HURRICANE CITY
UTAH

Power Board Meeting Agenda

11/12/2025
3:00 PM
Power Department Meeting Room – 526 W 600 N

Notice is hereby given that the Power Board will hold a Regular Meeting in the Power Department Meeting room located at 526 W 600 N, Hurricane, UT. A silent roll call will be taken, along with the Pledge of Allegiance and prayer by invitation.

AGENDA

1. Pledge of Allegiance
2. Prayer
3. Approval of minutes from October 8, 2025

STAFF REPORTS

Mike Johns/Power Director
Brian Anderson/Transmission & Distribution Superintendent
Mike Ramirez/Service Superintendent
Jared Ross/Substation & Generation Foreman

OLD BUSINESS

1. Discussion and possible recommendation to the City Council regarding the **Cost of Service Study –** Mike Johns

NEW BUSINESS

1. UAMPS Updates
2. **Closed Meeting pursuant to Utah Code Section 52-4-205, upon request**

ADJOURNMENT

The above notice was posted to the Hurricane City website, the Utah State Public Notice Website, and at the following locations:

1. Hurricane City Office – 147 North 870 West, Hurricane, UT
2. US Post Office – 1075 West 100 North, Hurricane, UT
3. Washington County Library (Hurricane Branch) – 36 South 300 West, Hurricane, UT

REASONABLE ACCOMMODATION: Hurricane City will make efforts to provide reasonable accommodations to disabled members of the public in accessing City programs, please contact the Executive Assistant, 435-635-5536, at least 24 hours in advance if you have special needs.

The Hurricane City Power Board met on October 8, 2025, at 3:00 p.m. at the Clifton Wilson Substation located at 526 W 600 N.

In attendance were Mac Hall, Dave Imlay, David Hirschi, Colt Stratton, Kerry Prince, Mark Maag, Mike Johns, Brian Anderson, Mike Ramirez, Jared Ross, Kaden DeMille, Dayton Hall, Mike Vercimak, Weston Walker, Fred Resch, Bruce Zimmerman and Crystal Wright.

Mac Hall welcomed everyone to the meeting. Mark Maag led the Pledge of Allegiance and Colt Stratton offered the prayer. Colt Stratton made a motion to approve minutes from the September 2025 meeting. David Hirschi seconded the motion. Motion passed unanimously.

Mike Johns: Mike Johns informed the board about the 50th Anniversary of Public Power Event that will be held October 28th at the Community Center from 4-7 p.m. There will also be a special board meeting held at the Power Department prior to the event from 12-2 p.m. UAMPS staff will be coming to present information regarding upcoming changes and decisions.

Brian Anderson: Brian Anderson reported the Line Crew has continued working on 1100 West. They're doing some prep work to get ready to pull wire. They removed a regulator bank that will no longer be needed in that location. The feed for the Shooting Park has been changed from the underbuild on the UAMPS line to a new underground main line that has been installed in that area. He stated he will remember to bring the terminator for next month's meeting.

Mike Ramirez: Mike Ramirez provided an update on AMI. All the contracts have been signed, the collector units have been ordered, and we've put in an order for meters. We have a kickoff meeting scheduled with Eaton the first week of November to discuss the implementation. The Grid Reliance Grant that will complete the 600 North Transmission project is moving along. He discussed updates to the primary metering agreements. He described a primary meter location has one main metering point and all the infrastructure within the property is privately owned. Some primary metered locations include Zions Gate RV, Willowwind RV, and Interstate Rock's crusher plant. We own and maintain everything up to and including the primary meter. They own and maintain everything past that point. These locations have had problems maintaining their systems because most electrical contractors won't touch the high voltage infrastructure due to qualification. We have mostly verbal agreements in place with stipulations and clarifications for our department to be able to be contracted to work on their system and bill them for that corresponding work. We have been updating the agreements to include all primary meter locations and to have all of them written and signed. Dave Imlay provided a history of how some of these started. He is glad we're firming up the agreement.

Jared Ross: Jared Ross reported the summer generator run finished on September 4th. We ran a total of 3,229 hours which produced 7,206,832 kWh over the entire summer run. This was an average output of 2,231 kWh per engine which was very efficient. We made some modifications to the generator room to help with efficiency including installing an additional swamp cooler which created positive pressure in the room. We installed a new fan radiator on Gen #1 because we used the fan from #1 to install on #8 when that one failed this summer so we could keep #8 running. We exercised the diesel generators because they hadn't been started for a while. He described some details of substation work that has been done with the switch contacts at Brentwood. He explained an outage from the switching done while we were making those changes. There was another outage on the same circuit at the same substation due to some incorrect relay settings. We're upgrading equipment at Anticline to run fiber to all the equipment. We have one more recloser to install and that project will be complete and then SCADA will need to be updated with all the changes. These upgrades are needed to run another circuit out of that substation that Brian Anderson is needing. He also described the work at Anticline to upgrade the T2 transformer in that substation, as well as the relay testing that was completed. The Sky Mountain Substation contract for the control building & wall was reviewed and sent back for comments. We've received some of the requests for changes back and are working through those before finishing that up to send out for bids. Mike Johns explained the outages in more detail and the after-action discussion to improve reliability and continue to improve our processes.

Update regarding Cost of Service Study: Mike Johns provided an update on the Cost of Service Study. We are reviewing our own policies that are influencing the financial side of the study. Due to overlapping vacations and schedules we have delayed the discussion of the financial aspect of this study in this meeting. We are working through the rest of those details and will be finishing that portion up shortly. Once that portion is complete, then Utility Financial Solutions (UFS) can continue with the rate portion of the study.

Discussion and possible recommendation to the City Council regarding a Resolution Authorizing the Fremont Solar PPA Project: Mike Johns described this solar generation with battery storage project located in Iron County. We made an initial subscription confirmation for 5MW. The project has a 25-year delivery and will come online in 2027. The total cost will be somewhere in the range of \$69-\$74/MWh. Dave Imlay made a motion to approve the resolution with a note to request an increase to our entitlement share up to 10%. Mark Maag seconded the motion. Motion passed unanimously.

Discussion and possible recommendation to the City Council regarding EDAM/MIG Coordination: Mike Johns explained this will not be going to City Council next week and will be held until UAMPS comes down for the meeting on October 28th for our special meeting. This is a discussion to help prepare us for that meeting. The Extended Day Ahead Market (EDAM) that is coming early 2026 will influence how our Member Internal Generation (MIG) is handled. Any MIG's included in the PacifiCorp full network model will be required to participate with EDAM and will be scheduled outside of our organization to meet resource sufficiency requirements if needed. We are not currently in the PacifiCorp full network model, and we have got to choose whether we want to get into that model. With EDAM we will be required to provide resource sufficiency for 120% of our load by the day ahead. To include our MIG's to meet resource sufficiency in PacifiCorp's network model, we would have to be added to their full network model. He described our current situation. We are not in the full network model and are currently not required to pay transmission costs on our internal generation due to our grandfathered status under the current transmission agreement. If we don't do anything, we stay exactly as we are, but do not get credit for our 14.5MW of available internal generation toward our resource sufficiency requirements under EDAM. Crystal Wright described our understanding from UAMPS gets a little tricky because our internal generation will not be counted toward our resource sufficiency requirement under the full network model. However, PacifiCorp will be taking our last three years of history of net load to calculate our resource sufficiency requirement. We have historically generated 10MW of natural gas resource consistently during the summer months so that will be reflected accordingly when that net load is calculated. If we run consistently like we have been, then that generation is still being counted in essence. If we decide to participate in the full network model, our existing transmission agreement changes and we would lose our grandfathered status. Using the kWh generated during our 2025 summer generation run, we saved approximately \$70,000 in transmission costs due to that grandfathered status. In addition, there is a \$10,000 fee to conduct the modeling study, it takes 18 months to complete, there is a \$2,300 per month fee for a scheduling coordinator to participate and would require some SCADA and metering work to update for them to have access to our generator information. It may also require staffing changes internally to be able to have 24-hour coverage available for the generators. Dave Imlay asked if the decision to join the full network model must be made now, or if there's an opportunity in the future to participate if we want to. Mike Johns confirmed this is not a one-time choice. We could choose to go into the full network model at any time. Mike Johns recommendation currently is to wait for a year with the implementation of EDAM to see how things all work out before possibly re-addressing this. It does not seem beneficial with the facts we have now to join the full network model. This is one of the topics that will be addressed during the October 28th meeting.

Discussion and possible recommendation regarding CRSP Assignment of Environmental Attributes: Mike Johns explained that Environmental Attributes equals Renewable Energy Credits (RECs). Anytime you have clean, green energy you can use the amount of energy you receive as credits to show a percentage of clean energy resource. UAMPS is giving us the opportunity to sell our RECs back for credit on an annual basis. We don't know what that value is yet. Dave Imlay said that we have sold our RECs in the past. Mike Johns stated we don't have any local requirements currently pushing green energy so it may be a good idea unless those change. Dayton Hall summarized that we would assign our RECs to UAMPS, UAMPS would negotiate to sell those RECs and then we would receive credit on our UAMPS bill for those. Mike Johns confirmed that's true. Brian Anderson asked how our local customer solar systems RECs are calculated our counted. Dave Imlay stated that he believes it's up to us to certify the RECs that we report, but he's unsure what that process is or what entity handles those certifications. The recommendation was made to ask UAMPS what the process looks like for this. Mike Johns has opted to allow UAMPS to sell 100% of our CRSP RECs currently unless anyone else has any objections. The board agreed with that direction.

UAMPS Updates: Mike Johns mentioned we covered everything during the meeting.

Meeting adjourned at 4:06 p.m. The next Power Board meeting is scheduled for November 12, 2025, at 3:00 p.m.

BUDGET

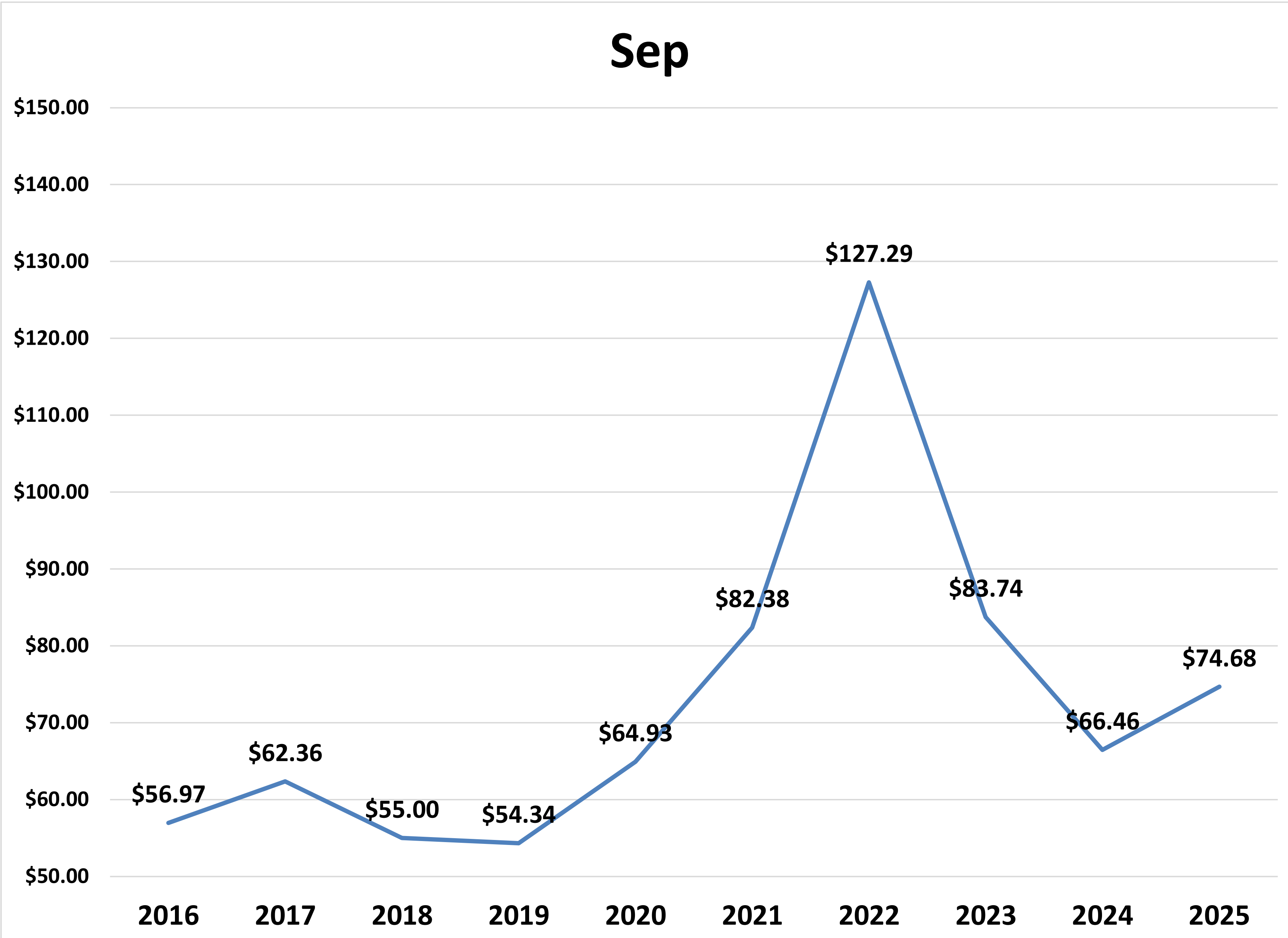
AVERAGE YEARLY POWER PRICES

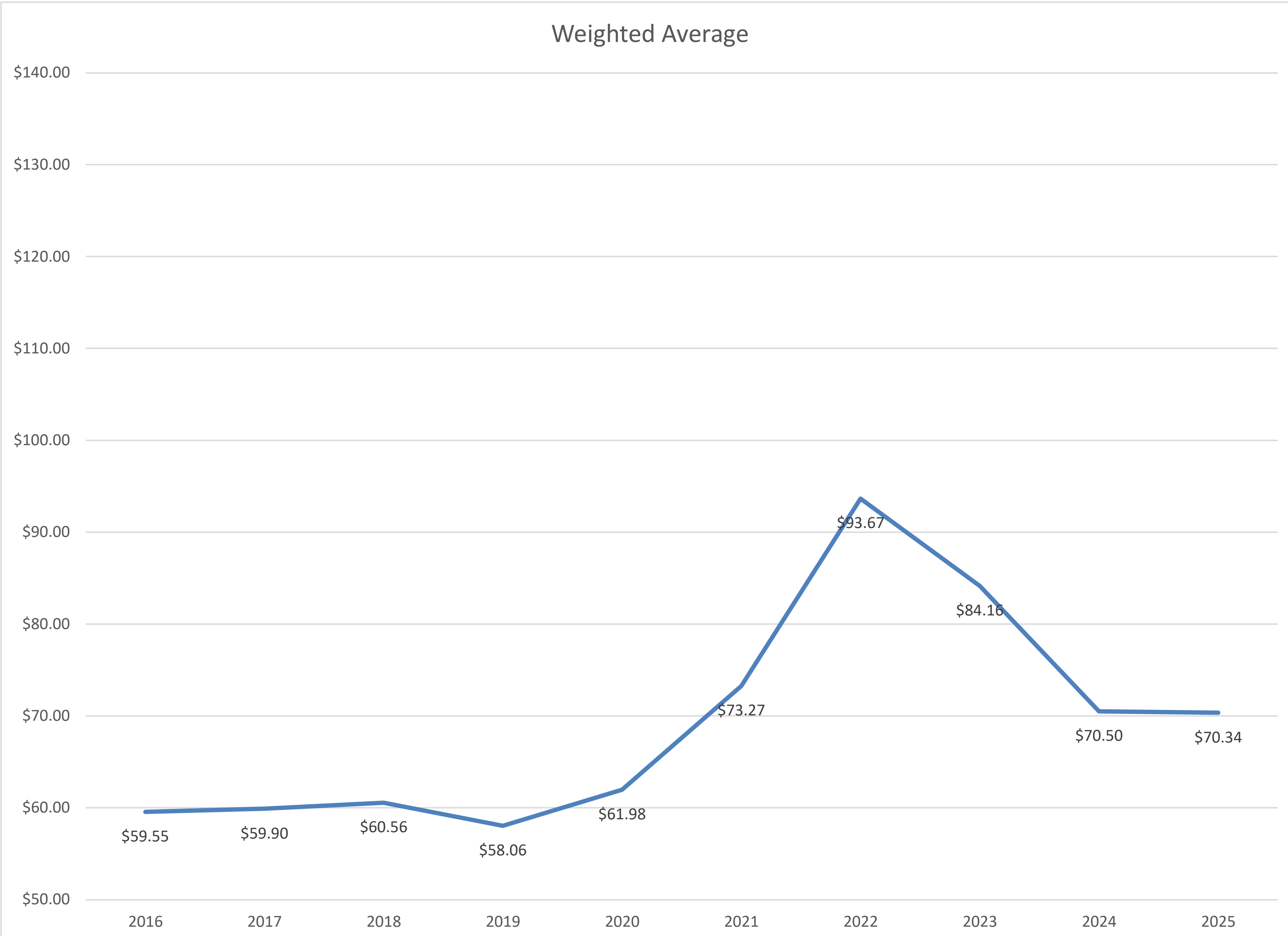
25-26 bdgt amount (thru Aug 2025) **$63.81**

BDGT Year to Date **$70.15**

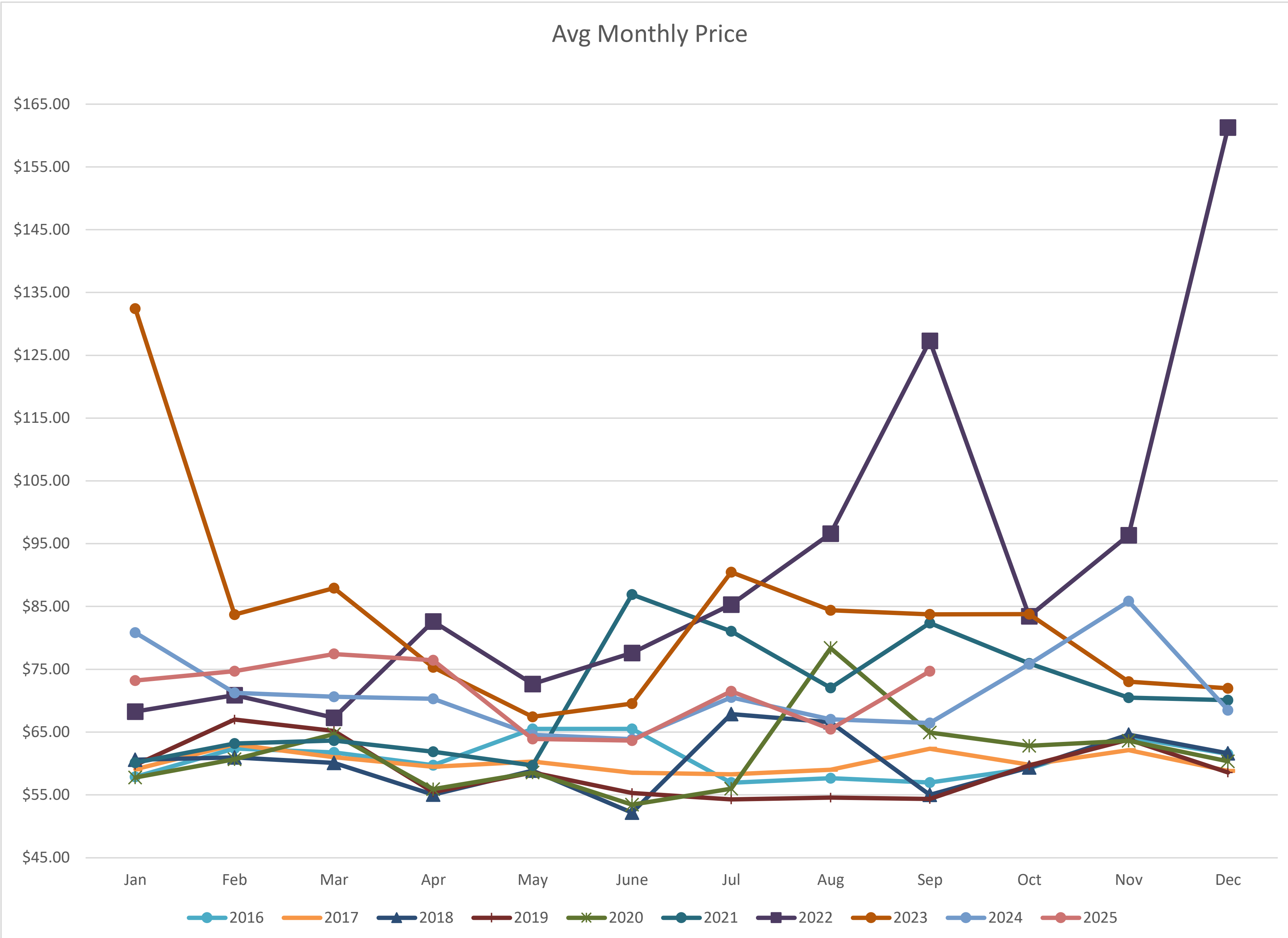
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Jan	$57.87	$59.07	$60.62	$59.75	$57.76	$60.14	$68.25	$132.44	$80.85	$73.20
Feb	$62.38	$63.04	$60.96	$67.00	$60.67	$63.19	$70.88	$83.72	$71.23	$74.69
Mar	$61.77	$60.99	$60.09	$65.17	$64.67	$63.64	$67.28	$87.92	$70.62	$77.45
Apr	$59.71	$59.49	$55.02	$55.44	$55.92	$61.86	$82.63	$75.32	$70.32	$76.44
May	$65.51	$60.32	$58.86	$58.55	$58.55	$59.69	$72.66	$67.45	$64.54	$63.90
June	$65.51	$58.54	$52.17	$55.30	$53.44	$86.91	$77.60	$69.52	$63.88	$63.66
Jul	$56.95	$58.29	$67.87	$54.29	$55.98	$81.04	$85.31	$90.48	$70.51	$71.49
Aug	$57.67	$59.00	$66.55	$54.58	$78.40	$72.03	$96.60	$84.39	$67.05	$65.48
Sep	$56.97	$62.36	$55.00	$54.34	$64.93	$82.38	$127.29	$83.74	$66.46	$74.68
Oct	$59.23	$59.79	$59.36	$59.70	$62.82	$75.92	$83.45	$83.77	$75.82	
Nov	$64.18	$62.14	$64.60	$63.80	$63.60	$70.47	$96.34	$73.03	$85.85	
Dec	$61.51	$58.80	$61.61	$58.55	$60.33	$70.07	$161.27	$71.99	$68.50	
Yr Avg	$60.64	$60.15	$60.23	$58.87	$61.42	$70.61	$90.80	$83.65	$71.30	$71.22
Weighted Avg	$59.55	$59.90	$60.56	$58.11	$61.98	$72.46	$92.09	$84.16	$70.50	$70.34
										Cy to Date

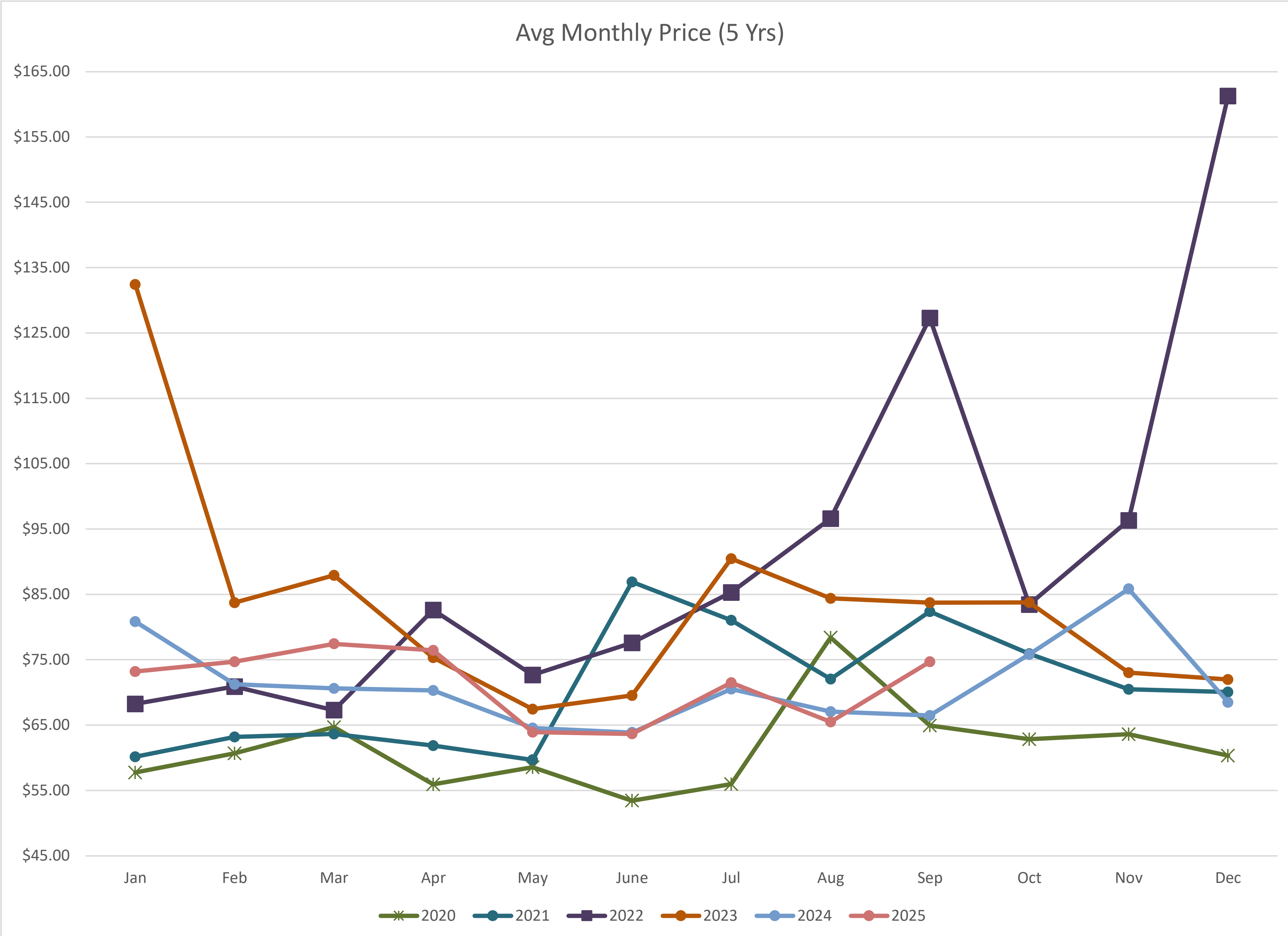
These figures capture the total cost of power to the power department. The power department uses costs only associated with the purchasing and generation of power and includes debt payments and interest


Sep
$150.00
$140.00
$130.00
$120.00
$110.00
$100.00
$90.00
$80.00
$70.00
$60.00
$50.00
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
$56.97
$62.36
$55.00
$54.34
$64.93
$82.38
$127.29
$83.74
$66.46
$74.68

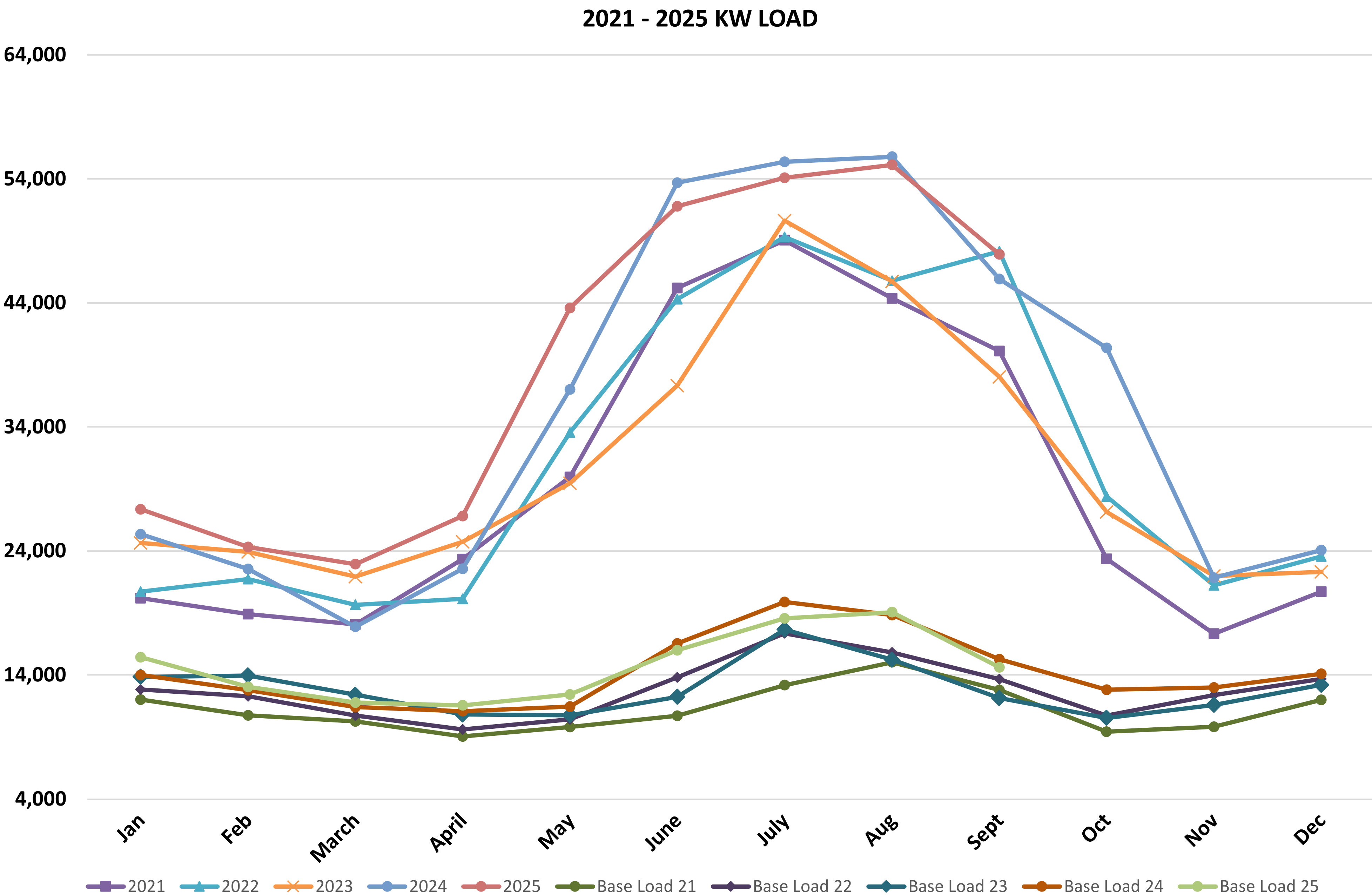


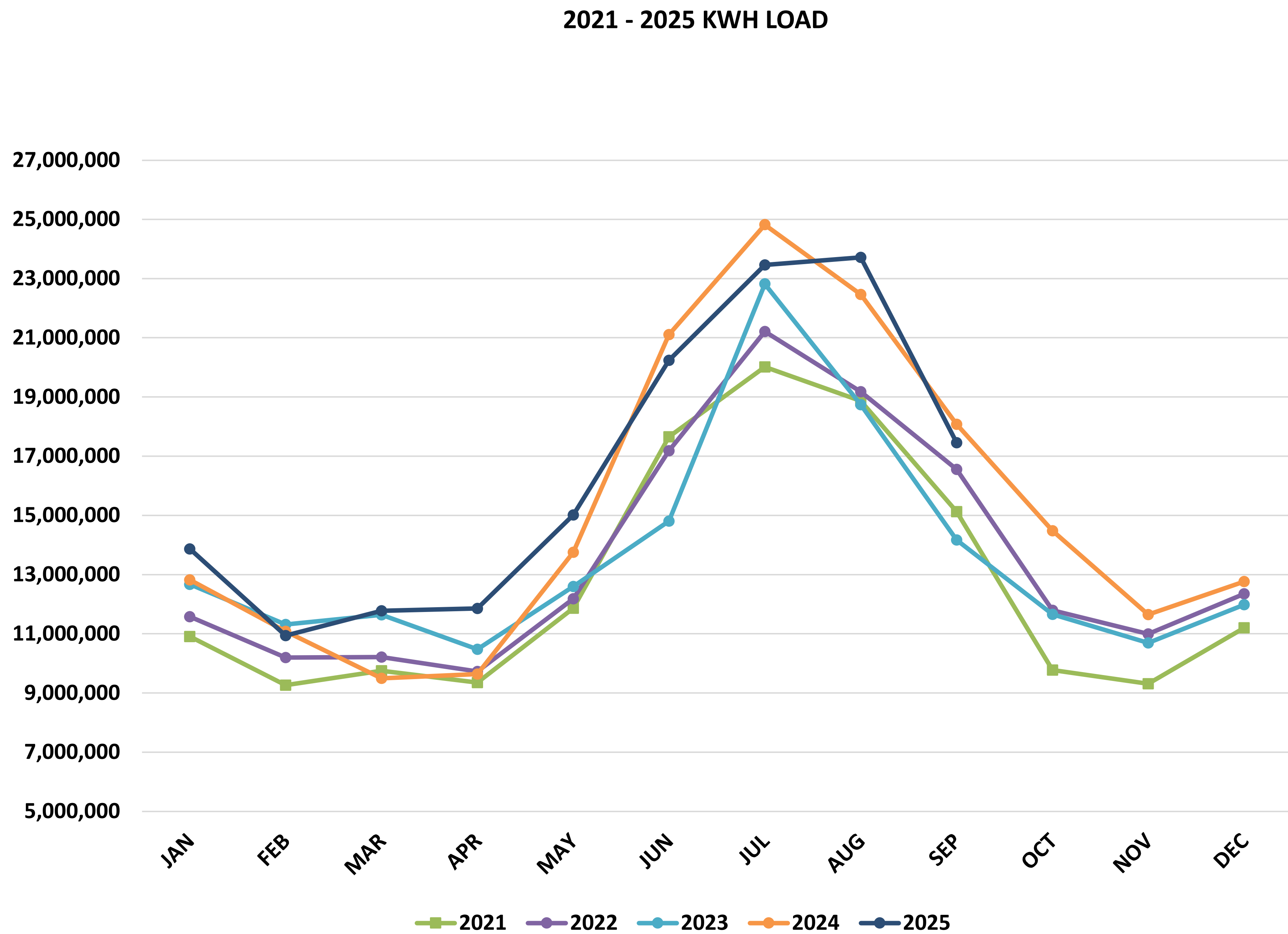
Weighted Average
$140.00
$130.00
$120.00
$110.00
$100.00
$90.00
$80.00
$70.00
$60.00
$50.00
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
$59.55
$59.90
$60.56
$58.06
$61.98
$73.27
$93.67
$84.16
$70.50
$70.34

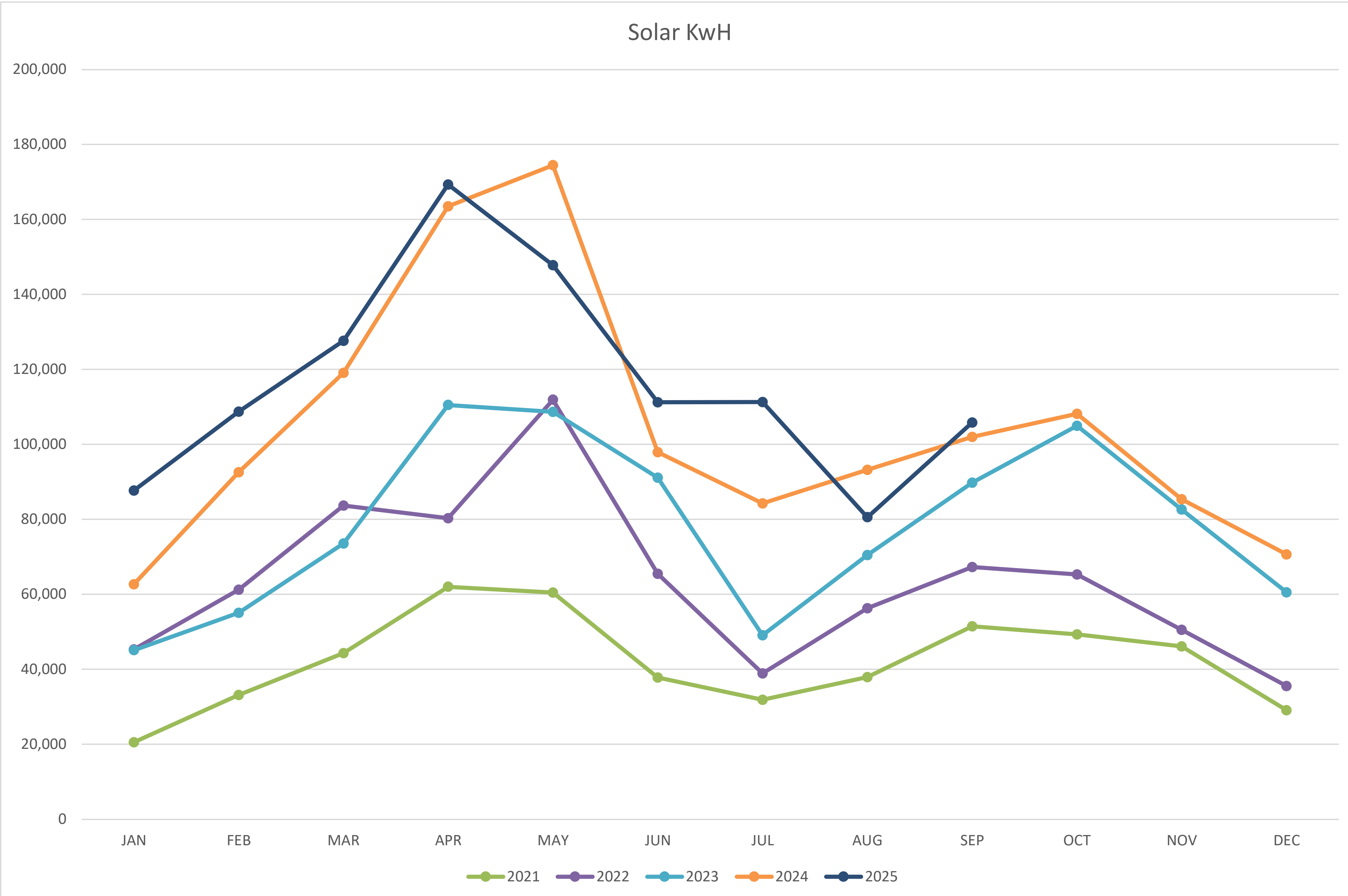

Avg Monthly Price
$165.00
$155.00
$145.00
$135.00
$125.00
$115.00
$105.00
$95.00
$85.00
$75.00
$65.00
$55.00
$45.00
Jan
Feb
Mar
Apr
May
June
Jul
Aug
Sep
Oct
Nov
Dec
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025



Avg Monthly Price (5 Yrs)
$165.00
$155.00
$145.00
$135.00
$125.00
$115.00
$105.00
$95.00
$85.00
$75.00
$65.00
$55.00
$45.00
Jan
Feb
Mar
Apr
May
June
Jul
Aug
Sep
Oct
Nov
Dec
2020
2021
2022
2023
2024
2025


2021 - 2025 KW LOAD
64,000
54,000
44,000
34,000
24,000
14,000
4,000
Jan
Feb
March
April
May
June
July
Aug
Sept
Oct
Nov
Dec
2021
2022
2023
2024
2025
Base Load 21
Base Load 22
Base Load 23
Base Load 24
Base Load 25


2021 - 2025 KWH LOAD
27,000,000
25,000,000
23,000,000
21,000,000
19,000,000
17,000,000
15,000,000
13,000,000
11,000,000
9,000,000
7,000,000
5,000,000
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
2021
2022
2023
2024
2025



Solar KwH
200,000
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
2021
2022
2023
2024
2025

UTILITY FINANCIAL SOLUTIONS, LLC

Hurricane City Power

Minimum Cash Calculation Comparison

Electric Financial Projection and Cost of Service Study

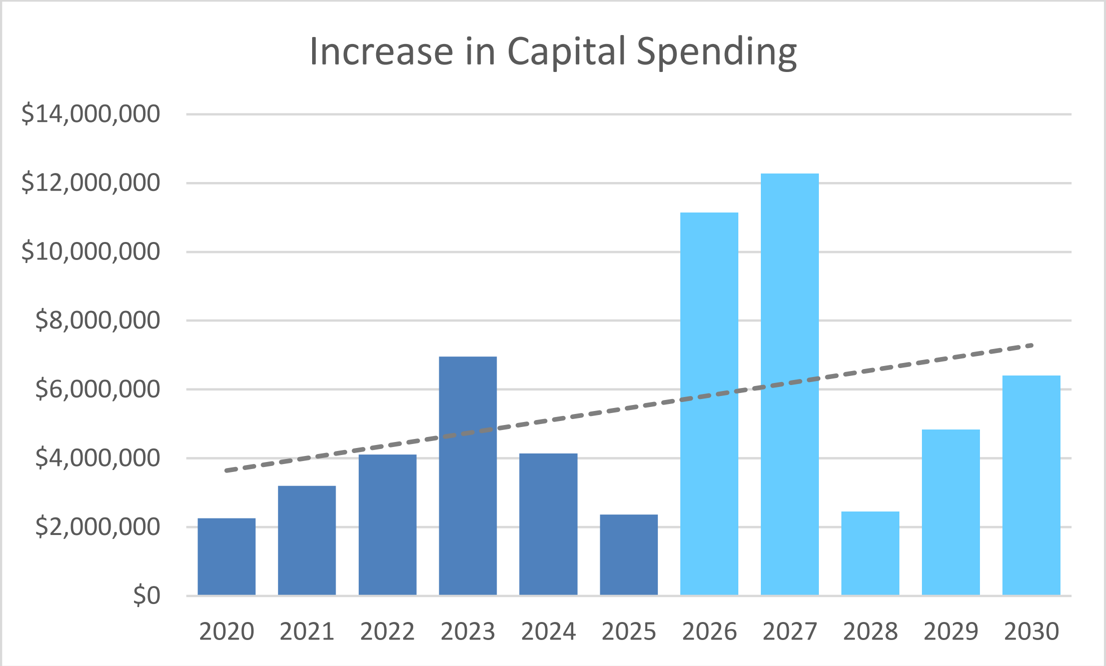
Jillian Jurczyk, Rates Manager
Utility Financial Solutions, LLC

Financial Outlook

Assumptions

Fiscal Year	Inflation	Growth	Purchase Power Change	Impact Fee Related Capital	Retail Funded Capital	Total Capital Improvements Plan
2026	2.6%	4.5%	3.0%	$ 3,725,623	$ 6,513,707	$ 10,239,329
2027	2.6%	4.5%	3.0%	8,338,095	3,037,205	11,375,300
2028	2.6%	4.5%	3.0%	1,136,226	413,878	1,550,104
2029	2.6%	1.0%	3.0%	2,880,123	1,049,103	3,929,226
2030	2.6%	1.0%	3.0%	4,033,958	1,469,396	5,503,354

Financial Outlook
Capital



Current Capital Spending
- Average annual capital spending for existing infrastructure is **~$1.6M year** and **~$2.2M** for new infrastructure.

Forecasted Capital Spending
- New growth is driving large projects and increasing the average spending to ~**$6.5M** over the next 5 years.

Funding Implications
- Impact fee recovery typically lags, as projects are completed before new growth connects.
- Capital projects significantly influence cash balances and how we goose to rate fund versus finance investments.

UFS UTILITY FINANCIAL SOLUTIONS, LLC

Financial Outlook

No Change

Hurricane City Cash Minimum *10 months operating*
$ 28,119,451

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Adjusted Operating Income	Optimal Operating Income	Impact Fee Cash	Operating Cash	Projected Cash Balances (Operating & Impact)	UFS Recommended Minimum Cash
2026	0.00%	N/A	$ 1,740,602	$ 1,678,286	$ 1,061,417	$ 14,651,687	$ 15,713,104	$ 10,731,602
2027	0.00%	N/A	1,265,367	2,143,469	(5,276,678)	14,145,469	8,868,791	11,246,453
2028	0.00%	N/A	944,969	2,201,859	(4,412,904)	15,983,398	11,570,494	11,494,719
2029	0.00%	N/A	358,658	2,357,085	(5,293,026)	16,690,525	11,397,498	11,731,704
2030	0.00%	N/A	(284,629)	2,575,316	(7,326,985)	16,450,665	9,123,680	12,020,375

UTILITY FINANCIAL SOLUTIONS, LLC

Reasons for Minimum Cash

- Pay Bills
- Catastrophic Events
  - Wind, Ice, Equipment Failure
- Changes in Power Supply
- Capital Costs
- Debt Service

Current Power Fund Cash Reserve Policy

		FY 2026	Factor		Amount	
Depreciation Fund	$	27,032,100	38%	$	10,272,198	38% of Depreciable Assets
Contingency Fund	$	21,322,400	1%	$	213,224	1% of Budgeted Total Annual Revenue
10 months Operating Expenses	$	21,160,835	83%	$	17,634,029	10 months of Budgeted Operational and Power Cost Expenses
Total Current Policy				**$**	**28,119,451**	

POWER FUND CASH RESERVE POLICY

RESOLUTION NO: 2018-12

It is the Policy of Hurricane City, approved by the Power Board and resolved by the City Council to maintain Power Fund Cash Reserves in the following manner:

DEPRECIATION FUND

38% value of depreciable assets

CONTINGENCY FUND

1% of budgeted total annual revenue

TOTAL CASH RESERVES

10 months of budgeted operational and power costs expenses

If reserve fund drops below these targets for 12 months or are forecast to drop below these targets, action must be taken to bring these funds into compliance of the Cash Reserve Policy including raising electric usage rates.

Days Cash on Hand

- Acts as an important measure of a utility's cash flow strength

- Measures how many days the utility can cover operating expenses using available cash

- Formula:

$$\text{Days Cash on Hand} = 365/\left(\frac{Total\ Operating\ Expenses}{Total\ Cash\ Available}\right)$$

* Typical range for a utility is 90 – 150 days

Hurricane – Days Cash on Hand

Hurricane *Target* Days Cash on Hand Calculation

Total Operating Expenses	$	21,160,835	<-- from budget
Current Cash Policy	$	28,119,451	<-- from current policy calculation
Factor		0.75	
Days Cash on Hand Target		**485.00**	

Hurricane *Actual* Days Cash on Hand Calculation

Total Operating Expenses	$	21,160,835	<-- from budget
Current Cash	$	18,380,231	<-- FYE 2025
Factor		1.15	
Days Cash on Hand Target		**317.00**	

UFS – Days Cash on Hand

No Bonding – metric changes slightly with bonding added

UFS MINIMUM Days Cash on Hand Calculation

Total Operating Expenses	$	21,160,835	<-- from budget
Cash Policy	$	10,731,602	<-- from UFS calculation
Factor		1.97	
Days Cash on Hand Minimum		**185.00**	

Allocator	% Risk Range to Allocate		Total	Influenced By:
Operation & Maintenance Less Depreciation Expense	12.3%	$	595,917	Billing Cycle - Timing of Expenses vs Reciepts
Purchase Power Expense	16.5%		2,213,749	Max Month Converted to Working Capital Days
Historical Rate Base	3%		1,402,474	Age of System, Lielihood of Ice, Wind, Other
Current Portion of Debt Service Reserve	100%		-	Timing of Debt Payments
Five Year Capital Improvements - Net of bond proceeds	20%		6,519,463	1/5 of Five-Year Plan - Funds Beginning of Season
Minimum Cash Reserve Level		**$**	**10,731,602**	

What would we need to do with rates and bonding to fund the current Cash Policy of $28M?

One Year Plan

100% Financed + 10% Rate Adjustment

Hurricane City Cash Target *10 months operating*
$ 28,119,451

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Adjusted Operating Income	Optimal Operating Income	Impact Fee Cash	Operating Cash	Projected Cash Balances (Operating & Impact)	UFS Recommended Minimum Cash
2026	10.00%	8.97	$ 3,621,402	$ 1,572,050	$ 1,061,417	$ 25,950,185	$ 27,011,603	$ 6,129,636
2027	0.00%	4.30	3,230,802	2,057,198	(5,276,678)	37,106,782	31,830,105	7,569,900
2028	0.00%	4.22	2,998,849	2,109,954	(4,412,904)	39,378,984	34,966,081	7,818,735
2029	0.00%	3.95	2,433,078	2,282,224	(5,293,026)	40,543,095	35,250,068	8,055,852
2030	0.00%	2.92	1,810,535	2,508,177	(7,326,985)	45,844,998	38,518,013	8,786,259

% Financed --> 100%

Fiscal Year	Bond Issues Including Fees	Period	Rate
2026	10,239,329	20	5.00%
2027	11,375,300	20	5.00%
2028	-	-	0.00%
2029	-	-	0.00%
2030	5,503,354	20	5.00%

UFS UTILITY FINANCIAL SOLUTIONS, LLC

Three Year Plan

60% Financed + 5% Rate Adjustments

Hurricane City Cash Target *10 months operating*
$ 28,119,451

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Adjusted Operating Income	Optimal Operating Income	Impact Fee Cash	Operating Cash	Projected Cash Balances (Operating & Impact)	UFS Recommended Minimum Cash
2026	5.00%	13.03	$ 2,681,002	$ 1,614,544	$ 1,061,417	$ 21,242,706	$ 22,304,123	$ 7,970,422
2027	5.00%	7.22	3,300,345	2,091,706	(5,276,678)	28,603,116	23,326,438	9,045,889
2028	5.00%	8.20	4,226,114	2,146,716	(4,412,904)	32,784,170	28,371,266	9,302,013
2029	0.00%	7.77	3,672,615	2,312,168	(5,293,026)	35,879,252	30,586,225	9,539,207
2030	0.00%	5.82	3,062,468	2,535,033	(7,326,985)	41,109,783	33,782,798	10,093,049

% Financed --> 60%

Fiscal Year	Bond Issues Including Fees	Period	Rate
2026	6,143,598	20	5.00%
2027	6,825,180	20	5.00%
2028	-	-	0.00%
2029	-	-	0.00%
2030	3,302,012	20	5.00%

UFS UTILITY FINANCIAL SOLUTIONS, LLC

Five Year Plan

90% Financed + 0.75% Rate Adjustments

Hurricane City Cash Target *10 months operating*
$ 28,119,451

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Adjusted Operating Income	Optimal Operating Income	Impact Fee Cash	Operating Cash	Projected Cash Balances (Operating & Impact)	UFS Recommended Minimum Cash
2026	0.75%	7.61	$ 1,881,662	$ 1,582,674	$ 1,061,417	$ 23,268,676	$ 24,330,093	$ 6,589,832
2027	0.75%	3.70	1,564,349	2,065,825	(5,276,678)	31,783,447	26,506,769	7,928,090
2028	0.75%	3.66	1,416,988	2,119,144	(4,412,904)	32,625,069	28,212,165	8,177,446
2029	0.75%	3.45	997,786	2,289,710	(5,293,026)	32,500,336	27,207,310	8,415,484
2030	0.75%	2.57	526,132	2,514,891	(7,326,985)	36,154,049	28,827,064	9,102,678

% Financed --> 90%

Fiscal Year	Bond Issues Including Fees	Period	Rate
2026	9,215,397	20	5.00%
2027	10,237,770	20	5.00%
2028	-	-	0.00%
2029	-	-	0.00%
2030	4,953,019	20	5.00%

UFS UTILITY FINANCIAL SOLUTIONS, LLC

Power Cost Adjustment Plan

75% Financed + PCA (no additional adjustments)

Hurricane City Cash Target *10 months operating*
$ 28,119,451

Fiscal Year	Projected Rate Adjustments	Estimated PCA Impact	Debt Coverage Ratio	Adjusted Operating Income	Optimal Operating Income	Impact Fee Cash	Operating Cash	Projected Cash Balances (Operating & Impact)	UFS Recommended Minimum Cash
2026	0.00%	0.00%	8.90	$ 1,740,602	$ 1,598,609	$ 1,061,417	$ 21,714,961	$ 22,776,378	$ 7,280,127
2027	0.00%	2.14%	4.53	1,685,305	2,078,766	(5,276,678)	28,894,663	23,617,985	8,479,566
2028	0.00%	2.29%	4.70	1,835,881	2,132,930	(4,412,904)	30,396,440	25,983,536	8,727,832
2029	0.00%	2.32%	4.69	1,731,592	2,300,939	(5,293,026)	31,247,755	25,954,729	8,964,817
2030	0.00%	2.41%	3.73	1,594,194	2,524,962	(7,326,985)	35,455,007	28,128,022	9,584,690

% Financed --> 75%

Fiscal Year	Bond Issues Including Fees	Period	Rate
2026	7,679,497	20	5.00%
2027	8,531,475	20	5.00%
2028	-	-	0.00%
2029	-	-	0.00%
2030	4,127,516	20	5.00%

UTILITY FINANCIAL SOLUTIONS, LLC

Cash Considerations

Target is **$28M** (485 days cash)
Current **Cash Balance** is **$18M** (317 days cash)

Difference is driving a need for rate adjustments

What should our cash philosophy be?

- **Higher cash policy if:** We do not have a PCA but have a willingness to weather the storms and pass on adjustments when necessary. Also need more cash if we are not willing to finance capital.
- **Lower cash policy if:** We implement a PCA (shift cost risk to customers) and are willing to take on bonding for capital.

- Is 485 days cash acceptable, too high, or too low for Hurricane?
  - *Industry standard is 90 – 200+ days*
  - If acceptable, how do we want to get there?
    - One year / Three years / Five years / PCA

Do we want to maintain the current cash target calculation that was approved under resolution 2018-12 and totals $28M / 485 days cash on hand?

If **<u>YES</u>** – Do we want to achieve the cash balance using the one-year plan, three-year plan, five-year plan, or PCA plan?

If **<u>NO</u>** – What do you feel is an appropriate cash minimum and is there any direction on what you'd like to see as part of the rate plan (bonding, rate adjustments, PCA, etc.)