

**NEW ISSUE
(Book-Entry Only)**

**RATINGS:
S&P: AA+
Moody's: Aa2
See "MISCELLANEOUS - Ratings" herein.**

In the opinion of Butler Snow LLP, Bond Counsel, under existing law, and assuming the accuracy of certain representations and certifications and compliance with certain tax covenants, interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation under existing statutes as described herein. See "FEDERAL TAX MATTERS."



\$136,275,000*
COLUMBUS, GEORGIA
WATER AND SEWERAGE
REVENUE BONDS, SERIES 2026

Dated: Date of Delivery

Due: May 1, as shown below

Columbus, Georgia ("Columbus") will issue its Water and Sewerage Revenue Bonds, Series 2026 (the "Series 2026 Bonds"), as fully registered bonds and, when issued, will be registered to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") to which principal, premium, if any, and interest payments on the Series 2026 Bonds will be made. Individual purchases of the Series 2026 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Series 2026 Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Series 2026 Bonds as nominee of DTC, reference herein to the Holders or registered owners of the Series 2026 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2026 Bonds. So long as Cede & Co. is the registered owner of the Series 2026 Bonds, the principal of and interest and premium, if any, on the Series 2026 Bonds are payable to Cede & Co. as nominee of DTC, which will in turn remit such principal, interest and premium to its Participants for subsequent disbursement to the Beneficial Owners. See APPENDIX F "BOOK-ENTRY SYSTEM OF REGISTRATION" herein.

Interest on the Series 2026 Bonds shall be payable on November 1, 2026, and semiannually thereafter on May 1 and November 1 of each year. The Series 2026 Bonds will be subject to optional, mandatory, and extraordinary optional redemption prior to maturity as described herein. See the inside front cover for a complete schedule of maturities, principal amounts, interest rates, yields, and CUSIPs.

The Series 2026 Bonds are being issued pursuant to the Revenue Bond Law, Ga. Code Ann. § 36-82-60 et seq., as amended, and a Trust Indenture, dated as of February 1, 2012 (the "Original Indenture"), by and between Columbus and U.S. Bank Trust Company, National Association¹, as trustee (the "Trustee"), as supplemented by various supplemental indentures, including the Seventh Supplemental Trust Indenture, dated as of the first day of the month in which the Series 2026 Bonds are issued (the "Seventh Supplemental Trust Indenture" and the Original Indenture as so supplemented, the "Indenture"), by and between Columbus and the Trustee for the purposes of (a) financing or refinancing certain additions, extensions, and improvements to the water and sewerage system (the "System") (the "2026 Project"), (b) refunding a portion of the outstanding Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2014A (the "Series 2014A Bonds"), issued in the original aggregate principal amount of \$32,995,000, (c) refunding a portion of the outstanding Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2016 (the "Series 2016 Bonds"), issued in the original aggregate principal amount of \$57,855,000, and (d) paying all or a portion of the costs of issuance of such revenue bonds.

THE SERIES 2026 BONDS DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF COLUMBUS OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF COLUMBUS. NO GOVERNMENTAL ENTITY, INCLUDING COLUMBUS, IS OBLIGATED TO LEVY ANY TAX FOR THE PAYMENT OF THE SERIES 2026 BONDS. NO RECOURSE MAY BE HAD AGAINST THE GENERAL FUND OF COLUMBUS FOR THE PAYMENT OF THE SERIES 2026 BONDS.

The Series 2026 Bonds shall be payable solely from the Net Revenues of the System (as such terms are defined herein) and are issued on a parity with the Existing Parity Bonds (as defined herein).

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING INFORMED INVESTMENT DECISIONS.

The Series 2026 Bonds are offered subject to prior sale, when, as and if issued and received by the Underwriter and subject to validation by the Superior Court of Muscogee County, Georgia, and subject to the approval of legality by Butler Snow LLP, Atlanta and Macon, Georgia, Bond Counsel and Disclosure Counsel. Certain legal matters are to be approved by Page, Serantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia, as special counsel to Columbus and as counsel to the Board of Water Commissioners. Certain legal matters are to be approved for the Underwriter by its counsel, Pope Flynn, LLC, Athens, Georgia.

Delivery of the Series 2026 Bonds in definitive form is expected to be made through The Depository Trust Company, New York, New York on or about April __, 2026.

Dated: _____, 2026.

STIFEL

* Preliminary; subject to change.

¹ As of January 29, 2022, U.S. Bank National Association transitioned its corporate trust and escrow services to U.S. Bank Trust Company, National Association, a wholly owned subsidiary of U.S. Bank National Association.

This Preliminary Official Statement and the information contained herein are subject to change, completion, or amendment without notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction in which said offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, AND CUSIPs*

<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u> ¹
<u>May 1</u>	<u>Amount*</u>			
2027	\$5,075,000			
2028	5,880,000			
2029	4,425,000			
2030	4,645,000			
2031	4,880,000			
2032	5,125,000			
2033	5,380,000			
2034	5,650,000			
2035	5,935,000			
2036	6,230,000			
2037	2,510,000			
2038	2,640,000			
2039	2,770,000			
2040	2,910,000			
2041	3,055,000			
2042	3,205,000			
2043	3,365,000			
2044	3,535,000			
2045	3,710,000			
2046	3,895,000			
2051 [†]	22,605,000			
2056 [†]	28,850,000			

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[†] Term Bonds. The Term Bonds are subject to mandatory sinking fund redemption as described herein.

COLUMBUS, GEORGIA

Mayor

B.H. “Skip” Henderson, III

Councilors

R. Gary Allen
John Anker
Travis L. Chambers
JoAnne Cogle
Charmaine Crabb
Glenn Davis
Walker Garrett
Byron Hickey
Bruce Huff
Toyia Tucker

Officers

City Manager – Vacant
Deputy City Manager, Current Operations – Lisa Goodwin
Deputy City Manager, Finance, Planning, & Development – Pam Hodge
Finance Director – Angelica Alexander
City Attorney – Clifton C. Fay

BOARD OF WATER COMMISSIONERS

Chair

Nick Smith

Vice Chair

Jennifer Upshaw

Members

Oz Roberts

Brooks Yancey

B.H. “Skip” Henderson, III, Mayor (Ex officio)

Management

Jeremy Cummings, President
Gard Victor “Vic” Burchfield, Executive Vice President (retiring April 2026)
Brittany Brossett, Chief of Staff
Vickie Clark, Chief of Finance

**Counsel to the Board of Water Commissioners
and Special Counsel to Columbus**

Page, Scrantom, Sprouse, Tucker & Ford, P.C.
Columbus, Georgia

Bond Counsel and Disclosure Counsel

Butler Snow LLP
Atlanta and Macon, Georgia

Underwriter

Stifel, Nicolaus & Company, Incorporated
Atlanta, Georgia

Underwriter’s Counsel

Pope Flynn, LLC
Athens, Georgia

Financial Advisor

Terminus Municipal Advisors, LLC
Atlanta, Georgia

This Official Statement is submitted in connection with the sale of securities as referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. No dealer, broker, salesman or any other person has been authorized by Columbus, Georgia or the Underwriter to give any information or to make any representation, other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy, nor shall there be any offer of the Series 2026 Bonds by any person in any jurisdiction in which such offer, sale or solicitation would be unlawful for such person to make such offer, sale or solicitation prior to registration or qualification under the securities laws of any such jurisdiction.

The information contained in this Official Statement has been obtained from representatives of Columbus, Georgia, Columbus Water Works, public documents, records, and other sources considered to be reliable. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date.

The Preliminary Official Statement has been “deemed final” by Columbus within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Act of 1934, as amended.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2026 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AGENCY. THE SERIES 2026 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Certain statements included or incorporated by reference in the following information constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet Columbus, Georgia’s forecasts in any way, regardless of the level of optimism communicated in the information. Columbus, Georgia does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions, or circumstances on which such statements are based occur.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2026 BONDS, NOR SHALL THERE BE ANY SALE OF ANY OF THE SERIES 2026 BONDS, BY ANY PERSON IN ANY JURISDICTION IN WHICH, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.

In making an investment decision, investors must rely on their own examination of Columbus, Georgia, the System and the terms of the offering and any other merits and risks involved.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2026 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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INC.

PRELIMINARY OFFICIAL STATEMENT
\$136,275,000*
COLUMBUS, GEORGIA
WATER AND SEWERAGE REVENUE BONDS
SERIES 2026

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by Columbus, Georgia of \$136,275,000* in aggregate principal amount of its Water and Sewerage Revenue Bonds, Series 2026 (the “**Series 2026 Bonds**”).

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement and of the documents summarized or described herein, if necessary. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement including the Appendices hereto.

Columbus, Georgia

Columbus, Georgia (“**Columbus**”) embraces an area of approximately 218 square miles and an estimated population of 206,922 persons (U.S. Census Bureau, 2020 Census Redistricting Data). This data excludes the Fort Benning Military Reservation (“**Fort Benning**”), a primary United States Army training facility, a part of which is located within the boundaries of Columbus. See APPENDIX A “ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING COLUMBUS, GEORGIA” for more information.

Purpose of the Series 2026 Bonds

The Series 2026 Bonds are being issued for the purposes of (a) financing or refinancing certain additions, extensions, and improvements to the water and sewerage system (the “**System**”) (the “**2026 Project**”), (b) refunding a portion of the outstanding Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2014A (the “**Series 2014A Bonds**”), issued in the original aggregate principal amount of \$32,995,000, (c) refunding a portion of the outstanding Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2016 (the “**Series 2016 Bonds**”), issued in the original aggregate principal amount of \$57,855,000, and (d) paying all or a portion of the costs of issuance of such revenue bonds. See “PLAN OF FINANCING.”

The System

As of June 25, 2025, the water distribution system served 73,230 active customer accounts and the sewer system served 61,610 active sewer accounts, and the System provides sewage collection and treatment facilities for approximately 100% of the population of Columbus. Operation and management of the System is under the jurisdiction of the Board of Water Commissioners (the “**Board of Water Commissioners**” or “**Columbus Water Works**”), originally created by an Act of the General Assembly of Georgia in 1902 and extended under the Charter of Columbus (consolidating the governments of the City of Columbus and Muscogee County) which was ratified by the General Assembly of Georgia in 1971. The Board of Water Commissioners consists of five members including the Mayor of Columbus, ex officio, and four members appointed by the Council of Columbus. Each member is appointed for a four-year term, with the term of one member expiring each year. See “THE WATER AND SEWERAGE SYSTEM” for more information.

Security and Source of Payment for the Series 2026 Bonds

Columbus has not pledged its full faith or credit for the Series 2026 Bonds. The Series 2026 Bonds are payable solely from the Net Revenues of the System. The Series 2026 Bonds are special limited obligations of Columbus payable solely from and secured by a priority parity pledge of and lien on the Net Revenues as defined herein and shall not constitute a charge, lien, or encumbrance upon any property of Columbus, except the funds pledged to the payment thereof as described herein. As described below under “The Existing Parity Bonds,” the Series 2026 Bonds will be equally and ratably secured on a parity basis with the Existing Parity Bonds and with any additional

* Preliminary; subject to change.

revenue bonds of Columbus hereafter issued on a parity basis with the Parity Bonds (as defined below under “**The Existing Parity Bonds**”). See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS.”

THE SERIES 2026 BONDS DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF COLUMBUS OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF COLUMBUS. NO GOVERNMENTAL ENTITY, INCLUDING COLUMBUS, IS OBLIGATED TO LEVY ANY TAX FOR THE PAYMENT OF THE SERIES 2026 BONDS. NO RECOURSE MAY BE HAD AGAINST THE GENERAL FUND OF COLUMBUS FOR THE PAYMENT OF THE SERIES 2026 BONDS.

The Existing Parity Bonds

The Series 2026 Bonds will be equally and ratably secured on a parity basis with the following Existing Parity Bonds as of June 25, 2025 (before issuance of the Series 2026 Bonds) issued by Columbus pursuant to the Indenture (together with the Series 2026 Bonds, the “**Parity Bonds**”):

<u>Existing Parity Bonds</u>	<u>Original Principal Amount</u>	<u>Outstanding Principal Amount</u>
Series 2013A	\$53,725,000	\$7,495,000
Series 2014A	32,995,000	4,760,000
Series 2016	57,855,000	37,065,000
Series 2019	50,670,000	<u>48,115,000</u>
Total		\$97,435,000

A portion of the outstanding principal amount of the Series 2014 Bonds and the Series 2016 Bonds is expected to be refunded with proceeds of the Series 2026 Bonds, as described under “PLAN OF FINANCING – Refunding Plan.”

Description of the Series 2026 Bonds*

*Redemption Prior to Maturity**. The Series 2026 Bonds are subject to optional and extraordinary optional redemption prior to maturity. For more complete information, see “DESCRIPTION OF THE SERIES 2026 BONDS – Redemption*” herein.

Denominations. The Series 2026 Bonds are issuable in denominations of \$5,000 and integral multiples thereof.

Book-Entry Bonds. Each of the Series 2026 Bonds will be issued as fully registered certificates in the denomination of one certificate per aggregate principal amount of the stated maturity thereof, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“**DTC**”), New York, New York, an automated depository for securities and clearing house for securities transactions, which will act as securities depository for the Series 2026 Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2026 Bonds purchased. Purchases of beneficial interests in the Series 2026 Bonds will be made in book-entry only form (without certificates), in authorized denominations, and, under certain circumstances as more fully described in this Official Statement, such beneficial interests are exchangeable for one or more fully registered certificates of like principal amount and maturity in authorized denominations. For more complete information, see APPENDIX F “BOOK-ENTRY SYSTEM OF REGISTRATION” herein.

Payments. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2026 Bonds, payments of the principal of, premium, if any, and interest on the Series 2026 Bonds will be made directly to Cede & Co., which will remit such payments to the DTC participants, which will in turn remit such payments to the beneficial owners of the Series 2026 Bonds.

For a more complete description of the Series 2026 Bonds, see “DESCRIPTION OF THE SERIES 2026 BONDS” herein.

Tax Exemption

In the opinion of Bond Counsel, under existing law, and assuming continued compliance by Columbus with certain covenants, interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation. See APPENDIX D hereto

for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2026 Bonds. For more complete discussion of such opinion and certain other tax consequences of owning the Series 2026 Bonds, including certain exceptions to the exclusion of the interest on the Series 2026 Bonds from gross income, see “FEDERAL TAX MATTERS” herein.

Professionals Involved in the Offering

Certain legal matters pertaining to Columbus and its authorization and issuance of the Series 2026 Bonds are subject to the approving opinion of Butler Snow LLP, Atlanta and Macon, Georgia, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Series 2026 Bonds, and a copy of the proposed form of such opinion is attached hereto as APPENDIX D. Certain legal matters will be passed on for Columbus by its special counsel and counsel to the Board of Water Commissioners, Page, Scrantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia, and by its disclosure counsel, Butler Snow LLP, Atlanta and Macon, Georgia. Certain matters will be passed on for the Underwriter by its counsel, Pope Flynn, LLC, Athens, Georgia. The financial statements of the Columbus Water Works as of June 25, 2025, and June 25, 2024, attached hereto as part of APPENDIX B, have been audited by Robinson, Grimes & Company, P.C., Columbus, Georgia, Certified Public Accountants. Raftelis Financial Consultants, Inc., has prepared a Financial Feasibility Evaluation relating to the System and the issuance of the Series 2026 Bonds, which is attached hereto as APPENDIX G. See “PROFESSIONALS INVOLVED IN THE OFFERING” herein.

Authority for Issuance

The Series 2026 Bonds are to be issued under authority of the Revenue Bond Law (Ga. Code Ann. Section 36-82-60 *et seq.*, as amended), the Charter of Columbus, and pursuant to a Trust Indenture, dated as of February 1, 2012 (the “**Original Indenture**”), by and between Columbus and U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”), as supplemented from time to time, including by the Seventh Supplemental Trust Indenture, dated as of the first day of the month in which the Series 2026 Bonds are issued (the “**Seventh Supplemental Trust Indenture**” and the Original Indenture as so supplemented, the “**Indenture**”), by and between Columbus and the Trustee.

Offering and Delivery of the Series 2026 Bonds

The Series 2026 Bonds are offered when, as, and if issued by Columbus and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice. The Series 2026 Bonds in definitive form are expected to be delivered to The Depository Trust Company in New York, New York on or about April __, 2026.

Continuing Disclosure

Columbus, as issuer of the Series 2026 Bonds, and the Board of Water Commissioners, as operator of the System, will enter into a Continuing Disclosure Agreement (the “**Disclosure Agreement**”) for the benefit of the holders of the Series 2026 Bonds in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the “**Rule**”). Pursuant to the Disclosure Agreement, the Board of Water Commissioners will be responsible for filing annual financial information and operating data relating to the System and notices of certain enumerated events as required by Rule 15c2-12. The Disclosure Agreement does not require the filing of financial information relating to the general governmental operations or taxing power of Columbus. See “CONTINUING DISCLOSURE” herein.

Other Information

The information contained in this Official Statement does not purport to be complete or definitive. All references herein to, or summaries of, the Indenture or of any resolutions, ordinances or other documents or official acts are qualified in their entirety by the exact terms of such documents or official acts, copies of which are available from Columbus or the Board of Water Commissioners. All references herein to, or summaries of, the Series 2026 Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Indenture.

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PLAN OF FINANCING

Sources and Uses of Funds*

Sources of Funds

Series 2026 Bond Proceeds:	
Par Amount of Series 2026 Bonds	\$136,275,000.00
Net Original Issue Premium (Discount)	\$ _____
Series 2014A Bonds Sinking Fund Accruals	\$ _____
Series 2016 Bonds Sinking Fund Accruals	\$ _____
Total Sources of Funds	\$ _____ .00

Uses of Funds

Refunding of Series 2014A Bonds	\$ _____
Refunding of Series 2016 Bonds	\$ _____
Costs of the Series 2026 Project	\$ _____
Issuance Expenses ¹	\$ _____
Total Uses of Funds	\$ _____ .00

¹ Includes legal fees, underwriters' discount, rating fees, printing costs, validation court costs and certain other costs of issuing the Series 2026 Bonds.

Refunding Plan

The Series 2014A Bonds and the Series 2016 Bonds were issued pursuant to the Original Indenture, as supplemented by various supplemental indentures. The Series 2014A Bonds are currently outstanding in the aggregate principal amount of \$4,760,000, and the Series 2016 Bonds are currently outstanding in the aggregate principal amount of \$37,065,000. A portion of the proceeds of the Series 2026 Bonds will be used to refund a portion of the outstanding Series 2014A Bonds and a portion of the outstanding Series 2016 Bonds (collectively, the “**Refunded Bonds**”). Following the refunding described herein, \$1,510,000 of the Series 2014A Bonds and \$2,610,000 of the Series 2016 Bonds will remain outstanding.

Proceeds of the Series 2026 Bonds, together with certain available funds of Columbus, including amounts held in the applicable sinking fund subaccounts, will be irrevocably deposited with U.S. Bank Trust Company, National Association, as escrow agent (the “**Escrow Agent**”), pursuant to an Escrow Deposit Agreement to be dated as of the date of issuance of the Series 2026 Bonds (the “**Escrow Deposit Agreement**”), between Columbus and the Escrow Agent. Amounts held in the applicable sinking fund subaccounts will first be applied to the payment of principal of and interest on the Series 2014A Bonds and the Series 2016 Bonds due on May 1, 2026, and the remaining balances, if any, will be applied to the refunding and deposited into the Escrow Deposit Fund. Such moneys will be used to provide for the payment of the principal of and interest on the Refunded Bonds on their respective redemption dates. The Refunded Bonds are expected to be redeemed on or about May 2, 2026.

The Refunded Bonds will be redeemed on their respective earliest optional redemption dates, and upon the deposit of funds with the Escrow Agent in an amount sufficient to pay the redemption price of and interest on the Refunded Bonds to such redemption dates, the Refunded Bonds will be deemed defeased and no longer outstanding under the Indenture. Columbus’s obligations with respect to the Refunded Bonds will thereafter be limited to the application of funds held by the Escrow Agent for such purpose.

Description of the 2026 Project

A portion of the proceeds of the Series 2026 Bonds will be deposited into the 2026 Project Fund Account created pursuant to the Indenture and will be used by Columbus to finance the costs of the 2026 Project. For a further description of the 2026 Project, see APPENDIX G.

Columbus has commenced a preliminary analysis of the projects described below and intends to use a portion of the proceeds of the Series 2026 Bonds to fund the following projects, as set forth in the following table below.

Columbus has developed a preliminary scope of work, estimated construction costs, and preliminary projects budgets for the projects described below, which budgets include, among other things, design costs, fixtures, equipment, and appurtenances, as well as contingency allowances.

<u>Capital Improvement Project</u>	<u>Estimated Project Budget</u>
North Columbus Water Resource Facility	
PFAS Reduction Modifications	\$80,000,000
Raw Water Intake and Pump Station Study and Improvements	4,000,000
Raw Water Manifold Upgrades	2,500,000
Structural Assessment and Improvement Program	1,000,000
Residuals and Biosolids Market Study and Master Plan	175,000
Lake Oliver	
Upsize Project	925,000
Lift Station Basin Evaluation	580,000
Miscellaneous Projects	
Bull Creek 54-Inch Gravity Truck Sewer, Phase II	15,500,000
GDOT Highway Relocation Projects	2,000,000
Tank Rehabilitation	1,500,000
Cybersecurity IT Improvements	<u>1,000,000</u>
Total	<u>\$109,180,000</u>

DESCRIPTION OF THE SERIES 2026 BONDS

Terms, Registration and Transfer

The Series 2026 Bonds as originally issued shall be dated their date of issuance and delivery. Each Series 2026 Bond issued in exchange for a Series 2026 Bond as originally issued or upon registration or transfer thereof shall be dated the date of its exchange or registration or transfer.

The Series 2026 Bonds will be issued in book-entry form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). (See APPENDIX F “BOOK-ENTRY SYSTEM OF REGISTRATION”). The Series 2026 Bonds will be issued initially as one registered bond for each interest rate and maturity, registered to Cede & Co. Beneficial interests in such Series 2026 Bonds will be available to be purchased in denominations of \$5,000 or any integral multiple thereof.

The Series 2026 Bonds shall bear interest, payable semi-annually on May 1 and November 1 (each an “Interest Payment Date”) of each year, commencing on November 1, 2026, from the Interest Payment Date next preceding the date of authentication of such Series 2026 Bond to which interest on the Series 2026 Bonds has been paid, unless the date of authentication of such Series 2026 Bond is an Interest Payment Date to which interest has been paid, in which case from the date of such Series 2026 Bond, or unless no interest has been paid on the Series 2026 Bonds, in which case from the date of such Series 2026 Bond, or unless such Series 2026 Bond is authenticated after the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (each such date, a “Record Date”) and before the related Interest Payment Date, in which case from such Interest Payment Date.

The person in whose name any Series 2026 Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding any registration of transfer or exchange subsequent to such Record Date and prior to such Interest Payment Date.

Subject to the provisions of the Indenture relating to the registration of transfer of ownership of Series 2026 Bonds held in the Book-Entry System, Series 2026 Bonds may be registered as transferred on the books of registration kept by the Trustee by the holder in person or by his duly authorized attorney or legal representative, upon surrender thereof, together with a written instrument of transfer executed by the holder or his duly authorized attorney or legal representative. Upon surrender for registration of transfer of any Series 2026 Bond with all partial redemptions endorsed thereon at the principal office of the Trustee, Columbus will execute and the Trustee will authenticate and deliver in the name of the transferee or transferees a new Series 2026 Bond or Bonds of the same maturity, interest rate, aggregate principal amount and tenor and in denominations of \$5,000 or any integral multiple thereof and numbered consecutively in order of issuance according to the records of the Trustee. Such registrations of transfer or exchanges of Series 2026 Bonds shall be without charge to the holders of such Series 2026 Bonds, but any taxes, other governmental charges or related fees required to be paid with respect to the same shall be paid by the holder of the

Series 2026 Bond requesting such registration of transfer or exchange as a condition precedent to the exercise of such privilege.

In the event any Series 2026 Bond is mutilated, lost, stolen or destroyed, Columbus will cause to be executed, and the Trustee will authenticate and deliver, a new Series 2026 Bond of like tenor, date, maturity, interest rate and denomination and bearing the same number as that mutilated, lost, stolen, or destroyed; provided that, in the case of any mutilated Series 2026 Bond, such mutilated Series 2026 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2026 Bond, there shall be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee and Columbus, together with indemnities satisfactory to them. Upon the issuance of any Series 2026 Bond pursuant to the provisions of this paragraph, Columbus and the Trustee may require the payment by the Bondholder requesting such replacement of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

The preceding two paragraphs are subject to the book-entry provisions applicable to the Series 2026 Bonds described below in APPENDIX F “BOOK-ENTRY SYSTEM OF REGISTRATION.”

Redemption*

*Optional Redemption Prior to Maturity.** The Series 2026 Bonds maturing on and after May 1, 2037 (including the Term Bonds) are subject to optional redemption prior to maturity, in whole or in part, on any date on or after May 1, 2036, at a redemption price of par plus accrued interest to the date of redemption.

*Mandatory Sinking Fund Redemption.** The Series 2026 Bonds maturing on May 1, 2051 and May 1, 2056 (the “**Term Bonds**”) are subject to mandatory sinking fund redemption prior to maturity, in part, on May 1 of the years and in the principal amounts set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, without premium:

\$22,605,000 _____ % Term Bonds Due May 1, 2051

<u>May 1</u>	<u>Principal Amount</u>
2047	\$4,090,000
2048	4,295,000
2049	4,510,000
2050	4,735,000
2051†	4,975,000

† Final maturity.

\$28,850,000 _____ % Term Bonds Due May 1, 2056

<u>May 1</u>	<u>Principal Amount</u>
2052	\$5,220,000
2053	5,485,000
2054	5,755,000
2055	6,045,000
2056†	6,345,000

† Final maturity.

If fewer than all of the Term Bonds of a stated maturity are to be redeemed pursuant to mandatory sinking fund redemption, the particular Term Bonds or portions thereof to be redeemed shall be selected by the Trustee in accordance with the Indenture.

Extraordinary Optional Redemption. The Series 2026 Bonds are subject to extraordinary optional redemption prior to maturity, at the option of Columbus, in whole or in part at any time, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date as a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final direction, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by Columbus in good faith, the Indenture becomes void or unenforceable or impossible of performance.

Redemption Procedures and Redemption Notice

In case any Series 2026 Bond shall be redeemed in part only, upon the surrender of such Series 2026 Bond for partial redemption, the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the owner thereof a Series 2026 Bond or Bonds in any authorized denominations, for the unredeemed portion of such partially-redeemed certificate. Any Series 2026 Bond, a portion of which has been redeemed as contemplated by the Indenture, shall be considered to be outstanding only in an amount reduced by the portion thereof so redeemed whether or not it has been surrendered as aforesaid.

Notice of redemption shall be given by the Trustee to the owners of the Series 2026 Bonds to be redeemed by first class mail, postage prepaid, mailed not less than 20 days prior to the redemption date at the addresses appearing in the registration books maintained by the Trustee. Such notice may state any conditions to the redemption of the Series 2026 Bonds. Columbus and the Trustee may agree as to any additional or other means of giving notices of redemption with respect to the Series 2026 Bonds. Provided that notice is mailed as provided in this Section, neither failure of any owner of a Series 2026 Bond to receive such notice, nor any defect therein, shall affect the validity of the proceedings to redeem any Series 2026 Bond as to which proper notice was mailed.

Notice having been given in the manner and under the conditions described above, and moneys for the payment of the redemption price being held by the Trustee, and all conditions to such redemption having been satisfied, the Series 2026 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable on such date, interest on the Series 2026 Bonds so called for redemption shall cease to accrue, such Series 2026 Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and the owners of such Series 2026 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof from such moneys.

Book-Entry System of Registration

The Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond for each maturity of the Bonds, as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity coming due thereon, will be registered in the name of Cede & Co., as nominee for DTC. See APPENDIX F "BOOK-ENTRY ONLY SYSTEM OF REGISTRATION."

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

Neither Columbus nor the Bond Registrar and Paying Agent will have any responsibility or obligation to DTC's Direct Participants or Indirect Participants (each as defined in APPENDIX F), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the Bonds as further described in APPENDIX F to this Official Statement.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS

Limited Obligations

THE SERIES 2026 BONDS ARE LIMITED OBLIGATIONS OF COLUMBUS PAYABLE SOLELY FROM THE NET REVENUES OF THE SYSTEM. THE SERIES 2026 BONDS DO NOT AND WILL NOT CONSTITUTE A DEBT WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION OR RESTRICTION OR A GENERAL OBLIGATION OF COLUMBUS OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF COLUMBUS. NO GOVERNMENTAL ENTITY, INCLUDING COLUMBUS, IS OBLIGATED TO LEVY ANY TAX FOR THE PAYMENT OF THE SERIES 2026 BONDS.

NO RECOURSE MAY BE HAD AGAINST THE GENERAL FUND OR ANY OTHER PROPERTY OF COLUMBUS FOR THE PAYMENT OF THE SERIES 2026 BONDS.

Provisions of the Indenture relating to 1985 Ordinance Bonds

The Indenture contains provisions relating to the payment of, and the establishment and replenishment of reserves for, bonds issued under an Ordinance adopted by Columbus on May 17, 1985 (the “**1985 Ordinance**”). Because there are no longer any bonds outstanding under the 1985 Ordinance and the Issuer has abrogated its right to issue any other bonds under the 1985 Ordinance, the provisions of the Indenture relating to bonds issued under the 1985 Ordinance are not summarized.

Pledge of Net Revenues

The Parity Bonds will be payable solely from and secured by a lien on and pledge of the Net Revenues derived by Columbus from its ownership of the System. As used in this Official Statement, the term “Net Revenues” means the revenues of the System remaining after the payment therefrom of the reasonable and necessary costs of operating, maintaining, and repairing the System, including salaries, wages and employee benefits and other compensation, the payment of any contractual obligations incurred pertaining to the operation of the System, costs of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees and such other charges as may be properly be made for the purpose of operating, maintaining and repairing the System in accordance with sound business practice, but before making provision for depreciation and amortization.

Pursuant to the Indenture, Columbus is required to deposit all revenues derived from the System into the Revenue Fund created under the Indenture. After payment of the reasonable and necessary expenses (other than depreciation and amortization) of operating, maintaining, and repairing the System, Columbus shall make the following payments and deposits in the following order:

- (i) pay amounts for the purpose of paying the principal or purchase price of and interest on the Parity Bonds and any other parity obligations issued under the Indenture coming due in the then current Sinking Fund Year (whether by maturity, scheduled mandatory redemption or otherwise), at the times and in the amounts designated in the Indenture,
- (ii) next, pay any moneys owed to the provider of any Credit or Liquidity Facility,
- (iii) next, pay an amount equal to six percent (6%) of the net metered charges collected from customers of the System (to the extent there are not sufficient moneys in the Revenue Fund to make such monthly payment in full, such deficiency shall be added to the next monthly payment) to be deposited into the Participation Fund created under the Indenture, and
- (iv) next, pay an amount not to exceed \$30,000 per month into the Renewal and Extension Fund created under the Indenture until there is \$360,000 (cash plus fair market value of Permitted Investments, tested as of the first day of each Sinking Fund Year), and thereafter at the same rate (or such lesser amount as may be required) to replace the moneys withdrawn or decreases in the market value of the Permitted Investments (it is expressly provided in the Indenture, however, that should any Subordinate Obligations (as defined in the Indenture) be issued hereafter ranking as to lien on the Net Revenues of the System equal with or junior and subordinate to the lien securing the payment of Obligations (as defined in the Indenture) issued under the Indenture, then such payments into the Renewal and Extension Fund as provided in the Indenture may be suspended and such moneys shall be available to the extent necessary to pay the principal of and interest on such Subordinate Obligation and the creation and maintenance of a reasonable reserve therefor (if any)).

After there have been paid from the Revenue Fund in each Sinking Fund Year all amounts hereinabove required to be paid, the remaining monies not used for such purposes may be withdrawn and used for any lawful use of the System.

Rate Covenant

The Board of Water Commissioners has covenanted to prescribe and place into effect a schedule of rates, fees and charges for the System that will produce funds sufficient in each fiscal year to (a) operate, maintain, and repair the System on a sound, businesslike basis, and (b) maintain the Sinking Fund created pursuant to the Indenture,

together with any reserve or other special accounts created in such Sinking Funds, as provided in the Indenture in the amount required to discharge the payment of the principal of and the interest on the Obligations issued under the Indenture as the same become due and payable in the then current sinking fund year and to fully fund and maintain any such reserve or other special accounts created therein.

In addition, in any event, Columbus will be required at all times to have in effect a schedule of rates, tolls, fees, and charges for the System sufficient to produce Net Revenues at least equal to 1.20 times the Principal and Interest Requirement. See “Rate Covenant” in APPENDIX C attached hereto.

Additional Indebtedness

Pursuant to the Indenture, Columbus may issue Additional Indebtedness (as defined in the Indenture) ranking on a parity with the Parity Bonds as to the lien on the Net Revenues of the System, provided that several conditions are met, including the provision of the following: (a) a certificate from an independent certified public accountant, or firm thereof, to Columbus to the effect that the payments covenanted to be made into the Sinking Fund created under the Indenture, and any reserve or other special accounts within each Sinking Fund, are currently being made in the full amount as required and such accounts are at their proper balances and (b) a certificate from an independent certified public accountant, or firm thereof, to Columbus to the effect that (i) the Net Revenues of the System for a period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligation have been equal to at least 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Bonds then outstanding and on the Obligations proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation); or (ii) if a new schedule of rates, fees, and charges for the services, facilities, and commodities furnished by the System shall have been adopted, that had such new rate schedule been in effect during the period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligation, the Net Revenues of the System would have at least equaled 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Obligations then outstanding and on the Parity Bonds proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation). An adjustment may be made to the definition of Net Revenues in computing the aforesaid coverage test by adding an amount to such definition (i) equal to 80% of additional, new net revenues of the System estimated to be received from connections to the System in the third fiscal year after delivery of the Obligation proposed to be issued, certified in writing by Columbus’ consulting engineers to the extent that such new net revenues of the System are not otherwise taken into account, or (ii) equal to 100% of the estimated net revenues, as certified by the independent certified public accountant or consulting engineers, to be received from a system to be acquired with the proceeds of such Obligation.

Obligations in an amount not to exceed ten percent (10%) of the aggregate principal amount of any series of Bonds issued to finance the costs of any capital project may be issued to provide funds to complete the construction of such capital project, without regard to the requirements of the paragraph above. Obligations may be issued to refund Outstanding Obligations without regard to the requirements of the paragraph above, if the Debt Service Requirement on all Outstanding Obligations immediately following such refunding, for any Sinking Fund Year to and including the Sinking Fund Year of the final maturity of Outstanding Obligations prior to such refunding, will not, as a result of such refunding, exceed the Debt Service Requirement for any such Sinking Fund Year had such refunding not occurred. In the alternative, the requirements of the paragraph above shall be applied to the Obligations to be issued to refund Outstanding Obligations, in lieu of the application thereof to the Outstanding Obligations proposed to be refunded.

Pursuant to the Indenture, except where Obligations are to be issued solely for the purpose of refunding other Obligations, an engineering report by an Engineering Consultant (as defined in the Indenture) employed by Columbus, or by the Board of Water Commissioners acting on behalf of the Columbus, recommending the additions, extensions, and improvements to be made to the System, designating in reasonable detail the work and installations proposed to be done and the estimated cost of accomplishing such undertaking is also required in order for Columbus to issue Additional Indebtedness.

Debt Service Reserve

As of the date hereof there is no Debt Service Reserve Fund required or established with respect to the Series 2026 Bonds. A Debt Service Reserve Fund may be, but is not required to be, established within the Sinking Fund in

connection with the issuance of any series of Bonds issued under the Indenture or under any indenture supplemental thereto.

THE WATER AND SEWERAGE SYSTEM

Administration - Board of Water Commissioners

Operation and management of the System is under the jurisdiction of the Board of Water Commissioners, which consists of five members including the Mayor of Columbus serving as an ex officio member and four members appointed by the Council of Columbus to serve up to two, four-year staggered terms. Day-to-day operations are supervised by Jeremy Cummings, President of the Columbus Water Works.

The Commissioners now in office are listed as follows:

<u>Name</u>	<u>Principal Occupation</u>	<u>Term Expires</u>
Nick Smith, Chair Partial Term 01/01/2023	Smith Companies/Owner	December 31, 2026
Jennifer Upshaw, Vice Chair First Term 01/01/2024	Pinnacle Financial Advisors / Chief Administrative Officer	December 31, 2027
Oz Roberts First Term 01/01/2025	Aflac Historian	December 31, 2028
Brooks Yancey First Term 01/01/2026	D & D Foods, Inc./ Owner	December 31, 2029
Honorable Mayor Skip Henderson, III Ex officio Member First Term 01/01/2023	Mayor of Columbus	--

The Board of Water Commissioners was created pursuant to legislative authority granted originally in 1902 and reaffirmed by the ratification in 1971 of the Charter of the Consolidated Government of Columbus. It is responsible for the supervision and control of building, construction, operation and management of the water works system and all water and sewerage utilities in Columbus, charged with exclusive jurisdiction, control and management of all water and sewerage facilities with powers, including but not limited to, the power to establish and charge reasonable rates, to combine and operate water and sewerage systems as one revenue producing undertaking, and to charge separately or collectively for such services.

The Columbus Water Works employed 286 persons as of January 2026. Employee staffing was established and approved for 301 positions.

The Executive Vice President, Gard Victor “Vic” Burchfield, is expected to retire in April 2026. The Board of Water Commissioners does not anticipate that this transition will have a material adverse effect on the operations or financial condition of the System.

Facilities

Water Supply and Distribution - Water is obtained from the Chattahoochee River (Lake Oliver Reservoir). The total supply available is believed to be adequate for projected requirements. Raw water is pumped a short distance to the Columbus Water Treatment Plant situated approximately three miles from downtown Columbus. The distribution system is comprised of 6,334,901 feet of pipe in Columbus and 1,396,131 feet of pipe in Fort Benning. The present capacity of the filter plant(s) is 98 million gallons per day (“MGD”) for Columbus and Fort Benning. During the twelve months ended June 25, 2025, the average daily consumption was 33.71MGD for Columbus and 2.28 MGD for Fort Benning, and the maximum day’s filtration was 47.98 MGD for Columbus and 3.15 MGD for Fort Benning.

The capacity of various components of the water system is as follows:

Intakes	90.00 MGD	Clearwells	13.50 MGD
Raw Water Pumps	90.00 MGD	High Service Pumps	40.00 MGD

Raw Water Mains	90.00 MGD	N. Columbus Pumps	25.90 MGD
Raw Water Storage	8.00 MGD	High Service Storage	11.50 MGD
N. Columbus Filtration	47.98 MGD	N. Columbus Storage	4.00 MGD
Fort Benning Filtration	3.15 MGD	Fort Benning Storage	5.75 MGD

As of June 25, 2025, the water distribution system served 73,230 active customer accounts. The System also provides supplemental wholesale water supply to Harris County and Talbot County and provides water and wastewater service to Fort Benning pursuant to a long-term contract. During the twelve months ended June 25, 2025, 226 new services were installed, compared with 262 new services added during the corresponding period in the previous year. The System serves an area which includes all of the territory within the former limits of the City of Columbus and adjacent urban areas. The consolidation of the City of Columbus and Muscogee County, which was accomplished January 1, 1971, caused no change in the service area responsibilities of the Columbus Water Works because all facilities of Muscogee County were acquired or merged into the city’s system in 1956.

Effective October 1, 2004, Columbus Water Works and Fort Benning entered into a fifty-year contract in which Columbus Water Works provides Fort Benning with water and wastewater services (the “**Fort Benning Contract**”). Under the Fort Benning Contract, Columbus Water Works initially operated the existing Fort Benning facilities and has since connected Fort Benning users onto its system. Columbus Water Works spent about \$16 million in the first three years on capital improvements to the Fort Benning system, most of which is 40 years old or older. The Fort Benning Contract allows Columbus Water Works to utilize some of its excess plant capacity, generating additional revenue and allows Fort Benning to reduce its cost of providing those services. Under the Fort Benning Contract, Columbus Water Works agreed to provide Fort Benning with drinking water in the maximum amount of 16 MGD and wastewater service in the maximum amount of 6 MGD. As a result of increased infrastructure at Fort Benning, however, Fort Benning will require an increase in capacity for water and sewage use. Therefore, on December 5, 2008, Fort Benning and Columbus Water Works entered into a Modification of Contract whereby Columbus Water Works agreed to provide Fort Benning with drinking water in the maximum amount of 22 MGD and wastewater service in the amount of 12.2 MGD. To the extent that additional capacity becomes necessary, Fort Benning has agreed to fund any capital improvements needed to satisfy such increased capacity.

The System currently provides water and sewer services to Harris County and Talbot County pursuant to contractual arrangements. The System may also provide water and/or sewer services to Phenix City, Alabama on an as-needed basis pursuant to an informal understanding between the parties. Phenix City is not obligated to utilize the System’s services, and any such services are provided only upon request.

Source Water and Climate Considerations. The System relies primarily on surface water sources, including the Chattahoochee River and the Lake Oliver Reservoir, for its water supply. The availability and quality of such sources may be affected by weather patterns, drought conditions, flooding events, or other extreme weather or climatic conditions.

While the System has historically maintained adequate water supply and treatment capacity, prolonged droughts, increased rainfall intensity, or other climatic events could increase treatment costs, require operational adjustments, or necessitate additional capital improvements. The extent to which such conditions may occur or impact the System cannot be predicted.

Interstate Water Allocation Matters. The System’s primary source of raw water is the Chattahoochee River, which is part of the Apalachicola–Chattahoochee–Flint River Basin (the “**ACF Basin**”), a multi-state river basin shared by the States of Georgia, Alabama, and Florida. For several decades, water allocation and reservoir operations within the ACF Basin have been the subject of interstate disputes and litigation involving the three states and the United States Army Corps of Engineers (the “**Corps**”), which operates certain federal reservoirs within the basin.

In 2021, the Supreme Court of the United States issued its decision in *Florida v. Georgia*, denying Florida’s request for an equitable apportionment decree that would have restricted certain upstream water uses in Georgia. In addition, the Corps has adopted water control manuals governing the operation of federal reservoirs within the ACF Basin. The System currently operates under applicable state and federal permits and regulatory requirements, and, as of the date of this Official Statement, Columbus is not subject to any material restrictions on its withdrawals from the Chattahoochee River that adversely affect the operation of the System.

Future actions by federal or state authorities, changes in reservoir operations by the Corps, renewed interstate disputes, environmental litigation, or modifications to applicable permits or regulations could affect the availability,

timing, or cost of water supply from the Chattahoochee River. The extent and likelihood of any such actions or their potential impact on the System cannot be predicted at this time.

Sewerage System - Columbus Water Works operates a sewer system that provides service to 61,610 active sewer accounts within Columbus. The system has one pollution control facility, South Columbus Water Resources Facility (“**SCWRF**”), which provides secondary treatment. The treatment design capacity of the SCWRF is 42 MGD per day, but flow is not a condition of the National Pollutant Discharge Elimination System (NPDES) permit. The capacity of the treatment plant is therefore determined by the mass quantities of total suspended solids (TSS) and carbonaceous biochemical oxygen (CBOD) demand in the effluent discharge. The average daily flow for the twelve months ending June 25, 2025, was 37.5 MGD.

In addition to SCWRF, the System operates and maintains two Combined Sewer Treatment System (CSS) treatment facilities with a maximum combined treatment capacity of 121 MGD. The system has 42 sewer lift stations in Columbus and 44 sewer lift stations in Fort Benning. The sewage collection system is comprised of 5,538,462 feet of pipe in Columbus and 877,557 feet of pipe in Fort Benning ranging in size from 6 inches to 96 inches. The total treated final effluent flow for the twelve months ending June 25, 2025, was 14.97 billion gallons.

All of the water and sewerage facilities are reported to be in good condition. Service availability has not been restricted by inadequate facilities, nor has expansion been limited by any regulatory agency.

South Columbus Water Resource Facility and Long-Term Wastewater Improvements. As noted above, SCWRF has a hydraulic design capacity of 42 MGD, and, for the twelve months ended June 25, 2025, the average daily flow was approximately 37.5 MGD, representing approximately 89.9% of design capacity. Although SCWRF remains in compliance with its current permits, Columbus Water Works has determined that the existing facility is not sufficient to accommodate projected long-term growth, evolving regulatory requirements, and anticipated nutrient removal standards without significant capital improvements.

On November 18, 2025, the Georgia Environmental Protection Division issued a waste load allocation transmittal establishing nutrient removal levels that cannot be achieved by the existing facility without substantial upgrades. In addition, recent federal regulations addressing per- and polyfluoroalkyl substances (“**PFAS**”) may require additional treatment modifications within the System.

In response to these operational and regulatory considerations, the Board of Water Commissioners has adopted a long-term capital plan that contemplates the replacement of SCWRF with a new wastewater treatment plant, together with related facilities and appurtenances (the “**New WWTP Project**”). Preliminary planning-level cost estimates for the New WWTP Project are approximately \$650,000,000 (based on current engineering and planning assumptions).

The New WWTP Project is expected to be undertaken in multiple phases over a number of years and financed through a combination of additional indebtedness, available funds, and other potential sources. The timing, amount, and issuance of any Additional Indebtedness will be subject to satisfaction of the coverage and other requirements of the Indenture, approval by the Board of Water Commissioners, regulatory considerations, market conditions, and the System’s capital needs at the time of issuance. Depending on the scope, timing, and financing structure ultimately adopted, the New WWTP Project and other components of the long-term capital improvement program could result in increased leverage and lower debt service coverage levels relative to historical performance. **No assurance can be given as to the final scope, cost, timing, or financing structure of the New WWTP Project.**

The financing of the New WWTP Project may require future adjustments to rates and charges, subject to approval by the Board of Water Commissioners. No bonds have been authorized for the New WWTP Project as of the date of this Official Statement.

As of the date of this Official Statement, no regulatory authority has imposed a deadline requiring completion of the New WWTP Project, or any specified portion thereof, by a specific date.

PFAS Regulatory Matters. Notwithstanding the current condition and capacity of the System’s facilities, regulatory requirements applicable to drinking water treatment continue to evolve. Federal and state drinking water regulations applicable to PFAS have evolved in recent years and may continue to change. In April 2024, the United States Environmental Protection Agency finalized maximum contaminant levels for certain PFAS compounds in public drinking water systems, which may require additional monitoring, treatment, or capital investment beyond that currently planned.

The Series 2026 Bonds are being issued, in part, to finance additions, extensions, and improvements to the System, and refunding all or a portion of the Series 2014A Bonds and the Series 2016 Bonds, will benefit the Issuer by improving the System and reducing the cost of its indebtedness. However, there can be no assurance that future regulatory developments, changes in applicable standards, or additional guidance from regulatory authorities will not require further capital expenditures or increased operating costs. Any such requirements could necessitate the issuance of additional indebtedness, adjustments to rates, or the reallocation of System resources.

Columbus Water Works believes that the 2026 Project is expected to address certain aspects of its current PFAS compliance strategy, although future regulatory developments may require additional actions.

Cybersecurity and Operational Technology Risks. The System's operations depend on information technology systems and operational technology, including supervisory control and data acquisition ("SCADA") systems, billing systems, and other computerized controls used in water and wastewater treatment and distribution. These systems may be subject to cybersecurity incidents, data breaches, or other disruptions resulting from malicious attacks, human error, or system failures.

In the past five years, Columbus Water Works has experienced three cybersecurity incidents, none of which resulted in extortion demands, data breaches, or operational system impacts. One incident in 2025 resulted in an insurance deductible expense of approximately \$60,000. Management believes these incidents were appropriately remediated and have not had a material adverse effect on the System. Columbus Water Works maintains cybersecurity insurance coverage consistent with industry practice, subject to policy limits and deductibles.

Although Columbus Water Works has implemented security measures and operational safeguards, no assurance can be given that such measures will prevent all cybersecurity incidents. Any successful attack or system disruption could result in operational interruptions, increased costs, regulatory scrutiny, or reputational harm, which could adversely affect the System's operations and financial condition.

Insurance. Columbus Water Works maintains property, casualty, liability, and other insurance coverage that management believes is customary and appropriate for the operation of its water and sewerage facilities, subject to applicable deductibles, exclusions, and policy limits. Insurance coverage levels are periodically reviewed in light of operational risks, replacement values, and capital improvements. In connection with the PFAS-related improvements and the planned wastewater treatment plant project, Columbus Water Works anticipates increasing certain property and builder's risk coverage to reflect the additional capital assets under construction. No assurance can be given that insurance proceeds would be sufficient to cover all losses in the event of a significant casualty or other insured event.

Rates for Water and Sanitary Sewer Service

Rates are subject to change by the Board of Water Commissioners, following a public hearing and subsequent Board approval. Since 2002, Raftelis Financial Consultants, Inc., Charlotte, North Carolina has been engaged in a project with Columbus Water Works to conduct and update a cost-of-service rate study for the water and wastewater utilities. The purpose of this study is to review current water and wastewater rates, charges, and fees, and to develop recommendations for potential changes to the rate structure and/or level of rates. The objectives for these recommendations are to ensure that water and wastewater rates are equitable, consistent with the cost of providing utility services and provide sufficient revenues to address the long-term operation and financial needs of Columbus Water Works. Pursuant to the recommendations of this rate study, Columbus Water Works adopted a series of annual rate increases that were implemented during fiscal years 2003 through 2026. Historical projected rate increases associated with prior financial plans have generally met projections. Projected rate increases over the next five years are generally consistent with the national average of historical increases, with Columbus Water Works having one of the lowest rates in the southeast cities. Annually, Raftelis Financial Consultants, Inc. will continue to update its cost-of-service rate study for Columbus Water Works and to develop recommendations for potential adjustments to the future rate structure and/or level of rates.

Columbus Water Works has approved a 4.95% system-wide rate increase applicable across all customer classes and major rate components, adopted on December 8, 2025, which became effective as of January 1, 2026. Rates are shown below. The financial feasibility evaluation included as APPENDIX G assumes annual system-wide rate adjustments of approximately 4.95% through fiscal year 2030; however, future rate adjustments remain subject to approval by the Board of Water Commissioners based on updated financial conditions, capital needs, and regulatory developments.

Columbus Water Works maintains a Regulatory Compliance Fee as a fixed monthly charge that supports investments necessary to meet federal and state regulatory requirements. The fee is intended to fund system upgrades and treatment enhancements associated with evolving standards, including those relating to PFAS and nutrient removal. The Regulatory Compliance Fee was adjusted in connection with the January 1, 2026, rate action and is incorporated into the revenue projections reflected in the Financial Feasibility Evaluation included as APPENDIX G. The amount and structure of the Regulatory Compliance Fee remain subject to periodic review and approval by the Board of Water Commissioners.

Bills are rendered on a monthly cycle to substantially all customers. If a bill is unpaid forty days after the billing date, service is discontinued. Service is restored when the bill is paid, with a \$75.00 reconnection charge.

Water Base Monthly Charges Per Meter Size

<u>Size</u>	<u>Charge</u>
3/4" or 5/8" meter	\$11.16
1" meter	19.51
1 1/2" meter	33.42
2" meter	50.13
3" meter	94.67
4" meter	144.78
6" meter	283.95
8" meter	450.95
10" meter	645.81

Water Volume Charges¹

Non-Industrial²

Block 1: 0-15 CCF ³	\$ 2.38 (per CCF)
Block 2: >15 CCF	\$ 2.64 (per CCF)

Industrial

Block 1: 0-15 CCF	\$ 2.38 (per CCF)
Block 2: >15 CCF	\$ 2.30 (per CCF)

¹ Monthly meter base charge is based on meter size.

² Residential and commercial accounts are classified as non-industrial.

³ "CCF" means one hundred (100) cubic feet of water, which is equivalent to approximately 748 gallons.

Water System Connection Charges

5/8" water tap	\$1,200.00
<i>(developer installed)</i>	300.00
1" meter	1,400.00
<i>(developer installed)</i>	350.00
1 1/2" meter	2,275.00
<i>(developer installed)</i>	550.00
2" meter	2,800.00
<i>(developer installed)</i>	625.00
3" meter or larger	COST

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Sewer Charges

Monthly Base Charge	\$ 6.91 per account
Non-Industrial	
Block 1: 0-15 CCF	\$ 4.60 (per CCF)
Block 2: >15 CCF	\$ 3.72 (per CCF)
Industrial	
Block 1: 0-15 CCF	\$ 4.60 (per CCF)
Block 2: >15 CCF	\$ 3.72 (per CCF) ¹

¹Industrial Waste Volume Charge additional \$0.20 per CCF.

Sewer - Industrial Volume Charge

Industrial Charge of \$0.20 per CCF times usage, plus Base Charge according to meter size, plus Block 1 and Block 2 Rates.

Sewer Tap Connection Charges

6" sewer	\$1,450.00
Other sewer	COST
Locate sewer tap (on city property)	NO COST
6" sewer stub out	\$10.00

Garbage Fee (billed on behalf of City of Columbus)

Monthly	\$21.00
Low Income Monthly Fee	15.75

These fees are collected for and distributed to Columbus. The System is paid a small fee to oversee this collection.

Service Charges

Connection charge	\$30.00
After Hours Connect Fee	115.00
Reconnection Irrigation	0.00
Transfer Service fee	30.00
Delinquent Charges	75.00
Fire Hydrant Meter Deposit	1,250.00
Unauthorized Use – (Meter Pull)	150.00
Returned Check Fee	50.00
Returned Check Fee (Meter Locked)	75.00
Meter Pull (Return Check)	115.00
Straight Pipe Removal	250.00
Service Line/Meter Damage	500.00

Fire Service Charges

Monthly	\$ 37.50
Annual fire protection (per line)	\$ 450.00
Fire hydrants (monthly)	\$ 4.17
Water Main Tapping	Done at cost
Industrial Monitoring	\$0.20 per CCF

These charges apply only to private customers.

Monthly Combined Sewer Overflow Treatment Operation and Maintenance Rate Schedule

Non-Industrial

Block 1: 0-4 CCF	\$ 0.00 (per CCF)
Block 2: 5-15 CCF	\$ 5.27 (per CCF)
Block 3: 16-204 CCF	\$ 10.55 (per CCF)
Block 4: 205-1004 CCF	\$ 105.44 (per CCF)
Block 5: >1004 CCF	\$ 301.30 (per CCF)

Industrial

Block 1: 0-4 CCF	\$ 0.00 (per CCF)
Block 2: 5-15 CCF	\$ 5.27 (per CCF)
Block 3: 16-204 CCF	\$ 10.55 (per CCF)
Block 4: 205-1004 CCF	\$ 105.44 (per CCF)
Block 5: >1004 CCF	\$ 301.30 (per CCF)

Metered Accounts not connected to sanitary sewer system will not be charged for Combined Sewer Overflow- Treatment.

Sewer Availability Fees (Impact Fees)

The following fees will apply to new construction in areas not now served by the Sanitary Sewer Systems. Fees charged for new development shall be collected prior to acceptance of the Sanitary Sewer System. Availability fees for individual lots and tracts will be collected when an application for service is received.

<u>Meter Size</u>	<u>Availability Fee</u>
5/8-inch	\$500.00
1-inch	\$500.00
1-1/2- inch	\$1,000.00
2-inch	\$1,600.00
3-inch	\$3,500.00
4-inch	\$10,000.00
6-inch	\$20,000.00
8-inch	\$35,000.00
10-inch	Cost

Water System Operating Data

Statistical information in the tables which follow was provided by Columbus Water Works for the North Columbus Facility.

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Number of Water Meters	72,149	72,645	73,230	73,638	74,088
Daily Filtration Data (MGD)					
Maximum	39.23	43.40	45.70	47.98	52.14
Average	30.24	29.76	30.92	33.71	34.96
Minimum	23.72	22.68	25.34	26.19	25.79
Total Annual Volume (BG)	11.04	10.88	11.29	12.34	12.73
Rainfall (inches)	53.72	58.07	50.36	51.99	55.50

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Largest Water Users

The following table shows the largest users of the System and the volume of water use, and the percentage of that volume to the total volume, for each of them for the twelve months ended June 25, 2025.

<u>User</u>	<u>Water Consumption (CCF)</u>		<u>Water and Sewer Charges</u>	
	<u>Usage</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fort Benning ¹	1,726,912	13.57%	\$9,435,878	11.17%
Harris County ²	436,255	3.43	1,338,030	1.58
Columbus Consolidated Govt	259,932	2.04	1,511,954	1.79
MCSD	140,095	1.10	818,946	0.97
Columbus State	116,312	0.91	643,957	0.76
Pratt-Whitney	109,944	0.86	533,781	0.63
Denim North America	98,172	0.77	549,744	0.65
Columbus Housing Auth	79,595	0.63	513,058	0.61
Saint Francis Health LLC	70,112	0.55	436,993	0.52
Sterling Specialty Chemicals	65,952	0.52	384,732	0.46
Subtotal	3,103,281	24.38	16,167,073	19.14
Balance from all others	9,625,940	75.62	68,306,072	80.86
Total	12,729,221	100.00	\$84,473,145	100.00

¹ Service-based contractual revenues, please see Statements of Revenue, Expenses and Changes in Net Position for all Fort Benning revenue.

² No sewer fee.

Note: CCF = Hundred Cubic Feet = 748 Gallons

Summary Financial Information

The following summary of revenues and expenses has been obtained from the audited financial statements of the Columbus Water Works for the fiscal years ended June 25, 2021, through 2025, inclusive. The summary financial information for fiscal year 2025 should be read in conjunction with the financial statements and notes thereto included as APPENDIX B.

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**COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 25, 2021- JUNE 25, 2025**

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
OPERATING REVENUE					
Water Sales	\$28,187,697	\$29,760,226	\$31,604,000	\$33,573,227	\$36,941,190
Sewer Charges	28,679,338	30,451,524	31,626,838	33,636,754	36,328,201
CSO Fees	2,285,373	2,346,667	2,454,858	2,573,782	2,741,843
Ft. Benning Water and Sewer Charges	8,497,371	8,497,371	8,497,371	9,435,668	9,435,968
Ft. Benning CM100 O&M Services	7,105,164	7,487,514	8,529,978	8,145,863	8,479,160
Tapping Fees and Misc. Charges	1,168,318	1,886,865	2,380,764	2,861,565	2,539,673
Total Operating Revenues	<u>75,923,261</u>	<u>80,430,167</u>	<u>85,093,809</u>	<u>90,226,859</u>	<u>96,466,035</u>
OPERATING EXPENSES					
System Services	9,014,996	8,357,035	10,323,232	10,109,449	9,429,907
South Columbus Water Resources Facility	4,509,895	5,818,165	4,892,327	5,945,955	6,606,901
North Columbus Water Resources Facility	4,791,565	4,837,385	6,299,794	5,780,425	6,691,619
CSO Plants	1,310,987	1,288,578	1,628,847	1,398,704	1,792,627
Managed Maintenance	3,683,476	3,116,916	3,693,251	4,649,479	4,667,618
Engineering	1,667,197	1,451,952	1,837,214	1,882,837	2,183,978
Information Services	1,958,547	1,827,258	2,600,653	2,811,318	2,705,192
Water Quality Monitoring	2,810,331	2,608,865	3,499,226	3,708,362	3,513,658
Fort Benning	5,661,140	5,219,999	6,645,771	6,456,595	6,932,168
Customer Services	2,075,586	1,836,748	2,144,470	2,247,255	2,194,590
Finance, Employee Services & Adm.	8,982,290	8,280,810	9,160,163	10,334,368	9,551,226
Meter Readers	1,354,353	1,166,062	1,369,953	1,411,632	1,307,388
Depreciation and Amortization	29,946,228	29,374,090	30,450,666	30,287,656	31,608,091
Total Operating Expenses	<u>77,766,591</u>	<u>75,183,863</u>	<u>84,545,567</u>	<u>87,024,035</u>	<u>89,184,963</u>
Operating Income	<u>(1,843,330)</u>	<u>5,246,304</u>	<u>548,242</u>	<u>3,202,824</u>	<u>7,281,072</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	365,895	67,351	1,141,709	3,173,667	3,184,850
Ft. Benning Financing – WTP 2009 bonds	4,860,492	4,860,492	4,860,492	4,455,451	0
Administration Fees and Other Revenue	2,643,489	753,411	2,110,790	2,369,203	738,328
Interest Expense	(5,765,491)	(5,563,589)	(4,951,225)	(4,362,303)	(3,940,343)
City of Columbus Participation Expense	(4,056,813)	(4,221,858)	(4,534,734)	(4,741,718)	(5,093,219)
Gain (Loss) on Disposal of Assets/Scrap Materials	62,387	185,255	179,302	54,259	244,807
Total Non-Operating Revenue (Expenses)	<u>(1,890,041)</u>	<u>(3,918,938)</u>	<u>(1,193,666)</u>	<u>948,559</u>	<u>(4,865,577)</u>
Income (Loss) before Capital Grants and Contributions	<u>(3,733,371)</u>	<u>1,245,157</u>	<u>(645,424)</u>	<u>4,151,383</u>	<u>2,415,495</u>
Capital Grants and Contributions	15,433,471	3,408,901	6,495,542	2,813,294	3,744,816
Change in Net Position	<u>11,700,100</u>	<u>4,736,267</u>	<u>5,850,118</u>	<u>6,964,677</u>	<u>6,160,311</u>
NET POSITION AT BEGINNING OF YEAR	<u>422,416,194</u>	<u>434,116,294</u>	<u>438,770,352</u>	<u>444,620,470</u>	<u>451,585,147</u>
NET POSITION AT END OF YEAR	<u>\$434,116,294</u>	<u>\$438,770,352</u>	<u>\$444,620,470</u>	<u>\$451,585,147</u>	<u>\$457,745,458</u>

¹ Restated due to new GASB pronouncements. The Notes to the Basic Financial Statements are an Integral Part of the Statement.

**COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
STATEMENTS OF NET POSITION
JUNE 25, 2024, AND 2025**

ASSETS

	<u>2024</u>	<u>2025</u>
CURRENT ASSETS		
Cash and cash equivalents	\$10,763,908	\$8,436,581
Accounts receivable	8,807,737	9,455,858
Inventories	2,923,214	2,918,790
Total current assets	22,494,859	20,811,229
NON-CURRENT ASSETS		
Unrestricted assets		
Investments	58,842,429	59,681,477
Restricted assets		
Cash and cash equivalents:		
Construction	15,635,775	12,569,898
Debt service	2,973,171	2,974,608
Renewal and extension	20,757,769	23,475,361
Investments:		
Construction	6,525,692	6,688,933
Renewal and extension	3,457,498	3,624,560
Capital assets (net of accumulated depreciation)	536,264,126	544,398,970
Total non-current assets	644,456,460	653,413,807
Total assets	666,951,319	674,225,036
DEFERRED OUTFLOWS		
Deferred amount from bond refunding	2,599,332	2,068,747
Deferred amount from pensions	11,535,826	5,963,014
Deferred amount from post-employment benefits	9,768,620	7,023,597
Total Deferred Outflows	23,903,778	15,055,358
Total assets and deferred outflows	\$690,855,097	\$689,280,394

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LIABILITIES AND NET POSITION

	<u>LIABILITIES</u>	
	2024	2025
CURRENT LIABILITIES		
Revenue bonds, current portion	\$11,730,000	\$10,945,000
Notes payable, current portion	2,246,081	2,632,630
Accounts payable	4,869,533	3,549,232
Construction contracts payable	6,017,107	8,309,570
Accrued payroll	768,960	1,057,591
Customer deposits	419,511	413,585
Accrued interest on bonds payable	508,795	540,966
Accrued interest on notes payable	24,932	29,881
Accrued compensated absences	993,638	951,655
Total current liabilities	<u>27,578,557</u>	<u>28,430,110</u>
NON-CURRENT LIABILITIES		
Unearned revenues	121,325	1,116,925
Revenue bonds, net of premiums and current portion	107,901,246	95,696,087
Notes payable, net of current portion	28,684,971	38,017,093
Accrued compensated absences, net of current portion	609,194	564,360
Net pension liability	18,187,907	13,594,778
Net other postemployment benefits obligation	36,092,855	28,682,284
Total non-current liabilities	<u>191,597,498</u>	<u>177,671,527</u>
Total liabilities	<u>219,176,055</u>	<u>206,101,637</u>
DEFERRED INFLOWS		
Deferred inflows from pensions	9,531,312	9,454,224
Deferred inflows from post-employment benefits	10,562,583	15,979,075
Total deferred inflows	<u>20,093,895</u>	<u>25,433,299</u>
<u>NET POSITION</u>		
NET POSITION		
Net investment in capital assets	385,574,286	393,606,682
Restricted for:		
Capital projects, net of related debt	43,086,501	43,619,407
Debt service	2,973,171	2,974,608
Unrestricted	19,951,189	17,544,761
Total net position	<u>451,585,147</u>	<u>457,745,458</u>
Total liabilities, deferred inflows, and net position	<u>\$690,855,097</u>	<u>\$689,280,394</u>

The Notes to the Basic Financial Statements are an Integral Part of the Statement.

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Historical Debt Service Coverage Ratios (Calculated in Accordance with the Indenture)

The following table sets forth historical debt service coverage ratios of the System for the five fiscal years ended June 25, 2021, through June 25, 2025, calculated in accordance with the provisions of the Indenture. The coverage ratios presented below reflect the definition of “Net Revenues” and the flow of funds established under the Indenture and are the measures used for purposes of the Rate Covenant and the Additional Indebtedness provisions contained therein. Such ratios differ from coverage ratios presented in the audited financial statements included in APPENDIX B, which are prepared in accordance with generally accepted accounting principles.

	Fiscal Year ended June 25 ⁹ ,				
	2021	2022	2023	2024	2025
Net Revenues ^{1, 2, 3}	\$36,035,161	\$40,486,903	\$39,291,201	\$43,543,061	\$43,057,148
Parity Debt Service ⁴	(17,958,378)	(17,212,676)	(17,202,001)	(17,211,876)	(15,887,526)
Parity Coverage ^{5, 6}	2.01x	2.35x	2.28x	2.53x	2.71x
Total Debt Service ⁷	(20,524,871)	(19,779,169)	(19,768,494)	(19,778,369)	(18,679,049)
Total Debt Coverage ^{6, 8}	1.76x	2.05x	1.99x	2.20x	2.31x

¹ “Net Revenues” are calculated in accordance with the Indenture and represent System Revenues less Operating Expenses, as defined in the Indenture. Operating Expenses include the reasonable and necessary costs of operating, maintaining and repairing the System, but exclude depreciation and amortization and do not include principal of or interest on indebtedness. Net Revenues are the metric used for purposes of the Rate Covenant and the Additional Indebtedness provisions set forth in Sections 6.4 and 4.1, respectively, of the Indenture. For purposes of the Indenture, Net Revenues are required to be at least 1.20 times the Principal and Interest Requirement.

² Pursuant to the Indenture flow of funds, the City of Columbus participation payment (equal to 6% of net metered charges) is subordinate to the payment of debt service on Parity Bonds under the flow of funds established by the Indenture and, accordingly, is not deducted in calculating Net Revenues for purposes of the Indenture coverage tests.

³ The calculation of Net Revenues shown above differs from operating income, change in net position, and statistical coverage ratios presented in the statistical section of the audited financial statements included in APPENDIX B, which are prepared in accordance with generally accepted accounting principles. The coverage ratios shown above are calculated solely for purposes of illustrating compliance with the Rate Covenant and Additional Indebtedness provisions set forth in Sections 6.4 and 4.1, respectively, of the Indenture.

⁴ “Parity Debt Service” represents the principal of and interest on Outstanding Obligations (as defined in the Indenture) secured on a parity basis under the Indenture for the applicable fiscal year. Parity Debt Service does not include Subordinate Indebtedness.

⁵ “Parity Coverage” represents Net Revenues divided by Parity Debt Service for the applicable fiscal year. The Rate Covenant contained in Section 6.4 of the Indenture requires Net Revenues to be at least 1.20 times the Principal and Interest Requirement (as defined in the Indenture).

⁶ The historical coverage ratios have not been audited.

⁷ “Total Debt Service” represents Parity Debt Service plus subordinate and other indebtedness payable from Net Revenues for the applicable fiscal year.

⁸ “Total Debt Coverage” represents Net Revenues divided by Total Debt Service for the applicable fiscal year. Total Debt Coverage is presented for informational purposes and is not a separate covenant requirement under the Indenture.

⁹ Debt service amounts are presented on the basis of the System’s fiscal year (ending June 25) and may differ from amounts calculated based on the Indenture’s defined Sinking Fund Year solely to timing differences.

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Annual Principal and Interest Payments*

FYE JUNE 25,	EXISTING PARITY BONDS (AFTER REFUNDING) DEBT SERVICE ¹	PRINCIPAL ²	SERIES 2026 BONDS INTEREST ³	TOTAL	TOTAL COMBINED DEBT SERVICE ³
2026	\$14,523,422	—	\$	\$	\$
2027	8,314,805	\$5,075,000			
2028	8,309,776	5,880,000			
2029	10,062,625	4,425,000			
2030	10,061,701	4,645,000			
2031	10,065,351	4,880,000			
2032	2,341,897	5,125,000			
2033	2,339,821	5,380,000			
2034	2,344,024	5,650,000			
2035	—	5,935,000			
2036	—	6,230,000			
2037	—	2,510,000			
2038	—	2,640,000			
2039	—	2,770,000			
2040	—	2,910,000			
2041	—	3,055,000			
2042	—	3,205,000			
2043	—	3,365,000			
2044	—	3,535,000			
2045	—	3,710,000			
2046	—	3,895,000			
2047	—	4,090,000			
2048	—	4,295,000			
2049	—	4,510,000			
2050	—	4,735,000			
2051	—	4,975,000			
2052	—	5,220,000			
2053	—	5,485,000			
2054	—	5,755,000			
2055	—	6,045,000			
2056	—	6,345,000			
TOTAL²:	\$68,363,420	\$136,275,000*	\$	\$	\$

¹Consisting of the outstanding principal amounts of the Series 2013A Bonds, the remaining principal of the Series 2014A Bonds, the remaining principal of the Series 2016 Bonds, and the Series 2019 Bonds, after giving effect to the refunding described herein and **do not include** debt service on notes payable (including State Revolving Fund / GEFA loans), which is shown in the audited financial statements in Appendix B. See “PLAN OF FINANCING - Refunding Plan” herein.

² The principal amounts shown for the Series 2026 Bonds reflect serial maturities and mandatory sinking fund installments for the Term Bonds maturing on May 1, 2051, and May 1, 2056.

³ Interest on the Series 2026 Bonds and total combined debt service will be completed upon pricing of the Series 2026 Bonds.

Employee Benefit Plans

Columbus Water Works participates in the Consolidated Government of Columbus, Georgia Public Employee Retirement Systems Pension and Benefit Trust Fund (the “**Fund**”), a cost-sharing, multiple-employer defined benefit retirement system administered by Columbus. The Fund includes an Employees’ Pension Plan, a Death Benefit Plan, and a Major Disability Income Plan. Substantially all eligible employees of Columbus Water Works participate in these plans.

As of June 25, 2025, Columbus Water Works reported a proportionate share of the net pension liability of approximately \$13.2 million under the Employees’ Pension Plan, together with smaller liabilities associated with the

Death Benefit Plan and Major Disability Income Plan. The net pension liability is determined based on actuarial valuations and is subject to change based on investment performance, actuarial experience, and changes in assumptions. Employer contribution requirements are actuarially determined and Columbus Water Works has made all required contributions. For information about the Fund and the benefit plans, including Columbus Water Works' contributions to the plans, see Note 11 to the financial statements attached hereto as APPENDIX B.

In addition, Columbus Water Works maintains the Columbus Water Works Retiree Healthcare Plan, which is a single-employer defined benefit plan funded on a pay-as-you-go basis. As of June 25, 2025, the net OPEB liability was \$28,682,284, compared to \$36,092,855 as of June 25, 2024. The decrease was primarily attributable to actuarial experience and changes in assumptions reflected in the most recent valuation. The measurement of the net OPEB liability is based on actuarial assumptions, including healthcare cost trend rates and discount rates, which are subject to change. See Note 11 to the financial statements attached hereto as APPENDIX B.

CONTINUING DISCLOSURE

Columbus, as issuer of the Series 2026 Bonds, and the Board of Water Commissioners, as operator of the System, will enter into a Continuing Disclosure Agreement (the “**Disclosure Agreement**”) for the benefit of the holders of the Series 2026 Bonds in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the “**Rule**”). Pursuant to the Disclosure Agreement, the Board of Water Commissioners will be responsible for filing annual financial information and operating data relating to the System and notices of certain enumerated events required by the Rule. The Disclosure Agreement does not require the filing of financial information relating to the general governmental operations or taxing power of Columbus.

Under the Disclosure Agreement, the Board of Water Commissioners will be responsible for filing, on behalf of itself and Columbus, (i) annual financial information and operating data (the “**Annual Report**”) not later than December 31 of each year, commencing December 31, 2026, and (ii) notices of the occurrence of certain enumerated events required under the Rule (the “**Listed Events**”). Such filings will be made with the Municipal Securities Rulemaking Board (the “**MSRB**”) through its Electronic Municipal Market Access (“**EMMA**”) system in the electronic format prescribed by the MSRB. The specific information to be included in the Annual Report and the Listed Events is set forth in APPENDIX E – “**FORM OF CONTINUING DISCLOSURE AGREEMENT.**”

Prior Continuing Disclosure Compliance

In the previous five years, the Board of Water Commissioners, as dissemination agent for bonds payable from the Net Revenues of the System, has filed annual reports that included audited financial statements of the Board of Water Commissioners, and the operating data required by the applicable continuing disclosure undertakings. The Board of Water Commissioners' audited financial statements for the fiscal years ended June 25, 2022, and June 25, 2023, were filed one day and seven days, respectively, after the applicable December 22 deadline. Such filings were otherwise complete and no notice of failure to file was submitted in connection therewith.

For the fiscal years ended June 30, 2022, and June 30, 2023, the audited financial statements of Columbus were not filed by the December 27 deadline required under the applicable continuing disclosure agreements; however, such audited financial statements were subsequently filed. A notice of failure to file was submitted in connection with the fiscal year ended June 30, 2020. All required annual financial information and operating data have now been filed.

In addition, the Board of Water Commissioners did not timely file notices of certain financial obligations incurred in connection with loans from the Georgia Environmental Finance Authority. Notices relating to such financial obligations have since been filed with EMMA.

With respect to certain other bond issues of Columbus unrelated to the System, there have been instances in prior years of untimely filings and other technical deficiencies in continuing disclosure submissions. All known required filings have now been made or corrected.

Columbus and the Board of Water Commissioners have completed a comprehensive review of their continuing disclosure undertakings, centralized responsibility for compliance oversight, and established enhanced internal review controls and deadline tracking protocols designed to ensure that all required annual filings and event notices are timely and complete going forward. Formal written continuing disclosure compliance procedures are scheduled to be presented to and considered for adoption by the Board of Water Commissioners on March 25, 2026.

RATINGS

Moody's Investors Service, Inc. ("**Moody's**") has assigned a rating of Aa2 (Negative Outlook) to the Series 2026 Bonds and has affirmed its Aa2 rating on the outstanding parity revenue bonds of Columbus Water Works. The negative outlook reflects Moody's view that the scale of the System's capital improvement program, including PFAS-related investments and the planned replacement of the South Columbus Water Resource Facility, may result in increased leverage and narrower debt service coverage levels relative to historical performance. In addition, S&P Global Ratings ("**S&P**") has assigned a rating of AA+ (Stable Outlook) to the Series 2026 Bonds and has affirmed its AA+ rating on the outstanding water and sewer revenue bonds of Columbus Water Works. The respective ratings by Moody's and S&P of the Series 2026 Bonds reflect only the views of such organizations and any desired explanation of the significance of such ratings and any outlooks or other statements given by the rating agencies with respect thereto should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007; and Standard & Poor's Global Ratings, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating and outlook (if any) on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that such ratings will be in effect for any given period of time or that they will not be revised upward or downward or withdrawn entirely by such rating agencies if, in the judgment of such agencies, circumstances so warrant. Any such downward revision or withdrawal of any ratings may have an adverse effect on the market price of the Series 2026 Bonds.

LITIGATION

There is no litigation either pending or, to the knowledge of Columbus, threatened against Columbus to restrain or enjoin the issuance or delivery of the Series 2026 Bonds or to contest the authority for or the validity of the Series 2026 Bonds.

There is no litigation either pending or, to the knowledge of Columbus Water Works, threatened against Columbus Water Works that involves the issuance or delivery of the Series 2026 Bonds or the security therefor.

LEGAL MATTERS

Certain legal matters incident to the authorization and issuance of the Series 2026 Bonds by Columbus are subject to the approval of Butler Snow LLP, Atlanta and Macon, Georgia, Bond Counsel. Butler Snow LLP, Atlanta and Macon, Georgia, will also serve as Disclosure Counsel. Certain other legal matters will be passed upon by Page, Scrantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia, as special counsel to Columbus and counsel to the Board of Water Commissioners. Certain legal matters will be passed upon for the Underwriter by Pope Flynn, LLC.

FEDERAL TAX MATTERS

General Matters

In the opinion of Bond Counsel, assuming continuing compliance with certain covenants by Columbus, under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2026 Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes under Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion assumes the accuracy of certain representations and compliance by Columbus with covenants designed to satisfy the requirements of the Code, as amended to the date of delivery of the Series 2026 Bonds, which must be met subsequent to the issuance of the Series 2026 Bonds. Failure to comply with such requirements could cause interest on the Series 2026 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds. Columbus has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2026 Bonds.

The accrual or receipt of interest on the Series 2026 Bonds may otherwise affect the federal income tax liability of the owners of the Series 2026 Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2026 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be

deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2026 Bonds.

Original Issue Premium*

An amount equal to the excess of the purchase price of a Series 2026 Bond over its stated redemption price at maturity constitutes premium on such Series 2026 Bond. A purchaser of a Series 2026 Bond must amortize any premium over such Series 2026 Bond's term using constant yield principles, based on the Series 2026 Bond's yield to maturity (or, in the case of premium bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the purchaser's basis in such Series 2026 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Series 2026 Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Series 2026 Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes, and with respect to state and local tax consequences of owning such Series 2026 Bonds.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Series 2026 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2026 Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2026 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding, or selling federally tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "FEDERAL TAX MATTERS" and "STATE TAX MATTERS" below or adversely affect the market value of the Series 2026 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2026 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2026 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2026 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives, or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2026 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives, or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2026 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2026 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2026 BONDS.

STATE TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, interest on the Series 2026 Bonds is exempt from present state income taxation within the State. Interest on the Series 2026 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Series 2026 Bonds should consult their tax advisors as to the taxable status of the Series 2026 Bonds in a particular state or local jurisdiction other than Georgia.

OTHER FEDERAL TAX CONSEQUENCES

The following summary describes certain U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Series 2026 Bonds as of the date hereof. This summary applies only to “U.S. holders” (as defined below) or “holders” that purchase the Series 2026 Bonds in the initial offering at their issue price (i.e., the first price at which a substantial amount of the Series 2026 Bonds is sold to investors) and that hold the Series 2026 Bonds as capital assets for tax purposes. A capital asset is generally an asset held for investment rather than as inventory or as property used in a trade or business. This summary does not apply to holders if the holder is a member of a class of holders subject to special rules, such as:

- a dealer in securities;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank;
- an insurance company;
- a tax-exempt organization;
- a person that owns the Series 2026 Bonds that are a hedge or that are hedged against interest rate risks;
- a person that owns the Series 2026 Bonds as part of a straddle or conversion transaction for tax purposes;
- a person that purchases or sells the Series 2026 Bonds as part of a wash sale for tax purposes;
- a person subject to alternative minimum tax; or
- a person whose functional currency for tax purposes is not the U.S. dollar.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings, and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, or subject to differing interpretations, so as to result in U.S. federal income tax consequences different from those summarized below. In addition, proposals have been made in Congress to change provisions of the Code which may directly impact the tax treatment of ownership of the Series 2026 Bonds. No prediction can be made as to what changes, if any, will be adopted.

If an entity classified as a partnership for U.S. federal income tax purposes holds the Series 2026 Bonds, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If a person or entity is a partner of a partnership holding Series 2026 Bonds, such person or entity should consult its tax advisor.

Persons considering the purchase of Series 2026 Bonds should consult their own tax advisor concerning the particular U.S. federal income and estate tax consequences of the purchase, beneficial ownership, and disposition of Series 2026 Bonds, as well as the consequences arising under the laws of any other taxing jurisdiction, including any state, local or non-U.S. tax consequences.

For purposes of this summary, a “U.S. holder” or a “holder” means a beneficial owner of the Series 2026 Bonds that is any of the following for U.S. federal income tax purposes:

- a citizen or resident of the United States;
- a corporation (or other entity classified as a corporation) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (1) its administration is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all of its substantial decisions, or (2) it has a valid election in effect under applicable United States Treasury regulations to be treated as a U.S. person.

Interest. In general, a U.S. holder must report interest on the Series 2026 Bonds as ordinary income at the time it is paid or accrued, in accordance with such holder's regular method of accounting for tax purposes.

Sale, Exchange, Retirement or Other Disposition of the Series 2026 Bonds.

On the sale, exchange, retirement or other taxable disposition of a Series 2026 Bond, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized on the sale, exchange, retirement or other disposition (except to the extent the amount is attributable to accrued interest not previously included in income, which will be taxable as ordinary income) and (ii) such holder's adjusted tax basis in the Series 2026 Bond. A holder's adjusted tax basis in a Series 2026 Bond will, in general, be such holder's cost for the Series 2026 Bond increased by any OID previously included in income with respect to the Series 2026 Bond. Gain or loss will generally be capital gain or loss and will be long-term capital gain or loss if the holder held the Series 2026 Bond for more than one year at the time of the sale, exchange, retirement, or other disposition. Long-term capital gains recognized by non-corporate U.S. holders generally are taxed at reduced rates. The deductibility of capital losses is subject to significant limitations.

Additional Tax on Net Investment Income

A U.S. holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, generally will be subject to a 3.8% tax on the lesser of (1) the U.S. holder's "net investment income" (or "undistributed net investment income" in the case of an estate or trust) for the relevant taxable year and (2) the excess of the U.S. holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between \$125,000 and \$250,000, depending on the individual's tax return filing status). If a holder is a non-corporate U.S. holder, the holder's net investment income will generally include any interest and any income or gain recognized with respect to the Series 2026 Bonds, unless such interest, income or gain is derived in the ordinary course of the conduct of such holder's trade or business (other than a trade or business that consists of certain passive or trading activities). If a holder is an individual, estate or trust, the holder is urged to consult such holder's tax advisor regarding the applicability of this additional tax to income and gains in respect of such holder's investment in the Series 2026 Bonds.

Information Reporting and Backup Withholding

Generally, unless a holder is an exempt recipient, payments of principal and interest made on a Series 2026 Bond will be subject to information reporting. In addition, a holder may be subject to a backup withholding tax on those payments if such holder fails to provide an accurate taxpayer identification number in the manner required, such holder is notified by the IRS that it has failed to report all interest and dividends required to be shown on such holder's U.S. federal income tax return, or such holder otherwise fails to comply with applicable backup withholding tax rules. A holder may also be subject to information reporting and backup withholding tax with respect to the proceeds from a sale, exchange, retirement, or other taxable disposition of Series 2026 Bonds. Amounts withheld are generally not an additional tax and may be refunded or credited against the holder's federal income tax liability if the required information is furnished by the holder to the IRS. None of Columbus, Columbus Water Works or the Trustee is obligated to pay any additional amounts if any withholding tax is imposed in respect of a holder's Series 2026 Bonds.

VALIDATION

The issuance of the Series 2026 Bonds and the security therefor have been validated by a judgment of the Superior Court of Muscogee County, Georgia.

PROFESSIONALS INVOLVED IN THE OFFERING

The Financial Statements of Columbus Water Works for the fiscal years ended June 25, 2025, and 2024 in APPENDIX B to this Official Statement have been audited by Robinson, Grimes & Company, P.C., Columbus, Georgia, Certified Public Accountants, as indicated in their report thereon, and are included herein in reliance upon the authority of that firm as independent auditors.

Columbus Water Works has retained Raftelis Financial Consultants, Inc., an independent utility rate and financial consultant, to prepare a Financial Feasibility Evaluation dated March 17, 2026 (the "**Feasibility Evaluation**"), relating to the System and the issuance of the Series 2026 Bonds. The Feasibility Evaluation includes certain financial projections and assumptions regarding future revenues, expenses, and debt service coverage of the System. The Feasibility Evaluation is attached hereto as APPENDIX G. Raftelis Financial Consultants, Inc. has not been engaged to perform, and has not performed, an audit of the financial statements of Columbus Water Works and

has not expressed any opinion or other assurance with respect thereto. Raftelis Financial Consultants, Inc. has consented to the inclusion of references to its Feasibility Evaluation in this Official Statement.

CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of payment for and delivery of the Series 2026 Bonds, Columbus will furnish a certificate to the effect that (a) the descriptions and statements of or pertaining to Columbus contained in this Official Statement and any addenda thereto, on the date of this Official Statement and on the date of the sale of the Series 2026 Bonds, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as Columbus and its affairs, including the financial affairs, are concerned, this Official Statement did not and does not contain any untrue statements of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; and (c) insofar as the descriptions and statements, including financial data of or pertaining to entities, other than Columbus, and their activities contained in this Official Statement are concerned, such statements and data have been obtained from sources which Columbus believes to be reliable and that Columbus has no reason to believe that they are untrue in any material respect. The Board of Water Commissioners will certify that there has been no material adverse change in the financial condition of Columbus Water Works since June 25, 2025, the date of the last audited financial statements of Columbus Water Works appearing in this Official Statement and that information pertaining to Columbus Water Works contained herein is accurate.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”) will purchase the Series 2026 Bonds. The Underwriter has agreed to purchase the Series 2026 Bonds at an aggregate purchase price of \$ _____ (representing the par amount of the Series 2026 Bonds less Underwriter’s discount of \$ _____).

The Underwriter reserves the right to join with other dealers and underwriters in offering the Series 2026 Bonds to the public. The Underwriter may offer and sell the Series 2026 Bonds to certain dealers (including dealers depositing the Series 2026 Bonds into investment trusts) at prices lower than the public offering prices.

FINANCIAL ADVISOR

Columbus has retained Terminus Municipal Advisors, LLC (the “**Financial Advisor**”) in connection with the issuance of the Series 2026 Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

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MISCELLANEOUS

The references herein to the Indenture are brief summaries of certain provisions thereof. Such outlines do not purport to be complete, and reference is made to such Indenture, documents and laws, copies of which will be furnished by Columbus through its Board of Water Commissioners, upon request, for full and complete statements of their provisions.

So far as any statements are made in this Official Statement involving matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2026 Bonds.

The execution and delivery of this Official Statement have been duly authorized by Columbus.

PRELIMINARY OFFICIAL STATEMENT

B.H. "Skip" Henderson, III
Mayor, Columbus, Georgia

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APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING COLUMBUS, GEORGIA

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COLUMBUS, GEORGIA

This Appendix A contains certain economic and demographic information regarding Columbus, Georgia, which is provided for general background and contextual purposes only. The Series 2026 Bonds are payable solely from the Net Revenues of the water and sewerage system as described in this Official Statement and are not secured by or payable from the general revenues or taxing power of Columbus.

Introduction

Columbus, Georgia (“**Columbus**”), which encompasses an area of approximately 218 square miles, is located in the west central part of the State of Georgia bordering on the Alabama state line, 110 miles southwest of Atlanta and approximately 85 miles east of Montgomery, Alabama. Columbus is a political subdivision of the State of Georgia created by a Constitutional Amendment (the “**Amendment**”) which authorized the consolidation of Muscogee County with the City of Columbus. The Amendment was ratified in a general election held on November 5, 1968. The General Assembly of the State of Georgia, pursuant to powers in the Amendment, created a charter commission which prepared and submitted for ratification a charter for the Consolidated Government of Columbus. This charter was ratified in an election held on November 3, 1970, and was ratified, *nunc pro tunc*, confirmed, enacted, and incorporated into the Acts of the General Assembly of Georgia, II Ga. L. 1971 Ex. Sess., p. 2007. Commencing January 1, 1971, Columbus became a consolidated city-county government, its territorial limits covering all of what was formerly the County of Muscogee. This charter was amended and repealed in its entirety and replaced by a new charter (the “**Charter**”) contained in the Acts of the General Assembly of Georgia, Ga. L. 1993, p. 4978. Bibb City, a small textile community of approximately 600 residents, was not included in the consolidation and maintained its own municipal charter within the consolidated territory until the dissolution of the municipality was approved by the General Assembly of the State of Georgia in its 2001 legislative session and resulted in Columbus succeeding to the powers and duties of Bibb City. The Charter was further amended for various stylistic and administrative updates by a local Referendum held November 6, 2012, and two local acts adopted as Ga. L. 2013, p. 3673 and Ga. L. 2013, p. 3678 and by a local Referendum held November 8, 2022.

Columbus was the first consolidated city-county government in the State of Georgia. As such, it has all of the governmental and corporate powers, duties, and functions formerly held and vested in the City of Columbus and Muscogee County. Consolidation resulted in the removal of duplicate services formerly rendered by the county and city governments, and as a result of consolidation, Columbus has been able to provide, under one management, urban services throughout its territorial limits more economically than would have been possible to render by the City of Columbus and Muscogee County separately.

Columbus is unique in Georgia in the authorized method of taxation allowed by the Amendment and the Charter. The Charter authorizes the creation of urban service districts and empowers Columbus to vary the rate and manner of taxation in each district to reasonably reflect the degree and level of services provided to each such urban service district. As a result, citizens pay taxes only for those services which they receive.

Natural Features and Land Use

Columbus is located on the Fall Line, the natural division of the Piedmont Plateau of north Georgia and the Coastal Plain of South Georgia and Florida. Its physical features include steep slopes in the north, transitioning to level terrain in the south. Several streams and creeks provide good natural drainage to the Chattahoochee River.

Fort Benning Military Reservation, a primary United States Army training facility and the major employer of the region, borders Columbus on the southeast and south (“**Fort Benning**”). Development patterns of the community have been significantly influenced by its presence.

The southern two-thirds of Columbus are essentially built-out, with residential property making up 67% of all land use. Commercial and industrial land uses make up approximately 19% of the land uses in the area and are located principally in central Columbus, in two industrial parks bordering Fort Benning Military Reservation in east Columbus, and adjacent to several major arterial roadways in north Columbus. Most of the growth of Columbus has been left to the north and northeast sections of the city. This has resulted in the need for intensive infrastructure

improvements in these areas. The Columbus Consolidated Government is working diligently with public-private partnerships to help revitalize these areas.

Historic buildings are located mostly in the central portion of Columbus and include residential, commercial, and public buildings. Private and public actions have demonstrated the importance placed on historic resources. Both the private and the public sectors have renovated many buildings in the past several years, particularly in the Historic District immediately south of and along the western edge of the central business district.

Government Format and Principal Officials

The consolidated government provided by the Charter is of the form known as the mayor/council-city manager form of government. The Mayor is elected for four-year terms by popular vote. The City Manager is appointed by the Mayor and confirmed by Council and is responsible for the day-to-day operation of the government. The Council of Columbus (the “**Council**”) consists of ten members, eight district councilors and two councilors-at-large. The eight district councilors are elected for four-year staggered terms and represent specific districts within the territorial limits of Columbus. The two councilors-at-large are elected for four-year staggered terms from the various districts. The Mayor and present members of the Council, the date of their initial election, the expiration of their current terms, and their present principal business or professional affiliations are as follows:

<u>Name</u>	<u>Initial Term Began</u>	<u>Current Term Expires</u>	<u>Business or Professional Affiliation</u>
B.H. “Skip” Henderson, <i>Mayor</i>	January 2019	January 2027	Realtor
Byron Hickey, <i>District 1</i>	July 2024	May/June 2026*	Retired
Glenn Davis, <i>District 2</i>	January 2002	January 2029	Retired
Bruce Huff, <i>District 3</i>	January 2011	January 2027	Funeral Director
Toyia Tucker, <i>District 4</i>	January 2021	January 2029	Retired Air Force
Charmaine Crabb, <i>District 5</i>	January 2019	January 2027	Realtor
R. Gary Allen, <i>District 6</i>	January 1993	January 2029	Insurance
JoAnne Cogle, <i>District 7</i>	January 2023	January 2027	Business Owner
R. Walker Garrett, <i>District 8</i>	January 2016	January 2029	Attorney
John Anker, <i>District 9</i>	March 2025	May/June 2026*	Business Owner
Travis L. Chambers	July 2024	January 2029	Real Estate Broker

*Councilors Hickey and Anker are serving by appointment until a special election can be held in May of 2026. The persons elected will take office immediately after the election and any runoff.

The Council does not have a direct relationship with departments and employees of the government. It operates as a legislative body and interacts with the executive branch of Columbus, including all appointive officers, directors of departments, and employees by way of ordinances or resolutions formally adopted at Council meetings.

Employee Relations

As of January 1, 2026, Columbus employed approximately 2,402 full-time employees, 521 part-time employees and believes that it enjoys a good relationship with them. Columbus has never experienced a major disruption of services due to a strike or employee action. No Columbus employees belong to labor unions or other collective bargaining groups. Columbus has no knowledge of any union organizing efforts.

Employees of Columbus are provided a flexible benefits plan, social security, unemployment compensation, workers’ compensation, and life insurance, which are paid for by Columbus. Health insurance is provided by Columbus for a nominal employee contribution.

Governmental Agencies

The Columbus Building Authority (the “**Authority**”) was created pursuant to an amendment to the Constitution of the State of Georgia for the purpose of acquiring, constructing, and equipping self-liquidating projects

for use by Columbus for its governmental, proprietary, and administrative functions. The Authority has issued several series of bonds for various governmental purposes which are now outstanding. The aggregate principal amount of the Authority's outstanding bonds was \$188,285,000, as of June 30, 2025.

The Hospital Authority of Columbus (the "**Hospital Authority**") was created pursuant to the Hospital Authorities Law of Georgia and operates several nursing home facilities. The Hospital Authority is composed of ten members who are appointed by the Council. The Hospital Authority has the power, among other things, to issue revenue anticipation certificates and Columbus is subject to a contractual obligation to pay any deficiency in debt service on such certificates in the event the revenues of the Hospital Authority are insufficient for such purpose. The amount of such contractual obligation is presently limited to the imposition of an annual tax within Columbus at a rate not to exceed four (4) mills of the seven (7) mills authorized by the Hospital Authorities Law of Georgia. As of June 30, 2025, the Authority has \$47,348,107 in aggregate principal amount of outstanding revenue certificates.

The Housing Authority of Columbus (the "**Housing Authority**") was created under and by virtue of State law. The Housing Authority operates independently of Columbus; however, Housing Authority members are appointed by the Mayor and must be confirmed by the Council. The Housing Authority is responsible for maintaining, building, and managing housing units for the lower income and elderly citizens of the community. The Housing Authority presently operates approximately 2,259 units of public housing and administers Section 8 program funding for an additional 2,329 units.

The Medical Center Hospital Authority of Columbus, Georgia (the "**Medical Center Hospital Authority**") was created pursuant to the Hospital Authorities Law of Georgia. Under the Hospital Authorities Law of Georgia, the Medical Center Hospital Authority has broad powers to acquire, construct, improve, alter, and repair hospitals, clinics, nursing homes, extended care facilities, medical office buildings and other public health facilities and to issue revenue anticipation certificates. The Medical Center Hospital Authority, which consists of nine members appointed by the Council, owns the property on which The Medical Center, Inc. operates Piedmont Midtown Medical Center in Columbus, Georgia. Outstanding debt of the Medical Center Hospital Authority is not secured by Columbus. Columbus does levy a tax for inmate and indigent care, but is under no contractual obligation to do so.

The Columbus Airport Commission (the "**Commission**") was created by an amendment to the Constitution of the State of Georgia on November 5, 1968. The purpose of the Commission, which consists of five members appointed by the Council, is to manage the properties, improvements, and operation of the Columbus Metropolitan Airport (the "**Airport**"). The Council is obligated to subsidize the operations of the Airport in an amount of up to \$40,000 per year. Specific Council approval is required for any subsidy in excess of \$40,000 per year.

The Development Authority of Columbus, Georgia (the "**Development Authority**") was created pursuant to State law to aid the development of industry in the community. The Development Authority is vested with the authority to issue revenue bonds, but such bonds will not constitute a lien on the revenues or represent an obligation of Columbus. Members of the Development Authority are appointed by the Council.

The Board of Water Commissioners of Columbus, Georgia (the "**Board of Water Commissioners**") was created pursuant to legislative authority granted originally in 1902 and reaffirmed by the ratification in 1971 of the Charter. The Board of Water Commissioners consists of five members including the Mayor of Columbus, *ex officio*, and four members appointed by the Council. The Board of Water Commissioners is responsible for the operation and management of the Columbus water and wastewater treatment systems. The Board of Water Commissioners had outstanding revenue bonds in the approximate aggregate principal amount of \$97,435,000 as of June 25, 2025. Outstanding debt of the Board of Water Commissioners is not secured by Columbus but secured by the revenues of the water and wastewater treatment systems.

The Muscogee County School District, created by virtue of an amendment to the Constitution of the State of Georgia, is autonomous from Columbus in the operation of the public school system. Members of the Board of Education are elected by Muscogee County voters to four-year staggered terms. Unlike other county school systems in Georgia which have the sole discretion and authority to levy a tax up to but not exceeding 20 mills, the Muscogee County School System may adopt a tax levy for school purposes of not more than 25 mills.

Columbus Iron Works Convention and Trade Center Authority (the “**Trade Center Authority**”) was created by Ordinance No. 83-79 in 1983. The Trade Center Authority supervises and operates the Columbus Iron Works Convention and Trade Center as a subordinate branch of the Consolidated Government. The Consolidated Government has directly or indirectly guaranteed the Trade Center Authority’s debts, is responsible for financing deficits and also is entitled to any excess of revenues over expenses generated by the Trade Center Authority. The Convention Authority’s board is appointed and serves at the pleasure of the Council of the Consolidated Government.

The Columbus Golf Authority (the “**Golf Authority**”), created by Ordinance No. 82-29, was originally named the Bull Creek Golf Authority. The Golf Authority provides recreation opportunities to the general public and is responsible for the operation of Bull Creek Golf Course, Oxbow Meadow Golf Course, and Godwin Creek Golf Course. The Consolidated Government has directly or indirectly guaranteed the Golf Authority’s debts. The Golf Authority’s board is appointed by the Council of the Consolidated Government and may be removed at any time.

The Columbus Convention and Visitors Bureau (the “**Bureau**”) was established as a commission by Ordinance 80-51 adopted April 1980. The Bureau was created to promote tourism, trade, and conventions for the benefit of the community. The Bureau is presented as a proprietary component unit and is funded out of the proceeds of a hotel motel tax which is authorized by State Law and levied by the Consolidated Government. The Consolidated Government is responsible for any deficit and is entitled to the surplus revenue received or generated by the Bureau. The annual budget must be presented to the Council of the Consolidated Government for approval. The Bureau’s board is appointed by the Council and may be removed at any time.

Downtown Development Authority (the “**Downtown Development Authority**”) was created in 1983 pursuant to the Downtown Development Authorities Law to aid in the development and promotion for the public good and general welfare, trade, commerce, industry and employment opportunities through the revitalization and redevelopment of the central business district of Columbus. The Downtown Development Authority is vested with the authority to issue revenue bonds, but such bonds will not constitute a lien on the revenues or represent an obligation of Columbus. Members of the Downtown Development Authority are appointed by the Council.

Government Services and Facilities

Columbus provides a full range of services, including police and fire protection services and emergency medical services to residents of Columbus, the cost of which is financed by General Fund revenues. Columbus provides garbage collection services to residents of Columbus, the cost of which is financed in part by user fees. Columbus transports the garbage it collects to one of three landfills which it owns - one of which is a sanitary landfill and two of which are inert landfills, the use of which is limited to horticultural material. Columbus also provides recreational, cultural, health and social services, traffic control, and criminal justice services to its residents. In addition, it acquires, constructs, and maintains roads, stormwater drainage systems and other infrastructure, the cost of which is financed by General Fund and dedicated revenues. Additionally, Columbus provides planning and building inspection services to its residents, the cost of which is financed by permit fees. Columbus owns and operates a public transportation system, Metra, the cost of which is financed by user charges and intergovernmental grants. Water and sanitary sewer service is provided through its Board of Water Commissioners.

Columbus is divided into a General Services District and two Urban Services Districts, in which taxes are levied in accordance with the kind, character, type, degree, and level of services provided by Columbus within each district. The Urban Services Districts consist of areas where Columbus has provided the higher levels of services, and Columbus performs within the Urban Services Districts more comprehensive and intensive levels of services than it does in the General Services District. Urban Services District #1 includes most of the developed land in Columbus. Urban Services District #2 primarily consists of undeveloped land located in the northern and eastern portions of Columbus. The General Services District consists of the entire area within the territorial limits of Muscogee County. The only portion of the General Services District that is not included in either Urban Services District #1 or #2 is a small area of taxable property located on the Fort Benning Military Reservation.

As of June 30, 2025, the Columbus police department has one police station, three precincts, 453 employees, and 351 vehicles, and maintains a 24-hour uniformed patrol. Columbus fire and emergency medical services department has 14 permanent stations, 80 vehicles, 428 employees. The Fire and Emergency Medical Services Departments were merged in fiscal year 2002 to streamline delivery of services to citizens. All fire fighters hired after

November 2006 have EMT certification and all EMS personnel have firefighter certification. The Insurance Services Office (ISO) currently evaluates over 50,000 Fire Departments Nationwide with only 241 earning the Class 1 Rating. The City of Columbus Fire and Emergency Medical Services has received the Insurance Services Office (ISO) top rating of Class 1x1. This rating has been achieved by less than .5% of Fire Departments Nationwide. Columbus Fire and EMS is one of only 14 (7%) in Georgia and is one of 77 (1%) departments across the United States that are Internationally Accredited and an ISO Class 1x1. Additionally, the Department of Fire and Emergency Medical Services received International Accredited Agency Status with the Commission Fire Accreditation International on August 2, 2002, and has maintained accreditation since that time. There are only 266 departments in the world with international accreditation status. The department received Paramedic Program Accreditation by the Commission on Accreditation of Allied Health Education Programs (CAAHEP) in 2018.

Columbus maintains approximately 1,209 miles of paved streets. The integrated waste department has 130 vehicles and 116 employees. The public works department has 37 vehicles and 364 employees who perform street and drainage maintenance as well as other public works. Columbus owns and maintains 52 parks containing approximately 1,912 acres, 1 aquatic center, 5 swimming pools, 4 senior centers, 44 public playground systems, 78 athletic fields, 8 community centers, and various other cultural and recreational facilities. There are three libraries in Columbus with total holdings in excess of 400,000 volumes.

Demographic and General Information

Columbus is the principal city of a seven-county metropolitan statistical area (“MSA”), which is the fourth largest MSA in Georgia, comprised of Muscogee, Harris, Marion, Stewart, Talbot and Chattahoochee Counties in Georgia and Russell County in Alabama. However, Columbus provides the economic foundation of a much larger area. Columbus serves as the trade, distribution, manufacturing, medical and financial center for a twenty-six county area of Georgia and Alabama. Although Columbus only represents approximately 8% of the MSA land area, it accounts for 62% of the MSA population.

Census <u>Year</u>	Columbus <u>MSA</u>	Percentage <u>Change</u>	<u>Columbus</u>	Percentage <u>Change</u>	Total <u>Muscogee County</u>	Percentage <u>Change</u>
1960	217,985	-	116,779	-	158,623	-
1970	238,584	9.4%	154,092	32.0%	167,377	5.5%
1980	239,196	0.3	169,441	10.0	170,108	1.6
1990	243,072	1.6	178,681	5.5	179,278	5.4
2000	267,384	10.0	185,781	4.0	186,291	3.9
2010	294,865	10.3	189,885	2.2	189,885	1.9
2020	328,883	11.5	206,922	8.9	206,922	8.9
2021	325,657	(0.98)	204,366	(1.24)	204,366	(1.24)
2022	326,159	0.15	204,572	0.10	204,572	0.10
2023	326,136	(0.01)	204,383	(0.09)	204,383	(0.09)
2024	325,615	(0.16)	203,711	(0.33)	203,711	(0.33)

Source: U.S. Bureau of the Census, Decennial Census and American Community Survey 5-year estimates.

Per Capita Personal Income

The following table sets forth the per capita personal income in the Columbus MSA, the County, the State of Georgia, and the United States for the years 2020 through 2024.

<u>Year</u>	<u>Columbus MSA</u>	<u>Muscogee County</u>	<u>Georgia</u>	<u>United States</u>
2020	\$42,868	\$44,110	\$51,463	\$59,123
2021	46,669	47,719	56,088	64,460
2022	47,512	49,232	57,290	66,244
2023	49,717	51,442	59,882	69,810
2024	N/A	55,517	63,006	73,204

Source: U.S. Bureau of Economic Analysis, "CAINC1 County personal income summary: personal income, population, per capita personal income"

Bank Deposits

As of June 30, 2025, 16 financial systems with a total of 49 branch offices provided banking services within the Columbus MSA. The following are the total deposits in Columbus’ financial systems as of June 30 in each of the years 2021-2025, rounded to the nearest million.

<u>Year</u>	<u>Columbus MSA</u>
2021	\$10,157,058
2022	8,406,133
2023	8,755,605
2024	9,377,077
2025	9,861,471

Source: Federal Deposit Insurance Corporation

New Construction Data

The following chart provides historical information with respect to commercial and residential construction permits and construction valuations in Columbus.

<u>Fiscal Year</u>	<u>Permits Issued</u>	<u>Construction Valuation</u>
2020	7,196	\$276,499,458
2021	7,196	341,418,272
2022	7,300	318,253,266
2023	7,300	378,152,248
2024	7,196	371,920,337

Source: Columbus Consolidated Government departmental records.

[Remainder of page intentionally left blank.]

Industry and Employment

Private Employers. Set forth below are the largest private commercial employers located in Columbus as of January 1, 2025, their type of business, and their approximate number of employees. There can be no assurance that any employer listed below will continue to be located in Columbus or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed.

LARGEST AREA EMPLOYERS

<u>Commercial Employer</u>	<u>Type of Business</u>	<u>Employees</u>
Piedmont Regional Healthcare System	Healthcare	3,080
AFLAC, Inc.	Insurance	2,900
TSYS (Total System Services, Inc.)	Fintech	2,600
Pratt & Whitney	Jet Engines	1,850
St. Francis-Emory Healthcare	Healthcare	1,735
Anthem Blue Cross Blue Shield	Insurance	1,650
Synovus ¹	Financial Services	1,235
Goodwill Industries	Used merchandise stores	825
Aludyne	Automotive parts	565
Kysor-Warren	Refrigerated display cases	470
Hostess Brands	Snack cake production	450
Path-Tech	Specimen kit assembly	397
Spring Harbor	Assisted living	230
Hamilton Relay	Communications	210
Robinson Paving	Construction	201
Panasonic	Lithium battery production	200
Alexander Electric Company	Electricians	200

¹ Pinnacle Financial Partners (Nasdaq/NGS: PNFP) and Synovus Financial Corp. (NYSE: SNV) announced on July 24, 2025, that they have entered into a definitive agreement to combine in an all-stock transaction valued at \$8.6 billion based on the unaffected closing prices of the two companies as of July 21, 2025. The transaction is expected to close in the first quarter of calendar year 2026. The combined company will be headquartered in Atlanta, Georgia. Certain leadership personnel are expected to be moved from Columbus to Atlanta. However, Columbus does not currently expect the transaction to have a material impact on the number of employees of the combined company employed in Columbus.

Source: Choose Columbus, an economic development organization.

Government Employers. Set forth below are four largest government employers located in Columbus as of June 30, 2025, their type of service, and their approximate number of employees. There can be no assurance that any employer listed below will continue employment at the level stated.

<u>Governmental Employer</u>	<u>Type of Service</u>	<u>Employees</u>
Fort Benning Military Reservation	Military post and civilians	42,487
Muscogee County School System	Public Education	4,617
Columbus Consolidated Government	Consolidated City/County Government	2,894
Columbus State University	Education	1,238

Source: Columbus Chamber of Commerce, Georgia Department of Labor, Muscogee County School District, Columbus Consolidated Government.

Industry and Employment. The following table shows the number of individuals employed within selected industries in the Columbus MSA which are covered by unemployment insurance. The table is intended to provide information regarding the types of industries employing residents of the Columbus MSA and the compensation paid to those employees. The table does not provide information with respect to all industries and firms. It is based upon and includes only those industries and firms that participate in the State Unemployment Insurance Program.

In 2024, the largest employment sector in the Columbus MSA was government (comprising approximately 19.8% of the county's work force), followed, in order, by: healthcare and social assistance; retail; accommodations

and food services; manufacturing; and finance and insurance. For the twelve-month period ended December 31, 2024, total average monthly employment in the Columbus MSA increased 1.40% as compared to the same period ending December 31, 2023, and the weekly average wage increased by 3.89% during the same time period.

Average Monthly Number of Employees Within Selected Industries

<u>Industry</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Agriculture, Forestry, Fishing, Hunting	344	303	317	345	426
Mining	105	107	101	108	248
Construction	3,777	3,753	3,715	3,849	3,952
Manufacturing	7,702	7,162	7,269	8,130	8,040
Utilities	230	227	231	238	263
Wholesale Trade	2,192	2,194	2,273	2,281	2,355
Retail Trade	10,352	10,036	10,703	10,832	11,799
Transportation and Warehousing	1,585	1,873	2,010	2,207	2,128
Information	991	925	952	948	893
Finance and Insurance	9,390	8,662	7,641	6,877	6,946
Real Estate and Rental and Leasing	1,654	1,548	1,585	1,652	1,542
Professional Scientific & Tech. Svc	5,200	5,287	5,274	5,288	5,160
Management of Companies and Enterprises	1,757	1,851	1,800	2,063	1,447
Admin., Support, Waste Mgmt., Remediation	6,239	6,870	7,197	6,629	5,740
Educational Services	868	872	924	817	838
Health Care and Social Assistance	12,772	13,153	13,194	13,557	14,560
Arts, Entertainment, and Recreation	868	1,043	1,089	1,258	1,262
Accommodation and Food Services	10,683	11,122	11,456	11,735	11,796
Other Services (except Public Admin)	2,253	2,337	2,452	2,581	2,619
Unclassified	127	173	293	369	153
Total Government	<u>19,942</u>	<u>19,400</u>	<u>19,258</u>	<u>19,231</u>	<u>20,424</u>
Total ¹	99,030	98,899	99,734	100,977	102,410

¹ Figures may not equal totals when added due to the rounding of averages or the inclusion in the total figure of employees that were not disclosed in individual classifications.

† Figures were not released due to confidentiality.

Source: Georgia Department of Labor, Industry Mix.

Employment Statistics

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025¹</u>
<i>Columbus MSA</i>					
Labor Force	130,983	129,170	129,732	128,755	129,986
Employment	125,301	124,472	124,980	123,589	124,281
Unemployment	5,682	4,698	4,752	5,166	5,705
<i>Unemployment Rates</i>					
Columbus MSA	4.3%	3.6%	3.7%	4.0%	4.4%
State of Georgia	3.9%	3.2%	3.3%	3.5%	4.0%
United States	5.3%	3.6%	3.6%	4.0%	4.3%

Source: United States Department of Labor, Bureau of Labor Statistics.

Note: Data is not seasonally adjusted. Columbus MSA includes Chattahoochee, Harris, Marion and Muscogee Counties in Georgia and Russell County, Alabama.

¹ As of November 2025.

Fort Benning

Fort Benning, located adjacent to Columbus, is the United States Army Infantry Center and the Maneuver Center of Excellence and serves as the training center for all infantry training. The post encompasses approximately 182,000 acres (or 284 square miles). Established in 1918 as a consolidation of three infantry schools then operating at widely scattered locations, Fort Benning expanded as the “Home of the Infantry” to earn the title as the world’s most complete Army post.

Fort Benning continues to be a primary source of economic strength to the Columbus community. The base is the country’s sixth-largest military installation and has the third-largest troop density. It is also the third largest employer in Georgia, providing permanent employment to approximately 11,016 permanent military personnel with 33,818 dependents, 6,845 civilian workers and an average of 16,785 military trainees each week. The base supports over 200,000 military, civilian, retiree, and reserve personnel, resulting in an annual economic impact of over \$4.75 billion. Fort Benning is over 285 square miles in size, with 300 training areas, 4 impact areas, 49 training facilities, 80 live fire ranges, and 4 simulation centers, with around 17.5 million square feet of training facilities and almost 4,000 housing units. The base is home to the United States Army Maneuver Center of Excellence, the United States Army Armor School, the 194th Armor Brigade, the 316 Cavalry, the United States Army Infantry School, the 198th Infantry Brigade, the Airborne and Ranger Training Brigade, and elements of the 199th Infantry Brigade, Non-Commissioned Officer’s Academy, 75th Ranger Regiment, 1st Security Force Assistance Brigade, 14th Combat Support Hospital, ARNG Warrior Training Center, Western Hemisphere Institute for Security Cooperation, and Task Force 1-28.).

The regional economic impact of family members and friends attending Fort Benning graduation ceremonies is estimated to be \$9.5 million annually in spending on food, gas, and lodging. The regional annual economic impact of the base exceeds \$4.8 billion annually and the annual economic impact for the State of Georgia from the military, civilian, defense-contractors and retirees related to the base is estimated to be \$21 billion.

The information contained in this Appendix A is provided for general background and economic context. The Series 2026 Bonds are payable solely from the Net Revenues of the System, as described in the Official Statement, and are not secured by or payable from the general taxing power of Columbus.

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APPENDIX B

**COLUMBUS WATER WORKS
(A COMPONENT UNIT OF THE CONSOLIDATED
GOVERNMENT OF COLUMBUS, GEORGIA)
FINANCIAL STATEMENTS
JUNE 25, 2025, AND 2024**

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Columbus Water Works

*Component Unit of the Consolidated Government of
Columbus, Georgia*



Annual Comprehensive Financial Report

Fiscal Year Ended June 25, 2025 and 2024

COLUMBUS WATER WORKS

COLUMBUS, GEORGIA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**A COMPONENT UNIT OF
THE CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA**

**FOR THE
FISCAL YEAR ENDED JUNE 25, 2025 AND 2024**

**Prepared by
Division of Finance**

**Columbus Water Works
1421 Veterans Parkway
Columbus, Georgia 31901**

COLUMBUS WATER WORKS

COLUMBUS, GEORGIA

Annual Comprehensive Financial Report A Component Unit of the Consolidated Government of Columbus, Georgia

For the Fiscal Year Ended June 25, 2025 and 2024

INTRODUCTION

This Section Contains the Following Subsections

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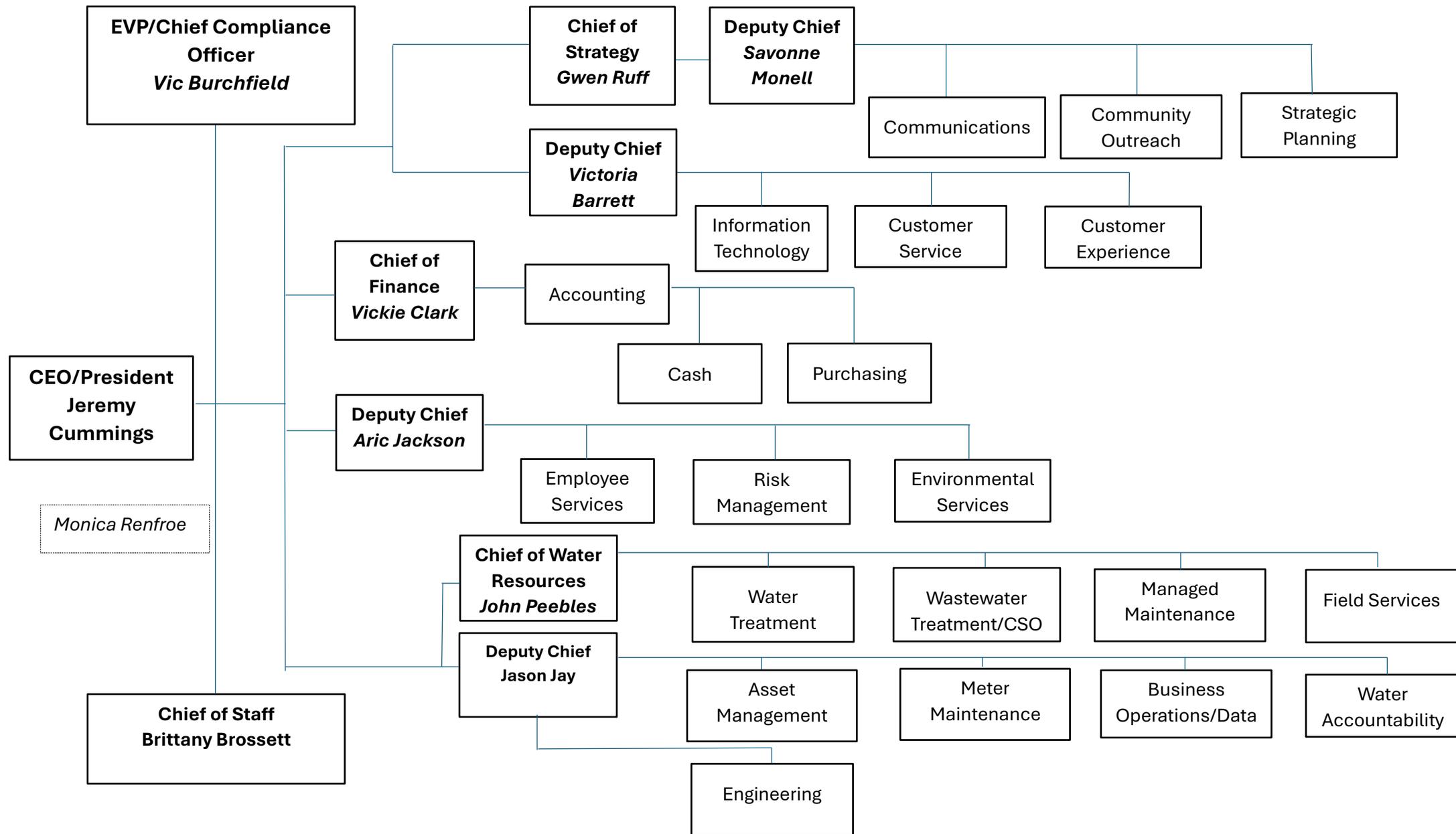
**CERTIFICATE OF ACHIEVEMENT
FOR EXCELLENCE IN FINANCIAL REPORTING**

COLUMBUS WATER WORKS
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**Columbus Water Works
Columbus, Georgia**

Listing of Principal Officials and Auditors

Board of Water Commissioners

Mr. Nick Smith, Chair
Mrs. Jennifer Upshaw, Vice Chair
Mr. Wes Kelley
Mr. Oz Roberts
Honorable Mayor Skip Henderson

President

Jeremy Cummings

Executive Vice-President & Chief of Compliance Officer

Gard V. Burchfield

Chief of Staff

Brittany Brossett

Chief of Finance

Vickie Clark

Chief of Strategy

GwenDolyn H. Ruff, SPHR

Chief of Water Resources

John T. Peebles

Auditors

Robinson, Grimes & Company, P.C.

Columbus Water Works Board of Water Commissioners



Mr. Nick Smith
Chair



Mrs. Jennifer Upshaw
Vice Chair



Mr. Wes Kelly
Member



Mr. Oz
Member



Honorable Skip Henderson
Mayor Ex-Officio



December 15, 2025

Board of Water Commissioners
Jeremy Cummings, President
Vickie Clark, P, Financial Services
Columbus Water Works
Columbus, Georgia

Ladies and Gentlemen:

The Annual Comprehensive Financial Report (ACFR) of the Columbus Water Works (CWW) for the fiscal year ended June 25, 2025, and 2024 is hereby submitted. This report describes Columbus Water Works' financial activities, economic condition, and services and is presented in three sections: Introductory, Financial, and Statistical. Management is responsible for the accuracy of the data and the contents of this report to include all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to fairly represent the financial position and operations of CWW. All disclosures required to ensure a full understanding of this report have been included.

Columbus Water Works is responsible for the financial statements and the related information in this report. A system of internal accounting controls is maintained to provide reasonable assurance that assets are safeguarded and that the records reflect only authorized transactions. Limitations exist in any system of internal controls. However, based on the recognition that the cost of the system should not exceed its benefits, management believes its system of internal accounting controls maintains an appropriate cost/benefit relationship.

Columbus Water Work's system of internal accounting controls is evaluated on an ongoing basis by the internal financial staff. Independent external auditors also consider certain elements of the internal control system to determine their auditing procedures to express an opinion on the financial statements. Management believes that its policies and procedures provide guidance and reasonable assurance that CWWs' operations are conducted according to management's intentions and a high standard of business ethics. In management's opinion, the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the Water Works in conformity with accounting principles generally accepted in the USA.

Government Profile

The Board of Water Commissioners of Columbus, Georgia was created pursuant to legislative authority granted originally in 1902 and reaffirmed by the ratification in 1971 of the Charter of the Consolidated Government of Columbus. The Board is responsible for the supervision and control of building, construction, and operation of the water and sewerage utilities in Muscogee County and the Ft. Moore Military Installation, charged with exclusive jurisdiction, control, and management of all water and sewerage facilities with powers including, but not limited to, the power to establish and charge rates, to operate water and sewerage systems as one revenue producing undertaking, and to charge separately or collectively for such services. The Board of Water Commissioners consists of five members including the Mayor of Columbus (ex-officio) and four members appointed by the Council of Columbus to serve four-year staggered terms. The President and staff of CWW supervises day-to-day operations. Employee staffing was established and approved for 293 positions for the fiscal year ending 2025.

Economic Condition and Outlook

Columbus (population served 262,581) is in west central Georgia, 110 miles southwest of Atlanta and 82 miles east of Montgomery, Alabama. Located on the east bank of the Chattahoochee River, which is the Georgia-Alabama State boundary, Columbus draws commercial activity from east Alabama as well as from nearby Georgia counties. Columbus acts as a regional trade center and is the hub of a Metropolitan Statistical Area (MSA) that includes Phenix City (Alabama) and Ft. Benning. The Columbus MSA civilian labor force as of June 2025 was 129,226. In addition to this civilian labor base, the area's economy includes an average of over 45,000 soldiers and civilians employed at Ft. Benning, the home of the Maneuver Center of Excellence and the Army Infantry School.

Unemployment in Muscogee County is higher than the state average. The total civilian labor force in Muscogee County for June 2025 was 82,202 of which 78,562 were employed and 3,640 were unemployed. The largest major industry sector was Health Care and Social Assistance, with 17.5% of the employment, followed by Retail Trade with 11.9%, and Accommodation and Food Services with 11.6%.

Water and Sewage System

Water Supply and Distribution – The North Columbus Water Resource Facility (NCWRF) derives its water supply from Lake Oliver Reservoir on the Chattahoochee River with the Ft. Benning Water Treatment Facility deriving its water supply directly from the Chattahoochee. The total distribution system is comprised of 6,334,901 feet of pipe in Columbus and 1,396,131 feet of pipe in Ft. Benning. The combined water treatment permitted capacity of 98 million gallons per day (MGD) is ample to meet the average daily consumption of 33.71 MGD for NCWRF and 2.28 MGD for Ft. Benning. The NCWRF had a maximum day’s filtration of 47.98 MGD and the Ft. Benning Plant had a maximum day’s filtration of 3.15 MGD for the period ending June 25, 2025. The water distribution system served 73,230 active customer accounts as of June 25, 2025.

The capacity of various components of the water system is as follows:

Intakes	90.00 MGD	North Columbus Pumps	25.90 MGD
Raw Water Pumps	90.00 MGD	Ft. Benning Storage	5.75 MG
Raw Water Mains	90.00 MGD	High Service Storage	11.50 MG
Clearwells	13.50 MG	NCWRF Storage	4.00 MG
High Service Pumps	40.00 MGD	Raw Water Storage	8.00 MG

Sewage System – Columbus Water Works operates the sewer system within Muscogee County and has one sanitary sewer pollution control facility, the South Columbus Water Resource Facility (SCWRF). The hydraulic design capacity of the SCWRF is 42 MGD per day, but flow is not a condition of the National Pollutant Discharge Elimination System (NPDES) permit. The SCWRF maximizes flows during wet weather periods, treating peak flows up to 80 MGD. The capacity of the treatment plant is therefore determined by the mass quantities of total suspended solids (TSS) and carbonaceous biochemical oxygen (CBOD) demand in the effluent discharge. The average daily flow for the twelve months ending June 25, 2025, was 37.5 MGD. In addition to the SCWRF, CWW operates and maintains two Combined Sewer Treatment System (CSS) treatment facilities with a maximum combined treatment capacity of 121 MGD. The sanitary sewage collection system is comprised of 5,538,461 feet of pipe in Columbus and 877,557 feet of pipe in Ft. Benning, ranging in size from 6 inches to 96 inches. The total treated final effluent flow for the twelve months ending June 25, 2025, was 13.54 billion gallons. As of June 25, 2025, the sewer system served 61,610 active sewer accounts. All the water and sewage facilities are reported to be in good condition. Service availability has not been restricted by inadequate facilities, nor has expansion been limited by any regulatory agency.

Strategic Planning and Effective Utility Management (EUM) Initiative

Columbus Water Works incorporates the concepts of the EUM Initiative into our strategic planning processes. The EUM Initiative identifies Ten Attributes of Effectively Managed Water Sector Utilities (Attributes) which describe desired outcomes that are applicable to all water and wastewater utilities. The Attributes emerged from an extensive analysis of current utility management practices and discussions with leaders in the utility industry, regarding what they viewed as promising developments in utility management efforts. These Attributes can be viewed as a continuum of, or a set of building blocks for, management improvement opportunities. They are deliberately not listed in a particular order, since utility managers determine their relevance and relative importance based on individual circumstances.

The Ten Attributes identified by the study are:

- Product Quality
- Employee and Leadership Development
- Financial Viability
- Operational Resiliency
- Water Resource Adequacy
- Customer Satisfaction
- Operational Optimization
- Infrastructure Stability
- Community Sustainability
- Stakeholder Understanding and Support



Columbus Water Works has also embraced the concept of the **Five Keys to Management Success**, which is a complement report from the EUM study. These five keys are specific management approaches and systems which have been proven to help water and wastewater utilities manage more effectively. They create a supportive climate for a utility as it works towards the outcomes outlined in the Attributes and can help integrate the utility's improvement efforts across the Attributes.

The Five Keys to Management Success are:

Leadership

- Effective leadership ensures that our strategic direction is understood, communicated, embraced, and followed on an ongoing basis throughout the organization.
- Leadership has an important responsibility to communicate with our stakeholders, community leaders and customers. This reflects our commitment to organizational excellence, leading by example to establish and reinforce our culture to embrace positive change and to strive for continual improvement.

Strategic Business Planning

- Preparation of a strategic business plan involves taking a long-term view of our goals and operations and establishing a clear vision and mission.
- The strategic business plan guides our goals, objectives, performance measurement efforts, and operational activities.

Organizational Approaches

- Effective organizational approaches actively engage our employees in improvement efforts.
- It deploys an explicit change management process that anticipates and plans for change and encourages staff at all levels to embrace change.
- It also utilizes effective implementation strategies that seek, identify, and celebrate early, step-by-step victories.

Measurement

- An effective measurement system helps us to focus on operational issues, identifying performance expectations, and facilitating decision making.
- This system is supported by a well-defined decision framework which ensures performance metrics are evaluated, communicated, and responded to in a timely manner.

Continual Improvement Management Framework

- A continual improvement management framework requires us to conduct an honest and comprehensive self-assessment to identify management strengths and operational areas for improvement.
- It also defines and implements operational requirements, procedures and establishes priorities, supporting roles and responsibilities.

Columbus Water Works uses the strategic planning process as a management tool to help focus our efforts and energy to meet our organizational performance goals. Our commitment to this endeavor not only ensures all members of the CWW team are working towards the same objectives, but it allows us to continuously evaluate and assess our progress in response to an ever-changing environment.

For CWW, the emphasis placed on strategic planning at all levels in the organization allows us to provide the highest level of quality customer service while ensuring our operational activities support our purpose and vision.

In 2025, our executive management team held several planning sessions to establish the strategic framework for our future operations and to update our organizational Mission, Vision, Values and Strategic Initiatives:

Our Mission: To serve our community; to provide safe, reliable water; to protect public health and our watershed; and to leave a legacy of financial and environmental stewardship.

Our Vision: To lead the Chattahoochee Valley to health and prosperity by operating a first-class water utility.

Our Values:

- **Service First:** We approach every task with a can-do attitude, focusing on solutions, empathy, and customer-oriented service.
- **Ethics and Integrity:** We act honestly and sincerely in all our dealings, building trust through transparency and open communication.
- **Respect for All:** We ensure inclusion, fairness, and a strong awareness of the differences that make our community unique.
- **Value Excellence:** We hold ourselves accountable, continuously training and developing our team to excel in every aspect of our work.
- **Environmental and Economic Stewardship:** We practice sustainability and resilience, with a commitment to fiscally and environmentally sound practices that protect our resources.

Building on our previous successes, the executive management team and our employees are embracing the emphasis to “focus on the future” through the development and execution of our new Strategic Plan. Our commitment is emphasized in three specific strategic areas:

- **Customer Experience** - We are committed to building strong relationships with our customers by delivering an experience that meets or exceeds their expectations.
- **Our Employee Experience** - We are committed to cultivating a work environment that reflects fairness, respect, equality and understanding. We will actively listen and respond to the needs of our team members to create a “Great Place to Work for All”.
- **Our Environmental Focus** - We are committed to protecting the environment and working to ensure the health and sustainability of our natural resources for future generations.

These three initiatives serve as our roadmap to help us develop action items to produce improvements and implement “best practices” in the way we do business and conduct our operations. As a premier leader in the water and wastewater industry, our strategic focus in the upcoming years is to provide exceptional customer service, cultivate a work environment that ensures employee engagement, implement new technologies to support operational cost-efficiencies, protect the environment to ensure the sustainability of our natural resources for future generations, and strengthen our community and regional partnerships.

Our leadership team believes that to effectively utilize EUM and our strategic initiatives, we must cultivate, energize and reward our employees who are committed to our standard for excellence.

Other Information

Columbus Water Works continues to enjoy a stable financial position. This stability is based upon the organization's solid liquidity position, conservative budgeting, and programmed annual rate increases. CWWs' financial policies include a component for management of reserve funds and a component relative to coverage requirements. The following is a summary of these policies:

Reserve Fund Policy:

- Operating Reserve – maintained at 90-120 days of annual revenue requirements
- Capital Reserve – maintain minimum at 30% of prior year's depreciation expense

Coverage Requirements:

- Senior Debt Service Coverage – is maintained at 1.2 times revenue as required by bond covenants
- MADS (Maximum Annual Debt Service) Coverage – 1.2 times ratio to demonstrate ability to issue additional debt when needed
- All Obligations Coverage – must maintain a 1.05 times ratio as required by State mandate

To support these operational policies, since 2002, CWWs' annual study conducted by Raftelis Financial Consultants reviewed rates as well as financial conditions and needs. As a result of the annual studies, CWW will or has implemented the following rate adjustments as indicated:

Five Year Rate Plan 2020 – 2024 **

January 2020 – Average rate increase 2.35% - adopted
April 2021 – Average rate increase 3.75% - adopted
January 2022 – Average rate increase 3.75% - adopted
January 2023 – Average rate increase 4.95% - adopted
January 2024 – Average rate increase 4.95% - adopted
January 2025 – Average rate increase 4.95% - adopted

** Average rate increase based on system average (20 ccf) includes all customer classes: Residential, Commercial and Industrial each year.

Five Year Rate Plan 2024- 2028

January 2026 – Average rate increase 4.95% - approved
January 2027 – Average rate increase 4.95% - proposed
January 2028 – Average rate increase 4.95% - proposed
January 2029 – Average rate increase 4.95% - proposed
January 2030 – Average rate increase 4.95% - proposed

Projected rate increases over the next few years are lower than the national average of historical increases. The smoothing of future rate impacts depends on reserve fund balances that are within policy limits and the continuation of the capital improvement plan.

In accordance with the bond resolutions and ordinances, the Board has audits of the System performed by certified public accounting firms. Accordingly, the Component Unit Financial Statements as of June 25, 2025, were examined by Robinson, Grimes & Company, P.C., Certified Public Accountants Consultants, and a copy of the independent auditor's report on the Component Unit Financial Statements is included in the financial section of this report. Detailed information is outlined in the Management's Discussion and Analysis, which is included in the Financial Section.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to CWW for its comprehensive annual financial report for the fiscal year ending June 25, 2024. This is the fourteenth year that CWW has received this prestigious award. To be awarded a Certificate of Achievement, CWW must publish an easily readable and efficiently organized comprehensive annual financial report satisfying both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for one year. We believe that our current comprehensive annual financial report continues to meet the requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Respectfully submitted,



Jeremy Cummings
President



Vickie Clark
Chief of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Columbus Water Works
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 25, 2024

Christopher P. Morill

Executive Director/CEO

COLUMBUS WATER WORKS

COLUMBUS, GEORGIA

**Annual Comprehensive Financial Report
A Component Unit of The Consolidated Government of
Columbus, Georgia**

For the Fiscal Year Ended June 25, 2025 and 2024

FINANCIAL SECTION

This Section Contains the Following Subsections

REPORT OF INDEPENDENT AUDITORS

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL STATEMENTS

Independent Auditor's Report

The Board of Water Commissioners
Columbus Water Works
Columbus, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Columbus Water Works ("CWW"), a component unit of the Consolidated Government of Columbus, Georgia, as of and for the years ended June 25, 2025 and 2024, and the related notes to the financial statements, which collectively comprise CWW's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Columbus Water Works, as of June 25, 2025 and 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CWW and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CWW's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CWW's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CWW's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 – 25 and other required supplementary information on pages 77 – 87 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CWW's basic financial statements. The Schedule of Expenditures of Federal Awards (page 80), as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 8, 2025 on our consideration of CWW's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering CWW's internal control over financial reporting and compliance.

Robinson, Grimes + Company, P.C.

Certified Public Accountants
Columbus, Georgia

December 8, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of Columbus Water Works (CWW's) financial performance provides an overall review of activities for the fiscal year ended June 25, 2025. Readers should review the financial statements and corresponding notes to enhance their understanding of CWW's financial performance.

Vision & Mission

Columbus Water Works' vision is to lead the Chattahoochee Valley to health and prosperity by operating a first-class water utility. Our mission is to serve our community; to provide safe, reliable water; to protect public health and our watershed; and to leave a legacy of financial and environmental stewardship.

Responsibility and Controls

Columbus Water Works has prepared and is responsible for the financial statements and related information included in this report. A system of internal accounting controls is maintained to provide reasonable assurance that assets are safeguarded, and the records reflect only authorized transactions. Limitations exist in any system of internal controls, however based on recognition that the cost of the system should not exceed its benefits, management believes its system of internal accounting controls maintains an appropriate cost/benefit relationship. Columbus Water Works' system of internal controls is evaluated on an ongoing basis by CWW's internal financial staff. Independent external auditors also consider certain elements of the internal control system to determine their auditing procedures for the purpose of expressing an opinion on the financial statements. Management believes that its policies and procedures provide guidance and reasonable assurance that CWW's operations are conducted according to management's intentions and to a high standard of business ethics. In management's opinion, the financial statements present fairly, in all material respects, the financial

position, results of operations and cash flows of the Water Works in conformity with accounting principles generally accepted in the USA.

Audit Assurance

The opinion of Robinson, Grimes & Company, P.C., our independent external auditors, is included in this report.

Financial Historical Summary

- Beginning in 2002, the Board of Water Commissioners approved and implemented a comprehensive Financial Plan. The projected rate increases associated with the Financial Plan have met projections.
- In October 2004, CWW assumed ownership of the water and wastewater facilities serving Fort Benning under a 50-year contract.
- Projected rate increases over the next five years are consistent with the national average of historical increases, with Columbus Water Works having one of the lowest rates in southeast cities.

Financial Highlights – Fiscal Year (FY) ended 2025

This section presents management’s analysis of the CWW’s financial condition and activities for the Fiscal Year ended June 2025. Management believes the Columbus Water Works’ financial condition is strong and that CWW is well within its debt covenants as well as the more stringent financial policies and guidelines set by the Board of Water Commissioners. The following are key financial highlights:

- **Operations** – For Fiscal Year ended 2025, CWW delivered 8.24 billion gallons of water and treated 14.97 billion gallons of wastewater, as compared to 8.02 billion gallons of water delivered and 14.67 billion gallons of wastewater treated in Fiscal Year ended 2024.
- **Liabilities and Net Position** – Total liabilities amounted to \$206.10 million and net position amounted to \$457.75 million at year-end. Of the net position, \$17.54 million was unrestricted and was available to support short-term operations, reflective of a strong liquidity position.
- **Long-term Debt** – Normal debt payments were made throughout the year, retiring current portion due of debt.

- **Total Debt Service** – As of FY ended June 2025, debt service coverage was 1.98 as compared to 1.82 for FY ended June 2024.
- **Operating Revenues** – Total combined Columbus and Fort Benning operating revenues were \$96.4 million, an increase over FY ended 2024 in the amount of \$6.2 million.
- **Operating Expenses** – Operating expenses before depreciation and amortization increased \$840,000 as compared to Fiscal Year ended 2024. Operating expenses including depreciation/amortization increased \$216,000, an increase of 2.48% as compared to Fiscal Year ended 2024.
- **Operating Income** – Operating income for the year was \$7.3 million, as compared to income of \$3.2 million for FY ended 2024. This amount includes activities related to Fort Benning contractual operations.
- **Capital Expenditures** – CWW expended \$36.1 million for capital assets in FY 2025 on various capital improvement items.
- **Capital Contributions and Grants** – Capital assets of \$3.7 million and \$2.8 million were acquired through contributions from developers, and Fort Benning, for the FY ended 2025 and 2024, respectively. For FY ended 2025, capital grants and contributions represent contributions of contributed lines and capital by developers of \$1.9 million and contributed water and sewer system by Fort Benning of \$1.8 million.

Columbus Water Works owns and operates the water/wastewater treatment facilities as well as the distribution/collection facilities for Columbus–Muscogee County. CWW serves a population of approximately 262,581, which includes Fort Benning, and provides supplemental water supply to wholesale customers – Talbot and Harris Counties. With a budget of \$95.8 million for FY ended 2025, CWW’s customer base includes over 68,419 active water accounts and 61,610 active sewer accounts. Potable water is supplied by two water treatment plants. The North Columbus Water Resource (NCWRF) plant withdraws raw water from Lake Oliver, an impoundment on the Chattahoochee River. The Fort Benning Water Treatment Plant withdraws raw water from the Chattahoochee River. CWW currently has a combined water withdrawal permit of 98 MGD. The wastewater collection system consists of

5,538,462 feet of pipe in Columbus and 877,557 feet of pipe in Fort Benning, along with 42 lift stations in Columbus and an additional 44 lift stations in Fort Benning. Advanced secondary treated wastewater is discharged to the Chattahoochee River downstream of the confluence with Bull Creek. A combined sewer treatment system (CSS) is also operated by CWW. The system includes two CSS treatment facilities. During dry weather (normal conditions), the combined sewer system ensures that wastewater is collected and moved to the South Columbus Water Resource Facility for treatment. During wet weather, stormwater run-off from streets and other hard surfaces in the Columbus, Georgia downtown area combines with wastewater flows triggering the combined treatment facilities to come online to effectively remove debris and disinfect flows before discharging to the river.

Overview of the Financial Statements

This report is intended to serve as an introduction to CWW's basic financial statements. The financial statements report detailed information about CWW using full accrual accounting methods as utilized by the private sector. However, rate-regulated accounting principles applicable to private sector utilities are not used by government utilities.

General

The following overview of the financial activities of Columbus Water Works summarizes basic financial statements for the fiscal year ended June 25, 2025. Basic financial statements consist of the following:

- Statements of Net Position,
- Statements of Revenues, Expenses and Changes in Net Position,
- Statements of Cash Flows and
- Notes to the Basic Financial Statements.

The purpose of these statements is to provide sufficient information to assess the overall financial position of Columbus Water Works. Changes in net position over a continuous period of time serve as indicators of Columbus Water Works' overall financial health and are considered in conjunction with management's short and long-term plans for financing operations and programs.

The *Statements of Net Position* present the financial position of CWW on a full accrual historical cost basis. While the *Statements of Net Position* provide information about the nature and amount of resources and obligations at year-end, the *Statements of Revenues, Expenses, and Changes in Net Position* present the results of the business activities over the course of the year and information as to how the net position changed for the year.

The *Statements of Net Position* include all CWW's assets and liabilities and information about the nature and amounts of investments in assets and obligations to creditors (liabilities). These statements provide data for calculating analytical review measures such as rate of return, capital structure and liquidity. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. These statements also provide certain information about CWW's recovery of its costs. Columbus Water Works rates are based on a cost-of-service rate study. Rate setting policies use different methods of cost recovery not fully provided for by generally accepted accounting standards. The primary objectives of the rate model are to improve equity

among customer classes and to ensure that capital costs are allocated based on long-term capacity needs, ensuring that growth pays for growth.

The *Statements of Revenues, Expenses and Changes in Net Position* account for all revenues and expenses. These statements measure the success of CWW's operations and determine cost recovery through user fees, charges, and profitability.

The *Statements of Cash Flows* provide information regarding CWW's cash receipts, disbursements and net changes in cash as a result of operating activities, non-capital financing activities, capital financing activities, and investing activities. These statements present cash receipts and cash disbursement information, without consideration of the earnings event when an obligation arises or depreciation of capital assets.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about CWW's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The financial statements were prepared from the detailed books and records of CWW. The financial statements were audited and adjusted, if material, during the independent external audit process. The following comparative condensed financial statements serve as the key financial data and indicators for management, monitoring and planning.

Results of Operations

Columbus Water Works' finances remained strong with adequate liquid assets, reliable systems to meet demand, and a reasonable level of unrestricted net position. For FY ended June 2025, total operating expenses increased 2.48% and operating revenue increased 6.9% over FY 2024. For FY ended June 2024, total operating expenses increased 2.91% and operating revenues increased 6.03% over FY 2023.

Net Position

The following statements, *Condensed Statements of Net Position* and *Condensed Statements of Revenues, Expenses and Changes in Net Position*, as well as Revenues by Class of Customer report CWW's net position and changes therein. The following is a summary of CWW's *Statements of Net Position*.

For FY ended June 25,	<u>Condensed Statements of Net Position (Balance Sheets)</u>							
	<u>Fiscal Year 2023 to 2024 Comparison</u>				<u>Fiscal Year 2024 to 2025 Comparison</u>			
	<u>2023</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2024</u>	<u>2025</u>	<u>\$ Change</u>	<u>% Change</u>
<u>Assets:</u>								
Current Assets and other Assets	\$ 117,647,057	\$ 130,687,193	\$ 13,040,136	11.08%	\$ 130,687,193	\$ 129,826,066	\$ (861,127)	-0.66%
Capital Assets	534,235,404	536,264,126	2,028,722	0	536,264,126	544,398,970	8,134,844	1.52%
Total Assets	651,882,461	666,951,319	15,068,858	2.31%	666,951,319	674,225,036	7,273,717	1.09%
<u>Deferred Outflows</u>								
Deferred amount of bond refunding	3,035,843	2,599,332	(436,511)	-14.38%	2,599,332	2,068,747	(530,585)	-20.41%
Deferred amount from post retirement benefits	11,935,703	9,768,620	(2,167,083)	-18.16%	9,768,620	7,023,597	(2,745,023)	-28.10%
Deferred amount from pensions	18,123,851	11,535,826	(6,588,025)	-36.35%	11,535,826	5,963,014	(5,572,812)	-48.31%
Total Deferred Outflows	33,095,397	23,903,778	(9,191,619)	-27.77%	23,903,778	15,055,358	(8,848,420)	-37.02%
<u>Liabilities:</u>								
Other Liabilities	22,109,970	27,578,557	5,468,587	24.73%	27,578,557	28,430,110	851,553	3.09%
Long-term Liabilities	196,923,346	191,597,498	(5,325,848)	-2.70%	191,597,498	177,671,527	(13,925,971)	-7.27%
Total Liabilities	219,033,316	219,176,055	142,739	0.07%	219,176,055	206,101,637	(13,074,418)	-5.97%
<u>Deferred Inflows</u>								
Deferred from post retirement benefits	10,423,979	10,562,583	138,604	1.33%	10,562,583	15,979,075	5,416,492	51.28%
Deferred from pension plan investments	10,900,093	9,531,312	(1,368,781)	-12.56%	9,531,312	9,454,224	(77,088)	-0.81%
Total Deferred Inflows	21,324,072	20,093,895	(1,230,177)	-5.77%	20,093,895	25,433,299	5,339,404	26.57%
<u>Net Position:</u>								
Net investments in capital assets	386,912,990	385,574,286	(1,338,704)	-0.35%	385,574,286	393,606,682	8,032,396	2.08%
Restricted for capital activities and debt service	33,306,620	46,059,672	12,753,052	38.29%	46,059,672	46,594,015	534,343	1.16%
Unrestricted	24,400,860	19,951,189	(4,449,671)	-18.24%	19,951,189	17,544,761	(2,406,428)	-12.06%
Total Net Position	444,620,470	451,585,147	6,964,677	1.57%	451,585,147	457,745,458	6,160,311	1.36%

Fiscal Year 2025 to 2024

As shown in preceding table, total net position increased by \$6.2 million in Fiscal Year 2025 as compared to Fiscal Year 2024. Current and other assets decreased by \$861,000 and capital assets increased \$8.1 million.

Statements of Revenues, Expenses and Changes in Net Position

While the *Statements of Net Position* reflects the changes in the financial position, the *Statements of Revenues, Expenses, and Changes in Net Position* provide answers and more detailed information as to nature and source of these changes.

An examination of the individual categories affecting the source of changes in net position is illustrated in the following table.

Operating Revenues – Water Consumption Sales

For FY ended 2025, total water sales increased 10.0% (\$3.37 million) from FY ended 2024. For FY ended 2024, total water sales increased 6.2% (\$1.97 million) from FY ended 2023.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	Water Sales by Customer Class	Water Sales by Customer Class	Water Sales by Customer Class
Multi-Residential	\$ 3,665,821	\$ 3,214,356	\$ 2,998,814
Water Commercial	5,636,558	5,194,878	4,987,756
Harris County	1,329,264	976,657	1,037,693
Talbot County	301,192	328,208	251,172
Water Sprinkler	1,672,340	1,454,024	1,418,630
Industrial Sprinkler	1,519,034	1,277,973	1,268,135
Water Industrial	1,463,027	1,289,554	1,168,459
Water Residential	18,975,445	17,528,994	16,550,854
Other Billed	2,378,509	2,308,583	1,922,487
	<u>\$ 36,941,190</u>	<u>\$ 33,573,227</u>	<u>\$ 31,604,000</u>

Condensed Statements of Revenues, Expenses and Changes in Net Position								
Fiscal Year Ended June 25,	Fiscal year 2023 to 2024 comparison				Fiscal year 2024 to 2025 comparison			
	2023	2024	\$ Change	% Change	2024	2025	\$ Change	% Change
Operating Revenues								
Water Sales	\$ 31,604,000	\$ 33,573,227	\$ 1,969,227	6.23%	\$ 33,573,227	\$ 36,941,190	\$ 3,367,963	10.03%
Sewer Charges	31,626,838	33,636,754	2,009,916	6.36%	33,636,754	36,328,201	2,691,447	8.00%
Fort Benning Water and Sewer Charge:	8,497,371	9,435,668	938,297	11.04%	9,435,668	9,435,968	300	0.00%
Fort Benning CM100 O&M Services	8,529,978	8,145,863	(384,115)	-4.50%	8,145,863	8,479,160	333,297	4.09%
Tapping, CSO fees and miscellaneous charges	4,835,622	5,435,347	599,725	12.40%	5,435,347	5,281,516	(153,831)	-2.83%
Total Operating Revenue	85,093,809	90,226,859	5,133,050	6.03%	90,226,859	96,466,035	6,239,176	6.91%
Operating Expenses								
System Services	10,323,232	10,109,449	(213,783)	-2.07%	10,109,449	9,429,907	(679,542)	-6.72%
South Columbus Water Resources	4,892,327	5,945,955	1,053,628	21.54%	5,945,955	6,606,901	660,946	11.12%
North Columbus Water Resources	6,299,794	5,780,425	(519,369)	-8.24%	5,780,425	6,691,619	911,194	15.76%
CSO Plants	1,628,847	1,398,704	(230,143)	-14.13%	1,398,704	1,792,627	393,923	28.16%
Managed Maintenance	3,693,251	4,649,479	956,228	25.89%	4,649,479	4,667,618	18,139	0.39%
Engineering	1,837,213	1,882,837	45,624	2.48%	1,882,836	2,183,978	301,142	15.99%
Information Services	2,600,653	2,811,318	210,665	8.10%	2,811,318	2,705,192	(106,126)	-3.77%
Water Quality Monitoring	3,499,226	3,708,362	209,136	5.98%	3,708,362	3,513,658	(194,704)	-5.25%
Fort Benning	6,645,771	6,456,595	(189,176)	-2.85%	6,456,595	6,932,168	475,573	7.37%
Customer Services	2,144,470	2,247,255	102,785	4.79%	2,247,255	2,194,590	(52,665)	-2.34%
Finance, ES and Administration	9,160,163	10,334,368	1,174,205	12.82%	10,334,368	9,551,226	(783,142)	-7.58%
Meter Maintenance	1,369,953	1,411,632	41,679	3.04%	1,411,632	1,307,388	(104,244)	-7.38%
Depreciation	30,450,666	30,287,656	(163,010)	-0.54%	30,287,656	31,608,091	1,320,435	4.36%
Total operating expenses	84,545,566	87,024,034	2,478,468	2.93%	87,024,034	89,184,963	2,160,929	2.48%
Operating Income	548,243	3,202,825	2,654,582	484.20%	3,202,825	7,281,072	4,078,247	-127.33%
Non-operating Revenue (expenses)								
Interest Revenue	1,141,709	3,173,667	2,031,958	177.98%	3,173,667	3,184,850	11,183	0.35%
Ft Benning Financing Contract - 2009 Bond Issuance	4,860,492	4,455,451	(405,041)	-8.33%	4,455,451	0	(4,455,451)	-100.00%
Administrative fees and other revenue	2,110,790	2,369,203	258,413	12.24%	2,369,203	738,328	(1,630,875)	-68.84%
Interest Expense	(4,951,225)	(4,362,303)	588,922	-11.89%	(4,362,303)	(3,940,343)	421,960	-9.67%
City of Columbus participation expense	(4,534,733)	(4,741,718)	(206,985)	4.56%	(4,741,718)	(5,093,219)	(351,501)	7.41%
Gain (loss) on disposal of assets	179,302	54,259	(125,043)	-69.74%	54,259	244,807	190,548	351.18%
Total non-operating revenue (expenses)	(1,193,665)	948,559	2,142,224	-179.47%	948,559	(4,865,577)	(5,814,136)	-612.94%
Income before capital grants and contributions	(645,425)	4,151,383	4,796,808	-743.20%	4,151,382	2,415,495	(1,735,887)	-41.81%
Capital grants and contributions	6,495,542	2,813,294	(3,682,248)	-56.69%	2,813,294	3,744,816	931,522	33.11%
Change in Net Position	5,850,118	6,964,677	1,114,559	19.05%	6,964,677	6,160,311	(804,366)	-11.55%
Net Position at Beginning of Year	438,770,352	444,620,470	5,850,118	1.33%	444,620,470	451,585,146	6,964,676	1.57%
Ending Net Position *	\$ 444,620,470	\$ 451,585,147	\$ 6,964,677	1.57%	\$ 451,585,146	\$ 457,745,457	\$ 6,160,311	1.36%

* 2017 Net position change reflecting GASB 75 requirements

Operating Revenues – Wastewater Charges

For FY 2025, total sewer revenue increased 8.00% (2.69 million) over FY 2024.

For FY 2024, total sewer revenue increased 6.36% (2.01 million) over FY 2023.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	Sewer Sales by Customer Class	Sewer Sales by Customer Class	Sewer Sales by Customer Class
Multi-Residential	\$ 4,643,710	\$ 4,093,497	\$ 3,896,316
Sewer Commercial	8,928,845	8,322,373	7,695,534
Sewer Permitted	1,168,565	1,205,614	988,995
Sewer Industrial	818,606	866,007	773,905
Sewer Residential	20,768,475	19,149,263	18,270,957
Sewer No-Bill	0	0	1,131
	\$ 36,328,201	\$ 33,636,754	\$ 31,626,838

Operating Revenue – Other Revenue

For FY ended 2025, other operating revenues increased 0.78% (\$180 thousand) in combined sewer overflow fees, tapping fees, Fort Benning Services, and other miscellaneous charges from FY 2024. For FY ended 2024, other operating revenues increased 5.3% (\$1.2 million) in combined sewer overflow fees, tapping fees, Fort Benning Services, and other miscellaneous charges from FY 2023.

Other Revenue	<u>2025</u>	<u>2024</u>	<u>2023</u>
Fort Benning Water & Sewer Charges	\$ 9,435,968	\$ 9,435,668	\$ 8,497,371
Operating and Maintenance Fees - Fort Benning	8,479,160	8,145,863	8,529,978
CSO Fees	2,741,843	2,573,782	2,454,858
Tapping Fees and Miscellaneous Charges	2,539,673	2,861,565	2,380,763
Total Other Revenue	\$ 23,196,643	\$ 23,016,877	\$ 21,862,970

Operating Expenses

Total operating expenses increased 2.48% (\$2.160 million) in FY 2025 compared to an increase of 2.93% (\$2.5 million) in 2024. For FY ended 2025, depreciation increased 4.36% (\$1.321 million) over FY 2024. For FY ended 2024, depreciation increased 0.54% (\$163 thousand) over FY 2023.

Non-Operating Revenues (Expenses)

Total non-operating revenues (expenses) for FY ended 2025 decreased by \$5.8 million from FY ended 2024. For FY 2025, interest expense decreased by \$422 thousand and interest revenue increased by \$11 thousand over FY ended 2024. For FY 2025, gain on sale of assets increased \$191 thousand over FY ended 2024. For FY 2025, Columbus Water Works' participation costs to the City of Columbus increased \$352 thousand over FY ended 2024.

Capital Contributions and Grants

For FY ended 2025, contributed lines by developer were \$1.9 million, along with the contributed water and sewerage system by Fort Benning of \$1.8 million. For FY ended 2024, contributed lines by developer were \$915 thousand, along with the contributed water and sewerage system by Fort Benning of \$1.9 million.

Capital Assets and Debt Administration

Property, plant and equipment in service and construction in progress are recorded at cost, if purchased or constructed. Assets acquired through contributions from developers or other customers are capitalized at their estimated fair market value, if available, or at engineers' estimated fair market value or cost to construct at the date of the contribution. The capitalization threshold for capital assets is \$5,000.00. Detailed information on capital asset activity may be found in Note 6 of the Financial Statements.

Description	FY 2024 to 2025 Comparison			FY 2023 to 2024 Comparison		
	FY 2024	FY 2025	% Change	FY 2023	FY 2024	% Change
Capital Assets not being depreciated						
Land	\$ 2,573,656	\$ 2,914,327	13.2%	\$ 2,573,656	\$ 2,573,656	0.0%
Construction in progress	<u>60,530,107</u>	<u>49,351,112</u>	-18.5%	<u>38,681,556</u>	<u>60,530,107</u>	56.5%
	<u>63,103,763</u>	<u>52,265,439</u>	-17.2%	<u>41,255,212</u>	<u>63,103,763</u>	53.0%
Capital assets being depreciated						
Building and equipment	38,339,562	42,590,188	11.1%	38,240,778	38,339,562	0.3%
Watershed study	3,043,668	3,043,668	0.0%	3,043,668	3,043,668	0.0%
Filtration plant	70,748,142	71,184,232	0.6%	70,378,539	70,748,142	0.5%
Sewage disposal plant	127,247,574	152,263,850	19.7%	124,144,408	127,247,574	2.5%
Water distribution system	180,630,898	183,122,126	1.4%	178,248,191	180,630,898	1.3%
Water system - Ft. Benning	154,704,699	164,107,982	6.1%	152,986,030	154,704,699	1.1%
Sewer system	287,415,615	291,703,214	1.5%	287,049,649	287,415,615	0.1%
Sewer system - Ft. Benning	90,178,942	90,435,471	0.3%	89,830,124	90,178,942	0.4%
Elevated tanks	9,665,698	11,069,919	14.5%	9,651,997	9,665,698	0.1%
Furniture and fixtures	3,475,539	3,564,829	2.6%	3,407,361	3,475,539	2.0%
Autos, trucks and equipment	17,566,188	19,336,760	10.1%	15,957,157	17,566,188	10.1%
Intercommunication system	3,927,430	3,927,430	0.0%	3,927,430	3,927,430	0.0%
Laboratory equipment	3,645,090	3,633,454	-0.3%	3,364,939	3,645,090	8.3%
Capitalized studies/IT projects	<u>18,114,249</u>	<u>18,293,685</u>	1.0%	<u>18,040,509</u>	<u>18,114,249</u>	0.4%
	<u>1,008,703,294</u>	<u>1,058,276,808</u>	4.9%	<u>998,270,780</u>	<u>1,008,703,294</u>	1.0%
Total Capital Assets	1,071,807,057	1,110,542,247	3.6%	1,039,525,992	1,071,807,057	3.1%
Accumulated depreciation	<u>(535,542,931)</u>	<u>(566,143,277)</u>	5.7%	<u>(534,235,504)</u>	<u>(535,542,931)</u>	0.2%
Capital assets, net of depreciation	<u>\$ 536,264,126</u>	<u>\$ 544,398,970</u>	1.5%	<u>\$ 505,290,488</u>	<u>\$ 536,264,126</u>	6.1%

Long-term Debt

One area that demonstrates CWW’s financial strength and future borrowing capability is seen in its debt coverage ratio. Detailed information on long-term debt activity may be found in the Notes to Financial Statements. The following table provides a comparison of the debt coverage ratio on all debt for FY 2024 to FY 2025 and for FY 2023 to FY 2024.

Description	FY 2024 to 2025 Comparison			FY 2023 to 2024 Comparison		
	FY 2024	FY 2025	% Change	FY 2023	FY 2024	% Change
Change in Net Position	6,964,677	6,160,311	-12%	5,850,118	6,964,677	19%
Allowable Adjustments	29,099,020	30,852,598	6%	26,641,149	29,099,020	9%
Adjusted Change in Net Position	36,063,697	37,012,909	3%	32,491,267	36,063,697	11%
Debt Service Payments	19,778,369	18,679,049	-6%	19,768,494	19,778,369	0%
Debt Coverage	1.82	1.98	9%	1.64	1.82	11%

Debt Administration

The following is a summary of changes in the carrying costs of long-term debt obligations of Columbus Water Works for the last two fiscal years:

Debt Administration

	Beginning Balance	Additions, Including Amortization of Bond Discounts	Decreases, Including Amortization of Bond Premiums	Balance
Revenue Bonds	\$ 119,631,246	\$ 0	\$ (12,990,159)	\$ 106,641,087
Notes Payable	30,931,052	12,121,143	(2,402,471)	40,649,724
	<u>\$ 150,562,298</u>	<u>\$ 12,121,143</u>	<u>\$ (15,392,630)</u>	<u>\$ 147,290,811</u>

	Beginning Balance	Additions, Including Amortization of Bond Discounts	Decreases, Including Amortization of Bond Premiums	Balance
Revenue Bonds	\$ 133,331,405	\$ 0	\$ (13,700,159)	\$ 119,631,246
Notes Payable	19,295,935	13,812,229	(2,177,112)	30,931,052
	<u>\$ 152,627,340</u>	<u>\$ 13,812,229</u>	<u>\$ (15,877,271)</u>	<u>\$ 150,562,298</u>

Also listed are summaries of outstanding bond issues and current GEFA loans, as well as future committed loans to complete the Capital Improvement Program. The Five-Year financial plan with rate increases is associated with repayment of these loans. Additional information regarding the Columbus Water Works debt administration program is included in the Note 10 of the Financial Statements.

COLUMBUS WATER AND SEWERAGE REVENUE BONDS										OTHER OBLIGATIONS						
YEARS TO 5/1/	2012A	2012B	2013 Refunded	2013 Non-Refunded	2014 Refunded	2014 Non-Refunded	2016	2019	Combined Principal & Interest	GEFA CWSRF 97001P2 6/08 - 7/23	GEFA DWSRF 01001P 09/08 - 9/28	GEFA CWSRF 03001PA 03/09 - 3/29	GEFA CWSRF 03001PB 03/09 - 3/29	GEFA CW2022 032L 06/23 - 01/45	TOTAL Subordinate Obligations	TOTAL Bonds & Other Obligations
2020	2,320,050	5,728,312	1,023,425	1,286,925	747,375	599,875	5,897,013	1,104,162	18,707,137	319,191	520,518	1,671,149	55,635		2,566,493	21,273,630
2021	5,300,400			1,498,600		3,051,750	5,893,113	2,214,515	17,958,378	319,191	520,518	1,671,149	55,635		2,566,493	20,524,871
2022	5,273,250			1,432,350		3,074,000	5,900,250	1,532,826	17,212,676	319,191	520,518	1,671,149	55,635		2,566,493	19,779,169
2023	5,295,500			1,239,600		3,244,750	5,894,000	1,528,151	17,202,001	319,191	520,518	1,671,149	55,635		2,566,493	19,768,494
2024	5,297,750			224,850		3,261,250	6,899,750	1,528,276	17,211,876	319,191	520,518	1,671,149	55,635		2,566,493	19,778,369
2025	5,302,500			224,850		3,860,500	4,966,500	1,533,176	15,887,526	319,191	520,518	1,671,149	55,635	225,031	2,791,524	18,679,050
2026				224,850		1,748,000	4,463,250	8,087,322	14,523,422	319,191	520,518	1,671,149	55,635	450,062	3,016,555	17,541,610
2027				224,850		1,747,500	4,462,750	8,089,955	14,525,055	319,191	520,518	1,671,149	55,635	450,062	2,820,361	17,339,136
2028				224,850		1,748,250	4,460,750	8,084,926	14,518,776	319,191	324,324	1,671,149	55,635	450,062	2,820,361	17,339,136
2029				224,850			4,462,000	9,837,775	14,524,625	319,191		1,018,720	33,802	450,062	1,821,774	16,346,399
2030				224,850			4,461,000	9,836,851	14,522,701	319,191				450,062	769,252	15,291,953
2031				224,850			4,462,500	2,345,501	14,527,851	319,191				450,062	769,252	15,297,103
2032							4,461,000	2,341,897	6,802,897					450,062	529,206	7,332,103
2033							4,461,250	2,339,821	6,801,071					450,062	450,062	7,251,132
2034							4,462,750	2,344,024	6,806,774					450,062	450,062	7,256,835
2035							4,465,000		4,465,000					450,062	450,062	4,915,062
2036							4,462,500		4,462,500					450,062	450,062	4,912,562
2037														450,062	450,062	450,062
2038														450,062	450,062	450,062
2039														450,062	450,062	450,062
2040														450,062	450,062	450,062
2041														450,062	450,062	450,062
2042														450,062	450,062	450,062
2043														450,062	450,062	450,062
2044														450,062	450,062	450,062
2045														225,031	225,031	225,031
TOTALS	28,789,450	5,728,312	1,023,425	14,751,275	747,375	22,335,875	84,535,376	62,749,176	220,660,263	3,909,434	4,488,468	16,059,061	534,517	9,001,231	33,992,714	254,652,977
Principal	27,705,000	38,685,000	41,945,000	11,780,000	14,910,000	18,085,000	57,855,000	50,670,000	261,635,000	4,508,728	4,508,728	25,110,536	759,479	7,526,000		
Avg. Rate %	2.2	2.75	4	4	4.15	4.15	5	2.4		3.67	3.00	3.00	3.00	1.84		
Loan Date	4/26/2012	4/26/2012	3/21/2013	3/21/2013	6/13/2014	3/21/2013	4/6/2016	4/6/2016		12/1/2011	9/1/2008	3/1/2009	8/1/2011	6/16/2023		

Growth Projections:

The planning horizons used for analysis during the Columbus Water Works (CWW) 2025 Master Plan are: 0–2 years(2025–2026), 3–5 years (2027–2029), 6–10 years (2030–2034), and 11–25 years (2035–2049). Population projections for the 2025 Master Plan were developed based on historical population for Muscogee County from 1969 to 2023. The historical population values were obtained from U.S. Census estimates, U.S Department of Commerce, Bureau of Economic Analysis and the Georgia Regional Economic Analysis Project. It is assumed that Ft. Benning population is included in these county estimates.

A Monte Carlo simulation is a mathematical technique that accounts for risks in quantitative analysis and decision making. It is a technique used by professionals in a wide variety of fields such as finance, energy, engineering, insurance and the environment. The simulation provides decision makers with a range of possible outcomes and their relative probabilities.

For the purposes of projecting population for the 2025 Master Plan, statistical information the mean growth rate, variance, standard deviation and drift rate from the Muscogee County historical population data was used to set the boundaries for the population projection. A log normal distribution was then used to project population through 2049 within the set boundaries of the historical data. This simulation was performed 5,000 times and statistics for each planning year were analyzed.

The Monte Carlo simulation’s 95th percentile population projection was chosen for the purpose of this master planning effort. This value limits the risk that population, and subsequent water demands and wastewater flows, grow at a higher rate than projected. The 95th percentile projections are provided in Table 2.1.

Table 2.1 – Muscogee County Population Projections

Year	Population
2026	201,877
2029	217,415
2034	233,579
2049	261,848

Wastewater flow projections were developed for the 25-year planning period (2024 – 2049) using the population projections and historical trends for the average return factors and peaking factors over the past 10 years (2014 – 2023). The projections include flows from Muscogee County, Fort Benning, and Harris County). Because the wastewater system operates differently from the water system, flow projections were performed separately, using a different method with the results summarized in Table 1.14 below.

Table 1.14 – Wastewater Flow Projections

Total SCWRF Wastewater Flow Projections			
Year	Annual Average Daily Flow (MGD)	Maximum Month Flow (MGD)	Peak Day Flow (MGD)
2026	38.6	54.1	81.2
2029	39.8	55.7	83.5
2034	42.6	59.7	89.6
2039	43.7	61.1	91.7
2049	46.7	65.3	98.0

Note: CWW maximizes the flow from the combined sewers into the SCWRF, while sufficient plant capacity is available. Only when the flows begin to exceed the current plant capacity are the CSO treatment facilities activated. The current plant capacity for the SCWRF is 84 MGD on a peak day basis.

Water demand projections for the Columbus Municipal Service Area were developed based on the population projections and residential per capita demand rates. throughout the service area. Residential/commercial demands and flows are based on the population projections, while industrial and wholesale customer demands are based on proposed land use plans, development plans and contractual agreements. The following two tables present a summary of the water demand projections in two separate tables, one of which is the Annual Average Day Production projections (Table 2.6) below and the other the Peak Day Production projections (Table 2.7 below).

Table 2.6 – CWW Annual Average Day Production Projections (MGD)

Year	CWW Municipal Service Area	Ft. Benning Service Area	Harris County	Talbot County	City of Manchester	Phenix City (Emergency) ¹	Economic Development Reser	Total Average Day Production
2025	30.29	4.50	1.00	0.22	0	8.00	0.50	44.51
2029	30.84	5.00	1.50	0.25	0	8.00	0.50	46.09
2034	31.37	6.00	3.00	0.30	0.30	8.00	1.00	49.97
2049	33.10	8.80	6.00	0.50	1.00	8.00	2.00	59.40

1 – Phenix City Emergency demands are not included for modeling and Capital Improvement Planning purposes

Table 2.7 – CWW Peak Day Production Projections (MGD)

Year	CWW Municipal Service Area	Ft. Benning Service Area	Harris County	Talbot County	City of Manchester	Phenix City (Emergency) ¹	Economic Development Reserve	Total Average Day Production
2026	45.43	6.75	2.00	0.44	0	8.00	0.75	63.37
2029	46.25	7.50	3.00	0.50	0	8.00	0.75	66.00
2034	47.06	15.00	6.00	0.60	0.30	8.00	1.50	78.46
2049	49.64	22.00	12.00	1.00	2.00	8.00		97.64

1 – Phenix City Emergency demands are not included for modeling and Capital Improvement Planning purposes

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Selected Data for Analysis:			
Employees at year end	270	275	275
Average Employees	273	275	274
Water and Wastewater customers at year end:			
Water - available service installations **	74,088	73,638	73,230
Wastewater customers	61,610	61,373	61,225
Water delivered (in gallons (000's)):			
Retail residential and commercial *	8,241,396	8,022,684	8,044,764
Total water consumption *	8,241,396	8,022,684	8,044,764
Wastewater treated (in gallons (000's)):			
Retail residential and commercial	14,965,410	14,670,559	14,640,785
Total wastewater gallons treated	14,965,410	14,670,559	14,640,785
Per average employee:			
Total Operating revenues	350,523	328,098	310,561
Total Operating expenses	314,051	316,451	298,302
Revenues per million gallons delivered/treated:			
Water services revenues:			
Retail residential and commercial	4.42	4.18	3.93
Wastewater service revenues:			
Retail residential and commercial	2.40	2.29	2.16
Expenses per millions gallons delivered/treated:			
Water service expenses:			
Expenses excluding depreciation/amortization	3.39	3.50	3.26
Expenses	6.20	6.33	6.01
Wastewater service expenses:			
Expenses excluding depreciation/amortization	1.85	1.95	1.74
Expenses	2.37	2.47	2.24
Ratio of operating revenue to:			
Operating expenses	1.12	1.04	1.04
Operating expenses net of depreciation	1.75	1.59	1.65
Total assets	0.14	0.14	0.13
Net Position	0.21	0.20	0.19

* The above information excludes Fort Benning

Capital Improvement Program

Columbus Water Works considers sustainability when making many decisions. A simple, but powerful definition of sustainability is “a program, development, or project that meets the needs of the present without compromising the ability of future generations to meet their own needs.” One critical component to maintaining sustainability is the CWW Capital Improvement Plan (CIP). The CIP is a list of projects developed from various CWW programs that are based on the company’s mission, vision, and values. These programs have developed a list of 49 projects (following table) recommended over the next 5-year planning horizon at an estimated cost of \$309 million. In order to maintain sustainability, CWW must balance three attributes: economic impact, social impact, and environmental impact. The economic impact of funding the proposed projects within five (5) years is not sustainable relative to customer affordability; therefore, CWW has developed a prioritization tool. This tool, used in conjunction with the CWW financial plan, allows CWW to maintain economic sustainability.

Each of the 49 projects has a champion who is intimately familiar with the project. Each champion used the prioritization tool to score their projects. Once this scoring was complete, a team of senior staff and department managers reviewed the results to calibrate the tool. Columbus Water Works staff have used an integrated approach with stakeholder involvement and financial planning to prioritize projects recommended from the following programs: Facility Master Plan, Asset Management Program, Information Technology Master Plan, Energy Gap Analysis, Project Champions, and Strategy Teams. This comprehensive approach allows CWW to remain sustainable both financially and in meeting our customers’ level of service.

From the proposed prioritized project list, the first 15 initiatives were selected for completion between 2025 and 2029, with an estimated total cost of \$123 million. Columbus Water Works plans to secure \$110 million in funding through Revenue Bonds, with the remaining balance to be covered by Columbus Water Works' capital.

Fort Benning Capital Improvements

CWW is committed to ensuring that our Fort Benning customers receive the same high standards of water quality and service as our Columbus customers. To support this commitment, CWW has developed a tool to address Fort Benning's capital improvement needs, modeled closely after the existing CIP process. Projects are introduced to the program through a champion, who is closely familiar with the capital needs. Each project is evaluated using the prioritization tool that considers three key attributes: economic, social, and environmental impact. On an annual basis, senior staff and departmental managers review both new and ongoing projects, along with their scores, to validate results and redefine the tools as needed. The finalized prioritized projects are then forecasted according to available and projected funding. At present, 11 projects have been identified for Fort Benning, with a total estimated cost of approximately \$119 million.

Request for Information:

This financial report is designed to provide an overview of Columbus Water Works' financial operations and financial condition. Should the reader have questions regarding any information included in this report or wish to request additional financial information, please contact Columbus Water Works at P.O. Box 1600, Columbus, Georgia 31902 or by phone at 706-649-3400.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
STATEMENTS OF NET POSITION
JUNE 25, 2025 AND 2024

<u>ASSETS</u>		
	2025	2024
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,436,581	\$ 10,763,908
Accounts receivable	9,455,858	8,807,737
Inventories	2,918,790	2,923,214
Total current assets	20,811,229	22,494,859
NON-CURRENT ASSETS		
Unrestricted assets		
Investments	59,681,477	58,842,429
Restricted assets		
Cash and cash equivalents		
Construction	12,569,898	15,635,775
Debt service	2,974,608	2,973,171
Renewal and extension	23,475,361	20,757,769
Investments		
Construction	6,688,933	6,525,692
Renewal and extension	3,624,560	3,457,498
Capital assets (net of accumulated depreciation)	544,398,970	536,264,126
Total non-current assets	653,413,807	644,456,460
Total assets	674,225,036	666,951,319
DEFERRED OUTFLOWS		
Deferred amount of bond refunding	2,068,747	2,599,332
Deferred amount of pension liability	5,963,014	11,535,826
Deferred amount of post employment benefits	7,023,597	9,768,620
Total deferred outflows	15,055,358	23,903,778
Total assets and deferred outflows	\$ 689,280,394	\$ 690,855,097

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

LIABILITIES AND NET ASSETS

	2025	2024
CURRENT LIABILITIES		
Revenue bonds, current portion	\$ 10,945,000	\$ 11,730,000
Notes payable, current portion	2,632,630	2,246,081
Accounts payable	3,549,232	4,869,533
Construction contracts payable	8,309,570	6,017,107
Accrued payroll	1,057,591	768,960
Customer deposits	413,585	419,511
Accrued interest on bonds payable	540,966	508,795
Accrued interest on notes payable	29,881	24,932
Accrued compensation absences	951,655	993,638
	28,430,110	27,578,557
NON-CURRENT LIABILITIES		
Unearned revenue	1,116,925	121,325
Revenue bonds, net of current portion and deferred amounts	95,696,087	107,901,246
Notes payable, net of current portion and deferred amounts	38,017,093	28,684,971
Accrued compensated absences, net of current portion	564,360	609,194
Net pension liability, net of current portion	13,594,778	18,187,907
Net other postemployment benefits obligation	28,682,284	36,092,855
	177,671,527	191,597,498
	206,101,637	219,176,055
DEFERRED INFLOWS		
Deferred inflow from pension plan investments	9,454,224	9,531,312
Deferred inflow from post employment benefits	15,979,075	10,562,583
	25,433,299	20,093,895
<u>NET POSITION</u>		
NET POSITION		
Net investment in capital assets	393,606,682	385,574,286
Restricted for:		
Capital projects	43,619,407	43,086,501
Debt services	2,974,608	2,973,171
Unrestricted	17,544,761	19,951,189
	457,745,458	451,585,147
	\$ 689,280,394	\$ 690,855,097

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR YEARS ENDING JUNE 25, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
Water sales	\$ 36,941,190	\$ 33,573,227
Sewer charges	36,328,201	33,636,754
CSO fees	2,741,843	2,573,782
Fort Benning water and sewer charges	9,435,968	9,435,668
Fort Benning CM100 O&M services	8,479,160	8,145,863
Tapping fees and miscellaneous charges	2,539,673	2,861,565
Total operating revenue	96,466,035	90,226,859
OPERATING EXPENSES		
System services	9,429,907	10,109,449
South Columbus Water Resources Facility	6,606,901	5,945,955
North Columbus Water Resources Facility	6,691,619	5,780,425
CSO plants	1,792,627	1,398,704
Managed maintenance	4,667,618	4,649,479
Engineering	2,183,978	1,882,837
Information services	2,705,192	2,811,318
Water quality monitoring	3,513,658	3,708,362
Fort Benning	6,932,168	6,456,595
Customer services	2,194,590	2,247,255
Finance, employee services and administration	9,551,226	10,334,368
Meter readers	1,307,388	1,411,632
Depreciation	31,608,091	30,287,656
Total operating expenses	89,184,963	87,024,035
Operating income	7,281,072	3,202,824

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

	<u>2025</u>	<u>2024</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	3,184,850	3,173,667
FM Financing Contract-WTP 2009 Bond Issuance	0	4,455,451
Administrative fees and other revenue (Note 14)	738,328	2,369,203
Interest expense	(3,940,343)	(4,362,303)
CWW - City of Columbus participation expense	(4,527,054)	(4,175,538)
Fort Benning - City of Columbus participation expense	(566,165)	(566,180)
Gain on disposal of assets/scrap materials	244,807	54,259
Total non-operating revenues (expenses)	(4,865,577)	948,559
Income before capital grants and contributions	2,415,495	4,151,383
Capital grants and contributions	3,744,816	2,813,294
Change in net assets	6,160,311	6,964,677
Total net assets, beginning	451,585,147	444,620,470
Total net assets, ending	\$ 457,745,458	\$ 451,585,147

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDING JUNE 25, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$ 95,573,107	\$ 92,094,256
Payments to suppliers	(37,230,567)	(33,864,347)
Payments to employees	(19,136,711)	(18,058,339)
Proceeds from administration fees and other revenue	738,328	2,369,203
Net cash provided by operating activities	39,944,157	42,540,773
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Payments to City of Columbus participation expense	(5,029,476)	(4,577,012)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Ft Benning Financing Contract - 2009 Bond Issuance	0	4,455,451
Purchases of capital assets	(35,102,577)	(31,573,277)
Proceeds from capital debt	12,121,142	13,812,229
Principal paid on capital debt	(14,132,471)	(14,617,112)
Interest paid on capital debt	(4,546,578)	(5,161,257)
Net cash used in capital and related financing activities	(41,660,484)	(33,083,966)
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Purchases of) proceeds from investments, net	886,778	(1,513,424)
Interest and dividends	3,184,850	3,173,667
Net cash provided by investing activities	4,071,628	1,660,243
Net increase (decrease) in cash and cash equivalents	(2,674,175)	6,540,038
Beginning	50,130,623	43,590,585
Ending	\$ 47,456,448	\$ 50,130,623

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

	<u>2025</u>	<u>2024</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	<u>\$ 7,281,072</u>	<u>\$ 3,202,824</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	31,608,091	30,287,656
Gain on sale of fixed assets/scrap metals	(244,807)	(54,259)
Proceeds from administration fees and other revenue	738,328	2,369,203
Changes in:		
Receivables, net	(648,121)	1,921,657
Inventories	4,424	(1,333,452)
Accounts and other payables	966,236	6,000,899
Accrued expenses	238,934	146,245
Total adjustments	<u>32,663,085</u>	<u>39,337,949</u>
Net cash provided by operating activities	<u>\$ 39,944,157</u>	<u>\$ 42,540,773</u>

NONCASH CAPITAL FINANCING ACTIVITIES:

Capital assets of \$3,744,816 and \$2,813,294 were acquired through contributions from developers and Ft. Benning during the years ending June 25, 2025 and 2024, respectively.

The Notes to the Basic Financial Statements are an Integral Part of the Statements.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 1: Reporting Entity

The Board of Water Commissioners was created pursuant to legislative authority originally in 1902 and reaffirmed by the ratification of the Charter of the Consolidated Government of Columbus, Georgia (“Columbus”). The Board of Water Commissioners is responsible for the supervision and control of construction, management and operation of Columbus Water Works (“CWW”). Members of the Board of Water Commissioners are elected to serve by the Consolidated Government of Columbus, Georgia. CWW is considered a component unit of the Consolidated Government of Columbus, Georgia.

CWW supplies services to approximately 73,000 water connections serving Columbus, Georgia. As part of this responsibility, CWW must make sure that all federal, state, local laws and guidelines are followed, including issues which affect the environment. To fulfill this commitment, CWW maintains water treatment plants, sewer processing facilities and a service center, which supports the maintenance of the system. Not only must CWW meet the current demands of Columbus, but they must plan and build to ensure the proper level of service in the future.

NOTE 2: Summary of Significant Accounting Policies

Fund Accounting – CWW is an enterprise fund component of the Consolidated Government of Columbus, Georgia. Enterprise funds are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of net change in net position is appropriate for management accountability purposes. The measurement focus is on determination of change in net position, financial position and cash flows.

Basis of Presentation and Accounting – CWW’s financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

All activities of CWW are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 2: Summary of Significant Accounting Policies – (Continued)

The accounting and financial reporting treatment applied to CWW is determined by its measurement focus. The transactions of CWW are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the statements of net position. Net position is segregated into net investment in capital assets; restricted for capital projects, net of related debt; debt service; and unrestricted components.

Operating income reported in the financial statements includes revenues and expenses related to the primary, continuing operations. Principal operating revenues are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available, it is CWW's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting – CWW operates under an annual Board-approved budget prepared on the accrual basis. However, since CWW is accounted for as an enterprise fund, budgetary comparisons are not presented in the accompanying financial statements.

CWW utilizes a purchase order encumbrance system. These encumbrances lapse at year-end.

Cash and Cash Equivalents – CWW's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Accounts Receivable – CWW has elected to record bad debts using the direct write-off method. GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 2: Summary of Significant Accounting Policies – (Continued)

Inventories – Inventories are stated at cost (determined by the first-in, first-out method).

Restricted Assets – The accounts shown on the statement of net position as “restricted” assets include proceeds from grants, revenue bonds and other funds, which have been set aside either in the construction account or transferred to the debt service or renewal and extension accounts. Those funds are to be used, respectively, for approved construction, payments of principal and interest on the revenue bonds as such payments become due, and for replacements, extensions and improvements to the system including the purchase of equipment.

Capital Assets and Related Depreciation and Amortization – Capital assets in service and construction in progress are recorded at cost, if purchased or constructed. Assets acquired through contributions from developers or other customers are capitalized at their acquisition value. Costs of studies that directly result in specific construction projects are capitalized. The capitalization threshold for capital assets is \$5,000.

Maintenance and repairs, which do not significantly extend the value or life of property, plant and equipment, are expensed as incurred.

For the years ended June 25, 2025 and 2024, interest costs during construction are expensed.

Assets are depreciated using the straight-line method over the following estimated useful lives:

Building and plant	40-50 years
Water and sewer system	30-40 years
Water and sewer system contributed by Ft. Benning	25 years
Furniture, fixtures and equipment	5-10 years
Automobiles, trucks and equipment	5-10 years

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 2: Summary of Significant Accounting Policies – (Continued)

Deferred Outflows and Inflows of Resources – Deferred outflows of resources related to bond refunding are the difference between the reacquisition price and the net carrying amount of the old debt resulting from current and advance bond refunding. These amounts are amortized over the remaining life of the debt which is included as a component of interest expense. For both the years ended June 25, 2025 and 2024, interest expense included amortization of deferred outflows totaling \$530,585.

Deferred outflows of resources related to pensions are the CWW contributions to the pension plans made during the reporting period, but subsequent to the measurement date and will reduce the pension liability in future years. Deferred outflows of resources and deferred inflows of resources from pensions are the difference between the projected and actual earnings on pension plan investments, the changes in proportion and differences between employer contributions and proportionate share of contributions, changes of assumptions, and differences between expected and actual experience.

Deferred outflows and inflows of resources for OPEB are the differences between expected and actual experience and changes in assumptions.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about the fiduciary net position of the pension plan have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Columbus Participation – Columbus Council passed Resolution Number 106-70, which requires the Board of Water Commissioners to remit to Columbus six percent (6%) of the net receipts collected by CWW.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 2: Summary of Significant Accounting Policies – (Continued)

Compensated Absences – Compensated absences are those absences for which employees will be paid, such as vacation leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of CWW and its employees is accrued as employees earn the rights to the benefits.

Bond Premiums – Bond premiums are amortized over the life of the debt using the straight-line method. For both the years ended June 25, 2025 and 2024, interest expense was offset by amortization of bond premiums of \$1,260,159. Bond premiums are presented as liabilities increasing the face amounts of the related bonds payable.

Capital Grants and Contributions – Capital grants and contributions are recognized in the Statements of Revenues, Expenses and Changes in Net Position when earned. Contributions include developer contributed utility systems, capacity and other supplemental support by other utilities and industrial customers and federal, state and local grants in support of system improvements.

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 3: Deposit and Investment Risk Disclosures

Cash and investments include bank balances and investments that as of June 25, 2025 and 2024 were entirely insured or collateralized by securities held by CWW’s agent in CWW’s name.

Investments – State statutes limit investments to: bonds or obligations of governmental entities and/or political subdivisions of this state; bonds or obligations of the U.S. government which are fully guaranteed; obligations of agencies of the U.S. government; bonds or other obligations of public housing agencies or municipal corporations in the United States; and certificates of deposit of national or state banks insured by the Federal Deposit Insurance Corporation and federal savings and loan associations. Investments are reported at fair value. Short-term investments are recorded at cost, which approximates fair value. CWW has no investment policy that would further limit its investment choices. CWW chooses to disclose its investments by specifically identifying each.

CWW measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;

Level 2: Observable inputs other than quoted market prices; and

Level 3: Unobservable inputs

CWW’s investments are valued using quoted market price.

The following table sets forth by level, within the fair value hierarchy, CWW’s investments at fair value as of June 25, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
	Level 1	Level 1
U.S. Treasury/Agency Securities	\$ 49,014,713	\$ 46,753,384
Money Market Funds	4,904,695	6,723,781
Certificates of Deposit	<u>16,075,562</u>	<u>15,348,454</u>
Total investments at fair value	<u>\$ 69,994,970</u>	<u>\$ 68,825,619</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 3: Deposit and Investment Risk Disclosures – (Continued)

Interest Rate Risk – CWW does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk – CWW is not limited on the amount that may be invested in any one issuer.

As of June 25, 2025, CWW had the following investments:

<u>Investment Type</u>	<u>Fair Value/ Carrying Amount</u>	<u>Cost</u>	<u>Credit Quality Rating (a)</u>	<u>Maturity Dates</u>
<u>Unrestricted Investments:</u>				
U.S. Treasury/Agency Securities	\$ 40,092,908	\$ 39,858,414	AAA	Various
Certificates of Deposit	16,075,562	16,075,562	N/A	Various
Money Market Funds	3,513,007	3,513,007	N/A	Various
<u>Total Unrestricted Investments</u>	<u>59,681,477</u>	<u>59,446,983</u>		
<u>Restricted Investments:</u>				
U.S. Treasury/Agency Securities	8,921,805	8,848,908	AAA	Various
Money Market Funds	1,391,688	1,391,688	N/A	Various
<u>Total Restricted Investments</u>	<u>10,313,493</u>	<u>10,240,596</u>		
Total Investments	<u>\$ 69,994,970</u>	<u>\$ 69,687,579</u>		

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 3: Deposit and Investment Risk Disclosures – (Continued)

As of June 25, 2024, CWW had the following investments:

Investment Type	Fair Value/ Carrying Amount	Cost	Credit Quality Rating (a)	Maturity Dates
<u>Unrestricted Investments:</u>				
U.S. Treasury/Agency Securities	\$ 38,241,540	\$ 38,053,442	AAA	Various
Certificates of Deposit	15,348,454	15,348,454	N/A	Various
Money Market Funds	5,252,435	5,252,435	N/A	Various
<u>Total Unrestricted Investments</u>	<u>58,842,429</u>	<u>58,654,331</u>		
<u>Restricted Investments:</u>				
U.S. Treasury/Agency Securities	8,511,844	8,447,456	AAA	Various
Money Market Funds	1,471,346	1,471,346	N/A	Various
<u>Total Restricted Investments</u>	<u>9,983,190</u>	<u>9,918,802</u>		
 Total Investments	 <u>\$ 68,825,619</u>	 <u>\$ 68,573,133</u>		

A reconciliation of cash and investments as shown on the Statements of Net Position is summarized as follows:

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents	\$ 8,436,581	\$ 10,763,908
Cash and Cash Equivalents - Restricted Assets	39,019,867	39,366,715
Total Cash	<u>47,456,448</u>	<u>50,130,623</u>
Investments	59,681,477	58,842,429
Investments - Restricted Assets	10,313,493	9,983,190
Total Investments	<u>69,994,970</u>	<u>68,825,619</u>
Total Cash and Investments	<u>\$ 117,451,418</u>	<u>\$ 118,956,242</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 4: Accounts Receivable

Accounts receivable are summarized as follows:

	2025	2024
Consumers - Current Bills	\$ 5,501,245	\$ 5,714,437
Consumers - Unbilled	3,954,613	3,093,300
Total Accounts Receivable	\$ 9,455,858	\$ 8,807,737

NOTE 5: Inventories

The major classifications of inventories are summarized as follows:

	2025	2024
Materials and Supplies	\$ 2,868,896	\$ 2,837,208
Automotive	49,894	86,006
Total Inventories	\$ 2,918,790	\$ 2,923,214

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 6: Capital Assets

Capital assets as of June 25, 2025 are summarized as follows:

	Balance June 25, 2024	Additions	Deletions/ Reclassifications	Balance June 25, 2025
Capital Assets, not being depreciated:				
Land	\$ 2,573,656	\$ 340,671	\$ 0	\$ 2,914,327
Construction in Progress	60,530,107	29,253,905	(40,432,899)	49,351,112
Total not depreciated	<u>63,103,763</u>	<u>29,594,576</u>	<u>(40,432,899)</u>	<u>52,265,439</u>
Capital Assets, being depreciated:				
Building and Equipment	38,339,562	1,575,034	2,675,592	42,590,188
Watershed Study	3,043,668	0	0	3,043,668
Filtration Plant	70,748,142	436,090	0	71,184,232
Sewage Disposal Plant	127,247,574	2,009,401	23,006,875	152,263,850
Water Distribution System	180,630,898	1,031,805	1,459,423	183,122,126
Water System - Fort Benning	154,704,699	131,054	9,272,229	164,107,982
Sewer System	287,415,615	1,795,007	2,492,592	291,703,214
Sewer System - Fort Benning	90,178,942	248,082	8,447	90,435,471
Elevated Tanks	9,665,698	0	1,404,221	11,069,919
Furniture and Fixtures	3,475,539	89,290	0	3,564,829
Autos, Trucks, and Equipment	17,566,188	2,752,614	(982,042)	19,336,760
Intercommunication System	3,927,430	0	0	3,927,430
Laboratory Equipment	3,645,090	180,041	(11,636)	3,813,495
Capitalized Studies/IT Projects	18,114,249	0	(605)	18,113,644
Total depreciated	<u>1,008,703,294</u>	<u>10,248,418</u>	<u>39,325,096</u>	<u>1,058,276,808</u>
Total Capital Assets	<u>\$1,071,807,057</u>	<u>\$ 39,842,994</u>	<u>\$ (1,107,803)</u>	<u>\$1,110,542,247</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 6: Capital Assets – (Continued)

	Balance June 25, 2024	Additions	Deletions/ Reclassifications	Balance June 25, 2025
Accumulated depreciation:				
Building and Equipment	\$ (17,396,255)	\$ (1,544,192)	\$ 14,600	\$ (18,925,847)
Watershed Study	(2,323,444)	(28,251)	0	(2,351,695)
Filtration Plant	(37,447,247)	(1,626,523)	0	(39,073,770)
Sewage Disposal Plant	(60,303,489)	(4,081,439)	14,589	(64,370,339)
Water Distribution System	(107,663,633)	(8,505,639)	0	(116,169,272)
Water System - Fort Benning	(53,304,277)	(1,879,957)	0	(55,184,234)
Sewer System	(181,207,631)	(9,635,545)	27,847	(190,815,329)
Sewer System - Fort Benning	(40,258,132)	(1,256,757)	0	(41,514,889)
Elevated Tanks	(3,626,054)	(271,204)	0	(3,897,258)
Furniture and Fixtures	(3,092,738)	(100,132)	0	(3,192,870)
Autos, Trucks, and Equipment	(13,027,799)	(1,101,260)	939,073	(13,189,986)
Intercommunication System	(3,629,959)	(86,884)	0	(3,716,843)
Laboratory Equipment	(2,080,237)	(285,424)	11,636	(2,354,025)
Capitalized Studies/IT Projects	(10,182,036)	(1,204,884)	0	(11,386,920)
Accumulated Depreciation	<u>(535,542,931)</u>	<u>(31,608,091)</u>	<u>1,007,745</u>	<u>(566,143,277)</u>
Capital Assets, Net of Depreciation	<u>\$ 536,264,126</u>	<u>\$ 8,234,903</u>	<u>\$ (100,058)</u>	<u>\$ 544,398,970</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 6: Capital Assets – (Continued)

Capital assets as of June 25, 2024 are summarized as follows:

	Balance June 25, 2023	Additions	Deletions/ Reclassifications	Balance June 25, 2024
Capital Assets, not being depreciated:				
Land	\$ 2,573,656	\$ 0	\$ 0	\$ 2,573,656
Construction in Progress	38,681,556	26,451,291	(4,602,740)	60,530,107
Total not depreciated	<u>41,255,212</u>	<u>26,451,291</u>	<u>(4,602,740)</u>	<u>63,103,763</u>
Capital Assets, being depreciated:				
Building and Equipment	38,240,778	201,141	(102,357)	38,339,562
Watershed Study	3,043,668	0	0	3,043,668
Filtration Plant	70,378,539	369,603	0	70,748,142
Sewage Disposal Plant	124,144,408	1,831,588	1,271,578	127,247,574
Water Distribution System	178,248,191	1,015,781	1,366,926	180,630,898
Water System - Fort Benning	152,986,030	51,350	1,667,319	154,704,699
Sewer System	287,049,649	522,716	(156,750)	287,415,615
Sewer System - Fort Benning	89,830,124	123,960	224,858	90,178,942
Elevated Tanks	9,651,997	0	13,701	9,665,698
Furniture and Fixtures	3,407,361	68,178	0	3,475,539
Autos, Trucks, and Equipment	15,957,157	1,644,244	(35,213)	17,566,188
Intercommunication System	3,927,430	0	0	3,927,430
Laboratory Equipment	3,364,939	36,426	243,725	3,645,090
Capitalized Studies/IT Projects	18,040,509	0	73,740	18,114,249
Total depreciated	<u>998,270,780</u>	<u>5,864,987</u>	<u>4,567,527</u>	<u>1,008,703,294</u>
Total Capital Assets	<u>\$ 1,039,525,992</u>	<u>\$ 32,316,278</u>	<u>\$ (35,213)</u>	<u>\$ 1,071,807,057</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 6: Capital Assets – (Continued)

	Balance June 25, 2023	Additions	Deletions/ Reclassifications	Balance June 25, 2024
Accumulated depreciation:				
Building and Equipment	\$ (16,188,432)	\$ (1,207,823)	\$ 0	\$ (17,396,255)
Watershed Study	(2,295,193)	(28,251)	0	(2,323,444)
Filtration Plant	(35,806,618)	(1,640,629)	0	(37,447,247)
Sewage Disposal Plant	(56,813,177)	(3,490,312)	0	(60,303,489)
Water Distribution System	(99,328,060)	(8,335,573)	0	(107,663,633)
Water System - Fort Benning	(51,461,988)	(1,842,289)	0	(53,304,277)
Sewer System	(171,552,292)	(9,655,339)	0	(181,207,631)
Sewer System - Fort Benning	(38,988,277)	(1,269,855)	0	(40,258,132)
Elevated Tanks	(3,391,564)	(234,490)	0	(3,626,054)
Furniture and Fixtures	(3,000,558)	(92,180)	0	(3,092,738)
Autos, Trucks, and Equipment	(12,179,779)	(883,233)	35,213	(13,027,799)
Intercommunication System	(3,515,035)	(114,924)	0	(3,629,959)
Laboratory Equipment	(1,813,010)	(267,227)	0	(2,080,237)
Capitalized Studies/IT Projects	(8,956,505)	(1,225,531)	0	(10,182,036)
Accumulated Depreciation	(505,290,488)	(30,287,656)	35,213	(535,542,931)
Capital Assets, Net of Depreciation	\$ 534,235,504	\$ 2,028,622	\$ 0	\$ 536,264,126

NOTE 7: Accounts Payable

Accounts payable are summarized as follows:

	<u>2025</u>	<u>2024</u>
Trade	\$ 2,073,751	\$ 3,509,472
City of Columbus Participation	1,475,481	1,360,061
Total Accounts Payable	<u>\$ 3,549,232</u>	<u>\$ 4,869,533</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 8: Accrued Compensated Absences

Vacation leave for regular, full-time employees is accrued using a factor that increases each full year of service. With 5 years of employment, 15 days of vacation is accrued, with 10 years of employment 20 days are accrued, and with 15 or more years of employment 25 days are accrued. Accrued vacation payable at June 25, 2025 and 2024 totals \$1,516,015 and \$1,602,832, respectively.

	2025	2024
Short Term	\$ 951,655	\$ 993,638
Long Term	564,360	609,194
Total Accrued Compensated Absences	\$ 1,516,015	\$ 1,602,832

NOTE 9: Unearned Revenue

Unearned revenue represents billings to Fort Benning for the administration of the construction projects in progress. Revenue from these projects is considered earned upon completion of construction of these projects and will be recognized in administrative fees and other revenue.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt

June 25, 2025 and 2024, respectively, long-term debt consists of the following:

2025		2024	
Maturities		Maturities	
Current	Long-Term	Current	Long-Term

Revenue Bonds

CWW issues bonds whereby the payment is made solely from the revenue of CWW.

Revenue Bond Series 2012A (partial refunding of Series 2005) due in annual installments of \$1,115,000 to \$5,050,000 beginning May 1, 2017 through May 1, 2025; interest at 3.00 to 5.00 percent.

\$	0	\$	0	\$	5,050,000	\$	0
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Revenue Bond Series 2013A (refunded Series 2007) due in annual installments of \$590,000 to \$7,495,000 beginning May 1, 2013 through May 1, 2031; interest at 2.00 to 5.00 percent.

	0		7,495,000		0		7,495,000
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Revenue Bond Series 2014 (refunded remaining Series 2005) due in annual installments of \$150,000 to \$3,450,000 beginning May 1, 2015 through May 1, 2034; interest at 2.00 to 5.00 percent.

	1,510,000		3,250,000		3,450,000		4,760,000
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COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

	<u>2025</u>		<u>2024</u>	
	<u>Maturities</u>		<u>Maturities</u>	
	<u>Current</u>	<u>Long-Term</u>	<u>Current</u>	<u>Long-Term</u>
Revenue Bond Series 2016 (partial refunding of Series 2009) due in annual installments of \$2,767,013 to \$6,899,750 beginning May 1, 2020 through May 1, 2036; interest at 1.75 to 5.00 percent.	2,610,000	34,455,000	2,965,000	37,065,000
Revenue Bond Series 2019 (partial refunding of Series 2013 and Series 2014) due in annual installments of \$7,160,000 to \$250,000 beginning May 1, 2020 through May 1, 2034; interest at 1.75 to 3.03 percent.	6,825,000	41,290,000	265,000	48,115,000
Bond Premiums, net of amortization	0	9,206,087	0	10,466,246
Total Revenue Bonds	<u>\$ 10,945,000</u>	<u>\$ 95,696,087</u>	<u>\$ 11,730,000</u>	<u>\$107,901,246</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

	2025		2024	
	Maturities		Maturities	
	Current	Long-Term	Current	Long-Term
 <u>Notes Payable</u>				
Clean Water State Revolving Loan Fund due in eighty (80) quarterly installments, commencing December 1, 2011; interest accrues at 3.67 percent.	\$ 257,566	\$ 1,517,321	\$ 248,440	\$ 1,774,887
 Clean Water State Revolving Loan Fund due in two hundred forty (240) monthly installments, commencing April 1, 2009; interest accrues at 3.00 percent.	 1,520,603	 4,189,446	 1,476,041	 5,710,049
 Clean Water State Revolving Loan Fund due in two hundred eleven (211) monthly installments, commencing September 1, 2011; interest accrues at 3.00 percent.	 50,626	 139,368	 49,143	 189,994
 Drinking Water State Revolving Loan Fund due in seventy-seven (77) quarterly installments commencing December 1, 2008; interest accrues at 3.00 percent.	 486,709	 821,467	 472,457	 1,308,176

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

	<u>2025</u>		<u>2024</u>	
	<u>Maturities</u>		<u>Maturities</u>	
	<u>Current</u>	<u>Long-Term</u>	<u>Current</u>	<u>Long-Term</u>
Clean Water State Revolving Loan Fund due in two hundred forty (239) monthly installments, commencing the date Note is fully disbursed; interest accrues at 0.13 percent from date of each draw.	0	6,334,486	0	4,480,106
Clean Water State Revolving Loan Fund due in two hundred forty (239) monthly installments, commencing the date Note is fully disbursed; interest accrues at 0.13 percent from date of each draw.	0	3,086,357	0	1,518,687
Drinking Water State Revolving Loan Fund due in two hundred forty (239) monthly installments, commencing the date the Note is fully disbursed; interest accrues at 0.13 percent from date of each draw.	0	14,876,163	0	9,135,178
Clean Water State Revolving Loan Fund due in two hundred thirty-nine (239) monthly installments, commencing November 1, 2024; interest accrues at 1.84 percent from date of each draw.	317,126	7,052,485	0	4,567,894
Total Notes Payable	<u>2,632,630</u>	<u>38,017,093</u>	<u>2,246,081</u>	<u>28,684,971</u>
Total Long-Term Debt, including bond premiums	<u>\$ 13,577,630</u>	<u>\$133,713,180</u>	<u>\$ 13,976,081</u>	<u>\$136,586,217</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

As of June 25, 2025, debt service requirements to maturity for principal and interest are as follows:

Bonds Payable			
Year Ending June 25,	Principal	Interest	Total
2026	\$ 10,945,000	\$ 3,578,422	\$ 14,523,422
2027	11,315,000	3,210,055	14,525,055
2028	11,700,000	2,818,776	14,518,776
2029	12,115,000	2,409,625	14,524,625
2030	12,500,000	2,022,701	14,522,701
2031-2035	34,610,000	4,793,591	39,403,591
2036-2041	4,250,000	212,500	4,462,500
	\$ 97,435,000	\$ 19,045,670	\$ 116,480,670

Notes Payable			
Year Ending June 25,	Principal	Interest	Total
2026	\$ 2,632,630	\$ 378,040	\$ 3,010,670
2027	2,710,655	378,040	3,088,695
2028	2,594,200	299,906	2,894,106
2029	1,664,176	220,056	1,884,232
2030	639,421	151,380	790,801
2031-2035	2,191,635	478,109	2,669,744
2036-2041	28,217,006	356,581	28,573,587
	\$ 40,649,723	\$ 2,262,112	\$ 42,911,835

Total Long-Term Debt			
Year Ending June 25,	Principal	Interest	Total
2026	\$ 13,577,630	\$ 3,956,462	\$ 17,534,092
2027	14,025,655	3,588,095	17,613,750
2028	14,294,200	3,118,682	17,412,882
2029	13,779,176	2,629,681	16,408,857
2030	13,139,421	2,174,081	15,313,502
2031-2035	36,801,635	5,271,700	42,073,335
2036-2041	32,467,006	569,081	33,036,087
	\$ 138,084,723	\$ 21,307,782	\$ 159,392,505

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

Bond Covenants –The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. CWW is in compliance with all such significant limitations and restrictions.

During the year ended June 25, 2020, CWW advance refunded a portion of the 2013A and 2014A Bonds. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$635,449. This difference reported in the accompanying financial statements as a deferred outflow of resources is being charged to interest expense through the year 2034 using the straight-line method. CWW completed the advance refunding to reduce its total debt service payments by \$2,789,976 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$2,566,259.

During the year ended June 25, 2016, CWW advance refunded a portion of the 2009 Bond. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,014,966. This difference reported in the accompanying financial statements as a deferred outflow of resources is being charged to interest expense through the year 2025 using the straight-line method. CWW completed the advance refunding to reduce its total debt service payments by \$1,121,332 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$1,092,582.

During the year ended June 25, 2014, CWW refunded the remaining 2005 Bond. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$243,732. Because the refunded bonds were called on June 13, 2014, this difference was recognized in the 2014 Statement of Revenues, Expenses, and Changes in Net Position as a decrease to interest expense. CWW completed the refunding to reduce its total debt service payments by \$4,618,718 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$4,513,103.

During the year ended June 25, 2013, CWW advance refunded the 2007 Bond Series and three revolving GEFA loans. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$5,158,201. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through the year 2031 using the straight-line method over the life of the new debt. CWW completed the advance refunding to reduce its total debt service payments by \$3,337,982 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$2,724,541.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

During the year ended June 25, 2012, CWW advance refunded the 2003 Bond. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,963,083. This difference reported in the accompanying financial statements as a deferred outflow of resources is being charged to interest expense through the year 2021 using the straight-line method. CWW completed the advance refunding to reduce its total debt service payments by \$2,850,643 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$2,698,639.

During the year ended June 25, 2012, CWW advance refunded a portion of the 2005 Bond. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,400,017. This difference reported in the accompanying financial statements as a deferred outflow of resources is being charged to interest expense through the year 2025 using the straight-line method. CWW completed the advance refunding to reduce its total debt service payments by \$2,303,580 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$2,154,867.

Changes in Long-Term Obligations

The following is a summary of changes in the carrying costs of long-term debt obligations of CWW for the fiscal year ended June 25, 2025:

	2025 Beginning Balance	Increases, Including Amortization of Bond Discounts	Decreases, Including Amortization of Bond Premiums	Ending Balances	Amounts Due Within One Year	Long-Term Amounts
Revenue Bonds	\$ 119,631,246	\$ 0	\$ (12,990,159)	\$ 106,641,087	\$ 10,945,000	\$ 95,696,087
Notes Payable	30,931,052	12,121,143	(2,402,472)	40,649,723	2,632,630	38,017,093
Compensated Absences	1,602,832	906,821	(993,638)	1,516,015	951,655	564,360
	<u>\$ 152,165,130</u>	<u>\$ 13,027,964</u>	<u>\$ (16,386,269)</u>	<u>\$ 148,806,825</u>	<u>\$ 14,529,285</u>	<u>\$ 134,277,540</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 10: Long-Term Debt – (Continued)

The following is a summary of changes in the carrying costs of long-term debt obligations of CWW for the fiscal year ended June 25, 2024:

	2024 Beginning Balance	Increases, Including Amortization of Bond Discounts	Decreases, Including Amortization of Bond Premiums	Ending Balances	Amounts Due Within One Year	Long-Term Amounts
Revenue Bonds	\$ 133,331,405	\$ 0	\$ (13,700,159)	\$ 119,631,246	\$ 11,730,000	\$ 107,901,246
Notes Payable	19,295,935	13,812,229	(2,177,112)	30,931,052	2,246,081	28,684,971
Compensated Absences	1,555,919	1,031,164	(984,251)	1,602,832	993,638	609,194
	<u>\$ 154,183,259</u>	<u>\$ 14,843,393</u>	<u>\$ (16,861,522)</u>	<u>\$ 152,165,130</u>	<u>\$ 14,969,719</u>	<u>\$ 137,195,411</u>

NOTE 11: Other Postemployment Benefits (OPEB)

Plan description – The Columbus Water Works Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by CWW. The Plan does not issue a separate financial report. The Plan provides continuation of medical and dental insurance benefits to eligible non-Medicare retirees and their covered dependents in the active plan, a fully insured Point-of-Service Plan (POS). Non-Medicare retirees and covered dependents that are covered by the POS are also covered by a fully insured dental plan. There is no dental coverage after age 65. Medicare-eligible retirees are covered by a Medicare Supplement Plans F and G. The Columbus Water Works Retiree Healthcare Plan does not issue a stand-alone financial report.

Funding policy – The contribution requirements of plan members are established and may be amended by CWW. The required contribution is based on a pay-as-you-go basis. The 2025 monthly participation contribution rates for POS-High Option for health coverage is \$157.32 and dental coverage is \$39.93 for single coverage and \$472.79 for health coverage and \$134.94 for dental for family coverage. The monthly employee contribution rates to the POS-Low Option for health coverage are \$72.61 for single coverage and \$212.81 for family coverage. Vision coverage is also an option at a cost of \$6.91 for single coverage and \$21.45 for family coverage.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

The Medicare Supplement plan does not require retiree contributions (spouses pay 100% of premium amount). The Medicare Supplement Plan G premium rates vary by age and range for males from \$139 - \$435 and females from \$121 - \$386. When a retiree becomes eligible for Medicare, the spouse may continue POS coverage until he/she reaches age 65 at family premium amount.

Membership status as of June 30,	<u>2025</u>	<u>2024</u>
Inactive plan members or beneficiaries currently receiving benefits	84	101
Active plan members	<u>199</u>	<u>223</u>
Total	<u><u>283</u></u>	<u><u>324</u></u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - CWW reported a net OPEB liability of \$28,682,284 and \$36,092,855 at June 25, 2025 and 2024, respectively. The total OPEB liability was measured as of June 30, 2025 based on a valuation date of July 1, 2024.

The change in the Net OPEB liability is as follows:

	<u>2025</u>	<u>2024</u>
Net OPEB liability at beginning of year	<u>\$ 36,092,855</u>	<u>\$ 36,442,136</u>
Service cost	750,455	925,282
Interest	1,761,348	1,560,096
Differences between expected and actual experience	(6,312,371)	(2,846,816)
Changes of assumptions	(3,154,976)	639,616
Benefit payments	<u>(455,027)</u>	<u>(627,459)</u>
Net changes	<u>(7,410,571)</u>	<u>(349,281)</u>
Net OPEB liability at end of year	<u><u>\$ 28,682,284</u></u>	<u><u>\$ 36,092,855</u></u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

For the years ended June 25, 2025 and 2024, CWW recognized OPEB expense of \$750,944 and \$1,956,406, respectively. Components of OPEB expense for the years ended June 25, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Components of OPEB expense for the years ended June 25:		
Service cost	\$ 750,455	\$ 925,282
Interest on the total OPEB liability	1,761,348	1,560,096
Benefit payments and refunds	(455,027)	(627,459)
Current period difference between expected and actual experience	(901,767)	(425,533)
Current period effect of changes in assumptions	(450,711)	95,608
Current period recognition of prior years' deferred outflows of resources	2,745,023	2,711,091
Current period recognition of prior years' deferred inflows of resources	<u>(2,698,377)</u>	<u>(2,282,679)</u>
Total OPEB expense	<u>\$ 750,944</u>	<u>\$ 1,956,406</u>

At June 25, 2025 and 2024, CWW reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>2025</u>		<u>2024</u>	
	Deferred	Deferred	Deferred	Deferred
	Outflows of	Inflows of	Outflows of	Inflows of
	Resources	Resources	Resources	Resources
Differences between expected and actual experience	\$ 4,432,117	\$ 8,232,961	\$ 6,097,499	\$ 3,506,457
Changes in Assumptions	<u>2,591,480</u>	<u>7,746,114</u>	<u>3,671,121</u>	<u>7,056,126</u>
Total	<u>\$ 7,023,597</u>	<u>\$ 15,979,075</u>	<u>\$ 9,768,620</u>	<u>\$ 10,562,583</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2026	\$ (802,388)
2027	(953,629)
2028	(2,090,192)
2029	(2,166,980)
2030	(1,589,810)
Thereafter	<u>(1,352,479)</u>
Total	<u>\$ (8,955,478)</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

Actuarial assumptions: The total OPEB liability was measured as of June 30, 2025 based on actuarial valuation date of July 1, 2024:

Valuation Date	July 1, 2024
Measurement date	June 30, 2025
Discount Rate	4.81% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Salary Scale	3.25% per annum
Cost-of-living increases	Retiree contributions and health insurance premiums have been assumed to increase in accordance with the healthcare cost trend rates
Actuarial Cost Method	Entry age normal level percentage of payroll
Election rate	100% of participating employees
Mortality Basis	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general employees, with full generational improvements in mortality using Scale MP-2020
Coverage Election	100% of current and future retirees are assumed to elect medical coverage in accordance with their current election with respect to plan ("low" plan or "high" plan) and spousal coverage, except that current employees who have waived coverage are assumed to elect coverage at retirement under the "high" plan and retirees who have waived coverage under the PPO plan are assumed to elect supplemental Medicare coverage beginning at age 65.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

Health care cost trend rates apply to expected claims and retiree contributions. Assumed health care cost trend rates before adjusting for the impact of the Cadillac tax are:

Year	POS	Medicare	
		Supplemental Plan F	Dental
2025	7.00%	4.50%	4.00%
2026	6.75%	4.50%	4.00%
2027	6.50%	4.50%	4.00%
2028	6.25%	4.50%	4.00%
2029	6.00%	4.50%	4.00%
2030	5.75%	4.50%	4.00%
2031	5.50%	4.50%	4.00%
2032	5.25%	4.50%	4.00%
2033	5.00%	4.50%	4.00%
2034	5.00%	4.50%	4.00%
2035	5.00%	4.50%	4.00%

Since the prior measurement date, the discount rate was increased from 4.21% per annum to 4.81% per annum, the mortality basis was changed from the RP-2014 Headcount-Weighted Mortality Table with generational improvements using Scale MP-2018 to the PUB-2010 Mortality Table for general employees with generational improvements using Scale MP-2017, and the percentage of retirees electing spousal coverage was changed from a flat 60% to their actual current spousal coverage election.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 11: Other Postemployment Benefits (OPEB) – (Continued)

Sensitivity of CWW’s net OPEB liability to changes in the discount rate - The following presents CWW’s net OPEB liability calculated using the discount rate of 4.81%, as well as what CWW’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
Net OPEB Liability	\$ 34,231,417	\$ 28,682,284	\$ 24,370,025

Sensitivity of CWW’s net OPEB liability to changes in the healthcare cost trend rates - The following presents CWW’s net OPEB liability, as well as what CWW’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Trend rates Minus 1%	Current Healthcare Cost Trend Rate (7.50% graded down to 5.00%)	Trend rates Plus 1%
Net OPEB Liability	\$ 24,016,049	\$ 28,682,284	\$ 34,703,174

NOTE 12: Capital Grants and Contributions

Capital grants and contributions for 2025 represent contributions of lines by developers of \$1,907,144 and contributed water and sewer system by Ft. Benning of \$1,837,672 for fiscal year ended June 25, 2025.

Capital grants and contributions for 2024 represent contributions of lines by developers of \$915,483 and contributed water and sewer system by Ft. Benning of \$1,897,811 for fiscal year ended June 25, 2024.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans

CWW contributes to the Consolidated Government of Columbus, Georgia Public Employee Retirement Systems Pension and Benefit Trust Fund, a public employee retirement plan, administered by the Consolidated Government of Columbus, Georgia (Consolidated Government). The Fund is a cost sharing multiple-employer defined benefit plan. Financial information on the plans is included in the Comprehensive Annual Financial Report of the Consolidated Government of Columbus, GA. A copy of a financial report can be obtained by writing to the Consolidated Government of Columbus, Georgia, P.O. Box 1340, Columbus, Georgia 31902.

The Consolidated Government of Columbus, Georgia administers three defined benefit plans—Employee’s Pension Plan, Death Benefit Plan, and Major Disability Income Plan of which CWW participates. Substantially all of the eligible employees of CWW are covered by these plans. Although the assets of the plans are co-mingled for investment purposes, each plan’s assets may be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.

Employees’ Pension Plan

Plan Description –The Employees’ Pension Plan is a cost sharing multiple-employer defined benefit pension plan that covers the employees of the Consolidated Government, which includes CWW as well as other related agencies and authorities. The plan provides retirement and pre-retirement death benefits to plan members and their beneficiaries. The basic pension formula is 2% of annual earnings time up to 30 years of service.

Contributions –All participating employees are required to contribute 4% (for employees hired prior to July 1, 2012) or 8% (for employees hired after June 30, 2012) of their pensionable earnings to the plan. The employer’s contribution to the plan is actuarially determined on an annual basis. The contribution requirements may be amended by City ordinance, but the employer contribution requirement is subject to state minimums. The amounts contributed by CWW for the plan years ended June 30, 2025, 2024 and 2023 were \$1,326,649, \$1,178,068 and \$1,061,718, respectively, which are equal to the required contributions for each year.

The required contributions for the plan as a whole for the years ending June 30, 2025, 2024 and 2023 were \$6,170,460, \$5,688,400, and \$4,679,235, respectively. The required contributions by CWW to the plan for the years ending June 30, 2025, 2024 and 2023 were 21.50% , 20.71% and 22.69%, respectively, of the required minimum contributions for the plan as a whole.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Employees’ Pension Plan - (Continued)

Pension liabilities, Pension expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 25, 2025, CWW reported a liability for its proportionate share of the net pension liability of \$13,215,928. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. CWW’s portion of the net pension liability was based on contributions to the plans during the year ended June 25, 2024. At June 30, 2024, measurement date, CWW’s proportion of the net pension liability was 20.71% which was a decrease of 1.96% from its proportion measured as of June 30, 2023.

For the years ended June 25, 2025 and 2024, CWW recognized pension expense of \$4,406,555 and \$4,652,063, respectively. As of June 25, 2025 and 2024, CWW reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>2025</u>		<u>2024</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,725,125	\$ 6,410,969	\$ 6,723,288	\$ 9,197,916
Changes of assumptions	408,505	0	1,469,990	0
Net difference between projected and actual earnings on pension plan investments	0	2,718,416	340,191	0
Changes in proportion and differences between Employer contributions and proportionate share of contributions	272,925	0	1,492,270	0
Employer contributions subsequent to the measurement date	<u>1,326,649</u>	<u>0</u>	<u>1,178,068</u>	<u>0</u>
Total	<u>\$ 5,733,204</u>	<u>\$ 9,129,385</u>	<u>\$ 11,203,807</u>	<u>\$ 9,197,916</u>

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Employees’ Pension Plan - (Continued)

CWW contributions subsequent to the measurement date of \$1,326,649 and \$1,178,068 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the years ended June 25, 2026 and June 25, 2025, respectively. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 25:	
2026	\$ (129,237)
2027	623,782
2028	(2,636,823)
2029	(1,955,626)
2030	(584,862)
Thereafter	<u>(40,064)</u>
	<u>\$ (4,722,830)</u>

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Employees' Pension Plan - (Continued)

Discount Rate:	5.86% per annum (2.10% is attributable to long-term inflation); this rate was used to discount all future payments
Salary Increases:	3.25% per annum
Cost-of-living increases:	None assumed
Mortality basis:	Gender-distinct rates set forth in the RP-2000 Mortality Table, with full generational improvements in mortality using Scale AA.
Retirement (General employees):	Retirement is assumed to occur after 15 years of service at the rate of 5% at each of ages 55 through 60, 10% at age 61, 30% at age 62, 15% at each of ages 63 and 64, and 100% thereafter
Other decrements (General employees):	Assumed employment termination is based on age and service; for participants with more than five years of service, termination rates range from 14.25% at age 20 to 1.53% at age 65; for participants with less than five years of service, 22.00% is added to the rate during the first year of service, 16.50% is added during the second year, 11.00% is added during the third year, 5.50% is added during the fourth year, and 2.20% is added during the fifth year. Assumed disability is based on age and ranges from 0.035% at age 20 to 1.425% at age 65.
Non-investment expenses:	0.03% of future payroll
Future contributions:	Contributions from the employers and employees are assumed to be made as legally required.
Changes:	No assumptions were changed since the prior measurement date.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Employees’ Pension Plan - (Continued)

Determination of the Long-term expected rate of return on Plan Assets:

Asset Class	Target Allocation	Expected Long-term Real Return per Annum
U.S. large cap equity	43.00%	4.56%
U.S. small/mid cap equity	6.00%	4.84%
Non-U.S. developed large equity	8.00%	4.63%
Emerging markets equity	2.00%	5.81%
U.S. aggregate fixed income	10.00%	2.28%
U.S. short-term fixed income	9.00%	1.99%
U.S. long-term fixed income	11.00%	2.27%
U.S. high-yield fixed income	4.00%	3.93%
Non-U.S. broad fixed income	3.00%	1.46%
U.S. real estate	4.00%	4.16%
Total or weighted arithmetic average	<u>100.00%</u>	<u>3.76%</u>

Sensitivity of CWW’s proportionate share of the net pension liability to changes in the discount rate: The following presents CWW’s proportionate share of the net pension liability calculated using the discount rate of 5.86%, as well as what CWW’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.86%) or 1-percentage point higher (6.86%) than the current rate:

	1% Decrease 4.86%	Current discount rate 5.86%	1% Increase 6.86%
CWW's proportionate share of the net pension (asset) liability	\$ 23,197,501	\$ 13,215,928	\$ 4,994,127

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Employees' Pension Plan - (Continued)

Pension plan fiduciary net position – Detailed information about the pension plans' fiduciary net position is available in the stand-alone financial report issued each year. The plans' fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available at the plans' administrative office: City of Columbus, Department of Human Resources, 100 Tenth Street, Columbus, GA 31901.

Death Benefit Plan for Retirees

Plan Description –The Death Benefit Plan is a cost sharing multiple employer defined benefit plan that covers employees of the Consolidated Government, which includes CWW as well as other related agencies and authorities. The plan provides a death benefit to those employees who on the day prior to retirement are insured for group life insurance under the Columbus, Georgia Employees' Group Insurance Plan. In addition, a death benefit for spouses and dependents is optional provided a monthly premium is paid.

Contributions –Employees may elect to pay a monthly contribution for death benefit coverage for their spouse and dependents. The employer's contribution to the plan is actuarially determined on an annual basis and subject to state minimums. The amounts contributed by CWW for the plan years ended June 30, 2025, 2024 and 2023 were \$29,118, \$27,693, and \$27,500, respectively, which are equal to the required contributions for each year.

The required contributions for the plan as a whole for the years ending June 30, 2025, 2024 and 2023 were \$253,202, \$249,038, and \$218,599, respectively. The required contributions by CWW to the plan for the years ending June 30, 2025, 2024 and 2023 were 11.50%, 11.12% and 12.58%, respectively, of the required minimum contributions for the plan as a whole.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Death Benefit Plan for Retirees - (Continued)

Pension liabilities, Pension expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 25, 2025, CWW reported a liability for its proportionate share of the net pension liability of \$205,644. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. CWW's portion of the net pension liability was based on contributions to the plans during the year ended June 25, 2024. At June 30, 2024, measurement date, CWW's proportion of the net pension liability was 10.44% which was a decrease of 1.30% from its proportion measured as of June 30, 2023.

For the years ended June 25, 2025 and 2024, CWW recognized pension expense of \$16,995 and \$23,964, respectively. As of June 25, 2025 and 2024, CWW reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>2025</u>		<u>2024</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 51,200	\$ 59,586	\$ 58,336	\$ 77,360
Changes of assumptions	13,435	74,088	17,466	96,506
Net difference between projected and actual earnings on pension plan investments	0	13,463	3,242	0
Changes in proportion and differences between Employer contributions and proportionate share of contributions	19,687	0	53,805	0
Employer contributions subsequent to the measurement date	29,118	0	27,693	0
Total	<u>\$ 113,440</u>	<u>\$ 147,137</u>	<u>\$ 160,542</u>	<u>\$ 173,866</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Death Benefit Plan for Retirees - (Continued)

CWW contributions subsequent to the measurement date of \$29,118 and \$27,693 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the years ended June 25, 2026 and June 25, 2025, respectively. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 25:	
2026	\$ (16,903)
2027	(5,444)
2028	(17,630)
2029	(14,612)
2030	(10,376)
Thereafter	<u>2,150</u>
	<u>\$ (62,815)</u>

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Death Benefit Plan for Retirees - (Continued)

Discount Rate:	5.86% per annum (2.10% is attributable to long-term inflation); this rate was used to discount all future payments
Salary Increases:	3.25% per annum
Cost-of-living increases:	None assumed
Mortality basis:	Gender-distinct rates set forth in the RP-2000 Mortality Table, with full generational improvements in mortality using Scale AA.
Retirement (General employees):	Retirement is assumed to occur after 15 years of service at the rate of 5% at each of ages 55 through 60, 10% at age 61, 30% at age 62, 15% at each of ages 63 and 64, and 100% thereafter
Other decrements (General employees):	Assumed employment termination is based on age and service; for participants with more than five years of service, termination rates range from 14.25% at age 20 to 1.53% at age 65; for participants with less than five years of service, 22.00% is added to the rate during the first year of service, 16.50% is added during the second year, 11.00% is added during the third year, 5.50% is added during the fourth year, and 2.20% is added during the fifth year. Assumed disability is based on age and ranges from 0.035% at age 20 to 1.425% at age 65.
Non-investment expenses:	0.03% of future payroll
Future contributions:	Contributions from the employers and employees are assumed to be made as legally required.
Changes:	No assumptions were changed since the prior measurement date.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Death Benefit Plan for Retirees - (Continued)

Determination of the Long-term expected rate of return on Plan Assets:

Asset Class	Target Allocation	Expected Long-term Real Return per Annum
U.S. large cap equity	43.00%	4.56%
U.S. small/mid cap equity	6.00%	4.84%
Non-U.S. developed large equity	8.00%	4.63%
Emerging markets equity	2.00%	5.81%
U.S. aggregate fixed income	10.00%	2.28%
U.S. short-term fixed income	9.00%	1.99%
U.S. long-term fixed income	11.00%	2.27%
U.S. high-yield fixed income	4.00%	3.93%
Non-U.S. broad fixed income	3.00%	1.46%
U.S. real estate	4.00%	4.16%
Total or weighted arithmetic average	100.00%	3.76%

Sensitivity of CWW's proportionate share of the net pension liability to changes in the discount rate: The following presents CWW's proportionate share of the net pension liability calculated using the discount rate of 5.86%, as well as what CWW's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.86%) or 1-percentage point higher (6.86%) than the current rate:

	1% Decrease 4.86%	Current discount rate 5.86%	1% Increase 6.86%
CWW's proportionate share of the net pension (asset) liability	\$ 354,698	\$ 205,644	\$ 183,855

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Death Benefit Plan for Retirees - (Continued)

Pension plan fiduciary net position – Detailed information about the pension plans’ fiduciary net position is available in the stand-alone financial report issued each year. The plans’ fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available at the plans’ administrative office: City of Columbus, Department of Human Resources, 100 Tenth Street, Columbus, GA 31901.

Major Disability Income Plan

Plan Description –The Major Disability Income Plan is a cost sharing multiple employer defined benefit plan that covers each full-time employee of the Consolidated Government, which includes CWW as well as other related agencies and authorities. The plan provides a monthly benefit to those employees who become totally disabled prior to attainment of age 64 years and six months and supply written proof of entitlement to a benefit under the Federal Social Security Act.

Contributions –Contributions by employees are neither required nor permitted. The employer’s contribution to the plan is actuarially determined on an annual basis. The amounts contributed by CWW for the plan years ended June 30, 2025, 2024 and 2023 were \$30,630, \$31,594 and \$37,548 respectively, which are equal to the required contributions for each year.

The required contributions for the plan as a whole for the years ending June 30, 2025, 2024 and 2023 were \$266,346, \$284,123, and \$298,472, respectively. The required contributions by CWW to the plan for the years ending June 30, 2025, 2024 and 2023 were 11.50%, 11.12% and 12.58%, respectively, of the required minimum contributions for the plan as a whole.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Major Disability Income Plan - (Continued)

Pension liabilities, Pension expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 25, 2025, CWW reported a liability for its proportionate share of the net pension liability of \$173,206. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. CWW’s portion of the net pension liability was based on contributions to the plans during the year ended June 25, 2024. At June 30, 2024, measurement date, CWW’s proportion of the net pension liability was 11.12% which was a decrease of 1.46% from its proportion measured as of June 30, 2023.

For the years ended June 25, 2025 and 2024, CWW recognized pension expense of \$37,384 and \$46,655, respectively. As of June 25, 2025 and 2024, CWW reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>2025</u>		<u>2024</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 20,058	\$ 150,358	\$ 25,914	\$ 132,389
Changes of assumptions	42,328	21,993	54,197	27,141
Net difference between projected and actual earnings on pension plan investments	0	5,351	1,253	0
Changes in proportion and differences between Employer contributions and proportionate share of contributions	23,354	0	58,519	0
Employer contributions subsequent to the measurement date	<u>30,630</u>	<u>0</u>	<u>31,594</u>	<u>0</u>
Total	<u>\$ 116,370</u>	<u>\$ 177,702</u>	<u>\$ 171,477</u>	<u>\$ 159,530</u>

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Major Disability Income Plan - (Continued)

CWW contributions subsequent to the measurement date of \$30,630 and \$31,594 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the years ended June 25, 2026 and June 25, 2025, respectively. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 25:	
2026	\$ (6,289)
2027	(2,804)
2028	(6,800)
2029	(5,718)
2030	(4,065)
Thereafter	<u>(66,286)</u>
	<u>\$ (91,962)</u>

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Major Disability Income Plan - (Continued)

Discount Rate:	5.86% per annum (2.10% is attributable to long-term inflation); this rate was used to discount all future payments
Salary Increases:	3.25% per annum
Cost-of-living increases:	None assumed
Mortality basis:	Gender-distinct rates set forth in the RP-2000 Mortality Table, with full generational improvements in mortality using Scale AA.
Retirement (General employees):	Retirement is assumed to occur after 15 years of service at the rate of 5% at each of ages 55 through 60, 10% at age 61, 30% at age 62, 15% at each of ages 63 and 64, and 100% thereafter
Other decrements (General employees):	Assumed employment termination is based on age and service; for participants with more than five years of service, termination rates range from 14.25% at age 20 to 1.53% at age 65; for participants with less than five years of service, 22.00% is added to the rate during the first year of service, 16.50% is added during the second year, 11.00% is added during the third year, 5.50% is added during the fourth year, and 2.20% is added during the fifth year. Assumed disability is based on age and ranges from 0.035% at age 20 to 1.425% at age 65.
Non-investment expenses:	0.03% of future payroll
Future contributions:	Contributions from the employers and employees are assumed to be made as legally required.
Changes:	No assumptions were changed since the prior measurement date.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTE 13: Employee Benefit Plans – (Continued)

Major Disability Income Plan - (Continued)

Determination of the Long-term expected rate of return on Plan Assets:

Asset Class	Target Allocation	Expected Long-term Real Return per Annum
U.S. large cap equity	43.00%	4.56%
U.S. small/mid cap equity	6.00%	4.84%
Non-U.S. developed large equity	8.00%	4.63%
Emerging markets equity	2.00%	5.81%
U.S. aggregate fixed income	10.00%	2.28%
U.S. short-term fixed income	9.00%	1.99%
U.S. long-term fixed income	11.00%	2.27%
U.S. high-yield fixed income	4.00%	3.93%
Non-U.S. broad fixed income	3.00%	1.46%
U.S. real estate	4.00%	4.16%
 Total or weighted arithmetic average	 <u>100.00%</u>	 <u>3.76%</u>

Sensitivity of CWW's proportionate share of the net pension liability to changes in the discount rate: The following presents CWW's proportionate share of the net pension liability calculated using the discount rate of 5.86%, as well as what CWW's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.86%) or 1-percentage point higher (6.86%) than the current rate:

	1% Decrease 4.86%	Current discount rate 5.86%	1% Increase 6.86%
CWW's proportionate share of the net pension (asset) liability	\$ 155,254	\$ 173,206	\$ 120,496

Pension plan fiduciary net position – Detailed information about the pension plans' fiduciary net position is available in the stand-alone financial report issued each year. The plans' fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available at the plans' administrative office: City of Columbus, Department of Human Resources, 100 Tenth Street, Columbus, GA 31901.

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COLUMBUS, GEORGIA
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NOTE 14: Administrative Fees

On June 2, 1992, the Consolidated Government of Columbus, Georgia passed an ordinance which requires a charge for residential solid waste collection to be billed on a monthly cycle. CWW has been appointed as the billing and collection agent only, and remits all charges collected, less an administrative fee, to the Consolidated Government of Columbus, Georgia. CWW received \$106,461 and \$104,570 in administrative fees for the years ended June 25, 2025 and 2024, respectively.

For the years ended June 25, 2025 and 2024, CWW recognized \$329,494 and \$1,560,790 in fees from the administration of construction contracts at Ft. Benning. This is for Base Realignment and Closure (BRAC) contract modifications for Ft. Benning outside of the normal service contract.

NOTE 15: Commitments and Contingencies

CWW is under obligation for various construction contracts in the amounts of \$60,528,345 at June 25, 2025. At that date, \$41,778,783 had been spent, leaving an uncompleted contractual obligation of \$18,746,562.

In 2004, CWW entered into a fifty-year contract with the Department of the Army for privatization of the Fort Benning water and sewerage system under which CWW assumed all responsibility for operations, maintenance, repairs, investments and replacement of all system components. Revenue generated during the years ended June 25, 2025 and 2024, was \$17,915,128 and \$17,581,532, respectively. Expenses and capital outlay during the years ended June 25, 2025 and 2024 amounted to \$6,932,168 and \$6,456,595 excluding debt service payments, respectively. The capital required for the construction, maintenance, repairs and operational expenses will be funded entirely from revenue generated from Fort Benning.

During the year ended June 25, 2009, the Fort Benning contract was modified. As part of the modification, CWW agreed to finance the cost of necessary upgrades to the water and sewerage system through the issuance of the 2009 Revenue Bond Series. In order to offset the costs incurred by CWW, Fort Benning agreed to pay CWW monthly amounts sufficient to provide 1.25 times the debt service coverage of the 2009 Revenue Bond Series until the bonds are retired. Payments during each of the years ended June 25, 2025 and 2024 amounted to \$0 and \$4,455,451, respectively, and are included in non-operating revenue.

CWW is the defendant in lawsuits arising from normal operations. Management has reviewed pending litigation with legal counsel and believes that the ultimate liability, if any, resulting from these actions will be settled within insurance limits and will not materially affect the financial position of CWW.

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NOTE 16: Risk Management

CWW carries commercial insurance for various risks of loss related to torts, destruction of assets and errors and omissions including coverage under auto, general liability and umbrella policies of \$1,000,000, \$3,000,000 and \$10,000,000, respectively.

In addition, CWW has established a self-funded program for workers' compensation. An excess coverage insurance policy covers aggregate claims in excess of \$150,000 up to \$650,000. CWW belongs to the subsequent injury fund with the State of Georgia, which reduces their exposure based on re-injured employees for claims incurred prior to June 30, 2006. Management elected to expense claims as they are paid; therefore, no estimated liability has been accrued.

Claims and associated expenses are as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Estimated Liability at Beginning of Year	\$ 0	\$ 0	\$ 0
Claims Incurred	629,455	428,289	380,499
Claims Paid	(629,455)	(428,289)	(380,499)
Estimated Liability at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

NOTE 17: Subsequent Events

Management has evaluated all transactions that may qualify for subsequent event disclosure through December 8, 2025, which is the date the financial statements were available to be issued. There were no transactions that are required to be disclosed under professional guidance.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
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Schedule of Proportionate Share of the Employees' Pension Liability

	<u>2025</u>	<u>2024</u>	<u>2023</u>
CWW's proportion of the net pension liability (asset)	20.71%	22.66%	21.86%
CWW's proportionate share of the net pension liability (asset)	\$ 13,215,928	\$ 17,700,466	\$ 19,181,187
CWW's covered-employee payroll	\$ 17,358,940	\$ 16,232,762	\$ 15,597,948
CWW's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	76.13%	109.04%	122.97%
Plan fiduciary net position as a percentage of the total pension liability (asset)	62.40%	78.00%	74.41%
	<u>2022</u>	<u>2021</u>	<u>2020</u>
CWW's proportion of the net pension liability	20.22%	19.46%	19.02%
CWW's proportionate share of the net pension liability	\$ (3,224,008)	\$ 15,704,468	\$ 12,090,350
CWW's covered-employee payroll	\$ 16,389,682	\$ 15,197,165	\$ 14,600,808
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	103.34%	82.81%
Plan fiduciary net position as a percentage of the total pension liability	105.78%	74.41%	78.37%
	<u>2019</u>	<u>2018</u>	<u>2017</u>
CWW's proportion of the net pension liability	18.04%	14.24%	18.24%
CWW's proportionate share of the net pension liability	\$ 12,147,556	\$ 7,996,055	\$ 11,024,237
CWW's covered-employee payroll	\$ 14,225,843	\$ 13,893,874	\$ 13,518,812
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	85.39%	57.55%	81.55%
Plan fiduciary net position as a percentage of the total pension liability	76.21%	78.19%	75.20%
	<u>2016</u>		
CWW's proportion of the net pension liability	18.24%		
CWW's proportionate share of the net pension liability	\$ 10,768,785		
CWW's covered-employee payroll	\$ 13,292,985		
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	81.01%		
Plan fiduciary net position as a percentage of the total pension liability	74.60%		

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COLUMBUS, GEORGIA
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Schedule of Proportionate Share of the Death Benefit Plan Liability

	<u>2025</u>	<u>2024</u>	<u>2023</u>
CWW's proportion of the net pension liability (asset)	10.44%	11.74%	11.40%
CWW's proportionate share of the net pension liability (asset)	\$ 205,644	\$ 243,497	\$ 257,780
CWW's covered-employee payroll	\$ 16,660,564	\$ 16,027,039	\$ 15,597,948
CWW's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.23%	1.52%	1.65%
Plan fiduciary net position as a percentage of the total pension liability (asset)	62.40%	59.33%	55.09%
	<u>2022</u>	<u>2021</u>	<u>2020</u>
CWW's proportion of the net pension liability	10.62%	10.45%	10.24%
CWW's proportionate share of the net pension liability	\$ 157,886	\$ 239,892	\$ 258,543
CWW's covered-employee payroll	\$ 16,389,682	\$ 15,197,165	\$ 14,600,808
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	0.96%	1.58%	1.77%
Plan fiduciary net position as a percentage of the total pension liability	69.76%	54.14%	51.09%
	<u>2019</u>	<u>2018</u>	<u>2017</u>
CWW's proportion of the net pension liability	9.80%	7.54%	9.86%
CWW's proportionate share of the net pension liability	\$ 242,466	\$ 254,179	\$ 340,622
CWW's covered-employee payroll	\$ 14,225,843	\$ 13,893,874	\$ 13,518,812
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	1.70%	1.83%	2.52%
Plan fiduciary net position as a percentage of the total pension liability	49.87%	39.78%	34.90%
	<u>2016</u>		
CWW's proportion of the net pension liability	9.86%		
CWW's proportionate share of the net pension liability	\$ 309,396		
CWW's covered-employee payroll	\$ 13,292,985		
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	2.33%		
Plan fiduciary net position as a percentage of the total pension liability	34.60%		

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Schedule of Proportionate Share of the Major Disability Income Plan Liability

	<u>2025</u>	<u>2024</u>	<u>2023</u>
CWW's proportion of the net pension liability (asset)	11.12%	12.58%	12.22%
CWW's proportionate share of the net pension liability (asset)	\$ 173,206	\$ 243,944	\$ 268,065
CWW's covered-employee payroll	\$ 16,091,292	\$ 17,358,940	\$ 15,597,948
CWW's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.08%	1.41%	1.72%
Plan fiduciary net position as a percentage of the total pension liability (asset)	45.30%	35.87%	30.36%
	<u>2022</u>	<u>2021</u>	<u>2020</u>
CWW's proportion of the net pension liability	11.35%	11.06%	10.79%
CWW's proportionate share of the net pension liability	\$ 255,289	\$ 297,477	\$ 349,859
CWW's covered-employee payroll	\$ 16,389,682	\$ 15,197,165	\$ 14,600,808
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	1.56%	1.96%	2.40%
Plan fiduciary net position as a percentage of the total pension liability	31.53%	22.50%	17.20%
	<u>2019</u>	<u>2018</u>	<u>2017</u>
CWW's proportion of the net pension liability	10.13%	7.73%	9.86%
CWW's proportionate share of the net pension liability	\$ 316,445	\$ 244,179	\$ 334,927
CWW's covered-employee payroll	\$ 14,225,843	\$ 13,893,874	\$ 13,518,812
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	2.22%	1.76%	2.48%
Plan fiduciary net position as a percentage of the total pension liability	14.94%	12.13%	9.80%
	<u>2016</u>		
CWW's proportion of the net pension liability	9.86%		
CWW's proportionate share of the net pension liability	\$ 247,516		
CWW's covered-employee payroll	\$ 13,292,985		
CWW's proportionate share of the net pension liability as a percentage of its covered payroll	1.86%		
Plan fiduciary net position as a percentage of the total pension liability	13.70%		

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

<u>Schedule of Contributions</u>	2025		
	Pension	Death benefit	Disability income
Contractually required contribution	\$ 1,326,649	\$ 29,118	\$ 30,630
Contributions in relation to the Contractually required contribution	<u>1,326,649</u>	<u>29,118</u>	<u>30,630</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	\$ 18,083,219	\$ 17,355,704	\$ 16,762,680
Contributions as a percentage of covered payroll	7.34%	0.17%	0.18%
	2024		
<u>Schedule of Contributions</u>	Pension	Death benefit	Disability income
Contractually required contribution	\$ 1,178,068	\$ 27,693	\$ 31,594
Contributions in relation to the Contractually required contribution	<u>1,178,068</u>	<u>27,693</u>	<u>31,594</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	\$ 17,358,940	\$ 16,660,564	\$ 16,091,292
Contributions as a percentage of covered payroll	6.79%	0.17%	0.20%

COLUMBUS WATER WORKS
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<u>Schedule of Contributions</u>	2023		
	Pension	Death benefit	Disability income
Contractually required contribution	\$ 1,061,718	\$ 27,500	\$ 37,548
Contributions in relation to the Contractually required contribution	1,061,718	27,500	37,548
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0
CWW's covered payroll	16,232,762	16,027,039	15,177,994
Contributions as a percentage of covered payroll	6.54%	0.17%	0.25%

<u>Schedule of Contributions</u>	2022		
	Pension	Death benefit	Disability income
Contractually required contribution	\$ 1,460,998	\$ 29,222	\$ 40,207
Contributions in relation to the Contractually required contribution	1,460,998	29,222	40,207
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0
CWW's covered payroll	15,597,948	15,597,948	15,597,948
Contributions as a percentage of covered payroll	9.37%	0.19%	0.26%

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<u>Schedule of Contributions</u>	2021		
	<u>Pension</u>	<u>Death benefit</u>	<u>Disability income</u>
Contractually required contribution	\$ 1,275,027	\$ 28,968	\$ 40,678
Contributions in relation to the Contractually required contribution	<u>1,275,027</u>	<u>28,968</u>	<u>40,678</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	16,389,682	16,389,682	16,389,682
Contributions as a percentage of covered payroll	7.78%	0.18%	0.25%

<u>Schedule of Contributions</u>	2020		
	<u>Pension</u>	<u>Death benefit</u>	<u>Disability income</u>
Contractually required contribution	\$ 1,152,348	\$ 33,121	\$ 47,123
Contributions in relation to the Contractually required contribution	<u>1,152,348</u>	<u>33,121</u>	<u>47,123</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	15,197,165	15,197,165	15,197,165
Contributions as a percentage of covered payroll	7.58%	0.22%	0.31%

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
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<u>Schedule of Contributions</u>	2019		
	<u>Pension</u>	<u>Death benefit</u>	<u>Disability income</u>
Contractually required contribution	\$ 1,555,986	\$ 33,612	\$ 45,964
Contributions in relation to the Contractually required contribution	<u>1,555,986</u>	<u>33,612</u>	<u>45,964</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	14,600,808	14,600,808	14,600,808
Contributions as a percentage of covered payroll	10.66%	0.23%	0.31%

<u>Schedule of Contributions</u>	2018		
	<u>Pension</u>	<u>Death benefit</u>	<u>Disability income</u>
Contractually required contribution	\$ 1,118,690	\$ 44,680	\$ 42,375
Contributions in relation to the Contractually required contribution	<u>1,118,690</u>	<u>44,680</u>	<u>42,375</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
CWW's covered payroll	14,225,843	14,225,843	14,225,843
Contributions as a percentage of covered payroll	7.86%	0.31%	0.30%

COLUMBUS WATER WORKS
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<u>Schedule of Contributions</u>	2017		
	Pension	Death benefit	Disability income
Contractually required contribution	\$ 997,441	\$ 34,610	\$ 34,335
Contributions in relation to the Contractually required contribution	997,441	34,610	34,335
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0
CWW's covered payroll	13,893,874	13,893,874	13,893,874
Contributions as a percentage of covered payroll	7.18%	0.25%	0.25%

<u>Schedule of Contributions</u>	2016		
	Pension	Death benefit	Disability income
Contractually required contribution	\$ 1,694,993	\$ 30,885	\$ 32,549
Contributions in relation to the Contractually required contribution	1,694,993	30,885	32,549
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0
CWW's covered payroll	\$ 13,518,812	\$ 13,518,812	\$ 13,518,812
Contributions as a percentage of covered payroll	12.54%	0.23%	0.24%

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarial methods and assumptions below were used to determine the total pension liability in the July 1, 2022 actuarial valuation. The mortality rates were based on the gender-distinct rates set forth in the PUB-2010 Mortality Table, with full generational improvements in mortality using Scale MP-2017.

Valuation date	July 1, 2022
Actuarial cost method	Frozen initial liability
Amortization method	Level dollar, closed
Remaining amortization method	15 years
Asset valuation method	Three-year smoothed fair value
Inflation rate	2.10%
Salary increases	3.25%
Investment rate of return	5.86%

The schedules above are intended to show information for the last 10 years. Additional years will as they become available.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
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FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

Schedule of Changes in Net OPEB Liability

	<u>2025</u>	<u>2024</u>	<u>2023</u>	
Net OPEB liability at beginning of year	\$ 36,092,855	\$ 36,442,136	\$ 36,133,164	
Service cost	750,455	925,282	950,193	
Interest	1,761,348	1,560,096	1,522,164	
Differences between expected and actual experience	(6,312,371)	(2,846,816)	(1,435,144)	
Changes of assumptions	(3,154,976)	639,616	(269,448)	
Benefit payments	(455,027)	(627,459)	(458,793)	
Net changes	(7,410,571)	(349,281)	308,972	
Net OPEB liability at end of year	\$ 28,682,284	\$ 36,092,855	\$ 36,442,136	
CWW's covered employee payroll	\$ 18,083,219	\$ 17,358,940	\$ 16,232,762	
CWW's net OPEB liability as a percentage of its covered-employee payroll	158.61%	207.92%	224.50%	
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net OPEB liability at beginning of year	\$ 39,484,115	\$ 25,658,267	\$ 22,508,182	\$ 24,515,497
Service cost	1,094,048	1,344,498	819,165	1,444,372
Interest	1,651,956	584,521	616,871	769,564
Differences between expected and actual experience	5,008,737	6,108,580	1,107,868	(356,538)
Changes of assumptions	(10,725,828)	6,170,077	881,409	(3,591,570)
Benefit payments	(379,864)	(381,828)	(275,228)	(273,143)
Net changes	(3,350,951)	13,825,848	3,150,085	(2,007,315)
Net OPEB liability at end of year	\$ 36,133,164	\$ 39,484,115	\$ 25,658,267	\$ 22,508,182
CWW's covered employee payroll	\$ 15,597,948	\$ 16,389,682	\$ 15,197,165	\$ 14,600,808
CWW's net OPEB liability as a percentage of its covered-employee payroll	231.65%	240.91%	168.84%	154.16%

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COLUMBUS, GEORGIA
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FOR THE YEARS ENDED JUNE 25, 2025 AND 2024

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB

There are no assets accumulated in a trust that meet the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan

Since the prior measurement date, the discount rate was increased from 4.21% to 4.81%

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

The Board of Water Commissioners
Columbus Water Works
Columbus, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Columbus Water Works ("CWW"), a component unit of the Consolidated Government of Columbus, Georgia, as of and for the year ended June 25, 2025, and the related notes to the financial statements, which collectively comprise CWW's basic financial statements, and have issued our report thereon dated December 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CWW's internal control over financial reporting ("internal control") as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CWW's internal control. Accordingly, we do not express an opinion on the effectiveness of CWW's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of CWW's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CWW's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CWW's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering CWW's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Grimes + Company, P.C.

Certified Public Accountants
Columbus, Georgia

December 8, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program and
Report on Internal Control over Compliance in Accordance with the Uniform Guidance

The Board of Water Commissioners
Columbus Water Works
Columbus, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Columbus Water Works' ("CWW") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the CWW's major federal program for the year ended June 25, 2025. The CWW's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Columbus Water Works complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 25, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of CWW and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of CWW's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to CWW's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CWW's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CWW's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding CWW's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of CWW's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of CWW's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose

Robinson, Grimes + Company, P.C.

Certified Public Accountants
Columbus, Georgia

December 8, 2025

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 25, 2025

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
Environmental Protection Agency			
Pass-Through From Georgia Environmental Finance Authority			
Clean Water State Revolving Funds Cluster:			
Capitalization Grants for Clean Water State Revolving Funds	66.458	CW2020019	\$ 1,854,380
Capitalization Grants for Clean Water State Revolving Funds	66.458	CW2020020	1,470,706
Capitalization Grants for Clean Water State Revolving Funds	66.458	CW2022032	<u>2,958,108</u>
Total Clean Water State Revolving Funds Cluster			<u>6,283,194</u>
Drinking Water State Revolving Funds Cluster:			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW2020030	<u>5,740,985</u>
			<u>\$ 12,024,179</u>

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 25, 2025

NOTE 1: Summary of Significant Accounting Policies

Basis of Presentation –The accompanying Schedule of Expenditures of Federal Awards (the “SEFA”) includes the federal grant activity of Columbus Water Works (“CWW”) and has been prepared utilizing the accrual basis of accounting.

The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations for Federal Awards (“Uniform Guidance”). Because the SEFA presents only a selected portion of the operations of CWW, it is not intended to and does not present the financial position or changes in net position of CWW.

NOTE 2: De Minimis Indirect Cost Rate

CWW has elected not to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

COLUMBUS WATER WORKS
 COLUMBUS, GEORGIA
 SCHEDULE OF FINDINGS OF QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 25, 2025

Summary of Auditor's Results

1. An unmodified opinion, dated December 8, 2025, was issued on the financial statements for the year ended June 25, 2025.
2. The “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated December 8, 2025, disclosed no material weaknesses for the year ended June 25, 2025.
3. The “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” dated December 8, 2025, disclosed no instances of noncompliance for the year ended June 25, 2025.
4. The “Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance” dated December 8, 2025, disclosed no significant deficiencies or material weaknesses in internal control over major programs for the year ended June 25, 2025.
5. An unmodified opinion, dated December 8, 2025, was issued on Columbus Water Works’ (“CWW”) compliance with its major federal program in the “Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance” for the year ended June 25, 2025.
6. No audit findings were disclosed as required under section 200.516(a) of the Uniform Guidance and the Guide for the year ended June 25, 2025.
7. CWW’s major programs for the year ended June 25, 2025 are:

	<u>CFDA No.</u>
Capitalization Grants for Clean Water	66.458
State Funds Cluster	

8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000, as described in section 200.518 of the Uniform Guidance.
9. CWW did not qualify as a low-risk auditee for the year ended June 25, 2025 as described in section 200.520 of the Uniform Guidance.

COLUMBUS WATER WORKS
COLUMBUS, GEORGIA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 25, 2025

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

The “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” dated December 8, 2025, disclosed no findings required to be reported in accordance with GAGAS for the year ended June 25, 2025.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

The “Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with Uniform Guidance” dated December 8, 2025, disclosed no findings or questioned costs for Federal awards as defined in 2 CFR 200.516(a), for the year ended June 25, 2025.

COLUMBUS WATER WORKS

COLUMBUS, GEORGIA

Annual Comprehensive Financial Report A Component Unit of the Consolidated Government of Columbus, Georgia

For the Fiscal Year Ended June 25, 2025 and 2024

STATISTICAL SECTION

(Unaudited)

COMMENTS

Statistical tables differ from financial statements because they usually cover more than two fiscal years and may contain non-accounting data. These schedules reflect financial trends of the water and sewer system and social and economic data.

STATISTICAL SECTION

This part of the Columbus Water Works' Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the organization's overall financial health.

CONTENTS

Financial Trends

These schedules contain trend information to help the reader understand how Columbus Water Works' financial performance has changed over time.

Revenue Capacity

These schedules contain trend information to help the reader assess Columbus Water Works' most significant local revenue source.

Debt Capacity

These schedules present information to help the reader assess the affordability of Columbus Water Works' current levels of outstanding debt and Columbus Water Works' ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Columbus Water Works' financial activities take place.

Operating Information

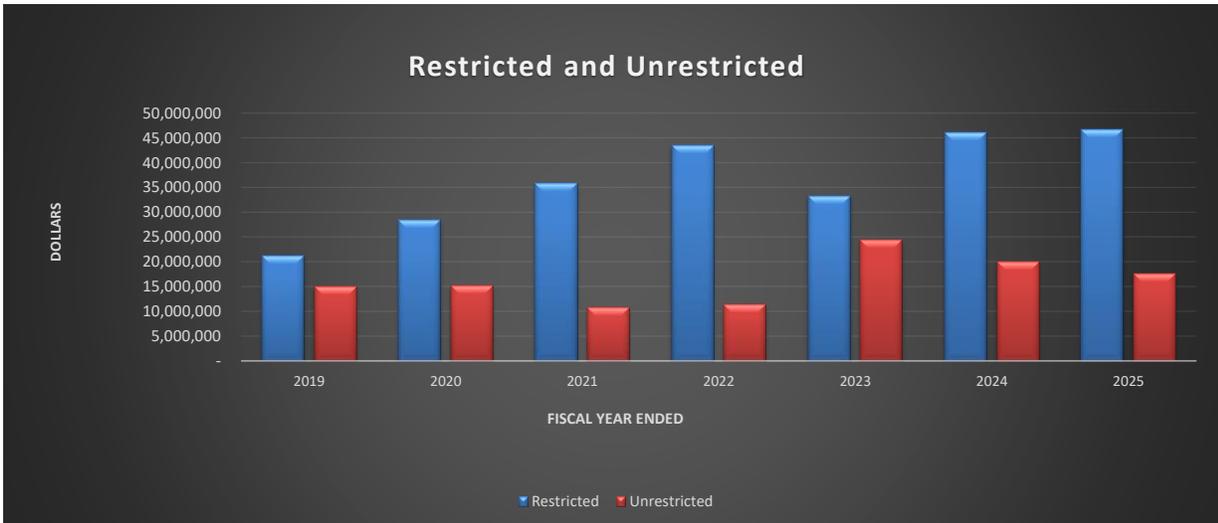
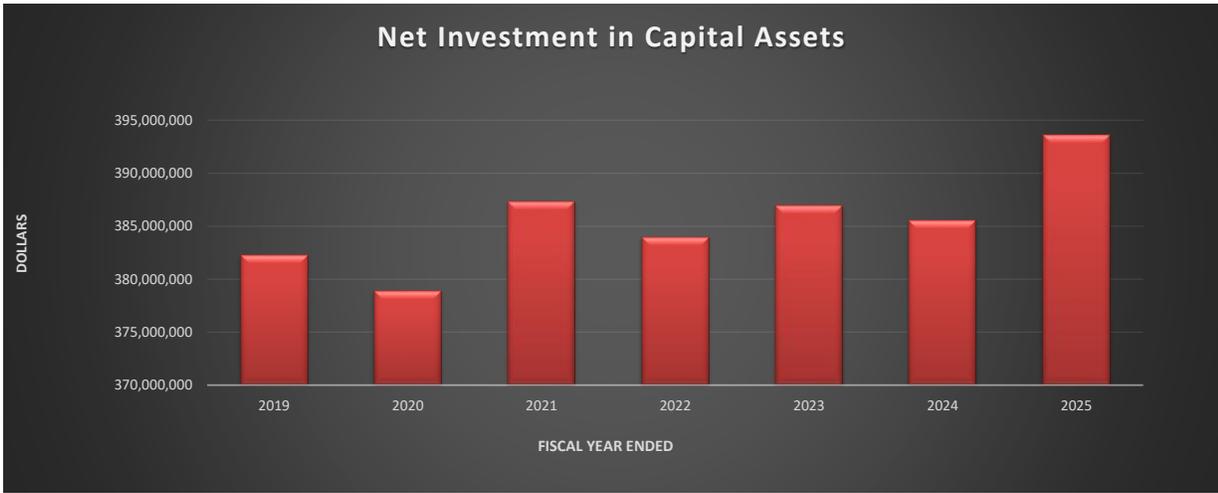
These schedules contain service and infrastructure data to help the reader understand how the information in the Columbus Water Works' financial report relates to the services provided and the activities performed.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Columbus Water Works

Financial Trends - Net Position by Component

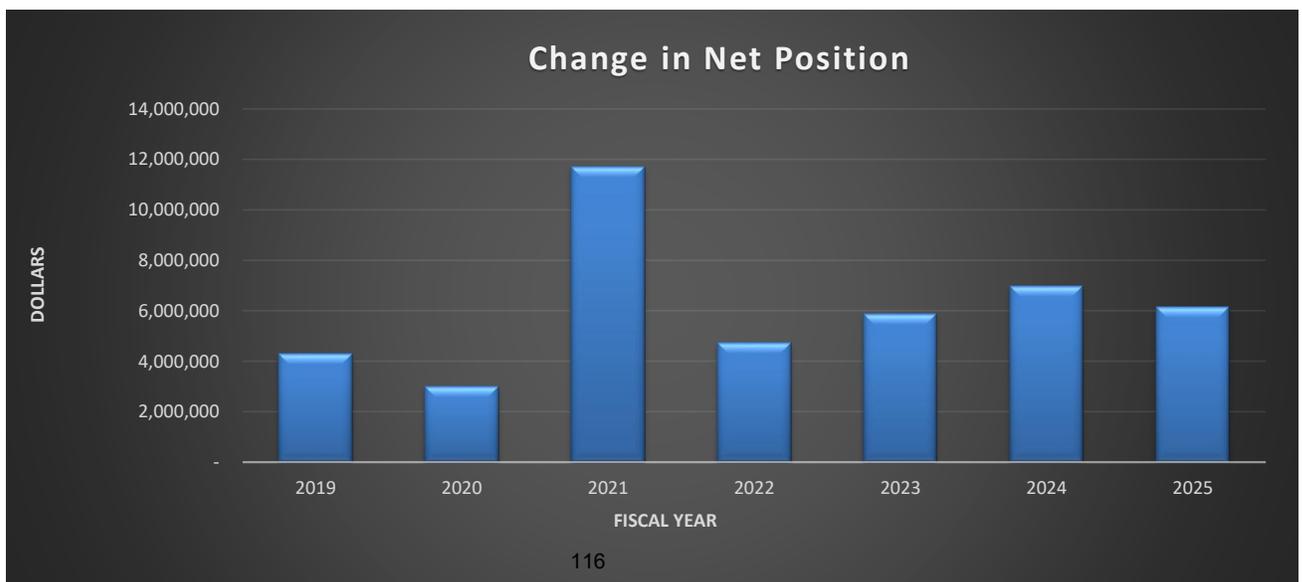
Fiscal Year Ended June 25,	2019	2020	2021	2022	2023	2024	2025
Net Investment in Capital Assets	\$ 382,253,799	\$ 378,885,562	\$ 387,366,672	\$ 383,981,610	\$ 386,912,990	\$ 385,574,286	\$ 393,606,682
Restricted	21,310,776	28,354,466	35,984,375	43,442,914	33,306,620	46,059,672	46,594,015
Unrestricted	14,919,389	15,176,166	10,765,247	11,345,828	24,400,860	19,951,189	17,544,761
Total net position	<u>\$ 418,483,964</u>	<u>\$ 422,416,194</u>	<u>\$ 434,116,294</u>	<u>\$ 438,770,352</u>	<u>\$ 444,620,470</u>	<u>\$ 451,585,147</u>	<u>\$ 457,745,458</u>



COLUMBUS WATER WORKS

Financial Trends - Change in Net Position

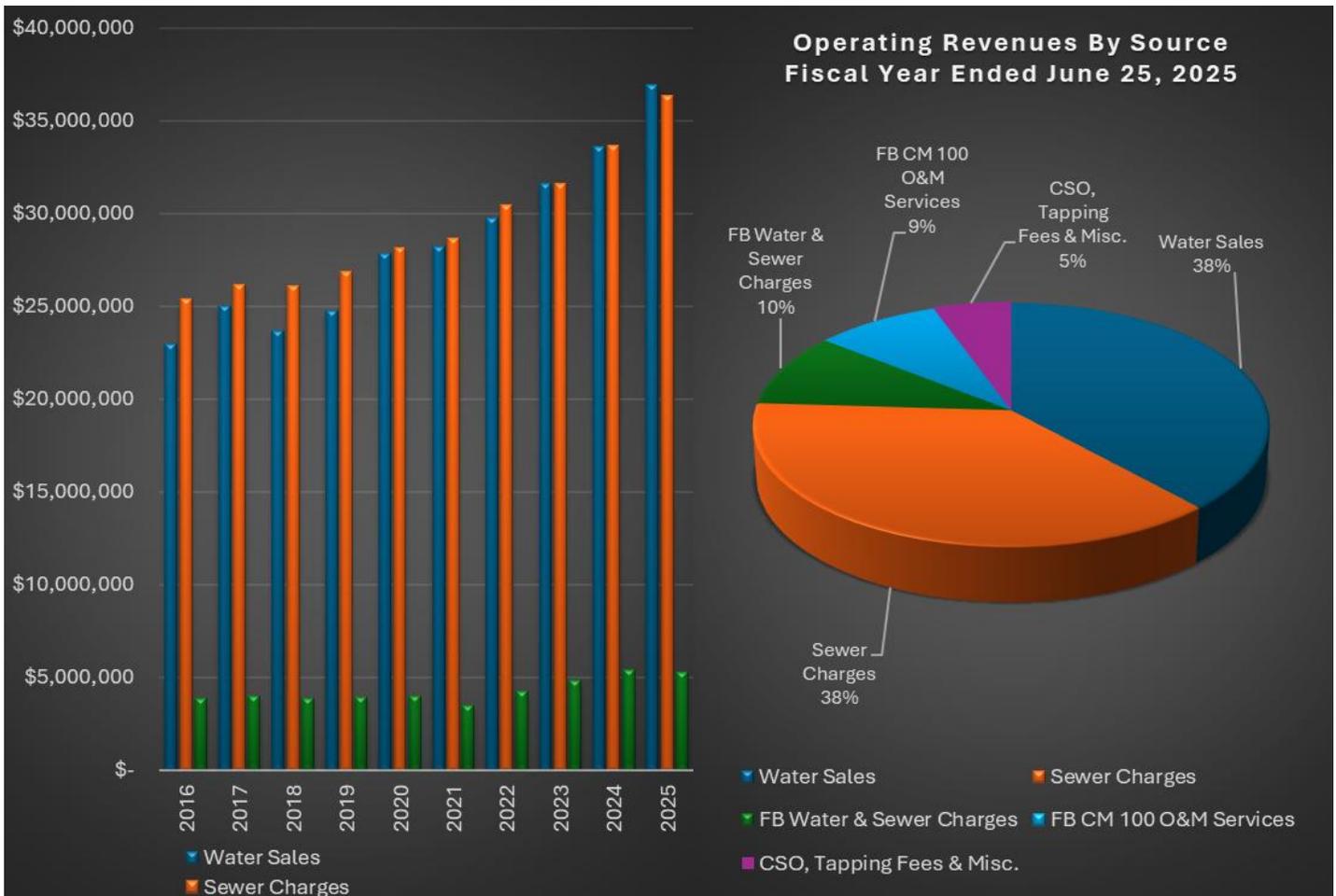
Fiscal Year Ended June 25,	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Operating Revenues							
Water Sales	\$ 24,782,421	\$ 27,835,864	\$ 28,187,697	\$ 29,760,226	\$ 31,604,000	\$ 33,573,227	\$ 36,941,190
Sewer Charges	26,850,864	28,145,593	28,679,338	30,451,524	31,626,838	33,636,754	36,328,201
Fort Benning Water and Sewer Charges	7,664,892	8,289,251	8,497,371	8,497,371	8,497,371	9,435,668	9,435,968
Fort Benning CM100 O&M Services	6,564,172	6,830,562	7,105,164	7,487,514	8,529,978	8,145,863	8,479,160
CSO fees	2,142,060	2,261,779	2,285,373	2,346,667	2,454,858	2,573,782	2,741,843
Tapping fees and miscellaneous charges	1,780,672	1,720,603	1,168,318	1,886,865	2,380,764	2,861,565	2,539,673
Total Operating Revenue	<u>69,785,081</u>	<u>75,083,652</u>	<u>75,923,261</u>	<u>80,430,167</u>	<u>85,093,809</u>	<u>90,226,859</u>	<u>96,466,035</u>
Operating Expenses							
Field Services	7,260,222	8,069,542	9,014,996	8,357,035	10,323,232	10,109,449	9,429,907
South Columbus Water Resources Facility	4,235,968	4,423,042	4,509,895	5,818,165	4,892,327	5,945,955	6,606,901
North Columbus Water Resources Facility	4,518,455	4,618,416	4,791,565	4,837,385	6,299,794	5,780,425	6,691,619
CSO Plants	1,145,738	983,111	1,310,987	1,288,578	1,628,847	1,398,704	1,792,627
Managed Maintenance	3,065,459	3,229,460	3,683,476	3,116,916	3,693,251	4,649,479	4,667,618
Engineering	1,372,580	1,516,957	1,667,197	1,451,952	1,837,213	1,882,837	2,183,978
Information Services	1,790,042	2,402,970	1,958,547	1,827,258	2,600,653	2,811,318	2,705,192
Water Quality Monitoring	2,294,791	2,716,825	2,810,331	2,608,865	3,499,226	3,708,362	3,513,658
Fort Benning	5,247,926	4,994,427	5,661,140	5,219,999	6,645,771	6,456,595	6,932,168
Customer Service	1,765,939	1,842,221	2,075,586	1,836,748	2,144,470	2,247,255	2,194,590
Meter Maintenance	1,220,382	1,238,617	1,354,353	1,166,062	1,369,953	10,334,368	9,551,226
Finance, Employee services and Administration	6,988,298	7,115,530	8,982,290	8,280,810	9,160,163	1,411,632	1,307,388
Depreciation and amortization	<u>27,769,902</u>	<u>28,083,372</u>	<u>29,946,228</u>	<u>29,374,090</u>	<u>30,450,666</u>	<u>30,287,656</u>	<u>31,608,091</u>
Total operating expenses	<u>68,675,702</u>	<u>71,234,490</u>	<u>77,766,591</u>	<u>75,183,863</u>	<u>84,545,567</u>	<u>87,024,035</u>	<u>89,184,963</u>
Operating Income	<u>1,109,379</u>	<u>3,849,162</u>	<u>(1,843,330)</u>	<u>5,246,304</u>	<u>548,242</u>	<u>3,202,824</u>	<u>7,281,072</u>
Non-operating Revenue (expenses)							
Interest Revenue	1,021,565	-	365,895	67,351	1,141,709	3,173,667	3,184,850
Ft Benning Financing - 2009 Bond Issuance	4,860,492	4,860,492	4,860,492	4,860,492	4,860,492	4,455,451	-
Administrative fees and other revenue	661,506	152,474	2,643,489	753,411	2,110,790	2,369,203	738,328
Interest Expense	(5,012,069)	(7,083,743)	(5,765,491)	(5,563,589)	(4,951,225)	(4,362,303)	(3,940,343)
City of Columbus participation expense	(3,686,266)	(3,992,311)	(4,056,813)	(4,221,858)	(4,534,734)	(4,741,718)	(5,093,219)
Gain (loss) on disposal of assets	57,719	114,746	62,387	185,255	179,302	54,259	244,807
Total non-operating revenue (expenses)	<u>(2,097,053)</u>	<u>(5,948,342)</u>	<u>(1,890,041)</u>	<u>(3,918,938)</u>	<u>(1,193,666)</u>	<u>948,559</u>	<u>(4,865,577)</u>
Income before capital grants and contributions	(987,674)	(2,099,180)	(3,733,371)	1,327,366	(645,425)	4,151,383	2,415,495
Capital grants and contributions	<u>5,297,936</u>	<u>5,084,330</u>	<u>15,433,471</u>	<u>3,408,901</u>	<u>6,495,542</u>	<u>2,813,294</u>	<u>3,744,816</u>
Change in Net Position	4,310,262	2,985,150	11,700,100	4,736,267	5,850,118	6,964,677	6,160,311
Net Position at Beginning of Year	<u>\$ 414,069,208</u>	<u>\$ 418,483,964</u>	<u>\$ 422,416,194</u>	<u>\$ 434,116,294</u>	<u>\$ 438,770,352</u>	<u>\$ 444,620,470</u>	<u>\$ 451,585,147</u>



COLUMBUS WATER WORKS

Revenue Capacity – Schedule of Operating Revenue by Source Last Ten Fiscal Years

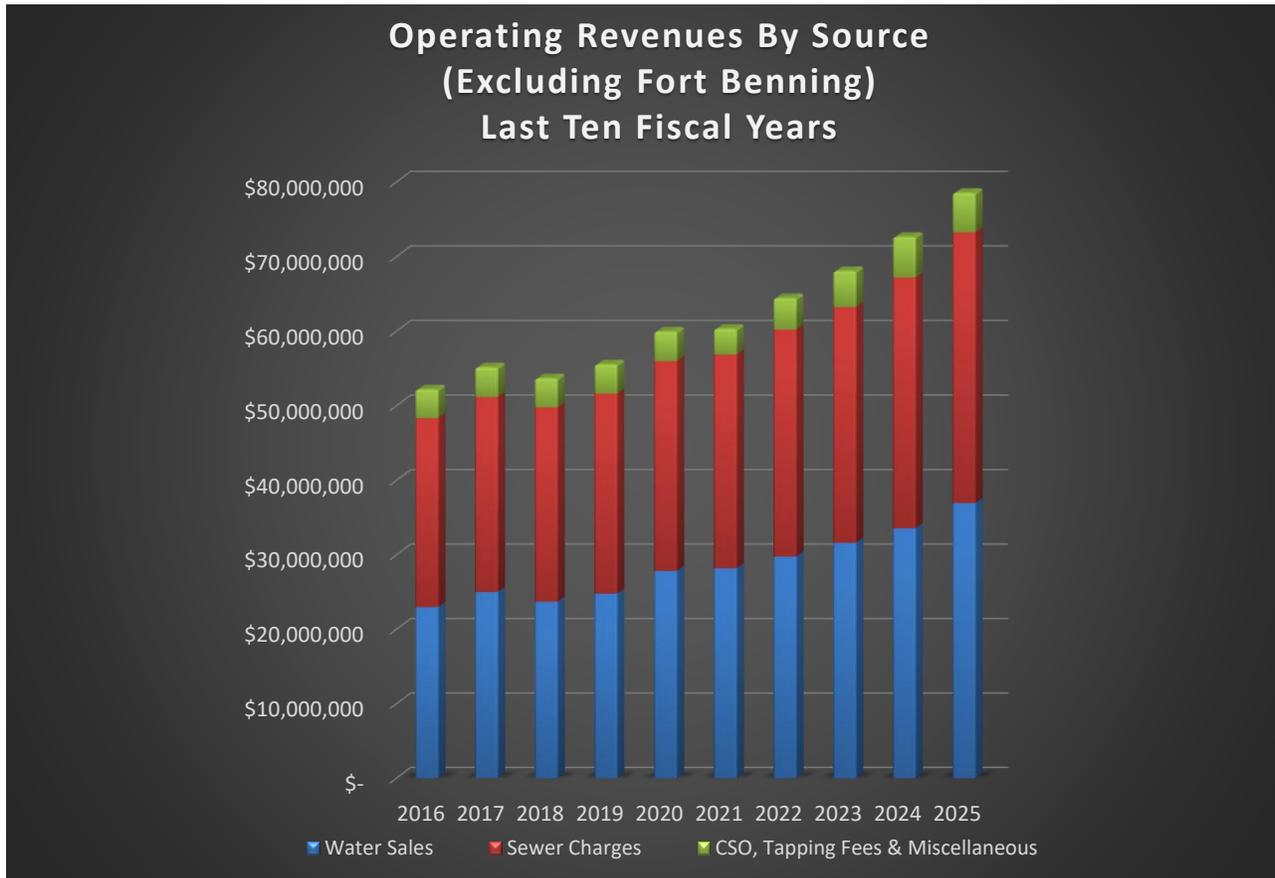
Fiscal Year	Water Sales	Sewer Charges	Fort Benning Water & Sewer Charges	Fort Benning CM100 O&M Services	CSO, Tapping Fees & Miscellaneous	Total
2014/15	\$ 21,718,357	\$ 23,917,336	\$ 7,026,101	\$ 5,563,339	\$ 3,732,865	\$ 61,957,998
2015/16	\$ 22,961,046	\$ 25,388,760	\$ 7,036,223	\$ 5,869,479	\$ 3,848,169	\$ 65,103,677
2016/17	\$ 24,995,622	\$ 26,181,550	\$ 7,507,726	\$ 6,073,505	\$ 3,983,137	\$ 68,741,540
2017/18	\$ 23,694,636	\$ 26,086,932	\$ 7,664,892	\$ 6,310,942	\$ 3,894,305	\$ 67,651,707
2018/19	\$ 24,782,421	\$ 26,850,864	\$ 7,664,892	\$ 6,564,172	\$ 3,922,732	\$ 69,785,081
2019/20	\$ 27,835,864	\$ 28,145,593	\$ 8,289,251	\$ 6,830,562	\$ 3,982,382	\$ 75,083,652
2020/21	\$ 28,187,697	\$ 28,679,338	\$ 8,497,371	\$ 7,105,164	\$ 3,453,691	\$ 75,923,261
2021/22	\$ 29,760,226	\$ 30,451,524	\$ 8,497,371	\$ 7,487,514	\$ 4,233,532	\$ 80,430,167
2022/23	\$ 31,604,000	\$ 31,626,838	\$ 8,497,371	\$ 8,529,978	\$ 4,835,622	\$ 85,093,809
2024/25	\$ 36,941,190	\$ 36,328,201	\$ 9,435,968	\$ 8,479,160	\$ 5,281,516	\$ 96,466,035



COLUMBUS WATER WORKS
Revenue Capacity - COMPARISON OF OPERATING REVENUES BY SOURCE
Last Ten Fiscal Years

Fiscal Year Ended June 25,	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenues					
Water Sales	\$ 22,961,046	\$ 24,995,622	\$ 23,694,636	\$ 24,782,421	\$ 27,835,864
Sewer Charges	25,388,760	26,181,550	26,086,932	26,850,864	28,145,593
Fort Benning Water and Sewer Charges	7,036,223	7,507,726	7,664,892	7,664,892	8,289,251
Fort Benning CM100 O&M Services	5,869,479	6,073,505	6,310,942	6,564,172	6,830,562
CSO, Tapping Fees & Misc.	<u>3,848,169</u>	<u>3,983,137</u>	<u>3,894,305</u>	<u>3,922,732</u>	<u>3,982,382</u>
Total Operating Revenue	<u>\$ 65,103,677</u>	<u>\$ 68,741,540</u>	<u>\$ 67,651,707</u>	<u>\$ 69,785,081</u>	<u>\$ 75,083,652</u>

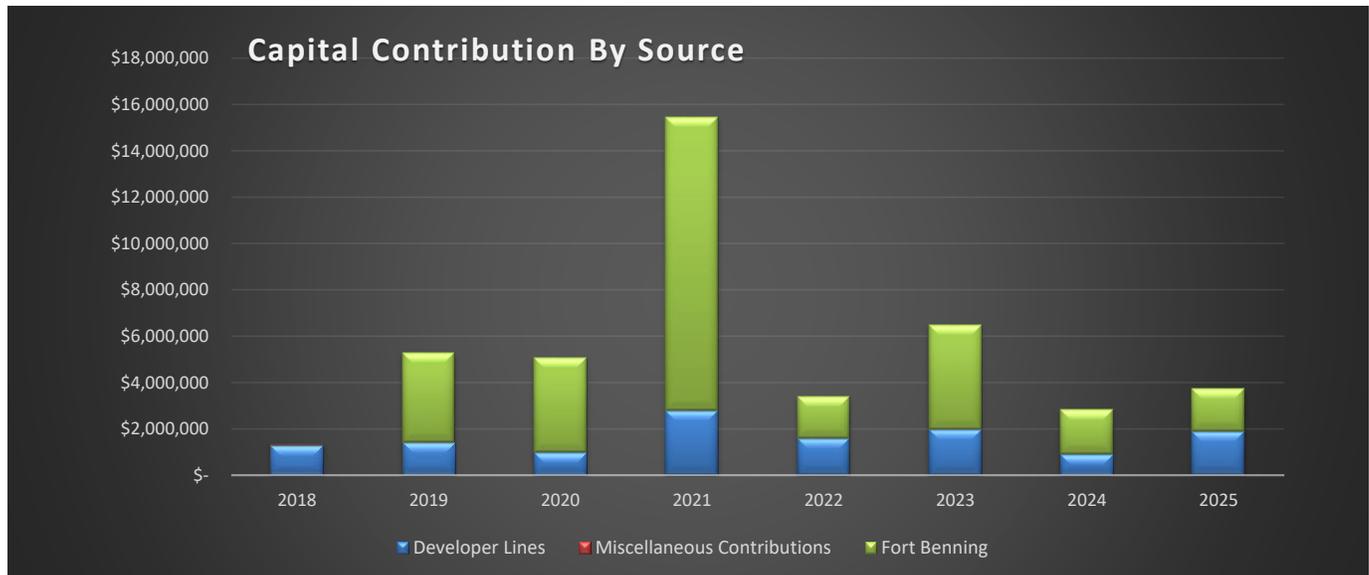
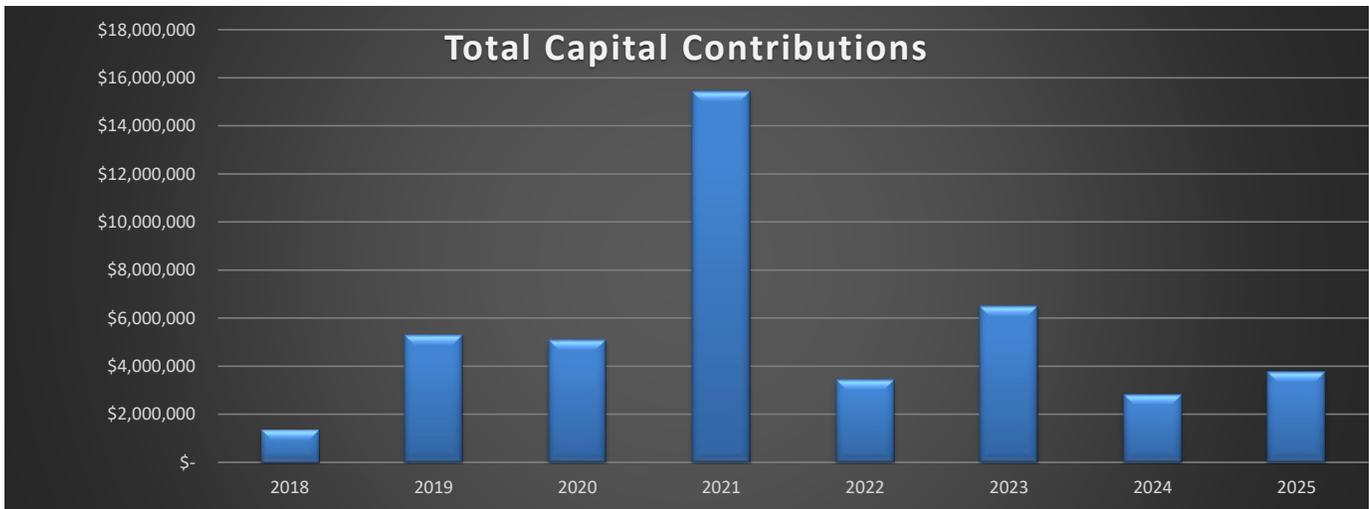
Fiscal Year Ended June 25,	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Operating Revenues					
Water Sales	\$ 28,187,697	\$ 29,760,226	\$ 31,604,000	\$ 33,573,227	\$ 36,941,190
Sewer Charges	28,679,338	30,451,524	31,626,838	33,636,754	36,328,201
Fort Benning Water and Sewer Charges	8,497,371	8,497,371	8,497,371	9,435,668	9,435,968
Fort Benning CM100 O&M Services	7,105,164	7,487,514	8,529,978	8,145,863	8,479,160
CSO, Tapping Fees & Misc.	<u>3,453,691</u>	<u>4,233,532</u>	<u>4,835,622</u>	<u>5,435,347</u>	<u>5,281,516</u>
Total Operating Revenue	<u>\$ 75,923,261</u>	<u>\$ 80,430,167</u>	<u>\$ 85,093,809</u>	<u>\$ 90,226,859</u>	<u>\$ 96,466,035</u>



COLUMBUS WATER WORKS

Revenue Capacity - Capital Contributions by Source

Fiscal Year Ended June 25,	2018	2019	2020	2021	2022	2023	2024	2025
Capital Contributions								
Developer Lines	\$ 1,282,093	\$ 1,418,619	\$ 977,203	\$ 2,798,124	\$ 1,598,032	\$ 1,981,665	\$ 915,483	\$ 1,907,143
Miscellaneous Contributions	-	-	-	-	-	-	-	-
Fort Benning	52,444	3,879,317	4,107,127	12,635,347	1,810,869	4,513,877	1,897,811	1,837,672
Capital Grants	31,879	-	-	-	-	-	-	-
Total Capital Contributions*	\$ 1,366,416	\$ 5,297,936	\$ 5,084,330	\$ 15,433,471	\$ 3,408,901	\$ 6,495,542	\$ 2,813,294	\$ 3,744,815



COLUMBUS WATER WORKS
Revenue Capacity – Schedule of Water & Wastewater & CSO Rates

Current Rate
 (Effective January 1, 2025)

	<u>*WATER RATES</u>		<u>**SEWER RATES</u>		<u>CSO RATES</u>				
	Per CCF		Per CCF		Per CCF				
	1-15	Over 15	1-15	Over 15	1-4	5-15	16-204	205-1004	Over 1004
Non-Industrial	\$2.27	\$2.52	\$4.38	\$3.54	\$0.00	\$5.02	\$10.05	\$100.47	\$287.09
Industrial	\$2.27	\$2.19	\$4.58	\$3.74***	\$0.00	\$5.02	\$10.05	\$100.47	\$287.09

* Monthly meter base charge is based on meter size
 ** Monthly sewer base charge is \$6.58 per account
 *** Industrial Waste Volume Charge Additional \$0.20 Per CCF

MONTHLY METER CHARGE

Size	Charge	Size	Charge
5/8"	\$10.63	3"	\$90.20
3/4"	\$10.63	4"	\$137.95
1"	\$18.59	6"	\$270.56
1 1/2"	\$31.85	8"	\$429.68
2"	\$47.77	10"	\$615.35

Previous Fiscal Years Water and Wastewater

Effective	Residential Water			Industrial Water		Residential Sewer	Industrial Sewer			
	1-15CCF	Over 15CCF	Base Charge*	1-15CCF	Over 15CCF		1-15CCF	Over 15CCF	Base Charge	Over 15CCF
Jan-24	\$2.10	\$2.33	\$9.85	\$2.10	\$2.03	\$4.06	\$3.28	\$6.18	\$4.26	\$3.48
Jan-23	\$2.00	\$2.22	\$9.39	\$2.00	\$1.93	\$3.87	\$3.13	\$5.81	\$4.07	\$3.33
Jan-22	\$1.91	\$2.12	\$8.94	\$1.91	\$1.84	\$3.68	\$2.98	\$5.54	\$3.88	\$3.18
Apr-21	\$1.84	\$2.04	\$8.62	\$1.84	\$1.77	\$3.55	\$2.87	\$5.34	\$3.75	\$3.07
Jan-20	\$1.77	\$1.97	\$8.31	\$1.77	\$1.71	\$3.42	\$2.77	\$5.15	\$3.62	\$2.97
Jan-19	\$1.77	\$1.91	\$7.50	\$1.77	\$1.63	\$3.42	\$2.64	\$4.29	\$3.62	\$2.84
Jan-18	\$1.70	\$1.84	\$6.52	\$1.70	\$1.57	\$3.29	\$2.54	\$3.73	\$3.49	\$2.74
Jan-17	\$1.67	\$1.80	\$5.82	\$1.67	\$1.80	\$3.23	\$2.49	\$3.33	\$3.43	\$2.69
Jan-16	\$1.64	\$1.76	\$5.19	\$1.64	\$1.51	\$3.17	\$2.44	\$2.97	\$3.37	\$2.64
Jan-15	\$1.58	\$1.70	\$4.85	\$1.58	\$1.46	\$3.06	\$2.36	\$2.78	\$3.26	\$2.56
Jan-14	\$1.51	\$1.63	\$4.41	\$1.51	\$1.40	\$2.93	\$2.26	\$2.53	\$3.13	\$2.46

* Based on 3/4" or 5/8" meter
 ** Industrial Waste Volume Charge Additional \$0.20 Per CCF

Previous Fiscal Years Combined Sewer Overflow (CSO)

Effective	PER CCF				
	0-4	5-15	16-204	205-1004	Over 1004
Jan-24	\$0.00	\$5.02	\$10.05	\$100.47	\$287.09
Jan-23	\$0.00	\$4.43	\$8.87	\$88.68	\$253.41
Jan-22	\$0.00	\$4.22	\$8.46	\$84.49	\$241.46
Apr-21	\$0.00	\$4.07	\$8.15	\$81.44	\$232.73
Jan-20	\$0.00	\$3.92	\$7.86	\$78.50	\$224.32
Jan-19	\$0.00	\$3.82	\$7.67	\$76.59	\$218.85
Jan-18	\$0.00	\$3.68	\$7.40	\$73.86	\$211.04
Jan-17	\$0.00	\$3.54	\$7.12	\$71.05	\$203.02
Jan-16	\$0.00	\$3.37	\$6.78	\$67.70	\$193.44
Jan-15	\$0.00	\$3.21	\$6.46	\$64.51	\$184.32
Jan-14	\$0.00	\$3.06	\$6.16	\$61.47	\$175.63

COLUMBUS WATER WORKS
Revenue Capacity – Connection & Service Fees
Effective January 2025

Service Connection fee	\$ 30.00
Transfer Service fee	\$ 30.00
Unauthorized Use - (meter pull)	\$ 150.00
After business hours connect fee	\$ 115.00
Return check fee	\$ 50.00
Meter locked for non-payment	\$ 75.00
Meter pull (return check)	\$ 115.00
Straight pipe removal	\$ 250.00

Water System Connection charge

5/8" meter	\$ 1,200.00
<i>(developer installed)</i>	\$ 300.00
1" meter	\$ 1,400.00
<i>(developer installed)</i>	\$ 350.00
1 1/2" meter	\$ 2,275.00
<i>(developer installed)</i>	\$ 550.00
2" meter	\$ 2,800.00
<i>(developer installed)</i>	\$ 625.00
3" meter or larger	COST

Sewer system Connection charge

Standard 6"	\$ 1,450.00
All other	COST
Locate sewer tap (on city property)	NO COST
6" Sewer stub out	\$ 10.00

Garbage Fee (billed on behalf of City of Columbus)

Monthly	\$ 21.00
Low Income Monthly Fee	\$ 15.75

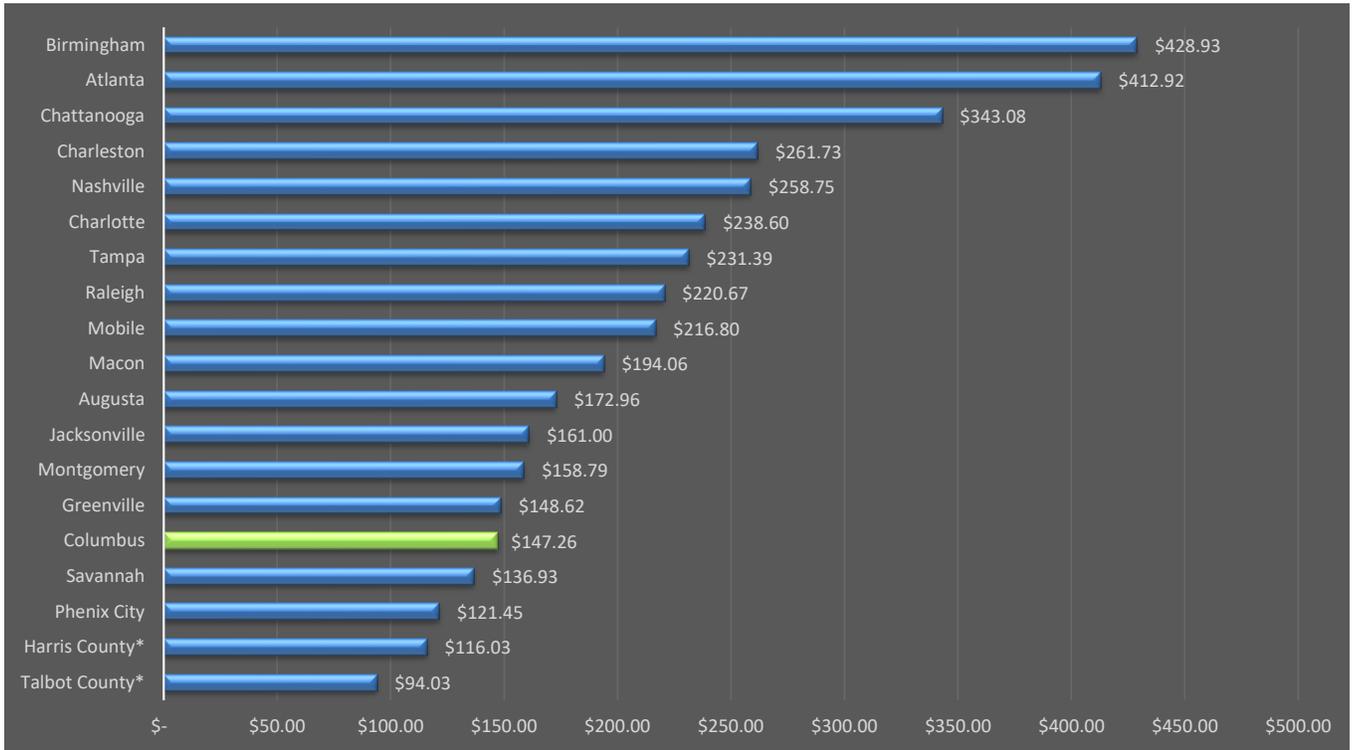
Fire Service charges

Monthly (Fire Line)	\$ 37.50
Annual fire protection (per line)	\$ 450.00
Fire hydrants (monthly)	\$ 4.17

Sewer Availability Fees (Impact Fees)

5/8" meter	\$ 500.00
1" meter	\$ 500.00
1 1/2" meter	\$ 1,000.00
2" meter	\$ 1,600.00
3" meter	\$ 3,500.00
4" Meter	\$ 10,000.00
6" meter	\$ 20,000.00
8" meter	\$ 35,000.00
10" meter	Cost

COLUMBUS WATER WORKS
Revenue Capacity – Comparison of Water & Sewer Rates
(14,960 gallons, 20 ccf)



Previous Fiscal Years @ 20 ccf

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Talbot County*	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03	\$ 94.03
Harris County*	\$ 116.03	\$ 111.70	\$ 96.80	\$ 89.26	\$ 89.26	\$ 89.26	\$ 85.63	\$ 85.63	\$ 85.63
Phenix City	\$ 121.45	\$ 121.45	\$ 121.45	\$ 108.91	\$ 102.80	\$ 95.56	\$ 95.56	\$ 89.52	\$ 86.49
Savannah	\$ 136.93	\$ 129.73	\$ 124.53	\$ 123.73	\$ 118.53	\$ 124.06	\$ 98.56	\$ 94.36	\$ 92.36
Columbus	\$147.26	\$136.40	\$129.94	\$123.83	\$113.16	\$101.16	\$99.19	\$94.30	\$91.65
Greenville	\$ 148.62	\$ 143.76	\$ 137.40	\$ 132.69	\$ 126.18	\$ 126.18	\$ 126.18	\$ 126.18	\$ 121.44
Montgomery	\$ 158.79	\$ 149.27	\$ 141.26	\$ 133.70	\$ 131.50	\$ 124.42	\$ 117.76	\$ 114.24	\$ 109.44
Jacksonville	\$ 161.00	\$ 165.19	\$ 165.19	\$ 152.26	\$ 152.26	\$ 152.26	\$ 165.19	\$ 165.19	\$ 165.19
Augusta	\$ 172.96	\$ 165.48	\$ 160.53	\$ 155.60	\$ 151.01	\$ 146.71	\$ 142.43	\$ 132.24	\$ 132.24
Macon	\$ 194.06	\$ 138.38	\$ 128.88	\$ 118.66	\$ 118.16	\$ 114.56	\$ 122.60	\$ 118.60	\$ 114.60
Mobile	\$ 216.80	\$ 210.52	\$ 204.56	\$ 194.82	\$ 189.42	\$ 184.03	\$ 203.06	\$ 193.53	\$ 187.13
Raleigh	\$ 220.67	\$ 212.36	\$ 203.26	\$ 207.18	\$ 205.67	\$ 204.25	\$ 204.25	\$ 202.00	\$ 199.99
Tampa	\$ 231.39	\$ 205.90	\$ 192.27	\$ 179.73	\$ 179.73	\$ 161.08	\$ 152.58	\$ 152.58	\$ 152.58
Charlotte	\$ 238.60	\$ 228.36	\$ 217.24	\$ 203.99	\$ 202.70	\$ 195.47	\$ 189.35	\$ 181.32	\$ 176.94
Nashville	\$ 258.75	\$ 252.23	\$ 235.62	\$ 228.69	\$ 222.01	\$ 213.54	\$ 151.47	\$ 151.47	\$ 151.47
Charleston	\$ 261.73	\$ 246.98	\$ 279.69	\$ 266.75	\$ 249.35	\$ 242.50	\$ 208.75	\$ 202.87	\$ 196.12
Chattanooga	\$ 343.08	\$ 303.29	\$ 272.85	\$ 272.85	\$ 262.08	\$ 262.08	\$ 215.08	\$ 230.77	\$ 230.77
Atlanta	\$ 412.92	\$ 412.92	\$ 412.92	\$ 412.92	\$ 412.92	\$ 415.92	\$ 415.92	\$ 415.92	\$ 415.92
Birmingham	\$ 428.93	\$ 364.79	\$ 352.61	\$ 333.43	\$ 315.04	\$ 315.04	\$ 220.87	\$ 213.14	\$ 201.50

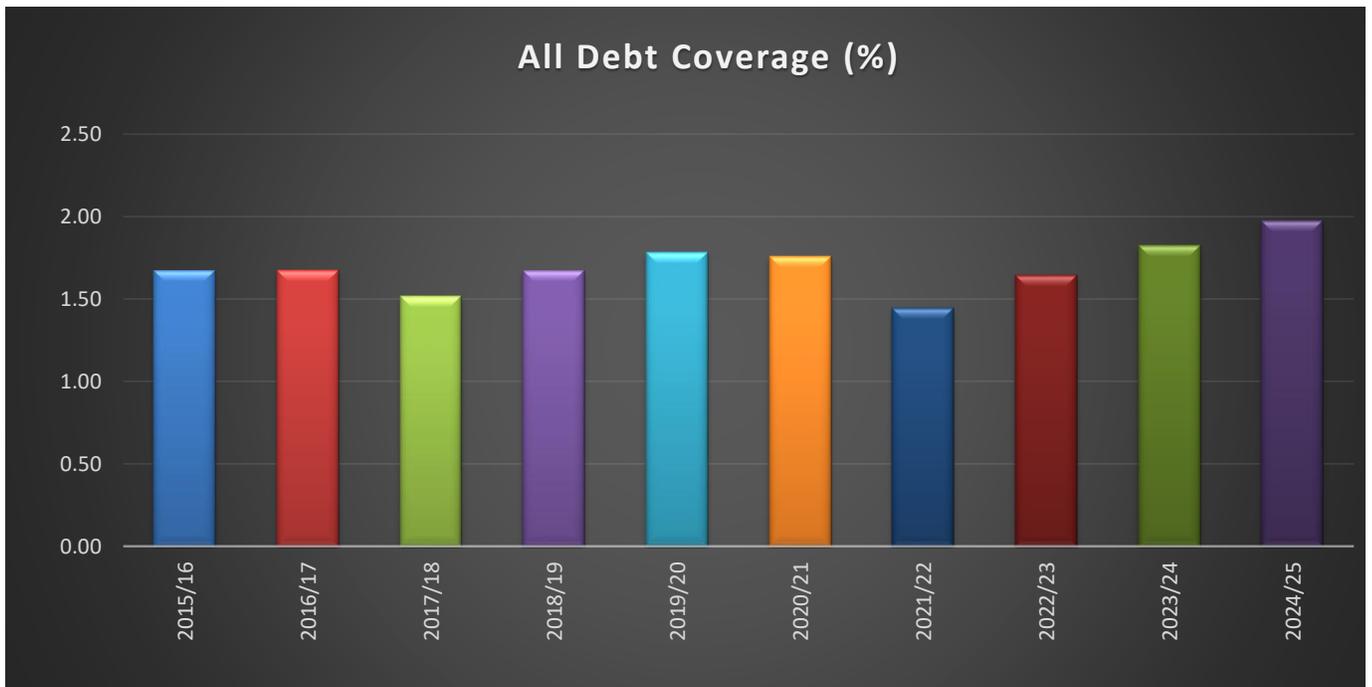
* Water Only

COLUMBUS WATER WORKS

REVENUE COVERING ALL DEBT

Last Ten Fiscal Years

Fiscal Year	Change in Net Position	Allowable Adjustments	Adjusted Change in Net Position	Debt Service Payments	Coverage (%)
2015/16	7,503,845	25,322,327	32,826,172	19,652,689	1.67
2016/17	5,916,528	29,881,119	35,797,647	21,394,800	1.67
2017/18	119,188	32,319,967	32,439,155	21,396,666	1.52
2018/19	4,310,262	31,170,301	35,480,563	21,236,665	1.67
2019/20	3,932,231	34,075,095	38,007,326	21,299,387	1.78
2020/21	11,700,100	24,335,061	36,035,161	20,524,872	1.76
2021/22	4,654,058	23,877,852	28,531,910	19,779,172	1.44
2022/23	5,850,118	26,641,149	32,491,267	19,768,494	1.64
2023/24	6,964,678	29,099,020	36,063,697	19,778,369	1.82
2024/25	6,160,311	30,852,599	37,012,909	18,733,455	1.98



COLUMBUS WATER WORKS

Debt Capacity – Outstanding Debit

Debt Administration

The following is a summary of changes in the carrying costs of long-term debt obligations of Columbus Water Works for the fiscal year ended June 25, 2025:

	Beginning Balance	Additions, Including Amortization or Bond Discounts	Decreases	Balance
Revenue Bonds	\$ 119,631,246	\$ -	\$ (12,990,159)	\$ 106,641,087
Notes Payable	30,931,052	12,121,143	(2,402,471)	40,649,724
	<u>\$ 150,562,298</u>	<u>\$ 12,121,143</u>	<u>\$ (15,392,630)</u>	<u>\$ 147,290,811</u>

Additional detailed information on outstanding debt may be found in the Note 10 of the Financial Statements included in the Financial Section of this report.

The following table expresses the outstanding debt balance as a total of per capita and personal income for the previous ten fiscal periods:

Fiscal Year	Ending Balance	Per Capita ⁽¹⁾	Percentage of Personal Income	Population	Personal Income
2015	\$ 209,637,484	\$ 1,034	3.9%	202,824	8,117,121
2016	\$ 247,876,276	\$ 1,236 *	3.1%	200,579	7,714,114
2017	\$ 234,248,190	\$ 1,186 *	3.3%	197,485	7,702,443
2018	\$ 220,171,997	\$ 1,135 *	3.7%	194,058	8,244,258
2019	\$ 205,859,687	\$ 1,060 *	4.2%	194,160	8,571,951
2020	\$ 191,815,164	\$ 980 *	4.6%	195,769	8,878,473
2021	\$ 176,618,159	\$ 854 *	5.3%	206,922	9,444,943
2022	\$ 164,113,755	\$ 798 *	5.9%	205,617	9,735,501
2023	\$ 152,627,340	\$ 753 *	6.4%	202,616	9,735,501
2024	\$ 150,562,298	\$ 743 *	6.5%	202,616	9,735,501
2025	\$ 147,290,811	\$ 730 *	7.1%	201,877	10,384,929

(1) - See Schedule of Demographic and Economic Statistics for population data.

* Based on Previous Year Demographic Data - when current year unavailable.

Also listed on the following page are summaries of outstanding bond issues and current GEFA loans, as well as future committed loans to complete the Five-Year Capital Improvement Program.

COLUMBUS WATER WORKS
COLUMBUS , GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Revenue Bonds	Notes Payable	Total Debt	Percentage of Personal Income	Debt Per Capita
2016	220,595,556	27,280,720	247,876,276	3.3%	1,034
2017	208,743,482	25,504,708	234,248,190	3.3%	1,236
2018	196,496,409	23,675,588	220,171,997	3.5%	1,186
2019	184,069,335	21,790,352	205,859,687	4.0%	1,135
2020	171,966,881	19,848,283	191,815,164	4.5%	1,060
2021	159,051,723	17,566,436	176,618,159	5.0%	980
2022	146,461,564	17,652,191	164,113,755	5.8%	854
2023	133,331,405	19,295,935	152,627,340	6.4%	798
2024	119,631,246	30,931,052	150,562,298	6.5%	753
2025	106,641,087	40,649,724	147,290,811	7.1%	730

COLUMBUS WATER AND SEWERAGE REVENUE BONDS

YEARS TO 5/1/	2012A	2012B	2013 Refunded	2013 Non-Refunded	2014 Refunded	2014 Non-Refunded	2016	2019	Combined Principal & Interest
2020	2,320,050	5,728,312	1,023,425	1,286,925	747,375	599,875	5,897,013	1,104,162	18,707,137
2021	5,300,400			1,498,600		3,051,750	5,893,113	2,214,515	17,958,378
2022	5,273,250			1,432,350		3,074,000	5,900,250	1,532,826	17,212,676
2023	5,295,500			1,239,600		3,244,750	5,894,000	1,528,151	17,202,001
2024	5,297,750			224,850		3,261,250	6,899,750	1,528,276	17,211,876
2025	5,302,500			224,850		3,860,500	4,966,500	1,533,176	15,887,526
2026				224,850		1,748,000	4,463,250	8,087,322	14,523,422
2027				224,850		1,747,500	4,462,750	8,089,955	14,525,055
2028				224,850		1,748,250	4,460,750	8,084,926	14,518,776
2029				224,850			4,462,000	9,837,775	14,524,625
2030				224,850			4,461,000	9,836,851	14,522,701
2031				7,719,850			4,462,500	2,345,501	14,527,851
2032							4,461,000	2,341,897	6,802,897
2033							4,461,250	2,339,821	6,801,071
2034							4,462,750	2,344,024	6,806,774
2035							4,465,000		4,465,000
2036							4,462,500		4,462,500
2037									
2038									
2039									
2040									
2041									
2042									
2043									
2044									
2045									
TOTALS	28,789,450	5,728,312	1,023,425	14,751,275	747,375	22,335,875	84,535,376	62,749,176	220,660,263
Principal	27,705,000	38,685,000	41,945,000	11,780,000	14,910,000	18,085,000	57,855,000	50,670,000	261,635,000
Avg.Rate%	2.2	2.75	4	4	4.15	4.15	5	2.4	
Loan Date	4/26/2012	4/26/2012	3/21/2013	3/21/2013	6/13/2014	3/21/2013	4/6/2016	4/6/2016	

OTHER OBLIGATIONS

GEFA CWSRF 97001P2 6/08 - 7/23	GEFA DWSRF 01001P 09/08 - 9/28	GEFA CWSRF 03001PA 03/09 - 3/29	GEFA CWSRF 03001PB 03/09 - 3/29	GEFA CW20220 32L 06/23 - 01/45	TOTAL Subordinate Obligations	TOTAL Bonds & Other Obligations
319,191	520,518	1,671,149	55,635		2,566,493	21,273,630
319,191	520,518	1,671,149	55,635		2,566,493	20,524,871
319,191	520,518	1,671,149	55,635		2,566,493	19,779,169
319,191	520,518	1,671,149	55,635		2,566,493	19,768,494
319,191	520,518	1,671,149	55,635		2,566,493	19,778,369
319,191	520,518	1,671,149	55,635	225,031	2,791,524	18,679,050
319,191	520,518	1,671,149	55,635	450,062	3,016,555	17,539,977
319,191	520,518	1,671,149	55,635	450,062	3,016,555	17,541,610
319,191	324,324	1,671,149	55,635	450,062	2,820,361	17,339,136
319,191		1,018,720	33,802	450,062	1,821,774	16,346,399
319,191				450,062	769,252	15,291,953
319,191				450,062	769,252	15,297,103
79,144				450,062	529,206	7,332,103
				450,062	450,062	7,251,132
				450,062	450,062	7,256,835
				450,062	450,062	4,915,062
				450,062	450,062	4,912,562
				450,062	450,062	450,062
				450,062	450,062	450,062
				450,062	450,062	450,062
				450,062	450,062	450,062
				450,062	450,062	450,062
				450,062	450,062	450,062
				450,062	450,062	450,062
				225,031	225,031	225,031
3,909,434	4,488,468	16,059,061	534,517	9,001,231	33,992,714	254,652,977
4,508,728	4,508,728	25,110,536	759,479	7,526,000		
3.67	3.00	3.00	3.00	1.84		
12/1/2011	9/1/2008	3/1/2009	8/1/2011	6/16/2023		

COLUMBUS WATER WORKS

Demographic and Economic Information

General Information

The Census Bureau's Population Estimates Program publishes population numbers between censuses. Estimates from the Population Estimates Program are for the past, while projections provide population estimates for future dates. The Census Bureau publishes July 1 estimates for years after the last decennial census (2020*), as well as for past decades. Data series for births, deaths, and domestic and international migration are used to update the decennial census base counts.

In general, estimates released in a given year refer to the population on July 1 of the previous year.

- The 2025 population of Muscogee County was estimated at 201,830. This represents a 2.4% percent decrease from the 2020 census.
- The total civilian labor force in Muscogee County for June 2025 was 82,202 of which 78,562 were employed and 3,640 were unemployed. The unemployment rate was 4.4 percent.
- The average weekly wage for Muscogee County in 2nd Quarter 2025 was \$1,157.00, which equates to \$28.93 per hour or \$60,164 per year, assuming a 40-hour week worked year-round.
- The largest major industry sector was Health Care and Social Assistance, with 15.3% of the employment, followed by Accommodation and Food Services with 12.2% and Retail Trade with 11.7%

Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages Program

COLUMBUS WATER WORKS
Demographic and Economic Information
Selected Economic Characteristics – Muscogee County

Median Age of Population (years)	35.4
Estimated Total Population	201,877
Age Distribution	
Persons 0 – 19 years	27.4%
Persons 20 – 64 years	56.9%
Persons 65 years and over	20.8%
 Median Household Income	 \$56,622
Total Personal Income (BEA)	\$10,036,719
Total Housing Units	90,348
Public Road Mileage	1,055 Miles
Area of Muscogee County	216.5 Square Miles

Last Ten Fiscal Years

Fiscal Year	Population	Median Age of Population	Median Household Income	Annual Per Capita Personal Income BEA	Total Personal Income
2016	197,485	33.6	42,306	39,003	7,702,443
2017	194,058	33.6	42,661	42,483	8,244,258
2018	194,160	33.5	43,239	44,149	8,571,951
2019	195,769	33.5	46,408	45,352	8,878,473
2020	206,922	34.9	46,934	48,080	9,444,943
2021	205,617	34.7	50,542	49,091	10,093,944
2022	202,616	35.4	50,542	48,049	9,735,496
2023	201,877	35.4	51,835	48,049	9,699,988
2024	201,830	35.4	56,622	49,717	10,034,382
2025	201,877	35.4	56,622	49,717	10,036,719

Source: United States Census Bureau (Population, age and income figures are estimates in other than census years)

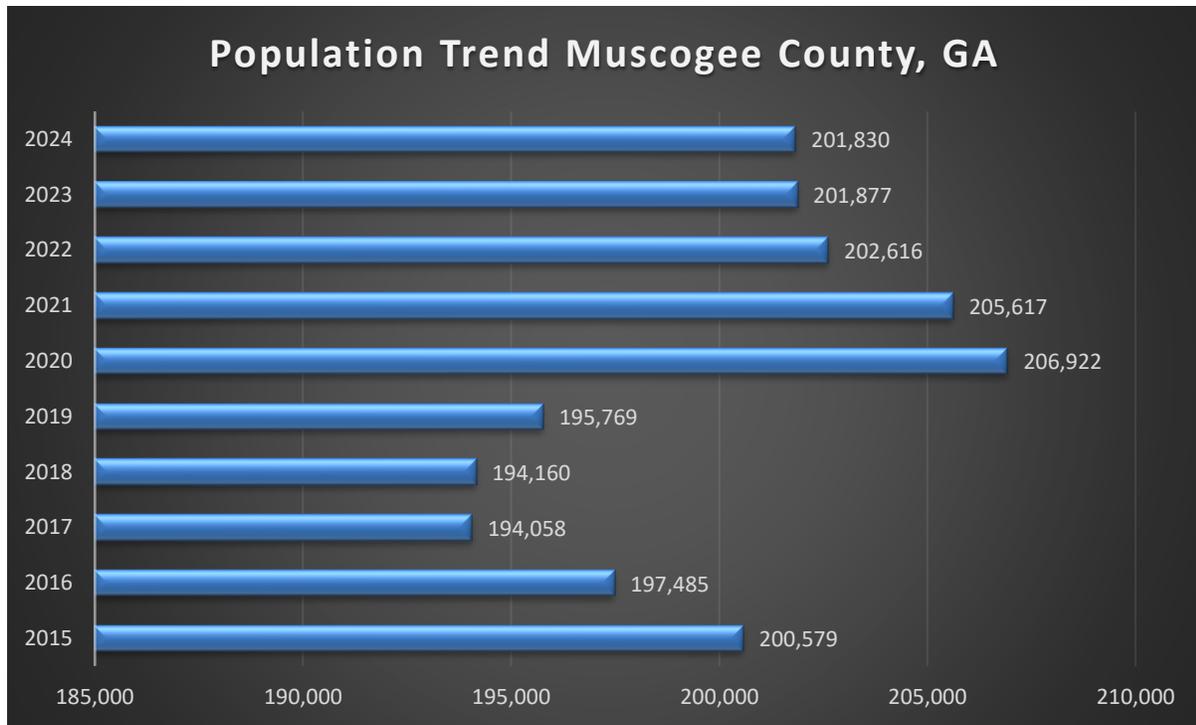
COLUMBUS WATER WORKS

Demographic and Economic Information

Last Ten Fiscal Years

Population of Muscogee County*:

<u>Year</u>	<u>Population</u>
2015	200,579
2016	197,485
2017	194,058
2018	194,160
2019	195,769
2020	206,922
2021	205,617
2022	202,616
2023	201,877
2024	201,830



* Source – U.S. Census Bureau

COLUMBUS WATER WORKS
Demographic and Economic Information
Labor Market Information – Labor Force & Unemployment Rates

Unemployment Rate Annual Averages
Last Ten Fiscal Years

2016	6.0%
2017	6.1%
2018	5.1%
2019	4.5%
2020	8.7%
2021	5.1%
2022	4.5%
2023	4.3%
2024	5.0%
2025	4.4%

Source: Georgia Department of Labor, Workforce Information and Analysis
Note: Population, age and income are estimates in other than census years

The table below shows the workforce development regions with the highest unemployment rate in Georgia for June, 2025. These figures are not seasonally adjusted.		
Rank	Area Name	Unemployment Rate
1	Middle Flint Local Workforce Development Area	4.5%
2	Central Savannah River Local Workforce Development Area	4.4%
3	Lower Chattahoochee Local Workforce Development Area	4.3%
4	Heart of Georgia–Altamaha Local Workforce Development Area	4.3%
5	Southwest Georgia Local Workforce Development Area	4.2%
6	Southern Georgia Local Workforce Development Area	4.0%
7	City of Atlanta Local Workforce Development Area	3.9%
8	Middle Georgia Local Workforce Development Area	3.9%
9	Atlanta Regional Local Workforce Development Area	3.7%
10	DeKalb County Local Workforce Development Area	3.7%
Source: GA Dept. of Labor, Workforce Statistics & Economic Research, Local Area Unemployment Statistics Unit		

COLUMBUS WATER WORKS

Demographic and Economic Information

Labor Market Information – Labor Force and Unemployment Rates

As indicated in the table below, the 2025 annual average civilian labor force in Muscogee County was 82,202 of which 78,562 were employed and 3,640 were unemployed. The unemployment rate was 4.4 percent.

Area	Civilian Labor Force	Number Employed	Number Unemployed	Unemployment Rate
Muscogee County	82,202	78,562	3,640	4.4%
Georgia	5,376,272	5,189,951	186,321	3.5%
United States	170,380,000	163,366,000	7,015,000	4.1%

Source: Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics

Below are the Not Seasonally Adjusted Labor Force, Employment and Unemployment data in Muscogee County for June 2025.

Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
82,202	78,562	3,640	4.4%

Source: Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics

Below is the Not Seasonally Adjusted Labor Force, Employment and Unemployment data in Columbus MSA for June 2025.

Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
129,226	123,815	5,411	4.2%

Source: Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics

COLUMBUS WATER WORKS
Demographic and Economic Information
Labor Market Information - Top Ten Employers

June 2025

Employer	Number of Employees	Labor Force %
Fort Benning	45,320	62%
Muscogee County School District	5,500	7%
TSYS, a Global Payments Company	2,600	4%
Aflac	2,900	4%
Columbus Consolidated Government	2,789	4%
Piedmont Columbus Regional	3,080	4%
Kia Motors Manufacturing Georgia	2,700	4%
The Pezold Companies	2,000	3%
St. Francis -Emory Healthcare	1,735	2%
Pratt & Whitney	1,850	3%
Anthem Blue Cross Blue Shield	1,650	2%
Columbus State University	1,238	2%

June 2024

Employer	Number of Employees	Labor Force %
Fort Benning	45,320	62%
Muscogee County School District	5,500	7%
TSYS, a Global Payments Company	2,600	4%
Aflac	2,900	4%
Columbus Consolidated Government	2,789	4%
Piedmont Columbus Regional	3,080	4%
Kia Motors Manufacturing Georgia	2,700	4%
The Pezold Companies	2,000	3%
St. Francis -Emory Healthcare	1,735	2%
Pratt & Whitney	1,850	3%
Anthem Blue Cross Blue Shield	1,650	2%
Columbus State University	1,238	2%

June 2023 *

Employer	Number of Employees	Labor Force %
Fort Benning	45,320	61%
Muscogee County School District	5,500	7%
TSYS, a Global Payments Company	4,075	5%
Aflac	3,335	4%
Kia Motors Manufacturing Georgia	2,700	4%
Columbus Consolidated Government	2,600	3%
Piedmont Columbus Regional	2,430	3%
The Pezold Companies	2,000	3%
Pratt & Whitney	1,850	2%
St. Francis -Emory Healthcare	1,735	2%
Anthem Blue Cross Blue Shield	1,650	2%
Synovus	1,370	2%

June 2022 *

Employer	Number of Employees	Labor Force %
Fort Benning	45,320	61%
Muscogee County School District	5,500	7%
TSYS, a Global Payments Company	4,075	5%
Aflac	3,335	4%
Kia Motors Manufacturing Georgia	2,700	4%
Columbus Consolidated Government	2,600	3%
Piedmont Columbus Regional	2,430	3%
The Pezold Companies	2,000	3%
Pratt & Whitney	1,850	2%
St. Francis -Emory Healthcare	1,735	2%
Anthem Blue Cross Blue Shield	1,650	2%
Synovus	1,370	2%

*Dec. 2020 latest data available as reflected in June 2021, 2022, 2023, 2024, and 2025 information.

COLUMBUS WATER WORKS
Demographic and Economic Information
Labor Market Information - Top Ten Employers

June 2020

Employer	Number of Employees	Labor Force %
Fort Benning	45,320	61%
Muscogee County School District	5,500	7%
TSYS, a Global Payments Company	4,075	5%
Aflac	3,335	4%
Kia Motors Manufacturing Georgia	2,700	4%
Columbus Consolidated Government	2,600	3%
Piedmont Columbus Regional	2,430	3%
The Pezold Companies	2,000	3%
Pratt & Whitney	1,850	2%
St. Francis -Emory Healthcare	1,735	2%
Anthem Blue Cross Blue Shield	1,650	2%
Synovus	1,370	2%

June 2019

Employer	Number of Employees	Labor Force %
Fort Benning	42,870	57%
Muscogee County School District	5,500	7%
TSYS	5,125	7%
Aflac	3,800	5%
Columbus Consolidated Government	3,000	4%
Piedmont Columbus Regional	2,850	4%
Kia Motors Manufacturing Georgia	2,700	4%
The Pezold Companies	2,500	3%
St. Francis Hospital, Inc.	2,250	3%
Pratt & Whitney	1,650	2%
Anthem Blue Cross Blue Shield	1,385	2%
Synovus Financial Corp.	1,200	2%

June 2018

Employer	Number of Employees	Labor Force %
Fort Benning	40,000	57%
TSYS	4,690	7%
Muscogee County School District	4,300	6%
Aflac	3,670	5%
Columbus Regional Healthcare System	3,180	5%
Columbus Consolidated Government	3,130	4%
Kia Motors Manufacturing Georgia	3,000	4%
St. Francis Hospital, Inc.	3,000	4%
BlueCross BlueShield of Georgia	1,650	2%
Columbus State University	1,360	2%
Pratt & Whitney	1,000	1%
Synovus Financial Corp.	930	1%

June 2017

Employer	Number of Employees	Labor Force %
Fort Benning	40,000	57%
TSYS	4,600	7%
Muscogee County School District	4,300	6%
Aflac	3,670	5%
Columbus Regional Healthcare System	3,180	5%
Columbus Consolidated Government	3,130	4%
Kia Motors Manufacturing Georgia	3,000	4%
St. Francis Hospital, Inc.	3,000	4%
BlueCross BlueShield of Georgia	1,400	2%
Columbus State University	1,360	2%
Pratt & Whitney	1,000	1%
Synovus Financial Corp.	930	1%

COLUMBUS WATER WORKS

Demographic and Economic Information

Labor Market Information – Industries

The largest major industry sector was Health Care and Social Assistance, with 17.4% of the employment, followed by Retail Trade with 11.9% and Accommodation and Food Services with 11.6% respectively. Major industries in Columbus MSA for the 2nd Quarter 2025:

Industry Group	2025			2024			2023			2022		
	Establishments	Employees	%									
Health Care and Social Assistance	988	17,729	17.47%	973	17,335	17.06%	883	16,031	15.95%	847	16,057	16.08%
Accommodation and Food Services	653	11,813	11.64%	637	12,077	11.89%	590	12,000	11.94%	604	11,618	11.63%
Retail Trade	929	12,100	11.93%	956	12,002	11.81%	881	11,878	11.82%	902	11,724	11.74%
Finance and Insurance	322	7,207	7.10%	310	6,927	6.82%	294	6,814	6.78%	30	8,347	8.36%
Educational Services	162	8,699	8.57%	161	8,495	8.36%	146	8,432	8.39%	145	8,710	8.72%
Public Administration	81	7,359	7.25%	81	7,410	7.29%	68	6,732	6.70%	71	6,589	6.60%
Manufacturing	169	7,829	7.72%	174	8,089	7.96%	171	7,984	7.94%	165	7,244	7.25%
Admin., Support, Waste Mgmt, Remediation	410	5,565	5.49%	424	5,840	5.75%	405	6,952	6.92%	468	6,969	6.98%
Professional, Scientific & Technical Svc	538	5,382	5.30%	525	5,087	5.01%	488	5,262	5.23%	475	5,185	5.19%
Construction	448	3,860	3.80%	440	3,966	3.90%	402	3,748	3.73%	409	3,707	3.71%
Wholesale Trade	166	2,237	2.20%	172	2,334	2.30%	164	2,288	2.28%	165	2,362	2.36%
Other Services (except Public Admin.)	458	2,627	2.59%	458	2,801	2.76%	415	2,754	2.74%	426	2,591	2.59%
Transportation and Warehousing	188	3,051	3.01%	197	2,663	2.62%	149	2,694	2.68%	146	2,503	2.51%
Real Estate and Rental and Leasing	319	1,468	1.45%	325	1,584	1.56%	300	1,724	1.71%	308	1,611	1.61%
Mgt. of Companies and Enterprises	33	1,186	1.17%	34	1,505	1.48%	35	2,078	2.07%	53	1,798	1.80%
Information	91	974	0.96%	86	1,001	0.99%	75	1,065	1.06%	70	943	0.94%
Arts, Entertainment, and Recreation	93	1,406	1.39%	99	1,504	1.48%	86	1,410	1.40%	88	1,277	1.28%
Utilities	13	273	0.27%	13	266	0.26%	11	237	0.24%	10	229	0.23%
Mining	7	244	0.24%	8	247	0.24%	3	103	0.10%	3	102	0.10%
Ag & Forestry	43	445	0.44%	42	451	0.44%	31	340	0.34%	32	308	0.31%

Industry Group	2021			2020			2019			2018		
	Establishments	Employees	%									
Health Care and Social Assistance	806	16,365	16.58%	772	16,562	16.06%	740	16,303	15.79%	678	16,203	17.21%
Retail Trade	868	11,304	11.45%	819	11,590	11.24%	529	12,204	11.82%	730	11,510	12.23%
Accommodation and Food Services	573	11,227	11.37%	533	12,098	11.73%	799	11,648	11.28%	472	11,456	12.17%
Education Services	306	8,546	8.66%	297	9,615	9.32%	293	10,026	9.71%	284	9,846	10.46%
Public Administration	139	8,624	8.74%	136	9,486	9.20%	132	9,088	8.80%	110	7,633	8.11%
Finance and Insurance	160	7,189	7.28%	155	8,112	7.87%	157	8,241	7.98%	132	6,685	7.10%
Manufacturing	70	6,685	6.77%	69	7,074	6.86%	65	6,920	6.70%	41	6,187	6.57%
Information	392	6,566	6.65%	372	6,368	6.18%	340	6,179	5.98%	275	5,282	5.61%
Professional, Scientific & Technical Svc	464	5,305	5.37%	436	5,449	5.28%	418	5,542	5.37%	357	4,178	4.44%
Admin., Support, Waste Mgmt, Remediation	403	3,810	3.86%	369	3,766	3.65%	359	3,705	3.59%	265	3,237	3.44%
Construction	414	2,504	2.54%	383	2,394	2.32%	154	2,172	2.10%	356	2,482	2.64%
Wholesale Trade	165	2,165	2.19%	156	2,219	2.15%	375	2,499	2.42%	133	2,083	2.21%
Other Services (except Public Admin.)	137	2,263	2.29%	119	2,050	1.99%	119	2,486	2.41%	93	1,740	1.85%
Transportation and Warehousing	300	1,576	1.60%	274	1,621	1.57%	263	1,670	1.62%	243	1,667	1.77%
Mgt. of Companies and Enterprises	50	1,813	1.84%	49	1,773	1.72%	50	1,727	1.67%	50	1,501	1.59%
Real Estate and Rental and Leasing	65	940	0.95%	68	1,122	1.09%	63	1,161	1.12%	52	1,171	1.24%
Arts, Entertainment, and Recreation	85	1,190	1.21%	70	1,144	1.11%	61	1,009	0.98%	57	964	1.02%
Utilities	10	228	0.23%	10	230	0.22%	11	240	0.23%	8	215	0.23%
Mining	33	300	0.30%	31	343	0.33%	4	101	0.10%	11	57	0.06%
Ag & Forestry	4	107	0.11%	4	102	0.10%	30	327	0.32%	3	52	0.06%

Source: Georgia Department of Labor, Workforce Information & Analysis, Employment & Wages Unit

COLUMBUS WATER WORKS Operating Information

2025 Employees by Division

Administration	7
Finance, Customer and Information Services & Environmental Compliance	88
Strategic Planning, Employee Services & Communications	10
Plant Operations & MMD	82
Engineering & Field Services	<u>106</u>
Total	293

2025 Employees by Division Last Ten Fiscal Years

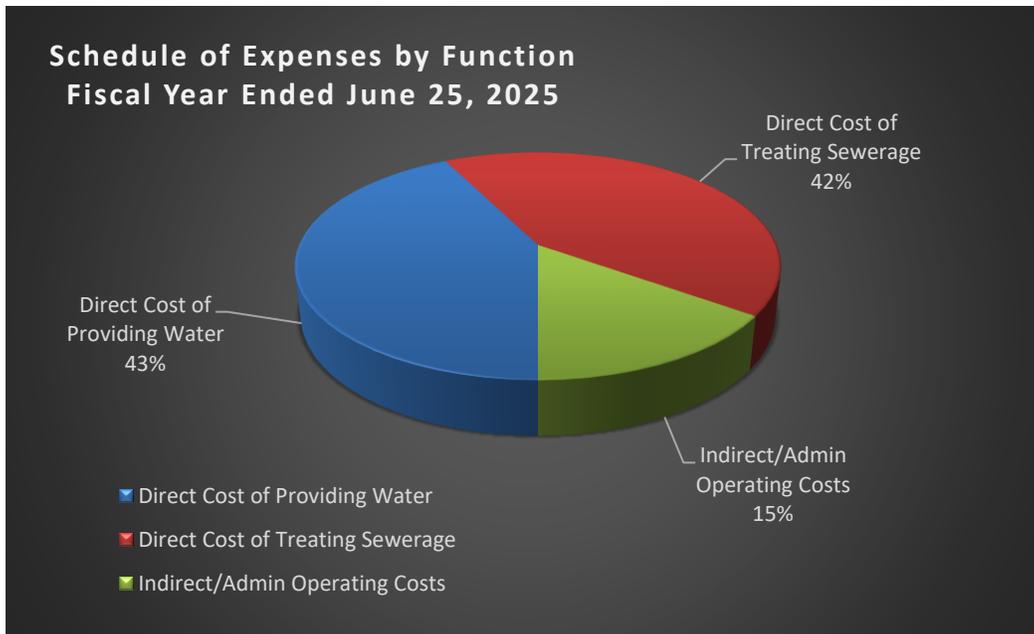
Function/Division	Fiscal Year Ended									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	3	3	3	3	6	7	7	8	7	7
Division of Finance, Customer Service, Asset Management, Information Services & Environmental Compliance	83	83	85	86	85	84	85	90	88	88
Division of Employee Services & Communications	10	10	10	10	9	9	9	9	10	10
Division of Plant Operations & MMD	79	79	79	79	77	78	78	79	80	82
Division of Engineering & Field Services	105	105	105	105	107	105	105	96	105	106
Total	280	280	282	283	284	283	284	282	290	293

COLUMBUS WATER WORKS

SCHEDULE OF EXPENSES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	Direct Cost of Providing Water	Direct Cost of Treating Sewerage	Indirect/Admin Operating Costs	Total
2015/16	\$ 15,633,903	\$ 17,051,974	\$ 4,835,937	\$ 37,521,814
2016/17	\$ 16,390,947	\$ 16,706,605	\$ 5,408,668	\$ 38,506,220
2017/18	\$ 17,034,935	\$ 18,195,034	\$ 5,735,508	\$ 40,965,477
2018/19	\$ 16,259,038	\$ 17,658,463	\$ 6,988,298	\$ 40,905,799
2019/20	\$ 18,016,015	\$ 18,689,439	\$ 6,445,663	\$ 43,151,118
2020/21	\$ 19,398,464	\$ 20,235,489	\$ 8,186,409	\$ 47,820,363
2021/22	\$ 18,414,446	\$ 19,851,365	\$ 7,543,961	\$ 45,809,772
2022/23	\$ 23,100,162	\$ 22,813,087	\$ 8,181,652	\$ 54,094,901
2023/24	\$ 23,412,369	\$ 23,981,539	\$ 9,342,466	\$ 56,736,374
2024/25	\$ 24,487,252	\$ 24,365,609	\$ 8,724,011	\$ 57,576,871



NOTE: The expenses listed above exclude depreciation, interest and paying agent fees.

COLUMBUS WATER WORKS
Operating Information – Schedule of Ten Largest Water Customers

Fiscal Year Ended 2025					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,726,912	13.57%	\$ 9,435,878		11.17%
Harris County	436,255	3.43%	1,338,030		1.58%
Columbus Consolidated Govt	259,932	2.04%	1,511,954		1.79%
MCSD	140,095	1.10%	818,946		0.97%
Columbus State	116,312	0.91%	643,957		0.76%
Pratt-Whitney	109,944	0.86%	533,781		0.63%
Denim North America	98,172	0.77%	549,744		0.65%
Columbus Housing Auth	79,595	0.63%	513,058		0.61%
Saint Francis Health LLC	70,112	0.55%	436,993		0.52%
Sterling Speciality Chemicals	65,952	0.52%	384,732		0.46%
Subtotal	3,103,281	24.38%	16,167,073		19.14%
Balance from all others	<u>9,625,940</u>	<u>75.62%</u>	<u>68,306,072</u>		<u>80.86%</u>
Total w/Ft. Benning	<u>12,729,221</u>	<u>100.00%</u>	<u>\$ 84,473,145</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2024					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,639,937	13.27%	\$ 9,435,968		11.93%
Harris County	349,218	2.83%	994,310		1.26%
Columbus Consolidated Govt	278,616	2.25%	1,495,648		1.89%
MCSD	117,535	0.95%	714,283		0.90%
Columbus State	111,440	0.90%	600,255		0.76%
Pratt-Whitney	98,708	0.80%	453,221		0.57%
Denim North America	97,124	0.79%	511,657		0.65%
Columbus Housing Auth	90,932	0.74%	541,286		0.68%
Saint Francis Health LLC	71,827	0.58%	417,477		0.53%
DMI Columbus LLC	68,228	0.55%	375,340		0.47%
Subtotal	2,923,565	23.65%	15,539,445		19.65%
Balance from all others	<u>9,437,690</u>	<u>76.35%</u>	<u>63,523,222</u>		<u>80.35%</u>
Total w/Ft. Benning	<u>12,361,255</u>	<u>100.00%</u>	<u>\$ 79,062,667</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2023					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,279,551	10.68%	\$ 9,221,150		11.66%
Columbus Consolidated Govt	294,048	2.45%	1,517,995		1.92%
Harris County	387,555	3.23%	1,039,239		1.31%
MCSD	137,756	1.15%	739,138		0.93%
Denim North America	98,526	0.82%	528,069		0.67%
Pratt-Whitney	97,503	0.81%	387,864		0.49%
Columbus Housing Auth	81,083	0.68%	463,044		0.59%
Piedmont Columbus Midtown	99,894	0.83%	437,566		0.55%
Columbus State	101,576	0.85%	522,648		0.66%
Talbot County	81,144	0.68%	251,172		0.32%
Subtotal	2,658,636	22.19%	15,107,885		19.11%
Balance from all others	<u>9,322,979</u>	<u>77.81%</u>	<u>60,160,555</u>		<u>76.09%</u>
Total w/Ft. Benning	<u>11,981,615</u>	<u>100.00%</u>	<u>\$ 75,268,440</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2022					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,362,744	11.02%	\$ 8,702,834		11.01%
Harris County	379,591	3.07%	1,009,920		1.28%
Columbus Consolidated Govt	218,439	1.77%	1,135,674		1.44%
MCSD	124,440	1.01%	668,393		0.85%
Pratt-Whitney	100,164	0.81%	411,310		0.52%
Eastman Kodak Company	88,139	0.71%	464,493		0.59%
Columbus State	84,831	0.69%	465,883		0.59%
Columbus Housing Auth	80,439	0.65%	454,284		0.57%
Denim North America	79,467	0.64%	401,775		0.51%
Hostess Brands	58,402	0.47%	521,612		0.66%
Subtotal	2,576,656	20.84%	14,236,178		18.01%
Balance from all others	<u>8,929,656</u>	<u>77.61%</u>	<u>56,819,610</u>		<u>71.87%</u>
Total w/Ft. Benning	<u>11,506,312</u>	<u>100.00%</u>	<u>\$ 71,055,788</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2021					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,208,293	10.08%	\$ 8,497,371		11.29%
Harris County	303,462	2.53%	770,325		1.02%
Columbus Consolidated Govt	211,711	1.77%	1,007,916		1.34%
MCSD	108,007	0.90%	551,819		0.73%
Columbus State	87,451	0.73%	419,386		0.56%
SRL Whisperwood LLC	83,296	0.70%	376,602		0.50%
Columbus Housing Auth	80,658	0.67%	418,882		0.56%
Eastman Kodak Company	75,697	0.63%	371,366		0.49%
Pratt-Whitney	75,576	0.63%	311,251		0.41%
St Francis Health LLC	65,830	0.55%	335,802		0.45%
Subtotal	2,299,981	19.20%	13,060,720		17.35%
Balance from all others	<u>9,227,338</u>	<u>80.05%</u>	<u>54,589,059</u>		<u>72.53%</u>
Total w/Ft. Benning	<u>11,527,319</u>	<u>100.00%</u>	<u>\$ 67,649,779</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2020					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,271,782	11.05%	\$ 8,289,251		11.67%
Harris County	334,173	2.90%	855,066		1.20%
MCSD	141,433	1.23%	632,133		0.89%
Columbus State	106,718	0.93%	459,184		0.65%
Eastman Kodak Company	96,862	0.84%	445,654		0.63%
Pratt-Whitney	87,576	0.76%	256,897		0.36%
SRL Whisperwood LLC	78,266	0.68%	355,021		0.50%
Columbus Housing Auth	75,287	0.65%	376,928		0.53%
St. Francis Health LLC	72,217	0.63%	349,325		0.49%
Greystone Farms	55,620	0.48%	250,352		0.35%
Subtotal	2,319,934	20.16%	12,269,810		17.27%
Balance from all others	<u>8,562,419</u>	<u>74.41%</u>	<u>54,262,677</u>		<u>76.37%</u>
Total w/Ft. Benning	<u>10,882,353</u>	<u>100.00%</u>	<u>\$ 66,532,487</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

Fiscal Year Ended 2019					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,059,844	9.19%	\$ 7,664,892		12.48%
Harris County	258,669	2.24%	642,498		1.05%
MCSD	144,229	1.25%	600,282		0.98%
Eastman Kodak Company	105,627	0.92%	466,522		0.76%
Pratt Whitney	93,539	0.81%	307,750		0.50%
SRL Whisperwood LLC	89,388	0.78%	365,557		0.59%
Columbus State	89,152	0.77%	361,476		0.59%
Columbus Housing Auth	78,081	0.68%	360,400		0.59%
St Francis Health LLC	76,530	0.66%	332,070		0.54%
Ralston GA LLC	63,331	0.55%	270,322		0.44%
Subtotal	2,058,390	17.86%	11,371,769		18.51%
Balance from all others	<u>8,320,226</u>	<u>72.18%</u>	<u>50,068,468</u>		<u>81.49%</u>
Total w/Ft. Benning	<u>10,378,616</u>	<u>100.00%</u>	<u>\$ 61,440,237</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 748 Gallons)

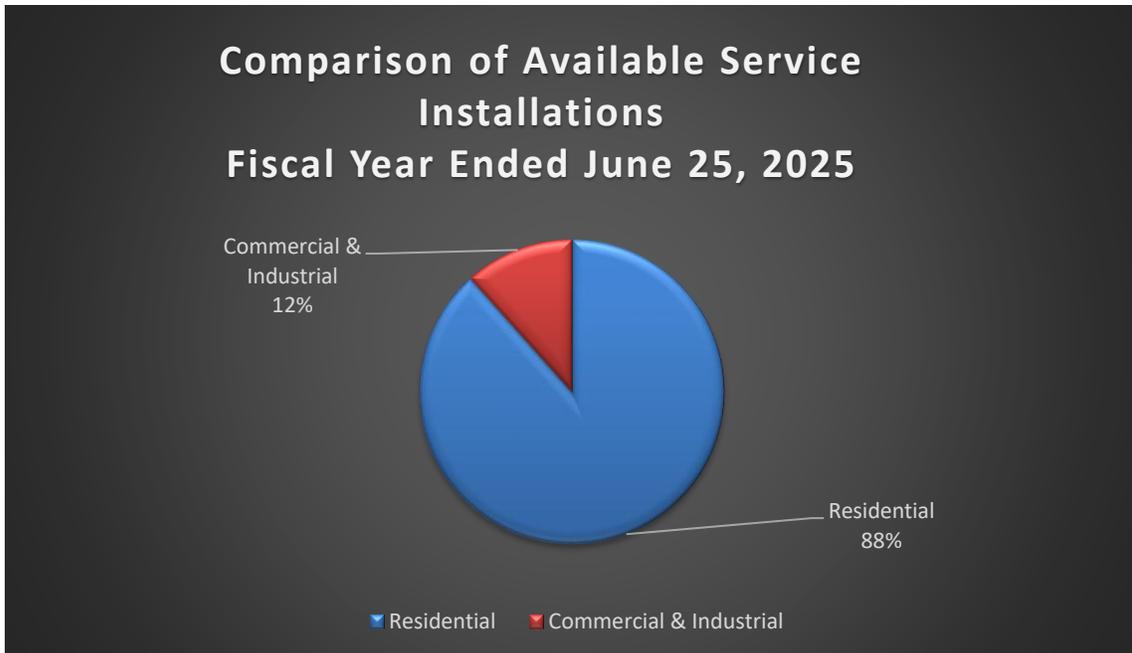
Fiscal Year Ended 2018					
Customer	Consumption (CCF)		Water & Sewer Sales		
	Usage	%	Amount		%
Fort Benning	1,041,024	9.57%	\$ 7,664,892		12.87%
Harris County	239,914	2.20%	551,283		0.93%
Denim North America	94,974	0.87%	400,819		0.67%
Eastman Kodak Company	108,576	1.00%	465,527		0.78%
Columbus State	91,482	0.84%	363,538		0.61%
Pratt Whitney	90,307	0.83%	277,433		0.47%
SRL Whisperwood LLC	93,203	0.86%	357,665		0.60%
St. Francis Health LLC	63,570	0.58%	261,185		0.44%
Hostess Brands LLC	58,942	0.54%	222,190		0.37%
Muscogee County Jail	61,000	0.56%	253,290		0.43%
Subtotal	1,942,992	17.85%	10,817,822		18.17%
Balance from all others	<u>8,546,963</u>	<u>78.54%</u>	<u>48,716,589</u>		<u>81.83%</u>
Total w/Ft. Benning	<u>10,489,955</u>	<u>100.00%</u>	<u>\$ 59,534,411</u>		<u>100.00%</u>

*No Sewer Charge - (CCF = Hundred Cubic Feet = 750 Gallons)

COLUMBUS WATER WORKS
Operating Information – Available Service Installations
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial & Industrial</u>	<u>Total</u>
2015/16	68,279	8,374	76,653
2016/17	68,604	8,471	77,075
2017/18	68,778	8,596	77,374
2018/19	68,896	8,665	77,561
2019/20	69,325	8,722	78,047
2020/21	64,143	8,006	72,149
2021/22	64,498	8,147	72,645
2022/23	64,785	8,445	73,230
2023/24	65,179	8,459	73,638
2024/25	65,496	8,592	74,088 *

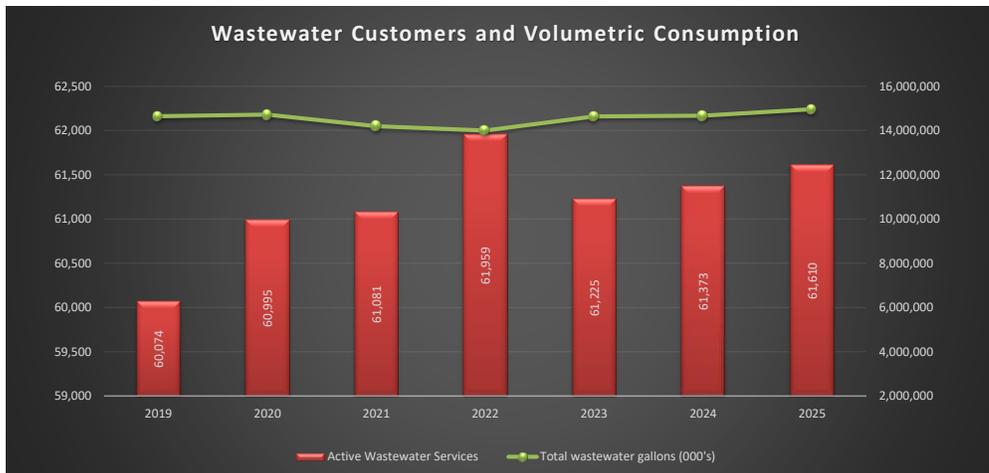
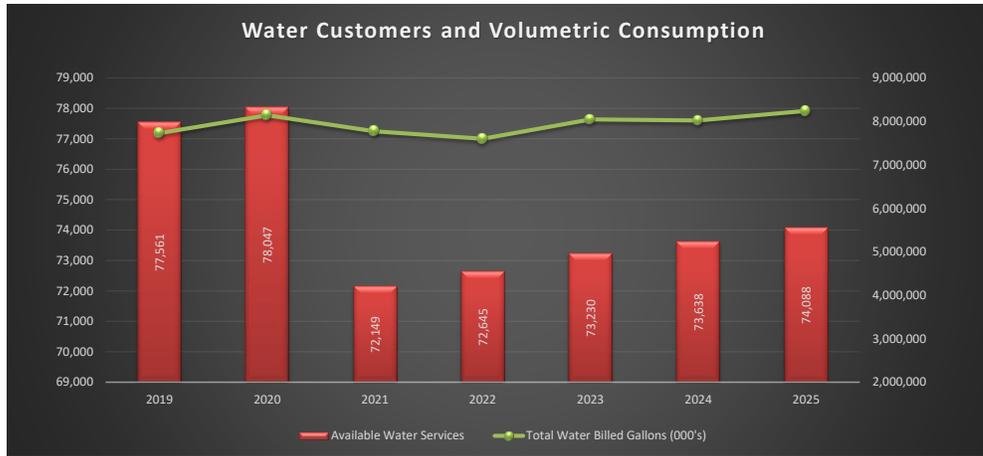
*68,419 active accounts



COLUMBUS WATER WORKS
Operating Information – Capital Assets Indicators of Use & Volume

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Water Information:							
Available Water Services	77,561	78,047	72,149	72,645	73,230	73,638	74,088
Daily Filtration Data (MGD)							
Maximum	44.25	43.26	39.23	43.40	45.70	47.98	52.14
Average	31.60	31.45	30.24	29.76	30.92	33.71	34.96
Minimum	23.52	23.32	23.72	22.68	25.34	26.19	25.79
Total Annual Volume (BG)	7.73	11.57	11.04	10.88	11.29	12.34	12.73
Rainfall (inches)	62.82	63.17	53.72	58.07	50.36	51.99	55.50
Water Main Miles	1,418	1,418	1,439	1,444	1,463	1,465	1,468
Average Daily Consumption (MGD)	31.6	31.5	30.2	29.8	30.9	33.7	35.0
Maximum Daily Design (MGD)	90	90	90	90	90	90	90
Total Water Billed Gallons (000's)	7,732,000	8,140,000	7,770,000	7,600,000	8,045,000	8,023,000	8,241,396
Wastewater Information:							
Active Wastewater Services	60,074	60,995	61,081	61,959	61,225	61,373	61,610
Sewer Main Miles	1,186	1,190	1,196	1,179	1,207	1,212	1,190
Sewer Pumping Stations	41	41	41	41	43	44	44
Average Daily Flow (MGD)	40.1	39.8	39.4	38.3	36.6	38.9	37.5
Total wastewater gallons (000's)	14,652,000	14,720,000	14,200,000	14,000,000	14,641,000	14,671,000	14,965,409

MGD=Million Gallons Day



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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a general summary of certain provisions of the Trust Indenture, dated as of February 1, 2012, by and between Columbus and the Trustee, as supplemented (the “Indenture”). The summaries hereinafter set forth do not purport to be complete, and for further information reference is made to the Indenture, copies of which are available from Columbus upon request. (See “INTRODUCTION.”)

The Indenture contains provisions relating to the payment of, and the establishment and replenishment of reserves for, bonds issued under an Ordinance adopted by Columbus on December 17, 1985 (the “1985 Ordinance”). Because there are no longer any bonds outstanding under the 1985 Ordinance and the Issuer has abrogated its right to issue any other bonds under the 1985 Ordinance, the provisions of the Indenture relating to bonds issued under the 1985 Ordinance are not described in the following summary.

Certain Definitions

“Accountant” shall mean person or firm who or which is appointed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, for the purpose of examining and reporting on or passing on questions relating to the financial statements of the Issuer relating to the System, has all certifications necessary for the performance of such services, and, in the opinion of the Issuer, or of the Board of Water Commissioners acting on behalf of the Issuer, has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature. If any Accountant’s report or opinion is required to be given with respect to matters partly within and partly without the expertise of such Accountant, such Accountant may rely upon the report or opinion of another Accountant, which other Accountant shall be reasonably satisfactory to the relying Accountant and the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer.

“Additional Indebtedness” shall mean any Indebtedness (including all Obligations) incurred by the Issuer subsequent to its entering into this Trust Indenture and secured under the Indenture. “Additional Indebtedness” does not include other obligations of the Issuer which are not secured under the Indenture.

“Audited Financial Statements” shall mean the annual financial statements of the Issuer or the entity of which the Issuer is a part.

“Authorized Issuer Representative” shall mean the person or persons designated by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, to the Trustee from time to time by a certificate signed by a duly authorized representative of the Issuer, to serve as Authorized Issuer Representative under the Indenture.

“Board of Water Commissioners” shall mean the Board of Water Commissioners of Columbus, Georgia and any assignee or successor thereof.

“Bonds” means any revenue bonds issued by the Issuer pursuant to the Indenture or any Supplemental Indenture.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or on which banks are authorized or required to be closed in the City of Atlanta, Georgia or any other municipality in which the principal offices of the Trustee are located.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto and any regulations applicable thereto. As to any series of Bonds, the term “Code” shall only include those provisions of the Internal Revenue Code or Treasury Regulations applicable to such Bonds.

“Counsel” shall mean a lawyer or firm of lawyers who or which is duly admitted to practice law before the highest court of any state in the United States of America or the District of Columbia.

“Credit or Liquidity Facility” shall mean any letter of credit, line of credit, insurance policy, guaranty, surety bond or other agreement constituting a credit enhancement or liquidity facility which is issued by a bank, trust company, savings and loan association or other institutional lender, insurance company or surety company for the benefit of the holder of any Indebtedness in order to provide a source of funds for the payment of all or any portion of the Issuer’s payment obligations under such Indebtedness or the purchase price of Indebtedness which has provisions permitting or requiring the holder thereof to tender such Indebtedness prior to its maturity.

“Debt Holder” shall mean holders of Obligations that constitute Indebtedness.

“Debt Service Account” shall mean the Debt Service Account created within the Sinking Fund to pay principal of, redemption premium, if any, and interest on the Bonds and certain other charges as provided in the Indenture.

“Debt Service Requirement” shall mean, for any period of 12 consecutive calendar months for which such determination is made, the aggregate of the payments required to be made in respect of principal and interest on any Outstanding Obligations during such period, except that (a) with respect to Obligations which bear interest at a Variable Rate, the interest on which Obligations shall be calculated pursuant to the terms of the Indenture, (b) with respect to Obligations which are subject to a Hedge Agreement, the interest on such Obligations shall be calculated pursuant to the terms of the Indenture, (c) interest expenses on the Outstanding Obligations shall be excluded from the determination of the Debt Service Requirement to the extent the same is provided from the original proceeds of such Obligations, and (d) to the extent they are drawn upon to purchase, but not retire, Obligations, any interest expense included on Credit or Liquidity Facilities in excess of the interest expense on the related Obligations shall be included in the determination of the Debt Service Requirement.

“Engineering Consultant” shall mean an independent firm of consulting engineers having a favorable reputation for skill and experience in the design, management and operation of water and sewerage systems.

“Escrow Deposit” shall mean a segregated escrow fund or other similar fund, account or deposit in trust, of cash in an amount (or Government Obligations, the principal of and interest on which when payable will be in an amount), and under terms, sufficient, without further reinvestment, to pay all or a portion of the principal of, and premium, if any, and interest on, the Indebtedness secured by such escrow fund or other similar fund, account or deposit as the same shall become due or payable upon redemption.

“Event of Default” shall mean any event of default under the Indenture as defined in Article VII.

“Fiscal Year” shall mean a period of 12 consecutive months ending on June 30 of each year or on such other date as may be specified in an Officer’s Certificate of the Issuer executed and delivered to the Trustee.

“Government Obligations” shall mean (a) obligations of the United States and of its agencies and instrumentalities, (b) obligations fully insured or guaranteed by the United States or any agency thereof, (c) obligations of any corporation of the United States (including any obligations described in (a), (b) or (c) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) or (d) tax- exempt municipal obligations that have been defeased with obligations described in (a), (b) or (c).

“Hedge Agreement” shall mean an interest rate swap, cap, collar, floor, forward, option, put, call or other agreement, arrangement or security, however denominated, entered into in order to hedge interest rate fluctuations on all or a portion of any Indebtedness or to change the payments to be made with respect to any Indebtedness from fixed to variable or from variable to fixed.

“Holder” shall mean, as the context requires, the registered owner of any Bonds or the holder or beneficiary of any other type of Obligation. In the case of an Obligation issued to a trustee or other fiduciary acting on behalf of the holders of any bonds, notes or other similar obligations which are secured by such Obligation, including any registered securities depository then in the business of holding (for the benefit of beneficial owners whose interests may be evidenced by book-entry registration) substantial amounts of obligations of types comprising the Obligations, the term Holder shall mean the trustee or other fiduciary or, if so provided in a Supplemental Indenture,

the holders of the series of Bonds issued under such Supplemental Indenture in proportion to their respective interests therein, including any registered securities depository then in the business of holding (for the benefit of beneficial owners whose interests may be evidenced by book-entry registration) substantial amounts of obligations of types comprising the Obligations.

“Indebtedness” of the Issuer shall mean (i) all Bonds, (ii) all liabilities (exclusive of reserves) recorded as indebtedness on the Audited Financial Statements as of the end of the most recent Fiscal Year for which financial statements reported upon by an Accountant are available which are secured under the Indenture or under the 1985 Ordinance, and (iii) all other obligations for borrowed money; provided that Indebtedness shall not include (1) Interest Rate Swap Obligations or obligations under Hedge Agreements, (2) any other Indebtedness of the Issuer not secured under the Indenture or (3) any other obligation which does not constitute indebtedness under generally accepted accounting principles.

“Interest Payment Date” shall mean, with respect to any Indebtedness issued under the Indenture, each May 1 and November 1, or any such other date as shall be designated by the Issuer in a Supplemental Indenture.

“Interest Rate Swap Obligations” shall mean obligations of the Issuer secured under the Indenture pursuant to any arrangement with any entity chosen by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, to serve as the swap counterparty whereby, directly or indirectly, the Issuer is entitled to receive from periodic payments calculated by applying either a floating or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such swap counterparty calculated by applying a fixed or a floating rate of interest on the same notional amount.

“Issuer” shall mean Columbus, Georgia, and its successors and assigns.

“Majority” shall mean more than 50 percent of the aggregate principal amount of any series of Outstanding Obligations.

“Obligations” shall mean all Bonds issued under the Indenture, any lease, contractual agreement to pay money or other obligations of the Issuer issued or secured under the Indenture, any Hedge Agreement, any Interest Rate Swap Obligation and any additional forms of Obligations created pursuant to the Indenture, but shall not include any obligation which is not payable from or secured by the Trust Estate created under the Indenture.

“Officer’s Certificate” shall mean a certificate signed by the Mayor of the Issuer or by any other officer of the Issuer, or by an Authorized Issuer Representative. When an Officer’s Certificate is required to set forth matters relating to the Issuer, such Officer’s Certificate may be given in reliance upon another certificate, or other certificates, and supporting materials, if any, provided by any duly authorized officer of the Issuer.

“Opinion of Bond Counsel” shall mean an opinion in writing signed by an attorney or firm of attorneys appointed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, who or which is experienced in the field of municipal bonds.

“Outstanding” (a) when used with reference to Bonds, shall mean, as of any date of determination, all Bonds secured by the Indenture theretofore issued or incurred and not paid and discharged other than (i) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation, (ii) Bonds deemed paid and no longer Outstanding as provided in the Indenture or for which an Escrow Deposit has been established, (iii) Bonds in lieu of which other Bonds have been authenticated and delivered unless proof satisfactory to the Trustee has been received that any such Bond is held by a bona fide purchaser for value without notice, and (iv) any Bond held by the Issuer; or, (b) when referring to Obligations or other evidences of Indebtedness other than Bonds, shall mean, as of any date of determination, all Obligations or other evidences of Indebtedness theretofore issued or incurred other than (i) Obligations or other evidences of Indebtedness which have been paid, (ii) Obligations or other evidences of Indebtedness for which an opinion of Counsel stating that such Obligations or other evidences of Indebtedness have been discharged has been provided to the Trustee, (iii) Obligations or other evidences of Indebtedness for which new Obligations or other evidences of Indebtedness have been substituted in a manner analogous to clause (a)(iii) above and (iv) any Obligations or other evidences of Indebtedness held by the Issuer, provided that Obligations or

evidences of Indebtedness held by the Issuer may be deemed by the Issuer to be continuously Outstanding if such Obligations or evidences of Indebtedness were acquired with an intent that they only be held temporarily in connection with an effort to remarket them to anyone other than the Issuer. For purposes of determining consents, directions to the Trustee, approval of amendments or supplements and other similar purposes, Bonds or other similar Obligations incurred under the Indenture relating to Subordinated Indebtedness, Interest Rate Swap Obligations or Hedge Agreements shall not be considered to be Outstanding.

“Participation Fund” shall mean the fund of such name created pursuant to the Indenture.

“Participation Fund Custodian” shall mean the custodian appointed to serve as Participation Fund Custodian in accordance with the provisions of the Indenture.

“Permitted Investments” shall mean any of the following securities, if and to the extent the same are at the time legal for investment of Issuer funds:

(a) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;

(b) bonds or obligations of the Issuer, or bonds or obligations of the State of Georgia, or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

(c) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(d) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(e) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(f) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any proceeds of any bonds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia or with a trust office located within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations referred to in paragraph (c) above, obligations of the agencies and instrumentalities

of the United States government referred to in paragraph (d) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities referred to in paragraph (e) above;

(g) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(i) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referred to in paragraph (c) and (d) above and repurchase agreements fully collateralized by any such obligations;

(ii) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(iii) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(iv) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(h) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys; and

(i) any other investments authorized by the laws of the State of Georgia from time to time.

“Principal” when used to refer to the amount of any Obligation, shall mean (i) the principal amount of any Obligation that constitutes Indebtedness; (ii) with respect to an Interest Rate Swap Obligation, the value of the Interest Rate Swap Obligation to the party to the swap transaction that is not the Issuer; (iii) with respect to a Credit Facility, the amount disbursed by the issuer of the Credit Facility and not reimbursed on the date the principal amount is determined; and (iv) with respect to any other type of Obligation, the amount specified in the Supplemental Indenture creating such Obligation.

“Principal and Interest Requirement” shall mean the amounts required in each Sinking Fund Year to pay the principal (whether at maturity or by scheduled mandatory redemption) of and interest on any Obligations issued pursuant to the terms of the Indenture.

“Project Fund” shall mean the Columbus, Georgia Water and Sewerage Project Fund created in the Indenture.

“Projects” shall mean any projects identified by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, to be financed with the proceeds of Indebtedness issued or incurred under the Indenture.

“Rating Agency” shall mean severally or collectively, if applicable (i) Standard & Poor’s, a division of the McGraw-Hill Companies, Inc. (“S&P”) and any successor thereto, if it has assigned a rating to any Obligation issued and Outstanding, (ii) Moody’s Investors Service, Inc. (“Moody’s”) and any successor thereto, if it has

assigned a rating to any Obligation issued and Outstanding, and (iii) Fitch's Investors Service ("Fitch") and any successor thereto, if it has assigned a rating to any Obligation issued and outstanding. If any such Rating Agency shall no longer perform the functions of a securities rating service for whatever reason, the term "Rating Agency" shall thereafter be deemed to refer to the others, but if both of the others shall no longer perform the functions of a securities rating service for whatever reason, the term "Rating Agency" shall thereafter be deemed to refer to any other nationally recognized rating service or services as shall be designated in writing by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, to the Trustee; provided that such designee shall not be unsatisfactory to the Trustee.

"Renewal and Extension Fund" shall mean the fund of such name created under the Indenture.

"Renewal and Extension Fund Custodian" shall mean the custodian appointed to serve as Renewal and Extension Fund Custodian in accordance with the provisions of the Indenture.

"Revenue Bond Law" shall mean the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60 et seq.), as amended.

"Revenue Fund" shall mean the fund of such name created under the Indenture.

"Revenue Fund Custodian" shall mean the custodian appointed to serve as Revenue Fund Custodian in accordance with the provisions of the Indenture.

"Reserve Account" shall mean the Debt Service Reserve Account which may be, but is not required to be, established within the Sinking Fund in connection with the issuance of each series of Bonds issued under the Indenture and under any Supplemental Indenture.

"SIFMA Index" means on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by the Securities Industry and Financial Markets Association ("SIFMA") or any person acting in cooperation with or under the sponsorship of SIFMA and effective from such date.

"Sinking Fund" shall mean the fund of such name created under the Indenture.

"Sinking Fund Year" shall mean the period commencing on the 2nd day of May in each year and extending through the 1st day of May in the next year, or commencing on and extending to such other dates as shall be designated by the Issuer.

"Subordinate Obligation" shall mean any obligations issued pursuant to the terms of the Indenture, the payment of principal of and interest on which is expressly junior and subordinate to the payment of any Obligations issued under the Indenture.

"Supplemental Indenture" shall mean an indenture supplemental to, and authorized and executed pursuant to, the terms of the Indenture.

"System" shall mean the Issuer's water and sewerage system, as now existent and as hereafter added to, extended, improved and equipped and any and all other systems, equipment or facilities operated in connection therewith.

"Trust Estate" shall have the meaning set forth in the granting and habendum clauses of the Indenture.

"Variable Rate" shall mean as to any Obligation, any portion of such Obligation the interest rate on which is not established at the time of original issuance at a fixed or constant rate to maturity.

"1985 Ordinance" shall mean the Ordinance of the Issuer adopted on December 17, 1985, as amended and supplemented.

Conditions to Issuance of Obligations

Prior to the execution, authentication and delivery of Obligations pursuant to the Indenture:

- (a) all requirements and conditions to the issuance of such Obligations, if any, set forth in the Indenture and in any Supplemental Indenture shall have been complied with and satisfied, as evidenced by an Opinion of Bond Counsel to that effect delivered to the Trustee;
- (b) the Issuer shall have delivered to the Trustee such opinions, certificates, proceedings, instruments and other documents as the Trustee may reasonably request;
- (c) the requirements of Article IV with respect to the incurrence of Additional Indebtedness shall have been satisfied; and
- (d) the Issuer shall have delivered to the Trustee an Opinion of Bond Counsel to the effect that registration of such Obligation or Obligations under the Securities Act of 1933, as amended, and qualification of the Indenture or the Supplemental Indenture under the Trust Indenture Act of 1939, as amended, are not required, or, if such registration or qualification is required, that the Issuer has complied with all applicable provisions of such Acts.

Additional Indebtedness

Additional Indebtedness. The Issuer has agreed in the Indenture that it will not issue or incur any Additional Indebtedness unless the Trustee shall be provided with the following:

- (a) a resolution certified by the Clerk or another officer of the Issuer certifying the resolution authorizing the issuance of such Additional Indebtedness and specifying or approving the terms thereof;
- (b) a supplement to the Indenture, specifying the terms and form of the Obligations to be issued;
- (c) a copy of the validation proceedings relating to such Additional Indebtedness (or to the Obligations in anticipation of which such Additional Indebtedness is being issued), or a certificate of the Issuer to the effect that no such validation is required;
- (d) a certificate of the Issuer, signed by an Authorized Issuer Representative, to the effect that all conditions to the issuance of such Additional Indebtedness have been satisfied;
- (e) an Opinion of Bond Counsel that no registration of such Additional Indebtedness, or qualification of the Indenture or any Supplemental Indenture, is required in connection with the issuance of such Additional Indebtedness, or if such registration is required, that such registration is in effect;
- (f) a certificate or letter of instruction from an officer of the Issuer as to the disposition of the proceeds received upon the sale of such Additional Indebtedness;
- (g) an authentication order of the Issuer authorizing the Trustee to authenticate such Indebtedness upon such conditions as may be specified by the Issuer, including receipt by the Trustee of a specified sum from the purchaser of such Additional Indebtedness if applicable;
- (h) an opinion of Bond Counsel or Counsel to the Issuer that such Additional Indebtedness is a valid and binding obligation(s) of the Issuer (subject to customary conditions and qualifications);
- (i) a report by an independent certified public accountant (or firm thereof) to the Issuer to the effect that:

(i) that the Net Revenues of the System for a period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligation have been equal to at least 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Bonds then outstanding and on the Obligations proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation); or

(ii) if a new schedule of rates, fees, and charges for the services, facilities, and commodities furnished by the System shall have been adopted, that had such new rate schedule been in effect during the period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligation, the Net Revenues of the System would have at least equaled 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Obligations then outstanding and on the Parity Bonds proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation).

An adjustment may be made to the definition of Net Revenues in computing the aforesaid coverage test by adding an amount to such definition (i) equal to 80% of additional, new net revenues of the System estimated to be received from connections to the System in the third fiscal year after delivery of the Obligation proposed to be issued, certified in writing by the Issuer's consulting engineers to the extent that such new net revenues of the System are not otherwise taken into account, or (ii) equal to 100% of the estimated net revenues, as certified by the independent certified public accountant or consulting engineers, to be received from a system to be acquired with the proceeds of such Obligation.

Obligations in an amount not to exceed ten percent (10%) of the aggregate principal amount of any series of Bonds issued to finance the costs of any capital project may be issued to provide funds to complete the construction of such capital project, without regard to the requirements of this subparagraph

(i). Obligations may be issued to refund Outstanding Obligations without regard to the requirements of this subparagraph (i), if the Debt Service Requirement on all Outstanding Obligations immediately following such refunding, for any Sinking Fund Year to and including the Sinking Fund Year of the final maturity of Outstanding Obligations prior to such refunding, will not, as a result of such refunding, exceed the Debt Service Requirement for any such Sinking Fund Year had such refunding not occurred. In the alternative, the requirements of this subparagraph (i) shall be applied to the Obligations to be issued to refund Outstanding Obligations, in lieu of the application thereof to the Outstanding Obligations proposed to be refunded.

(j) a certificate from an independent certified public accountant, or firm thereof, to the Issuer to the effect that the payments covenanted to be made into the Sinking Fund, and any reserve or other special accounts within each Sinking Fund, are currently being made in the full amount as required and such accounts are at their proper balances; and

(k) except where Obligations are to be issued solely for the purpose of refunding other Obligations, an engineering report by an Engineering Consultant employed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, recommending the additions, extensions, and improvements to be made to the System, designating in reasonable detail the work and installations proposed to be done and the estimated cost of accomplishing such undertaking. Such engineering report shall set forth the projected Net Revenues for the succeeding Sinking Fund Year after such additions, extensions, and improvements have been completed, and shall show the coverage of annual Debt Service Requirements for the Obligations then outstanding and the Obligations proposed to be issued for the succeeding Sinking Fund Year.

Funds and Revenues

Project Fund.

(a) There is created under the Indenture special trust fund to be held by the Project Fund Custodian designated pursuant to and subject to the terms of the Indenture, which shall be known as the “Columbus, Georgia Project Fund.” The Project Fund Custodian is authorized to deposit into the Project Fund all moneys or investments received by the Project Fund Custodian accompanied by instructions from an Authorized Issuer Representative to deposit the same into the Project Fund. All moneys deposited into the Project Fund shall be held in trust by the Project Fund Custodian separate from other deposits of the Issuer. The Issuer may, from time to time, designate additional accounts within the Project Fund.

As to any issue of Bonds or other Indebtedness providing Project Fund moneys, the Issuer shall establish a separate special account within the Project Fund as shall be designated by the Issuer in a Supplemental Indenture. Subject to subparagraph (b) below, the moneys credited to any such account shall be used and applied by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, for the purpose of paying the cost of the Projects to be paid from such Indebtedness and otherwise disbursed as provided in the Indenture and in any such Supplemental Indenture. The Issuer, or the Board of Water Commissioners acting on behalf of the Issuer, shall be responsible for monitoring the use of moneys withdrawn from the Project Fund.

(b) Upon completion of the Projects to be financed with such Indebtedness and after payment of all expenses with respect thereto, all moneys remaining on deposit in such account may, at the direction of the Issuer, or of the Board of Water Commissioners acting on behalf of the Issuer, be (i) credited to any other account in the Project Fund and used to complete the Projects with respect to which such account was created or (ii) credited to the Sinking Fund and used to pay debt service on Indebtedness as shall be directed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer. Prior to such application, the Issuer shall receive an Opinion of Bond Counsel to the effect that such application will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Obligations which are the source of such funds.

(c) All payments from the Project Fund or reimbursements to the Issuer for costs of Projects shall be made upon receipt by the Project Fund Custodian of a requisition signed by an Authorized Issuer Representative stating each amount to be paid, the name of the person, firm or corporation to whom payment thereof is due, and the account from which such amount is to be paid, which requisition shall state or contain certifications as follows:

(i) That an obligation in the stated amount has been incurred by the Issuer, specifying the purpose and circumstances of such obligation in reasonable detail and that the same is a proper charge against the Project Fund and has not been the subject of a previous requisition for payment, and that the bill or statement of account for such obligation is on file with the Issuer, or with the Board of Water Commissioners acting on behalf of the Issuer;

(ii) That the Issuer has no notice of any vendors, mechanic’s or other liens or rights to liens, chattel mortgages, conditional sales contracts or any security interest, which should be satisfied or discharged before such payment is made;

(iii) That such requisition contains no item representing payment on account or any retained percentages which the Issuer is, at the date of such certificate, entitled to retain; and

(iv) That insofar as such obligation was incurred for work, materials, supplies or equipment in connection with a Project, such work was actually performed, or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose.

The Project Fund Custodian may conclusively rely upon any statements of fact or representations made in any requisition furnished to it by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, and shall have no duty or responsibility for investigating the truth and accuracy of statements made therein. Additional

conditions to the requisition of moneys on deposit in the Project Fund may be added pursuant to a Supplemental Indenture.

(d) The Issuer, or the Board of Water Commissioners acting on behalf of the Issuer, will do all things, and take all reasonable and prudent measures, necessary to continue construction with due diligence and to expend the moneys credited to each account in the Project Fund as expeditiously as possible in order to assure the completion of the Projects for which such accounts were created, on the earliest practicable date, delays outside of the control of the Issuer excepted, provided that the Issuer shall not be required to continue or complete the construction or acquisition of any Project which the Issuer, or the Board of Water Commissioners acting on behalf of the Issuer, shall determine is not in the best interest of the Issuer to continue or complete.

(e) All requisitions and certificates required by the Indenture shall be retained by the Project Fund Custodian for so long as any of the Bonds or other Indebtedness are outstanding and for a period of three years thereafter, subject at all times to inspection by the Issuer or by the Board of Water Commissioners acting on behalf of the Issuer.

(f) Upon receipt by the Project Fund Custodian from the Trustee of notice that an Event of Default has occurred and is continuing under the Indenture and that a declaration of acceleration of the Obligations has been made, the Project Fund Custodian is hereby authorized and directed, without any further direction, to transfer all moneys in the Project Fund to the Sinking Fund.

Revenue Fund, Sinking Fund, Reserve Fund, Participation Fund and Renewal and Extension Fund. The Indenture creates a special trust fund to be held by the Revenue Fund Custodian designated pursuant to and subject to the terms of the Indenture, which shall be known as the "Columbus, Georgia Water and Sewerage System Revenue Fund" (the "Revenue Fund"). From and after the date of execution and delivery of the Indenture, all revenues arising from the operation of the System and properties in connection therewith as then existent and as from time to time extended and improved shall be collected by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, and deposited promptly with the Revenue Fund Custodian to the credit of the Revenue Fund. Revenues of the System shall be disbursed from the Revenue Fund to the extent and in the following manner and order:

(a) There shall first be paid from the Revenue Fund the reasonable and necessary costs of operating, maintaining and repairing the System, including salaries, wages and employee benefits and other compensation, the payment of any contractual obligations incurred pertaining to the operation of the System, cost of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees and such other charges as may properly be made for the purpose of operating, maintaining and repairing the System in accordance with sound business practice, but before making provision for depreciation and amortization. The revenues remaining in the Revenue Fund after payment of the sums required or permitted to be paid under the provisions of the Indenture (the "Net Revenues") are hereby pledged to the payment of the principal of and interest, and redemption premium, if any, on the Outstanding Obligations.

(b) There is hereby created a special trust fund to be held by the Sinking Fund Custodian designated pursuant to and subject to the terms of the Indenture, which shall be known as the "Columbus, Georgia Water and Sewerage System Sinking Fund" (referred to herein as the "Sinking Fund"). The Issuer shall establish a separate special account within the Sinking Fund with respect to any issue of Bonds or other Indebtedness hereafter issued under the Indenture or any Supplemental Indenture. After there have been paid from the Revenue Fund in each month the sums required or permitted to be paid under the provisions of the Indenture, there shall next be paid from the Net Revenues deposited from the Revenue Fund into such special accounts within the Sinking Fund maintained with the Sinking Fund Custodian, amounts for the purpose of paying the principal or purchase price of and interest on and any Obligations coming due in the then current Sinking Fund Year (whether by maturity, scheduled mandatory redemption or otherwise) or to reimburse the issuer of a Credit or Liquidity Facility for draws on such Credit or Liquidity Facility, at the time and in the amounts to be designated in a Supplemental Indenture.

(c) After there have been paid from the Revenue Fund in each month the sums required or permitted to be paid under the provisions of the Indenture, there shall next be paid from the Net Revenues deposited in the Revenue Fund, any moneys owed to the provider of any Credit or Liquidity Facility.

(d) There is hereby created a special trust fund to be held by the Participation Fund Custodian designated pursuant to and subject to the terms of the Indenture, which shall be known as the "Columbus, Georgia Participation Fund" (referred to herein as the "Participation Fund"). After there have been paid from the Revenue Fund in each month the sums required or permitted to be paid under the provisions of the Indenture, there shall next be paid at the end of each month into the Participation Fund, for the purpose of paying a participation fee to Columbus, Georgia, an amount equal to six percent (6%) of the net metered charges collected from customers of the System. To the extent there are not sufficient moneys in the Revenue Fund to make such monthly payment in full, such deficiency shall be added to the next monthly payment. The Issuer hereby authorizes the Participation Fund Custodian to pay such amounts to Columbus, Georgia, on the first day of each calendar quarter.

(e) There is hereby created a special trust fund to be held by the Renewal and Extension Fund Custodian designated pursuant to and subject to the terms of the Indenture, which shall be known as the "Columbus, Georgia Water and Sewerage System Renewal and Extension Fund" (referred to herein as the "Renewal and Extension Fund"). After there have been paid from the Revenue Fund in each month the sums required or permitted to be paid under the provisions of the Indenture, there shall next be deposited from the Revenue Fund into the Renewal and Extension Fund an amount not to exceed \$30,000 per month until there is \$360,000 (cash plus fair market value of Permitted Investments, tested as of the first day of each Sinking Fund Year) on deposit in the Renewal and Extension Fund, and thereafter at the same rate (or such lesser amount as may be required) to replace the moneys withdrawn or decreases in the market value of the Permitted Investments. Expenditures may be made from the Renewal and Extension Fund only for the purpose of:

(i) paying principal of, premium, if any, interest on and purchase price of all the Obligations then outstanding and falling due at any time for the payment of which money is not available in the Sinking Fund securing the payment of the same; or

(ii) paying for any replacements, additions, acquisitions, extensions and improvements to the System, or paying any obligations incurred for such purposes, and paying the cost of any engineering studies, surveys or plans and specifications pertaining to future development or expansion of the System deemed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, to be reasonable and in the best interest of Columbus, Georgia and the Holders of any Obligations issued under the Indenture; or

(iv) acquiring any Obligations issued under the Indenture by redemption at the redemption price thereof or by purchase in the open market at a price not exceeding the redemption price applicable to such Obligation, and, when so used for such purposes, the monies shall be transferred to the Sinking Fund; or

(vi) paying the principal of, premium, if any, and the interest on, or to acquire in the manner described in (iii) above, any Subordinate Obligations issued under the Indenture, provided that any such Subordinate Obligation relates to the System; or

(vii) paying any amounts owed to the Trustee or any custodian of any fund created under the Indenture.

It is expressly provided, however, that should any Subordinate Obligations be issued hereafter ranking as to lien on the Net Revenues of the System equal with or junior and subordinate to the lien securing the paying of Obligations issued under the Indenture, then such payments into the Renewal and Extension Fund as provided in the Indenture may be suspended and such moneys shall be available to the extent necessary to pay the principal of and interest on such Subordinate Obligation and the creation and maintenance of a reasonable reserve therefor (if any).

(h) After there have been paid from the Revenue Fund in each Sinking Fund Year all amounts hereinabove required to be paid, the remaining monies not used for such purposes may be withdrawn and used for any lawful use of the System.

Investment of Moneys in Funds. Moneys on deposit in any fund established from time to time under the Indenture, including the Project Fund, may be invested by the Trustee or by any custodian of any fund created under the Indenture from time to time in Permitted Investments upon written instruction from an Authorized Issuer Representative. All such investments shall be held in the name of the Trustee or of such custodian. All gains or losses from such investment shall be credited or charged to the fund with respect to which such investment was made. Neither the Trustee nor any such custodian shall have any obligation to invest any money in any fund other than at the direction of the Authorized Issuer Representative, and neither the Trustee nor any such custodian shall have any obligation or liability for any loss resulting from any investment made at the direction of the Authorized Issuer Representative. The Trustee agrees, and any such custodian shall agree in a written instrument provided to the Issuer, to provide the Issuer, or the Board of Water Commissioners on behalf of the Issuer, on a monthly basis a statement of account showing the beginning and ending balances in each fund or account and the transactions for each fund or account created under the Indenture. The Trustee and each custodian are authorized in the absence of specific direction from the Issuer to liquidate, without any further direction, any investment in the Sinking Fund or the Project Fund required to make a payment from such fund to the extent that there are not moneys sufficient in such fund to make such payment when due, and shall have no liability to the Issuer for any loss on such investment resulting therefrom.

Obligations Not General Obligations. The Obligations issued or secured under the Indenture are not general obligations of the Issuer, but special limited obligations of the Issuer payable by the Issuer solely from the Trust Estate created under the Indenture as provided in the Indenture.

Lien on Funds. The Issuer in the granting clauses of the Indenture has pledged to the owners of any Obligations issued under the Indenture the Trust Estate, which includes all the moneys and securities held in the funds and accounts created under the Indenture, subject to the terms of the Indenture permitting the use thereof on the terms provided therein.

Repayment to Issuer from Certain Funds. Any amounts remaining in the Sinking Fund, the Project Fund or any other fund or account created under the Indenture after payment in full of the principal of, premium, if any, and interest on all Obligations secured under the Indenture, the fees, charges and expenses of the Trustee and all other amounts required to be paid under the Indenture, shall be paid upon written direction of the Authorized Issuer Representative as soon as practicable to the Issuer.

Computation of Debt Service

Debt Service on Variable Rate Obligations. For purposes of computing the Debt Service Requirement for Variable Rate Obligations under the Indenture, it shall be assumed that the interest rate on such Variable Rate Obligations is computed at a rate equal to the sum of (a) the lesser of: (i) the average annual interest rate on such Variable Rate Obligations for the twelve consecutive months preceding the date of calculation or, if such Variable Rate Obligations shall not have been outstanding for such period, the average annual interest rate on such Variable Rate Obligations for the period during which such Variable Rate Obligations shall have been outstanding, or if such Variable Rate Obligations have not yet been issued, the initial interest rate established for such Variable Rate Obligations; and (ii) the average of the SIFMA Index for the twelve consecutive months preceding the date of calculation and (b) any fees associated with any Credit or Liquidity Facility or remarketing agreement relating to such Obligations.

Interest Subject to Hedge Agreement. For purposes of computing the Debt Service Requirement under the Indenture with respect to interest on any Obligations to which a Hedge Agreement applies, the following provisions shall apply for any period during which such Hedge Agreement is in effect:

(a) With respect to Obligations bearing interest at a Variable Rate which are subject to a Hedge Agreement providing for floating payments to be made to the Issuer by the hedge provider in exchange for fixed payments to be made to the hedge provider by the Issuer, such Obligations shall be

deemed to bear interest at the fixed rate used to calculate the fixed payments to be made by the Issuer under such Hedge Agreement plus any fees associated with any Credit or Liquidity Facility or Remarketing Agreement relating to such Obligations, provided that (i) the floating rate used to calculate the payments due from the hedge provider under such Hedge Agreement shall be either (A) equal to the actual Variable Rate from time to time applicable to the Obligations, or (B) based on the SIFMA Index or other objective interest rate index which the Issuer has determined is reasonably expected to be comparable to (but not necessarily the same as) the Variable Rate in effect with respect to the Obligations from time to time, and (ii) the floating amounts payable by the hedge provider are to be paid on or prior to each Interest Payment Date for such Bonds;

(b) With respect to Obligations bearing interest at a fixed rate which are subject to a Hedge Agreement providing for fixed payments to be made to the Issuer by the hedge provider in exchange for floating payments to be made to the hedge provider by the Issuer, and provided the fixed amounts payable by the hedge provider are to be paid on or prior to each Interest Payment Date for such Obligations, such Obligations shall be deemed to bear interest at a Variable Rate and the provisions of the Indenture shall apply to the calculation of such interest for purposes of calculating the Debt Service Requirement for such Obligations; provided, however, that such shall not apply to such calculation unless the floating amounts payable by the Issuer under the Hedge Agreement are based on the SIFMA Index; and

(c) With respect to any Obligations subject to a Hedge Agreement for which the interest calculation is not otherwise provided for under clause (a) or (b) above, interest on such Obligations shall be calculated as otherwise provided for in the definition of "Debt Service Requirement" as if such Hedge Agreement were not in effect.

General Covenants of the Issuer

Covenants as to Existence, Maintenance of Properties, Etc. In the Indenture, the Issuer has covenanted:

(a) Except as otherwise expressly provided therein, to preserve its corporate or other separate legal existence and to be qualified to do business and conduct its affairs in each jurisdiction where its ownership of property or the conduct of its business or affairs requires such qualification; and

(b) To do all things reasonably necessary to conduct its affairs and to carry on its business and operations in such manner as to comply with any and all applicable laws of the United States and the several states thereof and to duly observe and conform to all valid orders, regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its property; provided, nevertheless, that nothing therein contained shall require it to comply with, observe and conform to any such law, order, regulation or requirement of any governmental authority so long as the validity thereof or the applicability thereof to it shall be contested in good faith; provided, however, that it need not comply with the Indenture if and to the extent that the Issuer shall have determined, as evidenced by an Officer's Certificate, that such compliance is not in its best interests and that lack of such compliance would not materially impair its ability to pay its Obligations issued or secured under the Indenture when due.

Abrogation of Right to Issue Bonds under 1985 Ordinance. The Issuer abrogates its right to issue any additional revenue bonds under the 1985 Ordinance and closes the lien of the 1985 Ordinance.

Protection of Lien on Trust Estate. The Issuer has good right, full power and lawful authority to grant, bargain and assign, and to transfer in trust, convey and pledge the Trust Estate in the manner and form provided in the Indenture; and, the Issuer forever will warrant and defend the title to the Trust Estate to the Trustee against the claims of all persons whomsoever. The Issuer agrees to take such actions, including any actions reasonably requested by the Trustee, as may be required to perfect or to protect the lien created under the Indenture on the Trust Estate. The Issuer hereby agrees that it shall not create any other lien on the Trust Estate except as created under the Indenture.

Maintenance of Rates. The Issuer, acting by and through the Board of Water Commissioners, has placed into effect a schedule of rates, tolls, fees and charges for the services, facilities and commodities furnished by the System and as often as it shall appear necessary the Issuer, through the Board of Water Commissioners, shall revise and adjust such schedule of rates, tolls, fees and charges for services and facilities to the extent necessary to produce funds sufficient in each fiscal year to

- (a) operate, maintain and repair the System on a sound businesslike basis;
- (b) maintain the Sinking Fund, together with any reserve or other special accounts created in the Sinking Fund, as provided in the Indenture in the amount required to discharge the payment of the principal of and the interest on any Obligations issued under the Indenture as the same become due and payable in the then current sinking fund year and to fully fund and maintain any such reserve or other special accounts created therein.

Notwithstanding the foregoing, in any event the Issuer, acting by and through the Board of Water Commissioners, shall at all times have in effect a schedule of rates, tolls, fees and charges sufficient to produce Net Revenues at least equal to 1.20 times the Principal and Interest Requirement.

The rates, tolls, fees and charges shall be classified in a reasonable manner to cover users of the services and facilities furnished by the System so that as nearly as practicable such rates, fees and charges shall be uniform in application to all users falling within any reasonable class. No free services shall at any time be furnished from the System and the Issuer will undertake within its health powers or such other applicable powers now or hereafter provided by law to require the owners of all improved property abutting any sewerage line to connect with the System. No water customer shall be connected to the System or served by the Issuer without a property water meter having been first installed. All services shall be furnished in accordance with rates now or hereafter established, including services furnished to any county, municipal corporation or other public board of body. Notwithstanding the above limitation in this paragraph, the Issuer, through the Board of Water Commissioners, in the exercise of its reasonable discretion shall have the right to furnish free unmetered water to nonprofit bodies or public bodies.

In the event the Issuer, acting by and through the Board of Water Commissioners, shall fail to adopt a schedule or schedules of rates, tolls, fees and charges, or to revise its schedule or schedules of rates, tolls, fees and charges, in accordance with the provisions of the Indenture, any bondholder, without regard to whether any Event of Default shall have occurred and be continuing, may institute and prosecute in any court of competent jurisdiction, an appropriate action to compel the Board of Water Commissioners to adopt a schedule or schedule of rates, tolls, fees and charges, or to revise its schedule or schedule of rates, tolls, fees and charges in accordance with the requirements of the Indenture or to take any other action permitted by the Indenture.

Maintenance of Insurance. The Issuer, acting by and through the Board of Water Commissioners, (i) will carry comprehensive business automobile liability insurance and property damage liability insurance with per occurrence and aggregate limits that are reasonable and customary for entities of similar size and nature, and (ii) will insure and at all times keep the following properties belonging to the System insured to the full insurable value thereof in a responsible insurance company, or companies, authorized and qualified under the laws of the State of Georgia to assume the risks thereof against loss or damage thereto from the following causes:

- (a) all buildings and all machinery and equipment therein against loss or damage by fire, lightning, tornado or winds; and
- (b) all other property against loss or damage by fire or lightning if the same is not fireproof, and against loss or damage from other causes customarily insured against by entities engaged in similar enterprises.

All such policies shall be for the benefit of and made payable to the Issuer or to the Board of Water Commissioners and shall be on deposit therewith, provided, however, the Issuer may elect to retain any portion of the risk with respect to the insurance required by (i) and (ii) above if such risk retention is fully funded with

monetary reserves dedicated solely to such purposes and adequate coverage to satisfy the insurance required by (i) and (ii) above is provided for required limits in excess of the funded monetary reserves.

The proceeds of all such insurance policies, except the automobile liability policies, property damage liability policies and fidelity bonds, are pledged as security for the outstanding obligations of the Issuer having as their security a lien on and pledge of the revenues of the System, but shall be available for and shall, to the extent necessary and desirable, be applied to the repair and replacement of the damaged or destroyed property, provided that any portion of such proceeds remaining after payment in full of such costs shall be paid into the Sinking Fund, or, if said damaged or destroyed property is not repaired or replaced, all such proceeds shall be paid into the Sinking Fund.

All insurance policies shall be open to the inspection of the Trustee at all reasonable times and upon the written request therefor.

Sale of System. So long as any other Obligations shall be outstanding and unpaid, the Issuer will not encumber the System or any part thereof, and will not sell or otherwise dispose of the System or any integral part thereof, except it may sell the System as a whole, or substantially as a whole, if the proceeds of such sale be at least sufficient to provide for the payment and redemption of all Obligations issued and outstanding and any interest accrued or to accrue thereon, and the proceeds of any such sale to the extent necessary shall be deposited with the Trustee in trust and applied by it to purchase or redeem such outstanding Obligations. Nothing contained in the Indenture, however, shall preclude sale of a part of the System where the sale would not, in the opinion of an Engineering Consultant at the time retained for consultation with respect to the System, in any way adversely affect the Net Revenues of the System, and provided, further, that the proceeds from such sale are used for additions, extensions or improvements to the System, or are paid into the Sinking Fund. Nothing in the Indenture shall preclude the sale of obsolete or damaged parts of the System needing to be replaced due to use in the ordinary course of business.

Events of Default

The term "Event of Default," as used in the Indenture, shall mean the occurrence of any one or more of the following events:

- (i) the Issuer shall fail to make any payment when due under the terms of any Obligation and such failure continues to exist upon the expiration of any applicable grace period;
- (ii) an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver, or receivers, or trustee or trustees of the assets of the Issuer, or of the revenues thereof, or any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors, or for the purpose of adjusting claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable out of the Trust Estate, or if such order or decree, having been entered without the consent and acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after entry thereof, or if such proceeding, having been instituted without the consent or acquiescence of the Issuer, shall not be withdrawn, or any orders entered shall not be vacated, discharged or stayed on appeal, within 60 days after the institution of such proceedings, or the entry of such orders; or
- (iii) the Issuer shall fail in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Obligations or the Indenture, and such failure shall continue for a period of 60 days after written notice to the Issuer from the Trustee or from the Holders of not less than 25% of the principal amount of the Outstanding Obligations, specifying such failure; provided, however, that if such failure cannot be corrected within such 60 day period, no Event of Default shall be deemed to have occurred if the Issuer shall institute corrective action within such 60 day period and diligently pursue it until the failure is corrected.

(b) Upon the occurrence of an Event of Default, then and in each and every such case, the Trustee may, by notice in writing to the Issuer, declare the principal of all (but not less than all) Outstanding Obligations to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Indenture or in such Outstanding Obligations contained to the contrary notwithstanding; provided that the Trustee shall be required to make such a declaration if the Trustee is requested to make such a declaration by the Debt Holders of not less than 25% in aggregate principal amount of all Outstanding Obligations. Upon any such declaration of acceleration, the Trustee shall provide written notice thereof to the Issuer, and to the extent any moneys remain in the Project Fund, such moneys shall be transferred by the Project Fund Custodian to the Sinking Fund for application as provided in the Indenture.

(c) Any declaration of acceleration pursuant to subsection (b) above shall be subject to the condition that if, at any time after the principal of all Outstanding Obligations shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided: (i) the Issuer shall deposit or cause to be deposited with the Trustee an aggregate sum sufficient to pay (1) all sums due under any Obligations, other than by reason of acceleration, and (2) the expenses and fees of the Trustee; and (ii) any and all Events of Default under the Indenture, other than the nonpayment of amounts due on Outstanding Obligations that shall have become due by acceleration, shall have been remedied, then and in every such case, the Trustee shall, if requested by the Debt Holders of 25% in aggregate principal amount of all Obligations then Outstanding, waive all Events of Default and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or affect any subsequent Event of Default.

Upon the continuance of an Event of Default, if so requested by a Majority in principal amount of the Debt Holders and if satisfactory indemnity has been furnished to it, the Trustee shall exercise such of the rights and powers conferred by the Indenture as the Trustee, being advised by Counsel, shall deem most effective to enforce and protect the interests of the Holders.

No remedy under the Indenture is intended to be exclusive, and to the extent permitted by law each remedy shall be cumulative and in addition to any other remedy under the Indenture or now or hereafter existing. No delay or omission to exercise any right or power shall impair such right or power or constitute a waiver of any default or Event of Default or acquiescence therein; and each such right and power may be exercised as often as deemed expedient. No waiver by the Trustee or the Holders of any default or Event of Default shall extend to any subsequent default or Event of Default.

A Majority in principal amount of the Debt Holders shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided that such direction shall be in accordance with applicable law and the Indenture and provided that the Trustee shall be indemnified to its satisfaction.

Payment of Obligations Upon Event of Default. Upon the occurrence of an Event of Default as described above and upon demand of the Trustee, the Issuer will pay to the Trustee, for the benefit of the Holders of all Obligations then Outstanding, (a) the whole amount that then shall have become due and payable on all such Obligations for principal or interest, or both, and such other amounts as may be required to be paid on all such Obligations, with interest upon the overdue principal and installments of interest (to the extent permitted by law) at the respective rates of interest borne by such Obligations or as provided in the applicable Supplemental Indenture, and (b) such further amounts as shall be sufficient to cover the costs and expenses of collection, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and any expenses incurred by the Trustee other than as a result of its gross negligence or bad faith.

Suit for Moneys Due. In case the Issuer shall fail to pay the amounts due under the Indenture upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute

any such action or proceedings to judgment or final decree, and collect in the manner provided by law out of the Trust Estate the moneys adjudged or decreed to be payable.

Proceedings in Bankruptcy. In case there shall be pending proceedings for the bankruptcy or for the reorganization or arrangement of the Issuer under the United States Bankruptcy Code or any other applicable law, or in case a receiver or trustee shall have been appointed for its property, the Trustee, irrespective of whether the payment of Obligations of any series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and unpaid in respect of Obligations of all series, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and of the Holders of the Obligations allowed in such judicial proceedings relative to the Issuer, its creditors or its property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same after the deduction of its charges and expenses. Any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of such Holders to make such payments to the Trustee, and, in the event that the Trustee shall consent to the making of such payments directly to such Holders, to pay to the Trustee any amount due it for compensation and expenses, including counsel fees incurred by it up to the date of such distribution. To the extent that such payment of reasonable compensation, expenses and counsel fees out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a first and prior lien on, and shall be paid out of, any and all distributions, dividends, moneys, securities and other property which the Holders of the Obligations may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Suit by Trustee. All rights of action and rights to assert claims under any Obligation may be enforced by the Trustee without the possession of such Obligation on any trial or other proceedings instituted by the Trustee. In any proceedings brought by the Trustee, the Trustee shall be held to represent all the Holders of Obligations, and it shall not be necessary to make any Holders of Obligations parties to such proceedings.

Application of Moneys Collected. All moneys received by the Trustee pursuant to any right given or action taken under this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances owing to or incurred or made by the Trustee, be deposited in the Sinking Fund and shall be applied as follows:

(a) Unless the principal of all Obligations shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST - To the payment to the persons entitled thereto of all installments of interest then due on the Obligations, in the order of the maturity of the installments of such interest (with interest on overdue installments of such interest, to the extent permitted by law, at the rate of interest borne by the Obligations or the rate for overdue payments provided for in the Supplemental Indenture relating to such Obligations) and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Obligations which shall have become due other than Obligations matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture, (with interest on overdue installments of principal and premium, if any, to the extent permitted by law, at the rate of interest borne by the Obligations or the rate for overdue payments provided for in the Supplemental Indenture relating to such Obligations) and, if the amount available shall not be sufficient to pay in full all Obligations due on any particular date, then to the payment ratably according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD - To the payment to the persons entitled thereto as the same shall become due of the principal of and premium, if any, and interest on the Obligations which may thereafter become due and, if the amount available shall not be sufficient to pay in full Obligations due on any particular date, together with interest

and premium, if any, then due and owing thereon, payment shall be made ratably according to the amount of interest, principal and premium, if any, due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Obligations shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Obligations, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Obligation over any other Obligation, ratably, according to the amounts due, respectively, for principal and interest, to the persons entitled thereto without any discrimination or privilege, with interest on overdue installments of interest or principal, to the extent permitted by law, at the rate of interest borne by the Obligations.

Whenever moneys are to be applied pursuant to the provisions of the Indenture, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue; provided, that upon an acceleration of all Obligations pursuant to this Article, interest shall cease to accrue on the Obligations on and after the date of such acceleration. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder until such Obligation shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Actions by Holders

(a) No Holder of an Obligation shall have any right by virtue of or by availing of any provision of the Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Indenture or for the appointment of a receiver or trustee, or any other remedy under the Indenture, unless (i) the Debt Holders of not less than 25% in aggregate principal amount of Obligations then Outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities which may be incurred therein or thereby, and (ii) the Trustee, for 30 days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding and no direction inconsistent with such written request shall have been given to the Trustee pursuant to the Indenture; it being understood and intended, and being expressly covenanted by the Holder of an Obligation and the Trustee, that no one or more Holders of Obligations shall have any right in any manner whatever by virtue of or by availing of any provision of the Indenture to affect, disturb or prejudice the rights of any other Holder of an Obligation or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under the Indenture, except in the manner provided in the Indenture and for the equal, ratable and common benefit of all Holders of Obligations. For the protection and enforcement of the provisions of the Indenture, each and every Holder of an Obligation and the Trustee shall be entitled to such relief as can be given either at law or in equity.

(b) The Holder of an Obligation instituting a suit, action or proceeding in compliance with the provisions of the Indenture shall be entitled in such suit, action or proceeding to such amounts as shall be sufficient to cover the costs and expenses of collection, including to the extent permitted by applicable law, reasonable compensation of its Counsel.

(c) Notwithstanding any other provision of the Indenture, the right of a Holder of an Obligation to receive payment of the principal of and interest on any Obligation and any other amounts payable thereunder, on or after the respective due dates expressed in such Obligation, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Direction of Proceedings by Holders. The Holders of a majority in aggregate principal amount of Obligations then Outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction if the Trustee, being advised by counsel, determines that the action so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the proceedings so directed would be illegal or subject it to liability, and provided further that nothing in the Indenture shall impair the right of the Trustee in its discretion to take any action deemed proper by the Trustee and which is not inconsistent with such direction by the Holders.

Rights of Debt Holders. If an Event of Default shall have occurred and be continuing, and if requested so to do by the holders of at least twenty-five percent (25%) of the principal amount of the Obligations then Outstanding and indemnified by such requesting Debt Holders, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, upon advice of Counsel if deemed advisable by the Trustee, shall deem most expedient in the interests of the holders making such request.

No delay or failure to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default; such right and power may be exercised from time to time as often as may be deemed expedient.

No waiver of any Event of Default, whether by the Trustee or by the Debt Holders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Delay or Omission of Trustee. No delay or omission of the Trustee, or of any Holder of an Obligation, to exercise any right or power accruing upon an Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, nor shall the action of the Trustee or of the Holders of Obligations in case of any Event of Default, or in case of any Event of Default and subsequent waiver of such Event of Default, affect or impair the rights of the Trustee or of such Holders in respect of any subsequent Event of Default or impair any right resulting therefrom; and every power and remedy given by the Indenture to the Trustee or to such Holders may be exercised from time to time and as often as may be deemed expedient by it or by them.

Remedies Cumulative. No remedy conferred upon or reserved to the Trustee or the Holders of Obligations entitled to the benefits under the Indenture is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Indenture or now or hereafter existing at law or in equity or by statute; and the employment of any remedy under the Indenture, or otherwise, shall not prevent the concurrent employment of any other appropriate remedy or remedies. In the pursuit of any such remedies the Trustee shall have and be vested with the rights of a secured creditor under the Georgia Uniform Commercial Code (or similar laws of other jurisdictions as applicable) with respect to moneys collected by the Trustee pursuant to any provision of the Indenture.

Notice of Default. The Trustee shall, within 10 days after the occurrence of an Event of Default is known to the Trustee, mail to the Issuer and to all Holders of Obligations, as the names and addresses of such Holders appear upon the books maintained by the Trustee, notice of such Event of Default known to the Trustee, unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of an Event of Default specified in the Indenture, the Trustee shall be protected in withholding such notice from the Holders of any Obligations if and so long as the Trustee in good faith determines that the withholding of such notice is in the interest of the Holders of the Obligations. For purposes of the Indenture, matters (other than the failure to make payment of amounts due on Obligations when the same are due and payable) shall not be considered to be known to the Trustee unless an officer of its corporate trust department located at its principal corporate trust office has actual knowledge thereof.

Resignation, Removal and Succession of Trustee

- (a) The Trustee may resign at any time without cause by giving at least 30 days prior written notice to the Issuer and the Board of Water Commissioners and by providing additional notice of such resignation as may be specified in any Supplemental Indentures and by mailing notice of such resignation

to each Holder of an Obligation then Outstanding, as the names and addresses of such Holders appear on the registers maintained by the Trustee. Such resignation shall not be effective until the appointment and acceptance of a successor Trustee.

(b) The Trustee may be removed (1) with cause at the direction of the Holders of not less than a Majority in aggregate principal amount of Obligations then Outstanding, delivered to the Issuer, the Board of Water Commissioners and the Trustee, or (2) provided that no Event of Default has occurred (or any event which, with the passage of time or the giving of notice or both would constitute such an Event of Default), and is continuing, without cause by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer; provided that any such removal shall not be effective until the appointment and acceptance of a successor Trustee under the Indenture.

(c) The successor Trustee shall promptly give notice of any resignation or removal pursuant to the Indenture in writing to each Holder of an Obligation then Outstanding as provided above. In the case of the resignation or removal of the Trustee, a successor Trustee may be appointed by the Issuer, or by the Board of Water Commissioners acting on behalf of the Issuer, as evidenced by an Officer's Certificate from a designated representative of the Issuer designating the successor, unless an Event of Default exists. If an Event of Default exists or if the Issuer otherwise fails to appoint a successor within 30 days after any notice of resignation or direction to remove the Trustee is given, a successor may be appointed at the direction of the Holders of not less than a Majority in aggregate principal amount of Obligations then Outstanding. If a successor Trustee shall not have been appointed within 45 days after such notice of resignation or removal, the Trustee, the Issuer or any Holder of an Obligation then Outstanding may apply to any court of competent jurisdiction to appoint a successor to act until such time, if any, as a successor shall have been appointed as above provided. The successor so appointed by such court shall immediately and without further act be superseded by any successor appointed as above provided.

Acceptance by Successor Trustee. Any successor Trustee, however appointed, shall execute and deliver to its predecessor and to the Issuer an instrument or supplement to the Indenture accepting such appointment, and thereupon such successor, without further act, shall become vested with all the estates, properties, rights, powers and duties of its predecessor in the trusts under the Indenture applicable to it with like effect as if originally named the Trustee; but, nevertheless, upon the written request of such successor Trustee, its predecessor shall execute and deliver an instrument transferring to such successor Trustee, upon the trusts expressed applicable to it, all the estates, properties, rights and powers of such predecessor under the Indenture, and such predecessor shall duly assign, transfer, deliver and pay over to such successor Trustee all moneys or other property then held by such predecessor under the Indenture and assign its rights in the Trust Estate to such successor. Such successor Trustee shall give written notice thereof to the Issuer and the Board of Water Commissioners.

Qualifications of Successor Trustee. Any successor Trustee, however appointed, shall be a bank or trust company having together with its Affiliates a combined capital and surplus on a consolidated basis of at least \$75,000,000, if there be such an institution willing, able and legally qualified to perform the duties of the Trustee upon reasonable or customary terms.

Successor by Merger. Any corporation into which the Trustee may be merged or consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation to which substantially all the business of the trust business of the Trustee may be transferred, shall, subject to the terms of the Indenture, be the Trustee under the Indenture without further act.

Co-Trustees.

(a) At any time, for the purpose of meeting the legal requirements of any applicable jurisdiction, the Trustee shall have power to appoint one or more commercial banks or banks to act as Co-Trustee under the Indenture, with such powers as may be provided in the instrument of appointment and to vest in such bank or banks any property, title, right or power deemed necessary or desirable, subject to the provisions of the Indenture.

(b) Each Co-Trustee shall, to the extent permitted by applicable law, be appointed subject to the following terms:

(i) The rights, powers, duties and obligations conferred or imposed upon any such Co-Trustee shall not be greater than those conferred or imposed upon the Trustee, and such rights and powers shall be exercisable only jointly with the Trustee, except to the extent that, under any law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights and powers shall be exercised by such Co-Trustee subject to the provisions of the Indenture.

(ii) The Trustee may at any time, by an instrument in writing executed by it, accept the resignation of or remove any Co-Trustee appointed under the Indenture.

(iii) No Co-Trustee under the Indenture shall be liable by reason of any act or omission of the Trustee or any other Co-Trustee appointed under the Indenture.

(iv) No power given to such Co-Trustee shall be separately exercised under the Indenture by such Co-Trustee except with the consent in writing of the Trustee.

Supplements and Amendments

Supplemental Indentures without Consent of Holders.

(a) The Issuer and the Trustee, may from time to time and at any time enter into a Supplemental Indenture for one or more of the following purposes:

(i) to provide for the issuance of any Obligations;

(ii) to add to the covenants of the Issuer such further covenants, restrictions or conditions as the Issuer and the Trustee shall consider to be for the protection of the Holders of Obligations issued under the Indenture, and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants, restrictions or conditions an Event of Default under the Indenture permitting the enforcement of all or any of the several remedies provided in the Indenture; provided, however, that in respect of any such additional covenant, restriction or condition, such Supplemental Indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default;

(iii) to cure any ambiguity or to correct or supplement any provision contained in the Indenture or in any Supplemental Indenture which may be defective or inconsistent with any other provision contained in the Indenture or in any Supplemental Indenture, or to make such other provisions in regard to matters or questions arising under the Indenture or any Supplemental Indenture and shall not materially impair the security of the Indenture or adversely affect the interests of the Holders of any particular Obligations or series of Obligations issued under the Indenture;

(iv) to modify or supplement the Indenture in such manner as may be necessary or appropriate to qualify the Indenture under the Trust Indenture Act of 1939, as amended, or under any similar federal statute hereafter enacted, including provisions whereby the Trustee accepts such powers, duties, conditions and restrictions under the Indenture and the Issuer undertakes such covenants, conditions or restrictions additional to those contained in the Indenture as would be necessary or appropriate so to qualify the Indenture;

(v) to provide for the establishment of funds and accounts under the Indenture and for the proper administration of and transfers of moneys between any such funds and accounts, provided that, except as otherwise provided in the Indenture (the section relating to the defeasance of Outstanding Obligations), all such funds and accounts shall be established for the equal and ratable benefit of the Holders of all Outstanding Obligations;

(vi) to permit the issuance of additional forms of Obligations, provided that such Obligations are equally and ratably secured with all other Obligations issued under the Indenture (except as otherwise provided in the Indenture);

(vii) to make changes, modifications, additions or supplements to implement or accommodate any Credit or Liquidity Facility relating to any series of Obligations secured by such Credit or Liquidity Facility or any Hedge Agreement relating to any series of Obligations provided that no such amendment, supplement or modification shall give any preference or priority for the payment of amounts due thereon to the provider of any such Credit or Liquidity Facility or Hedge Agreement above the Holder of any other Obligation, or restrict the ability of the Holders of any other series of Obligations from exercising their rights under the Indenture as to such Obligations;

(viii) to modify, amend, change or remove any covenant, agreement, term or provision of the Indenture provided that such modification, amendment, change or removal does not adversely affect the Debt Holders (other than a modification of the type described in the Indenture requiring the unanimous written consent of the Holders) and provided further that if at the time of the proposed amendment the Obligations are rated by one or more Rating Agencies, written notice of the substance of such proposed amendment is given to such Rating Agencies by the Issuer not fewer than 30 days prior to the date such amendment is to take effect, and the Issuer provides evidence satisfactory to the Trustee that the ratings on the Obligations will not be lowered or withdrawn by such Rating Agencies as a result of such proposed amendment; or

(ix) to add additional property or collateral to the Trust Estate.

Modification of Indenture with Consent of Holders.

(a) With the consent of the Holders of all of the Obligations of not less than a Majority in aggregate principal amount of Obligations then Outstanding under the Indenture, the Issuer and the Trustee may from time to time and at any time enter into a Supplemental Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any Supplemental Indenture or of modifying in any manner the rights of the Holders of Obligations; provided, however, that (i) without the consent of the Holders of all Obligations whose Obligations are proposed to be modified or adversely affected, no such Supplemental Indenture shall effect a change in the times, amounts or currency of payment of the principal of, premium, if any, or interest on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon or permit the preference or priority of any Obligation over any other Obligation, and (ii) without the consent of the Holders of all Obligations then Outstanding, no such Supplemental Indenture shall reduce the percentage or affected class of Obligations, the Holders of which are required to consent to any such Supplemental Indenture.

(b) Upon the request of the Issuer, and upon the filing with the Trustee of evidence of the consent of Holders, the Trustee shall join with the Issuer in the execution of such Supplemental Indenture unless such Supplemental Indenture adversely affects the Trustee's own rights, duties or immunities under the Indenture or otherwise, in which case the Trustee may, in its discretion, but shall not be obligated to, enter into such Supplemental Indenture.

(c) It shall not be necessary for the consent of the Holders under the Indenture to approve the particular form of any proposed Supplemental Indenture or for the Holders of Obligations to consent to such Supplemental Indenture at the same time, but it shall be sufficient if such consent shall approve the substance thereof.

(d) Only Debt Holders are entitled to vote. Other Holders are not entitled to vote, but no Supplemental Indentures shall be executed without the consent of such Holders if such supplement or amendment adversely affects the Holders.

Effect of Supplemental Indenture.

(a) Upon the execution of any Supplemental Indenture, the Indenture shall, with respect to each series of Obligations issued under the Indenture, be deemed to be amended and supplemented in accordance therewith and the respective rights, limitation of rights, obligations, duties and immunities under the Indenture of the Trustee, the Issuer and the Holders of Obligations issued under the Indenture shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such amendments and Supplements, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture.

Satisfaction and Discharge of Indenture

Satisfaction and Discharge of Indenture. If the Trustee receives (a) cash or non-callable Government Obligations, or a combination thereof in an amount sufficient, together with the interest thereon, but without the need for any further reinvestment, to provide for the payment of all Outstanding Obligations to and including the maturity date or prior redemption or prepayment date thereof; (b) irrevocable instructions to redeem all Obligations to be redeemed prior to maturity and to notify the Holders of each such redemption; and (c) an amount sufficient to pay or provide for the payment of the fees and expenses of the Trustee (or an agreement satisfactory to the Trustee providing for the payment thereof), then the lien of the Indenture on the Trust Estate shall be discharged, and the Trustee shall execute all such instruments acknowledging satisfaction of and discharging the Indenture as may be requested by the Issuer and cancelling the lien on the Trust Estate, including the lien on Net Revenues; provided, however, that even though the lien on the Trust Estate shall be discharged, the provisions of the Indenture relating to the registration and transfer of Obligations and the payment of Obligations and other similar provision shall continue unless otherwise provided in an escrow agreement providing for such provisions. The sufficiency of such moneys and non-callable Government Obligations shall be evidenced by a report delivered to and approved by the Trustee by the Issuer from a certified public accountant or firm thereof satisfactory to the Trustee. In like manner, the Issuer may provide for the payment of any particular Obligation (or series or a portion thereof) at or prior to maturity and the Obligation (or series or portion thereof) so provided for shall thereupon cease to be Outstanding.

Application of Funds Deposited for Payment of Obligations. All moneys and Government Obligations deposited with the Trustee pursuant to the Indenture shall be held in trust and applied by it to the payment to the Holders of the specific Obligations for the payment or redemption of which such moneys and Government Obligations have been deposited with the Trustee, and after such deposit such Obligations shall no longer be deemed to be Outstanding under the Indenture (except for the provisions of the Indenture relating to payments, registration of transfer and similar provisions) and shall no longer be secured by a lien on the Trust Estate.

Repayment of Moneys Held by Trustee. Any moneys deposited with the Trustee for the payment of the principal of or interest on Obligations and not applied but remaining unclaimed by the Holders of such Obligations for two years after the date upon which such payment shall have become due, shall, to the extent permitted by applicable law, be repaid to the Issuer by the Trustee on demand; and, upon such repayment, the Holder of any of such Obligations entitled to receive such payment shall look only to the Issuer for the payment thereof; provided that, before being required to make any such repayment, the Trustee may notify the Holders of such unpaid Obligations that said moneys have not been so applied and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to the Issuer. Any such notice shall be given in such manner as may be specified in the applicable Supplemental Indenture and the cost thereof shall be paid by the Issuer.

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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[Letterhead of Bond Counsel]

April 2, 2026

City of Columbus
Columbus, Georgia

\$136,275,000*
COLUMBUS, GEORGIA
WATER AND SEWERAGE
REVENUE BONDS, SERIES 2026

Ladies and Gentlemen:

We have acted as bond counsel to Columbus, Georgia (the “**Issuer**”) in connection with the issuance of its \$136,275,000* Water and Sewerage Revenue Bonds, Series 2026, dated April 2, 2026 (the “**Series 2026 Bonds**”). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to give the opinions below.

The Series 2026 Bonds are issued pursuant to the Revenue Bond Law, Ga. Code Ann. § 36-82-60 et seq., as amended, and a Trust Indenture, dated as of February 1, 2012 (the “**Original Indenture**”), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”), as supplemented by various supplemental indentures, including the Seventh Supplemental Trust Indenture, dated as of April 1, 2026 (the “**Seventh Supplemental Trust Indenture**” and together with the Original Indenture as so supplemented, the “**Indenture**”), by and between the Issuer and the Trustee. Under the Indenture, the Issuer has pledged the net revenues (the “**Net Revenues**”) derived from the operation of the Issuer’s water and sewerage system for the payment of the principal of, premium (if any), and interest on the Series 2026 Bonds when due.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer contained in the Indenture, and on the certified proceedings and other certifications of representatives of the Issuer and certifications of others furnished to us without undertaking to verify them by independent investigation. As to certain matters of law material to the opinions below, we also have relied upon certifications of public officials, which we have assumed to be properly given and accurate.

Based on the foregoing, we are of the opinion that:

1. The Issuer is validly existing as a political subdivision of the State of Georgia with the power to enter into the Indenture, perform the agreements on its part contained therein, and issue the Series 2026 Bonds.
2. The Indenture has been duly approved by the Issuer and constitutes a valid and binding agreement of the Issuer.

*Preliminary; subject to change.

3. The Indenture creates a valid lien on the Net Revenues and other funds pledged by the Indenture for the security of the Series 2026 Bonds on a parity with other bonds issued or to be issued under the Indenture.

4. The Series 2026 Bonds have been duly authorized and executed by the Issuer and are valid and binding limited obligations of the Issuer, payable solely from the Net Revenues and other funds provided therefor in the Indenture.

5. Interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2026 Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2026 Bonds.

6. In the opinion of Bond Counsel, under existing statutes, interest on the Series 2026 Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Series 2026 Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia under applicable state or local laws. Purchasers of the Series 2026 Bonds should consult their tax advisors as to the taxable status of the Series 2026 Bonds in a particular state or local jurisdiction other than the State of Georgia.

The opinions expressed in this opinion letter are subject to the following:

The rights of the owners of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors’ rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of statements made in connection with any offer or sale of the Series 2026 Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2026 Bonds, except those specifically addressed herein, or upon any federal or state law with respect to the sale or distribution of the Series 2026 Bonds.

In rendering this opinion letter, we have acted as bond counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2026 Bonds under the laws of the State of Georgia and with respect to the excludability of the interest on the Series 2026 Bonds from federal and State of Georgia income taxation.

Columbus, Georgia

April 2, 2026

Page 3

We represent only the Issuer in connection with the issuance and delivery of the Series 2026 Bonds. This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings, and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. This opinion is given as the date hereof, and we expressly disclaim any undertaking or responsibility to review, revise, update or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Very truly yours,

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “**Disclosure Agreement**”) is executed and delivered by Columbus, Georgia (“**Columbus**”) and the Board of Water Commissioners of Columbus, Georgia (the “**Water Board**”), in connection with the issuance of \$136,275,000* in aggregate principal amount of Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2026 (the “**Bonds**”). The Bonds are payable solely from the Net Revenues (as defined in the Indenture hereinafter described). Columbus and the Water Board hereby covenant and agree as follows:

SECTION 1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by Columbus and the Water Board for the benefit of the Bondholders (as herein defined) and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined). The contents of the Annual Report (as hereinafter defined) and the categories of financial and operating data of the Water Board to be presented in the Annual Report, as such information is presented in the Official Statement (as herein defined) relating to the Bonds, will be provided by the Water Board as set forth in Sections 3 and 4 of this Disclosure Agreement.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized terms used in this Disclosure Agreement unless otherwise defined in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Water Board pursuant to the Rule and as described in Sections 3 and 4 of this Disclosure Agreement.

“Bondholders” means the beneficial owners of the Bonds.

“Columbus” means Columbus, Georgia, a consolidated city-county government of the State of Georgia.

“Dissemination Agent” shall mean the Water Board, or any successor Dissemination Agent designated in writing by Columbus or the Water Board and which has filed with Columbus and the Water Board written acceptance of such designation.

“EMMA” shall mean the Electronic Municipal Market Access System which became effective July 1, 2009, and which receives electronic submissions of the Annual Report on the EMMA website at <http://www.emma.msrb.org>.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the Water Board as its fiscal year for financial reporting purposes and shall initially mean the period beginning on June 26 of each calendar year and ending on June 25 of the next calendar year.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Agreement.

“Indenture” shall mean the Trust Indenture, dated as of February 1, 2012, between Columbus and U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”), as

*Preliminary; subject to change.

supplemented, including the Seventh Supplemental Trust Indenture, dated as of April 1, 2026, between Columbus and the Trustee.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor, thereto.

“Official Statement” shall mean the Official Statement relating to the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Georgia.

“System” shall mean Columbus's water and sewerage system.

SECTION 3. Provision of Annual Reports.

(a) Not later than December 31 of each year, or such later date as may be permitted by the Rule, commencing with December 31, 2026, the Water Board shall, or shall cause the Dissemination Agent to, provide to EMMA the Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Report may be submitted as a single document, or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Agreement. The Water Board may cause its respective Annual Comprehensive Financial Report (formerly known as a Comprehensive Annual Financial Report) (“ACFR”) to be filed as part of the Annual Report as long as the ACFR is consistent with the requirements of Section 4 of this Disclosure Agreement. Notwithstanding the foregoing, the audited financial statements of the Water Board may be submitted separately from the balance of the Annual Report when such audited financial statements are available. In the event that the audited financial statements are not included in the Annual Report and will be submitted at a later date, the audited financial statements when available will be provided to EMMA.

(b) The Water Board shall, or shall cause the Dissemination Agent to, also:

- (i) determine each year prior to the date for providing the Annual Report, the name and website address of EMMA;
- (ii) if the Annual Report (or audited financial statements which were to be separately submitted) is not filed in accordance with subsection (a) above, send in a timely manner a notice to EMMA relating to such failure and stating when such Annual Reports will be filed; and

- (iii) provide written confirmation to Columbus (which may be in electronic format) that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date that it was provided to EMMA.

SECTION 4. Content of the Annual Report. The Annual Report shall be in an electronic format as prescribed by the MSRB and shall contain or incorporate by reference the following:

(a) The audited basic financial statements of the Water Board, for the prior fiscal year, prepared in accordance with generally applicable accounting principles as applicable to governmental entities from time to time by the Governmental Accounting Standards Board. The Water Board may use its ACFR to comply with its obligation under this requirement. Such audited financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally acceptable accounting principles.

(b) If the Fiscal Year has changed, a statement indicating the new Fiscal Year.

(c) The quantitative information for the preceding Fiscal Year provided in tables in the Official Statement under the headings “THE WATER AND SEWERAGE SYSTEM — Facilities,” “— Rates for Water and Sanitary Sewer Service,” “— Water Base Monthly Charges Per Meter Size,” “— Water Volume Charges,” “— Water System Connection Charges,” “— Sewer Charges,” “— Sewer-Industrial Volume Charge,” “— Sewer Tap Connection Charges,” “— Garbage Fees (billed on behalf of City of Columbus),” “— Service Charges,” “— Fire Service Charges,” “—Monthly Combined Sewer Overflow Treatment Operation and Maintenance Rate Schedule,” “— Sewer Availability Fees (Impact Fees),” “— Water System Operating Data” and “— Largest Water Users” (the foregoing to be provided by the Water Board, either in its ACFR or separately).

Any or all of the items listed above may be incorporated by reference from other documents, which have been filed in accordance with the Rule and the other rules of the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Water Board shall, or shall cause the Dissemination Agent to, clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events. The Water Board shall, or shall cause the Dissemination Agent to, give, or cause to be given, notice to EMMA, in an electronic format as prescribed by the MSRB, of the occurrence of any of the following events with respect to the Bonds within ten business days of the occurrence of the event:

- (a) Principal and interest payment delinquencies;
- (b) Nonpayment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;

- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5071-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to rights of the holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of Columbus or the Water Board¹;
- (m) The consummation of a merger, consolidation, or acquisition involving Columbus or the Water Board or the sale of all or substantially all of the assets of the Water Board, other than in the ordinary course of business, or the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) The incurrence of a Financial Obligation of the Water Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Water Board, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other, similar events under the terms of a Financial Obligation of the Water Board, any of which reflect financial difficulties.

For the purposes of the events described in items (o) and (p), the term “Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection

¹ For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

SECTION 6. Termination of Reporting Obligation. The obligations of Columbus and the Water Board under this Disclosure Agreement shall terminate upon the defeasance (within the meaning of the Rule), prior redemption or payment in full of all of the Bonds.

SECTION 7. Dissemination Agent. Columbus or the Water Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Water Board shall be the Dissemination Agent. The initial Dissemination Agent shall be the Water Board.

SECTION 8. Amendment. This Disclosure Agreement may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to Columbus and the Water Board to the effect that the amendment does not violate the provisions of the Rule.

Notwithstanding any other provision of this Disclosure Certificate, Columbus and the Water Board may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent Columbus or the Water Board from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If Columbus or the Water Board chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, Columbus or the Water Board, as applicable, shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of Columbus or the Water Board, as applicable, to comply with any provision of this Disclosure Agreement, the Participating Underwriter or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause Columbus or the Water Board, as applicable, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a “default” or an “event of default” under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance. The cost to

Columbus and the Water Board of performing its obligations under the provisions of this Disclosure Agreement shall be paid solely from funds lawfully available for such purpose.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and Columbus and the Water Board agree to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The Dissemination Agent may consult with counsel (who may, but need-not, be counsel for any party hereto), and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The obligations of Columbus and the Water Board under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of Columbus, the Water Board, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. Intermediaries; Expenses. The Dissemination Agent is hereby authorized to employ intermediaries to carry out its obligations hereunder. The Dissemination Agent shall be reimbursed immediately for all such expenses and any other reasonable expense incurred hereunder (including, but not limited to, attorney's fees).

SECTION 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 16. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

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Date: April 2, 2026.

BOARD OF WATER COMMISSIONERS OF
COLUMBUS, GEORGIA

(SEAL)

By: _____
President

Attest:

By: _____
Chief of Finance

(Signature page to Continuing Disclosure Agreement)

Date: April 2, 2026.

CITY OF COLUMBUS, GEORGIA

(SEAL)

By: _____
Mayor

Attest:

By: _____
Clerk

(Signature page to Continuing Disclosure Agreement)

APPENDIX F

BOOK-ENTRY SYSTEM OF REGISTRATION

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APPENDIX F

BOOK-ENTRY SYSTEM OF REGISTRATION

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtcc.org.

Purchases of the Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Series 2026 Bonds representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry only system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents relating to the Series 2026 Bonds. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain

and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified by a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Columbus to the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC the Trustee or Columbus, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or Columbus, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2026 Bonds purchased or tendered, through its Participant, to the Trustee, and shall affect delivery of such Series 2026 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2026 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2026 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2026 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2026 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to Columbus or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026 Bonds are required to be printed and delivered.

Columbus may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2026 Bonds will be printed and delivered to DTC.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT COLUMBUS AND THE UNDERWRITER BELIEVE TO BE RELIABLE, BUT COLUMBUS AND THE UNDERWRITER TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF. NEITHER COLUMBUS, THE TRUSTEE, NOR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (ii) THE PAYMENT BY DTC OR BY ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OR REDEMPTION OR PURCHASE PRICE OF, INTEREST ON, ANY SERIES 2026 BONDS; (iii) THE DELIVERY OF ANY NOTICE BY DTC OR ANY PARTICIPANT; (iv) THE SELECTION OF THE PARTICIPANTS OR THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2026 BONDS; OR (v) ANY CONSENT GIVEN OR ANY OTHER ACTION TAKEN BY DTC OR ANY PARTICIPANT.

So long as Cede & Co. is the registered owner of the Series 2026 Bonds, as nominee for DTC, reference herein to the registered owners of the Series 2026 Bonds (other than under the heading "LEGAL MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2026 Bonds.

Beneficial Owners of the Series 2026 Bonds may experience some delay in their receipt of distributions of principal and interest on the Series 2026 Bonds since such distributions will be forwarded by the Trustee to DTC and DTC will credit such distributions to the accounts of Direct Participants which will thereafter credit them to the accounts of Beneficial Owners either directly or indirectly through Indirect Participants.

Issuance of the Series 2026 Bonds in book-entry form may reduce the liquidity of the Series 2026 Bonds in the secondary trading market since investors may be unwilling to purchase Series 2026 Bonds for which they cannot obtain physical certificates. In addition, since transactions in the Series 2026 Bonds can be effected only through DTC, Direct Participants, Indirect Participants, and certain banks, the ability of a Beneficial Owner to pledge Series 2026 Bonds to persons or entities that do not participate in the DTC, or otherwise to take action in respect of such Series 2026 Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will not be recognized by the Trustee as registered owners for purposes of the Indenture, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and the Direct or Indirect Participants.

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APPENDIX G

FINANCIAL FEASIBILITY EVALUATION OF RAFTELIS FINANCIAL CONSULTANTS, INC.

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COLUMBUS, GEORGIA

Financial Feasibility Evaluation of Proposed Water and Sewerage Revenue Bonds, Series 2026



Report for the Preliminary
Official Statement

March 17, 2026

**EVALUATION BY FINANCIAL FEASIBILITY CONSULTANTS
COLUMBUS, GEORGIA
WATER AND SEWERAGE REVENUE BONDS, SERIES 2026**

We have evaluated the accompanying Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage (the “Forecast Statement”) for the Columbus, Georgia water and sewerage system (the “Columbus Water Works or CWW”) for the current fiscal year ending June 25, 2026 and four subsequent fiscal years ending June 25, 2027 through June 25, 2030 (collectively, the “Forecast Period”) with respect to the proposed Water and Sewerage Revenue Bonds, Series 2026 (“Series 2026 Bonds”). Our evaluation was conducted in accordance with guidelines for the water and sewer industry and included such procedures as we considered necessary to evaluate the assumptions of Columbus.

The primary purpose of the Series 2026 Bonds is to fund the construction of infrastructure improvements including PFAS treatment system, sewer system upgrades, tank rehabilitation, and facility improvements. A portion of the Series 2026 Bonds will be used to refund the outstanding Water and Sewerage Revenue Bonds, Series 2014A and the Water and Sewerage Revenue Bonds, Series 2016.

In evaluating the financial feasibility of CWW and associated bond issuance, those assumptions that we believe are most significant include:

- Projected operating costs for providing water and sewer services to meet demand during the Forecast Period;
- Projected growth in customers and demand for water and sewer services, and the resulting impact on forecast revenues during the Forecast Period;
- Projected water and sewer rate adjustments during the Forecast Period; and,
- Projected future debt issues and the timing of additional debt service payments to meet capital investment needs.

The accompanying Forecast Statement is presented on a cash basis to be consistent with the Board of Water Commissioner’s budgeting process for CWW, and the specific requirements of the coverage tests in Columbus’s Trust Indenture dated as of February 1, 2012 (the “Trust Indenture”). The Forecast Statement, together with the Summary of Significant Forecast Assumptions, which is included as an integral part of the forecast, constitutes the “Feasibility Evaluation” for the proposed capital projects and bond financing.

In our opinion, the accompanying Forecast Statement is presented in conformity with industry guidelines for presentation of a forecast, and the underlying assumptions provide a reasonable basis for the forecast. Based upon the assumptions in our report, the projected revenues provide adequate funds to maintain strong debt service coverage ratios during the Forecast Period for the issuance of the Series 2026 Bonds. However, there will be differences between the forecast and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Raftelis Financial Consultants, Inc.

Charlotte, North Carolina
March 17, 2026

By: Joseph F Crea
Senior Vice President

Scott Hadler
Senior Consultant

Columbus Water Works, Georgia
Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage
For the Fiscal Years Ending June 25th

	<u>2021</u> (Actual)	<u>2022</u> (Actual)	<u>2023</u> (Actual)	<u>2024</u> (Actual)	<u>2025</u> (Actual)
Operating Revenues					
Water User Charges (1)	\$ 28,187,697	\$ 29,760,226	\$ 31,604,000	\$ 33,573,228	\$ 36,941,190
Sewer User Charges (1)	28,679,338	30,451,524	31,626,838	33,636,754	36,328,201
Fort Benning Contract Revenues (2)	15,602,535	15,984,885	17,027,349	17,581,531	17,915,128
Other Operating Revenues (3)	<u>3,453,691</u>	<u>4,233,532</u>	<u>4,835,622</u>	<u>5,435,347</u>	<u>5,281,516</u>
Subtotal: Operating Revenues	\$ 75,923,261	\$ 80,430,167	\$ 85,093,809	\$ 90,226,860	\$ 96,466,035
Operating Expenses					
Water and Wastewater Operating Expenses (4)	\$ (47,820,363)	\$ (45,809,773)	\$ (54,094,901)	\$ (56,736,379)	\$ (57,576,873)
Nonoperating Revenues (Expenses)					
Investment Earnings	\$ 365,895	\$ 67,351	\$ 1,141,709	\$ 3,173,667	\$ 3,184,850
Interest Expense (5)	(5,765,491)	(5,563,589)	(4,951,225)	(4,362,303)	(3,940,343)
Other Non-Operating Revenue (6)	<u>7,566,368</u>	<u>5,799,158</u>	<u>7,150,584</u>	<u>6,878,913</u>	<u>983,136</u>
Subtotal: Nonoperating Revenues (Expenses)	\$ 2,166,772	\$ 302,920	\$ 3,341,068	\$ 5,690,277	\$ 227,643
Income Before Transfers and Capital Contributions	\$ 30,269,670	\$ 34,923,314	\$ 34,339,976	\$ 39,180,758	\$ 39,116,805
Adjustments					
Plus: Interest Expense (7)	<u>5,765,491</u>	<u>5,563,589</u>	<u>4,951,225</u>	<u>4,362,303</u>	<u>3,940,343</u>
A Net Revenues	\$ 36,035,161	\$ 40,486,903	\$ 39,291,201	\$ 43,543,061	\$ 43,057,148
Parity Indebtedness					
Existing Parity Indebtedness	\$ (17,958,378)	\$ (17,212,676)	\$ (17,202,001)	\$ (17,211,876)	\$ (15,887,526)
B Subtotal: Revenue Bond Indebtedness	\$ (17,958,378)	\$ (17,212,676)	\$ (17,202,001)	\$ (17,211,876)	\$ (15,887,526)
Debt Service Coverage - Parity Indebtedness					
Calculated Using Net Revenues (A/B)	2.01	2.35	2.28	2.53	2.71
C Net Revenues Available for Subordinate and Other Indebtedness (A-B)	\$ 18,076,783	\$ 23,274,227	\$ 22,089,200	\$ 26,331,185	\$ 27,169,622
Subordinated and Other Indebtedness					
Subordinated Indebtedness	\$ (2,566,493)	\$ (2,566,493)	\$ (2,566,493)	\$ (2,566,493)	\$ (2,791,524)
Other Indebtedness	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
D Subtotal: Subordinated and Other Indebtedness	\$ (2,566,493)	\$ (2,566,493)	\$ (2,566,493)	\$ (2,566,493)	\$ (2,791,524)
E Total Debt Service: Parity Indebtedness plus Subordinated and Other Indebtedness	\$ (20,524,871)	\$ (19,779,169)	\$ (19,768,494)	\$ (19,778,369)	\$ (18,679,049)
Debt Service Coverage - Total Debt					
Calculated Using Net Revenues (A/E)	1.76	2.05	1.99	2.20	2.31
Net Revenues After Total Debt	\$ 15,510,290	\$ 20,707,735	\$ 19,522,708	\$ 23,764,693	\$ 24,378,099
Other Expenditures and Transfers					
PA YGO Capital and Accrual Adjustments (8)	\$ (4,451,504)	\$ (10,433,069)	\$ (22,122,923)	\$ (11,981,026)	\$ (21,503,134)
City of Columbus Participation (9)	(4,056,813)	(4,221,858)	(4,534,734)	(4,741,718)	(5,093,219)
Bank Merchant / Trustee Fees	(334,000)	(334,000)	(334,000)	(334,000)	(334,000)
Reserve Contributions / Transfers	<u>-</u>	<u>(187,337)</u>	<u>(175,000)</u>	<u>(168,010)</u>	<u>(121,821)</u>
Subtotal: Other Expenditures and Transfers	\$ (8,842,317)	\$ (15,176,264)	\$ (27,166,657)	\$ (17,224,754)	\$ (27,052,174)
Surplus Revenues Remaining After Expenditures and Transfers	\$ 6,667,973	\$ 5,531,471	\$ (7,643,950)	\$ 6,539,939	\$ (2,674,075)
Beginning Balance - Cash and Cash Equivalents	\$ 39,035,091	\$ 45,703,064	\$ 51,234,534	\$ 43,590,585	\$ 50,130,523
Ending Balance - Cash and Cash Equivalents	\$ 45,703,064	\$ 51,234,534	\$ 43,590,585	\$ 50,130,523	\$ 47,456,448

Notes to the Historical Statement:

- (1) User Charges includes monthly base charge revenue and volumetric revenues from the sale of water and sewer for all customer classes, excluding Fort Benning contract revenues. See Explanatory Notes 8 and 9 for more information.
- (2) Reflects the revenues collected from Fort Benning.
- (3) Other operating revenues include revenues from water taps and system development charges, CSO fees, and miscellaneous operating revenues. The payment received from Ft. Benning to cover the cost of the Series 2009 Bonds is also included (FY2024 was the final year of repayment on the bonds and reimbursement from Ft. Benning). See Explanatory Note 9 for more information.
- (4) See Explanatory Note 7 for more information on System operating expenses.
- (5) Interest expense is the summation of annual interest payments for all outstanding Bonds, SRF loans (Subordinate Indebtedness), and installment purchase loans (Other Indebtedness).
- (6) Other Non-Operating Revenue includes income from the Fort Benning 2009 debt financing contract, miscellaneous revenues, and gain/loss on disposal of assets.
- (7) Consistent with the Trust Indenture, certain expenses are added back in to determine Net Revenues.
- (8) Represents capital projects funded with cash from user rates and charges and/or capital reserves.
- (9) The Trust Indenture requires CWW to pay the City of Columbus a monthly Participation Fee equal to 6% of net metered charges collected from customers. It is deposited into a Participation Fund and the payment is subordinate to senior bond debt service but senior to any discretionary distributions.

Columbus Water Works, Georgia
Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage
For the Fiscal Years Ending June 25th

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
	(Projected)	(Projected)	(Projected)	(Projected)	(Projected)
Operating Revenues					
Water User Charges (1)	\$ 37,888,120	\$ 39,655,682	\$ 41,847,775	\$ 43,824,390	\$ 46,007,875
Sewer User Charges (1)	41,155,916	47,007,796	53,285,577	60,753,850	68,063,960
Fort Benning Contract Revenues (2)	18,649,049	19,251,312	24,449,612	25,763,886	26,459,628
Other Operating Revenues (3)	<u>3,478,025</u>	<u>3,637,898</u>	<u>3,804,753</u>	<u>3,980,908</u>	<u>4,166,068</u>
Subtotal: Operating Revenues	\$ 101,171,110	\$ 109,552,688	\$ 123,387,717	\$ 134,323,034	\$ 144,697,532
Operating Expenses					
Water and Wastewater Operating Expenses (4)	\$ (63,192,570)	\$ (65,921,637)	\$ (68,713,910)	\$ (71,496,840)	\$ (74,411,320)
Nonoperating Revenues (Expenses)					
Investment Earnings (5)	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100
Interest Expense (6)	(1,262,322)	(8,476,638)	(7,497,926)	(7,021,775)	(6,564,601)
Other Non-Operating Revenue (7)	<u>2,828,140</u>	<u>2,855,370</u>	<u>2,882,870</u>	<u>2,910,650</u>	<u>2,938,700</u>
Subtotal: Nonoperating Revenues (Expenses)	\$ 5,170,918	\$ (2,016,168)	\$ (1,009,956)	\$ (506,025)	\$ (20,801)
Income Before Transfers and Capital Contributions	\$ 43,149,458	\$ 41,614,883	\$ 53,663,851	\$ 62,320,169	\$ 70,265,411
Adjustments					
Plus: Interest Expense (8)	<u>1,262,322</u>	<u>8,476,638</u>	<u>7,497,926</u>	<u>7,021,775</u>	<u>6,564,601</u>
A Net Revenues	\$ 44,411,780	\$ 50,091,521	\$ 61,161,777	\$ 69,341,944	\$ 76,830,012
Parity Indebtedness					
Existing Parity Indebtedness	\$ (14,523,422)	\$ (8,314,805)	\$ (8,309,776)	\$ (10,062,625)	\$ (10,061,701)
Proposed Series 2026 Bonds (9)	-	(12,451,683)	(12,453,000)	(10,704,000)	(10,702,750)
Forecasted 2028 Bonds (10)	-	-	-	(1,846,800)	(1,846,800)
FB PFAS Improvements (11)	-	-	(4,040,670)	(4,040,670)	(4,040,670)
WWTP Rebuild (Draw Program) (12)	<u>-</u>	<u>(3,075,000)</u>	<u>(9,378,750)</u>	<u>(19,248,376)</u>	<u>(25,871,253)</u>
B Subtotal: Revenue Bond Indebtedness (13)	\$ (14,523,422)	\$ (23,841,488)	\$ (34,182,195)	\$ (45,902,471)	\$ (52,523,174)
Debt Service Coverage - Parity Indebtedness					
Calculated Using Net Revenues (A/B)	3.06	2.10	1.79	1.51	1.46
C Net Revenues Available for Subordinate and Other Indebtedness (A-B)	\$ 29,888,358	\$ 26,250,033	\$ 26,979,582	\$ 23,439,473	\$ 24,306,838
Subordinated and Other Indebtedness					
Subordinated Indebtedness (14)	\$ (3,016,554)	\$ (7,764,885)	\$ (7,633,823)	\$ (6,816,919)	\$ (5,517,583)
Other Indebtedness (14)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
D Subtotal: Subordinated and Other Indebtedness	\$ (3,016,554)	\$ (7,764,885)	\$ (7,633,823)	\$ (6,816,919)	\$ (5,517,583)
E Total Debt Service: Parity Indebtedness plus Subordinated and Other Indebtedness	\$ (17,539,976)	\$ (31,606,373)	\$ (41,816,019)	\$ (52,719,389)	\$ (58,040,757)
Debt Service Coverage - Total Debt					
Calculated Using Net Revenues (A/E)	2.53	1.58	1.46	1.32	1.32
Net Revenues After Total Debt	\$ 26,871,804	\$ 18,485,148	\$ 19,345,758	\$ 16,622,554	\$ 18,789,254
Other Expenditures and Transfers					
PAYGO Capital and Accrual Adjustments (15)	\$ (18,351,140)	\$ (21,241,050)	\$ (9,017,925)	\$ (9,096,722)	\$ (9,177,489)
City of Columbus Participation (16)	(4,999,958)	(6,043,360)	(6,561,410)	(7,195,550)	(7,795,120)
Bank Merchant / Trustee Fees	(334,000)	(334,000)	(334,000)	(334,000)	(334,000)
Reserve Contributions / Transfers	<u>(121,820)</u>	<u>(121,820)</u>	<u>(121,820)</u>	<u>(121,820)</u>	<u>(121,820)</u>
Subtotal: Other Expenditures and Transfers	\$ (23,806,918)	\$ (27,740,230)	\$ (16,035,155)	\$ (16,748,092)	\$ (17,428,429)
Surplus Revenues Remaining After Expenditures and Transfers	\$ 3,064,886	\$ (9,255,082)	\$ 3,310,603	\$ (125,538)	\$ 1,360,826
Begginning Balance - Cash and Cash Equivalents (17)	\$ 42,507,133	\$ 45,572,019	\$ 36,316,936	\$ 39,627,540	\$ 39,502,002
Ending Balance - Cash and Cash Equivalents	\$ 45,572,019	\$ 36,316,936	\$ 39,627,540	\$ 39,502,002	\$ 40,862,828

Notes to the Forecast Statement

1. Reflects the Water and Sewer User Charges applied to customers. These amounts include revenues from monthly base charges and volumetric rates from the sale of water and treatment of sewer for all the System's customer classes, except for the Fort Benning contract revenues. Rates and charges for all customers are increasing over the Forecast Period due to forecast rate adjustments in each year through FY 2030 on System customer rates. Growth in the number of customer accounts or water and sewer billable consumption is included in the projection of revenues for this forecast. Refer to Explanatory Notes 4, 8, and 9 for more information.
2. Reflects the revenues collected from Fort Benning. CWW operates Fort Benning's internal infrastructure under a long-term operating agreement that includes a 50-year fixed price.
3. Other operating revenues include revenues from water taps and system development charges, CSO fees, and miscellaneous operating revenues. See Explanatory Note 9 for more information.
4. See Explanatory Note 7 for more information on System operating expenses.
5. Investment earnings are based on FY 2025 amount and projected to remain consistent throughout the forecast.
6. Interest Expense is the summation of annual interest payments for all outstanding revenue Bonds, SRF loans (Subordinate Indebtedness), and installment purchase loans (Other Indebtedness).
7. Other Non-Operating Revenue includes income from miscellaneous water and sewer fees.
8. Consistent with the Trust Indenture, certain expenses are added back in to determine Net Revenues.
9. The proposed Series 2026 Bonds, based on preliminary pricing provided by the underwriter, assumes a par amount of \$136.53 million, an estimated interest rate of 4.00% for the new money with a 30-year amortization and a 2.65% interest rate for the refunding with a 10-year amortization. See Explanatory Note 6 for more information.
10. An anticipated \$42 million revenue bond in FY 2028, based on a fixed 5.0% interest rate amortization for 30 years to fund the FY2028-2029 Master Plan program. See Explanatory Note 6 for more information.
11. An anticipated \$61.5 million revenue bond in FY 2027, based on a fixed 5.0% interest rate amortization for 30 years to fund PFAS improvements to the Fort Benning system. Columbus will be reimbursed for the debt service related to this project (included an allowance for debt coverage) from Ft. Benning through a future contract modification. See Explanatory Note 6 for more information.
12. CWW anticipates leveraging a commercial paper program to finance the investments. The total cost of the WWTP project is estimated to be \$650 million with costs for design engineering beginning in FY 2027 and construction beginning in FY2028. Construction and post-construction activities are expected to continue through FY2032. The Forecast assumes annual draws will have a 4.0% interest rate. Long-term financing of the draws is forecast with a 4.5% interest rate and a 40-year term.
13. The Trust Indenture defines Principal and Interest Requirements to be payments made to the Bond Sinking Fund based on a May 2 to May 1 sinking fund year. The amounts shown in this forecast statement are aligned with the CWW fiscal year and may differ slightly based on this definition.
14. See Explanatory Note 6 for more information.
15. Represents capital projects funded with cash from user rates and charges and/or capital reserves. See Explanatory Note 6 for more information.
16. The Trust Indenture requires CWW to pay the City of Columbus a monthly Participation Fee equal to 6% of net metered charges collected from customers. It is deposited into a Participation Fund and the payment is subordinate to senior bond debt service but senior to any discretionary distributions.
17. Excludes the Fort Benning operating and capital reserves.

COLUMBUS WATER WORKS
SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
EXPLANATORY NOTES

FOR THE FIVE FISCAL YEARS ENDING
JUNE 25, 2026 THROUGH JUNE 25, 2030

1. Basis of Presentation

Raftelis Financial Consultants, Inc. (“Raftelis”) has been engaged by the Water Works of Columbus, Georgia (CWW) to evaluate the financial feasibility of proposed improvements to its water and sewerage utility systems (the “System”). The opinion letter to Columbus is based upon the Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage (the “Forecast Statement”) and this Summary of Significant Forecast Assumptions (taken together, the “Feasibility Evaluation”) which presents, to the best of Raftelis’ knowledge and belief based upon available information provided by Columbus Water Works, the expected revenue, expenses, debt service, and debt service coverage for the System during the Forecast Period (as defined below).

All schedules in the Feasibility Evaluation have been presented in accordance with CWW’s annual accounting cycle, based upon its fiscal year beginning June 26 and ending June 25 (“Fiscal Year” or “FY”). Accordingly, the forecast reflects CWW’s judgement as of February 26, 2026, the date of this forecast, of the expected conditions and CWW’s expected course of action during each of the five fiscal years ending June 25, 2026, through June 25, 2030 (the “Forecast Period”).

The Feasibility Evaluation has been included as a part of the Official Statement for the Columbus, Georgia Water and Sewerage Revenue Bonds, Series 2026 (“Series 2026 Bonds”), to be issued under the Trust Indenture. This Feasibility Evaluation focuses on evaluating the impact of the Series 2026 Bonds, the proceeds of which will be used to finance the construction of infrastructure improvements including PFAS treatment system, sewer system upgrades, tank rehabilitation, and facility improvements. A portion of the Series 2026 Bonds will be used to refund the outstanding Water and Sewerage Revenue Bonds, Series 2014A and Water and Sewerage Revenue Bonds, Series 2016. CWW plans to request the issuance of additional revenue bonds, secure additional state revolving fund (“SRF”) loans, use cash generated from user rates and charges, and existing reserves to fund additional capital needs of the System during the Forecast period.

The Feasibility Evaluation is based upon cost, operating, demographic and other relevant information provided by Columbus and CWW and the Series 2026 Bonds debt service schedules provided to CWW by its Municipal Advisor, Terminus Municipal Advisors. Unless otherwise noted, the Feasibility Evaluation is presented in conformity with the methodology for calculating debt service coverage for the Series 2026 Bonds as set forth in the Trust Indenture. Capitalized terms used herein and not otherwise defined shall have meanings ascribed to such terms in the Trust Indenture. The assumptions disclosed herein are those that CWW believes are significant to the forecast. There will be differences between forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The Trust Indenture outlines several requirements for rates and charges in Section 6.4 – Maintenance of Rates (the “Rate Covenant”), which are as follows:

Issuer, through the Board of Water Commissioners, shall revise and adjust such schedule of rates, tolls, fees and charges for services and facilities to the extent necessary to produce funds sufficient in each fiscal year to

(a) operating, maintain and repair the System on a sound businesslike basis;

(b) maintain the “Sinking Fund” created under the 1985 Ordinance and the Sinking Fund created pursuant to this Indenture, together with any reserve or other special accounts created in such Sinking Funds, as herein provided in the amount required to discharge the payment of the principal of and the interest on the Existing Bonds and any Obligations issued hereunder as the same become due and payable in the then current sinking fund year and to fully fund and maintain any such reserve or other special accounts created therein.

Notwithstanding the foregoing, in any event the Issuer, acting by and through the Board of Water Commissioners, shall at all times have in effect a schedule of rates, tolls, fees and charges sufficient (i) to produce Net Revenues at least equal to 1.20 times the Principal and Interest Requirement, and (ii) to make Sinking Fund Reserve Payments sufficient to repay the issuer of any “Debt Service Surety Bond” (as defined in the 1985 Ordinance) within twelve (12) months of any draw on such “Debt Service Reserve Surety Bond” in accordance with Section 502(2)(a) of the 1985 Ordinance.

All ratios must be greater than 1.20. The following table presents the specific requirements of the Rate Covenant as defined in the Trust Indenture. As such, the operating expenses used in the calculation of Net Revenues Available for Debt Service excludes annual City Participation requirements and the Principal and Interest Requirement reflects Existing Bonds only. This schedule demonstrates that CWW has maintained compliance with the Rate Covenant throughout the past five years.

	<u>2021</u> (Actual)	<u>2022</u> (Actual)	<u>2023</u> (Actual)	<u>2024</u> (Actual)	<u>2025</u> (Actual)
System Revenues					
Revenues from User Rates and Charges	\$ 72,469,570	\$ 76,196,635	\$ 80,258,187	\$ 84,791,513	\$ 91,184,519
Additional System Revenues (1)	11,385,954	10,100,041	13,127,915	15,487,927	9,449,502
<i>Subtotal: System Revenues</i>	<u>83,855,524</u>	<u>86,296,676</u>	<u>93,386,102</u>	<u>100,279,440</u>	<u>100,634,021</u>
Water and Wastewater Operating Expenses	<u>(47,820,363)</u>	<u>(45,809,773)</u>	<u>(54,094,901)</u>	<u>(56,736,379)</u>	<u>(57,576,873)</u>
A Net Revenues Available for Debt Service	\$ 36,035,161	\$ 40,486,903	\$ 39,291,201	\$ 43,543,061	\$ 43,057,148
Principal and Interest Requirement	\$ 17,958,378	\$ 17,212,676	\$ 17,202,001	\$ 17,211,876	\$ 15,887,526
B 120% of Principal and Interest Requirement	\$ 21,550,054	\$ 20,655,211	\$ 20,642,401	\$ 20,654,251	\$ 19,065,031
Rate Covenant Test	2.01	2.35	2.28	2.53	2.71

(1) Additional revenues include revenues from water taps and system development charges, CSO fees, miscellaneous operating revenues, and investment earnings. The payment received from Ft. Benning to cover the cost of the Series 2009 Bonds is also included (FY2024 was the final year of repayment on the bonds and reimbursement from Ft. Benning).

2. Background and Scope of Operations

Overview of System Service Area

Columbus, Georgia, a consolidated city-county jurisdiction (“Columbus”), embraces an area of approximately 218 square miles and an estimated population of 206,922 persons (U.S. Census Bureau, 2020 Census Redistricting Data). This data excludes the Fort Benning Military Reservation (“Fort Benning”), a primary United States Army training facility, a part of which is located within the boundaries of Columbus.

CWW’s System serves water to more than 71,557 metered water customers and provides sewage collection and treatment facilities for approximately 100% of the population of Columbus. Operation and management of the System is under the jurisdiction of the Board of Water Commissioners (the “Board of Water Commissioners” or “Columbus Water Works”), originally created by an Act of the General Assembly of Georgia in 1902 and extended under the Charter of Columbus (consolidating the governments of the City of Columbus and Muscogee County) which was ratified by the General Assembly of Georgia in 1971. The Board of Water Commissioners consists of five members including the Mayor of Columbus, ex officio, and four members appointed by the Council of Columbus. Each member is appointed for a four-year term, with the term of one member expiring each year.

Water Services

Water is obtained from the Chattahoochee River (Lake Oliver Reservoir). The total supply available is believed to be adequate for projected requirements. Raw water is pumped a short distance to the Columbus Water Treatment Plant situated approximately three miles from downtown Columbus. The distribution system is comprised of 6,334,901 feet of pipe in Columbus and 1,396,131 feet of pipe in Fort Benning. The present capacity of the filter plant(s) is 98 million gallons per day (“MGD”) for Columbus and Fort Benning. During the twelve months ended June 25, 2025, the average daily consumption was 33.71MGD for Columbus and 2.28 MGD for Fort Benning, and the maximum day’s filtration was 47.98 MGD for Columbus and 3.15 MGD for Fort Benning.

The capacity of various components of the water system is as follows:

Intakes	90.00 MGD	Clearwells	13.50 MGD
Raw Water Pumps	90.00 MGD	High Service Pumps	40.00 MGD
Raw Water Mains	90.00 MGD	N. Columbus Pumps	25.90 MGD
Raw Water Storage	8.00 MGD	High Service Storage	11.50 MGD
N. Columbus Filtration	47.98 MGD	N. Columbus Storage	4.00 MGD
Fort Benning Filtration	3.15 MGD	Fort Benning Storage	5.75 MGD

As of June 25, 2025, the water distribution system served 71,557 active metered customers, which includes Fort Benning, and provides supplemental water supply to wholesale customers – Talbot and Harris Counties. The System serves an area which includes all of the territory within the former limits of the City of Columbus and adjacent urban areas. The consolidation of the City of Columbus and Muscogee County, which was accomplished January 1, 1971, caused no change in the service area responsibilities of the Columbus Water Works because all facilities of Muscogee County were acquired or merged into the city’s system in 1956.

Effective October 1, 2004, Columbus Water Works and Fort Benning entered into a fifty-year contract in which Columbus Water Works provides Fort Benning with water and wastewater services (the “Fort Benning Contract”). Under the Fort Benning Contract, Columbus Water Works initially operated the existing Fort Benning facilities and has since connected Fort Benning users onto its system. Columbus Water Works spent about \$16 million in the first three years on capital improvements to the Fort Benning system, most of which is 40 years old or older. The Fort Benning Contract allows Columbus Water Works to utilize some of its excess plant capacity, generating additional revenue and allows Fort Benning to reduce its cost of providing those services. Under the Fort Benning Contract, Columbus Water Works agreed to provide Fort Benning with drinking water in the maximum amount of 16 MGD and wastewater service in the maximum amount of 6 MGD. As a result of increased infrastructure at Fort Benning, however, Fort Benning will require an increase in capacity for water and sewage use. Therefore, on December 5, 2008, Fort Benning and Columbus Water Works entered into a Modification of Contract whereby Columbus Water Works agreed to provide Fort Benning with drinking water in the maximum amount of 22 MGD and wastewater service in the amount of 12.2 MGD. To the extent that additional capacity becomes necessary, Fort Benning has agreed to fund any capital improvements needed to satisfy such increased capacity.

The System relies primarily on surface water sources, including the Chattahoochee River and the Lake Oliver Reservoir, for its water supply. The availability and quality of such sources may be affected by weather patterns, drought conditions, flooding events, or other extreme weather or climatic conditions.

While the System has historically maintained adequate water supply and treatment capacity, prolonged droughts, increased rainfall intensity, or other climatic events could increase treatment costs, require operational adjustments, or necessitate additional capital improvements. The extent to which such conditions may occur or impact the System cannot be predicted.

Sewerage System

Columbus Water Works operates a sewer system that provides service to 61,520 active sewer accounts within Columbus. The system has one pollution control facility, South Columbus Water Resources Facility, which provides secondary treatment. The treatment design capacity of the South Columbus Water Resources Facility is 42 MGD per day, but flow is not a condition of the National Pollutant Discharge Elimination System (NPDES) permit. The capacity of the treatment plant is therefore determined by the mass quantities of total suspended solids (TSS) and carbonaceous biochemical oxygen (CBOD) demand in the effluent discharge. The average daily flow for the twelve months ending June 25, 2025, was 37.5 MGD. In addition to the South Columbus Water Resources Facility, the System operates and maintains two Combined Sewer Treatment System (CSS) treatment facilities with a maximum combined treatment capacity of 121 MGD. The system has 42 sewer lift stations in Columbus and 44 sewer lift stations in Fort Benning. The sewage collection system is comprised of 5,538,462 feet of pipe in Columbus and 877,557 feet of pipe in Fort Benning ranging in size from 6 inches to 96 inches. The total treated final effluent flow for the twelve months ending June 25, 2025, was 14.97 billion gallons.

All of the water and sewerage facilities are reported to be in good condition. Service availability has not been restricted by inadequate facilities, nor has expansion been limited by any regulatory agency.

PFAS Regulatory Matters. Notwithstanding the current condition and capacity of the System’s facilities, regulatory requirements applicable to drinking water treatment continue to evolve. Federal and state

drinking water regulations applicable to PFAS have evolved in recent years and may continue to change. In April 2024, the United States Environmental Protection Agency finalized maximum contaminant levels for certain PFAS compounds in public drinking water systems, which may require additional monitoring, treatment, or capital investment beyond that currently planned.

The Series 2026 Bonds are being issued, in part, to finance improvements intended to address PFAS treatment requirements at the North Columbus Water Resource Facility. However, there can be no assurance that future regulatory developments, changes in applicable standards, or additional guidance from regulatory authorities will not require further capital expenditures or increased operating costs. Any such requirements could necessitate the issuance of additional indebtedness, adjustments to rates, or the reallocation of System resources.

Columbus Water Works believes that the 2026 Project represents a significant component of its current PFAS compliance strategy, although future regulatory developments may require additional actions.

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3. Regulations

The operation of the System's facilities is regulated by the United States Environmental Protection Agency ("EPA") and the Georgia Environmental Protection Division. The water and sewer projects identified in the capital improvement plan (see Explanatory Note 5) have been designed by the System to be in compliance with all appropriate regulations and to address the water and sewer requirements of the System's service area. Even though Federal and State environmental legislation and regulations are constantly evolving, management does not anticipate regulatory changes that will require additional capital costs to maintain operating permits during the Forecast Period or that will otherwise have a material impact on the construction cost of the projects to be funded by the Series 2026 Bonds or other financings.

The System is currently in compliance with all Federal and State environmental legislation and regulations, and necessary measures are being taken to ensure that the state's standards for discharge and non-discharge are met in the future. Management has indicated that the System is proactive in addressing regulatory issues and maintains water and sewer master planning documents.

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4. Demand for Services

The System currently provides water service to approximately 71,548 retail water customers, 2 wholesale water customers (served through 9 metered connections) and approximately 61,520 sewer accounts.

CWW has experienced modest growth in the number of customers connected to the water and sewer systems over the past five years. CWW water customers increased by approximately 0.28% per year, and the number of sewer customers increased by approximately 0.69% per year. Exhibits 1 and 2 show the number of water and sewer customers connected to the System since FY 2021.

Exhibit 1

Water Accounts (Historical)

	<u>FY 2021</u> <i>Actual</i>	<u>FY 2022</u> <i>Actual</i>	<u>FY 2023</u> <i>Actual</i>	<u>FY 2024</u> <i>Actual</i>	<u>FY 2025</u> <i>Actual</i>
Water Customer Accounts, by Meter Size					
Residential	60,990	58,711	59,078	59,309	59,481
Multi-unit Residential	1,357	1,597	1,630	1,673	1,703
Commercial	4,840	6,461	6,545	6,553	6,571
Industrial	407	623	629	602	604
Industrial Irrigation	1,092	976	984	1,009	984
Residential Irrigation	2,064	2,185	2,205	2,259	2,205
Harris County	6	7	7	7	7
Talbot County	2	2	2	2	2
Total: Water Customers	70,759	70,562	71,080	71,414	71,557
% Change		-0.28%	0.73%	0.47%	0.20%

Exhibit 2

Wastewater Accounts (Historical)

	<u>FY 2021</u> <i>Actual</i>	<u>FY 2022</u> <i>Actual</i>	<u>FY 2023</u> <i>Actual</i>	<u>FY 2024</u> <i>Actual</i>	<u>FY 2025</u> <i>Actual</i>
Wastewater Customer Accounts					
Residential	53,661	54,190	54,558	54,704	54,878
Multi-unit Residential	1,311	1,432	1,434	1,436	1,450
Commercial	4,479	4,748	4,756	4,761	4,810
Industrial	408	377	377	378	382
Total: Wastewater Customers	59,859	60,746	61,126	61,279	61,520
		1.48%	0.63%	0.25%	0.39%

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The forecast assumes continued growth in the System service area over the next 5 years. Exhibit 3 and Exhibit 4 present the number of water and sewer accounts by customer class, respectively. The projection of customer accounts assumes a 0.10% increase in number of accounts each year.

Exhibit 3

Water Account Projections

	<u>FY 2026</u> <i>Projected</i>	<u>FY 2027</u> <i>Projected</i>	<u>FY 2028</u> <i>Projected</i>	<u>FY 2029</u> <i>Projected</i>	<u>FY 2030</u> <i>Projected</i>
Water Customer Accounts, by Meter Size					
Residential	59,540	59,599	59,658	59,717	59,776
Multi-unit Residential	1,705	1,706	1,707	1,708	1,709
Commercial	6,578	6,585	6,592	6,599	6,606
Industrial	605	605	605	605	605
Industrial Irrigation	984	984	984	984	984
Residential Irrigation	2,204	2,204	2,204	2,204	2,204
Harris County	7	7	7	7	7
Talbot County	2	2	2	2	2
Total: Water Customers	71,625	71,692	71,759	71,826	71,893
% Change	0.10%	0.09%	0.09%	0.09%	0.09%

Exhibit 4

Wastewater Account Projections

	<u>FY 2026</u> <i>Projected</i>	<u>FY 2027</u> <i>Projected</i>	<u>FY 2028</u> <i>Projected</i>	<u>FY 2029</u> <i>Projected</i>	<u>FY 2030</u> <i>Projected</i>
Wastewater Customer Accounts					
Residential	54,933	54,988	55,043	55,098	55,153
Multi-unit Residential	1,452	1,453	1,454	1,455	1,456
Commercial	4,815	4,820	4,825	4,830	4,835
Industrial	382	382	382	382	382
Total: Wastewater Customers	61,582	61,643	61,704	61,765	61,826
% Change	0.10%	0.10%	0.10%	0.10%	0.10%

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Similar to the growth that has occurred in the number of accounts, water consumption has increased over the past five years. Since FY 2021, water consumption has increased by 1.46% per year. The wastewater system has increased over the past five years. Since FY 2021, wastewater consumption has increased by 1.13% per year. Historical water and sewer consumption can be seen in Exhibit 5.

Exhibit 5

Water and Sewer Historical Consumption – All Usage

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
Annual Water Demand (ccf)					
Residential	5,184,718	4,892,325	5,051,871	5,067,512	5,149,515
Multi-unit Residential	1,213,799	1,160,555	1,197,202	1,220,598	1,295,799
Commercial	1,612,188	1,733,622	1,820,429	1,816,022	1,850,738
Industrial	1,135,276	1,182,946	1,271,965	1,292,787	1,214,231
Industrial Irrigation	459,314	415,454	434,841	414,781	475,776
Residential Irrigation	436,236	349,786	495,666	443,175	486,350
Harris County	303,462	386,858	387,555	349,218	436,255
Talbot County	44,936	43,094	81,144	107,101	84,536
<i>Total: Water Demand</i>	10,389,929	10,164,640	10,740,673	10,711,194	10,993,200
<i>% Change</i>		-2.17%	5.67%	-0.27%	2.63%
Annual Wastewater Demand (ccf)					
Residential	4,777,210	4,544,587	4,644,778	4,639,575	4,705,627
Multi-unit Residential	1,209,849	1,157,259	1,193,796	1,215,928	1,291,492
Commercial	1,588,284	1,728,216	1,763,471	1,778,468	1,814,417
Industrial	708,415	863,178	912,924	896,249	851,953
Sewer Permitted	310,842	289,038	303,241	357,313	325,833
<i>Total: Wastewater Demand</i>	8,594,600	8,582,278	8,818,210	8,887,533	8,989,322
<i>% Change</i>		-0.14%	2.75%	0.79%	1.15%

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Exhibit 6**Water and Sewer Consumption Projections – All Usage**

	<u>FY 2026</u> <i>Projected</i>	<u>FY 2027</u> <i>Projected</i>	<u>FY 2028</u> <i>Projected</i>	<u>FY 2029</u> <i>Projected</i>	<u>FY 2030</u> <i>Projected</i>
Annual Water Demand (ccf)					
Residential	5,111,083	5,122,723	5,137,949	5,134,058	5,141,726
Multi-unit Residential	1,327,744	1,354,947	1,394,360	1,360,598	1,371,573
Commercial	1,835,089	1,838,871	1,845,491	1,843,726	1,846,609
Industrial	1,239,380	1,251,617	1,235,746	1,242,248	1,243,204
Industrial Irrigation	495,719	458,655	476,666	477,013	470,778
Residential Irrigation	538,188	485,572	503,320	509,027	499,306
Harris County	391,009	392,161	406,475	396,548	398,395
Talbot County	90,927	94,188	89,884	91,666	91,913
<i>Total: Water Demand</i>	11,029,140	10,998,734	11,089,890	11,054,884	11,063,503
<i>% Change</i>	0.33%	-0.28%	0.83%	-0.32%	0.08%
Annual Wastewater Demand (ccf)					
Residential	4,745,209	4,772,985	4,814,660	4,851,447	4,887,277
Multi-unit Residential	1,334,533	1,379,604	1,433,202	1,482,798	1,534,903
Commercial	1,837,906	1,857,653	1,879,002	1,900,919	1,922,296
Industrial	845,432	820,331	793,066	773,851	751,030
Sewer Permitted	325,833	325,833	325,833	325,833	325,833
<i>Total: Wastewater Demand</i>	9,088,914	9,156,406	9,245,764	9,334,848	9,421,339
<i>% Change</i>	1.11%	0.74%	0.98%	0.96%	0.93%

Projected customer demand is shown in Exhibit 6. It is assumed the demand will be relatively stable and is projected to increase based on the projected number of accounts and average usage per account.

CWW's ten largest customers account for approximately 19.14% of annual water and sewer revenues and 24.38% of annual water consumption. Fort Benning is the largest customer and accounts for approximately 13.5% of annual water usage and 11.2% of user charge revenues. Exhibit 7 lists CWW's top ten largest water and sewer customers, and their annual consumption and revenues as of June 25, 2025.

Exhibit 7**Water and Sewer Top 10 Customers – Usage and Revenues**

<u>FY2025 Top Ten Largest Users</u>	<u>Consumption (CCF)</u>		<u>Water & Sewer Sales</u>	
	<u>Usage</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Fort Benning	1,726,912	13.57%	\$ 9,435,878	11.17%
Harris County	436,255	3.43%	1,338,030	1.58%
Columbus Consolidated Govt	259,932	2.04%	1,511,954	1.79%
MCSO	140,095	1.10%	818,946	0.97%
Columbus State	116,312	0.91%	643,957	0.76%
Pratt-Whitney	109,944	0.86%	533,781	0.63%
Denim North America	98,172	0.77%	549,744	0.65%
Columbus Housing Auth	79,595	0.63%	513,058	0.61%
Saint Francis Health LLC	70,112	0.55%	436,993	0.52%
Sterling Specialty Chemicals	<u>65,952</u>	<u>0.52%</u>	<u>384,732</u>	<u>0.46%</u>
Total Top Ten Customers	3,103,281	24.38%	\$ 16,167,072	19.14%
All Other Users	<u>9,625,940</u>	<u>75.62%</u>	<u>\$ 68,306,072</u>	<u>80.86%</u>
Total System	12,729,221	100.00%	\$ 84,473,144	100.00%

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5. Capital Improvement Plan

The Capital Improvement Plan (“CIP”) for CWW consists of a variety of water and sewer projects that are anticipated to occur over the Forecast Period. The CIP provides a comprehensive list of projects needed to maintain the water and sewer facilities in good working condition, provide water and sewer service to new customers, and to ensure that CWW follows all federal, state, and local regulations and mandates. The cost of the total CIP projects from FY 2026 to FY 2030 are approximately \$839 million.

Significant projects currently included in the CIP include the Fort Benning PFAS improvements and the wastewater treatment plant rebuild. The Fort Benning PFAS improvements will be funded by the City. To ensure Columbus and CWW are made whole, Fort Benning will be responsible for paying the full debt service along with any additional coverage requirements associated with the financing. The wastewater treatment plant rebuild will utilize a commercial paper program in order to finance the project over a multi-year period. Additional projects include regular master planning projects, administration building and campus, and regular maintenance and replacements items for the System. Exhibit 8 provides a detailed breakdown of the CIP over the Forecast Period.

Exhibit 8

 Capital Improvement Plan

Capital Improvements Plan		<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
CWW System		<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
	<u>Funding Source</u>					
Regular Master Planning Projects						
<i>FY2026-2027 Program</i>						
*NCWRF PFAS Reduction Modifications	Revenue Bond	\$ 80,000,000	\$ -	\$ -	\$ -	\$ -
*Bull Creek Gravity Trunk Sewer, Phase II	Revenue Bond	15,500,000	-	-	-	-
*Raw Water Intake & Pump Station	Revenue Bond	4,000,000	-	-	-	-
*Raw Water Manifold Upgrades	Revenue Bond	2,500,000	-	-	-	-
*GDOT Highway Relocation Projects	Revenue Bond	2,000,000	-	-	-	-
*Tank Rehabilitation	Revenue Bond	1,500,000	-	-	-	-
*Other CIP Projects	Revenue Bond	4,500,000	-	-	-	-
<i>FY2028-2029 Program</i>	Revenue Bond	-	-	40,000,000	-	-
<i>FY2030-2031 Program</i>	Revenue Bond	-	-	-	-	40,000,000
Admin Building and Campus	Cash	-	15,000,000	-	-	-
FB PFAS Improvements	Revenue Bond	-	60,000,000	-	-	-
WWTP Rebuild	Draw Program	-	75,000,000	150,000,000	150,000,000	150,000,000
Miscellaneous Projects (R&E)	Cash	9,362,000	-	3,000,000	3,000,000	3,000,000
<i>Subtotal: CWW System</i>		<u>\$ 119,362,000</u>	<u>\$ 150,000,000</u>	<u>\$ 193,000,000</u>	<u>\$ 153,000,000</u>	<u>\$ 193,000,000</u>
<i>Cost Escalation</i>			2.5%	2.5%	2.5%	2.5%
<i>Cumulative Escalation</i>		100.0%	102.5%	105.1%	107.7%	110.4%
Escalated Project Costs		\$ 119,362,000	\$ 153,750,000	\$ 202,770,625	\$ 164,764,266	\$ 213,035,888

*These projects are anticipated to be funded through the Series 2026 Bonds.

The proposed Series 2026 Bonds will be used to fund the construction of infrastructure improvements including PFAS treatment system, sewer system upgrades, tank rehabilitation, and facility improvements. A portion of the Series 2026 Bonds will be used to refund the outstanding Water and Sewerage Revenue Bonds, Series 2014A and Water and Sewerage Revenue Bonds, Series 2016.

6. Financing Plan

Columbus anticipates issuing additional bonds over the forecast period to finance capital improvements. The timing, size, and terms of the bonds to be issued over the Forecast Period is based on information from CWW and its financial advisor. This financing plan has been designed to accomplish the following objectives:

- Provide funds as needed and in the most cost-effective manner;
- Meet credit criteria established by rating agencies; and
- Lessen the impact on rates.

Exhibit 9 provides a summary of the Sources and Uses of Funds for the Series 2026 Bonds based on the pricing provided by the underwriter.

Exhibit 9

Sources and Uses of Series 2026 Bond Funds

Series 2026 Bonds			
	<i>New Money</i>	<i>Refunding</i>	<i>Total</i>
Sources			
Par Amount	\$ 102,380,000	\$ 34,155,000	\$ 136,535,000
Premium	7,665,228	4,164,657	11,829,885
Project Fund Investment Income	1,382,422	-	1,382,422
Sinking Funds	-	785,521	785,521
Total Sources	\$ 111,427,650	\$ 39,105,178	\$ 150,532,828
Uses			
NCWRF PFAS Reduction Modifications	\$ 80,000,000	\$ -	\$ 80,000,000
Bull Creek Gravity Trunk Sewer, Phase II	15,500,000	-	15,500,000
Raw Water Intake & Pump Station	4,000,000	-	4,000,000
Raw Water Manifold Upgrades	2,500,000	-	2,500,000
GDOT Highway Relocation Projects	2,000,000	-	2,000,000
Tank Rehabilitation	1,500,000	-	1,500,000
Other CIP Projects	4,500,000	-	4,500,000
Refunding Escrow Deposit	-	38,634,535	38,634,535
Additional Proceeds	5,062	4,371	9,433
Total	110,005,062	38,638,906	148,643,968
Costs of Issuance & Underwriter's Discount			
	\$ 1,422,588	\$ 466,272	\$ 1,888,860
Total Uses	\$ 111,427,650	\$ 39,105,178	\$ 150,532,828

Exhibit 10 shows the debt service schedule for the Columbus's outstanding and planned Indebtedness.

Exhibit 10

Existing and Proposed Long-Term Debt Service

Existing Debt Service	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Revenue Bond Indebtedness</u>					
Series 2013A	\$ 224,850	\$ 224,850	\$ 224,850	\$ 224,850	\$ 224,850
Series 2014A	1,748,000	-	-	-	-
Series 2016	4,463,250	-	-	-	-
Series 2019 Bonds	8,087,322	8,089,955	8,084,926	9,837,775	9,836,851
<i>Subtotal: Revenue Bond Indebtedness</i>	<u>\$ 14,523,422</u>	<u>\$ 8,314,805</u>	<u>\$ 8,309,776</u>	<u>\$ 10,062,625</u>	<u>\$ 10,061,701</u>
<u>SRF Indebtedness</u>					
CWSRF97-001P2 (07/01/2003)	\$ 319,191	\$ 319,191	\$ 319,191	\$ 319,191	\$ 319,191
DWSRF #01001P (9/01/2008)	520,518	520,518	389,456	-	-
CWSRF #03001P (3/01/2009)	1,671,149	1,671,149	1,671,149	1,257,583	-
CWSRF #03001B (8/01/2011)	55,635	55,635	55,635	41,752	-
CWSRF #2022032 (11/01/2024)	450,062	450,062	450,062	450,062	450,062
<i>Subtotal: SRF Indebtedness</i>	<u>\$ 3,016,554</u>	<u>\$ 3,016,554</u>	<u>\$ 2,885,492</u>	<u>\$ 2,068,588</u>	<u>\$ 769,252</u>
Total: Existing Debt Service	\$ 17,539,976	\$ 11,331,359	\$ 11,195,268	\$ 12,131,213	\$ 10,830,953
Proposed Debt Service					
2026 Refunding Bonds	\$ -	\$ 5,773,525	\$ 5,768,000	\$ 4,025,250	\$ 4,024,000
2026 New Money Bonds	-	6,678,158	6,685,000	6,678,750	6,678,750
Future Revenue Bonds	-	-	4,040,670	5,887,470	5,887,470
SRF Loans	-	4,748,331	4,748,331	4,748,331	4,748,331
Commercial Draw Program	-	3,075,000	9,378,750	19,248,376	25,871,253
Total: Proposed Debt Service	\$ -	\$ 20,275,014	\$ 30,620,751	\$ 40,588,177	\$ 47,209,804
Total: Combined Existing and Proposed Debt	\$ 17,539,976	\$ 31,606,373	\$ 41,816,019	\$ 52,719,389	\$ 58,040,757
% Change	-6.10%	80.20%	32.30%	26.07%	10.09%

Note: The proposed Series 2026 Bonds are anticipated to refund the Series 2014A and Series 2016 Bonds.

Given the significant investment that the WWTP project represents, CWW anticipates leveraging a commercial paper program to finance the investments. The total cost of the WWTP project is estimated to be \$650 million with costs for design engineering beginning in FY 2027 and construction beginning in FY2028. Construction and post-construction activities are expected to continue through FY2032. The Forecast assumes annual draws will have a 4.0% interest rate. Long-term financing of the draws is forecast with a 4.5% interest rate and a 40-year term.

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7. System Expenses

Exhibit 11 shows a combined forecast of operating expenses, non-operating expenses, and other expenditures for the water and sewer utilities. Operating expenses represent normal recurring expenses incurred during the System's annual accounting cycle based upon its fiscal year ending June 25. Operating expenses for FY 2026 are based on the System's approved budget.

Operating expenses in future years are based on the FY 2026 budget and escalated approximately 4% per year. Operating expenses are consistent with the costs of operating, maintaining and repairing the System, as provided in the Trust Indenture, and which are used in deriving Net Revenues. Operating expenses include the following:

- Personnel expenses which include salaries and benefits for water and sewer personnel.
- Operations expenses which include electricity and natural gas costs, bulk, maintenance and repair expenses, etc.
- Supplies which include chemicals used for water and sewer treatment, fuel for fleet, uniforms, office supplies, etc.
- Contracted service and indirect costs which include services for odor control, water tank maintenance and larger maintenance projects as well as indirect costs paid to the General Fund for support functions such finance, human resources, billing and collections, etc.
- Miscellaneous expenses include other ancillary expenses such as dues and subscriptions.

Non-operating expenses include existing and proposed debt service, planned capital expenditures funded with cash, and participation fee payments to Columbus. The requirements for Cash Funded CIP are based on the five-year capital improvements plan provided by CWW. (See Explanatory Note 5 for additional information.) The participation fee paid each year is an amount equal to six percent of net metered charges collected from customers of the System. Exhibit 11 shows a combined forecast of operating and non-operating expenses, and other expenditures and transfers for the water and sewer utilities.

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Exhibit 11

Operating and Non-Operating Expenses and Capital Expenditures – Water and Sewer

	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>
	<i>Budget</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>
Revenue Requirements					
<u>Departmental Expenditures</u>					
Accounting	\$ 4,316,939	\$ 4,417,250	\$ 4,520,530	\$ 4,627,680	\$ 4,739,560
Meter Maintenance	1,336,361	1,421,130	1,487,980	1,557,770	1,630,920
Water Accountability	1,152,803	1,236,440	1,294,460	1,355,220	1,418,940
Information Services	3,442,809	3,586,650	3,743,900	3,905,710	4,075,310
Water Quality Monitoring & Environme	3,387,322	3,572,640	3,739,830	3,913,640	4,095,780
Customer Service	1,899,593	1,999,810	2,094,390	2,192,940	2,296,250
Meter Maintenance	346,238	362,930	380,440	398,760	417,950
Employee Services	1,548,040	1,648,990	1,744,010	1,845,270	1,953,280
Engineering	2,106,200	2,220,710	2,324,840	2,433,770	2,547,950
Administration	2,857,232	3,017,190	3,148,720	3,287,280	3,433,480
Communication/Security	448,997	748,680	764,400	780,900	798,220
Strategic Development	680,697	717,450	756,390	797,580	841,220
Field Services	10,424,157	10,887,450	11,385,830	11,902,500	12,444,060
North Columbus Water Resource Facilit	8,376,408	7,839,810	8,138,770	8,386,300	8,643,190
Managed Maintenance	7,097,976	7,243,600	7,484,150	7,733,410	7,994,480
South Columbus Water Resource Facilit	6,655,450	6,984,400	7,264,140	7,516,400	7,779,130
Combined Sewer Overflow Treatment	2,226,061	2,430,620	2,521,350	2,607,600	2,697,750
Fort Benning	13,878,427	11,451,937	11,785,830	12,120,160	12,469,900
<i>Subtotal: Departmental Expenditures</i>	\$ 72,181,710	\$ 71,787,687	\$ 74,579,960	\$ 77,362,890	\$ 80,277,370
Less: Departmental Capital	(8,989,140)	(5,866,050)	(5,866,050)	(5,866,050)	(5,866,050)
<i>Net: Operating Expenses</i>	\$ 63,192,570	\$ 65,921,637	\$ 68,713,910	\$ 71,496,840	\$ 74,411,320
% Change	8.3%	4.3%	4.2%	4.1%	4.1%
<u>Debt Service</u>					
Existing Debt Service					
Revenue Bonds	\$ 14,523,422	\$ 8,314,805	\$ 8,309,776	\$ 10,062,625	\$ 10,061,701
SRF & Other Loans	3,016,554	3,016,554	2,885,492	2,068,588	769,252
<i>Subtotal: Existing Debt Service</i>	\$ 17,539,976	\$ 11,331,359	\$ 11,195,268	\$ 12,131,213	\$ 10,830,953
Proposed Debt Service					
Revenue Bonds	\$ -	\$ 12,451,683	\$ 16,493,670	\$ 16,591,470	\$ 16,590,220
SRF & Other Loans	-	4,748,331	4,748,331	4,748,331	4,748,331
Commercial Draw Program	-	3,075,000	9,378,750	19,248,376	25,871,253
<i>Subtotal: Proposed Debt Service</i>	\$ -	\$ 20,275,014	\$ 30,620,751	\$ 40,588,177	\$ 47,209,804
<i>Total: Debt Service</i>	\$ 17,539,976	\$ 31,606,373	\$ 41,816,019	\$ 52,719,389	\$ 58,040,757
<u>Other Expenditures</u>					
City of Columbus Participation	\$ 4,999,958	\$ 6,043,360	\$ 6,561,410	\$ 7,195,550	\$ 7,795,120
Bank Merchant / Trustee Fees	334,000	334,000	334,000	334,000	334,000
Rate Funded Capital (Paygo)	9,362,000	15,375,000	3,151,875	3,230,672	3,311,439
Departmental Capital	8,989,140	5,866,050	5,866,050	5,866,050	5,866,050
<i>Subtotal: Other Expenditures</i>	\$ 23,685,098	\$ 27,618,410	\$ 15,913,335	\$ 16,626,272	\$ 17,306,609
Total Revenue Requirements	\$ 104,417,644	\$ 125,146,420	\$ 126,443,264	\$ 140,842,501	\$ 149,758,686
% Change	12.59%	19.85%	1.04%	11.39%	6.33%

8. Rates and Charges

As an enterprise fund, water and sewer operations are financed and operated as a distinct business enterprise. Appropriate fees and charges are established to ensure that the water and sewer utility systems can operate on a self-sustaining basis. The Board of Water Commissioners implemented rate increases of 7.95% for calendar year 2025, 4.95% for calendar year 2026, and is projecting 4.95% rate increases for calendar years 2027 through 2030. The projected rate increases over the Forecast Period are required to meet the operating and capital needs of the water and sewer enterprise fund. Historically, the board has supported water and sewer rate increases needed to support annual operations and capital investment of the System.

Water Charges

The water rate structure is comprised of two components: a monthly meter charge and a volumetric charge, as shown in Exhibit 12. The monthly meter charge is based on meter size and is paid monthly. Metered water consumption is billed with an inclining block rate for non-industrial customers and a declining block rate for industrial customers. Exhibit 12 shows the current and projected rates over the Forecast Period. The rate adjustments will support the additional debt issued throughout the Forecast Period.

Exhibit 12

Current and Projected Monthly Water Rates and Charges

	<u>CY2026</u> <i>Current</i>	<u>CY2027</u> <i>Projected</i>	<u>CY2028</u> <i>Projected</i>	<u>CY2029</u> <i>Projected</i>	<u>CY2030</u> <i>Projected</i>
Water Rates					
<u>Monthly Fixed Charges</u>					
Total Charge by Meter Size					
3/4"	\$ 11.16	\$ 11.72	\$ 12.30	\$ 12.90	\$ 13.54
5/8"	\$ 11.16	\$ 11.72	\$ 12.30	\$ 12.90	\$ 13.54
1"	\$ 19.51	\$ 20.51	\$ 21.53	\$ 22.58	\$ 23.70
1.5"	\$ 33.42	\$ 35.16	\$ 36.90	\$ 38.70	\$ 40.62
2"	\$ 50.13	\$ 52.74	\$ 55.35	\$ 58.05	\$ 60.93
3"	\$ 94.67	\$ 99.62	\$ 104.55	\$ 109.65	\$ 115.09
4"	\$ 144.78	\$ 152.36	\$ 159.90	\$ 167.70	\$ 176.02
6"	\$ 283.95	\$ 298.86	\$ 313.65	\$ 328.95	\$ 345.27
8"	\$ 450.95	\$ 474.66	\$ 498.15	\$ 522.45	\$ 548.37
10"	\$ 645.81	\$ 679.76	\$ 713.40	\$ 748.20	\$ 785.32
<u>Inside City Volume Rates (\$/ccf)</u>					
Block 1: 0-15 ccf	\$ 2.38	\$ 2.50	\$ 2.62	\$ 2.75	\$ 2.89
Block 2: >15 ccf	\$ 2.64	\$ 2.77	\$ 2.91	\$ 3.05	\$ 3.20
Block 2, Industrial	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.66	\$ 2.79

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Sewer Charges

The sewer rate structure is comprised of four components: a monthly service charge, a volumetric charge, a regulatory compliance fee, and a combined sewer overflow charge as shown in Exhibit 13. The volumetric charge is based on the metered water consumption and is billed with a declining block rate. The single-family dwelling residential volumetric charge is capped at 15 ccf. The regulatory compliance fee is a fixed monthly charge that supports the investments needed to meet upcoming federal and state regulatory requirements and to support the WWTP project financing. The charge for the combined sewer overflow is a fixed monthly amount based on the amount of water used. Also included is an industrial wastewater charge per ccf that applies to industries that are issued a permit to discharge. Exhibit 13 shows the current and projected rates over the Forecast Period. The rate adjustments will support the additional debt issued throughout the Forecast Period.

Exhibit 13

Current and Projected Monthly Sewer Rates

	<u>CY2026</u> <i>Current</i>	<u>CY2027</u> <i>Projected</i>	<u>CY2028</u> <i>Projected</i>	<u>CY2029</u> <i>Projected</i>	<u>CY2030</u> <i>Projected</i>
Wastewater Rates					
<u>Monthly Fixed Charges</u>					
Monthly Service Charge	\$ 6.91	\$ 7.25	\$ 7.61	\$ 8.37	\$ 9.21
New Reg Comp Fee (Res)	\$ 5.00	\$ 10.00	\$ 15.00	\$ 20.00	\$ 20.00
New Reg Comp Fee (5/8" & 1" Non-Res)	\$ 10.00	\$ 15.00	\$ 20.00	\$ 25.00	\$ 30.00
New Reg Comp Fee (Large Non-Res)	\$ 25.00	\$ 40.00	\$ 55.00	\$ 70.00	\$ 85.00
<u>Inside City Volume Rates (\$/ccf)</u>					
Block 1: 0-15 ccf	\$ 4.60	\$ 4.83	\$ 5.07	\$ 5.58	\$ 6.14
Block 2: >15 ccf	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.50	\$ 4.95
<u>Industrial Waste Volume Charge (per ccf)</u>	\$ 0.20	\$ 0.21	\$ 0.22	\$ 0.23	\$ 0.24
Combined Sewer Overflow Charge (per bill)					
CSO Block Cutoffs					
0-4 ccf	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
4-15 ccf	\$ 5.27	\$ 5.53	\$ 5.80	\$ 6.09	\$ 6.39
15-204 ccf	\$ 10.55	\$ 11.07	\$ 11.62	\$ 12.20	\$ 12.80
204-1004 ccf	\$ 105.44	\$ 110.66	\$ 116.14	\$ 121.89	\$ 127.92
>1004 ccf	\$ 301.30	\$ 316.21	\$ 331.86	\$ 348.29	\$ 365.53

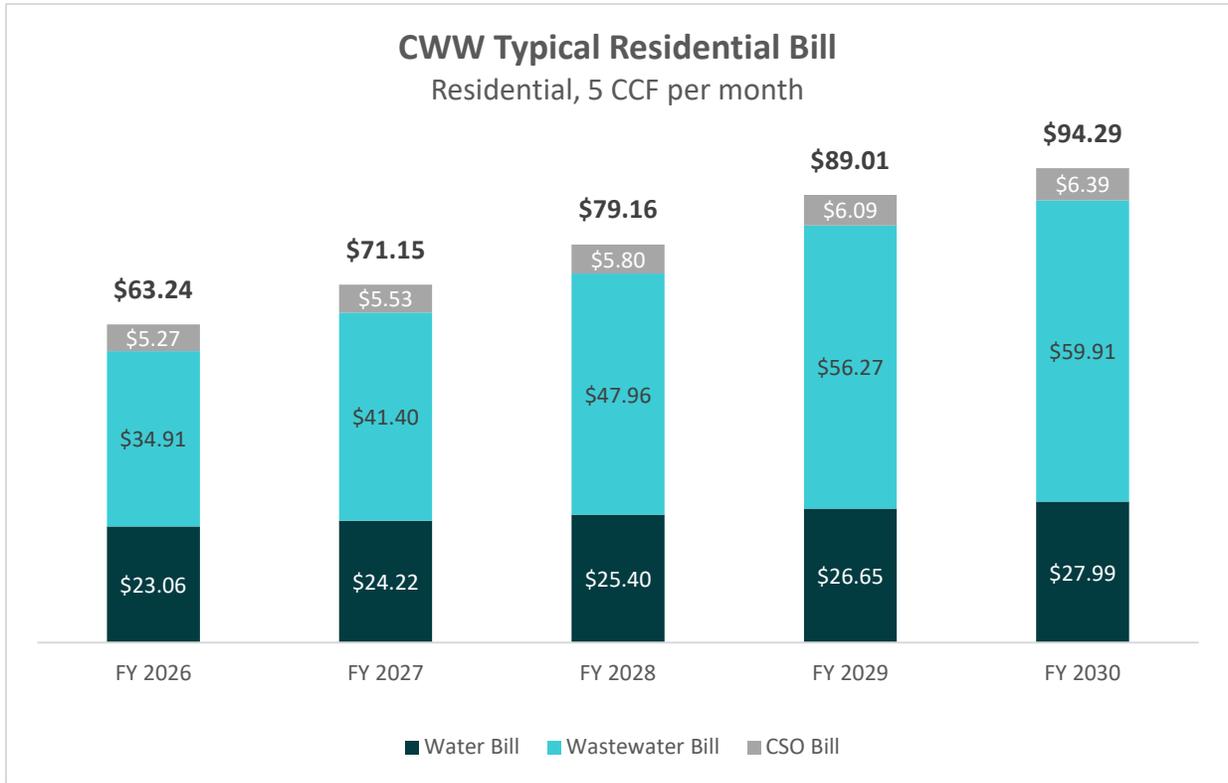
Impact of Rate Increases on a Typical Customer

Exhibit 14 presents the actual and projected water and sewer bills for the average residential customer using 5 ccf per month.

The average residential bill for both water and sewer services in FY 2026 is \$63.24 per month. This amount is expected to increase throughout the Forecast Period according to the rate increases identified above.

Exhibit 14

Residential customer bills from FY 2026 to FY 2030



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9. Revenues

To meet the financial obligations of the Series 2026 Bonds, other debt service obligations, and other water and sewer expenses, revenue requirements must be recovered exclusively from revenues associated with the water and sewer enterprises. Net Revenues, as defined in the Trust Indenture, shall include Revenues of the Enterprise Systems less costs of operating, maintaining and repairing the System. Revenues include revenues as determined in accordance with generally accepted accounting principles as well as revenues from system development fees, tap and connection fees, sampling and monitoring fees, and fees and charges from special assessments.

Exhibit 15 shows the projection of System revenues during the Forecast Period for the combined water and sewer systems. User charge revenues are comprised of revenues from user rates and charges and revenues from other customer charges and fees. Other miscellaneous revenues include revenues from water and sewer tap fees, late charges, availability fees, Fort Benning revenue items, and other miscellaneous items.

[Add paragraph to describe Fort Benning contract and revenue]

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Exhibit 15

Estimated Annual Revenues – Water and Sewer Systems

	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>
	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Projected System Revenues					
<u>User Charge Revenue</u>					
Water Revenue					
Base Charge Revenues	\$ 11,957,088	\$ 12,565,376	\$ 13,202,113	\$ 13,861,865	\$ 14,555,696
Volumetric Rate Revenues	25,434,117	26,580,940	28,123,859	29,427,903	30,904,115
Contract Customer Revenues	496,914	509,366	521,803	534,622	548,064
<i>Subtotal: Water Revenue</i>	\$ 37,888,120	\$ 39,655,682	\$ 41,847,775	\$ 43,824,390	\$ 46,007,875
Wastewater Revenues					
Base Charge Revenues	\$ 4,984,447	\$ 5,237,189	\$ 5,501,529	\$ 5,922,028	\$ 6,521,406
Regulatory Compliance Fees	2,145,714	6,239,917	10,138,424	14,044,594	16,260,156
Volume Rate Revenues	33,800,616	35,304,873	37,414,425	40,549,429	45,039,185
Industrial Waste Volume Charges	225,139	225,817	231,199	237,799	243,212
<i>Subtotal: Wastewater Revenue</i>	\$ 41,155,916	\$ 47,007,796	\$ 53,285,577	\$ 60,753,850	\$ 68,063,960
CSO Charge Revenue	\$ 3,112,705	\$ 3,270,148	\$ 3,434,543	\$ 3,608,218	\$ 3,790,868
<i>Subtotal User Charge Revenue</i>	\$ 82,156,740	\$ 89,933,625	\$ 98,567,895	\$ 108,186,458	\$ 117,862,704
	10.1%	9.5%	9.6%	9.8%	8.9%
<u>Other Miscellaneous Revenue</u>					
Non-Rate Operating Revenues					
Water Tapping Fees (excludes fire line charges)	\$ 201,240	\$ 203,250	\$ 205,280	\$ 207,330	\$ 209,400
Sewer Tapping Fees	42,260	42,680	43,110	43,540	43,980
Sewer Availability Fees Collected (Restricted)	121,820	121,820	121,820	121,820	121,820
<i>Subtotal: Non-Rate Operating Revenues</i>	\$ 365,320	\$ 367,750	\$ 370,210	\$ 372,690	\$ 375,200
Non-Operating Revenues					
Sundry Income	\$ 368,510	\$ 372,200	\$ 375,920	\$ 379,680	\$ 383,480
Solid Waste Collection	105,220	105,220	105,220	105,220	105,220
Interest Income (other funds)	3,605,100	3,605,100	3,605,100	3,605,100	3,605,100
Miscellaneous Water and Sewer Fees	2,354,410	2,377,950	2,401,730	2,425,750	2,450,000
<i>Subtotal: Non-Operating Revenues</i>	\$ 6,433,240	\$ 6,460,470	\$ 6,487,970	\$ 6,515,750	\$ 6,543,800
Fort Benning Related Income					
Original Contract	\$ 10,522,320	\$ 10,788,949	\$ 10,788,949	\$ 11,739,293	\$ 12,056,075
PFAS-related Debt Service + Coverage	-	-	4,848,804	4,848,804	4,848,804
BRAC-related O&M + R&R Contract Mod	8,126,730	8,462,364	8,811,859	9,175,789	9,554,749
<i>Subtotal: Fort Benning Related Income</i>	\$ 18,649,049	\$ 19,251,312	\$ 24,449,612	\$ 25,763,886	\$ 26,459,628
<i>Subtotal: Miscellaneous Revenues</i>	\$ 25,447,609	\$ 26,079,532	\$ 31,307,792	\$ 32,652,326	\$ 33,378,628
Total: System Revenues	\$ 107,604,350	\$ 116,013,158	\$ 129,875,687	\$ 140,838,784	\$ 151,241,332
% Change	3.69%	7.81%	11.95%	8.44%	7.39%

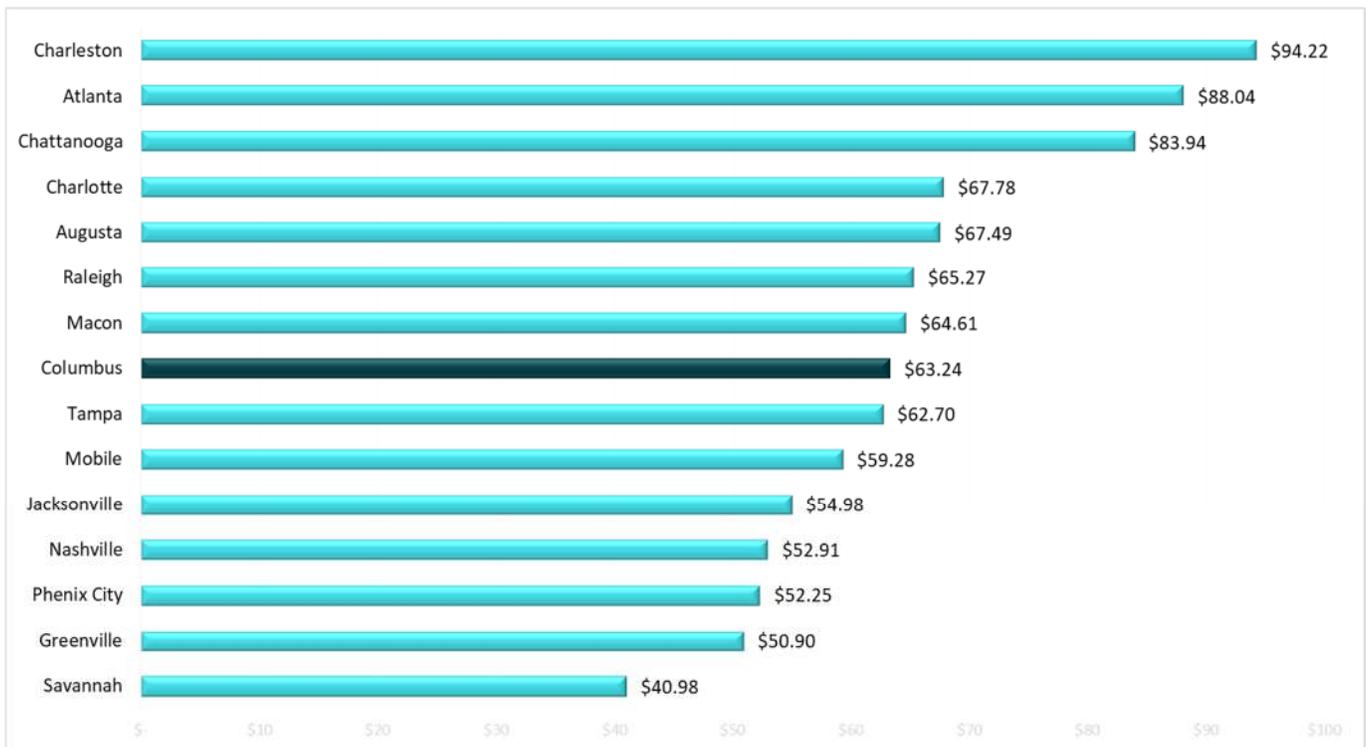
10. Monthly Bill Comparison

CWW’s rates for water and sewer became effective January 1, 2026. As mentioned previously, the Feasibility Evaluation assumes that additional water and sewer rate adjustments will be required during the Forecast Period. To ensure that revenue requirements are met, Columbus has forecast rate increases each year through FY 2030, after which point rates will be adjusted as necessary to meet revenue requirements.

The System also considers the objective to maintain rates that are reasonably affordable and provide a competitive cost environment relative to other utilities. Exhibit 16 shows a comparison of water and sewer bills with other representative communities. As shown, the combined water and sewer bill for a residential customer in Columbus (using approximately 5 ccf per month) is \$63.24 per month or \$758.88 per year. The median household income (MHI) in Columbus, GA was \$58,073 in 2024.¹ The combined water and sewer bill for the average residential customer is approximately 1.3% of MHI, which is below the Environmental Protection Agency’s affordability threshold of 4.00% of MHI for both water and sewer.²

Exhibit 16

Comparison of Rates with Other Representative Communities (5/8” meter and 5 ccf per month)



¹ <https://www.census.gov/quickfacts/sanfordcitynorthcarolina>

² Clean Water Act Financial Capability Assessment Guidance, Environmental Protection Agency, Office of Water, February 2023.

11. Fund Balance

Exhibit 17 shows the estimated beginning and ending operating fund balance over the Forecast Period, as well as the estimated minimum and maximum target based on the operating and capital requirements. As shown, a surplus is anticipated in FY 2026 through FY 2028 and a deficit in FY 2029 and 2030.

Exhibit 17

Combined System Operating Fund Balance

	<u>FY 2026</u> <i>Projected</i>	<u>FY 2027</u> <i>Projected</i>	<u>FY 2028</u> <i>Projected</i>	<u>FY 2029</u> <i>Projected</i>	<u>FY 2030</u> <i>Projected</i>
Operating Fund					
<u>Beginning Balance</u>	\$ 27,885,315	\$ 30,950,200	\$ 30,973,739	\$ 34,284,342	\$ 34,158,805
Additions:					
Operating Surplus	3,064,886	-	3,310,603	-	1,360,826
Transfers from Other Funds	-	9,278,621	-	-	-
Subtractions:					
Operating Deficit	-	(9,255,082)	-	(125,538)	-
Transfers to Other Funds	-	-	-	-	-
<i>Ending Balance</i>	<u>\$ 30,950,200</u>	<u>\$ 30,973,739</u>	<u>\$ 34,284,342</u>	<u>\$ 34,158,805</u>	<u>\$ 35,519,630</u>
Capital Reserve Fund					
<u>Beginning Balance</u>	\$ 14,621,818	\$ 14,621,818	\$ 5,343,197	\$ 5,343,197	\$ 5,343,197
Additions:					
From Operating Fund	-	-	-	-	-
Subtractions:					
To Operating Fund	-	(9,278,621)	-	-	-
To Fund Capital Improvements	-	-	-	-	-
<i>Ending Balance</i>	<u>\$ 14,621,818</u>	<u>\$ 5,343,197</u>	<u>\$ 5,343,197</u>	<u>\$ 5,343,197</u>	<u>\$ 5,343,197</u>
Combined Operating and Capital Funds					
<u>Beginning Balance</u>	\$ 42,507,133	\$ 45,572,019	\$ 36,316,936	\$ 39,627,539	\$ 39,502,002
Additions:	3,064,886	9,278,621	3,310,603	-	1,360,826
Subtractions:	-	(18,533,703)	-	(125,538)	-
<i>Ending Balance</i>	<u>\$ 45,572,019</u>	<u>\$ 36,316,936</u>	<u>\$ 39,627,539</u>	<u>\$ 39,502,002</u>	<u>\$ 40,862,828</u>

12. Additional Bonds Test

Columbus may issue additional bonds only if any one of two requirements, or tests, set forth in Section 4.1 of the Trust Indenture outlined below are met. The Trust Indenture provides that:

The Issuer agrees that it will not issue or incur any Additional Indebtedness unless the Trustee shall be provided with the following:

- (i) a report by an independent certified public accountant (or firm thereof) to the Issuer to the effect that:
 - (i) that the Net Revenues of the System for a period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligations have been equal to at least 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Bonds then outstanding and on the Obligations proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation); or
 - (ii) if a new schedule of rates, fees, and charges for the services, facilities and commodities furnished by the System shall have been adopted, that had such new rate schedule been in effect during the period of 12 consecutive months out of the 18 months immediately preceding the month of adoption of proceedings authorizing the issuance of such proposed Obligation, the Net Revenues of the System would have at least equaled 1.20 times the highest annual Debt Service Requirement in any succeeding Sinking Fund Year on all Obligations then outstanding and on the Parity Bonds proposed to be issued (excluding for calculation of the Debt Service Requirement any Obligations which are to be refunded and defeased by the proposed Obligation).

CWW’s Net Revenues from FY 2025 are sufficient to meet the requirements of the first test listed as (i) above. The detailed calculation of the test is presented in Exhibit 18.

Exhibit 18

Additional Bonds Test

	<u>2025</u> (Actual)
System Revenues	
Revenues from User Rates and Charges	\$ 91,184,519
Additional System Revenues	<u>9,449,502</u>
<i>Subtotal: System Revenues</i>	100,634,021
Water and Wastewater Operating Expenses	<u>(57,576,873)</u>
A Net Revenues Available for Debt Service	\$ 43,057,148
Maximum Principal and Interest Requirement	\$ 14,523,422
B 120% of Maximum Principal and Interest Requirement	\$ 17,428,106
Test (i) described above	2.96

Section 4.1(k) requires projected Net Revenues for each succeeding Sinking Fund Year after such additions, extensions, and improvements have been completed, and shall show the coverage of annual Debt service Requirements for the Obligations then outstanding and the Obligations proposed to be issued for each such succeeding Sinking Fund Year.

CWW’s Net Revenues are sufficient to meet this requirement as shown in Exhibit 19.

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Exhibit 19

Projected Debt Service Coverage

Columbus Water Works, Georgia
Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage
For the Fiscal Years Ending June 25th

	<u>2026</u> (Projected)	<u>2027</u> (Projected)	<u>2028</u> (Projected)	<u>2029</u> (Projected)	<u>2030</u> (Projected)	<u>2031</u> (Projected)	<u>2032</u> (Projected)	<u>2033</u> (Projected)	<u>2034</u> (Projected)	<u>2035</u> (Projected)
Operating Revenues (1)	\$ 101,171,110	\$ 109,552,688	\$ 126,620,253	\$ 137,555,570	\$ 147,930,068	\$ 154,319,112	\$ 158,768,613	\$ 162,362,409	\$ 165,673,860	\$ 169,046,824
Water and Wastewater Operating Expenses (2)	\$ (63,192,370)	\$ (65,921,637)	\$ (68,713,910)	\$ (71,496,840)	\$ (74,411,320)	\$ (77,464,060)	\$ (80,661,960)	\$ (84,012,350)	\$ (87,523,030)	\$ (91,202,220)
Nonoperating Revenues (Expenses)										
Investment Earnings (3)	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100
Other Non-Operating Revenue (4)	2,828,140	2,855,370	2,882,870	2,910,650	2,938,700	2,967,030	2,995,650	3,024,560	3,053,750	3,083,230
Subtotal: Nonoperating Revenues (Expenses)	\$ 6,433,240	\$ 6,460,470	\$ 6,487,970	\$ 6,515,750	\$ 6,543,800	\$ 6,572,130	\$ 6,600,750	\$ 6,629,660	\$ 6,658,850	\$ 6,688,330
A Net Revenues	\$ 44,411,780	\$ 50,091,521	\$ 64,394,313	\$ 72,574,480	\$ 80,062,548	\$ 83,427,182	\$ 84,707,403	\$ 84,979,719	\$ 84,809,680	\$ 84,532,934
Parity Indebtedness										
Existing Parity Indebtedness	\$ (14,523,422)	\$ (8,314,805)	\$ (8,309,776)	\$ (10,062,625)	\$ (10,061,701)	\$ (10,065,351)	\$ (2,341,897)	\$ (2,339,821)	\$ (2,344,024)	\$ -
Proposed Series 2026 Bonds (5)	-	(12,451,683)	(12,453,000)	(10,704,000)	(10,702,750)	(10,705,500)	(10,706,500)	(10,705,250)	(10,701,250)	(10,709,000)
B Subtotal: Revenue Bond Indebtedness	\$ (14,523,422)	\$ (20,766,488)	\$ (20,762,776)	\$ (20,766,625)	\$ (20,764,451)	\$ (20,770,851)	\$ (13,048,397)	\$ (13,045,071)	\$ (13,045,274)	\$ (10,709,000)
Debt Service Coverage - Parity Indebtedness Calculated Using Net Revenues (A/B)	3.06	2.41	3.10	3.49	3.86	4.02	6.49	6.51	6.50	7.89
	<u>2036</u> (Projected)	<u>2037</u> (Projected)	<u>2038</u> (Projected)	<u>2039</u> (Projected)	<u>2040</u> (Projected)	<u>2041</u> (Projected)	<u>2042</u> (Projected)	<u>2043</u> (Projected)	<u>2044</u> (Projected)	<u>2045</u> (Projected)
Operating Revenues (1)	\$ 172,499,308	\$ 175,987,198	\$ 179,566,391	\$ 183,256,485	\$ 187,076,528	\$ 190,990,123	\$ 194,975,193	\$ 199,063,850	\$ 203,280,640	\$ 207,599,866
Water and Wastewater Operating Expenses (2)	\$ (95,058,480)	\$ (99,100,890)	\$ (103,339,150)	\$ (107,783,370)	\$ (112,444,240)	\$ (117,333,120)	\$ (122,462,070)	\$ (127,843,570)	\$ (133,490,990)	\$ (139,418,540)
Nonoperating Revenues (Expenses)										
Investment Earnings (3)	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100
Other Non-Operating Revenue (4)	3,113,010	3,143,090	3,173,460	3,204,140	3,235,120	3,266,420	3,298,040	3,329,970	3,362,220	3,394,800
Subtotal: Nonoperating Revenues (Expenses)	\$ 6,718,110	\$ 6,748,190	\$ 6,778,560	\$ 6,809,240	\$ 6,840,220	\$ 6,871,520	\$ 6,903,140	\$ 6,935,070	\$ 6,967,320	\$ 6,999,900
A Net Revenues	\$ 84,158,938	\$ 83,634,498	\$ 83,005,801	\$ 82,282,355	\$ 81,472,508	\$ 80,528,523	\$ 79,416,263	\$ 78,155,350	\$ 76,756,970	\$ 75,181,226
Parity Indebtedness										
Existing Parity Indebtedness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proposed Series 2026 Bonds (5)	(10,707,250)	(6,685,750)	(6,684,750)	(6,687,500)	(6,683,500)	(6,687,750)	(6,684,500)	(6,683,750)	(6,685,000)	(6,682,750)
B Subtotal: Revenue Bond Indebtedness	\$ (10,707,250)	\$ (6,685,750)	\$ (6,684,750)	\$ (6,687,500)	\$ (6,683,500)	\$ (6,687,750)	\$ (6,684,500)	\$ (6,683,750)	\$ (6,685,000)	\$ (6,682,750)
Debt Service Coverage - Parity Indebtedness Calculated Using Net Revenues (A/B)	7.86	12.51	12.42	12.30	12.19	12.04	11.88	11.69	11.48	11.25

Exhibit 19 (Cont'd)

Projected Debt Service Coverage

Columbus Water Works, Georgia
Forecast Statement of Revenues, Expenses, Debt Service, and Debt Service Coverage
For the Fiscal Years Ending June 25th

	2046 (Projected)	2047 (Projected)	2048 (Projected)	2049 (Projected)	2050 (Projected)	2051 (Projected)	2052 (Projected)	2053 (Projected)	2054 (Projected)	2055 (Projected)	2056 (Projected)
Operating Revenues (1)	\$ 212,063,253	\$ 216,688,059	\$ 221,422,425	\$ 226,255,351	\$ 231,206,842	\$ 236,315,152	\$ 241,620,077	\$ 247,057,962	\$ 252,613,336	\$ 258,328,959	\$ 264,202,099
Water and Wastewater Operating Expenses (2)	\$ (145,641,140)	\$ (152,174,640)	\$ (159,035,700)	\$ (166,242,120)	\$ (173,812,700)	\$ (181,767,250)	\$ (190,126,910)	\$ (198,914,030)	\$ (208,152,330)	\$ (217,866,920)	\$ (228,084,520)
Nonoperating Revenues (Expenses)											
Investment Earnings (3)	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100	\$ 3,605,100
Other Non-Operating Revenue (4)	\$ 3,427,700	\$ 3,460,930	\$ 3,494,490	\$ 3,528,390	\$ 3,562,620	\$ 3,597,200	\$ 3,632,130	\$ 3,667,400	\$ 3,703,020	\$ 3,739,000	\$ 3,775,340
Subtotal: Nonoperating Revenues (Expenses)	\$ 7,032,800	\$ 7,066,030	\$ 7,099,590	\$ 7,133,490	\$ 7,167,720	\$ 7,202,300	\$ 7,237,230	\$ 7,272,500	\$ 7,308,120	\$ 7,344,100	\$ 7,380,440
A Net Revenues	\$ 73,454,913	\$ 71,579,449	\$ 69,486,315	\$ 67,146,721	\$ 64,561,862	\$ 61,750,202	\$ 58,730,397	\$ 55,416,432	\$ 51,769,126	\$ 47,806,139	\$ 43,498,019
Parity Indebtedness											
Existing Parity Indebtedness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proposed Series 2026 Bonds (5)	\$ (6,686,750)	\$ (6,686,250)	\$ (6,686,000)	\$ (6,685,500)	\$ (6,684,250)	\$ (6,686,750)	\$ (6,687,250)	\$ (6,685,250)	\$ (6,685,250)	\$ (6,686,500)	\$ (6,683,250)
B Subtotal: Revenue Bond Indebtedness	\$ (6,686,750)	\$ (6,686,250)	\$ (6,686,000)	\$ (6,685,500)	\$ (6,684,250)	\$ (6,686,750)	\$ (6,687,250)	\$ (6,685,250)	\$ (6,685,250)	\$ (6,686,500)	\$ (6,683,250)
Debt Service Coverage - Parity Indebtedness											
Calculated Using Net Revenues (A/B)	10.99	10.71	10.39	10.04	9.66	9.23	8.78	8.29	7.74	7.15	6.51

- (1) Reflects the Water and Sewer User Charges applied to customers. These amounts include revenues from monthly base charges and volumetric rates from the sale of water and treatment of sewer for all the System’s customer classes, except for the Fort Benning contract revenues. Rates and charges for all customers are increasing over the Forecast Period due to forecast rate adjustments in each year through FY 2030 on System customer rates. A 2% rate adjustment is assumed for projected years 2031 through 2056. Growth in the number of customer accounts or water and sewer billable consumption is included in the projection of revenues for this forecast. Refer to Explanatory Notes 4, 8, and 9 for more information.
- (2) See Explanatory Note 7 for more information on System operating expenses.
- (3) Investment earnings are based on the FY 2025 amount and projected to remain consistent throughout the forecast.
- (4) Other Non-Operating Revenue includes income from miscellaneous water and sewer fees.
- (5) The proposed Series 2026 Bonds, based on preliminary pricing provided by the underwriter, assumes a par amount of \$136.53 million, an estimated interest rate of 4.00% for the new money with a 30-year amortization and a 2.65% interest rate for the refunding with a 10-year amortization. See Explanatory Note 6 for more information.

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