2.326 | 2.513 | 2.700 | 2.834 | 2.968 |

TABLE IV-2

CITY OF BRYANT, AR

PROPOSED WATER AND WASTEWATER RATE PLAN

| | | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|---|
| **WASTEWATER** | | | | | | | |
| **Residential & Non-Residential Inside** | | | | | | | |
| Monthly Minimum Charge | | $ 20.70 | $ 21.94 | $ 23.26 | $ 24.65 | $ 25.15 | $ 25.65 |
| Volume Rate/100 Gal (2,000-Above) | | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 |
| **Salem/Quail Ridge** | | | | | | | |
| Monthly Minimum Charge | | $ 41.40 | $ 43.88 | $ 46.52 | $ 49.31 | $ 50.29 | $ 51.30 |
| Volume Rate/100 Gal | | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 |
| **Drain Water (County Landfield)** | | | | | | | |
| Volume Rate/per Gallon | | 0.0575 | 0.0610 | 0.0646 | 0.0685 | 0.0699 | 0.0713 |
| **WW Infrastructure Monthly Charge** | | | | | | | |
| (in addition to mthly chgs) | 5/8" | $ 15.75 | $ 10.00 | $ 10.50 | $ 11.03 | $ 11.58 | $ 12.16 |
| | 1" | 52.50 | 55.13 | 57.88 | 60.78 | 63.81 | 67.00 |
| | 1 1/2" | 105.00 | 110.25 | 115.76 | 121.55 | 127.63 | 134.01 |
| | 2" | 168.00 | 176.40 | 185.22 | 194.48 | 204.21 | 214.42 |
| | 3" | 336.00 | 352.80 | 370.44 | 388.96 | 408.41 | 428.83 |
| | 4" | 530.25 | 556.76 | 584.60 | 613.83 | 644.52 | 676.75 |
| | 6" | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 |
| | 8" | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 |

TABLE IV-3

CITY OF BRYANT, AR

IMPACT OF RATE PLAN ON MONTHLY CHARGES

| | | Current | Effective Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
|---|---|---|---|---|---|---|---|
| **Residential Monthly Charges -- 5/8"** | | | | | | | |
| 2,000 Water | 2,000 WW | $ 50.98 | $ 47.78 | $ 51.02 | $ 54.50 | $ 57.23 | $ 60.16 |
| | Increase -- $ | | (3.20) | 3.24 | 3.47 | 2.74 | 2.93 |
| | Increase -- % | | -6.3% | 6.8% | 6.8% | 5.0% | 5.1% |
| 5,000 Water | 5,000 WW | 105.04 | 105.71 | 113.11 | 121.06 | 127.03 | 133.42 |
| | Increase -- $ | | 0.67 | 7.40 | 7.95 | 5.97 | 6.39 |
| | Increase -- % | | 0.6% | 7.0% | 7.0% | 4.9% | 5.0% |
| 10,000 Water | 10,000 WW | 195.14 | 202.26 | 216.60 | 232.00 | 243.35 | 255.52 |
| | Increase -- $ | | 7.12 | 14.34 | 15.40 | 11.35 | 12.17 |
| | Increase -- % | | 3.7% | 7.1% | 7.1% | 4.9% | 5.0% |
| **Commercial Monthly Charges -- 2"** | | | | | | | |
| 25,000 Water | 25,000 WW | $ 675.81 | $ 721.67 | $ 770.84 | $ 823.55 | $ 866.99 | $ 913.50 |
| | Increase -- $ | | 45.86 | 49.16 | 52.71 | 43.44 | 46.51 |
| | Increase -- % | | 6.8% | 6.8% | 6.8% | 5.3% | 5.4% |

Table IV-4

CITY OF BRYANT, AR
UTILITY REVENUE AND EXPENSE FORECAST

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| 3 **Fund Balance, Revenues and Expenses** | | | | | |
| **Beginning Fund Balance** | $ 2,266,603 | $ 3,964,671 | $ 4,244,992 | $ 4,281,512 | $ 4,818,160 |
| Revenues and Expenses | | | | | |
| Water Rate Revenues | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 |
| WW Rate Revenues | 7,138,057 | 7,738,787 | 8,366,550 | 9,045,427 | 9,437,590 |
| **WW System Infrastructure Fee (Fund 620)** | 1,969,945 | 1,536,271 | 1,590,905 | 1,701,311 | 1,819,408 |
| Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 |
| **Total Revenues** | **14,251,321** | **14,871,882** | **16,111,203** | **17,579,467** | **18,828,121** |
| Operating Expenses | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 |
| Net Revenues for Transfers,Capital Outlays and Debt | 4,636,838 | 4,605,274 | 5,096,387 | 5,717,312 | 6,129,915 |
| Capital Outlays/Refurbish-Replacement Reserve | 1,378,016 | 1,398,686 | 1,419,667 | 1,440,962 | 1,462,576 |
| Percent of Gross Revenues | 9.7% | 9.4% | 8.8% | 8.2% | 7.8% |
| Debt Service | | | | | |
| Current Debt Service | 1,083,754 | 1,212,113 | 1,476,991 | 1,567,281 | 1,575,631 |
| Future Debt Service | - | 1,228,469 | 1,668,578 | 1,668,578 | 2,653,286 |
| Total Debt Service | 1,083,754 | 2,440,583 | 3,145,569 | 3,235,859 | 4,228,916 |
| **Total Contingencies & Transfers** | 477,000 | 485,685 | 494,631 | 503,844 | 513,335 |
| **Total Cost of Service** | 12,553,253 | 14,591,562 | 16,074,682 | 17,042,819 | 18,903,033 |
| **Net Revenues** | **1,698,068** | **280,320** | **36,521** | **536,648** | **(74,912)** |
| Percent of COS | 13.5% | 1.9% | 0.2% | 3.1% | -0.4% |
| Debt Coverage | | | | | |
| Excluding Transfers, CO, Debt | 4.28 | 1.89 | 1.62 | 1.77 | 1.45 |
| All Inclusive | 2.57 | 1.11 | 1.01 | 1.17 | 0.98 |
| **Ending Water & Sewer Combined Fund Balance** | **3,964,671** | **4,244,992** | **4,281,512** | **4,818,160** | **4,743,248** |
| Unrestricted/Capital Fund Balance from CIP Funding | 2,289,269 | 2,312,162 | 2,335,283 | 2,358,636 | 2,382,223 |
| One Day Operating Expenditures (Op.Exp+Det Svc) | 30,617 | 36,145 | 40,151 | 42,745 | 47,782 |
| **Days of Operating Expenditures** | **129** | **117** | **107** | **113** | **99** |

Finally, it should be noted that for the purposes of State Law 605, expenses that are defined as Capital Outlays by AWWA Cash Basis ratemaking methodology should be defined as Refurbishment and Replacement Reserve. These are expenditures specifically designated to be used for system replacement and maintenance. Table IV-4 reveals that the City is forecast to devote between 7.7% and 11.0% of the cost of service to funding these expenditures over each of the next five years. This exceeds Act 605's guideline of 5.0% of Gross Revenues every year of the forecast. The Table also reveals that the combined fund balance is forecast to increase from $3.9 million to $4.7 million over the same period. Both of these factors place the City in compliance with the requirements of Act 605.

## Impact of No Increase

In accordance with the requirements of Act 605, the project team prepared an additional scenario forecasting total utility revenues and expenses should the City not adopt either the proposed rate plan or any rate adjustments in the next five years. The result of this analysis is summarized in **Table IV-5** below. The table reveals that under this scenario revenues would remain stagnant while expenses would continue to increase. Net revenues would be negative in FY 2026 and years afterwards, and the Utility Fund Balance would be negative beginning in FY 2028. The City would fail to meet debt coverage requirements after FY 2026.

Clearly the failure to implement rate adjustments would lead to significant financial hardship for the Utility fund.

**Table IV-5**

CITY OF BRYANT, AR
UTILITY REVENUE AND EXPENSE FORECAST
ASSUMING NO RATE ADJUSTMENTS

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| 3 **Fund Balance, Revenues and Expenses** | | | | | |
| **Beginning Fund Balance** | $ 2,266,603 | $ 3,964,671 | $ 3,502,240 | $ 1,901,724 | $ (191,549) |
| Revenues and Expenses | | | | | |
| Water Rate Revenues | 4,054,618 | 4,135,672 | 4,212,410 | 4,290,417 | 4,367,189 |
| WW Rate Revenues | 7,138,057 | 7,332,318 | 7,475,242 | 7,621,308 | 7,770,589 |
| **WW System Infrastructure Fee (Fund 620)** | 1,969,945 | 1,536,271 | 1,590,905 | 1,701,311 | 1,819,408 |
| Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 |
| **Total Revenues** | 14,251,321 | 14,129,131 | 14,474,165 | 14,949,546 | 15,439,028 |
| Operating Expenses | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 |
| Net Revenues for Transfers,Capital Outlays and Debt | 4,636,838 | 3,862,523 | 3,459,350 | 3,087,392 | 2,740,823 |
| Capital Outlays/Refurbish-Replacement Reserve | 1,378,016 | 1,398,686 | 1,419,667 | 1,440,962 | 1,462,576 |
| Percent of Gross Revenues | 9.7% | 9.9% | 9.8% | 9.6% | 9.5% |
| Debt Service | | | | | |
| Current Debt Service | 1,083,754 | 1,212,113 | 1,476,991 | 1,567,281 | 1,575,631 |
| Future Debt Service | - | 1,228,469 | 1,668,578 | 1,668,578 | 2,653,286 |
| Total Debt Service | 1,083,754 | 2,440,583 | 3,145,569 | 3,235,859 | 4,228,916 |
| **Total Contingencies & Transfers** | 477,000 | 485,685 | 494,631 | 503,844 | 513,335 |
| **Total Cost of Service** | 12,553,253 | 14,591,562 | 16,074,682 | 17,042,819 | 18,903,033 |
| **Net Revenues** | 1,698,068 | (462,431) | (1,600,517) | (2,093,273) | (3,464,005) |
| Percent of COS | 13.5% | -3.2% | -10.0% | -12.3% | -18.3% |
| Debt Coverage | | | | | |
| Excluding Transfers, CO, Debt | 4.28 | 1.58 | 1.10 | 0.95 | 0.65 |
| All Inclusive | 2.57 | 0.81 | 0.49 | 0.35 | 0.18 |
| **Ending Water & Sewer Combined Fund Balance** | 3,964,671 | 3,502,240 | 1,901,724 | (191,549) | (3,655,554) |
| Unrestricted/Capital Fund Balance from CIP Funding | 2,289,269 | 2,312,162 | 2,335,283 | 2,358,636 | 2,382,223 |
| One Day Operating Expenditures (Op.Exp+Det Svc) | 30,617 | 36,145 | 40,151 | 42,745 | 47,782 |
| **Days of Operating Expenditures** | 129 | 97 | 47 | (4) | (77) |

## Act 605 Compliance

This rate study was completed in compliance with Act 605 rules established by the Arkansas Natural Resources Commission as dictated by Ark. Code Ann. § 14-234-801 et. seq. These rules, and the rate study compliance thereof, are documented in **Appendix B "Check List of Rules Implementing AR Act 605 of 2021"**. Willdan used this check list to certify Act 605 compliance as part of this rate study.

It should be noted that the City's asset management plan is contained in its comprehensive Master Plan, a separate document that will be made available upon request.

As stated throughout the rate study, **Appendix A** of the report presents the rate model worksheet summaries that detail the financial ratios, financial analysis and rate design prepared as part of the rate study. References to where each of the specific criteria is fulfilled is contained in the checklist in Appendix B.

## Notes on Rate Recommendations

The forecast and recommendations presented in this study represent a combination of the best information available from the City of Bryant and the project team's expertise. However, this forecast relies in part on assumptions about future events and events beyond the control of the project team (such as account growth rates within the City). The forecast and recommendations contained in this study may be subject to revision if any of the following events occurs:

- Actual growth in accounts and consumed volumes is less than (or significantly greater than) forecast.
- Capital improvement plan funding costs increase significantly due to the rising cost of materials or other factors such as unforeseen construction schedule changes.
- CAW costs increase or decrease significantly from costs used in developing the rate plan.
- An unforeseen event impacts the City, such as an extended recession, natural catastrophe or terrorist attack.
- Significant and long-lasting changes in weather patterns.
- Increases or decreases in interest rates, coverage requirements, or reserve requirements for long-term debt.
- The City of Bryant budget levels or priorities change significantly from those forecast in this study.

It should be noted that none of these events are foreseen by the project team or the City of Bryant at this time.

**If any of these events occur, the City may be compelled to consider further adjustments to its water and wastewater rates.**

# *Appendix* A

# City of Bryant, AR

## Ten Year Rate Analysis and Pro Forma

## Fiscal Years 2025 - 2034

WILLDAN

**Utility System**

Water
Sewer
Combined

**Dashboard**

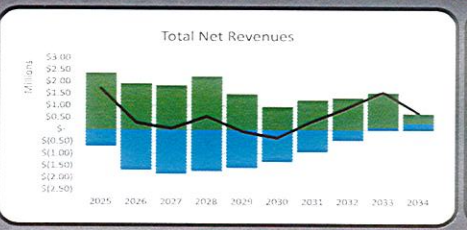
Projections
Bill Comparison
Comparable Utilities

**Customer Class**

All Classes

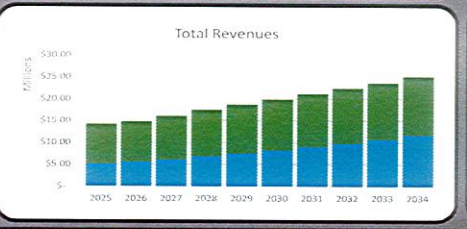
**Years**

10
5













Water Sewer **Combined Projections**

Future Debt Term 20

**Water Future Bond Issues**

| | Alternative | Proposed |
|---|---|---|
| 2025 | | $ 12,300,000 |
| 2026 | | $ - |
| 2027 | | $ - |
| 2028 | | $ 1,000,000 |
| 2029 | | $ - |
| 2030 | | $ - |
| 2031 | | $ - |
| 2032 | | $ - |
| 2033 | | $ 8,630,500 |
| 2034 | | $ - |

**Sewer Future Bond Issues**

| | Alternative | Proposed |
|---|---|---|
| 2025 | | $ 4,230,000 |
| 2026 | | $ 5,922,000 |
| 2027 | | $ - |
| 2028 | | $ 12,250,000 |
| 2029 | | $ 9,024,000 |
| 2030 | | $ - |
| 2031 | | $ - |
| 2032 | | $ - |
| 2033 | | $ 15,292,600 |
| 2034 | | $ - |

| | | 2025 Adopted | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Water Rate Adjustments | | | | | | | | | | | |
| Meter Charge | | 0.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Volume Charge | | 0.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| | | 129 | 117 | 107 | 113 | 99 | 85 | 89 | 103 | 127 | 126 |
| Sewer Rate Adjustments | | | | | | | | | | | |
| Base Charge | | 0.00% | 6.00% | 6.00% | 6.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 0.00% |
| Volume Charge | Residential | 0.00% | 6.00% | 6.00% | 6.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 0.00% |
| | Non-Residential | 0.00% | 6.00% | 6.00% | 6.00% | 2.00% | 2.00% | 2.00% | 0.00% | 0.00% | 0.00% |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

1 **Water Monthly Rates and Charges**

**CITY Water Rate and Charges**

**W1 Residential & Non-Residential**

Monthly Minimum Charge

| | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5/8" | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| 1" | 21.37 | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 | 36.56 | 39.85 | 43.44 | 47.35 |
| 1 1/2" | 35.61 | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 | 60.93 | 66.41 | 72.39 | 78.90 |
| 2" | 71.23 | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 | 121.84 | 132.81 | 144.76 | 157.79 |

Volume Rate/100 Gal

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2,000 | Above | $ 0.685 | $ 0.698 | $ 0.761 | $ 0.829 | $ 0.904 | $ 0.985 | $ 1.074 | $ 1.171 | $ 1.276 | $ 1.391 | $ 1.516 |

**W2 Sprinkler**

Monthly Minimum Charge

| | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5/8" | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| 1" | 21.37 | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 | 36.56 | 39.85 | 43.44 | 47.35 |
| 1 1/2" | 35.61 | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 | 60.93 | 66.41 | 72.39 | 78.90 |
| 2" | 71.23 | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 | 121.84 | 132.81 | 144.76 | 157.79 |
| 3" | 113.97 | 116.24 | 126.70 | 138.10 | 150.53 | 164.08 | 178.85 | 194.95 | 212.49 | 231.62 | 252.46 |
| 4" | 213.69 | 217.96 | 237.58 | 258.96 | 282.26 | 307.67 | 335.36 | 365.54 | 398.44 | 434.30 | 473.39 |
| 6" | 712.29 | 726.53 | 791.92 | 863.19 | 940.88 | 1,025.56 | 1,117.86 | 1,218.46 | 1,328.13 | 1,447.66 | 1,577.95 |

Volume Rate/100 Gal

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2,000 | Above | 0.685 | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 | 1.171 | 1.276 | 1.391 | 1.516 |

**W3 Multi-Family**

Monthly Minimum Charge

| | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5/8" | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| 1" | 21.37 | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 | 36.56 | 39.85 | 43.44 | 47.35 |
| 1 1/2" | 35.61 | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 | 60.93 | 66.41 | 72.39 | 78.90 |
| 2" | 71.23 | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 | 121.84 | 132.81 | 144.76 | 157.79 |
| 8" | 712.29 | 726.53 | 791.92 | 863.19 | 940.88 | 1,025.56 | 1,117.86 | 1,218.46 | 1,328.13 | 1,447.66 | 1,577.95 |

Volume Rate/100 Gal

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2,000 | Above | 0.685 | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 | 1.171 | 1.276 | 1.391 | 1.516 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

2 **Wastewater Monthly Rates and Charges**

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Residential & Non-Residential** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| All Meters | | $ 20.29 | $ 20.70 | $ 21.94 | $ 23.26 | $ 24.65 | $ 25.15 | $ 25.65 | $ 26.16 | $ 26.16 | $ 26.16 | $ 26.16 |
| Volume Rate/100 Gal | | | | | | | | | | | | |
| 2,000 Above | | 1.082 | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 | 1.395 | 1.395 | 1.395 | 1.395 |
| **Salem Metered Sewer** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| All Meters | | 20.29 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| Volume Rate/100 Gal | | | | | | | | | | | | |
| 2,000 Above | | 1.08 | 1.10 | 1.17 | 1.24 | 1.31 | 1.34 | 1.37 | 1.40 | 1.40 | 1.40 | 1.40 |
| **Salem Sewer** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| All Meters | | 20.29 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| Volume Rate/100 Gal | | | | | | | | | | | | |
| 2,000 | Above | 1.08 | 1.10 | 1.17 | 1.24 | 1.31 | 1.34 | 1.37 | 1.40 | 1.40 | 1.40 | 1.40 |
| 2,000 | Above | 1.08 | 1.10 | 1.17 | 1.24 | 1.31 | 1.34 | 1.37 | 1.40 | 1.40 | 1.40 | 1.40 |
| **Quail Ridge** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| 5/8" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 1" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 1 1/2" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 2" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 3" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 4" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 6" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| 8" | | 40.58 | 41.40 | 43.88 | 46.52 | 49.31 | 50.29 | 51.30 | 52.33 | 52.33 | 52.33 | 52.33 |
| Volume Rate/100 Gal | | | | | | | | | | | | |
| 2,000 | Above | 1.08 | 1.10 | 1.17 | 1.24 | 1.31 | 1.34 | 1.37 | 1.40 | 1.40 | 1.40 | 1.40 |
| 2,000 | Above | 1.08 | 1.10 | 1.17 | 1.24 | 1.31 | 1.34 | 1.37 | 1.40 | 1.40 | | 0 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

**Drain Water (County Landfield)**

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | - | - | - | - | - | - | - | - | - | - | - |
| | 1" | - | - | - | - | - | - | - | - | - | - | - |
| | 1 1/2" | - | - | - | - | - | - | - | - | - | - | - |
| | 2" | - | - | - | - | - | - | - | - | - | - | - |
| | 3" | - | - | - | - | - | - | - | - | - | - | - |
| | 4" | - | - | - | - | - | - | - | - | - | - | - |
| | 6" | - | - | - | - | - | - | - | - | - | - | - |
| | 8" | - | - | - | - | - | - | - | - | - | - | - |
| Volume Rate/100 Gal | | | | | | | | | | | | |
| - | Above | 5.75 | 5.75 | 6.10 | 6.46 | 6.85 | 6.99 | 7.13 | 7.27 | 7.27 | 7.27 | 7.27 |
| - | Above | 5.75 | 5.75 | 6.10 | 6.46 | 6.85 | 6.99 | 7.13 | 7.27 | 7.27 | 7.27 | 7.27 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Other6** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | - | - | - | - | - | - | - | - | - | - | - |
| | 1" | - | - | - | - | - | - | - | - | - | - | - |
| | 1 1/2" | - | - | - | - | - | - | - | - | - | - | - |
| | 2" | - | - | - | - | - | - | - | - | - | - | - |
| | 3" | - | - | - | - | - | - | - | - | - | - | - |
| | 4" | - | - | - | - | - | - | - | - | - | - | - |
| | 6" | - | - | - | - | - | - | - | - | - | - | - |
| | 8" | - | - | - | - | - | - | - | - | - | - | - |
| Volume Rate/1,000 Gal | | | | | | | | | | | | |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| **System Infrastructure Fee** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | 15.00 | 15.75 | 10.00 | 10.50 | 11.03 | 11.58 | 12.16 | 12.76 | 13.40 | 14.07 | 14.77 |
| | 1" | 50.00 | 52.50 | 55.13 | 57.88 | 60.78 | 63.81 | 67.00 | 70.36 | 73.87 | 77.57 | 81.44 |
| | 1 1/2" | 100.00 | 105.00 | 110.25 | 115.76 | 121.55 | 127.63 | 134.01 | 140.71 | 147.75 | 155.13 | 162.89 |
| | 2" | 160.00 | 168.00 | 176.40 | 185.22 | 194.48 | 204.21 | 214.42 | 225.14 | 236.39 | 248.21 | 260.62 |
| | 3" | 320.00 | 336.00 | 352.80 | 370.44 | 388.96 | 408.41 | 428.83 | 450.27 | 472.79 | 496.43 | 521.25 |
| | 4" | 505.00 | 530.25 | 556.76 | 584.60 | 613.83 | 644.52 | 676.75 | 710.59 | 746.11 | 783.42 | 822.59 |
| | 6" | 1,010.00 | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 | 1,421.17 | 1,492.23 | 1,566.84 | 1,645.18 |
| | 8" | 1,010.00 | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 | 1,421.17 | 1,492.23 | 1,566.84 | 1,645.18 |
| Volume Rate/1,000 Gal | | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - | - | - | - |
| **System Infrastructure Fee - Salem Sewer** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | 15.00 | 10.00 | 10.50 | 11.03 | 11.58 | 12.16 | 12.76 | 13.40 | 14.07 | 14.77 | 15.51 |
| | 1" | 50.00 | 52.50 | 55.13 | 57.88 | 60.78 | 63.81 | 67.00 | 70.36 | 73.87 | 77.57 | 81.44 |
| | 1 1/2" | 100.00 | 105.00 | 110.25 | 115.76 | 121.55 | 127.63 | 134.01 | 140.71 | 147.75 | 155.13 | 162.89 |
| | 2" | 160.00 | 168.00 | 176.40 | 185.22 | 194.48 | 204.21 | 214.42 | 225.14 | 236.39 | 248.21 | 260.62 |
| | 3" | 320.00 | 336.00 | 352.80 | 370.44 | 388.96 | 408.41 | 428.83 | 450.27 | 472.79 | 496.43 | 521.25 |
| | 4" | 505.00 | 530.25 | 556.76 | 584.60 | 613.83 | 644.52 | 676.75 | 710.59 | 746.11 | 783.42 | 822.59 |
| | 6" | 1,010.00 | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 | 1,421.17 | 1,492.23 | 1,566.84 | 1,645.18 |
| | 8" | 1,010.00 | 1,060.50 | 1,113.53 | 1,169.20 | 1,227.66 | 1,289.04 | 1,353.50 | 1,421.17 | 1,492.23 | 1,566.84 | 1,645.18 |
| Volume Rate/1,000 Gal | | | | | | | | | | | | |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Senior Citizen Discount -- Sewer** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 1" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 1 1/2" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 2" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 3" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 4" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 6" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 8" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| Volume Rate/1,000 Gal | | | | | | | | | | | | |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| **Senior Citizen Discount -- Salem Sewer** | | | | | | | | | | | | |
| Monthly Minimum Charge | | | | | | | | | | | | |
| | 5/8" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 1" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 1 1/2" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 2" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 3" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 4" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 6" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| | 8" | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) | (4.00) |
| Volume Rate/1,000 Gal | | | | | | | | | | | | |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| - | Above | - | - | - | - | - | - | - | - | - | - | - |
| 3 | **Residential Monthly Charges -- WATER** | | | | | | | | | | | |
| 5,000 Gallons -- 3/4" Meter | | | | | | | | | | | | |
| | Total | $ 34.79 | $ 35.47 | $ 38.66 | $ 42.14 | $ 45.93 | $ 50.07 | $ 54.57 | $ 59.49 | $ 64.84 | $ 70.68 | $ 77.04 |
| | Dollar Inc | | 0.68 | 3.19 | 3.48 | 3.79 | 4.13 | 4.51 | 4.91 | 5.35 | 5.84 | 6.36 |
| | Percent Inc | | 2.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| 10,000 Gallons -- 3/4"" Meter | | | | | | | | | | | | |
| | Total | 69.04 | 70.37 | 76.70 | 83.61 | 91.13 | 99.33 | 108.27 | 118.02 | 128.64 | 140.22 | 152.84 |
| | Dollar Inc | | 1.33 | 6.33 | 6.90 | 7.52 | 8.20 | 8.94 | 9.74 | 10.62 | 11.58 | 12.62 |
| | Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **20,000 Gallons -- 3/4" Meter** | | | | | | | | | | | |
| Total | 137.54 | 140.17 | 152.79 | 166.54 | 181.52 | 197.86 | 215.67 | 235.08 | 256.24 | 279.30 | 304.43 |
| Dollar Inc | | 2.63 | 12.62 | 13.75 | 14.99 | 16.34 | 17.81 | 19.41 | 21.16 | 23.06 | 25.14 |
| Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| **30,000 Gallons -- 3/4" Meter** | | | | | | | | | | | |
| Total | 206.04 | 209.97 | 228.87 | 249.47 | 271.92 | 296.39 | 323.06 | 352.14 | 383.83 | 418.38 | 456.03 |
| Dollar Inc | | 3.93 | 18.90 | 20.60 | 22.45 | 24.47 | 26.68 | 29.08 | 31.69 | 34.55 | 37.65 |
| Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| 4 **Commercial Monthly Charges -- WATER** | | | | | | | | | | | |
| **20,000 Gallons -- 1 1/2" Meter** | | | | | | | | | | | |
| Total | 137.54 | 140.17 | 152.79 | 166.54 | 181.52 | 197.86 | 215.67 | 235.08 | 256.24 | 279.30 | 304.43 |
| Dollar Inc | | 2.63 | 12.62 | 13.75 | 14.99 | 16.34 | 17.81 | 19.41 | 21.16 | 23.06 | 25.14 |
| Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| **40,000 Gallons -- 1 1/2" Meter** | | | | | | | | | | | |
| Total | 274.54 | 279.77 | 304.95 | 332.39 | 362.31 | 394.92 | 430.46 | 469.20 | 511.43 | 557.46 | 607.63 |
| Dollar Inc | | 5.23 | 25.18 | 27.45 | 29.92 | 32.61 | 35.54 | 38.74 | 42.23 | 46.03 | 50.17 |
| Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*City Rate Plan -- 10 Year Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Prior | Effective Jan-25 | Effective Jan-26 | Effective Jan-27 | Effective Jan-28 | Effective Jan-29 | Effective Jan-30 | Effective Jan-31 | Effective Jan-32 | Effective Jan-33 | Effective Jan-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5 | **Residential Monthly Charges -- WASTEWATER** | | | | | | | | | | | |
| | 5,000 Gallons -- 3/4" Meter | | | | | | | | | | | |
| | Total 3/4" | $ 52.75 | $ 53.82 | $ 57.05 | $ 60.47 | $ 64.10 | $ 65.38 | $ 66.69 | $ 68.02 | $ 68.02 | $ 68.02 | $ 68.02 |
| | Dollar Inc | | 1.07 | 3.23 | 3.42 | 3.63 | 1.28 | 1.31 | 1.33 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 10,000 Gallons -- 3/4" Meter | | | | | | | | | | | |
| | Total 3/4" | 106.85 | 109.02 | 115.56 | 122.49 | 129.84 | 132.44 | 135.09 | 137.79 | 137.79 | 137.79 | 137.79 |
| | Dollar Inc | | 2.17 | 6.54 | 6.93 | 7.35 | 2.60 | 2.65 | 2.70 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 15,000 Gallons -- 3/4" Meter | | | | | | | | | | | |
| | Total 3/4" | 160.95 | 164.22 | 174.07 | 184.52 | 195.59 | 199.50 | 203.49 | 207.56 | 207.56 | 207.56 | 207.56 |
| | Dollar Inc | | 3.27 | 9.85 | 10.44 | 11.07 | 3.91 | 3.99 | 4.07 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 20,000 Gallons -- 3/4" Meter | | | | | | | | | | | |
| | Total 3/4" | 215.05 | 219.42 | 232.59 | 246.54 | 261.33 | 266.56 | 271.89 | 277.33 | 277.33 | 277.33 | 277.33 |
| | Dollar Inc | | 4.37 | 13.17 | 13.96 | 14.79 | 5.23 | 5.33 | 5.44 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| 6 | **Commercial Monthly Charges -- WASTEWATER** | | | | | | | | | | | |
| | 20,000 Gallons -- 1 1/2" Meter | | | | | | | | | | | |
| | Total 1 1/2" | $ 215.05 | $ 219.42 | $ 232.59 | $ 246.54 | $ 261.33 | $ 266.56 | $ 271.89 | $ 277.33 | $ 277.33 | $ 277.33 | $ 277.33 |
| | Dollar Inc | | 4.37 | 13.17 | 13.96 | 14.79 | 5.23 | 5.33 | 5.44 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 40,000 Gallons -- 1 1/2" Meter | | | | | | | | | | | |
| | Total 1 1/2" | 431.45 | 440.22 | 466.63 | 494.63 | 524.31 | 534.80 | 545.49 | 556.40 | 556.40 | 556.40 | 556.40 |
| | Dollar Inc | | 8.77 | 26.41 | 28.00 | 29.68 | 10.49 | 10.70 | 10.91 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |

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WILLDAN

CITY OF BRYANT, AR
UTILITY REVENUE AND EXPENSE FORECAST

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| 3 **Fund Balance, Revenues and Expenses** | | | | | |
| **Beginning Fund Balance** | $ 2,266,603 | $ 3,964,671 | $ 4,244,992 | $ 4,281,512 | $ 4,818,160 |
| Revenues and Expenses | | | | | |
| Water Rate Revenues | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 |
| WW Rate Revenues | 7,138,057 | 7,738,787 | 8,366,550 | 9,045,427 | 9,437,590 |
| **WW System Infrastructure Fee (Fund 620)** | 1,969,945 | 1,536,271 | 1,590,905 | 1,701,311 | 1,819,408 |
| Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 |
| **Total Revenues** | **14,251,321** | **14,871,882** | **16,111,203** | **17,579,467** | **18,828,121** |
| Operating Expenses | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 |
| Net Revenues for Transfers,Capital Outlays and Debt | 4,636,838 | 4,605,274 | 5,096,387 | 5,717,312 | 6,129,915 |
| Capital Outlays/Refurbish-Replacement Reserve | 1,378,016 | 1,398,686 | 1,419,667 | 1,440,962 | 1,462,576 |
| Percent of Gross Revenues | 9.7% | 9.4% | 8.8% | 8.2% | 7.8% |
| Debt Service | | | | | |
| Current Debt Service | 1,083,754 | 1,212,113 | 1,476,991 | 1,567,281 | 1,575,631 |
| Future Debt Service | - | 1,228,469 | 1,668,578 | 1,668,578 | 2,653,286 |
| Total Debt Service | 1,083,754 | 2,440,583 | 3,145,569 | 3,235,859 | 4,228,916 |
| **Total Contingencies & Transfers** | 477,000 | 485,685 | 494,631 | 503,844 | 513,335 |
| **Total Cost of Service** | **12,553,253** | **14,591,562** | **16,074,682** | **17,042,819** | **18,903,033** |
| **Net Revenues** | **1,698,068** | **280,320** | **36,521** | **536,648** | **(74,912)** |
| Percent of COS | 13.5% | 1.9% | 0.2% | 3.1% | -0.4% |
| Debt Coverage | | | | | |
| Excluding Transfers, CO, Debt | 4.28 | 1.89 | 1.62 | 1.77 | 1.45 |
| All Inclusive | 2.57 | 1.11 | 1.01 | 1.17 | 0.98 |
| **Ending Water & Sewer Combined Fund Balance** | **3,964,671** | **4,244,992** | **4,281,512** | **4,818,160** | **4,743,248** |
| Unrestricted/Capital Fund Balance from CIP Funding | 2,289,269 | 2,312,162 | 2,335,283 | 2,358,636 | 2,382,223 |
| One Day Operating Expenditures (Op.Exp+Det Svc) | 30,617 | 36,145 | 40,151 | 42,745 | 47,782 |
| **Days of Operating Expenditures** | **129** | **117** | **107** | **113** | **99** |

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue Summary*
*Scenario: 2025 10 03 -- Scenario I Status Quo*

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **WATER Revenues -- Total** | | | | | | | | | | |
| W1 | Residential & Non-Residential | $ 3,503,814 | $ 3,863,535 | $ 4,282,839 | $ 4,747,649 | $ 5,262,903 | $ 5,834,078 | $ 6,467,241 | $ 7,169,120 | $ 7,947,174 | $ 8,809,668 |
| W2 | Sprinkler | 467,252 | 514,954 | 570,562 | 632,175 | 700,442 | 776,080 | 859,886 | 952,743 | 1,055,626 | 1,169,620 |
| W3 | Multi-Family | 31,303 | 33,941 | 36,995 | 40,325 | 43,954 | 47,910 | 52,222 | 56,922 | 62,045 | 67,629 |
| W4 | Wholesale (COB Parks & Rec) | 2,169 | 2,336 | 2,523 | 2,712 | 2,851 | 2,986 | 3,146 | 3,308 | 3,470 | 3,644 |
| W5 | Woodland Hills | 103,743 | 111,711 | 120,616 | 129,640 | 136,312 | 142,786 | 150,400 | 158,135 | 166,185 | 174,885 |
| W6 | No Charge | - | - | - | - | - | - | - | - | - | - |
| W10 | Senior Citizen Discount -- Water | (53,664) | (54,523) | (55,395) | (56,281) | (57,182) | (58,097) | (59,026) | (59,971) | (60,930) | (61,905) |
| | Total Rate Revenue | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 | 6,745,743 | 7,473,869 | 8,280,257 | 9,173,569 | 10,163,540 |
| | Non-Rate Revenue | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 | 1,526,506 | 1,572,418 | 1,619,685 | 1,667,769 | 1,718,684 |
| | **Total Revenue** | **5,143,319** | **5,596,824** | **6,153,747** | **6,832,729** | **7,571,123** | **8,272,249** | **9,046,286** | **9,899,942** | **10,841,338** | **11,882,225** |
| | **Water Revenues -- Additional** | | | | | | | | | | |
| W1 | Residential & Non-Residential | | 359,721 | 419,303 | 464,810 | 515,255 | 571,175 | 633,163 | 701,879 | 778,053 | 862,494 |
| W2 | Sprinkler | | 47,702 | 55,608 | 61,613 | 68,267 | 75,638 | 83,806 | 92,856 | 102,884 | 113,994 |
| W3 | Multi-Family | | 2,637 | 3,055 | 3,330 | 3,629 | 3,956 | 4,312 | 4,700 | 5,123 | 5,584 |
| W4 | Wholesale (COB Parks & Rec) | | 167 | 187 | 189 | 140 | 135 | 160 | 162 | 162 | 174 |
| | Total Rate Revenue | | 417,337 | 486,185 | 538,080 | 593,062 | 656,463 | 728,126 | 806,388 | 893,312 | 989,971 |
| | Non-Rate Revenue | | 36,168 | 70,738 | 140,902 | 145,332 | 44,664 | 45,911 | 47,268 | 48,084 | 50,915 |
| | **Total Revenue** | | **453,505** | **556,923** | **678,982** | **738,394** | **701,126** | **774,037** | **853,656** | **941,396** | **1,040,887** |
| | **WASTEWATER Revenues -- Total** | | | | | | | | | | |
| WW1 | Residential & Non-Residential | $ 4,926,011 | $ 5,294,053 | $ 5,707,087 | $ 6,152,345 | $ 6,401,833 | $ 6,640,868 | $ 6,888,828 | $ 7,017,395 | $ 7,136,680 | $ 7,257,993 |
| WW2 | Salem Metered Sewer | 1,574,960 | 1,743,993 | 1,902,450 | 2,075,304 | 2,185,183 | 2,293,774 | 2,407,762 | 2,481,912 | 2,554,166 | 2,628,523 |
| WW3 | Salem Sewer | 333,459 | 378,201 | 412,667 | 450,274 | 474,232 | 497,923 | 522,797 | 539,031 | 554,862 | 571,157 |
| WW4 | Quail Ridge | 50,193 | 53,041 | 56,224 | 59,597 | 60,978 | 62,197 | 63,441 | 63,545 | 63,545 | 63,545 |
| WW5 | Drain Water (County Landfield) | 310,457 | 327,533 | 347,185 | 368,016 | 376,539 | 384,069 | 391,751 | 392,392 | 392,392 | 392,392 |
| WW6 | Other6 | - | - | - | - | - | - | - | - | - | - |
| WW7 | System Infrastructure Fee | 1,793,070 | 1,353,523 | 1,393,437 | 1,487,938 | 1,588,848 | 1,696,602 | 1,811,663 | 1,934,527 | 2,065,724 | 2,205,819 |
| WW8 | System Infrastructure Fee - Salem Se | 176,875 | 182,749 | 197,468 | 213,373 | 230,560 | 249,130 | 269,196 | 290,879 | 314,308 | 339,624 |
| WW9 | Senior Citizen Discount -- Sewer | (53,664) | (54,576) | (55,504) | (56,448) | (57,407) | (58,383) | (59,376) | (60,385) | (61,412) | (62,456) |
| WW10 | Senior Citizen Discount -- Salem Sew | (3,360) | (3,457) | (3,558) | (3,661) | (3,767) | (3,876) | (3,989) | (4,104) | (4,223) | (4,346) |
| | Total Rate Revenue | 9,108,002 | 9,275,058 | 9,957,455 | 10,746,738 | 11,256,998 | 11,762,304 | 12,292,073 | 12,655,192 | 13,016,042 | 13,392,252 |
| | Non-Rate Revenue | - | - | - | - | - | - | - | - | - | - |
| | **Total Revenue** | **9,108,002** | **9,275,058** | **9,957,455** | **10,746,738** | **11,256,998** | **11,762,304** | **12,292,073** | **12,655,192** | **13,016,042** | **13,392,252** |
| | **WASTEWATER Revenues -- Additional** | | | | | | | | | | |
| WW1 | Residential & Non-Residential | | 368,041 | 413,034 | 445,258 | 249,489 | 239,035 | 247,960 | 128,566 | 119,285 | 121,313 |
| WW2 | Salem Metered Sewer | | 169,033 | 158,457 | 172,854 | 109,879 | 108,591 | 113,988 | 74,150 | 72,254 | 74,357 |
| WW3 | Salem Sewer | | 44,743 | 34,466 | 37,607 | 23,958 | 23,691 | 24,874 | 16,235 | 15,831 | 16,296 |
| | Total Rate Revenue | | 167,056 | 682,397 | 789,283 | 510,259 | 505,306 | 529,770 | 363,118 | 360,850 | 376,210 |
| | Non-Rate Revenue | | - | - | - | - | - | - | - | - | - |
| | **Total Revenue** | | **167,056** | **682,397** | **789,283** | **510,259** | **505,306** | **529,770** | **363,118** | **360,850** | **376,210** |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **TOTAL Revenues and Expenses – CASH BASIS** | | | | | | | | | | |
| | **Beginning Fund Balance** | $ 2,266,603 | $ 3,964,671 | $ 4,244,992 | $ 4,281,512 | $ 4,818,160 | $ 4,743,248 | $ 4,398,610 | $ 4,747,050 | $ 5,670,331 | $ 7,237,989 |
| | **Rate Revenues** | | | | | | | | | | |
| | Water Rate Revenue | | | | | | | | | | |
| W1 | Residential & Non-Residential | $ 3,503,814 | $ 3,863,535 | $ 4,282,839 | $ 4,747,649 | $ 5,262,903 | $ 5,834,078 | $ 6,467,241 | $ 7,169,120 | $ 7,947,174 | $ 8,809,668 |
| W2 | Sprinkler | 467,252 | 514,954 | 570,562 | 632,175 | 700,442 | 776,080 | 859,886 | 952,743 | 1,055,626 | 1,169,620 |
| W3 | Multi-Family | 31,303 | 33,941 | 36,995 | 40,325 | 43,954 | 47,910 | 52,222 | 56,922 | 62,045 | 67,629 |
| W4 | Wholesale (COB Parks & Rec) | 2,169 | 2,336 | 2,523 | 2,712 | 2,851 | 2,986 | 3,146 | 3,308 | 3,470 | 3,644 |
| W5 | Woodland Hills | 103,743 | 111,711 | 120,616 | 129,640 | 136,312 | 142,786 | 150,400 | 158,135 | 166,185 | 174,885 |
| W6 | No Charge | - | - | - | - | - | - | - | - | - | - |
| | Total | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 | 6,745,743 | 7,473,869 | 8,280,257 | 9,173,569 | 10,163,540 |
| | Wastewater Rate Revenue | | | | | | | | | | |
| WW1 | Residential & Non-Residential | 4,926,011 | 5,294,053 | 5,707,087 | 6,152,345 | 6,401,833 | 6,640,868 | 6,888,828 | 7,017,395 | 7,136,680 | 7,257,993 |
| WW2 | Salem Metered Sewer | 1,574,960 | 1,743,993 | 1,902,450 | 2,075,304 | 2,185,183 | 2,293,774 | 2,407,762 | 2,481,912 | 2,554,166 | 2,628,523 |
| WW3 | Salem Sewer | 333,459 | 378,201 | 412,667 | 450,274 | 474,232 | 497,923 | 522,797 | 539,031 | 554,862 | 571,157 |
| WW4 | Quail Ridge | 50,193 | 53,041 | 56,224 | 59,597 | 60,978 | 62,197 | 63,441 | 63,545 | 63,545 | 63,545 |
| WW5 | Drain Water (County Landfield) | 310,457 | 327,533 | 347,185 | 368,016 | 376,539 | 384,069 | 391,751 | 392,392 | 392,392 | 392,392 |
| WW6 | Other6 | - | - | - | - | - | - | - | - | - | - |
| WW7 | System Infrastructure Fee | 1,793,070 | 1,353,523 | 1,393,437 | 1,487,938 | 1,588,848 | 1,696,602 | 1,811,663 | 1,934,527 | 2,065,724 | 2,205,819 |
| WW8 | System Infrastructure Fee - Salem Sewer | 176,875 | 182,749 | 197,468 | 213,373 | 230,560 | 249,130 | 269,196 | 290,879 | 314,308 | 339,624 |
| WW9 | Senior Citizen Discount -- Sewer | (53,664) | (54,576) | (55,504) | (56,448) | (57,407) | (58,383) | (59,376) | (60,385) | (61,412) | (62,456) |
| WW10 | Senior Citizen Discount -- Salem Sewer | (3,360) | (3,457) | (3,558) | (3,661) | (3,767) | (3,876) | (3,989) | (4,104) | (4,223) | (4,346) |
| | Total | 9,108,002 | 9,275,058 | 9,957,455 | 10,746,738 | 11,256,998 | 11,762,304 | 12,292,073 | 12,655,192 | 13,016,042 | 13,392,252 |
| | Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 | 1,526,506 | 1,572,418 | 1,619,685 | 1,667,769 | 1,718,684 |
| | **Total Revenues** | **14,251,321** | **14,871,882** | **16,111,203** | **17,579,467** | **18,828,121** | **20,034,553** | **21,338,360** | **22,555,134** | **23,857,380** | **25,274,477** |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Cost of Service** | | | | | | | | | | |
| | **Cost Center Code** | | | | | | | | | | |
| 1 | Water Expenses | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 |
| 2 | Wastewater Expenses | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | Total | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 | 13,463,661 | 14,038,927 | 14,634,610 | 15,250,971 | 15,903,156 |
| | **Budget Code** | | | | | | | | | | |
| 100 | Personnel Svcs | 4,096,282 | 4,444,278 | 4,823,280 | 5,221,906 | 5,641,106 | 6,081,877 | 6,298,985 | 6,525,378 | 6,761,558 | 7,008,056 |
| 200 | Building & Grounds Exp | 867,232 | 894,161 | 921,944 | 950,608 | 980,183 | 1,010,697 | 1,042,183 | 1,074,671 | 1,108,195 | 1,142,789 |
| 300 | Supply Expense | 1,025,000 | 1,064,450 | 1,105,519 | 1,148,276 | 1,192,795 | 1,239,154 | 1,287,432 | 1,337,714 | 1,390,087 | 1,444,644 |
| 700 | Vehicle Expense | 756,969 | 780,478 | 804,732 | 829,756 | 855,575 | 882,215 | 909,702 | 938,065 | 967,333 | 997,535 |
| 400 | Operations Expense | 419,852 | 429,118 | 438,661 | 448,491 | 458,616 | 469,044 | 479,785 | 490,849 | 502,244 | 513,982 |
| 500 | Professional Services | 330,684 | 335,425 | 340,330 | 345,407 | 350,662 | 356,101 | 361,731 | 367,560 | 373,594 | 379,841 |
| 700 | Vehicle Expense | 113,781 | 117,194 | 120,710 | 124,332 | 128,062 | 131,903 | 135,860 | 139,936 | 144,134 | 148,458 |
| 600 | Miscellaneous Expense | 49,534 | 51,851 | 54,278 | 56,823 | 59,489 | 62,283 | 65,212 | 68,281 | 71,499 | 74,871 |
| CAW | CAW Water Supply | 1,955,149 | 2,149,653 | 2,405,360 | 2,736,556 | 3,031,717 | 3,230,386 | 3,458,036 | 3,692,154 | 3,932,326 | 4,192,980 |
| | Total | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 | 13,463,661 | 14,038,927 | 14,634,610 | 15,250,971 | 15,903,156 |
| | **Total Operating Expenses** | **9,614,483** | **10,266,608** | **11,014,815** | **11,862,155** | **12,698,206** | **13,463,661** | **14,038,927** | **14,634,610** | **15,250,971** | **15,903,156** |
| | Net Revenues for Transfers,CO and Debt Service | 4,636,838 | 4,605,274 | 5,096,387 | 5,717,312 | 6,129,915 | 6,570,892 | 7,299,432 | 7,920,524 | 8,606,409 | 9,371,320 |
| | **Capital Outlays/Reserve Requirement** | **1,378,016** | **1,398,686** | **1,419,667** | **1,440,962** | **1,462,576** | **1,484,515** | **1,506,782** | **1,529,384** | **1,552,325** | **1,575,610** |
| | **Debt Service** | | | | | | | | | | |
| | Debt Service -- Current | 1,083,754 | 1,212,113 | 1,476,991 | 1,567,281 | 1,575,631 | 1,583,978 | 1,587,105 | 1,600,383 | 1,608,270 | 1,420,194 |
| | Debt Service -- Future | - | 1,228,469 | 1,668,578 | 1,668,578 | 2,653,286 | 3,323,928 | 3,323,928 | 3,323,928 | 3,323,928 | 5,101,834 |
| | **Total Debt Service** | **1,083,754** | **2,440,583** | **3,145,569** | **3,235,859** | **4,228,916** | **4,907,905** | **4,911,032** | **4,924,310** | **4,932,197** | **6,522,028** |
| | Net Revenues for Contingencies & Transfers | 2,175,068 | 766,005 | 531,151 | 1,040,492 | 438,423 | 178,472 | 881,618 | 1,466,830 | 2,121,887 | 1,273,683 |
| | **Total Contingencies & Transfers** | **477,000** | **485,685** | **494,631** | **503,844** | **513,335** | **523,110** | **533,178** | **543,548** | **554,230** | **565,232** |
| | **Total Cost of Service** | **12,553,253** | **14,591,562** | **16,074,682** | **17,042,819** | **18,903,033** | **20,379,191** | **20,989,920** | **21,631,852** | **22,289,723** | **24,566,026** |
| | **Net Revenues** | **1,698,068** | **280,320** | **36,521** | **536,648** | **(74,912)** | **(344,638)** | **348,440** | **923,281** | **1,567,657** | **708,451** |
| | Percent of COS | 11.9% | 1.9% | 0.2% | 3.1% | -0.4% | -1.7% | 1.6% | 4.1% | 6.6% | 2.8% |
| | **Ending Fund Balance** | **3,964,671** | **4,244,992** | **4,281,512** | **4,818,160** | **4,743,248** | **4,398,610** | **4,747,050** | **5,670,331** | **7,237,989** | **7,946,440** |
| | **Revenue Adequacy Tests** | | | | | | | | | | |
| | Total Operating + Debt Service + Transfers | 11,175,237 | 13,192,876 | 14,655,015 | 15,601,858 | 17,440,457 | 18,894,676 | 19,483,138 | 20,102,468 | 20,737,398 | 22,990,416 |
| | Expenses Per Day | 30,617 | 36,145 | 40,151 | 42,745 | 47,782 | 51,766 | 53,378 | 55,075 | 56,815 | 62,987 |
| | **Days of Operating Expenses** | **129** | **117** | **107** | **113** | **99** | **85** | **89** | **103** | **127** | **126** |
| | **Debt Coverage** | | | | | | | | | | |
| | Excluding Cap Outlays, G/F Transfers | 4.28 | 1.89 | 1.62 | 1.77 | 1.45 | 1.34 | 1.49 | 1.61 | 1.74 | 1.44 |
| | All Inclusive | 2.57 | 1.11 | 1.01 | 1.17 | 0.98 | 0.93 | 1.07 | 1.19 | 1.32 | 1.11 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2 | **WATER Revenues and Expenses -- CASH BASIS** | | | | | | | | | | |
| | **Water Revenues** | | | | | | | | | | |
| | Water Rate Revenue | | | | | | | | | | |
| W1 | Residential & Non-Residential | $ 3,503,814 | $ 3,863,535 | $ 4,282,839 | $ 4,747,649 | $ 5,262,903 | $ 5,834,078 | $ 6,467,241 | $ 7,169,120 | $ 7,947,174 | $ 8,809,668 |
| W2 | Sprinkler | 467,252 | 514,954 | 570,562 | 632,175 | 700,442 | 776,080 | 859,886 | 952,743 | 1,055,626 | 1,169,620 |
| W3 | Multi-Family | 31,303 | 33,941 | 36,995 | 40,325 | 43,954 | 47,910 | 52,222 | 56,922 | 62,045 | 67,629 |
| W4 | Wholesale (COB Parks & Rec) | 2,169 | 2,336 | 2,523 | 2,712 | 2,851 | 2,986 | 3,146 | 3,308 | 3,470 | 3,644 |
| W5 | Woodland Hills | 103,743 | 111,711 | 120,616 | 129,640 | 136,312 | 142,786 | 150,400 | 158,135 | 166,185 | 174,885 |
| W6 | No Charge | - | - | - | - | - | - | - | - | - | - |
| | | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 | 6,745,743 | 7,473,869 | 8,280,257 | 9,173,569 | 10,163,540 |
| | Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 | 1,526,506 | 1,572,418 | 1,619,685 | 1,667,769 | 1,718,684 |
| | **Total Revenues** | **5,143,319** | **5,596,824** | **6,153,747** | **6,832,729** | **7,571,123** | **8,272,249** | **9,046,286** | **9,899,942** | **10,841,338** | **11,882,225** |
| | **Water Cost of Service** | | | | | | | | | | |
| | Cost Center Code | | | | | | | | | | |
| 1 | Water Expenses | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 |
| 2 | Wastewater Expenses | - | - | - | - | - | - | - | - | - | - |
| | Total | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 |
| | Budget Code | | | | | | | | | | |
| 100 | Personnel Svcs | 1,633,049 | 1,787,567 | 1,957,500 | 2,136,179 | 2,324,015 | 2,521,436 | 2,607,482 | 2,696,942 | 2,789,985 | 2,886,790 |
| 200 | Building & Grounds Exp | 141,024 | 145,255 | 149,612 | 154,101 | 158,724 | 163,485 | 168,390 | 173,442 | 178,645 | 184,004 |
| 300 | Supply Expense | 155,000 | 159,650 | 164,440 | 169,373 | 174,454 | 179,687 | 185,078 | 190,630 | 196,349 | 202,240 |
| 400 | Operations Expense | 503,200 | 519,096 | 535,509 | 552,456 | 569,956 | 588,027 | 606,689 | 625,962 | 645,866 | 666,424 |
| 500 | Professional Services | 330,652 | 337,242 | 344,029 | 351,020 | 358,220 | 365,637 | 373,276 | 381,144 | 389,249 | 397,596 |
| 600 | Miscellaneous Expense | 36,534 | 38,090 | 39,716 | 41,414 | 43,189 | 45,044 | 46,983 | 49,008 | 51,126 | 53,339 |
| 700 | Vehicle Expense | 113,781 | 117,194 | 120,710 | 124,332 | 128,062 | 131,903 | 135,860 | 139,936 | 144,134 | 148,458 |
| CAW | CAW Water Supply | 1,955,149 | 2,149,653 | 2,405,360 | 2,736,556 | 3,031,717 | 3,230,386 | 3,458,036 | 3,692,154 | 3,932,326 | 4,192,980 |
| | Total | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 |
| | **Total Operating Expenses** | **4,868,388** | **5,253,747** | **5,716,876** | **6,265,430** | **6,788,337** | **7,225,606** | **7,581,794** | **7,949,219** | **8,327,681** | **8,731,832** |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net Revenues for Transfers,CO and Debt Service | 274,931 | 343,077 | 436,871 | 567,299 | 782,786 | 1,046,643 | 1,464,493 | 1,950,723 | 2,513,658 | 3,150,393 |
| Capital Outlays/Reserve Requirement | 345,001 | 350,176 | 355,429 | 360,760 | 366,171 | 371,664 | 377,239 | 382,898 | 388,641 | 394,471 |
| Debt Service | | | | | | | | | | |
| Debt Service -- Current | 427,392 | 554,215 | 806,608 | 810,316 | 813,948 | 817,607 | 819,989 | 824,937 | 828,564 | 632,511 |
| Debt Service -- Future | - | 914,106 | 914,106 | 914,106 | 988,424 | 988,424 | 988,424 | 988,424 | 988,424 | 1,629,821 |
| Total Debt Service | 427,392 | 1,468,321 | 1,720,714 | 1,724,422 | 1,802,372 | 1,806,031 | 1,808,413 | 1,813,361 | 1,816,988 | 2,262,333 |
| Net Revenues for Contingencies & Transfers | (497,462) | (1,475,420) | (1,639,271) | (1,517,883) | (1,385,757) | (1,131,052) | (721,159) | (245,535) | 308,029 | 493,589 |
| Total Contingencies & Transfers | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 | 187,500 |
| Total Cost of Service | 5,828,281 | 7,259,744 | 7,980,519 | 8,538,112 | 9,144,380 | 9,590,801 | 9,954,946 | 10,332,977 | 10,720,809 | 11,576,136 |
| **Net Revenues** | (684,962) | (1,662,920) | (1,826,771) | (1,705,383) | (1,573,257) | (1,318,552) | (908,659) | (433,035) | 120,529 | 306,089 |
| Percent of COS | -13.3% | -29.7% | -29.7% | -25.0% | -20.8% | -15.9% | -10.0% | -4.4% | 1.1% | 2.6% |
| Debt Coverage | 0.64 | 0.23 | 0.25 | 0.33 | 0.43 | 0.58 | 0.81 | 1.08 | 1.38 | 1.39 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 | **WASTEWATER Revenues and Expenses – CASH BASIS** | | | | | | | | | | |
| | **Wastewater Revenues** | | | | | | | | | | |
| | Wastewater Rate Revenue | | | | | | | | | | |
| WW1 | Residential & Non-Residential | $ 4,926,011 | $ 5,294,053 | $ 5,707,087 | $ 6,152,345 | $ 6,401,833 | $ 6,640,868 | $ 6,888,828 | $ 7,017,395 | $ 7,136,680 | $ 7,257,993 |
| WW2 | Salem Metered Sewer | 1,574,960 | 1,743,993 | 1,902,450 | 2,075,304 | 2,185,183 | 2,293,774 | 2,407,762 | 2,481,912 | 2,554,166 | 2,628,523 |
| WW3 | Salem Sewer | 333,459 | 378,201 | 412,667 | 450,274 | 474,232 | 497,923 | 522,797 | 539,031 | 554,862 | 571,157 |
| WW4 | Quail Ridge | 50,193 | 53,041 | 56,224 | 59,597 | 60,978 | 62,197 | 63,441 | 63,545 | 63,545 | 63,545 |
| WW5 | Drain Water (County Landfield) | 310,457 | 327,533 | 347,185 | 368,016 | 376,539 | 384,069 | 391,751 | 392,392 | 392,392 | 392,392 |
| WW6 | Other6 | - | - | - | - | - | - | - | - | - | - |
| WW7 | System Infrastructure Fee | 1,793,070 | 1,353,523 | 1,393,437 | 1,487,938 | 1,588,848 | 1,696,602 | 1,811,663 | 1,934,527 | 2,065,724 | 2,205,819 |
| WW8 | System Infrastructure Fee - Salem Sewer | 176,875 | 182,749 | 197,468 | 213,373 | 230,560 | 249,130 | 269,196 | 290,879 | 314,308 | 339,624 |
| WW9 | Senior Citizen Discount -- Sewer | (53,664) | (54,576) | (55,504) | (56,448) | (57,407) | (58,383) | (59,376) | (60,385) | (61,412) | (62,456) |
| WW10 | Senior Citizen Discount -- Salem Sewer | (3,360) | (3,457) | (3,558) | (3,661) | (3,767) | (3,876) | (3,989) | (4,104) | (4,223) | (4,346) |
| | | 9,108,002 | 9,275,058 | 9,957,455 | 10,746,738 | 11,256,998 | 11,762,304 | 12,292,073 | 12,655,192 | 13,016,042 | 13,392,252 |
| | Non-Rate Revenues | - | - | - | - | - | - | - | - | - | - |
| | **Total Revenues** | **9,108,002** | **9,275,058** | **9,957,455** | **10,746,738** | **11,256,998** | **11,762,304** | **12,292,073** | **12,655,192** | **13,016,042** | **13,392,252** |
| | **Wastewater Cost of Service** | | | | | | | | | | |
| | Cost Center Code | | | | | | | | | | |
| 1 | Water Expenses | - | - | - | - | - | - | - | - | - | - |
| 2 | Wastewater Expenses | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | Total | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | Budget Code | | | | | | | | | | |
| 100 | Personnel Svcs | 2,463,234 | 2,656,711 | 2,865,780 | 3,085,727 | 3,317,092 | 3,560,441 | 3,691,503 | 3,828,436 | 3,971,573 | 4,121,266 |
| 200 | Building & Grounds Exp | 726,208 | 748,907 | 772,332 | 796,508 | 821,459 | 847,212 | 873,793 | 901,229 | 929,550 | 958,785 |
| 300 | Supply Expense | 870,000 | 904,800 | 941,079 | 978,903 | 1,018,342 | 1,059,467 | 1,102,354 | 1,147,084 | 1,193,738 | 1,242,404 |
| 700 | Vehicle Expense | 253,769 | 261,382 | 269,224 | 277,300 | 285,619 | 294,188 | 303,013 | 312,104 | 321,467 | 331,111 |
| 400 | Operations Expense | 89,200 | 91,876 | 94,632 | 97,471 | 100,395 | 103,407 | 106,509 | 109,705 | 112,996 | 116,386 |
| 500 | Professional Services | 294,150 | 297,335 | 300,615 | 303,993 | 307,473 | 311,057 | 314,749 | 318,551 | 322,468 | 326,502 |
| 600 | Miscellaneous Expense | 49,534 | 51,851 | 54,278 | 56,823 | 59,489 | 62,283 | 65,212 | 68,281 | 71,499 | 74,871 |
| | Total | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | **Total Operating Expenses** | **4,746,095** | **5,012,861** | **5,297,939** | **5,596,725** | **5,909,869** | **6,238,055** | **6,457,134** | **6,685,391** | **6,923,290** | **7,171,324** |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Revenue and Expense Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net Revenues for Transfers,CO and Debt Service | 4,361,907 | 4,262,197 | 4,659,516 | 5,150,013 | 5,347,129 | 5,524,249 | 5,834,940 | 5,969,801 | 6,092,752 | 6,220,927 |
| Capital Outlays/Reserve Requirement | 1,033,015 | 1,048,510 | 1,064,238 | 1,080,201 | 1,096,404 | 1,112,851 | 1,129,543 | 1,146,486 | 1,163,684 | 1,181,139 |
| Debt Service | | | | | | | | | | |
| Debt Service -- Current | 656,362 | 657,898 | 670,383 | 756,965 | 761,682 | 766,370 | 767,115 | 775,446 | 779,706 | 787,682 |
| Debt Service -- Future | - | 314,363 | 754,472 | 754,472 | 1,664,862 | 2,335,504 | 2,335,504 | 2,335,504 | 2,335,504 | 3,472,013 |
| Total Debt Service | 656,362 | 972,261 | 1,424,855 | 1,511,437 | 2,426,544 | 3,101,874 | 3,102,619 | 3,110,950 | 3,115,210 | 4,259,695 |
| Net Revenues for Contingencies & Transfers | 2,672,530 | 2,241,426 | 2,170,423 | 2,558,375 | 1,824,180 | 1,309,524 | 1,602,777 | 1,712,365 | 1,813,858 | 780,093 |
| Total Contingencies & Transfers | 289,500 | 298,185 | 307,131 | 316,344 | 325,835 | 335,610 | 345,678 | 356,048 | 366,730 | 377,732 |
| Total Cost of Service | 6,724,972 | 7,331,817 | 8,094,163 | 8,504,707 | 9,758,652 | 10,788,390 | 11,034,974 | 11,298,875 | 11,568,913 | 12,989,890 |
| **Net Revenues** | 2,383,030 | 1,943,241 | 1,863,292 | 2,242,031 | 1,498,345 | 973,914 | 1,257,099 | 1,356,317 | 1,447,128 | 402,362 |
| Percent of COS | 26.2% | 21.0% | 18.7% | 20.9% | 13.3% | 8.3% | 10.2% | 10.7% | 11.1% | 3.0% |
| Debt Coverage (excludes Debt, Cap Outlays, G/F Transfers) | 6.65 | 4.38 | 3.27 | 3.41 | 2.20 | 1.78 | 1.88 | 1.92 | 1.96 | 1.46 |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Model Summary*
*Scenario: 2025 10 03 -- Scenario I Status Quo*

1 **Water and Wastewater Rates**

| | | Current | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Water Rates -- Residential** | | | | | | | | | | | | |
| Monthly Minimum Charge--3/4" | | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| Volume Rate Per 100 Gal | | | | | | | | | | | | |
| 2,000 | Above | 0.685 | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 | 1.171 | 1.276 | 1.391 | 1.516 |
| **Wastewater Rates - Residential** | | | | | | | | | | | | |
| Monthly Minimum Charge | | $ 20.29 | $ 20.70 | $ 21.94 | $ 23.26 | $ 24.65 | $ 25.15 | $ 25.65 | $ 26.16 | $ 26.16 | $ 26.16 | $ 26.16 |
| Volume Rate Per 100 Gal | | 1.082 | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 | 1.395 | 1.395 | 1.395 | 1.395 |

2 **Residential Standard Monthly Bill**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5,000 Gal | Total | $ 87.54 | $ 89.29 | $ 95.71 | $ 102.61 | $ 110.04 | $ 115.45 | $ 121.27 | $ 127.51 | $ 132.86 | $ 138.70 | $ 145.06 |
| Water & WW | Increase -- $ | | 1.75 | 6.42 | 6.90 | 7.42 | 5.42 | 5.81 | 6.25 | 5.35 | 5.84 | 6.36 |
| | Increase -- % | | 2.0% | 7.2% | 7.2% | 7.2% | 4.9% | 5.0% | 5.2% | 4.2% | 4.4% | 4.6% |
| 10,000 Gal | Total | 121.79 | 124.19 | 133.75 | 144.08 | 155.23 | 164.72 | 174.96 | 186.04 | 196.66 | 208.24 | 220.86 |
| Water; 5K WW | Increase -- $ | | 2.40 | 9.56 | 10.33 | 11.15 | 9.48 | 10.25 | 11.08 | 10.62 | 11.58 | 12.62 |
| | Increase -- % | | 2.0% | 7.7% | 7.7% | 7.7% | 6.1% | 6.2% | 6.3% | 5.7% | 5.9% | 6.1% |
| 15,000 Gal | Total | 156.04 | 159.09 | 171.79 | 185.54 | 200.43 | 213.98 | 228.66 | 244.57 | 260.46 | 277.78 | 296.66 |
| Water; 5K WW | Increase -- $ | | 3.05 | 12.70 | 13.75 | 14.88 | 13.55 | 14.68 | 15.91 | 15.89 | 17.32 | 18.88 |
| | Increase -- % | | 2.0% | 8.0% | 8.0% | 8.0% | 6.8% | 6.9% | 7.0% | 6.5% | 6.6% | 6.8% |
| 30,00 Gal | Total | $ 258.79 | $ 263.79 | $ 285.92 | $ 309.94 | $ 336.02 | $ 361.77 | $ 389.76 | $ 420.16 | $ 451.86 | $ 486.40 | $ 524.06 |
| Water; 5K WW | Increase -- $ | | 5.00 | 22.13 | 24.02 | 26.08 | 25.75 | 27.98 | 30.41 | 31.69 | 34.55 | 37.65 |
| | Increase -- % | | 1.9% | 8.4% | 8.4% | 8.4% | 7.7% | 7.7% | 7.8% | 7.5% | 7.6% | 7.7% |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Model Summary*
*Scenario: 2025 10 03 -- Scenario I Status Quo*

| | Current | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 **Fund Balance, Revenues and Expenses** | | | | | | | | | | | |
| **Beginning Fund Balance** | $ 2,266,603 | $ 3,964,671 | $ 4,244,992 | $ 4,281,512 | $ 4,818,160 | $ 4,743,248 | $ 4,398,610 | $ 4,747,050 | $ 5,670,331 | $ 7,237,989 | |
| Revenues and Expenses | | | | | | | | | | | |
| Water Rate Revenues | $ 4,054,618 | $ 4,471,954 | $ 4,958,139 | $ 5,496,219 | $ 6,089,280 | $ 6,745,743 | $ 7,473,869 | $ 8,280,257 | $ 9,173,569 | $ 10,163,540 | |
| WW Rate Revenues | 7,138,057 | 7,738,787 | 8,366,550 | 9,045,427 | 9,437,590 | 9,816,572 | 10,211,214 | 10,429,786 | 10,636,010 | 10,846,809 | |
| **WW System Infrastructure Fee (Fund 620)** | 1,969,945 | 1,536,271 | 1,590,905 | 1,701,311 | 1,819,408 | 1,945,732 | 2,080,859 | 2,225,406 | 2,380,032 | 2,545,443 | |
| Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 | 1,526,506 | 1,572,418 | 1,619,685 | 1,667,769 | 1,718,684 | |
| Total Revenues | 14,251,321 | 14,871,882 | 16,111,203 | 17,579,467 | 18,828,121 | 20,034,553 | 21,338,360 | 22,555,134 | 23,857,380 | 25,274,477 | |
| Increase in revenue | | 620,561 | 1,239,320 | 1,468,265 | 1,248,653 | 1,206,432 | 1,303,807 | 1,216,774 | 1,302,246 | 1,417,097 | |
| Operating Expenses | 9,614,483 | 10,266,608 | 11,014,815 | 11,862,155 | 12,698,206 | 13,463,661 | 14,038,927 | 14,634,610 | 15,250,971 | 15,903,156 | |
| Net Revenues for Transfers,Capital Outlays and Debt | 4,636,838 | 4,605,274 | 5,096,387 | 5,717,312 | 6,129,915 | 6,570,892 | 7,299,432 | 7,920,524 | 8,606,409 | 9,371,320 | |
| Capital Outlays/Reserve Requirement | 1,378,016 | 1,398,686 | 1,419,667 | 1,440,962 | 1,462,576 | 1,484,515 | 1,506,782 | 1,529,384 | 1,552,325 | 1,575,610 | |
| Debt Service | | | | | | | | | | | |
| Current Debt Service | 1,083,754 | 1,212,113 | 1,476,991 | 1,567,281 | 1,575,631 | 1,583,978 | 1,587,105 | 1,600,383 | 1,608,270 | 1,420,194 | |
| Future Debt Service | - | 1,228,469 | 1,668,578 | 1,668,578 | 2,653,286 | 3,323,928 | 3,323,928 | 3,323,928 | 3,323,928 | 5,101,834 | |
| Total Debt Service | 1,083,754 | 2,440,583 | 3,145,569 | 3,235,859 | 4,228,916 | 4,907,905 | 4,911,032 | 4,924,310 | 4,932,197 | 6,522,028 | |
| **Total Contingencies & Transfers** | 477,000 | 485,685 | 494,631 | 503,844 | 513,335 | 523,110 | 533,178 | 543,548 | 554,230 | 565,232 | |
| **Total Cost of Service** | 12,553,253 | 14,591,562 | 16,074,682 | 17,042,819 | 18,903,033 | 20,379,191 | 20,989,920 | 21,631,852 | 22,289,723 | 24,566,026 | |
| **Net Revenues** | **1,698,068** | **280,320** | **36,521** | **536,648** | **(74,912)** | **(344,638)** | **348,440** | **923,281** | **1,567,657** | **708,451** | |
| Percent of COS | 13.5% | 1.9% | 0.2% | 3.1% | -0.4% | -1.7% | 1.7% | 4.3% | 7.0% | 2.9% | |
| Debt Coverage | | | | | | | | | | | |
| Excluding Transfers, CO, Debt | 4.28 | 1.89 | 1.62 | 1.77 | 1.45 | 1.34 | 1.49 | 1.61 | 1.74 | 1.44 | |
| All Inclusive | 2.57 | 1.11 | 1.01 | 1.17 | 0.98 | 0.93 | 1.07 | 1.19 | 1.32 | 1.11 | |
| **Ending Water & Sewer Combined Fund Balance** | **3,964,671** | **4,244,992** | **4,281,512** | **4,818,160** | **4,743,248** | **4,398,610** | **4,747,050** | **5,670,331** | **7,237,989** | **7,946,440** | |
| Unrestricted/Capital Fund Balance from CIP Funding | 2,289,269 | 2,312,162 | 2,335,283 | 2,358,636 | 2,382,223 | 2,406,045 | 2,430,105 | 2,454,406 | 2,478,950 | 2,503,740 | |
| One Day Operating Expenditures (Op.Exp+Det Svc) | 30,617 | 36,145 | 40,151 | 42,745 | 47,782 | 51,766 | 53,378 | 55,075 | 56,815 | 62,987 | |
| **Days of Operating Expenditures** | **129** | **117** | **107** | **113** | **99** | **85** | **89** | **103** | **127** | **126** | |
| Fund Balance Goal Days 60 | 1,837,025 | 2,168,692 | 2,409,044 | 2,564,689 | 2,866,924 | 3,105,974 | 3,202,708 | 3,304,515 | 3,408,887 | 3,779,246 | |
| Over (Short) of Requirement | 2,127,646 | 2,076,300 | 1,872,469 | 2,253,471 | 1,876,324 | 1,292,636 | 1,544,342 | 2,365,816 | 3,829,101 | 4,167,193 | |

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WILLDAN

CITY OF BRYANT, AR
WATER/WASTEWATER COST OF SERVICE MODEL

*Model Summary*
*Scenario:* *2025 10 03 -- Scenario I Status Quo*

| | Current | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5 **Total Accounts** | | | | | | | | | | | |
| *Water Accounts* | | | | | | | | | | | |
| Total Accounts | | 9,918 | 10,083 | 10,251 | 10,422 | 10,596 | 10,773 | 10,953 | 11,136 | 11,322 | 11,511 |
| New Accounts | | - | 165 | 168 | 171 | 174 | 177 | 180 | 183 | 186 | 189 |
| Avg. Annual Growth Rate | | | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% |
| *Wastewater Accounts* | | | | | | | | | | | |
| Total Accounts | | 20,566 | 20,958 | 21,358 | 21,767 | 22,183 | 22,609 | 23,042 | 23,485 | 23,937 | 24,398 |
| New Accounts | | - | 392 | 400 | 408 | 417 | 425 | 434 | 443 | 452 | 461 |
| Avg. Annual Growth Rate | | | 1.91% | 1.91% | 1.91% | 1.91% | 1.92% | 1.92% | 1.92% | 1.92% | 1.93% |
| 6 **Annual Volume** | | | | | | | | | | | |
| *Water Volume* | | | | | | | | | | | |
| Residential & Non-Residential | | 449,305,278 | 456,942,813 | 464,710,175 | 472,609,571 | 480,643,245 | 488,813,480 | 497,122,597 | 505,572,957 | 514,166,961 | 522,907,050 |
| Sprinkler | | 60,296,438 | 61,291,429 | 62,302,839 | 63,330,938 | 64,376,003 | 65,438,314 | 66,518,154 | 67,615,813 | 68,731,586 | 69,865,770 |
| Total System | | 560,560,371 | 569,192,897 | 577,971,669 | 586,899,164 | 595,977,904 | 605,210,449 | 614,599,406 | 624,147,425 | 633,857,201 | 643,731,475 |
| *Wastewater Billing Units* | | | | | | | | | | | |
| Residential & Non-Residential | | 449,305,278 | 456,942,813 | 464,710,175 | 472,609,571 | 480,643,245 | 488,813,480 | 497,122,597 | 505,572,957 | 514,166,961 | 522,907,050 |
| Salem Metered Sewer | | 115,805,159 | 119,176,488 | 122,645,964 | 126,216,443 | 129,890,867 | 133,672,260 | 137,563,738 | 141,568,505 | 145,689,859 | 149,931,194 |
| Total System | | 574,097,697 | 585,106,562 | 596,343,399 | 607,813,275 | 619,521,372 | 631,473,000 | 643,673,595 | 656,128,722 | 668,844,079 | 681,825,503 |

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WILLDAN

**CITY OF BRYANT, AR**
**WATER/WASTEWATER COST OF SERVICE MODEL**

*Water Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | | Prior | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **Water Monthly Rates and Charges** | | | | | | | | | | | | |
| | **Residential & Non-Residential** | | | | | | | | | | | | |
| | Monthly Minimum Charge | | | | | | | | | | | | |
| | Base Charge | | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| | | 1" | 21.37 | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 | 36.56 | 39.85 | 43.44 | 47.35 |
| | | 1 1/2" | 35.61 | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 | 60.93 | 66.41 | 72.39 | 78.90 |
| | | 2" | 71.23 | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 | 121.84 | 132.81 | 144.76 | 157.79 |
| | Volume Rate/1,000 Gal -- Per 100 Gallons | | | | | | | | | | | | |
| | 2,000 | Above | 0.685 | 0.698 | 0.761 | 0.829 | 0.904 | 0.985 | 1.074 | 1.171 | 1.276 | 1.391 | 1.516 |
| | **Multi-Family** | | | | | | | | | | | | |
| | Monthly Minimum Charge | | | | | | | | | | | | |
| | | 5/8" | $ 14.24 | $ 14.53 | $ 15.84 | $ 17.26 | $ 18.82 | $ 20.51 | $ 22.36 | $ 24.37 | $ 26.56 | $ 28.95 | $ 31.56 |
| | | 1" | 21.37 | 21.80 | 23.76 | 25.90 | 28.23 | 30.77 | 33.54 | 36.56 | 39.85 | 43.44 | 47.35 |
| | | 1 1/2" | 35.61 | 36.33 | 39.60 | 43.16 | 47.05 | 51.28 | 55.90 | 60.93 | 66.41 | 72.39 | 78.90 |
| | | 2" | 71.23 | 72.65 | 79.19 | 86.32 | 94.08 | 102.55 | 111.78 | 121.84 | 132.81 | 144.76 | 157.79 |
| | | 8" | 712.29 | 726.53 | 791.92 | 863.19 | 940.88 | 1,025.56 | 1,117.86 | 1,218.46 | 1,328.13 | 1,447.66 | 1,577.95 |
| | Volume Rate/1,000 Gal -- Per 100 Gallons | | | | | | | | | | | | |
| | 2,000 | Above | $ 0.685 | $ 0.698 | $ 0.761 | $ 0.829 | $ 0.904 | $ 0.985 | $ 1.074 | $ 1.171 | $ 1.276 | $ 1.391 | $ 1.516 |
| 2.1 | **Residential Monthly Charge** | | | | | | | | | | | | |
| | 5,000 Gallons | Total | $ 34.79 | $ 35.47 | $ 38.66 | $ 42.14 | $ 45.93 | $ 50.07 | $ 54.57 | $ 59.49 | $ 64.84 | $ 70.68 | $ 77.04 |
| | | Dollar Inc | | 0.68 | 3.19 | 3.48 | 3.79 | 4.13 | 4.51 | 4.91 | 5.35 | 5.84 | 6.36 |
| | | Percent Inc | | 2.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| | 10,000 Gallons | Total | 69.04 | 70.37 | 76.70 | 83.61 | 91.13 | 99.33 | 108.27 | 118.02 | 128.64 | 140.22 | 152.84 |
| | | Dollar Inc | | 1.33 | 6.33 | 6.90 | 7.52 | 8.20 | 8.94 | 9.74 | 10.62 | 11.58 | 12.62 |
| | | Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| | 20,000 Gallons | Total | 137.54 | 140.17 | 152.79 | 166.54 | 181.52 | 197.86 | 215.67 | 235.08 | 256.24 | 279.30 | 304.43 |
| | | Dollar Inc | | 2.63 | 12.62 | 13.75 | 14.99 | 16.34 | 17.81 | 19.41 | 21.16 | 23.06 | 25.14 |
| | | Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| | 30,000 Gallons | Total | 206.04 | 209.97 | 228.87 | 249.47 | 271.92 | 296.39 | 323.06 | 352.14 | 383.83 | 418.38 | 456.03 |
| | | Dollar Inc | | 3.93 | 18.90 | 20.60 | 22.45 | 24.47 | 26.68 | 29.08 | 31.69 | 34.55 | 37.65 |
| | | Percent Inc | | 1.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| 3 | **Total Accounts** | | | | | | | | | | | | |
| | **Total Accounts** | | | 9,918 | 10,083 | 10,251 | 10,422 | 10,596 | 10,773 | 10,953 | 11,136 | 11,322 | 11,511 |
| | New Accounts | | | | 165 | 168 | 171 | 174 | 177 | 180 | 183 | 186 | 189 |
| | Avg. Annual Growth Rate | | | | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% |
| 4 | **Annual Water Consumption** | | | | | | | | | | | | |
| W.1 | Residential & Non-Residential | | | 449,305,278 | 456,942,813 | 464,710,175 | 472,609,571 | 480,643,245 | 488,813,480 | 497,122,597 | 505,572,957 | 514,166,961 | 522,907,050 |
| W.2 | Sprinkler | | | 60,296,438 | 61,291,429 | 62,302,839 | 63,330,938 | 64,376,003 | 65,438,314 | 66,518,154 | 67,615,813 | 68,731,586 | 69,865,770 |
| W.3 | Multi-Family | | | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 | 2,828,900 |
| W.4 | Wholesale (COB Parks & Rec) | | | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 | 1,010,000 |
| | **Total System** | | | 560,560,371 | 569,192,897 | 577,971,669 | 586,899,164 | 595,977,904 | 605,210,449 | 614,599,406 | 624,147,425 | 633,857,201 | 643,731,475 |

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WILLDAN

**CITY OF BRYANT, AR**
**WATER/WASTEWATER COST OF SERVICE MODEL**

*Water Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Prior | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5 | **Revenues and Expenses -- CASH BASIS** | | | | | | | | | | | |
| | **Water Revenues** | | | | | | | | | | | |
| | Water Rate Revenue | | | | | | | | | | | |
| W.1 | Residential & Non-Residential | $ 3,503,814 | $ 3,863,535 | $ 4,282,839 | $ 4,747,649 | $ 5,262,903 | $ 5,834,078 | $ 6,467,241 | $ 7,169,120 | $ 7,947,174 | $ 8,809,668 | |
| W.2 | Sprinkler | 467,252 | 514,954 | 570,562 | 632,175 | 700,442 | 776,080 | 859,886 | 952,743 | 1,055,626 | 1,169,620 | |
| W.3 | Multi-Family | 31,303 | 33,941 | 36,995 | 40,325 | 43,954 | 47,910 | 52,222 | 56,922 | 62,045 | 67,629 | |
| W.4 | Wholesale (COB Parks & Rec) | 2,169 | 2,336 | 2,523 | 2,712 | 2,851 | 2,986 | 3,146 | 3,308 | 3,470 | 3,644 | |
| W.5 | Woodland Hills | 103,743 | 111,711 | 120,616 | 129,640 | 136,312 | 142,786 | 150,400 | 158,135 | 166,185 | 174,885 | |
| W.6 | No Charge | - | - | - | - | - | - | - | - | - | - | |
| W.7 | Other7 | - | - | - | - | - | - | - | - | - | - | |
| W.8 | Other8 | - | - | - | - | - | - | - | - | - | - | |
| W.9 | Other9 | - | - | - | - | - | - | - | - | - | - | |
| W.10 | Senior Citizen Discount -- Water | (53,664) | (54,523) | (55,395) | (56,281) | (57,182) | (58,097) | (59,026) | (59,971) | (60,930) | (61,905) | |
| | | 4,054,618 | 4,471,954 | 4,958,139 | 5,496,219 | 6,089,280 | 6,745,743 | 7,473,869 | 8,280,257 | 9,173,569 | 10,163,540 | |
| | Non-Rate Revenues | 1,088,702 | 1,124,870 | 1,195,608 | 1,336,510 | 1,481,843 | 1,526,506 | 1,572,418 | 1,619,685 | 1,667,769 | 1,718,684 | |
| | **Total Revenues** | **5,143,319** | **5,596,824** | **6,153,747** | **6,832,729** | **7,571,123** | **8,272,249** | **9,046,286** | **9,899,942** | **10,841,338** | **11,882,225** | |
| | **Water Cost of Service** | | | | | | | | | | | |
| | Cost Center Code | | | | | | | | | | | |
| 1 | Water Expenses | $ 4,868,388 | $ 5,253,747 | $ 5,716,876 | $ 6,265,430 | $ 6,788,337 | $ 7,225,606 | $ 7,581,794 | $ 7,949,219 | $ 8,327,681 | $ 8,731,832 | |
| 2 | Wastewater Expenses | - | - | - | - | - | - | - | - | - | - | |
| | Total | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 | |
| | Budget Code | | | | | | | | | | | |
| 100 | Personnel Svcs | $ 1,633,049 | $ 1,787,567 | $ 1,957,500 | $ 2,136,179 | $ 2,324,015 | $ 2,521,436 | $ 2,607,482 | $ 2,696,942 | $ 2,789,985 | $ 2,886,790 | |
| 200 | Building & Grounds Exp | 141,024 | 145,255 | 149,612 | 154,101 | 158,724 | 163,485 | 168,390 | 173,442 | 178,645 | 184,004 | |
| 300 | Supply Expense | 155,000 | 159,650 | 164,440 | 169,373 | 174,454 | 179,687 | 185,078 | 190,630 | 196,349 | 202,240 | |
| 400 | Operations Expense | 503,200 | 519,096 | 535,509 | 552,456 | 569,956 | 588,027 | 606,689 | 625,962 | 645,866 | 666,424 | |
| 500 | Professional Services | 330,652 | 337,242 | 344,029 | 351,020 | 358,220 | 365,637 | 373,276 | 381,144 | 389,249 | 397,596 | |
| 600 | Miscellaneous Expense | 36,534 | 38,090 | 39,716 | 41,414 | 43,189 | 45,044 | 46,983 | 49,008 | 51,126 | 53,339 | |
| 700 | Vehicle Expense | 113,781 | 117,194 | 120,710 | 124,332 | 128,062 | 131,903 | 135,860 | 139,936 | 144,134 | 148,458 | |
| CAW | CAW Water Supply | 1,955,149 | 2,149,653 | 2,405,360 | 2,736,556 | 3,031,717 | 3,230,386 | 3,458,036 | 3,692,154 | 3,932,326 | 4,192,980 | |
| | Total | 4,868,388 | 5,253,747 | 5,716,876 | 6,265,430 | 6,788,337 | 7,225,606 | 7,581,794 | 7,949,219 | 8,327,681 | 8,731,832 | |
| | **Total Operating Expenses** | **4,868,388** | **5,253,747** | **5,716,876** | **6,265,430** | **6,788,337** | **7,225,606** | **7,581,794** | **7,949,219** | **8,327,681** | **8,731,832** | |
| | Net Revenues for Transfers,Capital Outlays and Debt Service | 274,931 | 343,077 | 436,871 | 567,299 | 782,786 | 1,046,643 | 1,464,493 | 1,950,723 | 2,513,658 | 3,150,393 | |
| | **Capital Outlays/Reserve Requirement** | **345,001** | **350,176** | **355,429** | **360,760** | **366,171** | **371,664** | **377,239** | **382,898** | **388,641** | **394,471** | |
| | **Debt Service** | | | | | | | | | | | |
| | Debt Service -- Current | 427,392 | 554,215 | 806,608 | 810,316 | 813,948 | 817,607 | 819,989 | 824,937 | 826,564 | 632,511 | |
| | Debt Service -- Future | - | 914,106 | 914,106 | 914,106 | 988,424 | 988,424 | 988,424 | 988,424 | 988,424 | 1,629,821 | |
| | **Total Debt Service** | **427,392** | **1,468,321** | **1,720,714** | **1,724,422** | **1,802,372** | **1,806,031** | **1,808,413** | **1,813,361** | **1,816,988** | **2,262,333** | |
| | Net Revenues for Contingencies & Transfers | (497,462) | (1,475,420) | (1,639,271) | (1,517,883) | (1,385,757) | (1,131,052) | (721,159) | (245,535) | 308,029 | 493,589 | |
| | **Total Contingencies & Transfers** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | **187,500** | |
| | **Total Cost of Service** | **5,828,281** | **7,259,744** | **7,980,519** | **8,538,112** | **9,144,380** | **9,590,801** | **9,954,946** | **10,332,977** | **10,720,809** | **11,576,136** | |
| | | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | TRUE | |
| | **Net Revenues** | **(684,962)** | **(1,662,920)** | **(1,826,771)** | **(1,705,383)** | **(1,573,257)** | **(1,318,552)** | **(908,659)** | **(433,035)** | **120,529** | **306,089** | |
| | Percent of COS | -13.3% | -29.7% | -29.7% | -25.0% | -20.8% | -15.9% | -10.0% | -4.4% | 1.1% | 2.6% | |
| | **Debt Coverage** | | | | | | | | | | | |
| | Excludes Capital Outlays, G/F Transfers | 0.64 | 0.23 | 0.25 | 0.33 | 0.43 | 0.58 | 0.81 | 1.08 | 1.38 | | |
| | All Inclusive | (0.60) | (0.13) | (0.06) | 0.01 | 0.13 | 0.27 | 0.50 | 0.76 | 1.07 | | |

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WILLDAN

**CITY OF BRYANT, AR**
**WATER/WASTEWATER COST OF SERVICE MODEL**

*Wastewater Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Current | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **Wastewater Monthly Rates and Charges** | | | | | | | | | | | |
| | **Residential & Non-Residential** | | | | | | | | | | | |
| | Monthly Minimum Charge | $ 20.29 | $ 20.70 | $ 21.94 | $ 23.26 | $ 24.65 | $ 25.15 | $ 25.65 | $ 26.16 | $ 26.16 | $ 26.16 | $ 26.16 |
| | Volume Rate/100 Gallons | 1.082 | 1.104 | 1.170 | 1.240 | 1.315 | 1.341 | 1.368 | 1.395 | 1.395 | 1.395 | 1.395 |
| | **Salem Sewer** | | | | | | | | | | | |
| | Monthly Minimum Charge | $ 20.29 | $ 41.40 | $ 43.88 | $ 46.52 | $ 49.31 | $ 50.29 | $ 51.30 | $ 52.33 | $ 52.33 | $ 52.33 | $ 52.33 |
| | Volume Rate/100 Gallons | $ 1.082 | $ 1.104 | $ 1.170 | $ 1.240 | $ 1.315 | $ 1.341 | $ 1.368 | $ 1.395 | $ 1.395 | $ 1.395 | $ 1.395 |
| 2.1 | **Residential Monthly Charge** | | | | | | | | | | | |
| | 5,000 Gallons Total | $ 52.75 | $ 53.82 | $ 57.05 | $ 60.47 | $ 64.10 | $ 65.38 | $ 66.69 | $ 68.02 | $ 68.02 | $ 68.02 | $ 68.02 |
| | Dollar Inc | | 1.07 | 3.23 | 3.42 | 3.63 | 1.28 | 1.31 | 1.33 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 10,000 Gallons Total | 106.85 | 109.02 | 115.56 | 122.49 | 129.84 | 132.44 | 135.09 | 137.79 | 137.79 | 137.79 | 137.79 |
| | Dollar Inc | | 2.17 | 6.54 | 6.93 | 7.35 | 2.60 | 2.65 | 2.70 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 20,000 Gallons Total | 215.05 | 219.42 | 232.59 | 246.54 | 261.33 | 266.56 | 271.89 | 277.33 | 277.33 | 277.33 | 277.33 |
| | Dollar Inc | | 4.37 | 13.17 | 13.96 | 14.79 | 5.23 | 5.33 | 5.44 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| | 30,000 Gallons Total | 323.25 | 329.82 | 349.61 | 370.59 | 392.82 | 400.68 | 408.69 | 416.86 | 416.86 | 416.86 | 416.86 |
| | Dollar Inc | | 6.57 | 19.79 | 20.98 | 22.24 | 7.86 | 8.01 | 8.17 | - | - | - |
| | Percent Inc | | 2.0% | 6.0% | 6.0% | 6.0% | 2.0% | 2.0% | 2.0% | 0.0% | 0.0% | 0.0% |
| 3 | **Total Accounts** | | | | | | | | | | | |
| | **Total Accounts** | | 20,566 | 20,958 | 21,358 | 21,767 | 22,183 | 22,609 | 23,042 | 23,485 | 23,937 | 24,398 |
| | New Accounts | | | 392 | 400 | 408 | 417 | 425 | 434 | 443 | 452 | 461 |
| | Avg. Annual Growth Rate | | | 1.91% | 1.91% | 1.91% | 1.91% | 1.92% | 1.92% | 1.92% | 1.92% | 1.93% |
| 4 | **Annual Wastewater Billing Units** | | | | | | | | | | | |
| WW.1 | Residential & Non-Residential | | 449,305,278 | 456,942,813 | 464,710,175 | 472,609,571 | 480,643,245 | 488,813,480 | 497,122,597 | 505,572,957 | 514,166,961 | 522,907,050 |
| WW.2 | Salem Metered Sewer | | 115,805,159 | 119,176,488 | 122,645,964 | 126,216,443 | 129,890,867 | 133,672,260 | 137,563,738 | 141,568,505 | 145,689,859 | 149,931,194 |
| WW.3 | Salem Sewer | | - | - | - | - | - | - | - | - | - | - |
| WW.4 | Quail Ridge | | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 | 3,588,000 |
| WW.5 | Drain Water (County Landfield) | | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 | 5,399,260 |
| WW.6 | Other6 | | - | - | - | - | - | - | - | - | - | - |
| WW.7 | System Infrastructure Fee | | - | - | - | - | - | - | - | - | - | - |
| WW.8 | System Infrastructure Fee - Salem Sewer | | - | - | - | - | - | - | - | - | - | - |
| WW.9 | Senior Citizen Discount -- Sewer | | - | - | - | - | - | - | - | - | - | - |
| WW.10 | Senior Citizen Discount -- Salem Sewer | | - | - | - | - | - | - | - | - | - | - |
| | **Total System** | | 574,097,697 | 585,106,562 | 596,343,399 | 607,813,275 | 619,521,372 | 631,473,000 | 643,673,595 | 656,128,722 | 668,844,079 | 681,825,503 |

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**CITY OF BRYANT, AR**
**WATER/WASTEWATER COST OF SERVICE MODEL**

*Wastewater Summary*
*Scen:* 2025 10 03 -- Scenario I Status Quo

| | | Current | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5 | **Revenues and Expenses -- CASH BASIS** | | | | | | | | | | | |
| | **Wastewater Revenues** | | | | | | | | | | | |
| | Wastewater Rate Revenue | | | | | | | | | | | |
| WW.1 | Residential & Non-Residential | | 4,926,011 | 5,294,053 | 5,707,087 | 6,152,345 | 6,401,833 | 6,640,868 | 6,888,828 | 7,017,395 | 7,136,680 | 7,257,993 |
| WW.2 | Salem Metered Sewer | | 1,574,960 | 1,743,993 | 1,902,450 | 2,075,304 | 2,185,183 | 2,293,774 | 2,407,762 | 2,481,912 | 2,554,166 | 2,628,523 |
| WW.3 | Salem Sewer | | 333,459 | 378,201 | 412,667 | 450,274 | 474,232 | 497,923 | 522,797 | 539,031 | 554,862 | 571,157 |
| WW.4 | Quail Ridge | | 50,193 | 53,041 | 56,224 | 59,597 | 60,978 | 62,197 | 63,441 | 63,545 | 63,545 | 63,545 |
| WW.5 | Drain Water (County Landfield) | | 310,457 | 327,533 | 347,185 | 368,016 | 376,539 | 384,069 | 391,751 | 392,392 | 392,392 | 392,392 |
| WW.6 | Other6 | | - | - | - | - | - | - | - | - | - | - |
| WW.7 | System Infrastructure Fee | | 1,793,070 | 1,353,523 | 1,393,437 | 1,487,938 | 1,588,848 | 1,696,602 | 1,811,663 | 1,934,527 | 2,065,724 | 2,205,819 |
| WW.8 | System Infrastructure Fee - Salem Sewer | | 176,875 | 182,749 | 197,468 | 213,373 | 230,560 | 249,130 | 269,196 | 290,879 | 314,308 | 339,624 |
| WW.9 | Senior Citizen Discount -- Sewer | | (53,664) | (54,576) | (55,504) | (56,448) | (57,407) | (58,383) | (59,376) | (60,385) | (61,412) | (62,456) |
| WW.10 | Senior Citizen Discount -- Salem Sewer | | (3,360) | (3,457) | (3,558) | (3,661) | (3,767) | (3,876) | (3,989) | (4,104) | (4,223) | (4,346) |
| | | | 9,108,002 | 9,275,058 | 9,957,455 | 10,746,738 | 11,256,998 | 11,762,304 | 12,292,073 | 12,655,192 | 13,016,042 | 13,392,252 |
| | Non-Rate Revenues | | - | - | - | - | - | - | - | - | - | - |
| | **Total Revenues** | | **9,108,002** | **9,275,058** | **9,957,455** | **10,746,738** | **11,256,998** | **11,762,304** | **12,292,073** | **12,655,192** | **13,016,042** | **13,392,252** |
| | **Wastewater Cost of Service** | | | | | | | | | | | |
| | Cost Center Code | | | | | | | | | | | |
| 1 | Water Expenses | | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 2 | Wastewater Expenses | | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | Total | | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | Budget Code | | | | | | | | | | | |
| 100 | Personnel Svcs | | $ 2,463,234 | $ 2,656,711 | $ 2,865,780 | $ 3,085,727 | $ 3,317,092 | $ 3,560,441 | $ 3,691,503 | $ 3,828,436 | $ 3,971,573 | $ 4,121,266 |
| 200 | Building & Grounds Exp | | 726,208 | 748,907 | 772,332 | 796,508 | 821,459 | 847,212 | 873,793 | 901,229 | 929,550 | 958,785 |
| 300 | Supply Expense | | 870,000 | 904,800 | 941,079 | 978,903 | 1,018,342 | 1,059,467 | 1,102,354 | 1,147,084 | 1,193,738 | 1,242,404 |
| 700 | Vehicle Expense | | 253,769 | 261,382 | 269,224 | 277,300 | 285,619 | 294,188 | 303,013 | 312,104 | 321,467 | 331,111 |
| 400 | Operations Expense | | 89,200 | 91,876 | 94,632 | 97,471 | 100,395 | 103,407 | 106,509 | 109,705 | 112,996 | 116,386 |
| 500 | Professional Services | | 294,150 | 297,335 | 300,615 | 303,993 | 307,473 | 311,057 | 314,749 | 318,551 | 322,468 | 326,502 |
| 600 | Miscellaneous Expense | | 49,534 | 51,851 | 54,278 | 56,823 | 59,489 | 62,283 | 65,212 | 68,281 | 71,499 | 74,871 |
| | Total | | 4,746,095 | 5,012,861 | 5,297,939 | 5,596,725 | 5,909,869 | 6,238,055 | 6,457,134 | 6,685,391 | 6,923,290 | 7,171,324 |
| | **Total Operating Expenses** | | **4,746,095** | **5,012,861** | **5,297,939** | **5,596,725** | **5,909,869** | **6,238,055** | **6,457,134** | **6,685,391** | **6,923,290** | **7,171,324** |
| | Net Revenues for Transfers,Capital Outlays and Debt Service | | 4,361,907 | 4,262,197 | 4,659,516 | 5,150,013 | 5,347,129 | 5,524,249 | 5,834,940 | 5,969,801 | 6,092,752 | 6,220,927 |
| | **Capital Outlays/Reserve Requirement** | | **1,033,015** | **1,048,510** | **1,064,238** | **1,080,201** | **1,096,404** | **1,112,851** | **1,129,543** | **1,146,486** | **1,163,684** | **1,181,139** |
| | Debt Service | | | | | | | | | | | |
| | Debt Service -- Current | | 656,362 | 657,898 | 670,383 | 756,965 | 761,682 | 766,370 | 767,115 | 775,446 | 779,706 | 787,682 |
| | Debt Service -- Future | | - | 314,363 | 754,472 | 754,472 | 1,664,862 | 2,335,504 | 2,335,504 | 2,335,504 | 2,335,504 | 3,472,013 |
| | **Total Debt Service** | | **656,362** | **972,261** | **1,424,855** | **1,511,437** | **2,426,544** | **3,101,874** | **3,102,619** | **3,110,950** | **3,115,210** | **4,259,695** |
| | **Net Revenues for Contingencies & Transfers** | | 2,672,530 | 2,241,426 | 2,170,423 | 2,558,375 | 1,824,180 | 1,309,524 | 1,602,777 | 1,712,365 | 1,813,858 | 780,093 |
| | **Total Contingencies & Transfers** | | **289,500** | **298,185** | **307,131** | **316,344** | **325,835** | **335,610** | **345,678** | **356,048** | **366,730** | **377,732** |
| | **Total Cost of Service** | | **6,724,972** | **7,331,817** | **8,094,163** | **8,504,707** | **9,758,652** | **10,788,390** | **11,034,974** | **11,298,875** | **11,568,913** | **12,989,890** |
| | **Net Revenues** | | **2,383,030** | **1,943,241** | **1,863,292** | **2,242,031** | **1,498,345** | **973,914** | **1,257,099** | **1,356,317** | **1,447,128** | **402,362** |
| | Percent of COS | | 26.2% | 21.0% | 18.7% | 20.9% | 13.3% | 8.3% | 10.2% | 10.7% | 11.1% | 3.0% |
| | **Debt Coverage** | | | | | | | | | | | |
| | Debt Service Coverage - Current | | 6.65 | 4.38 | 3.27 | 3.41 | 2.20 | 1.78 | 1.88 | 1.92 | | |
| | Debt Service Coverage - All | | 4.63 | 3.00 | 2.31 | 2.48 | 1.62 | 1.31 | 1.41 | 1.44 | | |

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*Appendix* B

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| | **Overview/General Considerations** | |
| Complete | 1. Determine applicability: ACA 14-234-802 applies to all **retail** water providers, except:<br>a. A water system regulated by the Arkansas Public Service Commission as a public utility under §23-1-101 (which generally covers investor-owned utilities **and specifically excludes** from the definition of regulated "public utility" water and sewer systems owned by cities, towns, property owner's associations, and improvement districts - meaning that these water and sewer systems **are** subject to §14-234-802). *(§14-234-807(1))* | Bryant Water Utility is subject to ACA 14-234-802 |
| na | b. Water and sewer systems that are owned or operated by a municipality that provides retail electric service. *(§14-234-807(2))* | na |
| na | c. Privately owned provider that supplies the majority of its retail water service to nonresidential customers. *(§14-234-807(3))* | na |
| na | d. Water systems operated jointly between two (2) municipalities in which each municipality is located in a different state. *(§14-234-807(4))* | na |
| na | 2. Retail water providers shall obtain rate studies pursuant to the requirements in Ark. Code An14-234-802; 500 or less customers must have a rate study by July 1, 2024; 501 - 1,000 customers by July 1, 2025; more than 1,000 customers by July 1, 2026. | na |
| Complete | 3. A Provider that plans to undertake a major development project, as defined above and in Ark. Code Ann. § 14-234-802(h)(2), shall obtain a rate study or amend the Provider's existing rate study before beginning the major development project to include consideration of the financial impact of the major development project on the fiscal sustainability of the provider. | Water Rate Study initiated to fund increasing operating expenses and forecast $61.8 million in water and wastewater Capital Improvement Projects |

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| Complete | 4. Rate studies shall be based on the guidelines of the American Water Works Association and Water Environment Federation. | Report repeatedly references AWWA Manual M-1 which serves as the basis for the cost of service calculations and rate model. |
| Complete | 5. Rate studies for providers that operate a joint and integrated water and sewer system shall analyze the total System. | Water and wastewater separate fund. Rate study examines both funds separately and together |
| Complete | 6. Rate studies performed shall be an objective and unbiased review of the provider's fiscal status. | Report was completed by Willdan Financial Services, an independent company on the state's approved list of rate study providers. |
| | 7. **NOTE:** The Commission will maintain a list of approved entities to conduct rate studies as required under Ark. Code Ann. § 14-234-802(f)(1). The Commission may remove an approved entity from its list of approved entities if it determines that an entity violated Arkansas law or Commission rules in performing a rate study. | As of July 2022 Willdan is on the state's list of approved rate study providers. |

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| | **The rate studies shall include:** | |
| | **1. Reports containing the following information for the current year and projections for the next five years:** | |
| | A comprehensive cost analysis, including: | |
| Complete | a. Operations and maintenance (O&M) expenses from most recent approved budget; | Test Year based on FY2025 Budget. See pp. 22-30, Appendix A. |
| Complete | b. Current and future financing expenses, including but not limited to debt service payments, bond issuance costs, and commercial paper fees, if applicable; | See p. 28. |
| Complete | c. Any required cash reserves unavailable to pay for expenses, including but not limited to the **annual refurbishment and replacement account deposit** requirement as set out in Ark. Code Ann. § 14-234-802(e); | Annual Refurbishment and Replacement account deposits included in revenue requirement. See pp. 23-24. |
| Complete | d. Obtain and evaluate/review depreciation schedules to determine appropriateness of annual depreciation expenses; | See pp. 29-30. Note that per AWWA guidelines, depreciation expense is not included in the Cash Basis cost of service. It is only included in the Utility Basis. |
| Complete | e. Future capital expenses, CIP and CIP funding requirements; | Rate study focuses on impact of $61.8 million CIP for water and ww system. CIP projects are outlined on p.27, debt service impact on rates on p. 28. |
| Complete | f. Expenses required for an annual audit or agreed-upon procedures and compilation report; | Included in City operating budget. Line item contained in Rate Model summarized in report and Appendix A. |
| Complete | g. Expenses required for rate studies required under Ark. Code Ann. § 14-234-802; | Included in City operating budget. Line item contained in Rate Model summarized in report and Appendix A. |
| Complete | h. Any other expenses not accounted for in items (a) through (g), above, e.g., wholesale purchased water, WW treatment agreements, etc. | All expense items from City Budget included in operating cost calculations summarized in pp. 22-26 and in Appendix A. |

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| | A comprehensive revenue earnings analysis, including: | |
| Complete | a. Available and Proforma Cash balance; | See Appendix A, Revenue Expense Summary Spreadsheet |
| Complete | b. Non-rate revenue; | See Appendix A, Revenue Expense Summary Spreadsheet and report P. 28 |
| Complete | **c. Rate revenue without recommended increases;** | See Report Table IV-5, p. 40 |
| Complete | For the five projected years, **recommended rate increases** and the projected additional revenue derived therefrom; | See Report pp. 36-39 and Appendix A |
| Complete | Debt Service Coverage Ratios of at least 1.1x or required by bond covenant (whichever is higher); | See Table IV-4 and Appendix A, Revenue Expense Summary Spreadsheet |
| Complete | The number of days that the available cash balance could cover O&M expenses without additional revenue; | See Table IV-4 and Appendix A, Revenue Expense Summary Spreadsheet |
| Complete | Annualized revenue requirement forecast for at least five years. | See Appendix A, Revenue Expense Summary Spreadsheet and report pp. 30 |

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| | **2. The Provider's asset management plan, including:** | |
| | 1. Inventory of essential assets and for each essential asset, without limitation, the following information: | |
| Complete | a. Asset type; | See City's approved Master Plan dated August 2024, which contains line by line descriptions of all data required in this section. All CIP, replacement and operating costs are folded into the City's budget and CIP estimates as used in this rate study. |
| Complete | b. Annual maintenance costs; | See 2.1.a |
| Complete | c. Year installed; | See 2.1.a |
| Complete | d. Vendor-specified useful life, if available; | See 2.1.a |
| Complete | e. Anticipated date of replacement; | See 2.1.a |
| Complete | f. Installation or replacement cost estimate; | See 2.1.a |
| Complete | g. Projected consequence of failure. | See 2.1.a |
| Complete | 2. The provider's plan for replacement of essential assets. | See 2.1.a |
| Complete | **3. Proposed changes in rates should be based on achieving and maintaining a Debt Service Coverage Ratio of 1.1 or higher.** | Criteria is met by proposed rate plan. See Table IV-4 and Appendix A, Revenue Expense Summary Spreadsheet which contains a Debt Coverage Calculation |
| Complete | **4. Include an explanation of the provider's chosen rate design;** | See report p. 36-39. |
| na | **5. Recommendations for any changes to the provider's operations, including a plan on how the changes should be implemented.** | No recommendations necessary. |

## ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| Complete | 6. Certification by the entity performing the rate study that such study complies with Ark. Code Ann. § 14-234-801 et. seq. and these Rules. | See report p. 41. |
| | 7. Rate studies shall be provided to the Department at the time it is provided to Arkansas Legislative Audit under Ark. Code Ann. § 14-234-802(i). | |
| | 8. The Commission may request further information necessary to determine a Provider's fiscal status, and Providers shall cooperate with the Commission's requests. | |
| | 9. The Commission may waive any one or more requirement listed above, upon written request. | |

# ARKANSAS ACT 605 COMPLIANCE RULES - WILLDAN CHECKLIST

As of: 10/03/2025

| "Complete" or "na" (Grey = no action required by Willdan) | Requirement Item: | Comment |
|---|---|---|
| | **V. Determination of Fiscal Distress** | |
| | 1. A provider will be in Fiscal Distress if the Provider: | |
| | a. Fails to obtain a Rate Study as required | |
| Does Not Fail | **b. Fails to implement the rates contained in the completed rate study within one 1 or 2 years if increased by 50% or more as provided under ACA 14-234-802©(2)(B)(ii)-(iii)** | City Council passed rate plan first reading on September 30 2025. Second and Third readings scheduled for October and November 2025. |
| Does Not Fail | c. Fails to Meet a debt Service Coverage Ratio | Water system meets/exceeds debt service coverage ratio requirements. See Table IV-4 and Appendix A, Revenue Expense Summary spreadsheet. |
| | 2. A Provider may be determined to be in fiscal distress if the Provider | |
| | a. Does not comply with required training; | |
| | b. Fails to file an audit report or agreed-upon procedures | |
| Does Not Fail | **c. Fails to maintain unincumbered cash or cash equivalents in an amount equal to 1/12 of the total expenses from the most recent year** | Water system meets/exceeds ratio requirements. See Appendix A, Revenue Expense Summary |
| | d. Fails to adopt budget before the beginning of the fiscal year | |
| | e. Fails to make all required payments to the US Treasury, Arkansas Dept. of Finance and Admission, or Arkansas Dept. of Health | |
| | f. Fails to make any bond, loan or lease payment | |
| | g. Fails to comply with administrative orders of USEPA, ADOH or ADEQ | |

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