

In February 2021, we formally communicated to the Department of Public Utilities (DPU) about our imperative need for a rate increase. Over the subsequent year, we engaged in collaborative efforts with the DPU to formulate a sound budget that aligns with the genuine requirements of our company in the foreseeable future. While some projected line items have not materialized, yet, we have diligently managed our finances by reallocating resources to address other essential areas. Anticipating specific impending expenses, we have proactively set aside funds to meet these future needs. Our overarching goal is to defer the next rate increase for as long as feasibly possible.

Annually, we diligently submit our financial records to the State for examination, consistently upholding a track record devoid of any allegations of fund misuse or the necessity for procedural adjustments.

On the matter of refunds, the concept seems impractical. Consider, for instance, if Garden City allocates \$1000 for stamps in its budget, but only expends \$600 throughout the fiscal year. Would it make logical sense to reimburse each property owner their portion of the \$400 surplus? Such a refund practice appears unprecedented and lacks a practical basis. Budgets are set as a guideline and are flexible by nature.

In conclusion, we allocate collected funds to operational or maintenance requirements for our company to continue to provide safe and dependable water for our customers.