

Appendix C:
Statement of Revenues and Expenditures with Proposed Rate Increase

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

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COMPILATION ENGAGEMENT REPORT

We have compiled a financial projection for the Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation consisting of Projected Statements of Revenues and Expenditures (with proposed rate increase) for the years to end March 31, 2026, 2027, 2028, 2029 and 2030, using assumptions, including the hypotheses set out in Note 2, with an effective date of March 3, 2026, and other information provided by management. Our engagement was performed in accordance with the applicable guidance on compilation of a financial projection set out in the CPA Handbook-Assurance.

A compilation is limited to presenting, in the form of a financial projection, information provided by management and does not include evaluating the support for the assumptions, including the hypotheses, or other information underlying the projection. Accordingly, we do not express an opinion or any other form of assurance on the financial projection or assumptions, including the hypotheses. Further, since this financial projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occurs, and the variations may be material. We have no responsibility to update this communication for events and circumstances occurring after the date of this communication. This financial projection is intended primarily for the purposes of inclusion in a rate filing submission to the Island Regulatory and Appeals Commission.

MRSB Chartered Professional Accountants Inc.
MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

CHARLOTTETOWN, PE

MARCH 3, 2026

M|R|S|B

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
SEWER WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
REVENUES						
Sewer rates						
Flat rate revenues	\$ 86,101	\$ 85,085	\$ 98,916	\$ 113,898	\$ 122,441	\$ 131,624
Interest	-	-	-	-	-	-
	<u>86,101</u>	<u>85,085</u>	<u>98,916</u>	<u>113,898</u>	<u>122,441</u>	<u>131,624</u>
EXPENDITURES						
GENERAL						
Insurance	775	798	822	847	872	898
Interest and bank charges	1,220	1,257	1,294	1,333	1,373	1,414
Miscellaneous	702	723	745	767	790	814
Professional fees	-	-	-	-	-	-
Regulatory commission fees	1,075	1,107	1,140	1,175	1,210	1,246
	<u>3,772</u>	<u>3,885</u>	<u>4,002</u>	<u>4,122</u>	<u>4,245</u>	<u>4,373</u>
OPERATING						
Operator fee	11,917	12,275	12,643	13,022	13,413	13,815
Repairs and maintenance	6,429	6,622	6,821	7,025	7,236	7,453
Utilities	10,028	10,329	10,639	10,958	11,287	11,625
	<u>28,374</u>	<u>29,225</u>	<u>30,102</u>	<u>31,005</u>	<u>31,935</u>	<u>32,893</u>
OTHER						
Amortization of tangible capital assets (net)	9,224	7,051	8,987	10,787	12,587	18,587
Bad debts	4,542	4,678	4,819	4,963	5,112	5,265
Interest on long term debt	11,566	12,226	12,676	20,030	18,142	37,252
	<u>25,332</u>	<u>23,955</u>	<u>26,481</u>	<u>35,780</u>	<u>35,842</u>	<u>61,105</u>
TRANSFERS						
Allocation from general government	16,000	16,000	16,000	16,000	16,000	16,000
Allocation from professional centre	5,000	5,000	5,000	5,000	5,000	5,000
	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>
TOTAL EXPENDITURES	<u>78,478</u>	<u>78,066</u>	<u>81,585</u>	<u>91,907</u>	<u>93,022</u>	<u>119,371</u>
OPERATING SURPLUS	<u>7,623</u>	<u>7,019</u>	<u>17,331</u>	<u>21,992</u>	<u>29,419</u>	<u>12,253</u>
SURPLUS - BEGINNING OF YEAR	<u>330,902</u>	<u>338,525</u>	<u>345,544</u>	<u>362,875</u>	<u>384,867</u>	<u>414,286</u>
SURPLUS - END OF YEAR	<u>\$ 338,525</u>	<u>\$ 345,544</u>	<u>\$ 362,875</u>	<u>\$ 384,867</u>	<u>\$ 414,286</u>	<u>\$ 426,539</u>

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WATER WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
REVENUES						
Water rates						
Flat rate revenues	\$ 21,135	\$ 22,268	\$ 31,291	\$ 41,103	\$ 44,186	\$ 47,500
Interest	846	871	898	924	952	981
	<u>21,981</u>	<u>23,139</u>	<u>32,189</u>	<u>42,028</u>	<u>45,138</u>	<u>48,481</u>
EXPENDITURES						
GENERAL						
Insurance	1,176	1,211	1,248	1,285	1,324	1,363
Interest and bank charges	322	332	342	352	362	373
Miscellaneous	1,555	1,602	1,650	1,699	1,750	1,803
Regulatory commission fees	250	258	265	273	281	290
	<u>3,303</u>	<u>3,402</u>	<u>3,504</u>	<u>3,609</u>	<u>3,718</u>	<u>3,829</u>
OPERATING						
Operator fee	11,917	12,275	12,643	13,022	13,413	13,815
Repairs and maintenance	6,071	6,253	6,441	6,634	6,833	7,038
Utilities	3,679	3,789	3,903	4,020	4,141	4,265
	<u>21,667</u>	<u>22,317</u>	<u>22,987</u>	<u>23,676</u>	<u>24,386</u>	<u>25,118</u>
OTHER						
Amortization of tangible capital assets (net)	2,390	2,391	3,192	3,192	3,192	3,192
Interest on long term debt	219	-	-	-	-	-
	<u>2,609</u>	<u>2,391</u>	<u>3,192</u>	<u>3,192</u>	<u>3,192</u>	<u>3,192</u>
TRANSFERS						
Allocation from general government	4,000	4,000	4,000	4,000	4,000	4,000
Allocation from professional centre	1,000	1,000	1,000	1,000	1,000	1,000
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
TOTAL EXPENDITURES	<u>32,579</u>	<u>33,110</u>	<u>34,683</u>	<u>35,478</u>	<u>36,296</u>	<u>37,139</u>
OPERATING SURPLUS (DEFICIT)	<u>(10,598)</u>	<u>(9,971)</u>	<u>(2,494)</u>	<u>6,550</u>	<u>8,842</u>	<u>11,342</u>
DEFICIT - BEGINNING OF YEAR	<u>(87,554)</u>	<u>(98,152)</u>	<u>(108,123)</u>	<u>(110,617)</u>	<u>(104,067)</u>	<u>(95,225)</u>

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

1. Basis of Preparation

The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation provide sewer and water services for the Rural Municipality of Crapaud, P.E.I.

These projections have been prepared for inclusion in an application for an increased utility rate submitted to the Island Regulatory and Appeals Commission (IRAC), and may not be appropriate for purposes other than those described. The projected statements of operations have been prepared as at March 3, 2026 using the hypotheses detailed in Note 2 together with assumptions that are based on management's judgment as to the most probable set of economic conditions as well as the entity's planned courses of action for the period covered.

These projections reflect only the assets, liabilities, revenues, expenditures, and changes in fund balances of the Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation and do not include all funds of the Rural Municipality of Crapaud.

In view of uncertainties inherent in predicting future conditions and events, actual results achieved for the period will vary from the information presented and the variations may be material.

2. Hypotheses

The projection is based on the following hypotheses:

- The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation plan on undertaking infrastructure upgrades as described in Note 4, throughout fiscal years ending March 31, 2026, 2027, 2028, 2029 and 2030.
- The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation currently have loans with the Bank of Nova Scotia with rates and repayment terms as described in Note 5 (e). Additional financing of \$728,180 with Provincial Credit Union is anticipated with a new loan for the infrastructure upgrades at a rate of prime amortized over a 15-year term.
- The additional financing of \$228,180 described above represents the corporation's share of the estimated capital cost of the sewer (\$2,370,000) and water (\$650,000) upgrades. It is anticipated that \$702,000 of the cost will be provided from Canada Community Building Fund allocation, \$1,289,820 from Canada Housing Infrastructure Fund ("CHIF"), \$300,000 from the sale of land held for development, and the remaining cost to the corporation will be financed as described above with a loan, after government funding has been used.
- The Utility expects 35 new customers between 2027 and 2028 fiscal years and does not expect any growth in the number of customers for the years ending 2026, 2029, and 2030.

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

3. Significant Accounting Policies

The projected financial statements for the Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

a) Tangible capital assets

Tangible capital assets of the Sewer and Water Utility are stated at cost and amortized using the straight-line method at the following rates as directed by the Island Regulatory and Appeals Commission:

Buildings	10%
Equipment	10%
Office equipment	10%
Water	1.2%, 5% and 10%
Sewer	1.2%, 5% and 10%

b) Contributions in aid of construction

Funds received through capital assistance programs are credited to contributions in aid of construction and amortized at the same rates as the tangible capital assets to which they apply.

c) Revenue recognition

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

The Utility follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

4. Project Costs and Funding

<u>Project costs</u>		<u>Project funding</u>	
Sewer extensions and improvements	\$ 2,370,000	Canada Community Building Fund Allocation	\$ 702,000
Water extensions and improvements	650,000	CHIF Funding	1,289,820
		Other funding sources	300,000
		New loan - Town share of project costs	728,180
	3,020,000		3,020,000

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions

a) Revenues

The Utility is subject to rate regulation on the sewer and water utilities provided to residents in Prince Edward Island under the Island Regulatory & Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory & Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer and water services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

Sewer rates for metered customers and domestic customers are proposed to be increased by 7.5% effective April 1, 2026, followed by subsequent increases each of 7.5% on April 1, 2027, April 1, 2028, and April 1, 2029.

Water rates for metered customers and domestic customers are proposed to be increased by 7.5% effective April 1, 2026, followed by subsequent increases each of 7.5% on April 1, 2027, April 1, 2028, and April 1, 2029.

b) Operating expenditures

Most operating expenditures are estimated to increase at a rate of 3% per year given the effects of inflation and increasing cost of purchasing goods and services.

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions (continued)

c) Tangible capital assets – sewer assets

			Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$	2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%		2,456,594	-	29,479	545,151	1,911,443
Pumping equipment	5.0%		-	-	-	-	-
Sewer and lines	1.2%		-	-	-	-	-
Other	5.0%		56,343	-	2,173	375	55,968
Total Assets		\$	2,459,287	\$ -	\$ 29,479	\$ 545,151	\$ 1,914,136

			Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$	2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%		2,456,594	1,570,000	48,319	593,470	3,433,124
Pumping equipment	5.0%		-	-	-	-	-
Sewer and lines	1.2%		-	-	-	-	-
Other	5.0%		56,343	-	2,173	375	55,968
Total Assets		\$	2,459,287	\$ 1,570,000	\$ 48,319	\$ 593,470	\$ 3,435,817

			Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$	2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%		4,026,594	150,000	50,119	643,589	3,533,005
Pumping equipment	5.0%		-	-	-	-	-
Sewer and lines	1.2%		-	-	-	-	-
Other	5.0%		56,343	-	2,173	375	55,968
Total Assets		\$	4,029,287	\$ 150,000	\$ 50,119	\$ 643,589	\$ 3,535,698

			Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Land	0.0%	\$	2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%		4,176,594	150,000	51,919	695,508	3,631,086
Pumping equipment	5.0%		-	-	-	-	-
Sewer and lines	1.2%		-	-	-	-	-
Other	5.0%		56,343	-	2,173	375	55,968
Total Assets		\$	4,179,287	\$ 150,000	\$ 51,919	\$ 695,508	\$ 3,633,779

			Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Land	0.0%	\$	2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%		4,326,594	500,000	57,919	753,427	4,073,167
Pumping equipment	5.0%		-	-	-	-	-
Sewer and lines	1.2%		-	-	-	-	-
Other	5.0%		56,343	-	2,173	375	55,968
Total Assets		\$	4,329,287	\$ 500,000	\$ 57,919	\$ 753,427	\$ 4,075,860

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions (continued)

b) Contribution in aid of construction – sewer assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Structures & improvements	1.2%	\$ 1,869,002	\$ -	\$ 22,428	\$ 346,642	\$ 1,522,360
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,869,002	\$ -	\$ 22,428	\$ 346,642	\$ 1,522,360

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Structures & improvements	1.2%	\$ 1,869,002	\$ 1,408,659	\$ 39,332	\$ 385,974	\$ 2,891,688
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,869,002	\$ 1,408,659	\$ 39,332	\$ 385,974	\$ 2,891,688

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 425,306	\$ 2,852,356
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 425,306	\$ 2,852,356

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 464,638	\$ 2,813,024
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 464,638	\$ 2,813,024

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 503,970	\$ 2,773,692
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 503,970	\$ 2,773,692

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION**
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030

5. Summary of Significant Assumptions (continued)

c) Tangible capital assets – water assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Wells and Springs	1.2%	162,760	-	1,953	27,049	135,711
Supply Mains	1.2%	493,504	-	5,922	85,386	408,118
Other	5.0%	-	-	-	-	-
Total Assets		\$ 656,264	\$ -	\$ 7,875	\$ 112,435	\$ 543,829

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Wells and Springs	1.2%	162,760	650,000	9,753	36,802	775,958
Supply Mains	1.2%	493,504	-	5,922	91,308	402,196
Other	5.0%	-	-	-	-	-
Total Assets		\$ 656,264	\$ 650,000	\$ 15,675	\$ 128,110	\$ 1,178,154

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Wells and Springs	1.2%	812,760	-	9,753	46,555	766,205
Supply Mains	1.2%	493,504	-	5,922	97,230	396,274
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 143,785	\$ 1,162,479

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Wells and Springs	1.2%	812,760	-	9,753	56,308	756,452
Supply Mains	1.2%	493,504	-	5,922	103,152	390,352
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 159,460	\$ 1,146,804

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Wells and Springs	1.2%	812,760	-	9,753	66,061	746,699
Supply Mains	1.2%	493,504	-	5,922	109,074	384,430
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 175,135	\$ 1,131,129

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION**
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030

5. Summary of Significant Assumptions (continued)

d) Contribution in aid of construction – water assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	456,979	-	5,484	55,118	401,861
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 456,979	\$ -	\$ 5,484	\$ 55,118	\$ 401,861

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	456,979	583,241	12,483	67,601	972,619
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 456,979	\$ 583,241	\$ 12,483	\$ 67,601	\$ 972,619

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	80,084	960,136
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 80,084	\$ 960,136

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	92,567	947,653
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 92,567	\$ 947,653

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	105,050	935,170
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 105,050	\$ 935,170

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions (continued)

e) Long term debt

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Bank of Nova Scotia - prime; repayable in monthly principal installments of \$2,333 plus interest. The loan is renewable on January 31, 2026, is amortized to 2036, and is secured by a borrowing resolution.	\$ 159,012	\$ 141,907	\$ 123,529	\$ 103,784	\$ 82,569
Provincial Credit Union - prime; repayable in monthly blended installments of \$1,769. The loan is amortized to January 1, 2042, and is secured by a borrowing resolution.	-	226,426	215,609	204,273	192,392
Provincial Credit Union - prime; repayable in monthly blended installments of \$3,876. The loan is amortized to April 1, 2044, and is secured by a borrowing resolution.	-	-	-	-	478,485
	159,012	368,333	339,139	308,057	753,446
Less: current portion	(17,105)	(29,194)	(31,082)	(33,095)	(59,796)
	<u>\$ 141,907</u>	<u>\$ 339,139</u>	<u>\$ 308,057</u>	<u>\$ 274,962</u>	<u>\$ 693,651</u>

Principal portion of long term debt is estimated to be repaid over the following five years as follows:

2026	17,105
2027	29,194
2028	31,082
2029	33,095
2030	59,796

Appendix D:
Statement of Revenues and Expenditures Without Proposed Rate Increase

APPENDIX D

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

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COMPILATION ENGAGEMENT REPORT

We have compiled a financial projection for Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation consisting of Projected Statements of Revenues and Expenditures (with no proposed rate increase) for the years to end March 31, 2026, 2027, 2028, 2029 and 2030, using assumptions, including the hypotheses set out in Note 2, with an effective date of March 3, 2026, and other information provided by management. Our engagement was performed in accordance with the applicable guidance on compilation of a financial projection set out in the CPA Handbook-Assurance.

A compilation is limited to presenting, in the form of a financial projection, information provided by management and does not include evaluating the support for the assumptions, including the hypotheses, or other information underlying the projection. Accordingly, we do not express an opinion or any other form of assurance on the financial projection or assumptions, including the hypotheses. Further, since this financial projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occurs, and the variations may be material. We have no responsibility to update this communication for events and circumstances occurring after the date of this communication. This financial projection is intended primarily for the purposes of inclusion in a rate filing submission to the Island Regulatory and Appeals Commission.

MRSB Chartered Professional Accountants Inc.
MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

CHARLOTTETOWN, PE

MARCH 3, 2026

MRSB

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
SEWER WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
REVENUES						
Sewer rates						
Flat rate revenues	\$ 86,101	\$ 85,085	\$ 92,015	\$ 98,560	\$ 98,560	\$ 98,560
Interest	-	-	-	-	-	-
	<u>86,101</u>	<u>85,085</u>	<u>92,015</u>	<u>98,560</u>	<u>98,560</u>	<u>98,560</u>
EXPENDITURES						
GENERAL						
Insurance	775	798	822	847	872	898
Interest and bank charges	1,220	1,257	1,294	1,333	1,373	1,414
Miscellaneous	702	723	745	767	790	814
Professional fees	-	-	-	-	-	-
Regulatory commission fees	1,075	1,107	1,140	1,175	1,210	1,246
	<u>3,772</u>	<u>3,885</u>	<u>4,002</u>	<u>4,122</u>	<u>4,245</u>	<u>4,373</u>
OPERATING						
Operator fee	11,917	12,275	12,643	13,022	13,413	13,815
Repairs and maintenance	6,429	6,622	6,821	7,025	7,236	7,453
Utilities	10,028	10,329	10,639	10,958	11,287	11,625
	<u>28,374</u>	<u>29,225</u>	<u>30,102</u>	<u>31,005</u>	<u>31,935</u>	<u>32,893</u>
OTHER						
Amortization of tangible capital assets (net)	9,224	7,051	8,987	10,787	12,587	18,587
Bad debts	4,542	4,678	4,819	4,963	5,112	5,265
Interest on long term debt	11,566	12,226	12,676	20,030	18,142	37,252
	<u>25,332</u>	<u>23,955</u>	<u>26,481</u>	<u>35,780</u>	<u>35,842</u>	<u>61,105</u>
TRANSFERS						
Allocation from general government	16,000	16,000	16,000	16,000	16,000	16,000
Allocation from professional centre	5,000	5,000	5,000	5,000	5,000	5,000
	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>
TOTAL EXPENDITURES	<u>78,478</u>	<u>78,066</u>	<u>81,585</u>	<u>91,907</u>	<u>93,022</u>	<u>119,371</u>
OPERATING SURPLUS	<u>7,623</u>	<u>7,019</u>	<u>10,430</u>	<u>6,653</u>	<u>5,538</u>	<u>(20,811)</u>
SURPLUS - BEGINNING OF YEAR	<u>330,902</u>	<u>338,525</u>	<u>345,544</u>	<u>355,974</u>	<u>362,627</u>	<u>368,165</u>
SURPLUS - END OF YEAR	<u>\$ 338,525</u>	<u>\$ 345,544</u>	<u>\$ 355,974</u>	<u>\$ 362,627</u>	<u>\$ 368,165</u>	<u>\$ 347,355</u>

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WATER WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
REVENUES						
Water rates						
Flat rate revenues	\$ 21,135	\$ 22,268	\$ 29,108	\$ 35,568	\$ 35,568	\$ 35,568
Interest	846	871	898	924	952	981
	<u>21,981</u>	<u>23,139</u>	<u>30,006</u>	<u>36,492</u>	<u>36,520</u>	<u>36,549</u>
EXPENDITURES						
GENERAL						
Insurance	1,176	1,211	1,248	1,285	1,324	1,363
Interest and bank charges	322	332	342	352	362	373
Miscellaneous	1,555	1,602	1,650	1,699	1,750	1,803
Regulatory commission fees	250	258	265	273	281	290
	<u>3,303</u>	<u>3,402</u>	<u>3,504</u>	<u>3,609</u>	<u>3,718</u>	<u>3,829</u>
OPERATING						
Operator fee	11,917	12,275	12,643	13,022	13,413	13,815
Repairs and maintenance	6,071	6,253	6,441	6,634	6,833	7,038
Utilities	3,679	3,789	3,903	4,020	4,141	4,265
	<u>21,667</u>	<u>22,317</u>	<u>22,987</u>	<u>23,676</u>	<u>24,386</u>	<u>25,118</u>
OTHER						
Amortization of tangible capital assets (net)	2,390	2,391	3,192	3,192	3,192	3,192
Interest on long term debt	219	-	-	-	-	-
	<u>2,609</u>	<u>2,391</u>	<u>3,192</u>	<u>3,192</u>	<u>3,192</u>	<u>3,192</u>
TRANSFERS						
Allocation from general government	4,000	4,000	4,000	4,000	4,000	4,000
Allocation from professional centre	1,000	1,000	1,000	1,000	1,000	1,000
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
TOTAL EXPENDITURES	<u>32,579</u>	<u>33,110</u>	<u>34,683</u>	<u>35,478</u>	<u>36,296</u>	<u>37,139</u>
OPERATING SURPLUS (DEFICIT)	<u>(10,598)</u>	<u>(9,971)</u>	<u>(4,677)</u>	<u>1,015</u>	<u>224</u>	<u>(590)</u>
DEFICIT - BEGINNING OF YEAR	<u>(87,554)</u>	<u>(98,152)</u>	<u>(108,123)</u>	<u>(112,800)</u>	<u>(111,785)</u>	<u>(111,561)</u>
DEFICIT - END OF YEAR	<u>\$ (98,152)</u>	<u>\$ (108,123)</u>	<u>\$ (112,800)</u>	<u>\$ (111,785)</u>	<u>\$ (111,561)</u>	<u>\$ (112,151)</u>

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

1. Basis of Preparation

The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation provide sewer and water services for the Rural Municipality of Crapaud, P.E.I.

These projections have been prepared for inclusion in an application for an increased utility rate submitted to the Island Regulatory and Appeals Commission (IRAC), and may not be appropriate for purposes other than those described. The projected statements of operations have been prepared as at March 3, 2026 using the hypotheses detailed in Note 2 together with assumptions that are based on management's judgment as to the most probable set of economic conditions as well as the entity's planned courses of action for the period covered.

These projections reflect only the assets, liabilities, revenues, expenditures, and changes in fund balances of the Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation and do not include all funds of the Rural Municipality of Crapaud.

In view of uncertainties inherent in predicting future conditions and events, actual results achieved for the period will vary from the information presented and the variations may be material.

2. Hypotheses

The projection is based on the following hypotheses:

- The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation plan on undertaking infrastructure upgrades as described in Note 4, throughout fiscal years ending March 31, 2026, 2027, 2028, 2029 and 2030.
- The Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation currently have loans with the Bank of Nova Scotia with rates and repayment terms as described in Note 5 (e). Additional financing of \$728,180 with Provincial Credit Union is anticipated with a new loan for the infrastructure upgrades at a rate of prime amortized over a 15-year term.
- The additional financing of \$728,180 described above represents the corporation's share of the estimated capital cost of the sewer (\$2,370,000) and water (\$650,000) upgrades. It is anticipated that \$702,000 of the cost will be provided from Canada Community Building Fund allocation, \$1,289,820 from Canada Housing Infrastructure Fund ("CHIF"), \$500,000 from the sale of land held for development, and the remaining cost to the corporation will be financed as described above with a loan, after government funding has been used.
- The Utility expects 35 new customers between 2027 and 2028 fiscal years and does not expect any growth in the number of customers for the years ending 2026, 2029, and 2030.

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

3. Significant Accounting Policies

The projected financial statements for the Crapaud Sewage Collection & Treatment Corporation and Crapaud Water Utility Corporation have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

a) Tangible capital assets

Tangible capital assets of the Sewer and Water Utility are stated at cost and amortized using the straight-line method at the following rates as directed by the Island Regulatory and Appeals Commission:

Buildings	10%
Equipment	10%
Office equipment	10%
Water	1.2%, 5% and 10%
Sewer	1.2%, 5% and 10%

b) Contributions in aid of construction

Funds received through capital assistance programs are credited to contributions in aid of construction and amortized at the same rates as the tangible capital assets to which they apply.

c) Revenue recognition

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

The Utility follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

4. Project Costs and Funding

<u>Project costs</u>		<u>Project funding</u>	
Sewer extensions and improvements	\$ 2,370,000	Canada Community Building Fund Allocation	\$ 702,000
Water extensions and improvements	650,000	CHIF Funding	1,289,820
		Other funding sources	300,000
		New loan - Town share of project costs	728,180
	3,020,000		3,020,000

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions

a) Revenues

The Utility is subject to rate regulation on the sewer and water utilities provided to residents in Prince Edward Island under the Island Regulatory & Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory & Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer and water services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

b) Operating expenditures

Most operating expenditures are estimated to increase at a rate of 3% per year given the effects of inflation and increasing cost of purchasing goods and services.

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION**
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030

5. Summary of Significant Assumptions (continued)

c) Tangible capital assets – sewer assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$ 2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%	2,456,594	-	29,479	545,151	1,911,443
Pumping equipment	5.0%	-	-	-	-	-
Sewer and lines	1.2%	-	-	-	-	-
Other	5.0%	56,343	-	2,173	375	55,968
Total Assets		\$ 2,459,287	\$ -	\$ 29,479	\$ 545,151	\$ 1,914,136

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$ 2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%	2,456,594	1,570,000	48,319	593,470	3,433,124
Pumping equipment	5.0%	-	-	-	-	-
Sewer and lines	1.2%	-	-	-	-	-
Other	5.0%	56,343	-	2,173	375	55,968
Total Assets		\$ 2,459,287	\$ 1,570,000	\$ 48,319	\$ 593,470	\$ 3,435,817

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$ 2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%	4,026,594	150,000	50,119	643,589	3,533,005
Pumping equipment	5.0%	-	-	-	-	-
Sewer and lines	1.2%	-	-	-	-	-
Other	5.0%	56,343	-	2,173	375	55,968
Total Assets		\$ 4,029,287	\$ 150,000	\$ 50,119	\$ 643,589	\$ 3,535,698

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Land	0.0%	\$ 2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%	4,176,594	150,000	51,919	695,508	3,631,086
Pumping equipment	5.0%	-	-	-	-	-
Sewer and lines	1.2%	-	-	-	-	-
Other	5.0%	56,343	-	2,173	375	55,968
Total Assets		\$ 4,179,287	\$ 150,000	\$ 51,919	\$ 695,508	\$ 3,633,779

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Land	0.0%	\$ 2,693	\$ -	\$ -	\$ -	\$ 2,693
Structures & improvements	1.2%	4,326,594	500,000	57,919	753,427	4,073,167
Pumping equipment	5.0%	-	-	-	-	-
Sewer and lines	1.2%	-	-	-	-	-
Other	5.0%	56,343	-	2,173	375	55,968
Total Assets		\$ 4,329,287	\$ 500,000	\$ 57,919	\$ 753,427	\$ 4,075,860

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions (continued)

b) Contribution in aid of construction – sewer assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Structures & improvements	1.2%	\$ 1,869,002	\$ -	\$ 22,428	\$ 346,642	\$ 1,522,360
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,869,002	\$ -	\$ 22,428	\$ 346,642	\$ 1,522,360

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Structures & improvements	1.2%	\$ 1,869,002	\$ 1,408,659	\$ 39,332	\$ 385,974	\$ 2,891,688
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,869,002	\$ 1,408,659	\$ 39,332	\$ 385,974	\$ 2,891,688

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 425,306	\$ 2,852,356
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 425,306	\$ 2,852,356

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 464,638	\$ 2,813,024
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 464,638	\$ 2,813,024

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Structures & improvements	1.2%	\$ 3,277,661	\$ -	\$ 39,332	\$ 503,970	\$ 2,773,692
Pumping equipment	5.0%	-	-	-	-	-
Total Assets		\$ 3,277,661	\$ -	\$ 39,332	\$ 503,970	\$ 2,773,692

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030**

5. Summary of Significant Assumptions (continued)

c) Tangible capital assets – water assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Wells and Springs	1.2%	162,760	-	1,953	27,049	135,711
Supply Mains	1.2%	493,504	-	5,922	85,386	408,118
Other	5.0%	-	-	-	-	-
Total Assets		\$ 656,264	\$ -	\$ 7,875	\$ 112,435	\$ 543,829

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Wells and Springs	1.2%	162,760	650,000	9,753	36,802	775,958
Supply Mains	1.2%	493,504	-	5,922	91,308	402,196
Other	5.0%	-	-	-	-	-
Total Assets		\$ 656,264	\$ 650,000	\$ 15,675	\$ 128,110	\$ 1,178,154

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Wells and Springs	1.2%	812,760	-	9,753	46,555	766,205
Supply Mains	1.2%	493,504	-	5,922	97,230	396,274
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 143,785	\$ 1,162,479

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Wells and Springs	1.2%	812,760	-	9,753	56,308	756,452
Supply Mains	1.2%	493,504	-	5,922	103,152	390,352
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 159,460	\$ 1,146,804

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Wells and Springs	1.2%	812,760	-	9,753	66,061	746,699
Supply Mains	1.2%	493,504	-	5,922	109,074	384,430
Other	5.0%	-	-	-	-	-
Total Assets		\$ 1,306,264	\$ -	\$ 15,675	\$ 175,135	\$ 1,131,129

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION**
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030

5. Summary of Significant Assumptions (continued)

d) Contribution in aid of construction – water assets

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	456,979	-	5,484	55,118	401,861
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 456,979	\$ -	\$ 5,484	\$ 55,118	\$ 401,861

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	456,979	583,241	12,483	67,601	972,619
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 456,979	\$ 583,241	\$ 12,483	\$ 67,601	\$ 972,619

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	80,084	960,136
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 80,084	\$ 960,136

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2029
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	92,567	947,653
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 92,567	\$ 947,653

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2030
Land	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Wells and Springs	1.2%	1,040,220	-	12,483	105,050	935,170
Equipment	5.0%	-	-	-	-	-
Total Assets		\$ 1,040,220	\$ -	\$ 12,483	\$ 105,050	\$ 935,170

**CRAPAUD SEWAGE COLLECTION & TREATMENT CORPORATION AND
CRAPAUD WATER UTILITY CORPORATION**
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES
WITH NO PROPOSED RATE INCREASE
FOR THE YEARS TO END MARCH 31, 2026, 2027, 2028, 2029 AND 2030

5. Summary of Significant Assumptions (continued)

e) Long term debt

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Bank of Nova Scotia - prime; repayable in monthly principal installments of \$2,333 plus interest. The loan is renewable on January 31, 2026, is amortized to 2036, and is secured by a borrowing resolution.	\$ 159,012	\$ 141,907	\$ 123,529	\$ 103,784	\$ 82,569
Provincial Credit Union - prime; repayable in monthly blended installments of \$1,769. The loan is amortized to January 1, 2042, and is secured by a borrowing resolution.	-	226,426	215,609	204,273	192,392
Provincial Credit Union - prime; repayable in monthly blended installments of \$3,876. The loan is amortized to April 1, 2044, and is secured by a borrowing resolution.	-	-	-	-	478,485
	159,012	368,333	339,139	308,057	753,446
	(17,105)	(29,194)	(31,082)	(33,095)	(59,796)
Less: current portion	\$ 141,907	\$ 339,139	\$ 308,057	\$ 274,962	\$ 693,651

Principal portion of long term debt is estimated to be repaid over the following five years as follows:

2026	17,105
2027	29,194
2028	31,082
2029	33,095
2030	59,796