Good Evening All,

Well as we have suspected Monarch/SWWC will be sending you a letter to raise the rates in just a few days. Many things to cover, so lets get right at it.

A. <u>Monarch/SWWC Rate increase</u> - On Tuesday September 3rd Monarch/SWWC will be mailing out a letter to its ratepayers announcing a rate increase to be effective January 1, 2014.

1. All Monarch Customers will be looking at a two stage rate increase with the first increase to be on January 1, 2014 and the second increase to be on July 1, 2014.

2. C. A. Cockrell was contacted by Ryan Quigley and I was contacted by Chuck Profilet to let us know that the rate increase letters would be mailed on Sept. 3rd, meaning that you should receive these letters by Friday Sept. 6th.

3. Since all of the information was in a verbal form we are hesitant at this point to give you firm figures as to the total percentage of the increase. However it would appear that the increase will be at least 12.5% in 2014 and and over 14% in 2015. This applies to the base rate and the various gallonage charges, as well as sewer rates where applicable.

4. Midway Utilities, Inc., which covers the City of Oak City and specifically Crescent Oak Beach Estates HOA was merged into Monarch during the 2011 rate case and will receive the same rate increases as the rest of the Monarch ratepayers.

5. All municipalities, such as Blue Mound, Ivanhoe, et al will receive the same rate increases as the environs ratepayers.

6. Hornsby Bend ratepayers will also receive the same rate increases as Monarch on water & sewer.

7. Water Services will receive rate increases in the gallonage charges for the first two tiers.

What this means is that they are going for another bite at the apple before the transfer from the TCEQ to the PUC & OPUC is fully consummated. B. <u>Annual Meeting</u> - As of today I have not received any reservations for the annual meeting, except from board members. Keep in mind that Saturday October 5th is not that far away and we need your help and input. If for some reason you have lost the info on the Annual meeting let me know and I will get more info to you. Need your reservations now - lunch will be served by the GLPC's BBQ Team.

Folks if we don't work together now much will be lost.

C. <u>Financial</u> - I am using blue to express the fact that we are extremely low on money and owe our legal firm more money than we have in the bank. Still do not know why many of you aren't helping.

We are so close to another victory, but impossible to achieve without donations.

Hope you have a great Labor Day Holiday. Kind of ironic that Monarch/SWWC sends out a rate increase on this holiday.

Orville