



City of Cape Coral

FY 2011 Utility Revenue Sufficiency Analysis

Water, Sewer & Irrigation Rate Study

Final Report

September 10, 2011

Prepared by:

BURTON & ASSOCIATES

UTILITY RATES ■ ASSESSMENTS ■ FINANCIAL PLANNING

BURTON & ASSOCIATES

September 10, 2011

Ms. Sheena Milliken
Management/Budget Administrator
City of Cape Coral
PO Box 150027
Cape Coral, FL 33915-0027

Re: FY 2011 Utility Revenue Sufficiency Analysis – Final Report

Dear Ms. Milliken:

Burton & Associates is pleased to present this Final Report of the FY 2011 Utility Revenue Sufficiency Analysis that we have performed for the City's Water, Sewer, and Irrigation Utility Systems.

We appreciate the fine assistance provided by you and all of the members of City staff who participated in the analysis.

If you have any questions, please do not hesitate to call me at (904) 247-0787.

Sincerely,



Andrew J. Burnham
Senior Vice President

Enclosure

BURTON & ASSOCIATES

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FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
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SECTION 1. INTRODUCTION

Burton & Associates has conducted a comprehensive Utility Revenue Sufficiency Analysis (RSA) for the City of Cape Coral Water, Sewer, and Irrigation Utility Systems (Utility). This report describes in detail the assumptions, procedures, results, as well as the conclusions and recommendations of the RSA.

1.1 BACKGROUND & OBJECTIVES

Historically, Burton & Associates has prepared an annual RSA for the Utility that measures the sufficiency of its revenues to meet all current and projected financial requirements over a multi-year projection period and determines the level of rate revenue increases necessary in each year to provide sufficient revenues to fund all of the Utility's requirements, including operating expenses, capital costs, and debt service requirements.

In 2006, the City adopted and implemented a four-year rate adjustment program based on the continuation of its Utility Expansion Program (UEP). Subsequent to the adoption of that program, Burton & Associates performed a RSA in May 2008 which provided several scenarios, ranging from continuing the UEP program for water and sewer, to water only, and to ceasing the program altogether. Recommended changes to the rate adjustment plan from that analysis were not implemented.

For the fiscal year ending September 30, 2008, the City did not meet its rate covenant as required by the bond documents for the existing water & sewer revenue bonds. The rate covenant requires that the net revenue of the water and sewer system be at least equal to annual debt service requirements (i.e. a minimum ratio of net revenue to debt service of 1.0), however, the net revenues for FYE 2008 were actually less than the annual debt service (the ratio of net revenue to debt service was only .88). Since that time, City staff has implemented measures to help ensure that the required coverage will be met, such as monitoring net revenues on a monthly basis and continually updating the net revenue forecast through the end of each fiscal year.

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Pursuant to the City's rate covenant for its water and sewer revenue bonds, when the City fails to maintain adequate net revenue it is required to engage a rate consultant to update water and sewer rates to ensure adequate net revenue in the future for operations, maintenance, and debt service expenses. As such, the City re-engaged Burton & Associates to perform a RSA that was completed in March of 2009 (hereafter referred to as the "2009 Rate Study").

The 2009 Rate Study reflected the most current available capital and operating plans, assumptions and cost escalation factors based upon then-current and expected market conditions, and the City Council's decision to discontinue the UEP program entirely. As a result of the 2009 Rate Study, the City approved a five-year plan of rate adjustments as identified in the table below (of which only the FY 2010 adjustment was implemented):

APPROVED RATE ADJ.	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Water	30.00%	15.00%	15.00%	15.00%	3.50%
Sewer	30.00%	15.00%	15.00%	15.00%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$97.87	\$111.13	\$126.37	\$143.91	\$148.61
Monthly Bill Increase / Yr.	\$20.39	\$13.26	\$15.24	\$17.53	\$4.70

Upon completion of the 2009 Rate Study, the City Council requested that City Staff provide options for consideration that would achieve the goal of reducing the remaining plan of approved rate adjustments. As such, the City again engaged Burton & Associates to perform a RSA in FY 2010 (hereafter referred to as the "2010 Rate Study") to update to the 2009 Rate Study based upon current data and economic assumptions in order to 1) evaluate the adequacy of the remaining rate adjustments to provide sufficient annual revenues to meet the updated cost requirements of the Utility without resuming the UEP program, and 2) identify the annual rate adjustments associated with alternative options

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developed by City staff, legal counsel, as well as the City's rate consultants and financial advisor (collectively called the "Working Group") intended to reduce the plan of approved rate adjustments.

The 2010 Rate Study reflected the most current available capital and operating plans (which included the implementation of certain operating and capital cost savings and efficiency measures), assumptions and cost escalation factors based upon then-current and expected market conditions, and the City Council's decision to discontinue the UEP program entirely. As a result of the 2010 Rate Study, the City approved a revised five-year plan of rate adjustments as identified in the table below (of which only the FY 2011 adjustment has been implemented to date):

APPROVED RATE ADJ.	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Water	8.00%	8.00%	8.00%	3.50%	3.50%
Sewer	8.00%	8.00%	8.00%	5.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$112.61	\$120.84	\$124.75	\$128.75
Monthly Bill Increase / Yr.	\$7.10	\$7.64	\$8.23	\$3.91	\$4.00

Upon completion of the 2010 Rate Study, City Staff has continued to implement cost reduction and efficiency measures and explore the alternative options presented in the 2010 Rate Study to achieve the goal of reducing the near-term plan of rate adjustments. As such, the City has again engaged Burton & Associates to perform a RSA in FY 2011 to update to the 2010 Rate Study based upon current data and economic assumptions to 1) evaluate the level of the approved rate adjustments in light of the updated cost requirements of the Utility without resuming the UEP program, and 2) identify the annual rate adjustments associated with the alternative options developed by the Working Group as part of the 2010 Rate Study.

SECTION 2. BASIS & ASSUMPTIONS OF ANALYSIS

The RSA first identified the level of annual water, sewer, and irrigation revenue (and rate adjustments) required over a near-term planning period (FY 2012 – FY 2016) and long-term projection period (FY 2012 – FY 2021) to meet all of the Utility’s updated financial requirements assuming that the UEP is not resumed in any form. Next the RSA identified the level of annual required revenue (and rate adjustments) for each of the rate adjustment reduction options as presented by the Working Group to City Council at its May 19, 2010 Committee of the Whole Meeting¹. The following sub-sections present the basis and assumptions of the RSA, while the remaining sections of the report present the results of the RSA as well as our conclusions and recommendations.

2.1 BASIS

The RSA was performed using both historical and projected information. Historical financial information for FY 2010 was provided by City staff in order to establish the beginning FY 2011 balances for each of the various funds for the Utility. It is important to note that funds reserved or encumbered for specific capital projects were included in the beginning fund balances available for capital projects in FY 2011 and the associated capital project costs were included in the capital improvement plan in FY 2011.

The revenue utilized in the RSA consists of retail rate revenue, interest earnings, impact and betterment fee revenue, and other minor revenue from miscellaneous service charges. Future rate revenue is based upon estimated FY 2011 results (which reflect 9 months of actual data extrapolated for the full fiscal year), adjusted annually to reflect additional revenue from assumed rate increases and customer growth. All other non-rate revenues reflect estimated FY 2011 results (which reflect 9 months of actual data extrapolated for the full fiscal year). The future projections of all other non-rate revenues were based

¹ The May 14, 2010 City staff memorandum includes the Funding Alternatives Report (May, 2010) prepared by the Working Group that contains the options presented to the City Council.

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upon the FY 2012 Proposed Budget, excluding water and sewer impact and betterment fee revenue (which was calculated annually based upon the projected number of new connections) and interest earnings (which were calculated annually based upon projected average fund balances and assumed interest rates).

The operating expenditure requirements (inclusive of all operating and maintenance expenses, debt service requirements, inter-fund transfers, and minor capital outlay requirements) for FY 2011 are based upon estimated results (which reflect 9 months of actual data extrapolated for the full fiscal year), while FY 2012 reflects the FY 2012 Proposed Budget. After FY 2012, operating expenditure requirements were projected based upon prior year amounts adjusted for assumed cost escalation factors for individual expense categories, excluding debt service (which reflects the identified annual repayment schedules for each financing). The capital improvement program utilized in the RSA was provided by City staff and is presented in project-level detail by year in Appendix A.

2.2 ASSUMPTIONS

The following presents the assumptions, base data, and parameters utilized in the RSA:

2.2.1 Adjustments to Revenues & Expenditures

The following adjustments were made to the projections of future revenue and expenditures described in the preceding sub-section. All adjustments extend through the remainder of the projection period (unless otherwise noted) and are adjusted annually based upon the appropriate growth, rate adjustment, or cost escalation factors.

- Bio-Solids partnership operating expense savings: (\$750,000) in FY 2012
- One-time proceeds from the sale of bio-solids equipment: \$3,700,000 in FY 2012
- One-time Lee County Impact Fee Reimbursement for North Del Prado Water Main Extension: \$1,872,017 in FY 2011
- One-time workers compensation adjustment: (\$211,113) in FY 2012
- Incremental O&M from ASR Wells: \$200,000 in FY 2016

2.2.2 Cost Escalation

Annual cost escalation factors for the various types of operating and maintenance (O&M) expenses were discussed with City staff and applied in each year of the projection period beginning in FY 2013. These specific factors can be seen on Schedule 1 included in Appendix A of this report and are based upon City staff and management input, recent history, industry trends, and current known and measurable factors/circumstances.

2.2.3 Growth

Forecasted new water, sewer, and irrigation connections were provided by City staff. Prior to the 2009 Rate Study, the City had more robust growth projections that reflected the continuation of the UEP program, large meter connections for commercial construction (meter size equates to number of units), and new construction in areas currently served by water and sewer. However, given City Council's decision to discontinue the UEP and the current economic conditions resulting in a significant drop off in construction, historical forecasts of annual units connecting to the Utility have not and will not be met. As such, this RSA (as with the 2009 and 2010 Rate Studies) reflects very modest future annual growth rates ranging from less than 0.5% in FY 2012 to approximately 1% by FY 2016 to slightly less than 1.5% by FY 2021. The specific annual growth units assumed in the RSA can be seen on Schedule 1 of Appendix A of this report. It is important to note that the annual growth in the irrigation system is assumed to be at 80% of the forecasted growth for the water system. It is also important to note that City staff provided growth schedules that were used in evaluating the UEP options as prepared and presented by the Working Group.

2.2.4 Price Elasticity

This adjustment is incorporated into the RSA to reflect that as rates increase, discretionary water consumption will likely decline. Therefore, in order to generate sufficient revenue, projected rate increases will have to be adjusted to reflect a smaller revenue base to which they will be applied, thus causing the projected rate increases to be larger. The price elasticity adjustment reduces the discretionary portion of consumption-based revenues by the product of the annual rate increase and the annual assumed elasticity coefficient. In each year of the projection period, the price elasticity coefficient

assumed is 0.15, which means that for every 10% increase in price, the RSA reflects a 1.5% reduction in water, sewer, and irrigation consumption-based revenues.

2.2.5 Interest Earnings on Invested Funds

It is assumed interest earnings on invested funds would be 0.5% in FY 2011, 1.0% in FY 2012, 1.5% in FY 2013, 2.0% in FY 2014, and 2.5% in FY 2015 and each subsequent year of the projection period.

2.2.6 Irrigation Rate Adjustments

The RSA does not reflect any adjustments to irrigation rates during the projection period.

2.2.7 Impact Fees

The projections of impact fee revenues are based upon the annual number of additional equivalent residential units added to the water, sewer, and irrigation systems respectively each year and the current approved impact fees. It is important to note that it is assumed that 100% of projected new connections provide cash impact fees and that 100% of State Revolving Fund (SRF) Loan debt service can be paid for with sewer impact fee revenue.

2.2.8 Capital Improvement Program

The capital improvement program (CIP) prepared by City staff from FY 2011 through FY 2021 is included in the RSA by project. In the last four years of the projection period, additional unspecified capital improvement cost allowances were made to supplement the CIP as provided by City staff. It is important to note that City staff also confirmed the capital costs associated with resuming the UEP in the North 1-8 and SW 6/7 expansion areas that were used in the preparation of the UEP options by the Working Group.

2.2.9 Plan of Finance

The RSA reflects the final pricing for the Series 2011 Bonds that were issued for a par amount of \$175 million² with an average true interest cost of 4.93%. This bond, plus other sources of funds, refunded the Series 2009 Bond Anticipation Note and refinanced

² Debt schedule provided by the City's financial advisor, RBC Capital Markets.

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\$99.2 million of outstanding commercial paper. Furthermore, an additional \$110.1 million bond^{2,3} (including \$2.3 million of costs of issuance) at an assumed 6% interest rate will be issued in FY 2012 to refinance the remaining \$107.4 million of outstanding commercial paper for the plant expansions and certain other CIP projects. This timing of debt issues and use of commercial paper is consistent with the 2009 and 2010 Rate Studies and serves to levelize annual rate adjustments over the next two years.

2.2.10 Borrowing Assumptions

The interim financing and any other additional long-term borrowing requirements after FY 2012 are assumed to carry the following terms per discussions with the City's financial advisor:

Long-Term Debt (Revenue Bonds):

- Term: 30 Years
- Interest Rate: 6.00% in each year of the projection period
- Cost of Issuance: 2.00% of Par
- Debt Service Reserve: Equal to 1 year of annual debt service expense

Interim Financing (Commercial Paper):

- Payments: Interest only payments until taken out with proceeds of long-term debt (revenue bonds)
- Interest Rate: 3.0%⁴ in each year of the projection period

³ At the end of FY 2010, the Utility portion of the outstanding commercial paper was \$203.6 million; however, \$3.0 million was added to the line of credit for CIP funding in FY 2011. As the Series 2011 Bonds refinanced \$99.2 million of commercial paper, the remaining amount of 107.4 million, plus an additional \$0.4 million for CIP funding in FY 2012, represents the total proceeds of the Series 2012 Bonds.

⁴ Rate provided by City's financial advisor and is grossed up to reflect the anticipated annual costs to maintain availability of commercial paper.

2.2.11 Debt Service and Coverage

The debt service coverage test in the Utility's outstanding bond covenants is that net income must be at least 1.00 times annual debt service and that net income plus impact fee revenue must be at least 1.20 times annual debt service. The coverage test for the Utility's SRF loans is that net income after senior lien debt service plus impact fee revenue must be at least 1.15 times annual SRF debt service.

It is important to note that these coverage requirements are minimum requirements. To the extent that a utility is unable to meet these requirements (as the City did in FY 2008), it could be found in technical default and would potentially have its credit rating downgraded, which would affect the interest rates and terms of future financing initiatives. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher coverage level so as to ensure compliance with these covenants in the event future projections of revenue and expenses do not occur as predicted. As such, the RSA reflects a near-term (FY 2012 – FY 2016) debt service coverage ratio target of 1.25 (instead of the required 1.00 for net revenues excluding impact fees), which is considered “Adequate” for utility systems by one of the major municipal water and sewer utility credit rating agencies⁵. In the long-term, the RSA endeavors to achieve a debt service coverage ratio of 1.50, which is considered “Good” for utility systems by one of the major municipal water and sewer utility credit rating agencies⁵.

2.2.12 Minimum Operating Reserve

The RSA targets a minimum operating reserve equal to 3-months of operating and maintenance expenses. The level of operating reserve is within the typical industry range in Florida and is consistent with the prudent amount as identified by a recent analysis conducted by the Rates and Charges Sub-committee of the American Water Works Association (AWWA). Based upon our industry experience, water and sewer utilities will generally target a minimum working capital reserve, or operating reserve, in the range of 2 – 6 months of operating and maintenance expenses. This range is consistent

⁵ Per the published ratings criteria for water and sewer utility of Standard & Poor's (September 2008).

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with the results of the recent analysis performed by the Rates and Charges Subcommittee of the AWWA, which concluded that adequate working capital reserves for water and sewer utility systems should be at least equal to 2 months of operating and maintenance expenses. Moreover, this amount is considered "Good" for utility systems by one of the major municipal water and sewer utility credit rating agencies⁵.

SECTION 3. RESULTS

As mentioned previously, the RSA first identified the level of annual water, sewer, and irrigation revenue (and rate adjustments) required over a near-term planning period (FY 2012 – FY 2016) and long-term projection period (FY 2012 – FY 2021) to meet all of the Utility’s updated financial requirements assuming that the UEP is not resumed. The RSA then identified the level of annual required revenue (and rate adjustments) for each of the rate adjustment reduction options developed by the Working Group and presented to City Council at its May 19, 2010 Committee of the Whole Meeting⁶.

3.1 NO UEP

Similar to the 2009 and 2010 Rate Studies, this financial management plan continues to reflect the City Council’s decision to discontinue the UEP program indefinitely and reflects the most current assumptions and cost data available today, such as very modest projections of new connections within the City’s existing utility service area, an updated CIP, and current operating expense estimates and proposed budgets.

In comparing the current assumptions and cost data for this RSA to the projections from the 2010 Rate Study, the most significant change is the updated level of operating expense requirements for the Utility. City staff has continued to implement significant operating cost cutting initiatives, particularly at the water production and wastewater treatment facilities, that have resulted in personal service and operating and maintenance expenses being almost \$7 million less in FY 2011 and \$5 million less in FY 2012 and each year thereafter than what was included in the 2010 Rate Study. Moreover, the exploration of alternative bio-solids partnerships and processes has resulted in a significant amount of capital cost avoidance and contributed to the operating cost reductions.

⁶ Per the May 14, 2010 City staff memorandum that includes the Funding Alternatives Report (May, 2010) prepared by the Working Group.

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Given that other key data points, such as revenues and capital expenditure requirements (notwithstanding the aforementioned bio-solids facility cost avoidance), are very comparable to the 2010 Rate Study, these operating cost reductions have a significant impact of the level of rate adjustment requirements of the Utility. The table below identifies the updated plan of multi-year rate adjustments that are necessary to provide sufficient revenue over the next five-year planning period to cover annual operating, maintenance, and capital costs while maintaining targeted reserve and debt service coverage levels. The rate adjustments in FY 2012 and FY 2013 are over 30% lower in each year than the previously approved annual rate adjustments for that same time period as identified in the 2010 Rate Study.

UPDATED RATE ADJ.	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	5.50%	5.50%	3.50%	3.50%	3.50%
Sewer	5.50%	5.50%	3.50%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$110.22	\$115.78	\$119.52	\$123.41	\$127.39
Monthly Bill Increase / Yr.	\$5.25	\$5.56	\$3.74	\$3.89	\$3.98

It is important to note that beginning in FY 2017, 2.50% annual rate adjustments for the remainder of the projection period would provide sufficient revenues to meet increases in operating costs, fund estimated future capital improvement requirements, maintain reserves, and meet targeted debt service coverage levels. Appendix A to this report includes detailed supporting schedules for the financial management plan reflecting the plan of annual rate adjustments identified in the table above and 2.50% annual rate adjustments thereafter for the remainder of the projection period.

3.2 ALTERNATIVE OPTIONS OF WORKING GROUP

The following sub-sections present brief descriptions of the alternative options developed by the Working Group as contained in the May, 2010 Funding Alternatives Report that was attached to the City Staff memorandum dated May, 14, 2010 and presented to City Council at its May 19, 2010 Committee of the Whole Meeting. Appendix B to this report includes summary schedules of the financial management plan for each respective option based upon the updated data and assumptions of the RSA as presented herein.

It is important to note that the RSA focuses solely on the impact of the options to future utility rate adjustment requirements based upon the parameters and assumptions contained in the Funding Alternative Report for each option and does not attempt to quantify the comprehensive impacts of each option to ratepayers or non-ratepayers.

3.2.1 Public Service Tax (Option 2)

This option involves the imposition of a city-wide public service tax on certain utilities pursuant to Section 166.231, Florida Statutes. Based upon a 10% public services tax on electric and natural gas utilities, it is estimated that the tax would generate an annual revenue stream of about \$11,000,000 per year. This revenue stream would effectively remove \$150 million of long-term borrowing requirements from utility rates. As indicated previously, the current plan of finance for the Utility includes the Series 2011 Bonds (\$175 million) and the Series 2012 Bonds (\$110 million). Removing \$150 million of this future debt from the financial management plan for the Utility would result in the plan of rate adjustments identified in the following table.

PUBLIC SERVICE TAX	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	-6.50%	0.00%	3.50%	3.50%
Sewer	0.00%	-6.50%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%

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Avg. Res. Bill (5,000 GAL)	\$104.97	\$98.81	\$98.81	\$101.93	\$105.13
Monthly Bill Increase / Yr.	\$0.00	(\$6.16)	\$0.00	\$3.12	\$3.20

Schedule 1 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

3.2.2 Capital Facility Expansion Charge: Prior Expansion Areas (Option 3A)

This option involves imposing a special assessment against properties not currently connected to, but that are abutting, existing utility lines for the purpose of paying for a portion of the costs associated with the construction and expansion of the City's water and sewer plant facilities and reserving capacity in such facilities. Based upon the properties in these areas (i.e. the infill in the prior utility expansion plan areas), the services available in these areas, and an assumed assessment comparable to the Utility's current impact fees for the services available would effectively allow for the removal of \$91 million of long-term borrowing requirements from utility rates. Removing \$91 million of long-term debt from the financial management plan for the Utility would result in the plan of rate adjustments identified in the table below.

CFEC: Prior UEP Areas	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	0.00%	0.00%	3.50%	3.50%
Sewer	0.00%	0.00%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$104.97	\$104.97	\$108.31	\$111.75
Monthly Bill Increase / Yr.	\$0.00	\$0.00	\$0.00	\$3.34	\$3.44

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Schedule 2 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

3.2.3 Capital Facility Expansion Charge: New Expansion Areas (Option 3B)

This option involves imposing a special assessment against properties not currently connected to the Utility for the purpose of paying for a portion of the costs associated with the construction and expansion of the City's water and sewer plant facilities and reserving capacity in such facilities. Specifically, the properties subject to this assessment would be the properties in the North 1-8 and Southwest 6/7 expansion areas. Based upon the properties in these areas, the planned utility services for those areas (water only in North 1-8, and all services in Southwest 6/7), and an assumed assessment comparable to the Utility's current impact fees for the planned services would effectively allow for the removal of \$214 million of long-term borrowing requirements from utility rates. Removing \$214 million of long-term debt from the financial management plan for the Utility would result in the plan of rate adjustments identified in the table below.

CFEC: New UEP Areas	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	-14.00%	0.00%	3.50%	3.50%
Sewer	0.00%	-14.00%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$91.59	\$91.59	\$94.46	\$97.42
Monthly Bill Increase / Yr.	\$0.00	(\$13.38)	\$0.00	\$2.87	\$2.96

Schedule 3 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

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3.2.4 Resume UEP: SW 6/7 Only (Option 4A)

This option involves resuming the UEP for the Southwest 6/7 areas for all utility services (water, sewer, and irrigation) and includes the imposition of capital facility expansion charges to all properties in these areas for the purpose of paying for a portion of the costs associated with the construction and expansion of the City's water and sewer plant facilities and reserving capacity in such facilities. City staff provided the additional capital costs necessary to serve these areas as well as a schedule of projected service connections (with the first connections projected to be in service mid FY 2013). Based upon the properties in these areas, planned utility services, schedule of projected service connections, and an assumed assessment comparable to the Utility's current impact fees for the services that would be available, the Utility would require the plan of annual rate adjustments identified in the table below.

Resume UEP: SW 6/7	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	5.50%	0.00%	3.50%	3.50%
Sewer	0.00%	5.50%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$110.22	\$110.22	\$113.73	\$117.39
Monthly Bill Increase / Yr.	\$0.00	\$5.25	\$0.00	\$3.51	\$3.66

Schedule 4 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

3.2.5 Resume UEP: North 1-8 Only (Option 4B)

This option involves resuming the UEP for the North 1-8 areas for water service only and includes the imposition of capital facility expansion charges to all properties in these

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areas for the purpose of paying for a portion of the costs associated with the construction and expansion of the City's water plant facilities and reserving capacity in such facilities. City staff provided the additional capital costs necessary to serve these areas as well as a schedule of projected service connections (with the first connections projected to be in service mid FY 2013). Based upon the properties in these areas, planned utility services, schedule of projected service connections, and an assumed assessment comparable to the Utility's current impact fee for water service, the Utility would require the plan of annual rate adjustments identified in the table below.

Resume UEP: North 1-8	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	-11.50%	0.00%	3.50%	3.50%
Sewer	0.00%	-11.50%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$93.98	\$93.98	\$96.93	\$100.02
Monthly Bill Increase / Yr.	\$0.00	(\$10.99)	\$0.00	\$2.95	\$3.09

Schedule 5 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

3.2.6 Resume UEP: SW 6/7 & N 1-8 (Option 4C)

This option involves resuming the UEP for the Southwest 6/7 (all utility services) and North 1-8 areas (water service only) and includes the imposition of capital facility expansion charges to all properties in these areas for the purpose of paying for a portion of the costs associated with the construction and expansion of the City's water (all areas) and sewer (SW 6/7 only) plant facilities and reserving capacity in such facilities. City staff provided the additional capital costs necessary to serve these areas as well as a

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS RESULTS

schedule of projected service connections (with the first connections projected to be in service mid FY 2013). Based upon the properties in these areas, planned utility services, schedule of projected service connections, and an assumed assessment comparable to the Utility's current impact fee for the utility services available, the Utility would require the plan of annual rate adjustments identified in the table below.

Resume UEP: SW 6/7 & N 1-8	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	-16.50%	0.00%	3.50%	3.50%
Sewer	0.00%	-16.50%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$89.20	\$89.20	\$91.99	\$94.87
Monthly Bill Increase / Yr.	\$0.00	(\$15.77)	\$0.00	\$2.79	\$2.88

Schedule 6 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

3.2.7 General Obligation Bonds (Option 5)

This option involves obtaining voter approval to issue general obligation bonds (payable from ad valorem taxes) that would remove the total amount of new long-term borrowing requirements from utility rates identified in the current plan of finance for the Utility. This option would remove \$285 million of current and future debt from the financial management plan for the Utility and result in the plan of rate adjustments identified in the table on the following page.

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
RESULTS

GO Bonds	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Water	0.00%	-21.50%	0.00%	3.50%	3.50%
Sewer	0.00%	-21.50%	0.00%	3.50%	3.50%
Irrigation	0.00%	0.00%	0.00%	0.00%	0.00%
Avg. Res. Bill (5,000 GAL)	\$104.97	\$84.42	\$84.42	\$87.05	\$89.77
Monthly Bill Increase / Yr.	\$0.00	(\$20.55)	\$0.00	\$2.63	\$2.72

Schedule 7 of Appendix B presents a summary of the financial management plan for this option, including key assumptions, annual rate adjustments, debt service coverage levels, operating reserves, capital improvement spending, and Utility borrowing requirements.

SECTION 4. CONCLUSIONS & RECOMMENDATIONS

This section of the report presents the conclusions and recommendations of the RSA.

4.1 CONCLUSIONS

Based upon the analysis presented herein and the results presented in the prior subsection, we have reached the following conclusions:

- Given the operating expenditure cost cutting initiatives undertaken by City staff, the current plan of adopted 8.00% water and sewer rate increases for FY 2012 and FY 2013 can be reduced to 5.50% in each of those respective years, followed by annual 3.50% water and sewer rate increases through FY 2016.

This plan of rate increases would allow the Utility to meet its ongoing operating and capital expenditure requirements and achieve targeted reserve and debt service coverage levels for good utility systems as measured by municipal utility rating agencies and consistent with industry practice.

- The current plan of finance with the issuance of revenue bonds in FY 2011 and FY 2012 will continue to allow the Utility to minimize near-term rate adjustments by utilizing its commercial paper program and deferring full debt service requirements.
- Based upon the assumptions and data supporting the RSA, any one or combination of the options identified by the Working Group would serve to lower the future rate increase requirements of the Utility, starting in FY 2012.

4.2 RECOMMENDATIONS

Based upon the analysis presented herein and the conclusions presented in the prior subsection, we recommend the following:

- The City adopt the updated rate adjustment plan for FY 2012 through FY 2016 consistent with its decision to discontinue the UEP in order to support the current projections of the Utility's cost requirements over this planning period, including compliance with all rate covenants associated with existing and new debt service requirements.

- The Utility should continue to perform annual revenue sufficiency updates so that additional or revised information regarding the timing and cost of significant capital projects, customer growth, water demands, as well as updated revenue and operating expenses may be incorporated into the determination of required rate increases that would be necessary in order to allow the Utility to meet its financial requirements and obligations during this time period. Advanced planning will play a prominent role in avoiding significant future rate impacts to the Utility's customers resulting from these variables occurring differently than currently projected.

Appendix A – Supporting Financial Schedules for the RSA

Schedule 1 contains the assumptions of the RSA

Schedule 2 identifies the end of FY 2010 fund balances that serve as the FY 2011 beginning balances of the analysis

Schedule 3 provides a listing of the ten-year capital improvement program that was utilized in the RSA

Schedule 4 presents a detailed list of all projected cash inflows from FY 2011-2021

Schedule 5 presents a detailed list of all projected cash outflows from FY 2011-2021

Schedule 6 contains the FAMS-XL © Control Panel that presents a summary of the financial management plan, including annual rate increases, debt service coverage ratios, total CIP spending levels, customer impacts, and fund balances

Schedule 7 presents the projected annual net income, debt service coverage, and cash flow results

Schedule 8 shows the projected funding sources for the capital improvement program

Schedule 9 contains the calculation of projected annual long-term borrowing

Schedule 10 presents a fund-level cash flow reconciliation, providing the beginning balance in each year, the amount utilized for project funding or payment of debt service, interest calculations, and the end of year fund balance

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 1 - Assumptions

<u>Assumptions</u>	<u>Schedule 1</u>										
	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
<u>Annual Growth:</u>											
<u>Water Growth:</u>											
Equivalent Residential Units (ERUs)	59,416	59,416	59,690	60,047	60,487	61,011	61,606	62,260	62,975	63,750	64,585
Growth in ERUs	274	357	440	524	595	655	715	775	835	895	
Percent increase in ERUs	N/A	0.46%	0.60%	0.74%	0.87%	0.98%	1.07%	1.16%	1.24%	1.33%	1.40%
% Increase in Water Use (100% of ERU Growth)	N/A	0.46%	0.60%	0.74%	0.87%	0.98%	1.07%	1.16%	1.24%	1.33%	1.40%
<u>Irrigation Growth:</u>											
Equivalent Residential Units (ERUs)	40,801	40,801	41,020	41,306	41,658	42,077	42,552	43,076	43,648	44,268	44,936
Growth in ERUs	219	286	352	419	476	524	572	620	668	716	
Percent increase in ERUs	N/A	0.54%	0.70%	0.86%	1.01%	1.14%	1.24%	1.34%	1.44%	1.53%	1.62%
% Increase in Irrigation Use (100% of ERU Growth)	N/A	0.54%	0.70%	0.86%	1.01%	1.14%	1.24%	1.34%	1.44%	1.53%	1.62%
<u>Sewer Growth:</u>											
Equivalent Residential Units (ERUs)	57,916	57,916	58,189	58,546	58,987	59,510	60,105	60,760	61,474	62,249	63,084
Growth in ERUs	274	357	440	524	595	655	715	775	835	895	
Percent increase in ERUs	N/A	0.47%	0.62%	0.76%	0.89%	1.01%	1.10%	1.19%	1.28%	1.36%	1.44%
% Increase in Sewer Use (100% of ERU Growth)	N/A	0.47%	0.62%	0.76%	0.89%	1.01%	1.10%	1.19%	1.28%	1.36%	1.44%
<u>Capital Spending:</u>											
Annual Capital Budget	\$19,228,540	\$4,569,390	\$3,574,175	\$6,814,708	\$13,010,479	\$12,573,977	\$14,884,394	\$14,989,590	\$10,726,098	\$13,276,500	\$15,063,188
Annual Percent Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<u>Impact Fees:</u>											
Water	\$ 2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241
Sewer (Fee for District 2)	\$ 3,389	3,389	3,389	3,389	3,389	3,389	3,389	3,389	3,389	3,389	3,389
<u>Average Annual Interest Earnings Rate:</u>											
Water & Sewer Enterprise Fund:	0.50%	1.00%	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<u>Effective Date of Rate Increases</u>											
Date:	10/1/2010	10/1/2011	10/1/2012	10/1/2013	10/1/2014	10/1/2015	10/1/2016	10/1/2017	10/1/2018	10/1/2019	10/1/2020
<u>Operating Expenses Cost Escalation:</u>											
Salaries	N/A	N/A	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Life, Health, Disability	N/A	N/A	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Equipment Repairs / Maintenance (1)	N/A	N/A	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Electric (2)	N/A	N/A	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Unleaded & Diesel Fuel, Oil & Grease (2)	N/A	N/A	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Lab / Professional / Outside Services (1)	N/A	N/A	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Chemicals (2)	N/A	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
All Other Categories of Operating Expenses	N/A	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Weighted Average Cost Escalation	N/A	N/A	3.28%	2.79%	4.07%	4.64%	4.20%	4.27%	4.33%	4.40%	4.47%
<u>Operating Budget Reserve:</u>											
Target (Number of Months of Reserve)	3	3	3	3	3	3	3	3	3	3	3
<u>Operating Budget Execution Percentage:</u>											
Percent of Personnel Services Budget/Forecast Executed	90.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Percent of O&M Budget/Forecast Executed	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(1) In addition to the base escalation factor, Equipment Repairs and Lab Services increase at 50% of the assumed annual customer growth rates.

(2) In addition to the base escalation factor, Electric, Fuel and Chemical costs increase by 100% of the assumed annual customer growth rates.

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
Schedule 2 – Beginning Balances APPENDIX A

Beginning Balances as of September, 30 2010

Schedule 2

Source: FY 2010 CAFR and supporting detail provided by City staff

FUND BALANCES	9/30/2010
Water Impact Fees	\$ 3,203,334
Sewer Impact Fees	\$ 1,077,831
Irrigation Impact Fees	\$ 290,191
Water Betterment Fees	\$ 394,552
Sewer Betterment Fees	\$ 122,271
Irrigation Betterment Fees	\$ 347,907
Series 2012 Project Proceeds	\$ -
R&R, Sewer, & Membrane Reserves	\$ 3,815,579
Revenue Fund	\$ 31,355,584
Restricted Reserves	\$ 6,515,130
Total Consolidated Fund Balance	\$ 47,122,379
CURRENT UNRESTRICTED ASSETS	
Cash and Cash Equivalents	\$ 12,495,780
Investments	\$ 14,754,416
Interest Receivable	\$ 70,987
Accounts Receivable, net of allowance for uncollectibles	\$ 10,756,593
Due from other funds	\$ -
Intergovernmental receivables	\$ -
Inventories	\$ 419,279
Prepaid Items	\$ 3,011
Loans to Other Funds (1)	\$ -
TOTAL CURRENT UNRESTRICTED ASSETS	\$ 38,500,066
Less: Inventories at Cost	\$ (419,279)
Less: Accounts Payable and other Accrued Liabilities	\$ (778,576)
Less: Intergovernmental Payable	\$ (1,363)
Less: Accrued Liabilities	\$ -
Less: Overpayments, etc.	\$ (384,059)
Less: Accrued Payroll	\$ (827,302)
Less: Compensated Absences	\$ -
Less: Interest Payable	\$ -
Less: Loans From Other Funds	\$ -
Less: Unearned Revenue	\$ -
Less: Revenue Bonds	\$ (4,035,000)
Less: Notes	\$ (2,779,700)
UNRESTRICTED WORKING CAPITAL	\$ 29,274,786
Plus/(Less): Current Assets in W/S Cap Projects Fund	\$ 1,504,022
Plus/(Less): Current Liabilities in W/S Cap Projects Fund	\$ -
Plus/(Less): Net Restricted Assets Available For Current Liabilities	\$ 576,775
NET UNRESTRICTED WORKING CAPITAL AVAILABLE	\$ 31,355,584
RESTRICTED ASSETS	
Restricted Cash and Cash Equivalents:	\$ 10,444,253
Restricted Investments	\$ 2,267,436
Unamortized bond issuance costs	\$ -
TOTAL RESTRICTED ASSETS	\$ 12,711,689
Less: Net Restricted Assets Available For CL	\$ (576,775)
Less: R&R, Gravity & Membrane Reserve	\$ (3,815,579)
Less: Customer Deposits	\$ (1,804,204)
NET RESTRICTED BALANCE (Debt Service Reserve)	\$ 6,515,130

(1) Not included as amounts are for assessment portion of debt service that is not included in the rate model.

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
APPENDIX A

Schedule 3 – Capital Improvement Plan

Capital Improvement Program

Schedule 3

Project Description	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
North ro plant	\$ 2,681,152	-	-	-	-	-	-	-	-	-	-
Everest Odor Control Project	\$ 777,924	-	-	-	-	-	-	-	-	-	-
South ro wellfield & generators	\$ 95,441	-	-	-	-	-	-	-	-	-	-
SW wrf expansion	\$ 3,516,724	-	-	-	-	-	-	-	-	-	-
Galvanized pipe svc replacement	\$ 1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	-
Aquifer Storage and Recovery	\$ -	-	-	-	9,125,000	-	-	-	-	-	-
WIRELESS COMMUNICATIONS	\$ 390,000	-	1,150,000	2,400,000	-	-	4,725,000	4,900,000	-	-	-
Palm tree blvd water main extension	\$ 500,000	610,200	-	-	-	-	-	-	-	-	-
Hancock/grinders	\$ 650,000	-	-	-	-	-	-	-	-	-	-
LS #201 rehab	\$ 194,250	-	-	-	-	-	-	-	-	-	-
LS #202 rehab	\$ 125,000	-	-	-	-	-	-	-	-	-	-
LS #203 rehab	\$ 150,000	-	-	-	-	-	-	-	-	-	-
LS #204 rehab pipes, valves	\$ 125,000	-	-	-	-	-	-	-	-	-	-
LS #205 rehab	\$ 194,250	-	-	-	-	-	-	-	-	-	-
LS #206 rehab	\$ 194,250	-	-	-	-	-	-	-	-	-	-
LS #207 rehab	\$ 194,250	-	-	-	-	-	-	-	-	-	-
LS #212 rehab	\$ 194,250	-	-	-	-	-	-	-	-	-	-
L/S #200 rehab (pipes & valves)	\$ 150,000	-	218,500	-	-	-	-	-	-	-	-
L/S #105 Install new wetwell	\$ -	-	-	360,000	-	-	-	-	-	-	-
L/S # 106 rehab	\$ -	203,500	-	-	-	-	-	-	-	-	-
LS 111 new wetwell	\$ -	-	330,000	-	-	-	-	-	-	-	-
LS 102 new wetwell	\$ -	-	-	330,000	-	-	-	-	-	-	-
L/S # 112 rehab	\$ -	-	209,000	-	-	-	-	-	-	-	-
L/S # 113 Install new wetwell	\$ -	-	-	330,000	-	-	-	-	-	-	-
L/S #114 rehab	\$ -	203,500	-	-	-	-	-	-	-	-	-
L/S #115 rehab	\$ -	218,500	-	-	-	-	-	-	-	-	-
L/S #116 rehab	\$ -	-	-	218,500	-	-	-	-	-	-	-
L/S #118 rehab	\$ -	-	-	234,000	-	-	-	-	-	-	-
LS #119,121, 122, 124, 125 Rehab	\$ -	-	-	468,000	250,000	500,000	-	-	-	-	-
LS #126, 310, 311, 312, 313, 318 Rehab	\$ -	-	-	-	-	516,500	533,000	-	-	-	-
L/S #401 Rehab	\$ -	150,000	-	-	-	-	-	-	-	-	-
Irrigation & ASR Master Plan	\$ 29,403	-	-	-	-	-	-	-	-	-	-
Bio Solids Facility Construction	\$ 2,000,000	-	-	-	-	-	-	-	-	-	-
Relocation of Subaqueous Force Main Canal Crossings	\$ -	-	-	-	2,500,000	2,600,000	-	-	-	-	-
RO WTP No 2 Building Upgrades Design	\$ 13,002	-	-	-	-	-	-	-	-	-	-
Rehab Biosolids Facility @ Everest	\$ 97,500	-	-	1,200,000	-	-	-	-	-	-	-
Large Meter Replacement Program	\$ 47,000	-	-	-	-	-	-	-	-	-	-
North RO Plant Phase II Expansion	\$ -	-	-	-	-	-	-	-	-	-	-

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
APPENDIX A

Schedule 3 – Capital Improvement Plan

Capital Improvement Program

Schedule 3

Project Description	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Plant 1 Raw Water Fiberglass Pipe Replacement	\$ 650,000	-	-	-	-	-	-	-	-	-	-
Coating for Clear Wells	\$ 140,000	-	-	-	-	-	-	-	-	-	-
Underground Well Feeds	\$ -	39,690	41,675	43,759	22,973	24,122	-	-	-	-	-
Replace Membranes for Plant 2	\$ 529,200	-	-	-	-	-	-	-	-	-	-
Land - Utility Extension Program	\$ -	-	-	-	250,000	260,000	270,000	280,000	290,000	-	-
Everest UCD Building	\$ -	320,000	-	-	-	-	-	-	-	-	-
SW WRD Operations Building	\$ 3,000,000	-	-	-	-	-	-	-	-	-	-
NCRO Perimeter Wall	\$ 281,307	-	-	-	-	-	-	-	-	-	-
NCRO Landscaping	\$ 300,000	-	-	-	-	-	-	-	-	-	-
NC Wellfield Landscaping	\$ 48,000	24,000	-	-	-	-	-	-	-	-	-
EWRF Diesel Tank Walkway	\$ 40,000	-	-	-	-	-	-	-	-	-	-
EWRF Filter Rehab	\$ 250,000	-	-	-	-	-	-	-	-	-	-
EWRF Perimeter Wall	\$ 370,000	-	-	-	-	-	-	-	-	-	-
North Del Prado Water Main Extension	\$ 300,637	-	-	-	-	-	-	-	-	-	-
Maintenance Building at NCGC	\$ -	-	575,000	-	-	-	-	-	-	-	-
MPS to Support N2 only if UEP begins	\$ -	-	-	-	-	-	-	-	-	-	-
NC WRF Construction only if UEP begins	\$ -	-	-	-	-	-	-	-	-	-	-
Unspecified Future Projects - Water	\$ -	-	-	-	-	3,500,000	3,500,000	3,500,000	4,000,000	5,000,000	5,500,000
Unspecified Future Projects - Sewer	\$ -	-	-	-	-	3,500,000	3,500,000	3,500,000	4,000,000	5,000,000	5,500,000
Unspecified Future Projects - Irrigation	\$ -	-	-	-	-	437,500	437,500	437,500	437,500	437,500	437,500
SW 6/7 Potable Water Transmission	\$ -	-	-	-	-	-	-	-	-	-	-
SW 6/7 Irrigation Water Transmission	\$ -	-	-	-	-	-	-	-	-	-	-
SW 6/7 Wastewater Transmission	\$ -	-	-	-	-	-	-	-	-	-	-
N 1/8 Potable Water Transmission	\$ -	-	-	-	-	-	-	-	-	-	-
Offsite Storage Tanks Potable Water - West & East	\$ -	-	-	-	-	-	-	-	-	-	-
Manhole Repair	\$ -	1,800,000	-	-	-	-	-	-	-	-	-
Total CIP Budget (Current Day Dollars)	\$ 19,228,540	4,569,390	3,574,175	6,584,259	12,147,973	11,338,122	12,965,500	12,617,500	8,727,500	10,437,500	11,437,500
Cumulative Projected Cost Inflation	0.0%	0.0%	0.0%	3.5%	7.1%	10.9%	14.8%	18.8%	22.9%	27.2%	31.7%
Resulting CIP Funding Level	\$ 19,228,540	4,569,390	3,574,175	6,814,708	13,010,479	12,573,977	14,884,394	14,989,590	10,726,098	13,276,500	15,063,188
Annual CIP Execution Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Final CIP Funding Level	\$ 19,228,540	4,569,390	3,574,175	6,814,708	13,010,479	12,573,977	14,884,394	14,989,590	10,726,098	13,276,500	15,063,188
Projects in Blue would only occur if N1-N8 UEP is resumed											
Projects in Green would only occur if SW 6/7 UEP is resumed											

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 4 – Projection of Cash Inflows

Projection of Cash Inflows

Schedule 4

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
1 Rate Revenue Growth Assumptions											
2 Growth in Water ERUs	N/A	0.46%	0.60%	0.74%	0.87%	0.98%	1.07%	1.16%	1.24%	1.33%	1.40%
3 Growth in Water Usage	N/A	0.46%	0.60%	0.74%	0.87%	0.98%	1.07%	1.16%	1.24%	1.33%	1.40%
4 Growth in Irrigation ERUs	N/A	0.54%	0.70%	0.86%	1.01%	1.14%	1.24%	1.34%	1.44%	1.53%	1.62%
5 Growth in Irrigation Usage	N/A	0.54%	0.70%	0.86%	1.01%	1.14%	1.24%	1.34%	1.44%	1.53%	1.62%
6 Growth in Sewer ERUs	N/A	0.47%	0.62%	0.76%	0.89%	1.01%	1.10%	1.19%	1.28%	1.36%	1.44%
7 Growth in Sewer Usage	N/A	0.47%	0.62%	0.76%	0.89%	1.01%	1.10%	1.19%	1.28%	1.36%	1.44%
8 Assumed Rate Revenue Increases											
9 Assumed Water Rate Increase	N/A	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
10 Assumed Irrigation/Reclaimed Water Rate Increases	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11 Assumed Sewer Rate Increase	N/A	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
12 Water & Sewer Rate Revenue											
13 Water Rate Revenue											
14 Base Facility Charges	\$11,443,586	12,128,607	12,872,563	13,421,368	14,012,221	14,645,248	15,172,477	15,732,221	16,326,189	16,956,164	17,624,006
15 Usage Charges	\$13,370,601	14,054,064	14,793,067	15,342,777	15,934,120	16,566,539	17,098,574	17,662,891	18,261,013	18,894,523	19,565,061
16 Irrigation Rate Revenue	\$ 5,030,733	5,057,735	5,093,139	5,136,869	5,188,952	5,248,218	5,313,552	5,384,953	5,462,435	5,546,010	5,635,691
17 Sewer Rate Revenue											
18 Base Facility Charges	\$13,566,146	14,379,934	15,264,346	15,918,127	16,622,578	17,377,836	18,008,259	18,677,968	19,389,037	20,143,627	20,943,998
19 Usage Charges	\$23,150,213	24,336,471	25,620,117	26,577,176	27,607,633	28,710,480	29,640,451	30,627,465	31,674,222	32,783,529	33,958,295
20 Total Water, Reclaimed Water/Irrigation & Sewer Rate Revenue	\$66,561,279	69,956,812	73,643,232	76,396,317	79,365,504	82,548,321	85,233,312	88,085,497	91,112,896	94,323,853	97,727,051
21 Other Operating Revenue											
22 Lee County Sludge Processing	\$ -	-	-	-	-	-	-	-	-	-	-
23 Sale of Sludge Pellets	\$ -	-	-	-	-	-	-	-	-	-	-
24 Lee County Wholesale Sewer Revenue (Waterway Estates)	\$ -	-	-	-	-	-	-	-	-	-	-
25 Total Other Operating Revenue	\$ -	-	-	-	-	-	-	-	-	-	-
26 Other Non-Operating Revenue											
26 Biosolids Equipment Sale Proceeds	\$ -	3,700,000	-	-	-	-	-	-	-	-	-
27 General Fu	\$ 94,057	101,541	104,872	107,803	112,191	117,393	122,324	127,541	133,065	138,917	145,123
28 DelPrado M	\$ 71	64	66	68	71	74	77	80	84	88	91
29 Lot Mowing	\$ 13,628	16,510	17,052	17,528	18,242	19,087	19,889	20,737	21,636	22,587	23,596
30 Seawall Ph	\$ 696	744	768	790	822	860	896	935	975	1,018	1,063
31 Seawall Ph	\$ -	-	-	-	-	-	-	-	-	-	-
32 Seawall Ph	\$ 107	74	76	79	82	86	89	93	97	101	106
33 Blue Irr	\$ -	-	-	-	-	-	-	-	-	-	-
34 Green Wate	\$ 54	60	62	64	66	69	72	75	79	82	86
35 Green Wstw	\$ 32,429	34,689	35,827	36,828	38,327	40,104	41,789	43,571	45,458	47,458	49,578
36 Striped	\$ 4,763	5,094	5,261	5,408	5,628	5,889	6,137	6,398	6,675	6,969	7,280
37 Orange Wst	\$ 57,615	(61,663)	-	-	-	-	-	-	-	-	-
38 Orange Irr	\$ 43,666	46,694	48,226	49,574	51,592	53,984	56,251	58,650	61,190	63,882	66,735
39 Trafalgar	\$ -	-	-	-	-	-	-	-	-	-	-
40 PI Util Ex	\$ 9,311	6,871	7,096	7,295	7,592	7,944	8,277	8,630	9,004	9,400	9,820
41 SW 1 Util	\$ 19,960	14,283	14,752	15,164	15,781	16,513	17,206	17,940	18,717	19,540	20,413
42 SW 3 Util	\$ 23,510	16,800	17,351	17,836	18,562	19,423	20,239	21,102	22,016	22,984	24,011
43 SW 2 Util	\$ 22,582	16,088	16,616	17,080	17,775	18,600	19,381	20,207	21,083	22,010	22,993
44 SE 1 Util	\$ 9,186	6,563	6,778	6,968	7,251	7,588	7,906	8,243	8,601	8,979	9,380
45 SW 4 Util	\$ 30,609	22,088	22,813	23,450	24,405	25,536	26,609	27,744	28,945	30,218	31,568

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 4 – Projection of Cash Inflows

Projection of Cash Inflows

Schedule 4

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
46 NC Loop Ut	\$ 2,390	1,699	1,755	1,804	1,877	1,964	2,047	2,134	2,226	2,324	2,428
47 Surfside U	\$ 874	616	636	654	681	712	742	774	807	843	880
48 SW5 Util	\$ 29,218	21,048	21,739	22,346	23,256	24,334	25,356	26,437	27,582	28,796	30,082
49 Stormwater	\$ 67,080	69,374	71,650	73,653	76,651	80,204	83,573	87,138	90,911	94,910	99,149
50 Zoning Cases Gen	\$ 91	102	103	103	104	105	106	108	109	110	112
51 Reinspection Gen	\$ 4,006	3,656	3,678	3,705	3,737	3,774	3,815	3,859	3,907	3,959	4,014
52 Misc Inspections	\$ 64	72	72	73	74	74	75	76	77	78	79
53 Misc Permits Gen Gov Chg	\$ 1,275	-	-	-	-	-	-	-	-	-	-
54 Meter Installati	\$ 177,860	179,355	180,433	181,763	183,348	185,151	187,138	189,309	191,665	194,205	196,931
55 Reconnect Charge	\$ 12,720	12,688	12,764	12,858	12,970	13,098	13,239	13,392	13,559	13,739	13,931
56 Meter Rental Fee	\$ 24,435	20,994	21,120	21,276	21,461	21,672	21,905	22,159	22,435	22,732	23,051
57 Irrigation Boxes	\$ -	-	-	-	-	-	-	-	-	-	-
58 Lab Fees/Sample	\$ -	-	-	-	-	-	-	-	-	-	-
59 Lot Mowing	\$ -	-	-	-	-	-	-	-	-	-	-
60 Stormwater Utili	\$ 35	1,284	1,292	1,301	1,313	1,325	1,340	1,355	1,372	1,390	1,410
61 Service Pickup C	\$ 349,650	343,832	345,898	348,449	351,487	354,943	358,752	362,914	367,430	372,301	377,526
62 Local Ord Violat	\$ -	-	-	-	-	-	-	-	-	-	-
63 Other Judgment/F	\$ -	-	-	-	-	-	-	-	-	-	-
64 Returned Check F	\$ 13,247	14,967	15,731	16,243	16,773	17,322	17,727	18,143	18,569	19,005	19,452
65 Penalties/Late C	\$ 370,070	340,478	357,849	369,507	381,569	394,050	403,274	412,726	422,412	432,338	442,510
66 Disposition of F	\$ (14,301)	16,089	16,089	16,089	16,089	16,089	16,089	16,089	16,089	16,089	16,089
67 Surplus Material	\$ 4,074	-	-	-	-	-	-	-	-	-	-
68 Other Miscellane	\$ 137,428	152,207	153,122	154,251	155,596	157,126	158,812	160,654	162,653	164,810	167,123
69 Reimbursable Cha	\$ 23,762	26,433	26,592	26,788	27,021	27,287	27,580	27,900	28,247	28,622	29,023
70 Contractors Surp	\$ -	-	-	-	-	-	-	-	-	-	-
71 Lien Fees Misc R	\$ 427	332	334	336	339	343	346	350	355	359	365
72 Total Non-Operating Revenue	\$ 1,566,648	5,131,726	1,528,473	1,557,135	1,592,735	1,632,723	1,669,059	1,707,467	1,748,032	1,790,844	1,836,000
73 Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
74 Interest Earned on Unrestricted Funds	\$ 167,952	331,996	513,557	681,486	829,541	821,896	837,220	854,073	961,502	1,136,022	1,300,676
75 Interest Earned on Restricted Funds (Debt Service Reserve)	\$ 32,576	-	-	-	-	-	-	-	-	-	-
76 Total Interest Earnings	\$ 200,527	331,996	513,557	681,486	829,541	821,896	837,220	854,073	961,502	1,136,022	1,300,676
77 Impact & Betterment Fee Revenue	-	-	-	-	-	-	-	-	-	-	-
78 Water Impact Fees	\$ 633,903	613,474	800,037	986,600	1,173,164	1,332,835	1,467,295	1,601,755	1,736,215	1,870,675	2,005,135
79 LC Impact Fee Reimbursement - Del Prado WM Ext.	\$ 1,872,017	-	-	-	-	-	-	-	-	-	-
80 Sewer Impact Fees	\$ 462,570	927,739	1,209,873	1,492,007	1,774,142	2,015,608	2,218,948	2,422,288	2,625,628	2,828,968	3,032,308
81 Irrigation Impact Fees	\$ 198,240	245,280	319,872	394,464	469,056	532,896	586,656	640,416	694,176	747,936	801,696
82 Water Betterment Fees	\$ 109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543
83 Sewer Betterment fees	\$ 256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687
84 Irrigation Betterment Fees	\$ 81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433
85 Total Impact & Betterment Fee Revenue	\$ 3,614,393	2,234,156	2,777,445	3,320,735	3,864,024	4,329,002	4,720,562	5,112,122	5,503,682	5,895,242	6,286,802
86 Total Revenue	\$ 71,942,847	77,654,690	78,462,707	81,955,673	85,651,804	89,331,942	92,460,152	95,759,159	99,326,112	103,145,959	107,150,529

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows		Schedule 5										
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
1	<u>Personnel Services</u>											
2	<u>Accounting Payroll</u>											
3	Regular Salary	146,572	145,229	145,229	145,229	149,586	154,073	158,696	163,457	168,360	173,411	178,613
4	Overtime	451	-	-	-	-	-	-	-	-	-	-
5	FICA Taxes	9,088	9,005	9,005	9,005	9,275	9,553	9,840	10,135	10,439	10,752	11,075
6	Medicare Taxes	2,125	2,106	2,106	2,106	2,169	2,234	2,301	2,370	2,441	2,515	2,590
7	General Retirement	41,069	47,010	47,010	47,010	48,420	49,873	51,369	52,910	54,497	56,132	57,816
8	Life,Health,Disability	26,268	27,318	29,230	31,276	33,466	35,808	38,315	40,997	43,867	46,937	50,223
9	Workers Compensation	440	436	436	436	449	463	476	491	505	521	536
10	Leave Payout	6,170	5,169	5,169	5,169	5,324	5,484	5,648	5,818	5,992	6,172	6,357
11	<u>CBS Payroll</u>											
12	Regular Salary	709,186	1,013,762	1,013,762	1,013,762	1,044,175	1,075,500	1,107,765	1,140,998	1,175,228	1,210,485	1,246,799
13	Contract Employee	17,571	61,729	61,729	61,729	63,581	65,488	67,453	69,477	71,561	73,708	75,919
14	Overtime	409	550	550	550	567	583	601	619	638	657	676
15	Special Pay/Add	1,325	1,950	1,950	1,950	2,009	2,069	2,131	2,195	2,261	2,328	2,398
16	Shift Differential	524	-	-	-	-	-	-	-	-	-	-
17	FICA Taxes	41,807	66,801	66,801	66,801	68,805	70,869	72,995	75,185	77,441	79,764	82,157
18	Medicare Taxes	9,777	15,623	15,623	15,623	16,092	16,574	17,072	17,584	18,111	18,655	19,214
19	General Retirement	202,847	313,799	313,799	313,799	323,213	332,909	342,897	353,184	363,779	374,692	385,933
20	Life,Health,Disability	157,423	255,520	273,406	292,545	313,023	334,935	358,380	383,467	410,309	439,031	469,763
21	Workers Compensation	2,105	3,137	3,137	3,137	3,231	3,328	3,428	3,531	3,637	3,746	3,858
22	Unemployment	-	-	-	-	-	-	-	-	-	-	-
23	Leave Payout	774	10,610	10,610	10,610	10,928	11,256	11,594	11,942	12,300	12,669	13,049
24	Regular Salary	156,934	199,192	199,192	199,192	205,168	211,323	217,662	224,192	230,918	237,846	244,981
25	Longevity Salary	733	998	998	998	1,028	1,059	1,091	1,123	1,157	1,192	1,227
26	Overtime	272	500	500	500	515	530	546	563	580	597	615
27	Special Pay/Add	286	390	390	390	402	414	426	439	452	466	480
28	FICA Taxes	9,317	12,436	12,436	12,436	12,809	13,193	13,589	13,997	14,417	14,849	15,295
29	Medicare Taxes	2,179	2,908	2,908	2,908	2,995	3,085	3,178	3,273	3,371	3,472	3,576
30	General Retirement	46,861	64,928	64,928	64,928	66,876	68,882	70,949	73,077	75,269	77,527	79,853
31	Life,Health,Disability	31,423	44,035	47,117	50,416	53,945	57,721	61,761	66,085	70,711	75,660	80,957
32	Workers Compensation	452	602	602	602	620	639	658	678	698	719	740
33	Leave Payout	-	7,000	7,000	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609
34	<u>Utility Admin Payroll</u>											
35	Regular Salary	479,692	424,508	424,508	424,508	437,243	450,361	463,871	477,787	492,121	506,885	522,091
36	Longevity Salary	-	-	-	-	-	-	-	-	-	-	-
37	Overtime	2,938	-	-	-	-	-	-	-	-	-	-
38	Special Pay/Add	-	1,440	1,440	1,440	1,483	1,528	1,574	1,621	1,669	1,719	1,771
39	FICA Taxes	29,741	26,409	26,409	26,409	27,201	28,017	28,858	29,724	30,615	31,534	32,480
40	Medicare Taxes	6,956	6,176	6,176	6,176	6,361	6,552	6,749	6,951	7,160	7,374	7,596
41	General Retirement	134,410	137,879	137,879	137,879	142,015	146,276	150,664	155,184	159,840	164,635	169,574
42	Life,Health,Disability	-	-	-	-	-	-	-	-	-	-	-
43	Workers Compensation	66,117	64,522	64,522	64,522	66,458	68,451	70,505	72,620	74,799	77,043	79,354
44	Leave Payout	1,439	1,278	1,278	1,278	1,316	1,356	1,397	1,438	1,482	1,526	1,572
45	<u>Water Prod SW Payroll</u>											
46	Regular Salary	1,162,261	1,185,420	1,185,420	1,185,420	1,220,982	1,257,612	1,295,340	1,334,200	1,374,226	1,415,453	1,457,917
47	Longevity Salary	3,218	3,370	3,370	3,370	3,471	3,575	3,682	3,793	3,907	4,024	4,145
48	Overtime	29,382	90,000	90,000	90,000	92,700	95,481	98,345	101,296	104,335	107,465	110,689
49	Special Pay/Add	3,692	4,666	4,666	4,666	4,806	4,950	5,099	5,252	5,410	5,572	5,739
50	Standby Pay	46,506	27,343	27,343	27,343	28,163	29,008	29,878	30,775	31,698	32,649	33,628
51	Shift Differential	3,463	3,328	3,328	3,328	3,428	3,531	3,637	3,746	3,858	3,974	4,093
52	FICA Taxes	75,613	75,896	75,896	75,896	78,173	80,518	82,933	85,421	87,984	90,624	93,342
53	Medicare Taxes	17,684	17,750	17,750	17,750	18,282	18,831	19,396	19,978	20,577	21,194	21,830
54	General Retirement	341,728	322,357	322,357	322,357	332,028	341,989	352,249	362,816	373,701	384,912	396,459
55	Life,Health,Disability	209,145	294,266	314,865	336,905	360,489	385,723	412,723	441,614	472,527	505,604	540,996
56	Workers Compensation	58,416	58,312	58,312	58,312	60,062	61,864	63,719	65,631	67,600	69,628	71,717
57	Leave Payout	48,826	49,720	49,720	49,720	51,212	52,748	54,330	55,960	57,639	59,368	61,149
58	<u>Water Prod NO Payroll</u>											
59	Regular Salary	1,186,627	929,506	929,506	929,506	957,391	986,113	1,015,696	1,046,167	1,077,552	1,109,879	1,143,175
60	Longevity Salary	3,341	3,724	3,724	3,724	3,835	3,950	4,069	4,191	4,317	4,446	4,580

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows

Schedule 5

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
61 Overtime	33,300	90,000	90,000	90,000	92,700	95,481	98,345	101,296	104,335	107,465	110,689
62 Special Pay/Add	5,348	2,327	2,327	2,327	2,397	2,469	2,543	2,619	2,698	2,779	2,862
63 Standby Pay	47,766	24,989	24,989	24,989	25,738	26,510	27,306	28,125	28,969	29,838	30,733
64 Shift Differential	3,158	3,016	3,016	3,016	3,106	3,200	3,296	3,395	3,496	3,601	3,709
65 FICA Taxes	77,268	59,741	59,741	59,741	61,533	63,379	65,281	67,239	69,256	71,334	73,474
66 Medicare Taxes	18,070	13,972	13,972	13,972	14,391	14,823	15,268	15,726	16,197	16,683	17,184
67 General Retirement	349,197	297,954	297,954	297,954	306,893	316,099	325,582	335,350	345,410	355,773	366,446
68 Life,Health,Disability	203,610	192,342	205,806	220,212	235,627	252,121	269,770	288,653	308,859	330,479	353,613
69 Workers Compensation	55,232	46,252	46,252	46,252	47,640	49,069	50,541	52,057	53,619	55,227	56,884
70 Leave Payout	38,394	20,448	20,448	20,448	21,061	21,693	22,344	23,014	23,705	24,416	25,148
71 <u>UCD Payroll</u>											
72 Regular Salary	3,197,627	2,524,147	2,524,147	2,524,147	2,599,871	2,677,868	2,758,204	2,840,950	2,926,178	3,013,964	3,104,382
73 Longevity Salary	3,891	3,973	3,973	3,973	4,092	4,215	4,341	4,472	4,606	4,744	4,886
74 Contract Employees	-	-	-	-	-	-	-	-	-	-	-
75 Overtime	93,044	95,000	95,000	95,000	97,850	100,786	103,809	106,923	110,131	113,435	116,838
76 Special Pay/Add	26,611	27,690	27,690	27,690	28,521	29,376	30,258	31,165	32,100	33,063	34,055
77 Standby Pay	39,426	33,124	33,124	33,124	34,118	35,141	36,195	37,281	38,400	39,552	40,738
78 Shift Differential Pay	-	-	-	-	-	-	-	-	-	-	-
79 FICA Taxes	202,587	160,514	160,514	160,514	165,329	170,289	175,398	180,660	186,080	191,662	197,412
80 Medicare Taxes	47,372	37,340	37,340	37,340	38,460	39,614	40,802	42,026	43,287	44,586	45,923
81 General Retirement	915,564	743,025	743,025	743,025	765,316	788,275	811,923	836,281	861,370	887,211	913,827
82 Life,Health,Disability	696,213	561,970	601,308	643,399	688,437	736,628	788,192	843,365	902,401	965,569	1,033,159
83 Workers Compensation	224,102	170,159	170,159	170,159	175,264	180,522	185,937	191,515	197,261	203,179	209,274
84 Unemployment	-	-	-	-	-	-	-	-	-	-	-
85 Leave Payout	57,644	73,492	73,492	73,492	75,697	77,968	80,307	82,716	85,197	87,753	90,386
86 <u>WtrRec Collection Payroll</u>											
87 Regular Salary	938,405	856,735	856,735	856,735	882,437	908,910	936,178	964,263	993,191	1,022,987	1,053,676
88 Longevity Salary	2,018	2,059	2,059	2,059	2,121	2,184	2,250	2,317	2,387	2,459	2,532
89 Overtime	8,815	8,815	8,815	8,815	9,079	9,352	9,632	9,921	10,219	10,526	10,841
90 Special Pay/Add	6,670	6,630	6,630	6,630	6,829	7,034	7,245	7,462	7,686	7,917	8,154
91 Standby Pay	28,501	15,189	15,189	15,189	15,645	16,114	16,597	17,095	17,608	18,136	18,681
92 Shift Differential	1,019	-	-	-	-	-	-	-	-	-	-
93 FICA Taxes	60,552	54,598	54,598	54,598	56,236	57,923	59,661	61,451	63,294	65,193	67,149
94 Medicare Taxes	14,158	12,769	12,769	12,769	13,152	13,547	13,953	14,372	14,803	15,247	15,704
95 General Retirement	273,647	285,054	285,054	285,054	293,606	302,414	311,486	320,831	330,456	340,369	350,580
96 Life,Health,Disability	183,894	168,866	180,687	193,335	206,868	221,349	236,843	253,422	271,162	290,143	310,453
97 Workers Compensation	49,933	42,920	42,920	42,920	44,208	45,534	46,900	48,307	49,756	51,249	52,786
98 Leave Payout	21,917	31,204	31,204	31,204	32,140	33,104	34,097	35,120	36,174	37,259	38,377
99 <u>WtrRec Everest-Payroll</u>											
100 Regular Salary	1,180,827	1,116,951	1,116,951	1,116,951	1,150,460	1,184,973	1,220,523	1,257,138	1,294,852	1,333,698	1,373,709
101 Longevity Salary	2,546	3,022	3,022	3,022	3,113	3,206	3,302	3,401	3,503	3,608	3,717
102 Overtime	41,135	80,000	80,000	80,000	82,400	84,872	87,418	90,041	92,742	95,524	98,390
103 Special Pay/Add	5,706	2,334	2,334	2,334	2,404	2,476	2,550	2,627	2,706	2,787	2,871
104 Standby Pay	38,923	5,669	5,669	5,669	5,839	6,014	6,195	6,381	6,572	6,769	6,972
105 Shift Differential	4,787	4,576	4,576	4,576	4,713	4,855	5,000	5,150	5,305	5,464	5,628
106 FICA Taxes	76,432	70,218	70,218	70,218	72,325	74,494	76,729	79,031	81,402	83,844	86,359
107 Medicare Taxes	17,876	16,422	16,422	16,422	16,915	17,422	17,945	18,483	19,038	19,609	20,197
108 General Retirement	345,429	366,607	366,607	366,607	377,605	388,933	400,601	412,619	424,998	437,748	450,880
109 Life,Health,Disability	196,665	193,806	207,372	221,888	237,421	254,040	271,823	290,851	311,210	332,995	356,304
110 Othr Post Employ Benefits	-	-	-	-	-	-	-	-	-	-	-
111 Opt Out Health Ins Sub	-	-	-	-	-	-	-	-	-	-	-
112 Workers Compensation	48,530	48,378	48,378	48,378	49,829	51,324	52,864	54,450	56,083	57,766	59,499
113 Leave Payout	50,282	28,330	28,330	28,330	29,180	30,055	30,957	31,886	32,842	33,828	34,842
114 <u>WtrRec SW-Payroll</u>											
115 Regular Salary	850,627	860,048	860,048	860,048	885,849	912,425	939,798	967,992	997,031	1,026,942	1,057,751
116 Longevity Salary	1,976	2,018	2,018	2,018	2,079	2,141	2,205	2,271	2,339	2,410	2,482
117 Overtime	20,078	60,000	60,000	60,000	61,800	63,654	65,564	67,531	69,556	71,643	73,792
118 Special Pay/Add	2,674	2,340	2,340	2,340	2,410	2,483	2,557	2,634	2,713	2,794	2,878
119 Standby Pay	26,663	8,961	8,961	8,961	9,230	9,507	9,792	10,086	10,388	10,700	11,021
120 Tool Allowance Spec Pay	-	-	-	-	-	-	-	-	-	-	-

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows

Schedule 5

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
121 Shift Differential	4,889	6,032	6,032	6,032	6,213	6,399	6,591	6,789	6,993	7,203	7,419
122 FICA Taxes	55,898	54,523	54,523	54,523	56,159	57,843	59,579	61,366	63,207	65,103	67,056
123 Medicare Taxes	13,073	12,751	12,751	12,751	13,134	13,528	13,933	14,351	14,782	15,225	15,682
124 General Retirement	252,620	268,118	268,118	268,118	276,162	284,446	292,980	301,769	310,822	320,147	329,751
125 Life,Health,Disability	156,243	165,918	177,532	189,960	203,257	217,485	232,709	248,998	266,428	285,078	305,033
126 Workers Compensation	43,918	42,849	42,849	42,849	44,134	45,459	46,822	48,227	49,674	51,164	52,699
127 Leave Payout	33,485	32,850	32,850	32,850	33,836	34,851	35,896	36,973	38,082	39,225	40,401
128 <u>WtrRec Bio S-Payroll</u>											
129 Regular Salary	240,479	223,055	223,055	223,055	229,747	236,639	243,739	251,051	258,582	266,340	274,330
130 Longevity Salary	1,100	749	749	749	771	794	818	843	868	894	921
131 Overtime	7,346	20,000	20,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597
132 Special Pay/Add	1,146	780	780	780	803	828	852	878	904	931	959
133 Standby Pay	9,091	-	-	-	-	-	-	-	-	-	-
134 FICA Taxes	15,612	13,924	13,924	13,924	14,342	14,772	15,215	15,672	16,142	16,626	17,125
135 Medicare Taxes	3,651	3,256	3,256	3,256	3,354	3,455	3,558	3,665	3,775	3,888	4,005
136 General Retirement	70,559	72,698	72,698	72,698	74,879	77,125	79,439	81,822	84,277	86,805	89,409
137 Life,Health,Disability	34,395	45,473	48,656	52,062	55,706	59,606	63,778	68,243	73,020	78,131	83,600
138 Workers Compensation	11,987	10,690	10,690	10,690	11,011	11,341	11,681	12,032	12,393	12,765	13,148
139 Leave Payout	12,919	12,982	12,982	12,982	13,372	13,773	14,186	14,611	15,050	15,501	15,966
140 <u>WtrRec Reuse-Payroll</u>											
141 Regular Salary	266,514	189,796	189,796	189,796	195,490	201,355	207,395	213,617	220,026	226,626	233,425
142 Longevity Salary	628	-	-	-	-	-	-	-	-	-	-
143 Overtime	1,763	5,000	5,000	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149
144 Special Pay/Add	1,528	1,170	1,170	1,170	1,205	1,241	1,278	1,317	1,356	1,397	1,439
145 Standby Pay	12,368	4,699	4,699	4,699	4,840	4,985	5,135	5,289	5,447	5,611	5,779
146 FICA Taxes	17,424	12,131	12,131	12,131	12,495	12,870	13,256	13,654	14,063	14,485	14,920
147 Medicare Taxes	4,074	2,837	2,837	2,837	2,922	3,010	3,100	3,193	3,289	3,388	3,489
148 General Retirement	78,748	63,337	63,337	63,337	65,237	67,194	69,210	71,286	73,425	75,628	77,897
149 Life,Health,Disability	43,425	36,953	39,540	42,307	45,269	48,438	51,828	55,456	59,338	63,492	67,937
150 Workers Compensation	13,379	9,314	9,314	9,314	9,593	9,881	10,178	10,483	10,797	11,121	11,455
151 Leave Payout	7,385	6,647	6,647	6,647	6,846	7,052	7,263	7,481	7,706	7,937	8,175
152	-	-	-	-	-	-	-	-	-	-	-
153 <u>Items Not in FY 2011 or FY 2012 Budgets</u>											
154 One-time Workers Comp. Adj.	\$ -	(211,113)	-	-	-	-	-	-	-	-	-
155 Personnel Services	\$ 17,787,340	\$ 16,684,027	\$ 17,034,193	\$ 17,182,979	\$ 17,789,441	\$ 18,420,464	\$ 19,077,232	\$ 19,760,994	\$ 20,473,070	\$ 21,214,855	\$ 21,987,826
156 Personnel Services Execution Percentage	90%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
157 Total Personnel Services	\$ 16,008,606	\$ 16,684,027	\$ 17,034,193	\$ 17,182,979	\$ 17,789,441	\$ 18,420,464	\$ 19,077,232	\$ 19,760,994	\$ 20,473,070	\$ 21,214,855	\$ 21,987,826
158 Operations & Maintenance Expenses											
159 <u>Accounting Operating</u>											
160 Accounting & Auditing	\$ 25,082	16,532	16,945	17,369	17,803	18,248	18,704	19,172	19,651	20,143	20,646
161 Travel Costs	\$ 270	270	277	284	291	298	305	313	321	329	337
162 Equip Repair/Maintenance	\$ 100	100	103	105	108	110	113	116	119	122	125
163 Office Supplies	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
164 Computer Equip/Accessor	\$ 200	200	205	210	215	221	226	232	238	244	250
165 Books Pubs Subscpt & Membrshp	\$ 20	20	21	21	22	22	23	23	24	24	25
166 Training & Seminars	\$ 400	400	410	420	431	442	453	464	475	487	500
167 <u>CBS Operating</u>											
168 Other Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
169 Security Service	\$ 3,000	500	513	525	538	552	566	580	594	609	624
170 Outside Services	\$ 90,273	48,546	50,002	51,502	53,048	54,639	56,278	57,966	59,705	61,497	63,342
171 Food And Mileage	\$ -	-	-	-	-	-	-	-	-	-	-
172 Communication Service	\$ 765	250	256	263	269	276	283	290	297	305	312
173 Telephone Service	\$ 22,570	17,500	17,938	18,386	18,846	19,317	19,800	20,295	20,802	21,322	21,855
174 Postage & Shipping	\$ 850	750	769	788	808	828	849	870	892	914	937
175 Electric	\$ 13,500	21,885	23,198	24,590	26,065	27,629	29,287	31,044	32,907	34,881	36,974
176 Water & Sewer	\$ -	1,683	1,725	1,768	1,812	1,858	1,904	1,952	2,001	2,051	2,102
177 Building Rental/Leases	\$ 120,000	30,000	30,750	31,519	32,307	33,114	33,942	34,791	35,661	36,552	37,466
178 Copy & Fax Machine	\$ 6,000	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493
179 Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
180 Equip Repair/Maintenance	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5	
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
181	Building Maintenance	\$ 500	500	513	525	538	552	566	580	594	609	624
182	Unleaded Fuel	\$ 1,400	700	763	832	907	988	1,077	1,174	1,280	1,395	1,520
183	Facilities charge	\$ -	3,262	3,344	3,427	3,513	3,601	3,691	3,783	3,877	3,974	4,074
184	Printing	\$ 1,600	1,600	1,640	1,681	1,723	1,766	1,810	1,856	1,902	1,949	1,998
185	Advertising	\$ -	-	-	-	-	-	-	-	-	-	-
186	Public Relations	\$ -	-	-	-	-	-	-	-	-	-	-
187	Bank Fees	\$ 48,000	48,000	49,200	50,430	51,691	52,983	54,308	55,665	57,057	58,483	59,945
188	Various Fees	\$ 100	100	103	105	108	110	113	116	119	122	125
189	Foreclosure Cost	\$ -	-	-	-	-	-	-	-	-	-	-
190	Office Supplies	\$ 5,200	5,200	5,330	5,463	5,600	5,740	5,883	6,030	6,181	6,336	6,494
191	Uniforms	\$ 70	70	72	74	75	77	79	81	83	85	87
192	Small Equipment	\$ 200	200	205	210	215	221	226	232	238	244	250
193	Computer Equip/Accessories	\$ 3,100	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
194	Computer Software/License	\$ 28,000	27,500	28,188	28,892	29,614	30,355	31,114	31,892	32,689	33,506	34,344
195	Other Operating	\$ -	-	-	-	-	-	-	-	-	-	-
196	Books Pubs Subscript & Magazines	\$ 425	300	308	315	323	331	339	348	357	366	375
197	Training & Seminars	\$ -	250	256	263	269	276	283	290	297	305	312
198	Other Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
199	Outside Services	\$ 627,000	662,137	678,690	695,658	713,049	730,875	749,147	767,876	787,073	806,750	826,918
200	Communication Service	\$ 1,092	250	256	263	269	276	283	290	297	305	312
201	Postage & Shipping	\$ 4,721	2,400	2,460	2,522	2,585	2,649	2,715	2,783	2,853	2,924	2,997
202	Equipment Rental	\$ -	-	-	-	-	-	-	-	-	-	-
203	Copy & Fax Machine	\$ 5,500	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
204	Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
205	Equip Repair/Maintenance	\$ 16,300	16,300	16,708	17,125	17,553	17,992	18,442	18,903	19,376	19,860	20,356
206	Building Maintenance	\$ -	-	-	-	-	-	-	-	-	-	-
207	Unleaded Fuel	\$ -	-	-	-	-	-	-	-	-	-	-
208	Printing	\$ 9,750	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
209	Advertising	\$ -	-	-	-	-	-	-	-	-	-	-
210	Uncollectable Accts Exp	\$ -	-	-	-	-	-	-	-	-	-	-
211	Bank Fees	\$ 53,350	53,350	54,684	56,051	57,452	58,888	60,361	61,870	63,416	65,002	66,627
212	Various Fees	\$ 6,500	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118
213	Asmt Refund	\$ -	-	-	-	-	-	-	-	-	-	-
214	Interfund Service	\$ -	156	160	164	168	172	176	181	185	190	195
215	Settlements	\$ -	-	-	-	-	-	-	-	-	-	-
216	Office Supplies	\$ 7,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
217	Uniforms	\$ -	30	31	32	32	33	34	35	36	37	37
218	Small Equipment	\$ 500	500	513	525	538	552	566	580	594	609	624
219	Computer Equip/Accessories	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
220	Computer Software/License	\$ 960	960	984	1,009	1,034	1,060	1,086	1,113	1,141	1,170	1,199
221	Other Operating	\$ 600	400	410	420	431	442	453	464	475	487	500
222	Books Pubs Subscript & Magazines	\$ 500	500	513	525	538	552	566	580	594	609	624
223	Training & Seminars	\$ -	250	256	263	269	276	283	290	297	305	312
224	Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
225	Other Refunds	\$ -	-	-	-	-	-	-	-	-	-	-
226	Various Fees	\$ -	-	-	-	-	-	-	-	-	-	-
227	PW Admin Operating											
228	General Retirement	\$ -	-	-	-	-	-	-	-	-	-	-
229	Leave Payout	\$ -	-	-	-	-	-	-	-	-	-	-
230	Travel Costs	\$ -	-	-	-	-	-	-	-	-	-	-
231	Stormwater	\$ 116,590	84,983	87,108	89,285	91,517	93,805	96,150	98,554	101,018	103,544	106,132
232	Interfund Service	\$ 3,416,220	3,872,446	3,969,257	4,068,489	4,170,201	4,274,456	4,381,317	4,490,850	4,603,121	4,718,199	4,836,154
233	Training & Seminars	\$ -	-	-	-	-	-	-	-	-	-	-
234	Settlements	\$ -	-	-	-	-	-	-	-	-	-	-
235	Property taxes	\$ -	-	-	-	-	-	-	-	-	-	-
236	Utility Admin Operating											
237	Legal Services	\$ 30,000	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
238	Studies & Master Plans	\$ 75,798	76,000	77,900	79,848	81,844	83,890	85,987	88,137	90,340	92,599	94,914
239	Accounting & Auditing	\$ -	200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773
240	Other Professional Services	\$ 313,961	305,400	314,562	323,999	333,719	343,730	354,042	364,664	375,603	386,872	398,478

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
241 Outside Services	\$ -	-	-	-	-	-	-	-	-	-	-
242 Food And Mileage	\$ 400	300	308	315	323	331	339	348	357	366	375
243 Travel Costs	\$ 1,800	1,200	1,230	1,261	1,292	1,325	1,358	1,392	1,426	1,462	1,499
244 Communication Service	\$ 4,000	1,740	1,784	1,828	1,874	1,921	1,969	2,018	2,068	2,120	2,173
245 Telephone Service	\$ 1,600	900	923	946	969	993	1,018	1,044	1,070	1,097	1,124
246 Postage & Shipping	\$ 12,000	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240
247 Electric	\$ 2,000	1,000	1,066	1,138	1,216	1,301	1,393	1,493	1,601	1,718	1,845
248 Water & Sewer	\$ 60,000	79,200	81,180	83,210	85,290	87,422	89,608	91,848	94,144	96,498	98,910
249 Water & Sewer	\$ -	-	-	-	-	-	-	-	-	-	-
250 Water & Sewer	\$ -	-	-	-	-	-	-	-	-	-	-
251 Water & Sewer	\$ -	-	-	-	-	-	-	-	-	-	-
252 Copy & Fax Machine	\$ 7,000	7,000	7,175	7,354	7,538	7,727	7,920	8,118	8,321	8,529	8,742
253 Equip Repair/Maintenance	\$ 500	500	517	534	552	572	592	613	635	658	683
254 Building Maintenance	\$ -	-	-	-	-	-	-	-	-	-	-
255 Unleaded Fuel	\$ 3,000	1,725	1,891	2,075	2,280	2,507	2,760	3,040	3,351	3,698	4,082
256 Printing	\$ 200	200	205	210	215	221	226	232	238	244	250
257 Photo & Microfilm	\$ -	-	-	-	-	-	-	-	-	-	-
258 Advertising	\$ -	-	-	-	-	-	-	-	-	-	-
259 Public Relations	\$ 500	600	615	630	646	662	679	696	713	731	749
260 Uncollectable Accts Exp	\$ -	-	-	-	-	-	-	-	-	-	-
261 Various Fees	\$ 2,500	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
262 Foreclosure Cost	\$ -	-	-	-	-	-	-	-	-	-	-
263 Lot Mow / Impact	\$ -	-	-	-	-	-	-	-	-	-	-
264 Office Supplies	\$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
265 Uniforms	\$ -	-	-	-	-	-	-	-	-	-	-
266 Tools	\$ -	-	-	-	-	-	-	-	-	-	-
267 Small Equipment	\$ 250	250	256	263	269	276	283	290	297	305	312
268 Computer Equip/Accessories	\$ 500	600	615	630	646	662	679	696	713	731	749
269 Computer Software/License	\$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
270 Safety Equipment	\$ -	-	-	-	-	-	-	-	-	-	-
271 Other Materials	\$ 200	200	205	210	215	221	226	232	238	244	250
272 Books Pubs Subscpt & Magazines	\$ 3,212	3,250	3,331	3,415	3,500	3,587	3,677	3,769	3,863	3,960	4,059
273 Training & Seminars	\$ 1,500	2,200	2,255	2,311	2,369	2,428	2,489	2,551	2,615	2,680	2,747
274 In-House Training	\$ 575	1,190	1,220	1,250	1,281	1,314	1,346	1,380	1,415	1,450	1,486
275 Depreciation	\$ -	-	-	-	-	-	-	-	-	-	-
276 Clearing account	\$ -	-	-	-	-	-	-	-	-	-	-
277 <u>Water Prod SW Operating</u>											
278 Food And Mileage	\$ 64,475	56,200	58,055	60,011	62,072	64,240	66,512	68,893	71,388	74,003	76,743
279 Travel Costs	\$ 73,250	55,600	57,435	59,370	61,410	63,554	65,802	68,157	70,626	73,213	75,923
280 Communication Service	\$ 46,839	56,720	58,592	60,566	62,647	64,834	67,127	69,530	72,049	74,688	77,453
281 Telephone Service	\$ 24,000	12,144	12,545	12,967	13,413	13,881	14,372	14,887	15,426	15,991	16,583
282 Food And Mileage	\$ 500	200	205	210	215	221	226	232	238	244	250
283 Travel Costs	\$ 4,000	2,358	2,417	2,477	2,539	2,603	2,668	2,735	2,803	2,873	2,945
284 Communication Service	\$ 3,800	2,200	2,255	2,311	2,369	2,428	2,489	2,551	2,615	2,680	2,747
285 Telephone Service	\$ 12,000	12,120	12,423	12,734	13,052	13,378	13,713	14,055	14,407	14,767	15,136
286 Postage & Shipping	\$ 8,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
287 Electric	\$ 1,180,000	1,200,000	1,279,210	1,365,398	1,459,225	1,561,127	1,671,548	1,791,234	1,920,998	2,061,721	2,214,361
288 Water	\$ -	12	12	13	13	14	14	15	15	16	16
289 Propane Fuel	\$ 250	500	513	525	538	552	566	580	594	609	624
290 Building Rental/ Leases	\$ -	-	-	-	-	-	-	-	-	-	-
291 Equipment Rental/Leases	\$ 1,200	3,980	4,080	4,181	4,286	4,393	4,503	4,616	4,731	4,849	4,970
292 Copy & Fax Machine	\$ 4,500	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493
293 Uniforms/Linen/Mats Rent/Lease	\$ 10,920	9,620	9,861	10,107	10,360	10,619	10,884	11,156	11,435	11,721	12,014
294 Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
295 Equip Repair/Maintenance	\$ 250,000	390,000	402,872	416,444	430,752	445,792	461,558	478,082	495,400	513,545	532,555
296 Building Maintenance	\$ 40,000	20,000	20,660	21,356	22,090	22,861	23,670	24,517	25,405	26,336	27,311
297 Diesel Fuel	\$ 39,000	33,007	36,176	39,699	43,618	47,972	52,804	58,169	64,128	70,750	78,111
298 Unleaded Fuel	\$ 20,000	17,250	18,906	20,747	22,795	25,071	27,596	30,400	33,515	36,975	40,822
299 Oil & Grease	\$ 750	750	822	902	991	1,090	1,200	1,322	1,457	1,608	1,775
300 Other Repairs & Maintenance	\$ 55,000	40,000	41,000	42,025	43,076	44,153	45,256	46,388	47,547	48,736	49,955

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5	
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
301	Facilities charges	\$ -	51,893	53,190	54,520	55,883	57,280	58,712	60,180	61,684	63,227	64,807
302	Fleet charges	\$ -	23,443	24,029	24,630	25,246	25,877	26,524	27,187	27,866	28,563	29,277
303	Printing	\$ 100	100	103	105	108	110	113	116	119	122	125
304	Public Relations	\$ 3,500	3,500	3,588	3,677	3,769	3,863	3,960	4,059	4,160	4,264	4,371
305	Various Fees	\$ 22,782	7,150	7,329	7,512	7,700	7,892	8,090	8,292	8,499	8,712	8,929
306	Office Supplies	\$ 3,000	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
307	Uniforms	\$ 3,000	3,350	3,434	3,520	3,608	3,698	3,790	3,885	3,982	4,082	4,184
308	Chemicals	\$ 500,000	400,000	422,403	446,639	472,865	501,158	531,594	564,341	599,581	637,507	678,330
309	Tools	\$ 3,000	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
310	Small Equipment	\$ 30,000	25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222
311	Janitorial Supplies	\$ 4,200	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
312	Computer Equip/Accessories	\$ 10,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
313	Computer Software/License	\$ 15,000	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
314	Safety Equipment	\$ 5,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
315	Other Operating	\$ 30,000	60,000	61,980	64,068	66,270	68,583	71,009	73,551	76,215	79,007	81,932
316	Books Pubs Subscrpt & Magazines	\$ 2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
317	Training & Seminars	\$ 7,873	4,240	4,346	4,455	4,566	4,680	4,797	4,917	5,040	5,166	5,295
318	In-House Training	\$ 3,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
319	Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
320	Water Prod NO Operating											
321	Lab Services	\$ 61,100	55,000	56,815	58,729	60,747	62,868	65,092	67,422	69,864	72,423	75,104
322	Other Professional Services	\$ 20,600	96,200	99,375	102,723	106,252	109,962	113,851	117,927	122,199	126,674	131,364
323	Security Service	\$ 83,219	103,440	106,854	110,454	114,249	118,238	122,419	126,802	131,395	136,208	141,250
324	Outside Services	\$ 24,000	15,816	16,338	16,888	17,469	18,079	18,718	19,388	20,090	20,826	21,597
325	Food And Mileage	\$ 200	600	615	630	646	662	679	696	713	731	749
326	Travel Costs	\$ 6,185	2,841	2,912	2,985	3,059	3,136	3,214	3,295	3,377	3,461	3,548
327	Communication Services	\$ 4,200	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
328	Telephone Service	\$ 12,000	8,436	8,647	8,863	9,085	9,312	9,545	9,783	10,028	10,278	10,535
329	Postage & Shipping	\$ 8,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
330	Electric	\$ 1,153,200	1,200,000	1,279,210	1,365,398	1,459,225	1,561,127	1,671,548	1,791,234	1,920,998	2,061,721	2,214,361
331	Water & Sewer	\$ 200	240	246	252	258	265	272	278	285	292	300
332	Propane Fuel	\$ 250	500	513	525	538	552	566	580	594	609	624
333	Equipment Rental	\$ 1,200	3,980	4,080	4,181	4,286	4,393	4,503	4,616	4,731	4,849	4,970
334	Copy & Fax Machine	\$ 5,000	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493
335	Uniforms/Linen/Mats Rent/Lease	\$ 10,920	6,760	6,929	7,102	7,280	7,462	7,648	7,840	8,036	8,236	8,442
336	Equip Repair/Maintenance	\$ 45,000	75,000	77,475	80,085	82,837	85,729	88,761	91,939	95,269	98,759	102,414
337	Building Maintenance	\$ 12,000	10,000	10,330	10,678	11,045	11,431	11,835	12,259	12,703	13,168	13,655
338	Diesel Fuel	\$ 38,000	32,160	35,151	38,444	42,072	46,065	50,458	55,292	60,612	66,469	72,918
339	Parts Repair/Maintenance	\$ 100	-	-	-	-	-	-	-	-	-	-
340	Unleaded Fuel	\$ 20,025	17,270	18,876	20,645	22,593	24,737	27,096	29,692	32,549	35,694	39,157
341	Oil & Grease	\$ 300	500	547	598	654	716	784	860	942	1,033	1,134
342	Other Repairs & Maintenance	\$ 10,000	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733
343	Facilities charges	\$ -	62,267	63,824	65,419	67,055	68,731	70,449	72,211	74,016	75,866	77,763
344	Fleet charges	\$ -	12,698	13,015	13,341	13,674	14,016	14,367	14,726	15,094	15,471	15,858
345	Printing	\$ 100	100	103	105	108	110	113	116	119	122	125
346	Public Relations	\$ 3,500	3,500	3,588	3,677	3,769	3,863	3,960	4,059	4,160	4,264	4,371
347	Various Fees	\$ 15,000	350	359	368	377	386	396	406	416	426	437
348	Office Supplies	\$ 3,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
349	Uniforms	\$ 3,000	3,700	3,793	3,887	3,984	4,084	4,186	4,291	4,398	4,508	4,621
350	Chemicals	\$ 500,000	300,000	316,803	334,979	354,649	375,868	398,695	423,256	449,685	478,130	508,748
351	Tools	\$ 3,000	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
352	Small Equipment	\$ 13,000	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
353	Janitorial Supplies	\$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
354	Computer Equipment	\$ 10,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
355	Computer Software/Licenses	\$ 10,000	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
356	Safety Equipment	\$ 10,000	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
357	Other Operating	\$ 41,000	35,000	36,155	37,373	38,657	40,007	41,422	42,905	44,459	46,087	47,793
358	Books Pubs Subscrpt & Magazines	\$ 2,000	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
359	Training & Seminars	\$ 9,500	5,475	5,612	5,752	5,896	6,043	6,194	6,349	6,508	6,671	6,838
360	In-House Training	\$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
361 Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
362 <u>UCD Operating</u>											
363 Lab Services	\$ 29,000	30,000	30,990	32,034	33,135	34,292	35,504	36,776	38,108	39,503	40,966
364 Other Professional Services	\$ 50,000	45,368	46,865	48,444	50,109	51,858	53,692	55,614	57,629	59,740	61,951
365 Outside Services	\$ 37,400	25,000	25,825	26,695	27,612	28,576	29,587	30,646	31,756	32,920	34,138
366 Food And Mileage	\$ 300	200	205	210	215	221	226	232	238	244	250
367 Travel Costs	\$ 2,500	7,984	8,184	8,388	8,598	8,813	9,033	9,259	9,490	9,728	9,971
368 Communication Service	\$ 21,623	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
369 Telephone Service	\$ 500	225	231	236	242	248	255	261	267	274	281
370 Telecommunication	\$ -	-	-	-	-	-	-	-	-	-	-
371 Postage & Shipping	\$ 125	200	205	210	215	221	226	232	238	244	250
372 Electric	\$ 18,767	15,500	16,523	17,636	18,848	20,165	21,591	23,137	24,813	26,631	28,602
373 Water & Sewer	\$ -	-	-	-	-	-	-	-	-	-	-
374 Propane Fuel	\$ -	500	513	525	538	552	566	580	594	609	624
375 Equipment Rental	\$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
376 Copy & Fax Machine	\$ 6,546	9,820	10,066	10,317	10,575	10,839	11,110	11,388	11,673	11,965	12,264
377 Uniforms/Linen/Mats Rent/Leases	\$ 25,000	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
378 Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
379 Equip Repair/Maintenance	\$ 15,000	20,000	20,660	21,356	22,090	22,861	23,670	24,517	25,405	26,336	27,311
380 Building Maintenance	\$ 4,000	3,000	3,099	3,203	3,313	3,429	3,550	3,678	3,811	3,950	4,097
381 Diesel Fuel	\$ 45,665	55,010	60,126	65,759	71,964	78,795	86,309	94,578	103,678	113,696	124,727
382 Parts Repair/Maintenance	\$ -	-	-	-	-	-	-	-	-	-	-
383 Unleaded Fuel	\$ 100,000	99,188	108,413	118,570	129,758	142,074	155,623	170,532	186,941	205,005	224,894
384 Facilities charges	\$ -	5,526	5,664	5,806	5,951	6,100	6,252	6,408	6,569	6,733	6,901
385 Fleet charges	\$ -	323,959	332,058	340,359	348,868	357,590	366,530	375,693	385,085	394,713	404,580
386 Printing	\$ 2,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
387 Photo& Microfilm	\$ -	-	-	-	-	-	-	-	-	-	-
388 Advertising	\$ 500	-	-	-	-	-	-	-	-	-	-
389 Office Supplies	\$ 6,000	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118
390 Uniforms	\$ 10,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
391 Chemicals	\$ 3,000	3,000	3,168	3,350	3,546	3,759	3,987	4,233	4,497	4,781	5,087
392 Tools	\$ 30,000	30,000	30,750	31,519	32,307	33,114	33,942	34,791	35,661	36,552	37,466
393 Small Equipment	\$ 10,000	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
394 Janitorial Supplies	\$ 7,800	7,800	7,995	8,195	8,400	8,610	8,825	9,046	9,272	9,504	9,741
395 Computer Equip/Accessories	\$ 2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
396 Computer Software/Licenses	\$ 19,000	14,000	14,350	14,709	15,076	15,453	15,840	16,236	16,642	17,058	17,484
397 Safety Equipment	\$ 12,000	11,000	11,275	11,557	11,846	12,142	12,445	12,757	13,076	13,402	13,737
398 Other Operating	\$ 1,500,000	1,000,000	1,033,004	1,067,804	1,104,493	1,143,057	1,183,483	1,225,853	1,270,255	1,316,782	1,365,526
399 Sidewalk Maintenance	\$ -	-	-	-	-	-	-	-	-	-	-
400 Parking Lot Maintenance	\$ -	-	-	-	-	-	-	-	-	-	-
401 Utility System Maintenance	\$ 900,000	1,000,000	1,025,000	1,050,625	1,076,891	1,103,813	1,131,408	1,159,693	1,188,686	1,218,403	1,248,863
402 Books Pubs Subscrpt & Magazines	\$ 2,600	2,600	2,665	2,732	2,800	2,870	2,942	3,015	3,091	3,168	3,247
403 Training & Seminars	\$ 1,641	1,641	1,682	1,724	1,767	1,811	1,857	1,903	1,951	1,999	2,049
404 In-House Training	\$ 28,071	24,165	24,769	25,388	26,023	26,674	27,340	28,024	28,725	29,443	30,179
405 Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
406 <u>WtrRec Collection-Operating</u>											
407 Lab Services	\$ 2,000	1,430	1,477	1,527	1,580	1,635	1,693	1,754	1,818	1,885	1,955
408 Other Professional Services	\$ 100,000	150,000	154,962	160,197	165,720	171,527	177,616	184,001	190,694	197,709	205,061
409 Outside Services	\$ 60,000	25,421	26,262	27,149	28,085	29,069	30,101	31,183	32,317	33,506	34,752
410 Travel Costs	\$ 2,522	2,522	2,585	2,650	2,716	2,784	2,853	2,925	2,998	3,073	3,150
411 Communication Service	\$ 6,912	3,300	3,383	3,467	3,554	3,643	3,734	3,827	3,923	4,021	4,121
412 Postage & Shipping	\$ 200	400	410	420	431	442	453	464	475	487	500
413 Electric	\$ 750,000	750,000	800,250	855,136	915,114	980,473	1,051,507	1,128,727	1,212,692	1,304,007	1,403,333
414 Water & Sewer	\$ 1,100	600	615	630	646	662	679	696	713	731	749
415 Equipment Rental	\$ -	-	-	-	-	-	-	-	-	-	-
416 Copy & Fax Machine	\$ 1,500	1,058	1,084	1,112	1,139	1,168	1,197	1,227	1,258	1,289	1,321
417 Uniforms/Linen/Mats Rent/Leases	\$ 6,000	3,139	3,217	3,298	3,380	3,465	3,551	3,640	3,731	3,825	3,920
418 Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
419 Insurance	\$ -	-	-	-	-	-	-	-	-	-	-
420 Equip Repair/Maintenance	\$ 356,891	375,000	387,406	400,493	414,299	428,816	444,040	460,001	476,734	494,273	512,653

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows

Schedule 5

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
421	Building Maintenance	\$ 28,000	20,000	20,662	21,360	22,096	22,870	23,682	24,533	25,426	26,361	27,342
422	Diesel Fuel	\$ 18,000	18,400	20,113	21,999	24,077	26,366	28,883	31,655	34,705	38,065	41,764
423	Unleaded Fuel	\$ 32,000	36,800	40,225	43,998	48,154	52,731	57,767	63,309	69,411	76,129	83,528
424	Oil & Grease	\$ 450	450	492	538	589	645	706	774	849	931	1,021
425	Other Repairs & Maintenance	\$ 30,000	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733
426	Fleet Charges	\$ -	120,456	123,467	126,554	129,718	132,961	136,285	139,692	143,184	146,764	150,433
427	Printing	\$ 100	500	513	525	538	552	566	580	594	609	624
428	Office Supplies	\$ 1,500	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
429	Uniforms	\$ 2,200	2,200	2,255	2,311	2,369	2,428	2,489	2,551	2,615	2,680	2,747
430	Chemicals	\$ 40,000	45,506	48,100	50,918	53,980	57,296	60,874	64,735	68,903	73,403	78,260
431	Tools	\$ 5,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
432	Small Equipment	\$ 15,000	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733
433	Janitorial Supplies	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
434	Computer Equip/Accessories	\$ 5,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
435	Computer Software/Licenses	\$ 650	650	666	683	700	717	735	754	773	792	812
436	Safety Equipment	\$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
437	Other Operating	\$ 40,000	25,000	25,827	26,700	27,620	28,588	29,603	30,667	31,782	32,952	34,177
438	Books Pubs Subscrpt & Magazines	\$ 100	100	103	105	108	110	113	116	119	122	125
439	Training & Seminars	\$ 11,000	3,825	3,921	4,019	4,119	4,222	4,328	4,436	4,547	4,660	4,777
440	In-House Training	\$ 900	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
441	Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
442	<u>WtrRec Ever-Operating</u>											
443	Lab Services	\$ 115,000	105,000	108,474	112,138	116,004	120,069	124,331	128,800	133,486	138,396	143,543
444	Other Professional Services	\$ 10,000	-	-	-	-	-	-	-	-	-	-
445	Security Service	\$ -	-	-	-	-	-	-	-	-	-	-
446	Outside Services	\$ 20,806	12,445	12,857	13,291	13,749	14,231	14,736	15,266	15,821	16,403	17,013
447	Food And Mileage	\$ -	-	-	-	-	-	-	-	-	-	-
448	Travel Costs	\$ 5,000	6,382	6,542	6,705	6,873	7,045	7,221	7,401	7,586	7,776	7,970
449	Communication Service	\$ 2,800	960	984	1,009	1,034	1,060	1,086	1,113	1,141	1,170	1,199
450	Telephone Service	\$ 5,000	4,500	4,613	4,728	4,846	4,967	5,091	5,219	5,349	5,483	5,620
451	Postage & Shipping	\$ 1,200	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
452	Electric	\$ 676,500	660,000	704,220	752,520	805,301	862,816	925,326	993,280	1,067,169	1,147,526	1,234,933
453	Water & Sewer	\$ 1,100	1,100	1,128	1,156	1,185	1,214	1,245	1,276	1,308	1,340	1,374
454	Building Rental/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
455	Equipment Rental	\$ 3,000	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
456	Copy & Fax Machine	\$ 2,000	1,405	1,440	1,476	1,513	1,551	1,590	1,629	1,670	1,712	1,755
457	Uniforms/Linen/Mats Rent/Leases	\$ 11,000	7,621	7,812	8,007	8,207	8,412	8,622	8,838	9,059	9,285	9,518
458	Other Rentals/Leases	\$ -	-	-	-	-	-	-	-	-	-	-
459	Insurance	\$ -	-	-	-	-	-	-	-	-	-	-
460	Tires	\$ -	-	-	-	-	-	-	-	-	-	-
461	Equip Repair/Maintenance	\$ 125,000	110,000	113,639	117,478	121,528	125,786	130,252	134,934	139,842	144,987	150,378
462	Building Maintenance	\$ 10,000	27,000	27,893	28,836	29,830	30,875	31,971	33,120	34,325	35,588	36,911
463	Diesel Fuel	\$ 97,000	83,280	91,032	99,569	108,975	119,333	130,729	143,272	157,080	172,284	189,027
464	Unleaded Fuel	\$ 5,000	5,915	6,466	7,072	7,740	8,476	9,285	10,176	11,157	12,237	13,426
465	Oil & Grease	\$ 10,000	6,858	7,496	8,199	8,974	9,827	10,765	11,798	12,935	14,187	15,566
466	Other Repairs & Maintenance	\$ 25,000	25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222
467	Facilities Charge	\$ -	8,354	8,563	8,777	8,996	9,221	9,452	9,688	9,930	10,179	10,433
468	Printing	\$ 50	50	51	53	54	55	57	58	59	61	62
469	Various Fees	\$ 4,500	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
470	Office Supplies	\$ 3,800	3,800	3,895	3,992	4,092	4,194	4,299	4,407	4,517	4,630	4,746
471	Uniforms	\$ 2,500	2,400	2,460	2,522	2,585	2,649	2,715	2,783	2,853	2,924	2,997
472	Chemicals	\$ 448,000	265,139	280,252	296,671	314,512	333,830	354,677	377,177	401,463	427,678	455,978
473	Tools	\$ 3,000	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
474	Small Equipment	\$ 9,000	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240
475	Janitorial Supplies	\$ 3,400	3,400	3,485	3,572	3,661	3,753	3,847	3,943	4,042	4,143	4,246
476	Computer Equip/Accessories	\$ 1,500	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
477	Computer Software/Licenses	\$ 2,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
478	Safety Equipment	\$ 4,000	4,500	4,613	4,728	4,846	4,967	5,091	5,219	5,349	5,483	5,620
479	Other Operating	\$ 45,000	45,000	46,489	48,059	49,716	51,458	53,285	55,200	57,208	59,313	61,518
480	Books Pubs Subscrpt & Magazines	\$ 1,350	925	948	972	996	1,021	1,047	1,073	1,100	1,127	1,155

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5	
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
481	Training & Seminars	\$ 10,600	3,235	3,316	3,399	3,484	3,571	3,660	3,752	3,845	3,942	4,040
482	In-House Training	\$ 100	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
483	WtrRecSW-Operating											
484	Lab Services	\$ 91,000	90,000	92,977	96,118	99,432	102,916	106,570	110,400	114,416	118,625	123,037
485	Other Professional Services	\$ -	8,000	8,265	8,544	8,838	9,148	9,473	9,813	10,170	10,544	10,937
486	Security Service	\$ 30,451	33,945	35,068	36,253	37,502	38,816	40,194	41,639	43,154	44,742	46,405
487	Outside Services	\$ 20,000	7,675	7,929	8,197	8,479	8,776	9,088	9,415	9,757	10,116	10,492
488	Food And Mileage	\$ -	-	-	-	-	-	-	-	-	-	-
489	Travel Costs	\$ 1,561	1,561	1,600	1,640	1,681	1,723	1,766	1,810	1,856	1,902	1,949
490	Communication Service	\$ 2,280	480	492	504	517	530	543	557	571	585	599
491	Telephone Service	\$ -	-	-	-	-	-	-	-	-	-	-
492	Postage & Shipping	\$ 100	100	103	105	108	110	113	116	119	122	125
493	Electric	\$ 676,500	676,500	721,825	771,333	825,433	884,387	948,460	1,018,112	1,093,848	1,176,214	1,265,806
494	Equipment Rental	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
495	Copy & Fax Machine	\$ 2,500	1,355	1,389	1,424	1,459	1,496	1,533	1,571	1,611	1,651	1,692
496	Uniforms/Linen/Mats Rent/Leases	\$ 8,604	7,206	7,386	7,571	7,760	7,954	8,153	8,357	8,566	8,780	8,999
497	Equip Repair/Maintenance	\$ 85,000	115,000	118,804	122,818	127,052	131,504	136,172	141,067	146,198	151,577	157,214
498	Building Maintenance	\$ 13,000	28,000	28,926	29,904	30,934	32,018	33,155	34,347	35,596	36,906	38,278
499	Diesel Fuel	\$ 117,000	166,560	182,064	199,138	217,951	238,665	261,458	286,544	314,160	344,567	378,055
500	Unleaded Fuel	\$ 2,500	4,925	5,383	5,888	6,445	7,057	7,731	8,473	9,289	10,188	11,179
501	Oil & Grease	\$ 1,000	5,714	6,246	6,832	7,477	8,188	8,970	9,830	10,778	11,821	12,970
502	Other Repairs & Maintenance	\$ 5,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
503	Fleet charges	\$ -	18,704	19,172	19,651	20,142	20,646	21,162	21,691	22,233	22,789	23,359
504	Printing	\$ 100	100	103	105	108	110	113	116	119	122	125
505	Various Fees	\$ 4,500	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
506	Office Supplies	\$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
507	Uniforms	\$ 1,800	1,900	1,948	1,996	2,046	2,097	2,150	2,203	2,259	2,315	2,373
508	Chemicals	\$ 235,000	216,178	228,500	241,887	256,434	272,184	289,182	307,527	327,328	348,703	371,776
509	Tools	\$ 2,800	2,800	2,870	2,942	3,015	3,091	3,168	3,247	3,328	3,412	3,497
510	Small Equipment	\$ 8,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
511	Janitorial Supplies	\$ 3,400	3,400	3,485	3,572	3,661	3,753	3,847	3,943	4,042	4,143	4,246
512	Computer Equip/Accessories	\$ 500	500	513	525	538	552	566	580	594	609	624
513	Computer Software/Licenses	\$ 500	500	513	525	538	552	566	580	594	609	624
514	Safety Equipment	\$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
515	Other Operating	\$ 45,000	45,000	46,489	48,059	49,716	51,458	53,285	55,200	57,208	59,313	61,518
516	Books Pubs Subscrpt & Magazines	\$ 900	850	871	893	915	938	962	986	1,010	1,036	1,062
517	Training & Seminars	\$ 6,670	695	712	730	748	767	786	806	826	847	868
518	In-House Training	\$ 100	5,975	6,124	6,277	6,434	6,595	6,760	6,929	7,102	7,280	7,462
519	WtrRec Bio S-Operating											
520	Lab Services	\$ 29,000	26,132	26,997	27,909	28,871	29,882	30,943	32,055	33,221	34,444	35,724
521	Other Professional Services	\$ 500	500	517	534	552	572	592	613	636	659	684
522	Security Service	\$ 10,150	11,315	11,689	12,084	12,501	12,939	13,398	13,880	14,385	14,914	15,468
523	Outside Services	\$ 319,000	241,332	249,316	257,738	266,623	275,966	285,763	296,035	306,803	318,090	329,919
524	Food And Mileage	\$ -	-	-	-	-	-	-	-	-	-	-
525	Travel Costs	\$ 669	1,740	1,784	1,828	1,874	1,921	1,969	2,018	2,068	2,120	2,173
526	Communication Service	\$ 456	-	-	-	-	-	-	-	-	-	-
527	Telephone Service	\$ -	-	-	-	-	-	-	-	-	-	-
528	Postage & Shipping	\$ 100	100	103	105	108	110	113	116	119	122	125
529	Electric	\$ 50,400	50,400	53,777	57,465	61,496	65,888	70,661	75,850	81,493	87,629	94,304
530	Equipment Rental	\$ 2,030	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
531	Copy & Fax Machine	\$ -	-	-	-	-	-	-	-	-	-	-
532	Uniforms/Linen/Mats Rent/Leases	\$ 1,365	302	310	317	325	333	342	350	359	368	377
533	Other Rentals/Leases	\$ 8,970	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
534	Equip Repair/Maintenance	\$ 19,000	19,000	19,629	20,292	20,991	21,727	22,498	23,307	24,155	25,043	25,974
535	Building Maintenance	\$ 1,000	1,000	1,033	1,068	1,105	1,144	1,184	1,227	1,271	1,318	1,367
536	Diesel Fuel	\$ 5,000	575	629	687	752	824	903	989	1,085	1,190	1,305
537	Unleaded Fuel	\$ 1,000	862	942	1,031	1,128	1,235	1,353	1,483	1,626	1,783	1,957
538	Oil & Grease	\$ 1,000	1,000	1,093	1,196	1,309	1,433	1,570	1,720	1,886	2,069	2,270
539	Other Repairs & Maintenance	\$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
540	Printing	\$ -	-	-	-	-	-	-	-	-	-	-

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows

Schedule 5

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
541 Various Fees	\$ -	-	-	-	-	-	-	-	-	-	-
542 Office Supplies	\$ 400	400	410	420	431	442	453	464	475	487	500
543 Uniforms	\$ 500	500	513	525	538	552	566	580	594	609	624
544 Chemicals	\$ 597,000	453,339	479,179	507,252	537,758	570,788	606,433	644,904	686,428	731,252	779,638
545 Tools	\$ 200	200	205	210	215	221	226	232	238	244	250
546 Small Equipment	\$ 200	200	205	210	215	221	226	232	238	244	250
547 Janitorial Supplies	\$ 200	200	205	210	215	221	226	232	238	244	250
548 Safety Equipment	\$ 2,000	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
549 Other Operating	\$ 700	1,000	1,033	1,068	1,105	1,144	1,184	1,227	1,271	1,318	1,367
550 Books Pubs Subscript & Magazines	\$ 100	75	77	79	81	83	85	87	89	91	94
551 Training & Seminars	\$ 30	980	1,005	1,030	1,055	1,082	1,109	1,136	1,165	1,194	1,224
552 In-House Training	\$ 200	250	256	263	269	276	283	290	297	305	312
553 Discounts Taken/Lost	\$ -	-	-	-	-	-	-	-	-	-	-
554 <u>WtrRec Reuse-Operating</u>											
555 Lab Services	\$ 25,000	24,970	25,806	26,691	27,628	28,614	29,651	30,739	31,883	33,083	34,343
556 Other Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
557 Outside Services	\$ 11,000	8,881	9,179	9,493	9,826	10,177	10,546	10,933	11,340	11,767	12,215
558 Travel Costs	\$ 1,000	4,042	4,143	4,247	4,353	4,462	4,573	4,687	4,805	4,925	5,048
559 Communication Service	\$ 1,824	240	246	252	258	265	272	278	285	292	300
560 Postage & Shipping	\$ 250	-	-	-	-	-	-	-	-	-	-
561 Electric	\$ 660,000	660,000	704,220	752,520	805,301	862,816	925,326	993,280	1,067,169	1,147,526	1,234,933
562 Equipment Rental	\$ 1,000	-	-	-	-	-	-	-	-	-	-
563 Uniforms/Linen/Mats Rent/Leases	\$ 1,650	-	-	-	-	-	-	-	-	-	-
564 Equip Repair/Maintenance	\$ 98,000	98,000	101,283	104,756	108,430	112,302	116,370	120,643	125,130	129,842	134,787
565 Building Maintenance	\$ 17,000	17,000	17,569	18,172	18,809	19,481	20,187	20,928	21,706	22,524	23,381
566 Diesel Fuel	\$ 5,000	5,780	6,318	6,911	7,563	8,282	9,073	9,944	10,902	11,957	13,119
567 Unleaded Fuel	\$ 6,600	6,503	7,108	7,775	8,509	9,318	10,208	11,188	12,266	13,453	14,760
568 Oil & Grease	\$ 1,200	1,200	1,312	1,435	1,570	1,719	1,884	2,064	2,263	2,482	2,724
569 Other Repairs & Maintenance	\$ 5,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
570 Fleet charges	\$ -	15,712	16,105	16,507	16,920	17,343	17,777	18,221	18,677	19,144	19,622
571 Printing	\$ 100	100	103	105	108	110	113	116	119	122	125
572 Office Supplies	\$ 400	400	410	420	431	442	453	464	475	487	500
573 Uniforms	\$ 600	600	615	630	646	662	679	696	713	731	749
574 Chemicals	\$ 204,000	182,355	192,749	204,042	216,312	229,599	243,937	259,412	276,115	294,145	313,608
575 Tools	\$ 8,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
576 Small Equipment	\$ 15,000	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733
577 Janitorial Supplies	\$ 700	700	718	735	754	773	792	812	832	853	874
578 Computer Equip/Accessories	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
579 Computer Software/Licenses	\$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
580 Safety Equipment	\$ 800	800	820	841	862	883	905	928	951	975	999
581 Other Operating	\$ 7,000	7,000	7,234	7,483	7,745	8,022	8,312	8,617	8,938	9,274	9,628
582 Books Pubs Subscript & Magazines	\$ 125	75	77	79	81	83	85	87	89	91	94
583 Training & Seminars	\$ 1,680	1,680	1,722	1,765	1,809	1,854	1,901	1,948	1,997	2,047	2,098
584 In-House Training	\$ 200	250	256	263	269	276	283	290	297	305	312
585 <u>O&M Exp/Adj Not in FY 2011 or FY 2012 Budgets</u>											
586 Incremental O&M - North WRF (Only if UEP Resumes)	\$ -	-	-	-	-	-	-	-	-	-	-
587 Incremental O&M - New ASR Wells	\$ -	-	-	-	-	200,000	208,401	217,289	226,700	236,671	247,243
588 Bio Solids Exp Reduction (Partnership Impacts)	\$ -	(750,000)	(774,607)	(796,255)	(828,666)	(867,085)	(903,507)	(942,042)	(982,841)	(1,026,069)	(1,071,901)
589 O&M Expenses	\$ 19,378,276	18,861,130	19,677,173	20,554,386	21,483,992	22,673,751	23,743,160	24,885,703	26,107,254	27,414,176	28,813,360
590 O&M Execution Percentage	80%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
591 Total O&M Expenses	\$ 15,502,621	18,861,130	19,677,173	20,554,386	21,483,992	22,673,751	23,743,160	24,885,703	26,107,254	27,414,176	28,813,360

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 5 – Projection of Cash Outflows

Projection of Cash Outflows											Schedule 5
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
592 Capital Outlay											
593 <u>Utility Admin Capital</u>											
594 Land	\$ -	-	-	-	-	-	-	-	-	-	-
595 Improvements Other than Buildings	\$ -	-	-	-	-	-	-	-	-	-	-
596 Vehicles	\$ -	-	-	-	-	-	-	-	-	-	-
597 Capital Outlay Contra Expense	\$ -	-	-	-	-	-	-	-	-	-	-
598 <u>Water Prod SW Capital</u>											
599 Buildings	\$ -	-	-	-	-	-	-	-	-	-	-
600 Building Improve	\$ -	-	-	-	-	-	-	-	-	-	-
601 Improvements Oth	\$ -	39,690	40,682	41,699	42,742	43,810	44,906	46,028	47,179	48,358	49,567
602 Equipment	\$ 347,737	235,727	241,620	247,661	253,852	260,199	266,703	273,371	280,205	287,210	294,391
603 Vehicles	\$ -	-	-	-	-	-	-	-	-	-	-
604 Capital Outlay Contra Expense	\$ -	-	-	-	-	-	-	-	-	-	-
605 <u>Water Prod NO Capital</u>											
606 Other Infrastructure	\$ -	-	-	-	-	-	-	-	-	-	-
607 Equipment	\$ 38,800	27,050	27,726	28,419	29,130	29,858	30,605	31,370	32,154	32,958	33,782
608 Vehicles	\$ -	-	-	-	-	-	-	-	-	-	-
609 <u>UCD Capital</u>											
610 Equipment	\$ 115,000	458,700	470,168	481,922	493,970	506,319	518,977	531,951	545,250	558,881	572,853
611 Vehicles	\$ 463,000	-	-	-	-	-	-	-	-	-	-
612 <u>WtrRec Collection-Capital</u>											
613 Improvements Other than Buildings	\$ 971,250	-	-	-	-	-	-	-	-	-	-
614 Other Professl Services	\$ -	-	-	-	-	-	-	-	-	-	-
615 Equipment	\$ 631,837	286,000	293,150	300,479	307,991	315,690	323,583	331,672	339,964	348,463	357,175
616 Vehicles	\$ 9,000	-	-	-	-	-	-	-	-	-	-
617 <u>WtrRec Everest-Capital</u>											
618 Improvements Other than Buildings	\$ -	-	-	-	-	-	-	-	-	-	-
619 Equipment	\$ 308,190	76,400	78,310	80,268	82,274	84,331	86,440	88,601	90,816	93,086	95,413
620 Vehicles	\$ 90,000	-	-	-	-	-	-	-	-	-	-
621 Capital Outlay Contra Expense	\$ -	-	-	-	-	-	-	-	-	-	-
622 <u>WtrRec SW-Capital</u>											
623 Building Improvements	\$ -	-	-	-	-	-	-	-	-	-	-
624 Improvements Other than Buildings	\$ -	-	-	-	-	-	-	-	-	-	-
625 Equipment	\$ 112,000	28,500	29,213	29,943	30,691	31,459	32,245	33,051	33,878	34,724	35,593
626 Vehicles	\$ -	-	-	-	-	-	-	-	-	-	-
627 <u>WtrRec SW-Capital</u>											
628 Equipment	\$ 407,500	400,000	410,000	420,250	430,756	441,525	452,563	463,877	475,474	487,361	499,545
629 <u>WtrRec Reuse-Capital</u>											
630 Building Improvement	\$ -	-	-	-	-	-	-	-	-	-	-
631 Equipment	\$ 447,000	381,000	390,525	400,288	410,295	420,553	431,067	441,843	452,889	464,212	475,817
632 Vehicles	\$ -	-	-	-	-	-	-	-	-	-	-
589 Capital Outlay Adj. to Calibrate Spending to Staff Request	\$ (2,899,616)	-	318,606	669,071	918,298	941,256	964,787	988,907	1,013,629	1,038,970	1,064,944
633 Total Capital Outlay	\$ 1,041,698	1,933,067	2,300,000	2,700,000	3,000,000	3,075,000	3,151,875	3,230,672	3,311,439	3,394,225	3,479,080
634 Debt Service Expenses											
635 401 - Water and Sewer Revenue Bonds, Series 1991	\$ 1,135,000	1,135,000	-	-	-	-	-	-	-	-	-
636 401 - Water and Sewer Refunding Revenue, Series 2000	\$ 1,193,656	1,196,844	1,251,656	-	-	-	-	-	-	-	-
637 401 - Water and Sewer Refunding Revenue, Series 2003	\$ 541,570	541,570	1,151,570	2,402,508	2,401,158	2,402,370	2,401,438	2,399,013	-	-	-
638 401 - Water and Sewer Revenue Bonds, Series 2006	\$ 10,443,526	10,440,486	10,910,106	10,911,206	10,907,731	10,906,169	10,908,544	10,914,544	13,308,544	13,309,044	13,312,156
639 Series 2009 BAN	\$ 4,932,300	-	-	-	-	-	-	-	-	-	-
640 Series 2011	\$ -	10,180,238	10,178,438	10,179,638	10,183,038	10,184,788	10,186,788	10,179,988	10,184,238	10,187,488	10,182,738
641 Series 2012	\$ -	2,161,417	7,689,250	7,690,150	7,688,250	7,687,650	7,686,900	7,689,100	7,686,200	7,683,200	7,684,800
642 Cumulative New Debt Service - Future Revenue Bonds	\$ -	-	-	-	-	-	-	-	-	-	-
643 SRF CS120675090	\$ 1,721,851	1,721,851	1,721,851	-	-	-	-	-	-	-	-
644 SRF CS120675100	\$ 1,296,187	1,296,187	1,296,187	1,296,187	648,094	-	-	-	-	-	-
645 SRF 67516P	\$ 170,410	170,410	170,410	170,410	170,410	170,410	170,410	170,410	170,410	170,410	170,410
646 SRF - 67516L-01	\$ 49,061	49,061	49,061	49,061	49,061	49,061	49,061	49,061	49,061	49,061	49,061
647 SRF 67516L 02	\$ 196,209	196,209	196,209	196,209	196,209	196,209	196,209	196,209	196,209	196,209	196,209
648 Interest On Outstanding Commercial Paper	\$ 6,153,240	3,223,140	-	-	-	-	-	-	-	-	-
649 Total Debt Service Payments	\$ 27,833,011	32,312,414	34,614,738	32,895,368	32,243,950	31,596,656	31,599,348	31,598,323	31,594,661	31,595,411	31,595,373
650 TOTAL OPERATING EXPENDITURES	\$ 60,385,935	69,790,638	73,626,104	73,332,733	74,517,383	75,765,872	77,571,615	79,475,692	81,486,424	83,618,667	85,875,639

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

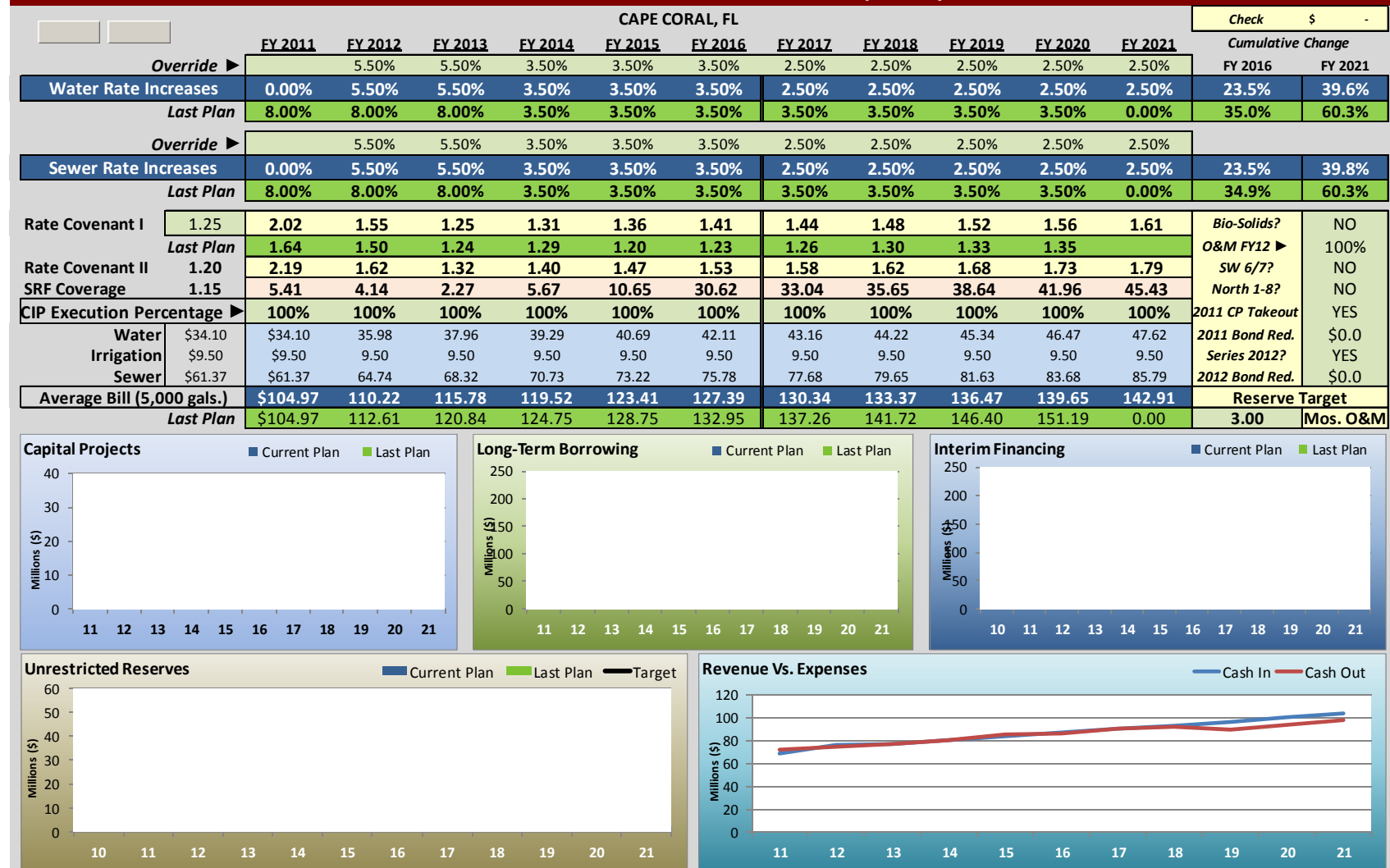
APPENDIX A

Schedule 6 – FAMS-XL © Control Panel

FAMS - Control Panel

Schedule 6

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY



FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 7 – Pro Forma

Forecast of Net Revenues and Debt Service Coverage

Schedule 7

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
1 Water Rate Revenue											
2 Revenue Generated From Fixed Monthly Charges											
3 Base Rate Revenue	\$ 11,443,586	11,443,586	12,128,607	12,872,563	13,421,368	14,012,221	14,645,248	15,172,477	15,732,221	16,326,189	16,956,164
4 Additional Rate Revenue From Growth	\$ -	52,724	72,874	94,943	117,010	137,777	157,168	176,032	195,767	216,408	237,985
5 Subtotal: Base Revenue With Growth	\$ 11,443,586	11,496,310	12,201,481	12,967,506	13,538,378	14,149,998	14,802,416	15,348,508	15,927,990	16,542,599	17,194,152
6 Proposed Water Rate Increase	0.00%	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
7 Additional Rate Revenue From Rate Increase	\$ -	632,297	671,081	453,863	473,843	495,250	370,060	383,713	398,200	413,565	429,854
8 Total Water Fixed Monthly Charge Revenue	\$ 11,443,586	12,128,607	12,872,563	13,421,368	14,012,221	14,645,248	15,172,477	15,732,221	16,326,189	16,956,164	17,624,006
9 Revenue Generated From Usage Rates											
10 Base Rate Revenue	\$ 13,370,601	13,370,601	14,054,064	14,793,067	15,342,777	15,934,120	16,566,539	17,098,574	17,662,891	18,261,013	18,894,523
11 Additional Rate Revenue From Growth	\$ -	61,603	84,443	109,108	133,761	156,674	177,787	198,378	219,792	242,054	265,191
12 Weather Normalization And Other Adjustments	\$ -	-	-	-	-	-	-	-	-	-	-
13 Subtotal: Base Revenue With Growth	\$ 13,370,601	13,432,204	14,138,508	14,902,175	15,476,537	16,090,795	16,744,327	17,296,952	17,882,683	18,503,067	19,159,714
14 Proposed Water Rate Increase	0.00%	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
15 Additional Rate Revenue From Rate Increase	\$ -	738,771	777,618	521,576	541,679	563,178	418,608	432,424	447,067	462,577	478,993
16 Price Elasticity Adjustment	\$ -	(116,911)	(123,058)	(80,975)	(84,096)	(87,433)	(64,361)	(66,485)	(68,737)	(71,121)	(73,645)
17 Total Water Usage Rate Revenue	\$ 13,370,601	14,054,064	14,793,067	15,342,777	15,934,120	16,566,539	17,098,574	17,662,891	18,261,013	18,894,523	19,565,061
18 Irrigation Rate Revenue											
19 Revenue Generated From Fixed Monthly Charges											
20 Base Rate Revenue	\$ 5,030,733	5,030,733	5,057,735	5,093,139	5,136,869	5,188,952	5,248,218	5,313,552	5,384,953	5,462,435	5,546,010
21 Additional Rate Revenue From Growth	\$ -	27,003	35,403	43,730	52,083	59,266	65,334	71,401	77,481	83,573	89,678
22 Subtotal: Base Revenue With Growth	\$ 5,030,733	5,057,735	5,093,139	5,136,869	5,188,952	5,248,218	5,313,552	5,384,953	5,462,435	5,546,010	5,635,691
23 Proposed Irrigation Rate Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
24 Additional Rate Revenue From Rate Increase	\$ -	-	-	-	-	-	-	-	-	-	-
25 Total Irrigation Rate Revenue	\$ 5,030,733	5,057,735	5,093,139	5,136,869	5,188,952	5,248,218	5,313,552	5,384,953	5,462,435	5,546,010	5,635,691
26 Sewer Rate Revenue											
27 Revenue Generated From Fixed Monthly Charges											
28 Base Rate Revenue	\$ 13,566,146	13,566,146	14,379,934	15,264,346	15,918,127	16,622,578	17,377,836	18,008,259	18,677,968	19,389,037	20,143,627
29 Additional Rate Revenue From Growth	\$ -	64,123	88,640	115,487	142,334	167,602	191,197	214,149	238,164	263,281	289,539
30 Subtotal: Base Revenue With Growth	\$ 13,566,146	13,630,270	14,468,574	15,379,833	16,060,461	16,790,180	17,569,033	18,222,408	18,916,133	19,652,319	20,433,169
31 Proposed Sewer Rate Increase	0.00%	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
32 Additional Rate Revenue From Rate Increase	\$ -	749,665	795,772	538,294	562,116	587,656	439,226	455,560	472,903	491,308	510,829
33 Total Sewer Fixed Monthly Charge Revenue	\$ 13,566,146	14,379,934	15,264,346	15,918,127	16,622,578	17,377,836	18,008,259	18,677,968	19,389,037	20,143,627	20,943,998
34 Revenue Generated From Usage Rates											
35 Base Rate Revenue	\$ 23,150,213	23,150,213	24,336,471	25,620,117	26,577,176	27,607,633	28,710,480	29,640,451	30,627,465	31,674,222	32,783,529
36 Additional Rate Revenue From Growth	\$ -	109,424	150,014	193,837	237,643	278,362	315,882	352,476	390,533	430,099	471,221
37 Weather Normalization And Other Adjustments	\$ -	-	-	-	-	-	-	-	-	-	-
38 Subtotal: Base Revenue With Growth	\$ 23,150,213	23,259,637	24,486,485	25,813,954	26,814,819	27,885,995	29,026,362	29,992,927	31,017,998	32,104,322	33,254,749
39 Proposed Sewer Rate Increase	0.00%	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
40 Additional Rate Revenue From Rate Increase	\$ -	1,279,280	1,346,757	903,488	938,519	976,010	725,659	749,823	775,450	802,608	831,369
41 Price Elasticity Adjustment	\$ -	(202,446)	(213,124)	(140,267)	(145,705)	(151,526)	(111,570)	(115,285)	(119,225)	(123,401)	(127,823)
42 Total Sewer Rate Revenue	\$ 23,150,213	24,336,471	25,620,117	26,577,176	27,607,633	28,710,480	29,640,451	30,627,465	31,674,222	32,783,529	33,958,295
43 Water, Irrigation & Sewer Rate Revenue											
44 Base Rate Revenue	\$ 66,561,279	66,561,279	69,956,812	73,643,232	76,396,317	79,365,504	82,548,321	85,233,312	88,085,497	91,112,896	94,323,853
45 Additional Rate Revenue From Growth	\$ -	314,877	431,374	557,105	682,831	799,682	907,368	1,012,436	1,121,738	1,235,415	1,353,613
46 Subtotal: Base Revenue With Growth	\$ 66,561,279	66,876,156	70,388,186	74,200,337	77,079,148	80,165,186	83,455,689	86,245,748	89,207,235	92,348,311	95,677,466
47 Proposed Water & Sewer Rate Increases	0.00%	5.50%	5.50%	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
48 Additional Rate Revenue From Rate Increase	\$ -	3,400,013	3,591,228	2,417,221	2,516,157	2,622,094	1,953,553	2,021,520	2,093,620	2,170,058	2,251,045
49 Price Elasticity Adjustment	\$ -	(319,357)	(336,182)	(221,241)	(229,801)	(238,959)	(175,931)	(181,770)	(187,962)	(194,522)	(201,468)
50 Total Rate Revenue	\$ 66,561,279	69,956,812	73,643,232	76,396,317	79,365,504	82,548,321	85,233,312	88,085,497	91,112,896	94,323,853	97,727,051
51 Plus: Other Operating Revenue	\$ -	-	-	-	-	-	-	-	-	-	-
52 Equals: Total Operating Revenue	\$ 66,561,279	69,956,812	73,643,232	76,396,317	79,365,504	82,548,321	85,233,312	88,085,497	91,112,896	94,323,853	97,727,051

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 7 – Pro Forma

Forecast of Net Revenues and Debt Service Coverage

Schedule 7

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
53 Less: Operating Expenses											
54 Personnel Services	\$ (16,008,606)	(16,684,027)	(17,034,193)	(17,182,979)	(17,789,441)	(18,420,464)	(19,077,232)	(19,760,994)	(20,473,070)	(21,214,855)	(21,987,826)
55 O&M	\$ (15,502,621)	(18,861,130)	(19,677,173)	(20,554,386)	(21,483,992)	(22,673,751)	(23,743,160)	(24,885,703)	(26,107,254)	(27,414,176)	(28,813,360)
56 Equals: Net Operating Income	\$ 35,050,052	34,411,655	36,931,866	38,658,952	40,092,071	41,454,105	42,412,920	43,438,800	44,532,572	45,694,821	46,925,866
57 Plus: Non-Operating Income/(Expense)											
58 Non-Operating Revenue (1)	\$ 1,566,648	5,131,726	1,528,473	1,557,135	1,592,735	1,632,723	1,669,059	1,707,467	1,748,032	1,790,844	1,836,000
59 Interest Earned On Fund Balances	\$ 200,527	331,996	513,557	681,486	829,541	821,896	837,220	854,073	961,502	1,136,022	1,300,676
60 Impact Fees	\$ 3,166,730	1,786,493	2,329,782	2,873,072	3,416,361	3,881,339	4,272,899	4,664,459	5,056,019	5,447,579	5,839,139
61 Betterment Fees	\$ 447,663	447,663	447,663	447,663	447,663	447,663	447,663	447,663	447,663	447,663	447,663
62 SRF Proceeds	\$ -	-	-	-	-	-	-	-	-	-	-
63 Equals: Net Income	\$ 40,431,620	42,109,533	41,751,341	44,218,308	46,378,371	48,237,726	49,639,760	51,112,462	52,745,787	54,516,928	56,349,344
64 Less: Revenues Excluded From Coverage Test											
65 Impact Fees	\$ (3,166,730)	\$(1,786,493)	\$(2,329,782)	\$(2,873,072)	\$(3,416,361)	\$(3,881,339)	\$(4,272,899)	\$(4,664,459)	\$(5,056,019)	\$(5,447,579)	\$(5,839,139)
66 Betterment Fees	\$ (447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)	\$(447,663)
67 Transfers In	\$ -	-	-	-	-	-	-	-	-	-	-
68 Equals: Net Income Available For Debt Service	\$ 36,817,228	39,875,377	38,973,896	40,897,574	42,514,346	43,908,725	44,919,199	46,000,340	47,242,106	48,621,686	50,062,542
69 Debt Service Coverage Test											
70 Existing Debt Service	\$ 13,313,753	13,313,900	13,313,333	13,313,714	13,308,889	13,308,539	13,309,981	13,313,556	13,308,544	13,309,044	13,312,156
71 Series 2011 and 2012 Debt Service	\$ 4,932,300	12,341,655	17,867,688	17,869,788	17,871,288	17,872,438	17,873,688	17,869,088	17,870,438	17,870,688	17,867,538
72 Cumulative New Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
73 Total Conventional Debt Service	\$ 18,246,053	25,655,555	31,181,020	31,183,501	31,180,176	31,180,976	31,183,669	31,182,644	31,178,981	31,179,731	31,179,694
74 Calculated Debt Service Coverage	1.25 / 1.00	2.02	1.55	1.25	1.31	1.36	1.41	1.44	1.48	1.52	1.56
75 Calculated Debt Service Coverage (Test II - w/ Impacts)	1.20 / 1.20	2.19	1.62	1.32	1.40	1.47	1.53	1.58	1.62	1.68	1.73
76 Net Income Available For Debt Service	\$ 36,817,228	39,875,377	38,973,896	40,897,574	42,514,346	43,908,725	44,919,199	46,000,340	47,242,106	48,621,686	50,062,542
77 Less: Total Conventional Debt Service & Coverage	\$ (18,246,053)	(25,655,555)	(31,181,020)	(31,183,501)	(31,180,176)	(31,180,976)	(31,183,669)	(31,182,644)	(31,178,981)	(31,179,731)	(31,179,694)
78 Equals: Net Income Available For SRF Debt Service	\$ 18,571,175	14,219,822	7,792,876	9,714,072	11,334,170	12,727,748	13,735,530	14,817,696	16,063,124	17,441,955	18,882,848
79 SRF Debt Service	\$ 3,433,719	3,433,719	3,433,718	1,711,867	1,063,773	415,680	415,680	415,680	415,680	415,680	415,680
80 Calculated SRF Debt Coverage	1.15 / 1.15	5.41	4.14	2.27	5.67	10.65	30.62	33.04	35.65	38.64	41.96
81 Cash Flow Test											
82 Net Income Available For Debt Service	\$ 36,817,228	39,875,377	38,973,896	40,897,574	42,514,346	43,908,725	44,919,199	46,000,340	47,242,106	48,621,686	50,062,542
83 Net Interfund Transfers (In - Out)	\$ -	-	-	-	-	-	-	-	-	-	-
84 Net Debt Service Payment (Debt Service - Impact Fee Payment)	\$ (21,217,201)	(28,161,535)	(33,404,865)	(31,403,361)	(30,469,808)	(29,581,048)	(29,380,401)	(29,176,036)	(28,969,033)	(28,766,443)	(28,563,066)
85 Other Below The Line Expenses (Int. Pmt. On CP)	\$ (6,153,240)	(3,223,140)	-	-	-	-	-	-	-	-	-
86 Capital Outlay	\$ (1,041,698)	(1,933,067)	(2,300,000)	(2,700,000)	(3,000,000)	(3,075,000)	(3,151,875)	(3,230,672)	(3,311,439)	(3,394,225)	(3,479,080)
87 Renewal & Replacement Transfer	\$ -	-	-	-	-	-	-	-	-	-	-
88 Net Cash Flow	\$ 8,405,088	6,557,635	3,269,031	6,794,212	9,044,538	11,252,676	12,386,923	13,593,632	14,961,634	16,461,018	18,020,396
89 Unrestricted Working Capital Reserve Fund											
90 Balance At Beginning Of Fiscal Year	\$ 31,355,584	28,193,884	30,574,129	30,268,985	30,248,489	28,483,630	29,636,901	29,709,551	30,985,109	38,303,899	44,946,667
91 Cash Flow Surplus/(Deficit)	\$ 8,405,088	6,557,635	3,269,031	6,794,212	9,044,538	11,252,676	12,386,923	13,593,632	14,961,634	16,461,018	18,020,396
92 Reserve Fund Balance Used For Cash Flow Deficit	\$ -	-	-	-	-	-	-	-	-	-	-
93 Projects Designated To Be Paid With Cash	\$ (4,427,450)	(3,225,390)	(1,999,175)	(4,537,708)	(292,354)	(1,154,050)	(6,036,184)	(5,821,200)	-	-	-
94 Projects Paid With Reserve Funds (Non Specified Funds)	\$ (7,139,339)	(952,000)	(1,575,000)	(2,277,000)	(10,517,043)	(8,945,356)	(6,278,089)	(6,496,875)	(7,642,844)	(9,818,250)	(11,490,778)
95 Balance At End Of Fiscal Year	\$ 28,193,884	30,574,129	30,268,985	30,248,489	28,483,630	29,636,901	29,709,551	30,985,109	38,303,899	44,946,667	51,476,285
96 Minimum Working Capital Reserve Target	3 Mo. O&M	\$ 7,877,807	8,886,289	9,177,841	9,434,341	9,818,358	10,273,554	10,705,098	11,161,674	11,645,081	12,157,258
97 Excess/(Deficiency) of Fund Balance, Net Of Cash Flow Deficit	\$ 20,316,077	21,687,840	21,091,143	20,814,148	18,665,272	19,363,347	19,004,453	19,823,435	26,658,818	32,789,409	38,775,989

(1) Includes one-time revenue of \$3.7 million in FY 2012 for sale of equipment associated with previously planned bio-solids facility

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 8 – Capital Projects Funding Sources

Capital Project Funding Summary

Schedule 8

FINAL CAPITAL PROJECTS FUNDING SOURCES	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
WATER IMPACT FEES	\$ 3,554,517	-	-	-	267,750	2,229,090	2,318,960	2,411,640	2,814,410	3,180,000	3,284,316
SEWER IMPACT FEES	\$ 1,077,831	-	-	-	-	2,888	36	0	0	0	0
IRRIGATION IMPACT FEES	\$ 29,403	-	-	-	1,933,332	242,594	251,125	259,875	268,844	278,250	288,094
WATER BETTERMENT FEES	\$ -	-	-	-	-	-	-	-	-	-	-
SEWER BETTERMENT FEES	\$ -	-	-	-	-	-	-	-	-	-	-
IRRIGATION BETTERMENT FEES	\$ -	-	-	-	-	-	-	-	-	-	-
SERIES 2012 PROJECT PROCEEDS (1)	\$ -	392,000	-	-	-	-	-	-	-	-	-
R&R, SEWER, & MEMBRANE RESERVES	\$ -	-	-	-	-	-	-	-	-	-	-
REVENUE FUND	\$ 7,139,339	952,000	1,575,000	2,277,000	10,517,043	8,945,356	6,278,089	6,496,875	7,642,844	9,818,250	11,490,778
SRF PROCEEDS	\$ -	-	-	-	-	-	-	-	-	-	-
DEBT / COMMERCIAL PAPER PROCEEDS	\$ 3,000,000	-	-	-	-	-	-	-	-	-	-
PROJECTS DESIGNATED TO BE PAID WITH CASH	\$ 4,427,450	3,225,390	1,999,175	4,537,708	292,354	1,154,050	6,036,184	5,821,200	-	-	-
TOTAL PROJECTS PAID	\$ 19,228,540	4,569,390	3,574,175	6,814,708	13,010,479	12,573,977	14,884,394	14,989,590	10,726,098	13,276,500	15,063,188
TOTAL CIP INPUT	\$ 19,228,540	4,569,390	3,574,175	6,814,708	13,010,479	12,573,977	14,884,394	14,989,590	10,726,098	13,276,500	15,063,188
VARIANCE	\$ -	-	-	-	-	-	-	-	-	-	-

(1) Remaining proceeds available for capital funding after take-out of commercial paper

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 9 – Projection of Long-Term Borrowing

Long-Term Borrowing Projections

Schedule 9

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Term (Years)		30	30	30	30	30	30	30	30	30	30	30
Interest Rate		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Sources of Funds												
Par Amount				\$0	-	-	-	-	-	-	-	-
Uses of Funds												
Proceeds				\$0	-	-	-	-	-	-	-	-
Cost of Issuance	2.00% of Par			\$0	-	-	-	-	-	-	-	-
Underwriter's Discount	\$0.00 per \$1,000			\$0	-	-	-	-	-	-	-	-
Bond Insurance	0 times total Debt Service			\$0	-	-	-	-	-	-	-	-
Capitalized Interest	0 Years Interest			\$0	-	-	-	-	-	-	-	-
Debt Service Surety	0% of Debt Service			\$0	-	-	-	-	-	-	-	-
Debt Service Reserve	1 Years of Debt Service			\$0	-	-	-	-	-	-	-	-
Other Costs				\$0	-	-	-	-	-	-	-	-
Total Uses				\$0	-	-	-	-	-	-	-	-
1 Year Interest				\$0	-	-	-	-	-	-	-	-
Annual Debt Service				\$0	-	-	-	-	-	-	-	-
Total Debt Service				\$0	-	-	-	-	-	-	-	-
Interim Financing Section												
Utilize Interim Financing?	Balance as of 9/30/2010	FY 2011 3.00%	FY 2012 3.00%	FY 2013 3.00%	FY 2014 3.00%	FY 2015 3.00%	FY 2016 3.00%	FY 2017 3.00%	FY 2018 3.00%	FY 2019 3.00%	FY 2020 3.00%	FY 2021 3.00%
Interim Financing Proceeds	\$ 203,608,000	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payments		\$ 6,153,240	\$ 3,223,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Series 2011 Bonds CP Take-out		\$ (99,170,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EOY Balance	\$ 203,608,000	\$ 107,438,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PROCEEDS TO BE BOND-FUNDED		\$ -	\$ 107,438,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative New Annual Debt Service (1)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(1) New borrowing reflects interest only payment in year of issuance, and levelized debt service thereafter.

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 10 – Funding Summary by Fund

Sources & Uses of Funds

Schedule 10

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
WATER IMPACT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 3,203,334	2,168,131	2,806,354	3,654,486	4,724,042	5,758,875	4,995,388	4,257,962	3,544,402	2,541,339	1,279,181
ADDITIONAL ANNUAL REVENUES	\$ 2,505,920	613,474	800,037	986,600	1,173,164	1,332,835	1,467,295	1,601,755	1,736,215	1,870,675	2,005,135
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 5,709,253	2,781,605	3,606,391	4,641,087	5,897,206	7,091,709	6,462,683	5,859,716	5,280,617	4,412,014	3,284,316
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 5,709,253	2,781,605	3,606,391	4,641,087	5,897,206	7,091,709	6,462,683	5,859,716	5,280,617	4,412,014	3,284,316
AMOUNT PAID FOR PROJECTS	\$ (3,554,517)	-	-	-	(267,750)	(2,229,090)	(2,318,960)	(2,411,640)	(2,814,410)	(3,180,000)	(3,284,316)
SUBTOTAL	\$ 2,154,736	2,781,605	3,606,391	4,641,087	5,629,456	4,862,619	4,143,723	3,448,076	2,466,207	1,232,014	-
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 13,395	24,749	48,096	82,956	129,419	132,769	114,239	96,325	75,133	47,167	15,990
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 2,168,131	2,806,354	3,654,486	4,724,042	5,758,875	4,995,388	4,257,962	3,544,402	2,541,339	1,279,181	15,990
SEWER IMPACT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 1,077,831	2,695	2,722	2,762	2,818	2,888	36	0	0	0	0
ADDITIONAL ANNUAL REVENUES	\$ 462,570	927,739	1,209,873	1,492,007	1,774,142	2,015,608	2,218,948	2,422,288	2,625,628	2,828,968	3,032,308
LESS: PAYMENT OF DEBT SERVICE	\$ (462,570)	(927,739)	(1,209,873)	(1,492,007)	(1,774,142)	(2,015,608)	(2,218,948)	(2,422,288)	(2,625,628)	(2,828,968)	(3,032,308)
SUBTOTAL	\$ 1,077,831	2,695	2,722	2,762	2,818	2,888	36	0	0	0	0
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 1,077,831	2,695	2,722	2,762	2,818	2,888	36	0	0	0	0
AMOUNT PAID FOR PROJECTS	\$ (1,077,831)	-	-	-	-	(2,888)	(36)	(0)	(0)	(0)	(0)
SUBTOTAL	\$ -	2,695	2,722	2,762	2,818	0	0	0	0	(0)	0
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 2,695	27	41	55	70	36	0	0	0	0	0
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 2,695	2,722	2,762	2,818	2,888	36	0	0	0	0	0
IRRIGATION IMPACT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 290,191	460,901	712,017	1,044,968	1,464,276	18,303	312,692	660,235	1,062,038	1,519,238	2,032,776
ADDITIONAL ANNUAL REVENUES	\$ 198,240	245,280	319,872	394,464	469,056	532,896	586,656	640,416	694,176	747,936	801,696
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 488,431	706,181	1,031,889	1,439,432	1,933,332	551,199	899,348	1,300,651	1,756,214	2,267,174	2,834,472
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 488,431	706,181	1,031,889	1,439,432	1,933,332	551,199	899,348	1,300,651	1,756,214	2,267,174	2,834,472
AMOUNT PAID FOR PROJECTS	\$ (29,403)	-	-	-	(1,933,332)	(242,594)	(251,125)	(259,875)	(268,844)	(278,250)	(288,094)
SUBTOTAL	\$ 459,028	706,181	1,031,889	1,439,432	-	308,606	648,223	1,040,776	1,487,370	1,988,924	2,546,378
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 1,873	5,835	13,079	24,844	18,303	4,086	12,011	21,263	31,868	43,852	57,239
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 460,901	712,017	1,044,968	1,464,276	18,303	312,692	660,235	1,062,038	1,519,238	2,032,776	2,603,618

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS
APPENDIX A

Schedule 10 – Funding Summary by Fund

Sources & Uses of Funds

Schedule 10

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
WATER BETTERMENT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 394,552	506,341	621,495	741,182	866,644	999,223	1,135,115	1,274,405	1,417,178	1,563,519	1,713,520
ADDITIONAL ANNUAL REVENUES	\$ 109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543	109,543
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 504,095	615,884	731,038	850,725	976,187	1,108,765	1,244,658	1,383,948	1,526,721	1,673,062	1,823,062
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 504,095	615,884	731,038	850,725	976,187	1,108,765	1,244,658	1,383,948	1,526,721	1,673,062	1,823,062
AMOUNT PAID FOR PROJECTS	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 504,095	615,884	731,038	850,725	976,187	1,108,765	1,244,658	1,383,948	1,526,721	1,673,062	1,823,062
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 2,247	5,611	10,144	15,919	23,035	26,350	29,747	33,229	36,799	40,457	44,207
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 506,341	621,495	741,182	866,644	999,223	1,135,115	1,274,405	1,417,178	1,563,519	1,713,520	1,867,270
SEWER BETTERMENT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 122,271	380,211	641,984	910,226	1,187,685	1,477,273	1,774,100	2,078,349	2,390,203	2,709,854	3,037,496
ADDITIONAL ANNUAL REVENUES	\$ 256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687	256,687
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 378,958	636,899	898,671	1,166,913	1,444,372	1,733,960	2,030,787	2,335,036	2,646,890	2,966,541	3,294,183
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 378,958	636,899	898,671	1,166,913	1,444,372	1,733,960	2,030,787	2,335,036	2,646,890	2,966,541	3,294,183
AMOUNT PAID FOR PROJECTS	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 378,958	636,899	898,671	1,166,913	1,444,372	1,733,960	2,030,787	2,335,036	2,646,890	2,966,541	3,294,183
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 1,253	5,086	11,555	20,771	32,901	40,140	47,561	55,167	62,964	70,955	79,146
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 380,211	641,984	910,226	1,187,685	1,477,273	1,774,100	2,078,349	2,390,203	2,709,854	3,037,496	3,373,329
IRRIGATION BETTERMENT FEES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 347,907	431,283	517,436	607,241	701,633	801,625	904,117	1,009,170	1,116,851	1,227,223	1,340,354
ADDITIONAL ANNUAL REVENUES	\$ 81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433	81,433
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 429,340	512,716	598,869	688,674	783,066	883,058	985,550	1,090,603	1,198,284	1,308,656	1,421,787
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 429,340	512,716	598,869	688,674	783,066	883,058	985,550	1,090,603	1,198,284	1,308,656	1,421,787
AMOUNT PAID FOR PROJECTS	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 429,340	512,716	598,869	688,674	783,066	883,058	985,550	1,090,603	1,198,284	1,308,656	1,421,787
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 1,943	4,720	8,372	12,959	18,559	21,059	23,621	26,247	28,939	31,698	34,527
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ 431,283	517,436	607,241	701,633	801,625	904,117	1,009,170	1,116,851	1,227,223	1,340,354	1,456,314

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

APPENDIX A

Schedule 10 – Funding Summary by Fund

Sources & Uses of Funds

Schedule 10

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
SERIES 2012 PROJECT PROCEEDS											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ -	-	-	-	-	-	-	-	-	-	-
ADDITIONAL ANNUAL REVENUES	\$ -	392,000	-	-	-	-	-	-	-	-	-
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ -	392,000	-	-	-	-	-	-	-	-	-
LESS: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ -	392,000	-	-	-	-	-	-	-	-	-
AMOUNT PAID FOR PROJECTS	\$ -	(392,000)	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ -	-	-	-	-	-	-	-	-	-	-
ADD BACK: RESTRICTED FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ -	-	-	-	-	-	-	-	-	-	-
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ -	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR	\$ -	-	-	-	-	-	-	-	-	-	-
R&R, SEWER, & MEMBRANE RESERVES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579
ADDITIONAL ANNUAL REVENUES	\$ -	-	-	-	-	-	-	-	-	-	-
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579
LESS: RESTRICTED FUNDS	\$ (3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)	(3,815,579)
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ -	-	-	-	-	-	-	-	-	-	-
AMOUNT PAID FOR PROJECTS	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ -	-	-	-	-	-	-	-	-	-	-
ADD BACK: RESTRICTED FUNDS	\$ 3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579
PLUS: INTEREST EARNINGS	\$ 19,078	38,156	57,234	76,312	95,389	95,389	95,389	95,389	95,389	95,389	95,389
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ (19,078)	(38,156)	(57,234)	(76,312)	(95,389)	(95,389)	(95,389)	(95,389)	(95,389)	(95,389)	(95,389)
BALANCE AT END OF FISCAL YEAR	\$ 3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579	3,815,579
REVENUE FUND											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 31,355,584	28,193,884	30,574,129	30,268,985	30,248,489	28,483,630	29,636,901	29,709,551	30,985,109	38,303,899	44,946,667
ADDITIONAL ANNUAL REVENUES	\$ 8,405,088	6,557,635	3,269,031	6,794,212	9,044,538	11,252,676	12,386,923	13,593,632	14,961,634	16,461,018	18,020,396
LESS: CASH-FUNDED CAPITAL PROJECTS	\$ (4,427,450)	(3,225,390)	(1,999,175)	(4,537,708)	(292,354)	(1,154,050)	(6,036,184)	(5,821,200)	-	-	-
LESS: PAYMENT OF DEBT SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 35,333,223	31,526,129	31,843,985	32,525,489	39,000,673	38,582,257	35,987,640	37,481,984	45,946,743	54,764,917	62,967,063
LESS: RESTRICTED FUNDS	\$ (7,877,807)	(8,886,289)	(9,177,841)	(9,434,341)	(9,818,358)	(10,273,554)	(10,705,098)	(11,161,674)	(11,645,081)	(12,157,258)	(12,700,296)
TOTAL AMOUNT AVAILABLE FOR PROJECTS	\$ 27,455,416	22,639,840	22,666,143	23,091,148	29,182,315	28,308,703	25,282,542	26,320,309	34,301,662	42,607,659	50,266,767
AMOUNT PAID FOR PROJECTS	\$ (7,139,339)	(952,000)	(1,575,000)	(2,277,000)	(10,517,043)	(8,945,356)	(6,278,089)	(6,496,875)	(7,642,844)	(9,818,250)	(11,490,778)
SUBTOTAL	\$ 20,316,077	21,687,840	21,091,143	20,814,148	18,665,272	19,363,347	19,004,453	19,823,435	26,658,818	32,789,409	38,775,989
ADD BACK: RESTRICTED FUNDS	\$ 7,877,807	8,886,289	9,177,841	9,434,341	9,818,358	10,273,554	10,705,098	11,161,674	11,645,081	12,157,258	12,700,296
PLUS: INTEREST EARNINGS	\$ 148,874	293,840	456,323	605,175	734,151	726,507	741,831	758,683	866,113	1,040,632	1,205,287
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ (148,874)	(293,840)	(456,323)	(605,175)	(734,151)	(726,507)	(741,831)	(758,683)	(866,113)	(1,040,632)	(1,205,287)
BALANCE AT END OF FISCAL YEAR	\$ 28,193,884	30,574,129	30,268,985	30,248,489	28,483,630	29,636,901	29,709,551	30,985,109	38,303,899	44,946,667	51,476,285
RESTRICTED RESERVES											
BALANCE AT BEGINNING OF FISCAL YEAR	\$ 6,515,130	-	-	-	-	-	-	-	-	-	-
ADDITIONAL FUNDS:	\$ -	-	-	-	-	-	-	-	-	-	-
DEBT SERVICE RESERVE ON NEW DEBT	\$ -	-	-	-	-	-	-	-	-	-	-
OTHER ADDITIONAL FUNDS	\$ -	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$ 6,515,130	-	-	-	-	-	-	-	-	-	-
PLUS: INTEREST EARNINGS	\$ 32,576	-	-	-	-	-	-	-	-	-	-
LESS: INTEREST ALLOCATED TO CASH FLOW	\$ (32,576)	-	-	-	-	-	-	-	-	-	-
BALANCE AT END OF FISCAL YEAR (1)	\$ 6,515,130	-	-	-	-	-	-	-	-	-	-

(1) Debt Service Reserve liquidated as part of Series 2011 Bonds

Appendix B – Summary Schedules for Alternative Options

Schedule 1 contains the FAMS-XL © Control Panel for Option 2 (Public Service Tax) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

Schedule 2 contains the FAMS-XL © Control Panel for Option 3A (CFEC: Prior UEP) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

Schedule 3 contains the FAMS-XL © Control Panel for Option 3B (CFEC: New UEP) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

Schedule 4 contains the FAMS-XL © Control Panel for Option 4A (Resume UEP: SW 6/7) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

Schedule 5 contains the FAMS-XL © Control Panel for Option 4B (Resume UEP: N 1-8) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

Schedule 6 contains the FAMS-XL © Control Panel for Option 4C (Resume UEP: SW 6/7 & N 1-8) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

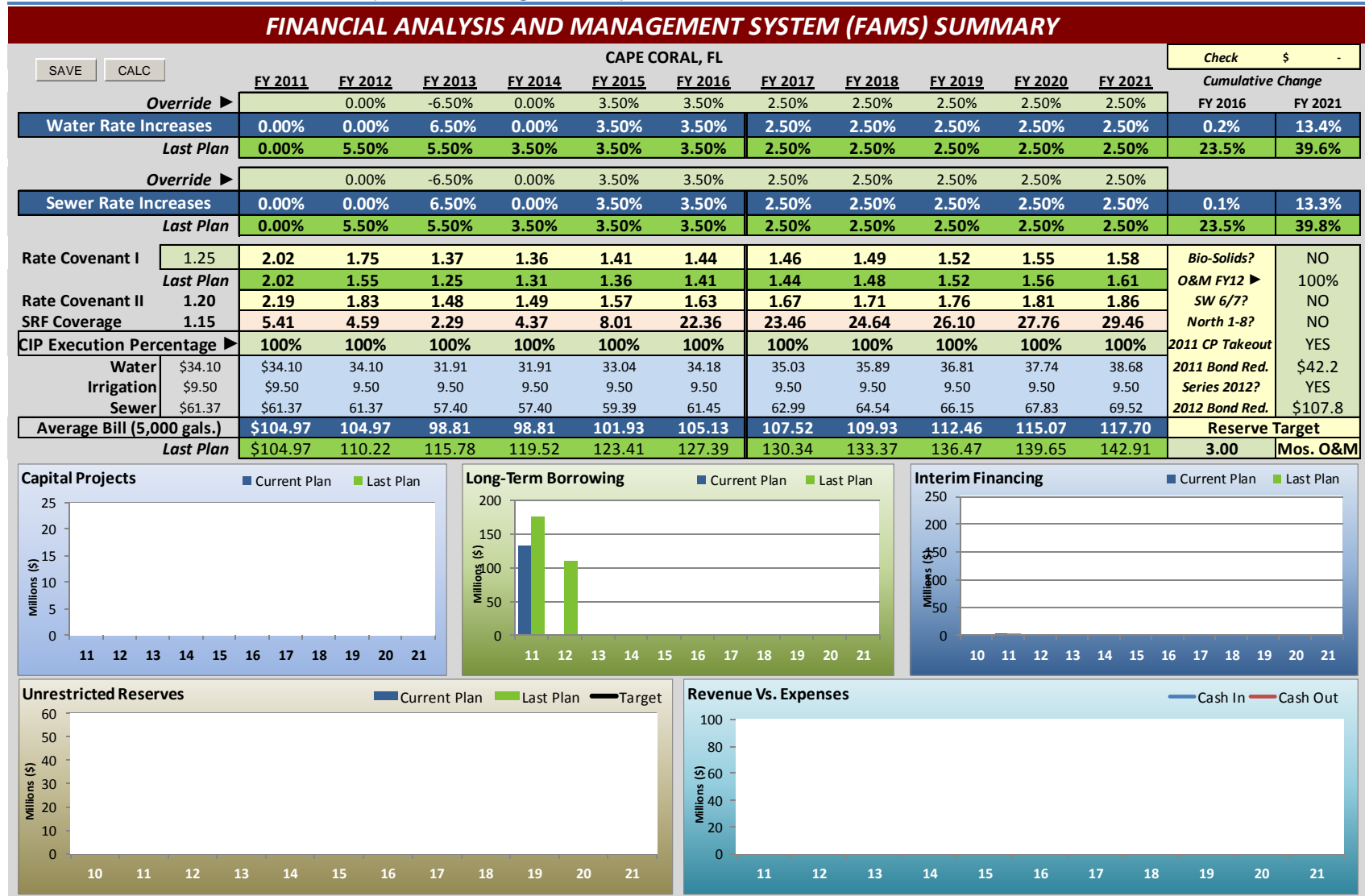
Schedule 7 contains the FAMS-XL © Control Panel for Option 5 (GO Bonds) that presents a summary of the financial management plan, including annual rate increases, debt service coverage, CIP spending, future borrowing, and fund balances

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

Schedule 1 – FAMS-XL Control Panel – Option 2 (PST)

APPENDIX B

FAMS - Control Panel - Public Services Tax (\$150M Borrowing Reduction)

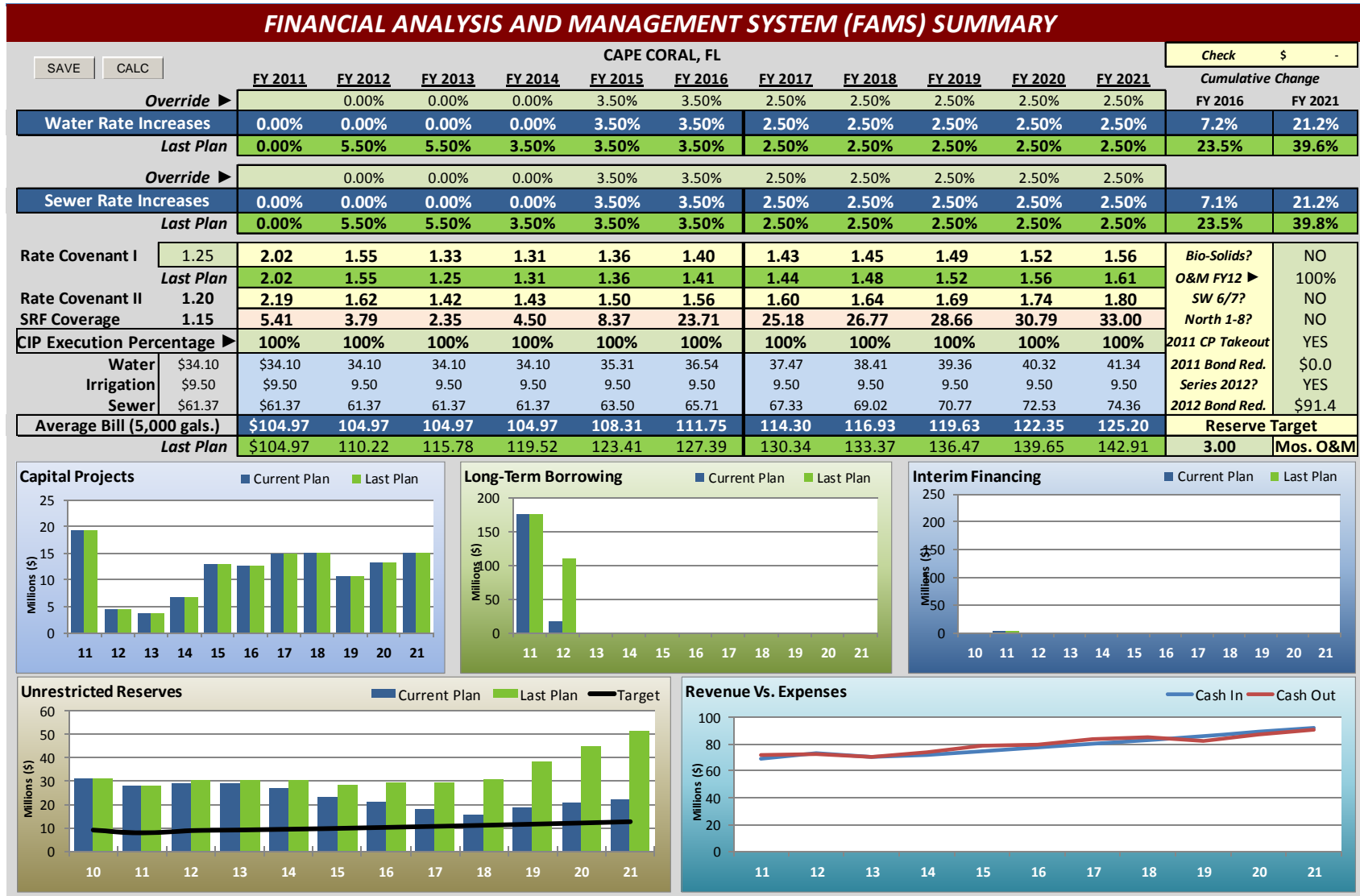


FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

Schedule 2 – FAMS-XL Control Panel – Option 3A (CFEC: Prior UEP)

APPENDIX B

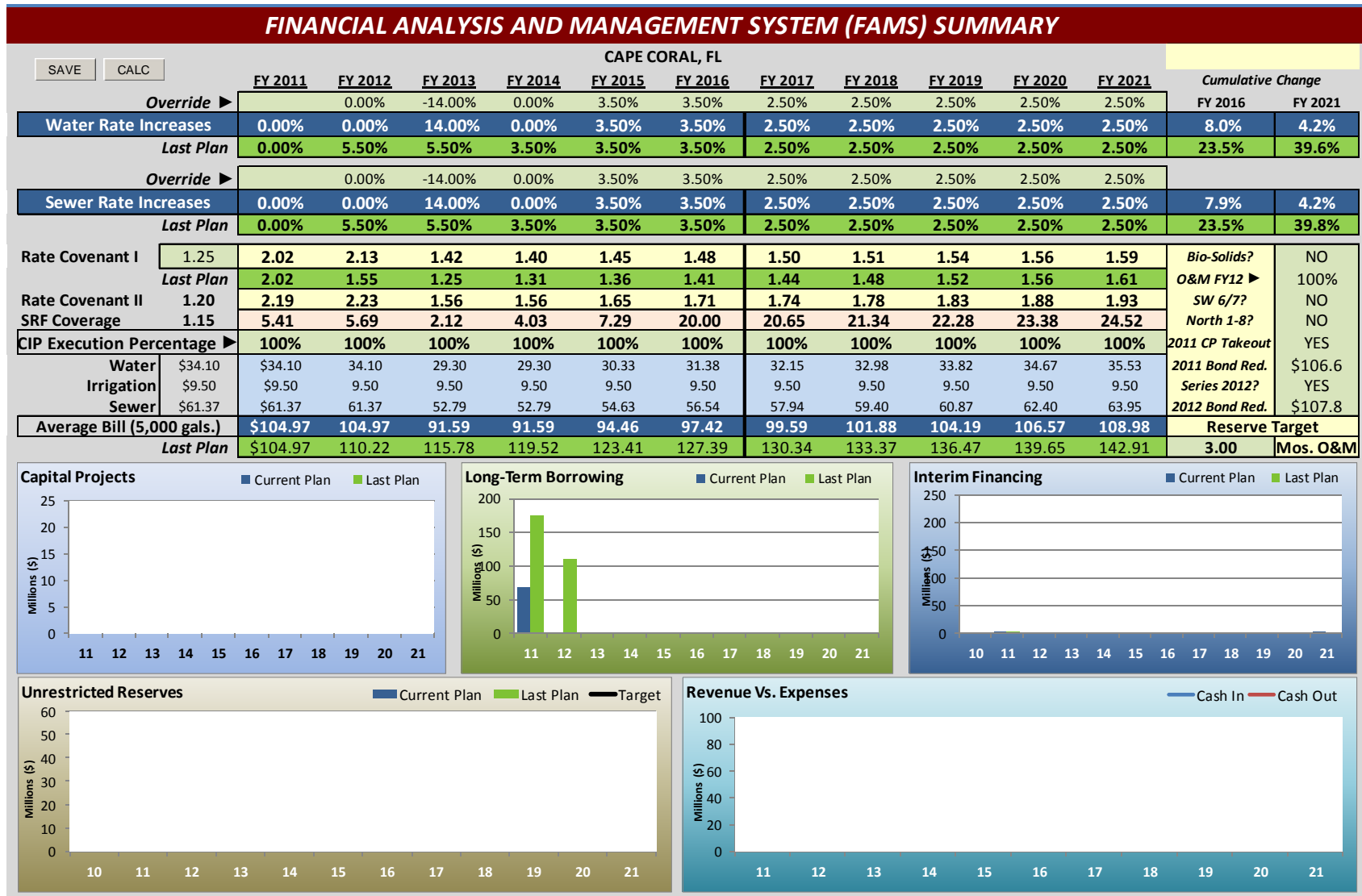
FAMS - Control Panel - Infill Assessment



CFEC:

\$91 Million for 16,437 Properties; 12,119 @ CFEC of \$5,136 and 4,318 @ CFEC of \$6,750 for Water, Sewer, and Irrigation Services

FAMS - Control Panel - CFEC New UEP Areas



CFEC:

\$32 Million for SW 6/7 = 4,793 Total Properties @ CFEC of \$6,750 for Water, Sewer, and Irrigation Services

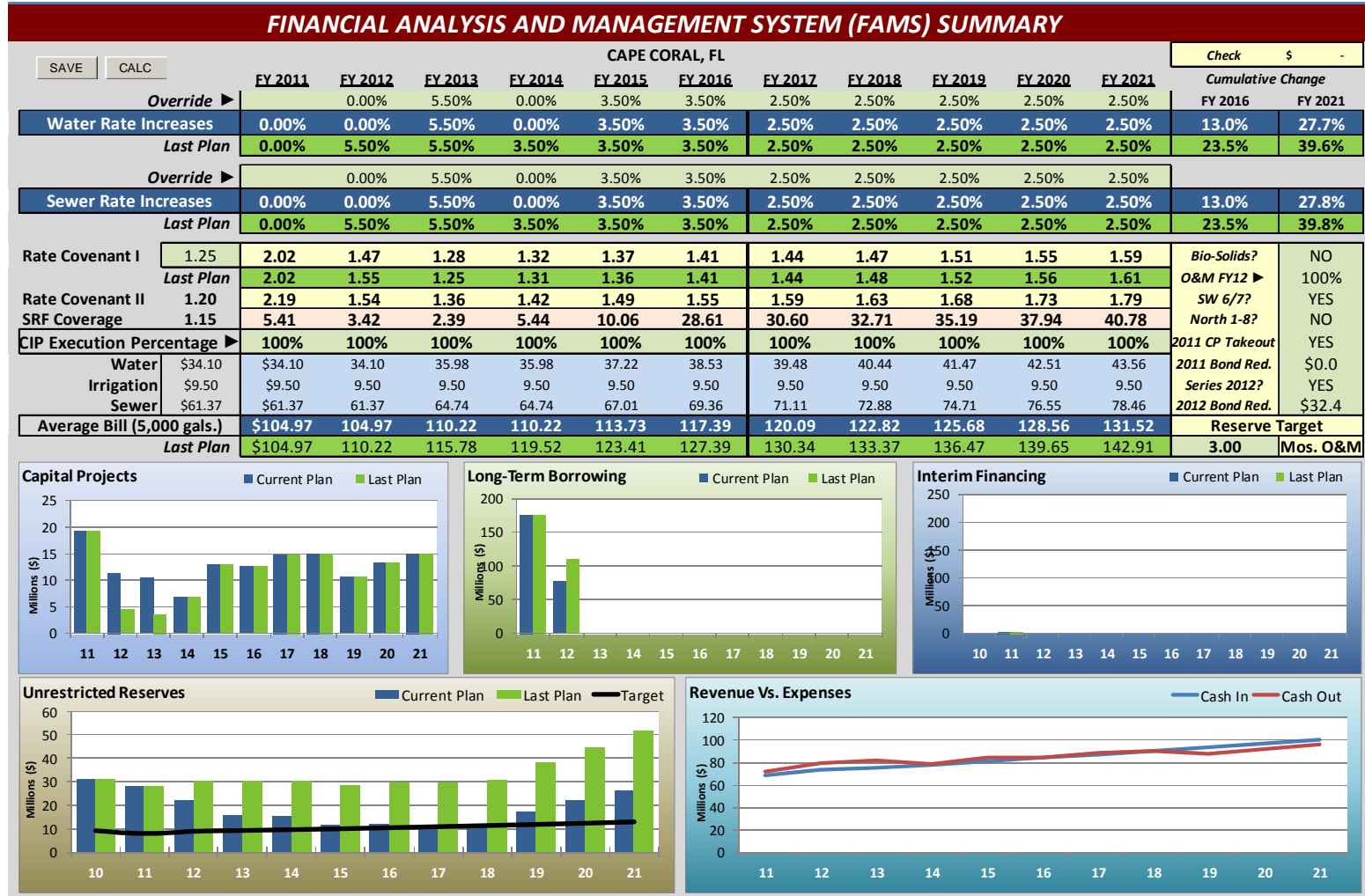
\$182 Million for N1-8 = 54,188 Total Properties @ CFEC of \$3,361 for Water Services

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

Schedule 4 – FAMS-XL Control Panel – Option 4A (UEP: SW 6/7)

APPENDIX B

FAMS - Control Panel - SW 6/7 UEP



CFEC:

\$32 Million for SW 6/7 = 4,793 Total Properties @ CFEC of \$6,750 for Water, Sewer, and Irrigation Services

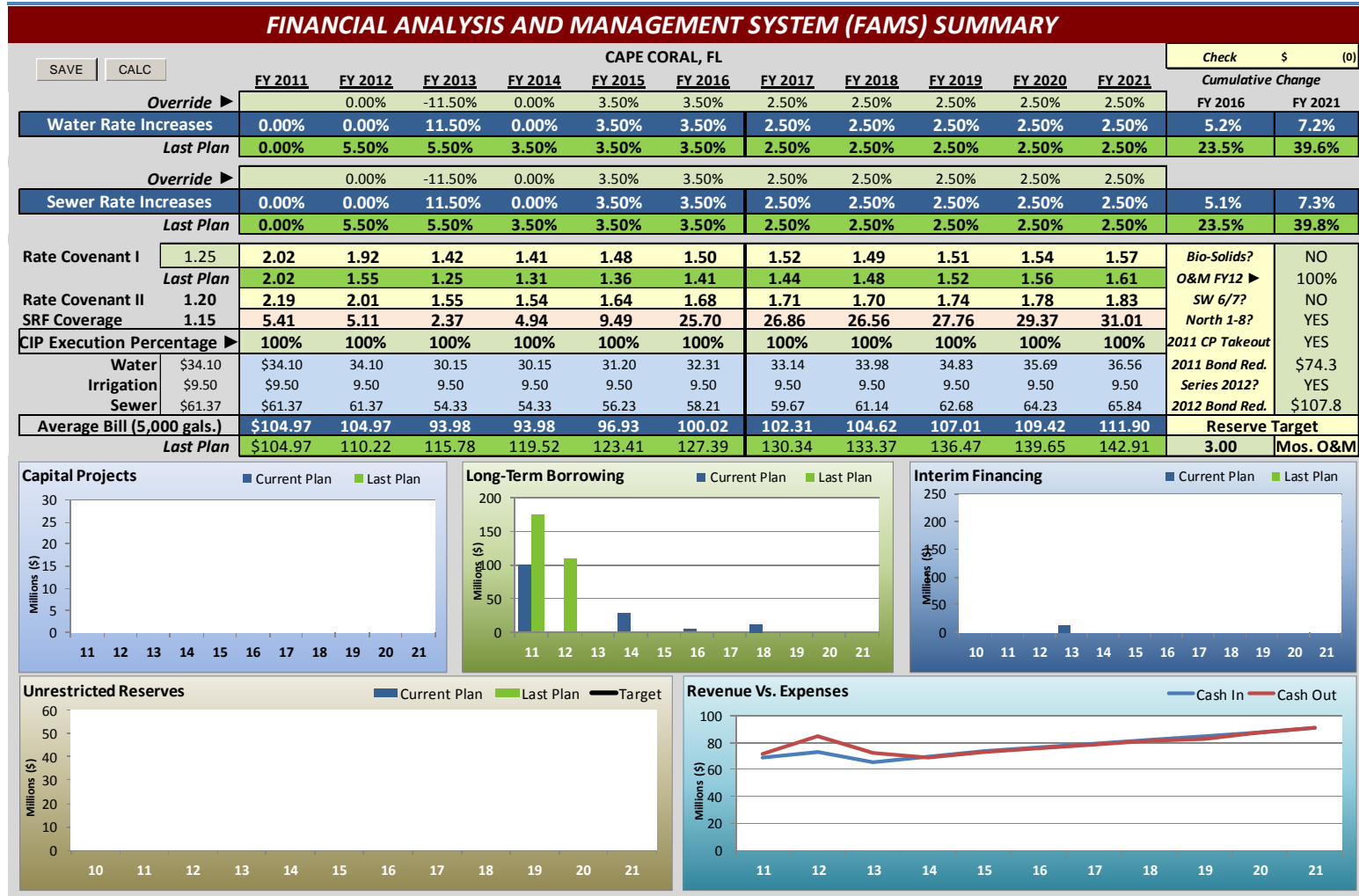
Initial New Service Connections:

SW 6/7 = 2,137 Water, 3,282 Sewer, and 3,349 Irrigation on 4/1/2013

Additional Capital:

SW 6/7 = \$14 Million

FAMS - Control Panel - N 1-8 UEP



CFEC:

\$182 Million for N1-8 = 54,188 Total Properties @ CFEC of \$3,361 for Water Services

Initial New Service Connections:

N1-8 (Water Only) = 10,019 on 4/1/2013, 4,942 on 4/1/2014

Additional Capital:

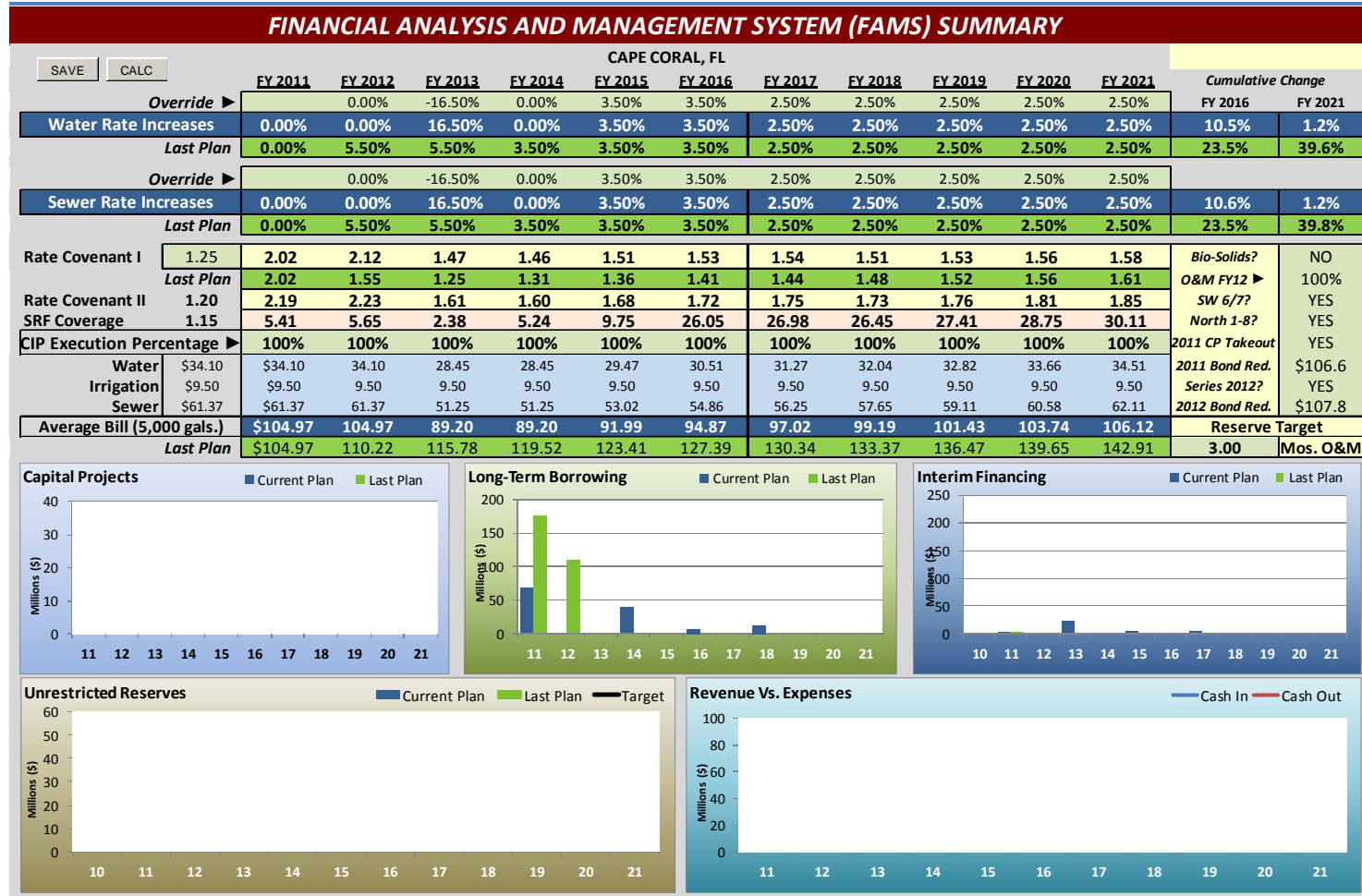
N1-8 = \$40 Million trans, plus \$15 Million other

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

Schedule 6 – FAMS-XL Control Panel – Option 4C (UEP: SW 6/7 & N 1-8)

APPENDIX B

FAMS - Control Panel - SW 6/7 & N 1-8 UEP



CFEC:

\$32 Million for SW 6/7 = 4,793 Total Properties @ CFEC of \$6,750 for Water, Sewer, and Irrigation Services
\$182 Million for N1-8 = 54,188 Total Properties @ CFEC of \$3,361 for Water Services

Initial New Service Connections:

SW 6/7 = 2,137 Water, 3,282 Sewer, and 3,349 Irrigation on 4/1/2013
N1-8 (Water Only) = 10,019 on 4/1/2013, 4,942 on 4/1/2014

Additional Capital:

SW 6/7 = \$14 Million
N1-8 = \$40 Million trans, plus \$15 Million other

FY 2011 UTILITY REVENUE SUFFICIENCY ANALYSIS

Schedule 7 – FAMS-XL Control Panel – Option 5 (GO Bonds)

APPENDIX B

FAMS - Control Panel - GO Bonds (\$285M Borrowing Reduction)

