

Water Rates:

- (1) W1: Inside the city limits.

First 2,000 gallons (minimum)\$12.03

Plus all over 2,000 gallons, per each additional 1,000 gallons\$3.09

Plus tax.

- (2) W2 & W3: Outside the city limits excluding Marlow.

First 2,000 gallons (minimum)\$15.48

Plus all over 2,000 gallons, per each additional 1,000 gallons\$4.27

Plus tax.

- (3) W4: Outside the city limits Marlow.

First 2,000 gallons (minimum)\$15.48

Plus all over 2,000 gallons, per each additional 1,000 gallons \$4.27

Plus tax.

- (4) Labor Cost Adjustment (LCA). The base rates set forth above may be adjusted periodically to account for permanent changes in labor-related revenue requirements (e.g., salaries and wages, pensions and benefits, etc.) that come about as a result of budget actions taken by the City Council for a fiscal year. Such adjustment, when approved by the City Council, shall be calculated as follows:

$$LCA = 1 + ((TLCB - TLCPY) / BRRR)$$

Where:

TLCB = The total annual labor cost, in dollars, that is reflected in the electric utility budget for the coming fiscal year, as approved by the Board.

TLCPY = The total actual annual labor cost, in dollars, that was incurred by the electric utility for the prior fiscal year.

BRRR = The total estimated revenue requirement, in dollars, that is being recovered in current base rates.

The LCA factor so calculated shall be applied to each retail rate set forth above such that it will result in new base water rates. Thus, when applied, a new TLCPY and BRRR will be established for future LCA calculations. The following accounts shall be used in the determination of total labor costs as reflected in TLCB and TLCPY:

- Salaries
- Payroll Taxes
- Retirement Expense
- Insurance – Employees Group
- Employee Retirement / Medical Insurance
- Casualty / Workers Compensation Insurance

Note: the listing of accounts used to determine TLCB and TLCPY may be modified from time-to-time as prescribed by the City's accounting and budget procedures.