gai consultants

City of Sanibel

Sewer Expansion Feasibility Study

2012 Update

GAI #A120676.00

July 2012

. . . transforming ideas into reality

July 31, 2012
GAI Proj. # A120676.00

Mr. Scott Krawczuk, Acting Public Works Director
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

Subject: Sewer Expansion Feasibility Study – 2012 Update

Dear Mr. Krawczuk:

GAI Consultants, Inc. (GAI) is pleased to present herein the Feasibility Report (the "Report") for the Sewer System (the "System") authorized by the City of Sanibel (the "City"). This Report is based on the adopted Fiscal Year 2012 and proposed Fiscal Year 2013 Budgets and presents a forecast of the projected sources and uses of funds for Fiscal Years 2013 through 2032. The major objective of this Study includes a review of the financial feasibility of the Sewer Expansion Program based on existing criteria and its ability to meet the financial requirements of the system without requiring user rate adjustments in excess of 3.0 percent per year.

In preparing this Report, GAI developed and analyzed the following two (2) scenarios:

- **Scenario 1** – Assumes the City maintains its current outstanding SRF Loan debt and **does not** implement the 3.0% rate increase in fiscal year 2013, but does in every other fiscal year in the projection period.

- **Scenario 2** – Assumes the City maintains its current outstanding SRF Loan debt and implements the annual 3.0% rate increase for **all** fiscal years in the projection period.

We appreciate the opportunity to be of service in this matter and look forward to assisting the City with the completion of the Sewer Expansion Program.

Very truly yours,

GAI Consultants, Inc.

Tara Hollis

Tara L. Hollis, C.P.A., M.B.A.
Environmental Group Manager

Attachments

cc: Judie Zimomra, City of Sanibel
Sylvia Edwards, City of Sanibel

R E P O R T

1.0 GENERAL

1.1 Background

GAI Consultants, Inc. (GAI) recently prepared a Report for the City that discusses the historical aspects of the Sewer System including an analysis of operating revenues, expenditures, and customer growth for Fiscal Years 2003 through 2011 based on the audited financial results as presented in the City's Comprehensive Annual Financial Reports. This Report is included as **Appendix A** and provides an overview understanding of how the Sewer System has expanded and operated since it was acquired by the City in 1991.

1.2 Goals and Objectives

As the City has invested over $73.5 million in total sewer system assets, it is imperative and fiscally prudent that the City ensure the continued viability of the Sewer Expansion Program. A primary objective of this Feasibility Report is to provide the City with an annual update on the financial stability and rate projections for the Sanitary Sewer System. In addition to its current investment, the City has proposed a 5-year Capital Improvement Program that includes approximately $1.351 million for capital improvement projects to the City's existing system through Fiscal Year 2017.

A computer model was developed for the above goals and objectives that takes into consideration major operating, funding, and capital policy and activities. This computer model provides detailed projections for the period ending September 30, 2032, and takes into account capital expenditures and sources of revenues for the entire program to determine if any shortfalls in revenues exist or excessive rate adjustments should be necessary.

2.0 SIGNIFICANT FORECAST ASSUMPTIONS

2.1 General

The following describes the significant assumptions used in forecasting the activities of the Sewer System and the Sewer Expansion Program throughout the projection period presented in this Report. It is important to examine these assumptions in order to gain an understanding of projections detailed in the schedules accompanying this Report. The key assumptions used in projecting the sources and uses of funds in the Report are as follows:

- Per Resolution No. 97-228, the amount of Ad Valorem Taxes available for the sewer expansion projects is capped at the debt service on $20.4 million of project costs (principal).

- When a property is sold, it is assumed that the remaining assessment is paid-off, as most lenders categorize the assessment as a lien that must be satisfied.

- Connection Fees are locked in at the rate in effect at the time each expansion Phase is assessed. They are based on a single payment. In each phase, connection fees that are not prepaid are able to be paid in 20 annual installments. For Phase I and Phase IIA, these installments included an interest rate of 3.25%. For all other phases, the interest rate is 3.50%. These fees are collected based on the total number of ERCs in each phase of the project. It is assumed that these fees are plant expansion fees that are dedicated for the repayment of SRF related debt service. The connection fee in effect for Fiscal Year 2012 is $3,915.52. The connection fees for each phase of the Sewer Expansion Program are shown in **Table 1A**.

- Transmission Charges for Phase I are $1,051.20, $1,174.70 for Phase IIA, $1,337.15 for Phases IIC, $1,758.41 for Phase IIIA, $1,811.16 for Phase IIIB, and $1,948.31 for Phase V, as shown in **Table 1A**. In each phase, Transmission Charges not prepaid are collected in 20 annual installments. For Phase I and Phase

IIA, these installments include an interest rate of 3.25%. For all other phases, the interest rate is 3.50%. Phase IIB did not receive a Transmission Charge.

- Special Assessments can either be prepaid or billed in 20 annual installments. For Phase I and Phase IIA, these installments include an interest rate of 3.25%. For all other phases, the interest rate is 3.50%. The amount of initial prepayments in Phases IIA, IIB, IIC, IIIA, IIIB, and V have ranged from approximately 7% to almost 28% of the total ERCs in each phase. **Table 1B** presents the amount and percent of the initial prepayments experienced in each phase of the program and **Table 1C** present any additional prepayments and the remaining assessments on installments as of June 1, 2012

- All Connection Fees, Transmission Charges, Special Assessments, and Ad Valorem taxes collected and not expended for debt service in each fiscal year will be accumulated to use for future SRF debt service. In addition, any interest earned and not expended for debt service on these funds will be accumulated for the benefit of SRF debt service payments.

- Any SRF debt service amounts not paid for with funds from Special Assessments, Connection Fees, Transmission Charges and Ad Valorem Taxes in any fiscal year, will have to be recovered through operating revenues that fiscal year.

- SRF financing interest rates range from 2.67% to 3.52% and the loans are amortized over 20 years using level principal and interest payments. SRF debt service began 6 months after completion of each phase of the expansion project.

- The City currently provides reuse service to 3 bulk customers and 64 retail customers including private homes, condominiums, resorts, a church, private golf courses, the Fire Department, and some City-owned facilities. The City's current retail rate for reuse water is $2.42 per thousand gallons. The contract with the Sanctuary Golf Course includes a provision that increases the rates annually. For the purposes of these projections, it is assumed that the reuse rates will increase annually by the same percentage as the increase to the sewer rates. Based on

these facts, reuse revenues for Fiscal Year 2013 are budgeted at $260,000 and are projected to increase annually with adjustments to the Reuse Rate.

- The City's current Rate Ordinance includes a provision to increase sewer rates annually by a 3.00% annual price index. For purposes of these projections, it is assumed that the annual rate adjustment will be in effect unless as otherwise noted in the discussion of each scenario.

- The City provided approximately $3.5 million of the City's pooled cash to fund construction and improvements of the reuse system including the deep well and transmission to the deep well. Starting in Fiscal Year 2007, the City Council adopted a 10-year repayment schedule for these advances with $350,000 budgeted annually through Fiscal Year 2016 to be repaid to the City's General Fund. In Fiscal Year 2011, when the outstanding balance was at $1,750,000, the Sewer System borrowed an additional $1,000,000 from the City's General Fund Reserves to pay down a portion of the System's Outstanding SRF Debt. This brought the outstanding loan balance due to the General fund to $2,750,000. Beginning in Fiscal Year 2012, the City established a new 10-year repayment schedule with annual repayments of $275,000 per year through Fiscal Year 2021.

- Any future debt financing included in these projections is assumed to be accomplished through the SRF program and/or other private loans.

- A reserve for Natural Disasters/Capital Account has been established in order to 1) set aside funds for emergencies, natural disasters, etc. to be appropriated by the City Council and 2) be utilized for capital improvements to the sewer system. For Fiscal year 2012 $100,000 has been budgeted for this reserve. For each year of the projection period, $100,000 will be appropriated to the reserve fund until a cumulative balance of $1 million is attained.

- The City has a two part coverage test. Coverage on the senior lien debt (2003 Refunding Bonds) is calculated by dividing Net Revenues by the debt service associated with the Series 2003 Refunding Bonds. Coverage on the SRF debt

service is calculated by taking the Net Revenues after meeting the coverage on the senior lien debt (1.10 required) plus the assessments and ad valorem taxes collected during the fiscal year and dividing by the annual SRF debt service requirement (1.15 times required).

- Funding for Phase IV and the denitrification project is still being evaluated by the City. At the present time, funding for these two (2) projects **is not** included in these projections.

- An allowance for bad debt of 0.30 percent (0.30%) of the annual revenues is included in operating expenditures for each scenario.

2.2 Budget and Net Fiscal Requirement Projections

- Operating and maintenance (O&M) expenses are based on the adopted fiscal year 2012 budget and the proposed Fiscal Year 2013 budget and are adjusted annually for the impacts of inflation. The proposed O&M expenses for Fiscal Year 2013 are $4,422,140 as shown on **Table 2**.

- Annual escalation factors have been included to adjust various line items of the Utility's budget for the projection period (See **Schedule 3A** for each scenario). These factors are used for items such as general inflation, labor, supplies and maintenance, customer growth, etc.

3.0 SCENARIOS

With changes in the economy, the City has asked GAI to review two (2) feasibility scenarios. These two (2) scenarios were analyzed and are presented in the following sections.

3.1 Scenario 1

This scenario includes the following assumptions:

- The City will not implement a rate adjustment in Fiscal Year 2013. In addition, the City **WILL NOT** adopt rate increases in excess of the 3.0% annual rate adjustment throughout the remainder of the projection period.

- Coverage on the SRF Debt Service is projected to **NOT BE MET** in Fiscal Years 2013, 2014, and 2021. It is expected to be met in all other fiscal years throughout the projection period.

- Balances in the Sewer Fund Unrestricted Cash are projected to be sufficient to cover all annual net fiscal requirements throughout the projection period. (See **Schedule 2**).

3.2 Scenario 2

This scenario includes the following assumptions:

- The City **will** adopt the 3.0% annual rate adjustment throughout the projection period.

- Coverage on the SRF Debt Service is projected to be met in all fiscal years in the projection period.

- Balances in the Sewer Fund Unrestricted Cash are projected to be sufficient to cover all annual net fiscal requirements throughout the projection period. (See **Schedule 2**).

3.3 Summary and Discussion of Scenarios and Impacts

The table below presents a summary of the scenarios developed and analyzed as part of this feasibility study. The results presented are the projected results for Fiscal Year 2013.

Scenario	Rate Increase FY 2013	Debt Coverage Met Throughout Projection Period	SRF Debt Coverage Ratio FY 2013 *
1	None	No	**1.122**
2	3%	Yes	1.185

*Minimum SRF Debt Coverage Ratio Required is 1.15

The results of each scenario are shown in **Tables 3A and 3B** for **Scenarios 1 and 2**, respectively. In analyzing each scenario, GAI reviewed the achieved debt service coverage, rate increases over time, and use of unrestricted cash. As discussed above in **Scenario 1**, the Sewer Fund does not achieve debt service coverage on the outstanding debt in Fiscal Years 2013, 2014, and 2021. Coverage is projected to be met in each year for **Scenario 2**.

In analyzing these scenarios, it is important to look at the ability of the Utility to meet coverage over the long-term. As discussed, in **Scenario 1**, the Utility is projected to not meet coverage in three (3) fiscal years. The amount of additional dollars needed to meet coverage in those years is identified on **Table 3A**. This amount can either be achieved by generating additional revenues or decreasing operating and maintenance expenses.

For Fiscal Year 2013, the Utility's Operating Revenues from User Fees are projected at $5.833 million. Therefore, every 1% increase in the user rates will generate approximately $58,300 in additional revenue for Fiscal Year 2013.

The long-term impacts of not implementing the 3.0% rate increase in Fiscal Year 2013 are shown on **Table 4**. As can be seen, the impacts of not implementing a rate increase not only effect the year the rate increase is missed, but every period thereafter.

In reviewing **Table 4**, *Columns 1* and *2* show the rate increases anticipated to be adopted in each fiscal year for each scenario. *Columns 3* and *4* identify the monthly User Rate for a Residential Customer. The difference between the Monthly Rate in **Scenario 2** and **Scenario 1** is shown in *Column 5*. The resulting annual revenues for each scenario are shown in *Columns 6* and *7*. In order to understand the full impact of not implementing a rate increase in Fiscal Year 2013, it is important to look not only at the future value of the differences but also the present value of the differences in the revenues to be generated. *Columns 8* and *9* show the calculation of the future value of the differences. As shown in *Column 8*, the annual difference in the revenues generated between **Scenario 2** and **Scenario 1** ranges from $175,200 in Fiscal Year 2013 to $306,300 in Fiscal Year 2032. This means that every year in the projection period, the revenues will be less by the amount shown in *Column 8*. *Column 9* represents the cumulative effect of the impact. For example, in Fiscal Year 2013 the revenues are less by $175,200, in Fiscal Year 2014 by $180,200 and in Fiscal Year 2015 by $185,900. This results in a total cumulative amount of $541,300 in revenues that the City does not receive for the period of Fiscal Year 2013 through Fiscal Year 2015 due to lower rates being in effect for the period under **Scenario 1** versus **Scenario 2**. *Columns 10* and *11* represent the present value of annual and cumulative differences utilizing a discount factor of 6.25%, which includes the risk-free borrowing rate as well as adjustments for risk. As shown in *Column 11*, the present value of the cumulative effect of implementing the rates in **Scenario 1** versus **Scenario 2** could be as high as $2.647 million. It should be noted that this present value amount could be mitigated by implementing a rate increase in excess of 3.0% in another year in the projection period for **Scenario 1**.

It is anticipated that with each of these scenarios, the City will continue to adjust rates annually by a minimum of 3.0% after Fiscal Year 2013. These increases are required to meet the projected O&M costs to maintain the City's $73.5 million investment in the treatment plant and sewer system. The favorable results shown in **Scenarios 1** and **2** indicate that the current financial policies of the System are sound but significantly reliant upon the use of Ad Valorem Taxes to assist in funding and reducing both Special Assessment amounts and impact on user rates and charges. A rate comparison with neighboring and similar utility systems has been prepared and included as **Table 5**.

After discussions with Island Water Association, the average water usage for the City's residential customers is approximately 12,000 gallons per month. **As can be seen on Table 5, even with the rate increase anticipated in Scenario 2, the City's wastewater rates are still lower than the average of the other neighboring and similar utilities.**

4.0 FINDINGS AND CONCLUSIONS

In conclusion, GAI has the following observations. First, the combined use of existing conventional debt financing and SRF loans, funded through a large variety of revenue sources (User rates and charges, Connection Fees, Transmission Charges, Special Assessments, and Ad Valorem Taxes), some of which are payable over time, creates an extremely complex financial dynamic for this System. Much of the complexity is the result of the City's desire to have the Sewer Expansion Program as accommodating as possible for those paying for the System. The City's past decisions on the use of voter approved Ad Valorem taxes, the parity bond covenants, and provisions in the SRF loan agreements also contribute to the overall complexity of the program. The complicated relationship of the funding, collection, and payment elements requires that a greater attention to detail be considered than in normal circumstances. Specifically, the financial management plan, as summarized in the Significant Forecast Assumptions above, should be well documented, strictly followed, and monitored carefully to ensure that the desired results are achieved. **In addition, it should be noted that this feasibility analysis does not include any additional major plant expansions or improvements beyond those for Phases I, II, IIA, IIB, IIC, IIIA, IIIB, and V for the Sewer System Expansion Program, existing upgrades associated with the reuse storage tank, and other minor modifications at the Donax WRF.**

Second, as previously mentioned, the amount of Ad Valorem Taxes available for sewer expansion projects is $20.4 million of total project costs (principal). Total loan requirements (principal) for the Sewer Expansion Program were approximately $62.7 million for Phase I, II, IIA, IIB, IIC, IIIA, IIIB, V, and upgrades associated with the reuse storage tank. Included in this amount is approximately $16.0 million for the Phase II Donax WRF Improvements which is funded through a combination of connection charges and monthly user rates. This leaves approximately $46.7 million to be funded

with a combination of Special Assessments, Connection Fees, Transmission Charges, Ad Valorem Taxes, and Other Sources (including Operating Revenues, Grants, transfers from other funds, etc). Thirty-seven percent (37%) of the total loan requirements (principal) will be repaid through a combination of Special Assessments, Connection Fees, and Transmission Charges. In order to be equitable to all customers in each phase, based on the above information, approximately 31% of the loan requirements (principal) for each phase will be able to be repaid from voter approved Ad Valorem Taxes. For the purposes of these projections, the remaining 32% is assumed to be paid from Other Sources including operating revenues generated from user rates and charges and Utility reserves. **Figure 1**, at the end of this Report shows the breakdown of the repayment sources for the SRF Loans based on the total principal costs of $62.7 million.

In preparing this feasibility study, we have formulated assumptions and developed forecasts of events such as costs, connections to the system, construction start and completion dates, inflationary impacts and management policies. Such assumptions and forecasts are based primarily on historic and current data together with interpretation of legal documents, City Policy, the Consultant's experience with similar projects, and Florida Department of Environmental Protection contractual requirements. Some of the assumptions will inevitably change or not materialize and unanticipated events may occur which could significantly change the results shown herein. For this reason, the City should continue the practice of annually updating this forecast. Items that should receive careful review annually include the amount/rate of connections to the System; O&M Expenses; annual collections of Ad Valorem Taxes, Connection Fees, Transmission Main Charges, and Special Assessments; and R&R and Capital Expenditures.

TABLES & FIGURE

TABLE 1A
ACTUAL AND PROJECTED RATE SUMMARY

	Number of ERCs	Connection Fee		Transmission Charge		Special Assessment		Total	
		Single Pmt	Annual	Single Pmt	Annual	Single Pmt	Annual	Single Pmt	Annual
Phase I	554	$ 2,746.25	$ 186.67	$ 1,051.20	$ 71.45	$ 2,229.37 (1)	$ 151.52 (1)	$ 6,026.82	$ 409.63
Phase II A	89	$ 2,828.64	$ 192.24	$ 1,174.70	$ 79.84	$ 2,439.08	$ 167.76	$ 6,442.42	$ 439.84
Phase II B	624	$ 3,090.93	$ 217.48	$ -	$ -	$ 4,288.20 (1)	$ 294.94 (1)	$ 7,379.13	$ 512.42
Phase II C	784	$ 3,183.66	$ 224.01	$ 1,337.15	$ 94.08	$ 2,497.42 (1)	$ 171.77 (1)	$ 7,018.22	$ 489.86
Phase III A	534	$ 3,279.17	$ 230.73	$ 1,758.41	$ 123.72	$ 3,472.73	$ 238.85	$ 8,510.31	$ 593.30
Phase III B	393	$ 3,478.87	$ 244.78	$ 1,811.16	$ 127.44	$ 6,807.75	$ 468.23	$ 12,097.79	$ 840.44
Phase IV (Projected)	47	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Phase V									
Sanibel Bayous	193	$ 3,583.28	$ 252.12	$ 1,948.31	$ 137.09	$ 1,285.21	$ 90.43	$ 6,816.80	$ 479.64
Blind Pass Condos	108	$ 3,583.28	$ 252.12	$ 1,948.31	$ 137.09	$ 440.75	$ 31.01	$ 5,972.34	$ 420.22

Note (1) Average Per ERC.

TABLE 1B
PREPAID ASSESSMENTS

Phase	Total # of Assessed Properties	Initial Assessments - # of AR Accounts: Prepaid Assessments	Financed Assessments	% Prepaid Assessments
Phase I	489	120	369	24.54%
Phase II A	58	4	54	6.90%
Phase II B	550	75	475	13.64%
Phase II C	720	133	587	18.47%
Phase III A	489	136	353	27.81%
Phase III B	346	64	282	18.50%
Phase V	295	52	243	17.63%
Total	2,947	584	2,363	19.82%

TABLE 1C
ASSESSMENTS PAID IN FULL
AS OF JUNE 1, 2012

		Number of Accounts Paid in Ful													
Phase	# of Financed Assessments	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY 11	FY 12 @ 6/1	Total Accts Paid in Full	Remaining Financed Assessments
Phase I	369	25	39	34	31	14	19	7	10	8	13	8	5	213	156
Phase II A	54	-	3	2	4	2	8	1	-	1	3	2	2	28	26
Phase II B	475	-	-	76	40	27	39	20	8	12	12	17	12	263	212
Phase II C	587	-	-	-	125	28	34	25	24	13	26	21	26	322	265
Phase III A	353	-	-	-	-	-	4	23	13	14	19	19	12	104	249
Phase III B	282	-	-	-	-	-	9	15	8	12	8	8	5	65	217
Phase V	243	-	-	-	-	-	-	-	-	3	9	10	4	22	221
Total	2,363	25	42	112	200	71	113	91	63	63	90	85	66	1,017	1,346

TABLE 2
PROPOSED BUDGETED FISCAL YEAR 2012/13 REQUIREMENTS

	Proposed FY13 Budget	Adjustments	Adjusted FY13 Budget
OPERATING & MAINTENANCE EXPENSES			
Salaries & Wages - Full Time	$ 913,654		$ 913,654
Salaries & Wages - Part Time	33,280		33,280
Salaries & Wages - Salary adjustments	-		-
Salaries & Wages - Requested Positions	-		-
Overtime	90,000		90,000
Special Pay	16,000		16,000
FICA Match	80,549		80,549
Retirement	276,641		276,641
Cafeteria Benefits	229,863		229,863
Workers' Comp	12,908		12,908
Unemployment Comp	-		-
Professional Services	164,800		164,800
Accounting And Auditing	-		-
Other Contractual Services	349,100		349,100
Sludge Hauling	-		-
Travel & Per Diem	13,150		13,150
Communications Services	16,980		16,980
Transportation	7,500		7,500
Utilities	355,320		355,320
Rental & Leases	11,060		11,060
Insurance	22,474		22,474
Repair & Maintenance	1,050,000		1,050,000
Printing	3,500		3,500
Promotional Activities	2,000		2,000
Other Current Charges	468,311	(437,366)	30,945
Office Supplies	4,400		4,400
Operating Supplies	285,050		285,050
Road Materials & Supplies	4,000		4,000
Books, Publications, Subscriptions	11,600		11,600
Administrative Overhead Transfer	-	437,366	437,366
TOTAL O&M EXPENSE	**$ 4,422,140**	**$ -**	**$ 4,422,140**

TABLE 3A

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 1

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Operating Revenues					
User Fee and Charge Revenue	$ 5,832,700	$ 6,007,900	$ 6,188,100	$ 6,374,000	$ 6,564,500
Other Operating Revenues	405,100	414,400	424,500	441,200	461,300
Total Operating Revenues	$ 6,237,800	$ 6,422,300	$ 6,612,600	$ 6,815,200	$ 7,025,800
Operating Expenses	4,439,800	4,543,600	4,654,300	4,773,300	4,890,500
Net Revenues	$ 1,798,000	$ 1,878,700	$ 1,958,300	$ 2,041,900	$ 2,135,300
Debt Service - Parity	415,300	416,100	416,300	420,700	419,300
Balance After Debt Service - Parity	$ 1,382,700	$ 1,462,600	$ 1,542,000	$ 1,621,200	$ 1,716,000
Expansion Project Revenues Available	1,781,400	1,744,300	1,715,400	1,715,400	1,715,400
Available For Debt Service - Non-Parity	$ 3,164,100	$ 3,206,900	$ 3,257,400	$ 3,336,600	$ 3,431,400
Debt Service - Non-Parity	2,783,000	2,783,000	2,783,000	2,783,000	2,783,000
Balance after Debt Service - Non-Parity	$ 381,100	$ 423,900	$ 474,400	$ 553,600	$ 648,400
Other Requirements	901,400	871,300	975,400	732,400	742,400
Net Operating Balance	$ (520,300)	$ (447,400)	$ (501,000)	$ (178,800)	$ (94,000)
COVERAGE					
Series 2003 Refunding Bonds					
Projected	4.33	4.52	4.70	4.85	5.09
Required	1.10	1.10	1.10	1.10	1.10
SRF Loans					
Projected	**1.122**	**1.137**	1.156	1.184	1.218
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	$ 77,880	$ 35,160	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**0.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 53.50	$ 55.11	$ 56.76	$ 58.46	$ 60.21

TABLE 3A

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 1

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Revenues					
User Fee and Charge Revenue	$ 6,761,600	$ 6,964,400	$ 7,173,900	$ 7,389,100	$ 7,611,100
Other Operating Revenues	480,400	501,400	522,900	532,000	556,500
Total Operating Revenues	$ 7,242,000	$ 7,465,800	$ 7,696,800	$ 7,921,100	$ 8,167,600
Operating Expenses	5,035,800	5,185,500	5,339,900	5,498,300	5,661,600
Net Revenues	$ 2,206,200	$ 2,280,300	$ 2,356,900	$ 2,422,800	$ 2,506,000
Debt Service - Parity	417,100	414,100	420,400	415,600	-
Balance After Debt Service - Parity	$ 1,789,100	$ 1,866,200	$ 1,936,500	$ 2,007,200	$ 2,506,000
Expansion Project Revenues Available	1,715,400	1,715,400	1,530,200	1,444,800	1,356,100
Available For Debt Service - Non-Parity	$ 3,504,500	$ 3,581,600	$ 3,466,700	$ 3,452,000	$ 3,862,100
Debt Service - Non-Parity	2,783,000	2,783,000	2,783,000	2,991,800	2,856,000
Balance after Debt Service - Non-Parity	$ 721,500	$ 798,600	$ 683,700	$ 460,200	$ 1,006,100
Other Requirements	742,400	642,400	547,400	(204,400)	(984,600)
Net Operating Balance	$ (20,900)	$ 156,200	$ 136,300	$ 664,600	$ 1,990,700
COVERAGE					
Series 2003 Refunding Bonds					
Projected	5.29	5.51	5.61	5.83	N/A
Required	1.10	1.10	1.10	1.10	-
SRF Loans					
Projected	1.244	1.272	1.231	**1.140**	1.352
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	$ 30,130	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 62.02	$ 63.88	$ 65.80	$ 67.77	$ 69.80

TABLE 3A

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 1

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Revenues					
User Fee and Charge Revenue	$ 7,839,600	$ 8,074,500	$ 8,316,200	$ 8,565,400	$ 8,822,100
Other Operating Revenues	615,000	670,000	732,900	795,500	669,900
Total Operating Revenues	$ 8,454,600	$ 8,744,500	$ 9,049,100	$ 9,360,900	$ 9,492,000
Operating Expenses	5,829,800	6,003,000	6,181,200	6,364,700	6,553,500
Net Revenues	$ 2,624,800	$ 2,741,500	$ 2,867,900	$ 2,996,200	$ 2,938,500
Debt Service - Parity	-	-	-	-	-
Balance After Debt Service - Parity	$ 2,624,800	$ 2,741,500	$ 2,867,900	$ 2,996,200	$ 2,938,500
Expansion Project Revenues Available	1,024,300	872,600	333,500	122,100	240,200
Available For Debt Service - Non-Parity	$ 3,649,100	$ 3,614,100	$ 3,201,400	$ 3,118,300	$ 3,178,700
Debt Service - Non-Parity	1,369,900	1,840,400	250,500	250,500	250,500
Balance after Debt Service - Non-Parity	$ 2,279,200	$ 1,773,700	$ 2,950,900	$ 2,867,800	$ 2,928,200
Other Requirements	(507,000)	187,000	187,000	187,000	187,000
Net Operating Balance	$ 2,786,200	$ 1,586,700	$ 2,763,900	$ 2,680,800	$ 2,741,200
COVERAGE					
Series 2003 Refunding Bonds					
Projected	N/A	N/A	N/A	N/A	N/A
Required	-	-	-	-	-
SRF Loans					
Projected	2.664	1.964	12.780	12.448	12.689
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 71.89	$ 74.05	$ 76.27	$ 78.56	$ 80.92

TABLE 3A

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 1

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Revenues					
User Fee and Charge Revenue	$ 9,086,400	$ 9,359,300	$ 9,641,000	$ 9,930,000	$ 10,227,600
Other Operating Revenues	712,900	757,500	803,300	848,900	896,200
Total Operating Revenues	$ 9,799,300	$10,116,800	$ 10,444,300	$ 10,778,900	$ 11,123,800
Operating Expenses	6,748,100	6,948,600	7,155,000	7,367,400	7,657,700
Net Revenues	$ 3,051,200	$ 3,168,200	$ 3,289,300	$ 3,411,500	$ 3,466,100
Debt Service - Parity	-	-	-	-	-
Balance After Debt Service - Parity	$ 3,051,200	$ 3,168,200	$ 3,289,300	$ 3,411,500	$ 3,466,100
Expansion Project Revenues Available	240,100	193,200	-	-	-
Available For Debt Service - Non-Parity	$ 3,291,300	$ 3,361,400	$ 3,289,300	$ 3,411,500	$ 3,466,100
Debt Service - Non-Parity	250,500	250,500	250,500	250,500	250,500
Balance after Debt Service - Non-Parity	$ 3,040,800	$ 3,110,900	$ 3,038,800	$ 3,161,000	$ 3,215,600
Other Requirements	187,000	187,000	187,000	187,000	187,000
Net Operating Balance	$ 2,853,800	$ 2,923,900	$ 2,851,800	$ 2,974,000	$ 3,028,600
COVERAGE					
Series 2003 Refunding Bonds					
Projected	N/A	N/A	N/A	N/A	N/A
Required	-	-	-	-	-
SRF Loans					
Projected	13.139	13.419	13.131	13.619	13.837
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 83.35	$ 85.85	$ 88.43	$ 91.08	$ 93.81

TABLE 3B

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 2

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Operating Revenues					
User Fee and Charge Revenue	$ 6,007,900	$ 6,188,100	$ 6,374,000	$ 6,564,500	$ 6,761,600
Other Operating Revenues	405,100	414,400	424,500	441,200	461,300
Total Operating Revenues	$ 6,413,000	$ 6,602,500	$ 6,798,500	$ 7,005,700	$ 7,222,900
Operating Expenses	4,440,300	4,544,100	4,654,900	4,773,800	4,891,100
Net Revenues	$ 1,972,700	$ 2,058,400	$ 2,143,600	$ 2,231,900	$ 2,331,800
Debt Service - Parity	415,300	416,100	416,300	420,700	419,300
Balance After Debt Service - Parity	$ 1,557,400	$ 1,642,300	$ 1,727,300	$ 1,811,200	$ 1,912,500
Expansion Project Revenues Available	1,781,400	1,744,300	1,715,400	1,715,400	1,715,400
Available For Debt Service - Non-Parity	$ 3,338,800	$ 3,386,600	$ 3,442,700	$ 3,526,600	$ 3,627,900
Debt Service - Non-Parity	2,783,000	2,783,000	2,783,000	2,783,000	2,783,000
Balance after Debt Service - Non-Parity	$ 555,800	$ 603,600	$ 659,700	$ 743,600	$ 844,900
Other Requirements	901,400	871,300	975,400	732,400	742,400
Net Operating Balance	$ (345,600)	$ (267,700)	$ (315,700)	$ 11,200	$ 102,500
COVERAGE					
Series 2003 Refunding Bonds					
Projected	4.75	4.95	5.15	5.31	5.56
Required	1.10	1.10	1.10	1.10	1.10
SRF Loans					
Projected	1.185	1.202	1.222	1.252	1.289
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 55.11	$ 56.76	$ 58.46	$ 60.21	$ 62.02

TABLE 3B

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 2

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Revenues					
User Fee and Charge Revenue	$ 6,964,400	$ 7,173,900	$ 7,389,100	$ 7,611,100	$ 7,839,600
Other Operating Revenues	480,400	501,400	522,900	532,000	556,500
Total Operating Revenues	$ 7,444,800	$ 7,675,300	$ 7,912,000	$ 8,143,100	$ 8,396,100
Operating Expenses	5,036,400	5,186,200	5,340,500	5,499,000	5,662,300
Net Revenues	$ 2,408,400	$ 2,489,100	$ 2,571,500	$ 2,644,100	$ 2,733,800
Debt Service - Parity	417,100	414,100	420,400	415,600	-
Balance After Debt Service - Parity	$ 1,991,300	$ 2,075,000	$ 2,151,100	$ 2,228,500	$ 2,733,800
Expansion Project Revenues Available	1,715,400	1,715,400	1,530,200	1,444,800	1,356,100
Available For Debt Service - Non-Parity	$ 3,706,700	$ 3,790,400	$ 3,681,300	$ 3,673,300	$ 4,089,900
Debt Service - Non-Parity	2,783,000	2,783,000	2,783,000	2,991,800	2,856,000
Balance after Debt Service - Non-Parity	$ 923,700	$ 1,007,400	$ 898,300	$ 681,500	$ 1,233,900
Other Requirements	742,400	642,400	547,400	(204,400)	(984,600)
Net Operating Balance	$ 181,300	$ 365,000	$ 350,900	$ 885,900	$ 2,218,500
COVERAGE					
Series 2003 Refunding Bonds					
Projected	5.77	6.01	6.12	6.36	N/A
Required	1.10	1.10	1.10	1.10	-
SRF Loans					
Projected	1.317	1.347	1.308	1.214	1.432
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 63.88	$ 65.80	$ 67.77	$ 69.80	$ 71.89

TABLE 3B

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 2

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Revenues					
User Fee and Charge Revenue	$ 8,074,500	$ 8,316,200	$ 8,565,400	$ 8,822,100	$ 9,086,400
Other Operating Revenues	615,000	670,000	732,900	795,500	699,700
Total Operating Revenues	$ 8,689,500	$ 8,986,200	$ 9,298,300	$ 9,617,600	$ 9,786,100
Operating Expenses	5,830,500	6,003,700	6,181,900	6,365,500	6,554,300
Net Revenues	$ 2,859,000	$ 2,982,500	$ 3,116,400	$ 3,252,100	$ 3,231,800
Debt Service - Parity	-	-	-	-	-
Balance After Debt Service - Parity	$ 2,859,000	$ 2,982,500	$ 3,116,400	$ 3,252,100	$ 3,231,800
Expansion Project Revenues Available	1,024,300	872,600	333,500	122,100	240,200
Available For Debt Service - Non-Parity	$ 3,883,300	$ 3,855,100	$ 3,449,900	$ 3,374,200	$ 3,472,000
Debt Service - Non-Parity	1,369,900	1,840,400	250,500	250,500	250,500
Balance after Debt Service - Non-Parity	$ 2,513,400	$ 2,014,700	$ 3,199,400	$ 3,123,700	$ 3,221,500
Other Requirements	(507,000)	187,000	187,000	187,000	187,000
Net Operating Balance	$ 3,020,400	$ 1,827,700	$ 3,012,400	$ 2,936,700	$ 3,034,500
COVERAGE					
Series 2003 Refunding Bonds					
Projected	N/A	N/A	N/A	N/A	N/A
Required	-	-	-	-	-
SRF Loans					
Projected	2.835	2.095	13.772	13.470	13.860
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 74.05	$ 76.27	$ 78.56	$ 80.92	$ 83.35

TABLE 3B

PROJECTED OPERATING RESULTS SUMMARY (Rounded)

SCENARIO 2

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Revenues					
User Fee and Charge Revenue	$ 9,359,300	$ 9,641,000	$ 9,930,000	$ 10,227,600	$ 10,533,900
Other Operating Revenues	745,600	793,300	842,200	891,100	941,900
Total Operating Revenues	$ 10,104,900	$10,434,300	$ 10,772,200	$ 11,118,700	$ 11,475,800
Operating Expenses	6,748,900	6,949,500	7,155,800	7,368,300	7,660,800
Net Revenues	$ 3,356,000	$ 3,484,800	$ 3,616,400	$ 3,750,400	$ 3,815,000
Debt Service - Parity	-	-	-	-	-
Balance After Debt Service - Parity	$ 3,356,000	$ 3,484,800	$ 3,616,400	$ 3,750,400	$ 3,815,000
Expansion Project Revenues Available	240,100	193,200	-	-	-
Available For Debt Service - Non-Parity	$ 3,596,100	$ 3,678,000	$ 3,616,400	$ 3,750,400	$ 3,815,000
Debt Service - Non-Parity	250,500	250,500	250,500	250,500	250,500
Balance after Debt Service - Non-Parity	$ 3,345,600	$ 3,427,500	$ 3,365,900	$ 3,499,900	$ 3,564,500
Other Requirements	187,000	187,000	187,000	187,000	187,000
Net Operating Balance	$ 3,158,600	$ 3,240,500	$ 3,178,900	$ 3,312,900	$ 3,377,500
COVERAGE					
Series 2003 Refunding Bonds					
Projected	N/A	N/A	N/A	N/A	N/A
Required	-	-	-	-	-
SRF Loans					
Projected	14.356	14.683	14.437	14.972	15.230
Required	1.150	1.150	1.150	1.150	1.150
Additional $'s needed to meet coverage (1)	N/A	N/A	N/A	N/A	N/A
CUSTOMERS					
Beginning DUs & EMCs	7,537	7,537	7,537	7,537	7,537
Connected during Fiscal Year	-	-	-	-	-
Ending DUs & EMCs	7,537	7,537	7,537	7,537	7,537
RATE ADJUSTMENT INCLUDING INFLATION	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
PROJECTED MONTHLY RESIDENTIAL FLAT RATE	$ 85.85	$ 88.43	$ 91.08	$ 93.81	$ 96.62

TABLE 4

IMPACT OF RATE DIFFERENTIALS BETWEEN SCENARIO 1 and SCENARIO 2

Fiscal Year	Rate Increase		Monthly User Rate - Residential			User Rate Revenues					
								Future Value Difference		Present Value Difference	
	Scenario 1	Scenario 2	Scenario 1	Scenario 2	Difference	Scenario 1	Scenario 2	Annual	Cummulative	Annual	Cummulative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2012/13	0.00%	3.00%	$ 53.50	$ 55.11	$ 1.61	$ 5,832,700	$ 6,007,900	$ 175,200	$ 175,200	$ 175,200	$ 175,200
2013/14	3.00%	3.00%	$ 55.11	$ 56.76	$ 1.65	$ 6,007,900	$ 6,188,100	$ 180,200	$ 355,400	$ 169,600	$ 344,800
2014/15	3.00%	3.00%	$ 56.76	$ 58.46	$ 1.70	$ 6,188,100	$ 6,374,000	$ 185,900	$ 541,300	$ 164,673	$ 509,473
2015/16	3.00%	3.00%	$ 58.46	$ 60.21	$ 1.75	$ 6,374,000	$ 6,564,500	$ 190,500	$ 731,800	$ 158,821	$ 668,294
2016/17	3.00%	3.00%	$ 60.21	$ 62.02	$ 1.81	$ 6,564,500	$ 6,761,600	$ 197,100	$ 928,900	$ 154,657	$ 822,951
2017/18	3.00%	3.00%	$ 62.02	$ 63.88	$ 1.86	$ 6,761,600	$ 6,964,400	$ 202,800	$ 1,131,700	$ 149,769	$ 972,721
2018/19	3.00%	3.00%	$ 63.88	$ 65.80	$ 1.92	$ 6,964,400	$ 7,173,900	$ 209,500	$ 1,341,200	$ 145,616	$ 1,118,337
2019/20	3.00%	3.00%	$ 65.80	$ 67.77	$ 1.97	$ 7,173,900	$ 7,389,100	$ 215,200	$ 1,556,400	$ 140,780	$ 1,259,117
2020/21	3.00%	3.00%	$ 67.77	$ 69.80	$ 2.03	$ 7,389,100	$ 7,611,100	$ 222,000	$ 1,778,400	$ 136,685	$ 1,395,802
2021/22	3.00%	3.00%	$ 69.80	$ 71.89	$ 2.09	$ 7,611,100	$ 7,839,600	$ 228,500	$ 2,006,900	$ 132,412	$ 1,528,213
2022/23	3.00%	3.00%	$ 71.89	$ 74.05	$ 2.16	$ 7,839,600	$ 8,074,500	$ 234,900	$ 2,241,800	$ 128,113	$ 1,656,327
2023/24	3.00%	3.00%	$ 74.05	$ 76.27	$ 2.22	$ 8,074,500	$ 8,316,200	$ 241,700	$ 2,483,500	$ 124,068	$ 1,780,394
2024/25	3.00%	3.00%	$ 76.27	$ 78.56	$ 2.29	$ 8,316,200	$ 8,565,400	$ 249,200	$ 2,732,700	$ 120,393	$ 1,900,787
2025/26	3.00%	3.00%	$ 78.56	$ 80.92	$ 2.36	$ 8,565,400	$ 8,822,100	$ 256,700	$ 2,989,400	$ 116,721	$ 2,017,508
2026/27	3.00%	3.00%	$ 80.92	$ 83.35	$ 2.43	$ 8,822,100	$ 9,086,400	$ 264,300	$ 3,253,700	$ 113,108	$ 2,130,616
2027/28	3.00%	3.00%	$ 83.35	$ 85.85	$ 2.50	$ 9,086,400	$ 9,359,300	$ 272,900	$ 3,526,600	$ 109,918	$ 2,240,534
2028/29	3.00%	3.00%	$ 85.85	$ 88.43	$ 2.58	$ 9,359,300	$ 9,641,000	$ 281,700	$ 3,808,300	$ 106,788	$ 2,347,322
2029/30	3.00%	3.00%	$ 88.43	$ 91.08	$ 2.65	$ 9,641,000	$ 9,930,000	$ 289,000	$ 4,097,300	$ 103,111	$ 2,450,434
2030/31	3.00%	3.00%	$ 91.08	$ 93.81	$ 2.73	$ 9,930,000	$ 10,227,600	$ 297,600	$ 4,394,900	$ 99,934	$ 2,550,367
2031/32	3.00%	3.00%	$ 93.81	$ 96.62	$ 2.81	$ 10,227,600	$ 10,533,900	$ 306,300	$ 4,701,200	$ 96,805	$ 2,647,172

TABLE 5
SEWER USER RATE COMPARISON
Fiscal Year 2012

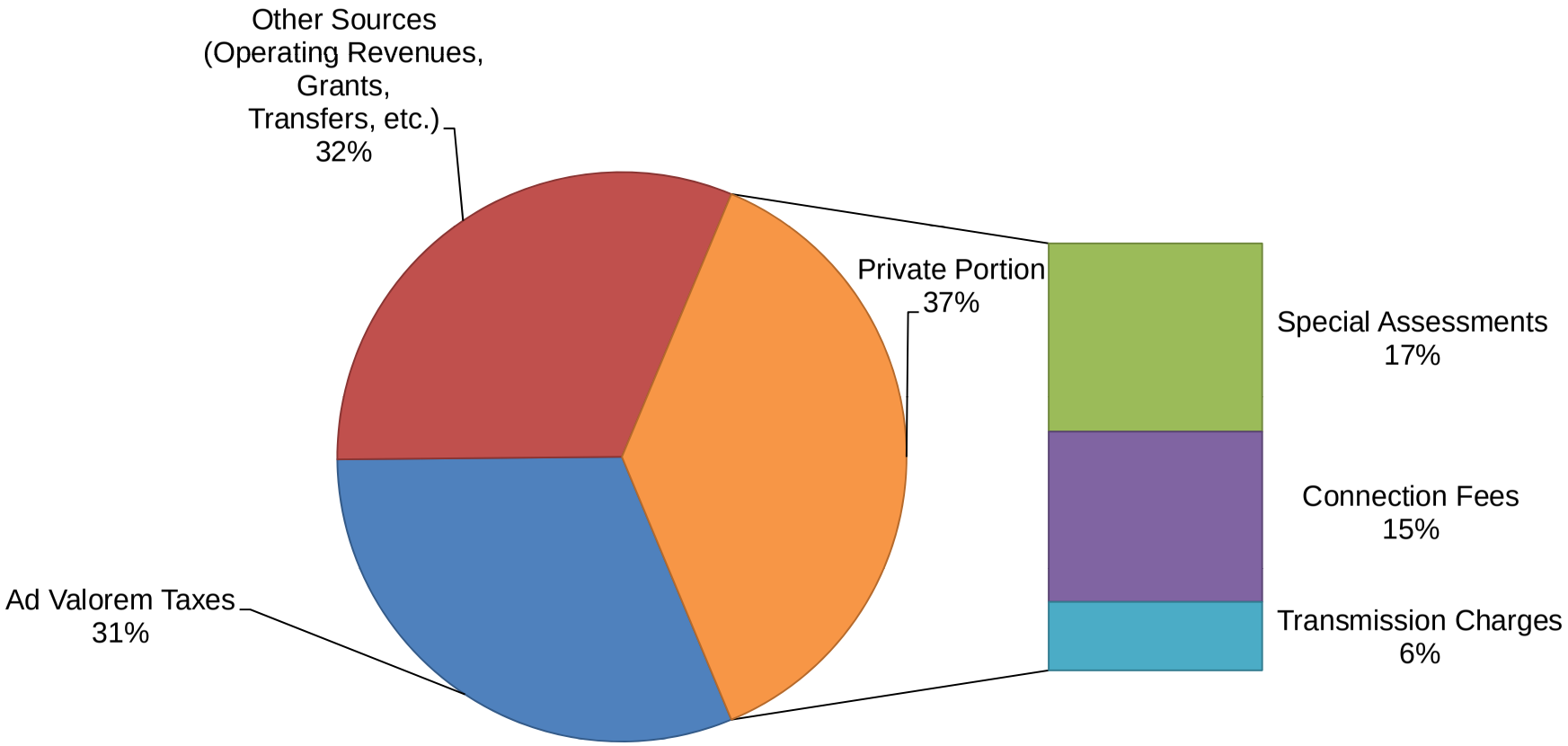
Monthly Residential Rates Based on Usage of 12,000 Gallons [1][2]

		Sewer Rate
City of Sanibel		
Existing Monthly Rate	$	53.50
Proposed Monthly Rate		
Scenario 1	$	53.50
Scenario 2	$	55.11
Other Barrier Islands (FY 2012 Rates)		
City of Amelia Island (JEA) [3]	$	78.12
City of Marathon [4]	$	132.45
City of Marco Island [5][6]	$	54.96
City of Marco Island - Key Marco Wastewater Only [7][8]	$	76.41
City of Marco Island - Marco Shores Plant Wastewater Only [6][9]	$	87.14
Cedar Key Water & Sewer District [4]	$	113.23
Town of Longboat Key [10]	$	53.96
Village of Islamorada [11]	$	96.84

Notes:

1. Based on Island Water Association average residential monthly water consumption for the City of Sanibel customers.
2. Rates as of 7/31/12.
3. Rate increase anticipated in FY 2013. Average 12,000 gallon bill will be $83.26.
4. No anticipated rate increases for FY 2013.
5. Rate increase anticipated in FY 2013. Average 12,000 gallon bill will be $62.17.
6. Capped at 6,000 gallons per month.
7. Flat Fee.
8. Rate decrease anticipated in FY 2013. Average 12,000 gallon bill be $62.00
9. Rate decrease anticipated in FY 2013, however sewer usage cap will be removed resulting in an average bill of $89.37 per 12,000 gallons of usage
10. Capped at 7,000 gallons per month.
11. Capped at 12,000 gallons per month.

Figure 1
SRF Loan Repayment Sources



Note: Includes Phases I, IIA, IIB, IIC, IIIA, IIIB, and V which are funded through the use of special assessments as well as Phase II Donax WRF Expansion and Effluent Disposal System Upgrades.

SCENARIO 1

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 4,860,800	$ 5,007,000	$ 5,157,000	$ 5,311,500	$ 5,470,600
Gallonage Rate	971,900	1,000,900	1,031,100	1,062,500	1,093,900
Subtotal	$ 5,832,700	$ 6,007,900	$ 6,188,100	$ 6,374,000	$ 6,564,500
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	25,800	26,600	27,400	28,200	29,000
Interest	61,400	60,400	59,800	65,600	74,400
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	50,900	52,400	54,000	55,600	57,300
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	267,000	275,000	283,300	291,800	300,600
Subtotal	$ 405,100	$ 414,400	$ 424,500	$ 441,200	$ 461,300
Total Operating Revenues	$ 6,237,800	$ 6,422,300	$ 6,612,600	$ 6,815,200	$ 7,025,800
Operating Expenses	$ 4,439,800	$ 4,543,600	$ 4,654,300	$ 4,773,300	$ 4,890,500
Net Revenues	$ 1,798,000	$ 1,878,700	$ 1,958,300	$ 2,041,900	$ 2,135,300
Debt Service - Parity					
Series 2003 Refunding Bonds	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
Total Debt Service - Parity	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
Balance After Debt Service - Parity	$ 1,382,700	$ 1,462,600	$ 1,542,000	$ 1,621,200	$ 1,716,000
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	838,200	838,200	838,200	838,200	838,200
Connection Fees, Transmission Charges, Assessments	$ 838,200	$ 838,200	$ 838,200	$ 838,200	$ 838,200
Ad Valorem Taxes	943,200	906,100	877,200	877,200	877,200
Interest Income	-	-	-	-	-
Subtotal	$ 1,781,400	$ 1,744,300	$ 1,715,400	$ 1,715,400	$ 1,715,400
Available for Debt Service - Non-Parity	$ 3,164,100	$ 3,206,900	$ 3,257,400	$ 3,336,600	$ 3,431,400

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	1,040,100	1,040,100	1,040,100	1,040,100	1,040,100
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	355,000	355,000	355,000	355,000	355,000
SRF Phase IIC (459)	537,100	537,100	537,100	537,100	537,100
SRF Phase IIIA (454)	358,100	358,100	358,100	358,100	358,100
SRF Phase IIIB (460)	492,700	492,700	492,700	492,700	492,700
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	-	-	-	-	-
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,783,000
Balance	$ 381,100	$ 423,900	$ 474,400	$ 553,600	$ 648,400
Total Capital From Rates	$ 280,000	$ 287,000	$ 420,000	$ 177,000	$ 187,000
Transfer to Ad Valorem Tax Fund	246,400	209,300	180,400	180,400	180,400
Restricted Cash (Used for Debt Service)	-	-	-	-	-
Transfer for Disaster/Capital Reserves	100,000	100,000	100,000	100,000	100,000
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	275,000	275,000	275,000	275,000	275,000
Total Other Requirements	$ 901,400	$ 871,300	$ 975,400	$ 732,400	$ 742,400
Net Operating Balance	$ (520,300)	$ (447,400)	$ (501,000)	$ (178,800)	$ (94,000)

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 5,635,000	$ 5,804,000	$ 5,978,400	$ 6,157,400	$ 6,341,900
Gallonage Rate	1,126,600	1,160,400	1,195,500	1,231,700	1,269,200
Subtotal	$ 6,761,600	$ 6,964,400	$ 7,173,900	$ 7,389,100	$ 7,611,100
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	29,900	30,800	31,700	32,700	33,700
Interest	81,900	91,000	100,100	96,500	107,800
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	59,000	60,700	62,600	64,400	66,400
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	309,600	318,900	328,500	338,400	348,600
Subtotal	$ 480,400	$ 501,400	$ 522,900	$ 532,000	$ 556,500
Total Operating Revenues	$ 7,242,000	$ 7,465,800	$ 7,696,800	$ 7,921,100	$ 8,167,600
Operating Expenses	$ 5,035,800	$ 5,185,500	$ 5,339,900	$ 5,498,300	$ 5,661,600
Net Revenues	$ 2,206,200	$ 2,280,300	$ 2,356,900	$ 2,422,800	$ 2,506,000
Debt Service - Parity					
Series 2003 Refunding Bonds	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
Total Debt Service - Parity	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
Balance After Debt Service - Parity	$ 1,789,100	$ 1,866,200	$ 1,936,500	$ 2,007,200	$ 2,506,000
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	838,200	838,200	748,000	748,000	748,000
Connection Fees, Transmission Charges, Assessments	$ 838,200	$ 838,200	$ 748,000	$ 748,000	$ 748,000
Ad Valorem Taxes	877,200	877,200	782,200	696,800	608,100
Interest Income	-	-	-	-	-
Subtotal	$ 1,715,400	$ 1,715,400	$ 1,530,200	$ 1,444,800	$ 1,356,100
Available for Debt Service - Non-Parity	$ 3,504,500	$ 3,581,600	$ 3,466,700	$ 3,452,000	$ 3,862,100

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	1,040,100	1,040,100	1,040,100	1,040,100	1,040,100
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	355,000	355,000	355,000	355,000	177,500
SRF Phase IIC (459)	537,100	537,100	537,100	537,100	537,100
SRF Phase IIIA (454)	358,100	358,100	358,100	358,100	358,100
SRF Phase IIIB (460)	492,700	492,700	492,700	492,700	492,700
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	-	-	-	208,800	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,991,800	$ 2,856,000
Balance	$ 721,500	$ 798,600	$ 683,700	$ 460,200	$ 1,006,100
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	180,400	180,400	85,400	-	-
Restricted Cash (Used for Debt Service)	-	-	-	(666,400)	(1,171,600)
Transfer for Disaster/Capital Reserves	100,000	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	275,000	275,000	275,000	275,000	-
Total Other Requirements	$ 742,400	$ 642,400	$ 547,400	$ (204,400)	$ (984,600)
Net Operating Balance	$ (20,900)	$ 156,200	$ 136,300	$ 664,600	$ 1,990,700

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 6,531,700	$ 6,727,900	$ 6,929,700	$ 7,137,800	$ 7,352,200
Gallonage Rate	1,307,900	1,346,600	1,386,500	1,427,600	1,469,900
Subtotal	$ 7,839,600	$ 8,074,500	$ 8,316,200	$ 8,565,400	$ 8,822,100
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	34,700	35,700	36,800	37,900	39,000
Interest	152,800	194,000	242,600	290,500	149,800
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	68,400	70,400	72,500	74,700	76,900
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	359,100	369,900	381,000	392,400	404,200
Subtotal	$ 615,000	$ 670,000	$ 732,900	$ 795,500	$ 669,900
Total Operating Revenues	$ 8,454,600	$ 8,744,500	$ 9,049,100	$ 9,360,900	$ 9,492,000
Operating Expenses	$ 5,829,800	$ 6,003,000	$ 6,181,200	$ 6,364,700	$ 6,553,500
Net Revenues	$ 2,624,800	$ 2,741,500	$ 2,867,900	$ 2,996,200	$ 2,938,500
Debt Service - Parity					
Series 2003 Refunding Bonds	$ -	$ -	$ -	$ -	$ -
Total Debt Service - Parity	$ -	$ -	$ -	$ -	$ -
Balance After Debt Service - Parity	$ 2,624,800	$ 2,741,500	$ 2,867,900	$ 2,996,200	$ 2,938,500
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	639,200	514,200	333,500	122,100	240,200
Connection Fees, Transmission Charges, Assessments	$ 639,200	$ 514,200	$ 333,500	$ 122,100	$ 240,200
Ad Valorem Taxes	385,100	358,400	-	-	-
Interest Income	-	-	-	-	-
Subtotal	$ 1,024,300	$ 872,600	$ 333,500	$ 122,100	$ 240,200
Available for Debt Service - Non-Parity	$ 3,649,100	$ 3,614,100	$ 3,201,400	$ 3,118,300	$ 3,178,700

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	-	-	-	-	-
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	-	-	-	-	-
SRF Phase IIC (459)	268,600	-	-	-	-
SRF Phase IIIA (454)	358,100	358,100	-	-	-
SRF Phase IIIB (460)	492,700	1,231,800	-	-	-
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	250,500	250,500	250,500	250,500	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 1,369,900	$ 1,840,400	$ 250,500	$ 250,500	$ 250,500
Balance	$ 2,279,200	$ 1,773,700	$ 2,950,900	$ 2,867,800	$ 2,928,200
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	-	-	-	-	-
Restricted Cash (Used for Debt Service)	(694,000)	-	-	-	-
Transfer for Disaster/Capital Reserves	-	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	-	-	-	-	-
Total Other Requirements	$ (507,000)	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Net Operating Balance	$ 2,786,200	$ 1,586,700	$ 2,763,900	$ 2,680,800	$ 2,741,200

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 7,573,000	$ 7,800,000	$ 8,034,500	$ 8,275,200	$ 8,523,200
Gallonage Rate	1,513,400	1,559,300	1,606,500	1,654,800	1,704,400
Subtotal	$ 9,086,400	$ 9,359,300	$ 9,641,000	$ 9,930,000	$ 10,227,600
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	40,200	41,400	42,600	43,900	45,200
Interest	177,200	205,700	235,000	263,500	293,200
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	79,200	81,600	84,000	86,500	89,100
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	416,300	428,800	441,700	455,000	468,700
Subtotal	$ 712,900	$ 757,500	$ 803,300	$ 848,900	$ 896,200
Total Operating Revenues	$ 9,799,300	$ 10,116,800	$ 10,444,300	$ 10,778,900	$ 11,123,800
Operating Expenses	$ 6,748,100	$ 6,948,600	$ 7,155,000	$ 7,367,400	$ 7,657,700
Net Revenues	$ 3,051,200	$ 3,168,200	$ 3,289,300	$ 3,411,500	$ 3,466,100
Debt Service - Parity					
Series 2003 Refunding Bonds	$ -	$ -	$ -	$ -	$ -
Total Debt Service - Parity	$ -	$ -	$ -	$ -	$ -
Balance After Debt Service - Parity	$ 3,051,200	$ 3,168,200	$ 3,289,300	$ 3,411,500	$ 3,466,100
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	240,100	193,200	-	-	-
Connection Fees, Transmission Charges, Assessments	$ 240,100	$ 193,200	$ -	$ -	$ -
Ad Valorem Taxes	-	-	-	-	-
Interest Income	-	-	-	-	-
Subtotal	$ 240,100	$ 193,200	$ -	$ -	$ -
Available for Debt Service - Non-Parity	$ 3,291,300	$ 3,361,400	$ 3,289,300	$ 3,411,500	$ 3,466,100

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 1

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	-	-	-	-	-
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	-	-	-	-	-
SRF Phase IIC (459)	-	-	-	-	-
SRF Phase IIIA (454)	-	-	-	-	-
SRF Phase IIIB (460)	-	-	-	-	-
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	250,500	250,500	250,500	250,500	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 250,500	$ 250,500	$ 250,500	$ 250,500	$ 250,500
Balance	$ 3,040,800	$ 3,110,900	$ 3,038,800	$ 3,161,000	$ 3,215,600
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	-	-	-	-	-
Restricted Cash (Used for Debt Service)	-	-	-	-	-
Transfer for Disaster/Capital Reserves	-	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	-	-	-	-	-
Total Other Requirements	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Net Operating Balance	$ 2,853,800	$ 2,923,900	$ 2,851,800	$ 2,974,000	$ 3,028,600

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 1

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	838,200	838,200	838,200	838,200	838,200
Subtotal	$ 838,200	$ 838,200	$ 838,200	$ 838,200	$ 838,200
Used	(838,200)	(838,200)	(838,200)	(838,200)	(838,200)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (1,704,200)	$ (1,457,800)	$ (1,248,500)	$ (1,068,100)	$ (887,700)
Collected (1)	943,200	906,100	877,200	877,200	877,200
Subtotal	$ (761,000)	$ (551,700)	$ (371,300)	$ (190,900)	$ (10,500)
Used	(696,800)	(696,800)	(696,800)	(696,800)	(696,800)
Ending Balance	$ (1,457,800)	$ (1,248,500)	$ (1,068,100)	$ (887,700)	$ (707,300)
Unrestricted Cash					
Beginning Balance	$ 3,237,500	$ 2,717,200	$ 2,269,800	$ 1,768,800	$ 1,590,000
(Used)/Added	(520,300)	(447,400)	(501,000)	(178,800)	(94,000)
Ending Balance	$ 2,717,200	$ 2,269,800	$ 1,768,800	$ 1,590,000	$ 1,496,000
Restricted Cash					
Beginning Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100
(Used)/Added	-	-	-	-	-
Ending Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100
Disaster/Capital Reserve Account					
Beginning Balance	$ 400,000	$ 500,000	$ 600,000	$ 700,000	$ 800,000
(Used)/Added	100,000	100,000	100,000	100,000	100,000
Ending Balance	$ 500,000	$ 600,000	$ 700,000	$ 800,000	$ 900,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 1

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	838,200	838,200	748,000	748,000	748,000
Subtotal	$ 838,200	$ 838,200	$ 748,000	$ 748,000	$ 748,000
Used	(838,200)	(838,200)	(748,000)	(748,000)	(748,000)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (707,400)	$ (527,000)	$ (346,600)	$ (261,200)	$ (261,200)
Collected (1)	877,200	877,200	782,200	696,800	608,100
Subtotal	$ 169,800	$ 350,200	$ 435,600	$ 435,600	$ 346,900
Used	(696,800)	(696,800)	(696,800)	(696,800)	(608,100)
Ending Balance	$ (527,000)	$ (346,600)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 1,496,000	$ 1,475,100	$ 1,631,300	$ 1,767,600	$ 2,432,200
(Used)/Added	(20,900)	156,200	136,300	664,600	1,990,700
Ending Balance	$ 1,475,100	$ 1,631,300	$ 1,767,600	$ 2,432,200	$ 4,422,900
Restricted Cash					
Beginning Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 1,865,700
(Used)/Added	-	-	-	(666,400)	(1,171,600)
Ending Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 1,865,700	$ 694,100
Disaster/Capital Reserve Account					
Beginning Balance	$ 900,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	100,000	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 1

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	639,200	514,200	333,500	122,100	240,200
Subtotal	$ 639,200	$ 514,200	$ 333,500	$ 122,100	$ 240,200
Used	(639,200)	(514,200)	(333,500)	(122,100)	(240,200)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Collected (1)	385,100	358,400	-	-	-
Subtotal	$ 123,900	$ 97,200	$ (261,200)	$ (261,200)	$ (261,200)
Used	(385,100)	(358,400)	-	-	-
Ending Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 4,422,900	$ 7,209,100	$ 8,795,800	$ 11,559,700	$ 14,240,500
(Used)/Added	2,786,200	1,586,700	2,763,900	2,680,800	2,741,200
Ending Balance	$ 7,209,100	$ 8,795,800	$ 11,559,700	$ 14,240,500	$ 16,981,700
Restricted Cash					
Beginning Balance	$ 694,100	$ -	$ -	$ -	$ -
(Used)/Added	(694,100)	-	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Disaster/Capital Reserve Account					
Beginning Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	-	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 1

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	240,100	193,200	-	-	-
Subtotal	$ 240,100	$ 193,200	$ -	$ -	$ -
Used	(240,100)	(193,200)	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Collected [(1)]	-	-	-	-	-
Subtotal	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Used	-	-	-	-	-
Ending Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 16,981,700	$ 19,835,500	$ 22,759,400	$ 25,611,200	$ 28,585,200
(Used)/Added	2,853,800	2,923,900	2,851,800	2,974,000	3,028,600
Ending Balance	$ 19,835,500	$ 22,759,400	$ 25,611,200	$ 28,585,200	$ 31,613,800
Restricted Cash					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
(Used)/Added	-	-	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Disaster/Capital Reserve Account					
Beginning Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	-	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2012/13	2013/14	2014/15	2015/16	2016/17
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 913,700	$ 932,000	$ 950,700	$ 969,800	$ 989,200
Salaries & Wages - Part Time	3	33,300	34,000	34,700	35,400	36,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	90,000	91,800	93,700	95,600	97,600
Special Pay	3	16,000	16,400	16,800	17,200	17,600
FICA Match	3	80,500	82,200	83,900	85,600	87,400
Retirement	1	276,600	272,600	272,600	277,700	277,900
Cafeteria Benefits	1	229,900	229,900	229,900	229,900	229,900
Workers' Comp	3	12,900	13,200	13,500	13,800	14,100
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	164,800	169,800	174,900	180,200	185,700
Other Contractual Services	2	349,100	359,600	370,400	381,600	393,100
Travel & Per Diem	2	13,200	13,600	14,100	14,600	15,100
Communications Services	2	17,000	17,600	18,200	18,800	19,400
Transportation	2	7,500	7,800	8,100	8,400	8,700
Utilities	2	355,300	366,000	377,000	388,400	400,100
Rental & Leases	2	11,100	11,500	11,900	12,300	12,700
Insurance	5	22,500	23,200	23,900	24,700	25,500
Repair & Maintenance	7	1,050,000	1,081,500	1,114,000	1,147,500	1,182,000
Printing	5	3,500	3,700	3,900	4,100	4,300
Promotional Activities	5	2,000	2,100	2,200	2,300	2,400
Other Current Charges	2	30,900	31,900	32,900	33,900	35,000
Office Supplies	7	4,400	4,600	4,800	5,000	5,200
Operating Supplies	5	285,100	293,700	302,600	311,700	321,100
Road Materials & Supplies	5	4,000	4,200	4,400	4,600	4,800
Books, Publications, Subscriptions	2	11,600	12,000	12,400	12,800	13,200
Administrative Overhead Transfer	2	437,400	450,600	464,200	478,200	492,600
Bad Debt Allowance	2	17,500	18,100	18,600	19,200	19,700
TOTAL O&M EXPENSE		$ 4,439,800	$ 4,543,600	$ 4,654,300	$ 4,773,300	$ 4,890,500
DEBT SERVICE						
Series 2003 Refunding	Input	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
SRF Loan	Input	2,783,000	2,783,000	2,783,000	2,783,000	2,783,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2012/13	2013/14	2014/15	2015/16	2016/17
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 3,198,300	$ 3,199,100	$ 3,199,300	$ 3,203,700	$ 3,202,300
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 195,000	$ 35,000	$ 35,000	$ 55,000	$ 35,000
Machinery & Equipment	Input	85,000	252,000	385,000	122,000	152,000
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 280,000	$ 287,000	$ 420,000	$ 177,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	246,400	209,300	180,400	180,400	180,400
Restricted Cash (Used for Debt Service)	Input	-	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	100,000	100,000	100,000	100,000	100,000
Repayment of General Fund Interfund Loan	Input	275,000	275,000	275,000	275,000	275,000
TOTAL OTHER REQUIREMENTS		$ 901,400	$ 871,300	$ 975,400	$ 732,400	$ 742,400
TOTAL FISCAL REQUIREMENTS		**$ 8,539,500**	**$ 8,614,000**	**$ 8,829,000**	**$ 8,709,400**	**$ 8,835,200**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	25,800	26,600	27,400	28,200	29,000
Interest	Calc	61,400	60,400	59,800	65,600	74,400
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	50,900	52,400	54,000	55,600	57,300
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	267,000	275,000	283,300	291,800	300,600
Subtotal		$ 405,100	$ 414,400	$ 424,500	$ 441,200	$ 461,300
NET FISCAL REQUIREMENTS		**$ 8,134,400**	**$ 8,199,600**	**$ 8,404,500**	**$ 8,268,200**	**$ 8,373,900**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,018,900	$ 1,049,500	$ 1,081,000	$ 1,113,500	$ 1,147,000
Salaries & Wages - Part Time	3	37,300	38,500	39,700	40,900	42,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	100,600	103,700	106,900	110,200	113,600
Special Pay	3	18,200	18,800	19,400	20,000	20,600
FICA Match	3	90,100	92,900	95,700	98,600	101,600
Retirement	1	284,900	292,100	299,500	307,000	314,700
Cafeteria Benefits	1	235,700	241,600	247,700	253,900	260,300
Workers' Comp	3	14,600	15,100	15,600	16,100	16,600
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	191,300	197,100	203,100	209,200	215,500
Other Contractual Services	2	404,900	417,100	429,700	442,600	455,900
Travel & Per Diem	2	15,600	16,100	16,600	17,100	17,700
Communications Services	2	20,000	20,600	21,300	22,000	22,700
Transportation	2	9,000	9,300	9,600	9,900	10,200
Utilities	2	412,200	424,600	437,400	450,600	464,200
Rental & Leases	2	13,100	13,500	14,000	14,500	15,000
Insurance	5	26,300	27,100	28,000	28,900	29,800
Repair & Maintenance	7	1,217,500	1,254,100	1,291,800	1,330,600	1,370,600
Printing	5	4,500	4,700	4,900	5,100	5,300
Promotional Activities	5	2,500	2,600	2,700	2,800	2,900
Other Current Charges	2	36,100	37,200	38,400	39,600	40,800
Office Supplies	7	5,400	5,600	5,800	6,000	6,200
Operating Supplies	5	330,800	340,800	351,100	361,700	372,600
Road Materials & Supplies	5	5,000	5,200	5,400	5,600	5,800
Books, Publications, Subscriptions	2	13,600	14,100	14,600	15,100	15,600
Administrative Overhead Transfer	2	507,400	522,700	538,400	554,600	571,300
Bad Debt Allowance	2	20,300	20,900	21,600	22,200	22,900
TOTAL O&M EXPENSE		$ 5,035,800	$ 5,185,500	$ 5,339,900	$ 5,498,300	$ 5,661,600
DEBT SERVICE						
Series 2003 Refunding	Input	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
SRF Loan	Input	2,783,000	2,783,000	2,783,000	2,991,800	2,856,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 3,200,100	$ 3,197,100	$ 3,203,400	$ 3,407,400	$ 2,856,000
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	180,400	180,400	85,400	-	-
Restricted Cash (Used for Debt Service)	Input	-	-	-	(666,400)	(1,171,600)
Transfer for Disaster/Capital Reserves	Input	100,000	-	-	-	-
Repayment of General Fund Interfund Loan	Input	275,000	275,000	275,000	275,000	-
TOTAL OTHER REQUIREMENTS		$ 742,400	$ 642,400	$ 547,400	$ (204,400)	$ (984,600)
TOTAL FISCAL REQUIREMENTS		**$ 8,978,300**	**$ 9,025,000**	**$ 9,090,700**	**$ 8,701,300**	**$ 7,533,000**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	29,900	30,800	31,700	32,700	33,700
Interest	Calc	81,900	91,000	100,100	96,500	107,800
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	59,000	60,700	62,600	64,400	66,400
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	309,600	318,900	328,500	338,400	348,600
Subtotal		$ 480,400	$ 501,400	$ 522,900	$ 532,000	$ 556,500
NET FISCAL REQUIREMENTS		**$ 8,497,900**	**$ 8,523,600**	**$ 8,567,800**	**$ 8,169,300**	**$ 6,976,500**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,181,500	$ 1,217,000	$ 1,253,600	$ 1,291,300	$ 1,330,100
Salaries & Wages - Part Time	3	43,500	44,900	46,300	47,700	49,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	117,100	120,700	124,400	128,200	132,100
Special Pay	3	21,300	22,000	22,700	23,400	24,200
FICA Match	3	104,700	107,900	111,200	114,600	118,100
Retirement	1	322,600	330,700	339,000	347,500	356,200
Cafeteria Benefits	1	266,900	273,600	280,500	287,600	294,800
Workers' Comp	3	17,100	17,700	18,300	18,900	19,500
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	222,000	228,700	235,600	242,700	250,000
Other Contractual Services	2	469,600	483,700	498,300	513,300	528,700
Travel & Per Diem	2	18,300	18,900	19,500	20,100	20,800
Communications Services	2	23,400	24,200	25,000	25,800	26,600
Transportation	2	10,600	11,000	11,400	11,800	12,200
Utilities	2	478,200	492,600	507,400	522,700	538,400
Rental & Leases	2	15,500	16,000	16,500	17,000	17,600
Insurance	5	30,700	31,700	32,700	33,700	34,800
Repair & Maintenance	7	1,411,800	1,454,200	1,497,900	1,542,900	1,589,200
Printing	5	5,500	5,700	5,900	6,100	6,300
Promotional Activities	5	3,000	3,100	3,200	3,300	3,400
Other Current Charges	2	42,100	43,400	44,800	46,200	47,600
Office Supplies	7	6,400	6,600	6,800	7,100	7,400
Operating Supplies	5	383,800	395,400	407,300	419,600	432,200
Road Materials & Supplies	5	6,000	6,200	6,400	6,600	6,800
Books, Publications, Subscriptions	2	16,100	16,600	17,100	17,700	18,300
Administrative Overhead Transfer	2	588,500	606,200	624,400	643,200	662,500
Bad Debt Allowance	2	23,600	24,300	25,000	25,700	26,500
TOTAL O&M EXPENSE		$ 5,829,800	$ 6,003,000	$ 6,181,200	$ 6,364,700	$ 6,553,500
DEBT SERVICE						
Series 2003 Refunding	Input	$ -	$ -	$ -	$ -	$ -
SRF Loan	Input	1,369,900	1,840,400	250,500	250,500	250,500

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 1,369,900	$ 1,840,400	$ 250,500	$ 250,500	$ 250,500
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	-	-	-	-	-
Restricted Cash (Used for Debt Service)	Input	(694,000)	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	-	-	-	-	-
Repayment of General Fund Interfund Loan	Input	-	-	-	-	-
TOTAL OTHER REQUIREMENTS		$ (507,000)	$ 187,000	$ 187,000	$ 187,000	$ 187,000
TOTAL FISCAL REQUIREMENTS		**$ 6,692,700**	**$ 8,030,400**	**$ 6,618,700**	**$ 6,802,200**	**$ 6,991,000**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	34,700	35,700	36,800	37,900	39,000
Interest	Calc	152,800	194,000	242,600	290,500	149,800
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	68,400	70,400	72,500	74,700	76,900
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	359,100	369,900	381,000	392,400	404,200
Subtotal		$ 615,000	$ 670,000	$ 732,900	$ 795,500	$ 669,900
NET FISCAL REQUIREMENTS		**$ 6,077,700**	**$ 7,360,400**	**$ 5,885,800**	**$ 6,006,700**	**$ 6,321,100**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,370,100	$ 1,411,300	$ 1,453,700	$ 1,497,400	$ 1,542,400
Salaries & Wages - Part Time	3	50,700	52,300	53,900	55,600	57,300
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	136,100	140,200	144,500	148,900	153,400
Special Pay	3	25,000	25,800	26,600	27,400	28,300
FICA Match	3	121,700	125,400	129,200	133,100	137,100
Retirement	1	365,200	374,400	383,800	393,400	403,300
Cafeteria Benefits	1	302,200	309,800	317,600	325,600	333,800
Workers' Comp	3	20,100	20,800	21,500	22,200	22,900
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	257,500	265,300	273,300	281,500	290,000
Other Contractual Services	2	544,600	561,000	577,900	595,300	613,200
Travel & Per Diem	2	21,500	22,200	22,900	23,600	24,400
Communications Services	2	27,400	28,300	29,200	30,100	31,100
Transportation	2	12,600	13,000	13,400	13,900	14,400
Utilities	2	554,600	571,300	588,500	606,200	624,400
Rental & Leases	2	18,200	18,800	19,400	20,000	20,600
Insurance	5	35,900	37,000	38,200	39,400	40,600
Repair & Maintenance	7	1,636,900	1,686,100	1,736,700	1,788,900	1,842,600
Printing	5	6,500	6,700	7,000	7,300	7,600
Promotional Activities	5	3,600	3,800	4,000	4,200	4,400
Other Current Charges	2	49,100	50,600	52,200	53,800	55,500
Office Supplies	7	7,700	8,000	8,300	8,600	8,900
Operating Supplies	5	445,200	458,600	472,400	486,600	501,200
Road Materials & Supplies	5	7,100	7,400	7,700	8,000	8,300
Books, Publications, Subscriptions	2	18,900	19,500	20,100	20,800	21,500
Administrative Overhead Transfer	2	682,400	702,900	724,000	745,800	768,200
Bad Debt Allowance	2	27,300	28,100	29,000	29,800	102,300
TOTAL O&M EXPENSE		$ 6,748,100	$ 6,948,600	$ 7,155,000	$ 7,367,400	$ 7,657,700
DEBT SERVICE						
Series 2003 Refunding	Input	$ -	$ -	$ -	$ -	$ -
SRF Loan	Input	250,500	250,500	250,500	250,500	250,500

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 1

	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 250,500	$ 250,500	$ 250,500	$ 250,500	$ 250,500
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	-	-	-	-	-
Restricted Cash (Used for Debt Service)	Input	-	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	-	-	-	-	-
Repayment of General Fund Interfund Loan	Input	-	-	-	-	-
TOTAL OTHER REQUIREMENTS		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
TOTAL FISCAL REQUIREMENTS		**$ 7,185,600**	**$ 7,386,100**	**$ 7,592,500**	**$ 7,804,900**	**$ 8,095,200**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	40,200	41,400	42,600	43,900	45,200
Interest	Calc	177,200	205,700	235,000	263,500	293,200
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	79,200	81,600	84,000	86,500	89,100
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	416,300	428,800	441,700	455,000	468,700
Subtotal		$ 712,900	$ 757,500	$ 803,300	$ 848,900	$ 896,200
NET FISCAL REQUIREMENTS		**$ 6,472,700**	**$ 6,628,600**	**$ 6,789,200**	**$ 6,956,000**	**$ 7,199,000**

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 1

Escalation Category	Escalation Reference	Fiscal Year Ending 2013/14	2014/15	2015/16	2016/17
Benefits	1	1.0000	1.0000	1.0000	1.0000
General Inflation	2	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0200	1.0200	1.0200	1.0200
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 1

Escalation Category	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 1

Escalation Category	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 1

Escalation Category	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

SCENARIO 2

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 5,007,000	$ 5,157,000	$ 5,311,500	$ 5,470,600	$ 5,635,000
Gallonage Rate	1,000,900	1,031,100	1,062,500	1,093,900	1,126,600
Subtotal	$ 6,007,900	$ 6,188,100	$ 6,374,000	$ 6,564,500	$ 6,761,600
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	25,800	26,600	27,400	28,200	29,000
Interest	61,400	60,400	59,800	65,600	74,400
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	50,900	52,400	54,000	55,600	57,300
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	267,000	275,000	283,300	291,800	300,600
Subtotal	$ 405,100	$ 414,400	$ 424,500	$ 441,200	$ 461,300
Total Operating Revenues	$ 6,413,000	$ 6,602,500	$ 6,798,500	$ 7,005,700	$ 7,222,900
Operating Expenses	$ 4,440,300	$ 4,544,100	$ 4,654,900	$ 4,773,800	$ 4,891,100
Net Revenues	$ 1,972,700	$ 2,058,400	$ 2,143,600	$ 2,231,900	$ 2,331,800
Debt Service - Parity					
Series 2003 Refunding Bonds	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
Total Debt Service - Parity	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
Balance After Debt Service - Parity	$ 1,557,400	$ 1,642,300	$ 1,727,300	$ 1,811,200	$ 1,912,500
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	838,200	838,200	838,200	838,200	838,200
Connection Fees, Transmission Charges, Assessments	$ 838,200	$ 838,200	$ 838,200	$ 838,200	$ 838,200
Ad Valorem Taxes	943,200	906,100	877,200	877,200	877,200
Interest Income	-	-	-	-	-
Subtotal	$ 1,781,400	$ 1,744,300	$ 1,715,400	$ 1,715,400	$ 1,715,400
Available for Debt Service - Non-Parity	$ 3,338,800	$ 3,386,600	$ 3,442,700	$ 3,526,600	$ 3,627,900

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	1,040,100	1,040,100	1,040,100	1,040,100	1,040,100
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	355,000	355,000	355,000	355,000	355,000
SRF Phase IIC (459)	537,100	537,100	537,100	537,100	537,100
SRF Phase IIIA (454)	358,100	358,100	358,100	358,100	358,100
SRF Phase IIIB (460)	492,700	492,700	492,700	492,700	492,700
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	-	-	-	-	-
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,783,000
Balance	$ 555,800	$ 603,600	$ 659,700	$ 743,600	$ 844,900
Total Capital From Rates	$ 280,000	$ 287,000	$ 420,000	$ 177,000	$ 187,000
Transfer to Ad Valorem Tax Fund	246,400	209,300	180,400	180,400	180,400
Restricted Cash (Used for Debt Service)	-	-	-	-	-
Transfer for Disaster/Capital Reserves	100,000	100,000	100,000	100,000	100,000
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	275,000	275,000	275,000	275,000	275,000
Total Other Requirements	$ 901,400	$ 871,300	$ 975,400	$ 732,400	$ 742,400
Net Operating Balance	$ (345,600)	$ (267,700)	$ (315,700)	$ 11,200	$ 102,500

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 5,804,000	$ 5,978,400	$ 6,157,400	$ 6,341,900	$ 6,531,700
Gallonage Rate	1,160,400	1,195,500	1,231,700	1,269,200	1,307,900
Subtotal	$ 6,964,400	$ 7,173,900	$ 7,389,100	$ 7,611,100	$ 7,839,600
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	29,900	30,800	31,700	32,700	33,700
Interest	81,900	91,000	100,100	96,500	107,800
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	59,000	60,700	62,600	64,400	66,400
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	309,600	318,900	328,500	338,400	348,600
Subtotal	$ 480,400	$ 501,400	$ 522,900	$ 532,000	$ 556,500
Total Operating Revenues	$ 7,444,800	$ 7,675,300	$ 7,912,000	$ 8,143,100	$ 8,396,100
Operating Expenses	$ 5,036,400	$ 5,186,200	$ 5,340,500	$ 5,499,000	$ 5,662,300
Net Revenues	$ 2,408,400	$ 2,489,100	$ 2,571,500	$ 2,644,100	$ 2,733,800
Debt Service - Parity					
Series 2003 Refunding Bonds	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
Total Debt Service - Parity	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
Balance After Debt Service - Parity	$ 1,991,300	$ 2,075,000	$ 2,151,100	$ 2,228,500	$ 2,733,800
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	838,200	838,200	748,000	748,000	748,000
Connection Fees, Transmission Charges, Assessments	$ 838,200	$ 838,200	$ 748,000	$ 748,000	$ 748,000
Ad Valorem Taxes	877,200	877,200	782,200	696,800	608,100
Interest Income	-	-	-	-	-
Subtotal	$ 1,715,400	$ 1,715,400	$ 1,530,200	$ 1,444,800	$ 1,356,100
Available for Debt Service - Non-Parity	$ 3,706,700	$ 3,790,400	$ 3,681,300	$ 3,673,300	$ 4,089,900

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	1,040,100	1,040,100	1,040,100	1,040,100	1,040,100
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	355,000	355,000	355,000	355,000	177,500
SRF Phase IIC (459)	537,100	537,100	537,100	537,100	537,100
SRF Phase IIIA (454)	358,100	358,100	358,100	358,100	358,100
SRF Phase IIIB (460)	492,700	492,700	492,700	492,700	492,700
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	-	-	-	208,800	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 2,783,000	$ 2,783,000	$ 2,783,000	$ 2,991,800	$ 2,856,000
Balance	$ 923,700	$ 1,007,400	$ 898,300	$ 681,500	$ 1,233,900
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	180,400	180,400	85,400	-	-
Restricted Cash (Used for Debt Service)	-	-	-	(666,400)	(1,171,600)
Transfer for Disaster/Capital Reserves	100,000	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	275,000	275,000	275,000	275,000	-
Total Other Requirements	$ 742,400	$ 642,400	$ 547,400	$ (204,400)	$ (984,600)
Net Operating Balance	$ 181,300	$ 365,000	$ 350,900	$ 885,900	$ 2,218,500

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 6,727,900	$ 6,929,700	$ 7,137,800	$ 7,352,200	$ 7,573,000
Gallonage Rate	1,346,600	1,386,500	1,427,600	1,469,900	1,513,400
Subtotal	$ 8,074,500	$ 8,316,200	$ 8,565,400	$ 8,822,100	$ 9,086,400
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	34,700	35,700	36,800	37,900	39,000
Interest	152,800	194,000	242,600	290,500	179,600
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	68,400	70,400	72,500	74,700	76,900
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	359,100	369,900	381,000	392,400	404,200
Subtotal	$ 615,000	$ 670,000	$ 732,900	$ 795,500	$ 699,700
Total Operating Revenues	$ 8,689,500	$ 8,986,200	$ 9,298,300	$ 9,617,600	$ 9,786,100
Operating Expenses	$ 5,830,500	$ 6,003,700	$ 6,181,900	$ 6,365,500	$ 6,554,300
Net Revenues	$ 2,859,000	$ 2,982,500	$ 3,116,400	$ 3,252,100	$ 3,231,800
Debt Service - Parity					
Series 2003 Refunding Bonds	$ -	$ -	$ -	$ -	$ -
Total Debt Service - Parity	$ -	$ -	$ -	$ -	$ -
Balance After Debt Service - Parity	$ 2,859,000	$ 2,982,500	$ 3,116,400	$ 3,252,100	$ 3,231,800
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	639,200	514,200	333,500	122,100	240,200
Connection Fees, Transmission Charges, Assessments	$ 639,200	$ 514,200	$ 333,500	$ 122,100	$ 240,200
Ad Valorem Taxes	385,100	358,400	-	-	-
Interest Income	-	-	-	-	-
Subtotal	$ 1,024,300	$ 872,600	$ 333,500	$ 122,100	$ 240,200
Available for Debt Service - Non-Parity	$ 3,883,300	$ 3,855,100	$ 3,449,900	$ 3,374,200	$ 3,472,000

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	-	-	-	-	-
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	-	-	-	-	-
SRF Phase IIC (459)	268,600	-	-	-	-
SRF Phase IIIA (454)	358,100	358,100	-	-	-
SRF Phase IIIB (460)	492,700	1,231,800	-	-	-
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	250,500	250,500	250,500	250,500	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 1,369,900	$ 1,840,400	$ 250,500	$ 250,500	$ 250,500
Balance	$ 2,513,400	$ 2,014,700	$ 3,199,400	$ 3,123,700	$ 3,221,500
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	-	-	-	-	-
Restricted Cash (Used for Debt Service)	(694,000)	-	-	-	-
Transfer for Disaster/Capital Reserves	-	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	-	-	-	-	-
Total Other Requirements	$ (507,000)	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Net Operating Balance	$ 3,020,400	$ 1,827,700	$ 3,012,400	$ 2,936,700	$ 3,034,500

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Revenues					
User Fee And Charge Revenues					
Minimum Monthly Charge	$ 7,800,000	$ 8,034,500	$ 8,275,200	$ 8,523,200	$ 8,778,700
Gallonage Rate	1,559,300	1,606,500	1,654,800	1,704,400	1,755,200
Subtotal	$ 9,359,300	$ 9,641,000	$ 9,930,000	$ 10,227,600	$ 10,533,900
Other Operating Revenues					
Guaranteed Revenue Charge	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	40,200	41,400	42,600	43,900	45,200
Interest	209,900	241,500	273,900	305,700	338,900
Account Transfer Fee	-	-	-	-	-
Wulfert Tower Rental	79,200	81,600	84,000	86,500	89,100
Budgeted Carryforward	-	-	-	-	-
Rate Stabilization Fund	-	-	-	-	-
Impact Fees	-	-	-	-	-
Other Income (Developer Subsidy)	-	-	-	-	-
Reuse Revenues	416,300	428,800	441,700	455,000	468,700
Subtotal	$ 745,600	$ 793,300	$ 842,200	$ 891,100	$ 941,900
Total Operating Revenues	$ 10,104,900	$ 10,434,300	$ 10,772,200	$ 11,118,700	$ 11,475,800
Operating Expenses	$ 6,748,900	$ 6,949,500	$ 7,155,800	$ 7,368,300	$ 7,660,800
Net Revenues	$ 3,356,000	$ 3,484,800	$ 3,616,400	$ 3,750,400	$ 3,815,000
Debt Service - Parity					
Series 2003 Refunding Bonds	$ -	$ -	$ -	$ -	$ -
Total Debt Service - Parity	$ -	$ -	$ -	$ -	$ -
Balance After Debt Service - Parity	$ 3,356,000	$ 3,484,800	$ 3,616,400	$ 3,750,400	$ 3,815,000
Connection Charges	$ -	$ -	$ -	$ -	$ -
Transmission Charges	-	-	-	-	-
Assessments	240,100	193,200	-	-	-
Connection Fees, Transmission Charges, Assessments	$ 240,100	$ 193,200	$ -	$ -	$ -
Ad Valorem Taxes	-	-	-	-	-
Interest Income	-	-	-	-	-
Subtotal	$ 240,100	$ 193,200	$ -	$ -	$ -
Available for Debt Service - Non-Parity	$ 3,596,100	$ 3,678,000	$ 3,616,400	$ 3,750,400	$ 3,815,000

SCHEDULE 1
PROJECTED OPERATING RESULTS (Rounded)
SCENARIO 2

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Debt Service - Non-Parity					
SRF Phase I (452)	$ -	$ -	$ -	$ -	$ -
SRF Phase II (456)	-	-	-	-	-
SRF Phase IIA (453)	-	-	-	-	-
SRF Phase IIB (457)	-	-	-	-	-
SRF Phase IIC (459)	-	-	-	-	-
SRF Phase IIIA (454)	-	-	-	-	-
SRF Phase IIIB (460)	-	-	-	-	-
SRF Phase IV (461)	-	-	-	-	-
Effluent Disposal System	250,500	250,500	250,500	250,500	250,500
Other	-	-	-	-	-
Total Debt Service - Non-Parity	$ 250,500	$ 250,500	$ 250,500	$ 250,500	$ 250,500
Balance	$ 3,345,600	$ 3,427,500	$ 3,365,900	$ 3,499,900	$ 3,564,500
Total Capital From Rates	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	-	-	-	-	-
Restricted Cash (Used for Debt Service)	-	-	-	-	-
Transfer for Disaster/Capital Reserves	-	-	-	-	-
Other Debt	-	-	-	-	-
Repayment of General Fund Interfund Loan	-	-	-	-	-
Total Other Requirements	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Net Operating Balance	$ 3,158,600	$ 3,240,500	$ 3,178,900	$ 3,312,900	$ 3,377,500

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 2

	Fiscal Year				
	2012/13	2013/14	2014/15	2015/16	2016/17
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	838,200	838,200	838,200	838,200	838,200
Subtotal	$ 838,200	$ 838,200	$ 838,200	$ 838,200	$ 838,200
Used	(838,200)	(838,200)	(838,200)	(838,200)	(838,200)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (1,704,200)	$ (1,457,800)	$ (1,248,500)	$ (1,068,100)	$ (887,700)
Collected [(1)]	943,200	906,100	877,200	877,200	877,200
Subtotal	$ (761,000)	$ (551,700)	$ (371,300)	$ (190,900)	$ (10,500)
Used	(696,800)	(696,800)	(696,800)	(696,800)	(696,800)
Ending Balance	$ (1,457,800)	$ (1,248,500)	$ (1,068,100)	$ (887,700)	$ (707,300)
Unrestricted Cash					
Beginning Balance	$ 3,237,500	$ 2,891,900	$ 2,624,200	$ 2,308,500	$ 2,319,700
(Used)/Added	(345,600)	(267,700)	(315,700)	11,200	102,500
Ending Balance	$ 2,891,900	$ 2,624,200	$ 2,308,500	$ 2,319,700	$ 2,422,200
Restricted Cash					
Beginning Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100
(Used)/Added	-	-	-	-	-
Ending Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100
Disaster/Capital Reserve Account					
Beginning Balance	$ 400,000	$ 500,000	$ 600,000	$ 700,000	$ 800,000
(Used)/Added	100,000	100,000	100,000	100,000	100,000
Ending Balance	$ 500,000	$ 600,000	$ 700,000	$ 800,000	$ 900,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 2

	Fiscal Year				
	2017/18	2018/19	2019/20	2020/21	2021/22
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	838,200	838,200	748,000	748,000	748,000
Subtotal	$ 838,200	$ 838,200	$ 748,000	$ 748,000	$ 748,000
Used	(838,200)	(838,200)	(748,000)	(748,000)	(748,000)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (707,400)	$ (527,000)	$ (346,600)	$ (261,200)	$ (261,200)
Collected (1)	877,200	877,200	782,200	696,800	608,100
Subtotal	$ 169,800	$ 350,200	$ 435,600	$ 435,600	$ 346,900
Used	(696,800)	(696,800)	(696,800)	(696,800)	(608,100)
Ending Balance	$ (527,000)	$ (346,600)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 2,422,200	$ 2,603,500	$ 2,968,500	$ 3,319,400	$ 4,205,300
(Used)/Added	181,300	365,000	350,900	885,900	2,218,500
Ending Balance	$ 2,603,500	$ 2,968,500	$ 3,319,400	$ 4,205,300	$ 6,423,800
Restricted Cash					
Beginning Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 1,865,700
(Used)/Added	-	-	-	(666,400)	(1,171,600)
Ending Balance	$ 2,532,100	$ 2,532,100	$ 2,532,100	$ 1,865,700	$ 694,100
Disaster/Capital Reserve Account					
Beginning Balance	$ 900,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	100,000	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 2

	Fiscal Year				
	2022/23	2023/24	2024/25	2025/26	2026/27
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	639,200	514,200	333,500	122,100	240,200
Subtotal	$ 639,200	$ 514,200	$ 333,500	$ 122,100	$ 240,200
Used	(639,200)	(514,200)	(333,500)	(122,100)	(240,200)
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Collected [(1)]	385,100	358,400	-	-	-
Subtotal	$ 123,900	$ 97,200	$ (261,200)	$ (261,200)	$ (261,200)
Used	(385,100)	(358,400)	-	-	-
Ending Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 6,423,800	$ 9,444,200	$ 11,271,900	$ 14,284,300	$ 17,221,000
(Used)/Added	3,020,400	1,827,700	3,012,400	2,936,700	3,034,500
Ending Balance	$ 9,444,200	$ 11,271,900	$ 14,284,300	$ 17,221,000	$ 20,255,500
Restricted Cash					
Beginning Balance	$ 694,100	$ -	$ -	$ -	$ -
(Used)/Added	(694,100)	-	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Disaster/Capital Reserve Account					
Beginning Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	-	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 2
ACCOUNT BALANCES
SCENARIO 2

	Fiscal Year				
	2027/28	2028/29	2029/30	2030/31	2031/32
Total Assessments, Connection Fees and Transmission Charges					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
Collected	240,100	193,200	-	-	-
Subtotal	$ 240,100	$ 193,200	$ -	$ -	$ -
Used	(240,100)	(193,200)	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Ad Valorem Taxes					
Beginning Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Collected [(1)]	-	-	-	-	-
Subtotal	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Used	-	-	-	-	-
Ending Balance	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)	$ (261,200)
Unrestricted Cash					
Beginning Balance	$ 20,255,500	$ 23,414,100	$ 26,654,600	$ 29,833,500	$ 33,146,400
(Used)/Added	3,158,600	3,240,500	3,178,900	3,312,900	3,377,500
Ending Balance	$ 23,414,100	$ 26,654,600	$ 29,833,500	$ 33,146,400	$ 36,523,900
Restricted Cash					
Beginning Balance	$ -	$ -	$ -	$ -	$ -
(Used)/Added	-	-	-	-	-
Ending Balance	$ -	$ -	$ -	$ -	$ -
Disaster/Capital Reserve Account					
Beginning Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
(Used)/Added	-	-	-	-	-
Ending Balance	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2012/13	2013/14	2014/15	2015/16	2016/17
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 913,700	$ 932,000	$ 950,700	$ 969,800	$ 989,200
Salaries & Wages - Part Time	3	33,300	34,000	34,700	35,400	36,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	90,000	91,800	93,700	95,600	97,600
Special Pay	3	16,000	16,400	16,800	17,200	17,600
FICA Match	3	80,500	82,200	83,900	85,600	87,400
Retirement	1	276,600	272,600	272,600	277,700	277,900
Cafeteria Benefits	1	229,900	229,900	229,900	229,900	229,900
Workers' Comp	3	12,900	13,200	13,500	13,800	14,100
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	164,800	169,800	174,900	180,200	185,700
Other Contractual Services	2	349,100	359,600	370,400	381,600	393,100
Travel & Per Diem	2	13,200	13,600	14,100	14,600	15,100
Communications Services	2	17,000	17,600	18,200	18,800	19,400
Transportation	2	7,500	7,800	8,100	8,400	8,700
Utilities	2	355,300	366,000	377,000	388,400	400,100
Rental & Leases	2	11,100	11,500	11,900	12,300	12,700
Insurance	5	22,500	23,200	23,900	24,700	25,500
Repair & Maintenance	7	1,050,000	1,081,500	1,114,000	1,147,500	1,182,000
Printing	5	3,500	3,700	3,900	4,100	4,300
Promotional Activities	5	2,000	2,100	2,200	2,300	2,400
Other Current Charges	2	30,900	31,900	32,900	33,900	35,000
Office Supplies	7	4,400	4,600	4,800	5,000	5,200
Operating Supplies	5	285,100	293,700	302,600	311,700	321,100
Road Materials & Supplies	5	4,000	4,200	4,400	4,600	4,800
Books, Publications, Subscriptions	2	11,600	12,000	12,400	12,800	13,200
Administrative Overhead Transfer	2	437,400	450,600	464,200	478,200	492,600
Bad Debt Allowance	2	18,000	18,600	19,200	19,700	20,300
TOTAL O&M EXPENSE		$ 4,440,300	$ 4,544,100	$ 4,654,900	$ 4,773,800	$ 4,891,100
DEBT SERVICE						
Series 2003 Refunding	Input	$ 415,300	$ 416,100	$ 416,300	$ 420,700	$ 419,300
SRF Loan	Input	2,783,000	2,783,000	2,783,000	2,783,000	2,783,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2012/13	2013/14	2014/15	2015/16	2016/17
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 3,198,300	$ 3,199,100	$ 3,199,300	$ 3,203,700	$ 3,202,300
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 195,000	$ 35,000	$ 35,000	$ 55,000	$ 35,000
Machinery & Equipment	Input	85,000	252,000	385,000	122,000	152,000
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 280,000	$ 287,000	$ 420,000	$ 177,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	246,400	209,300	180,400	180,400	180,400
Restricted Cash (Used for Debt Service)	Input	-	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	100,000	100,000	100,000	100,000	100,000
Repayment of General Fund Interfund Loan	Input	275,000	275,000	275,000	275,000	275,000
TOTAL OTHER REQUIREMENTS		$ 901,400	$ 871,300	$ 975,400	$ 732,400	$ 742,400
TOTAL FISCAL REQUIREMENTS		**$ 8,540,000**	**$ 8,614,500**	**$ 8,829,600**	**$ 8,709,900**	**$ 8,835,800**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	25,800	26,600	27,400	28,200	29,000
Interest	Calc	61,400	60,400	59,800	65,600	74,400
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	50,900	52,400	54,000	55,600	57,300
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	267,000	275,000	283,300	291,800	300,600
Subtotal		$ 405,100	$ 414,400	$ 424,500	$ 441,200	$ 461,300
NET FISCAL REQUIREMENTS		**$ 8,134,900**	**$ 8,200,100**	**$ 8,405,100**	**$ 8,268,700**	**$ 8,374,500**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,018,900	$ 1,049,500	$ 1,081,000	$ 1,113,500	$ 1,147,000
Salaries & Wages - Part Time	3	37,300	38,500	39,700	40,900	42,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	100,600	103,700	106,900	110,200	113,600
Special Pay	3	18,200	18,800	19,400	20,000	20,600
FICA Match	3	90,100	92,900	95,700	98,600	101,600
Retirement	1	284,900	292,100	299,500	307,000	314,700
Cafeteria Benefits	1	235,700	241,600	247,700	253,900	260,300
Workers' Comp	3	14,600	15,100	15,600	16,100	16,600
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	191,300	197,100	203,100	209,200	215,500
Other Contractual Services	2	404,900	417,100	429,700	442,600	455,900
Travel & Per Diem	2	15,600	16,100	16,600	17,100	17,700
Communications Services	2	20,000	20,600	21,300	22,000	22,700
Transportation	2	9,000	9,300	9,600	9,900	10,200
Utilities	2	412,200	424,600	437,400	450,600	464,200
Rental & Leases	2	13,100	13,500	14,000	14,500	15,000
Insurance	5	26,300	27,100	28,000	28,900	29,800
Repair & Maintenance	7	1,217,500	1,254,100	1,291,800	1,330,600	1,370,600
Printing	5	4,500	4,700	4,900	5,100	5,300
Promotional Activities	5	2,500	2,600	2,700	2,800	2,900
Other Current Charges	2	36,100	37,200	38,400	39,600	40,800
Office Supplies	7	5,400	5,600	5,800	6,000	6,200
Operating Supplies	5	330,800	340,800	351,100	361,700	372,600
Road Materials & Supplies	5	5,000	5,200	5,400	5,600	5,800
Books, Publications, Subscriptions	2	13,600	14,100	14,600	15,100	15,600
Administrative Overhead Transfer	2	507,400	522,700	538,400	554,600	571,300
Bad Debt Allowance	2	20,900	21,600	22,200	22,900	23,600
TOTAL O&M EXPENSE		$ 5,036,400	$ 5,186,200	$ 5,340,500	$ 5,499,000	$ 5,662,300
DEBT SERVICE						
Series 2003 Refunding	Input	$ 417,100	$ 414,100	$ 420,400	$ 415,600	$ -
SRF Loan	Input	2,783,000	2,783,000	2,783,000	2,991,800	2,856,000

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 3,200,100	$ 3,197,100	$ 3,203,400	$ 3,407,400	$ 2,856,000
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	180,400	180,400	85,400	-	-
Restricted Cash (Used for Debt Service)	Input	-	-	-	(666,400)	(1,171,600)
Transfer for Disaster/Capital Reserves	Input	100,000	-	-	-	-
Repayment of General Fund Interfund Loan	Input	275,000	275,000	275,000	275,000	-
TOTAL OTHER REQUIREMENTS		$ 742,400	$ 642,400	$ 547,400	$ (204,400)	$ (984,600)
TOTAL FISCAL REQUIREMENTS		**$ 8,978,900**	**$ 9,025,700**	**$ 9,091,300**	**$ 8,702,000**	**$ 7,533,700**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	29,900	30,800	31,700	32,700	33,700
Interest	Calc	81,900	91,000	100,100	96,500	107,800
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	59,000	60,700	62,600	64,400	66,400
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	309,600	318,900	328,500	338,400	348,600
Subtotal		$ 480,400	$ 501,400	$ 522,900	$ 532,000	$ 556,500
NET FISCAL REQUIREMENTS		**$ 8,498,500**	**$ 8,524,300**	**$ 8,568,400**	**$ 8,170,000**	**$ 6,977,200**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,181,500	$ 1,217,000	$ 1,253,600	$ 1,291,300	$ 1,330,100
Salaries & Wages - Part Time	3	43,500	44,900	46,300	47,700	49,200
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	117,100	120,700	124,400	128,200	132,100
Special Pay	3	21,300	22,000	22,700	23,400	24,200
FICA Match	3	104,700	107,900	111,200	114,600	118,100
Retirement	1	322,600	330,700	339,000	347,500	356,200
Cafeteria Benefits	1	266,900	273,600	280,500	287,600	294,800
Workers' Comp	3	17,100	17,700	18,300	18,900	19,500
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	222,000	228,700	235,600	242,700	250,000
Other Contractual Services	2	469,600	483,700	498,300	513,300	528,700
Travel & Per Diem	2	18,300	18,900	19,500	20,100	20,800
Communications Services	2	23,400	24,200	25,000	25,800	26,600
Transportation	2	10,600	11,000	11,400	11,800	12,200
Utilities	2	478,200	492,600	507,400	522,700	538,400
Rental & Leases	2	15,500	16,000	16,500	17,000	17,600
Insurance	5	30,700	31,700	32,700	33,700	34,800
Repair & Maintenance	7	1,411,800	1,454,200	1,497,900	1,542,900	1,589,200
Printing	5	5,500	5,700	5,900	6,100	6,300
Promotional Activities	5	3,000	3,100	3,200	3,300	3,400
Other Current Charges	2	42,100	43,400	44,800	46,200	47,600
Office Supplies	7	6,400	6,600	6,800	7,100	7,400
Operating Supplies	5	383,800	395,400	407,300	419,600	432,200
Road Materials & Supplies	5	6,000	6,200	6,400	6,600	6,800
Books, Publications, Subscriptions	2	16,100	16,600	17,100	17,700	18,300
Administrative Overhead Transfer	2	588,500	606,200	624,400	643,200	662,500
Bad Debt Allowance	2	24,300	25,000	25,700	26,500	27,300
TOTAL O&M EXPENSE		$ 5,830,500	$ 6,003,700	$ 6,181,900	$ 6,365,500	$ 6,554,300
DEBT SERVICE						
Series 2003 Refunding	Input	$ -	$ -	$ -	$ -	$ -
SRF Loan	Input	1,369,900	1,840,400	250,500	250,500	250,500

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 1,369,900	$ 1,840,400	$ 250,500	$ 250,500	$ 250,500
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	-	-	-	-	-
Restricted Cash (Used for Debt Service)	Input	(694,000)	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	-	-	-	-	-
Repayment of General Fund Interfund Loan	Input	-	-	-	-	-
TOTAL OTHER REQUIREMENTS		$ (507,000)	$ 187,000	$ 187,000	$ 187,000	$ 187,000
TOTAL FISCAL REQUIREMENTS		**$ 6,693,400**	**$ 8,031,100**	**$ 6,619,400**	**$ 6,803,000**	**$ 6,991,800**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	34,700	35,700	36,800	37,900	39,000
Interest	Calc	152,800	194,000	242,600	290,500	179,600
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	68,400	70,400	72,500	74,700	76,900
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	359,100	369,900	381,000	392,400	404,200
Subtotal		$ 615,000	$ 670,000	$ 732,900	$ 795,500	$ 699,700
NET FISCAL REQUIREMENTS		**$ 6,078,400**	**$ 7,361,100**	**$ 5,886,500**	**$ 6,007,500**	**$ 6,292,100**

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
OPERATING & MAINTENANCE EXPENSES						
Salaries & Wages - Full Time	3	$ 1,370,100	$ 1,411,300	$ 1,453,700	$ 1,497,400	$ 1,542,400
Salaries & Wages - Part Time	3	50,700	52,300	53,900	55,600	57,300
Salaries & Wages - Salary adjustments	3	-	-	-	-	-
Salaries & Wages - Requested Positions	3	-	-	-	-	-
Overtime	3	136,100	140,200	144,500	148,900	153,400
Special Pay	3	25,000	25,800	26,600	27,400	28,300
FICA Match	3	121,700	125,400	129,200	133,100	137,100
Retirement	1	365,200	374,400	383,800	393,400	403,300
Cafeteria Benefits	1	302,200	309,800	317,600	325,600	333,800
Workers' Comp	3	20,100	20,800	21,500	22,200	22,900
Unemployment Comp	3	-	-	-	-	-
Professional Services	2	257,500	265,300	273,300	281,500	290,000
Other Contractual Services	2	544,600	561,000	577,900	595,300	613,200
Travel & Per Diem	2	21,500	22,200	22,900	23,600	24,400
Communications Services	2	27,400	28,300	29,200	30,100	31,100
Transportation	2	12,600	13,000	13,400	13,900	14,400
Utilities	2	554,600	571,300	588,500	606,200	624,400
Rental & Leases	2	18,200	18,800	19,400	20,000	20,600
Insurance	5	35,900	37,000	38,200	39,400	40,600
Repair & Maintenance	7	1,636,900	1,686,100	1,736,700	1,788,900	1,842,600
Printing	5	6,500	6,700	7,000	7,300	7,600
Promotional Activities	5	3,600	3,800	4,000	4,200	4,400
Other Current Charges	2	49,100	50,600	52,200	53,800	55,500
Office Supplies	7	7,700	8,000	8,300	8,600	8,900
Operating Supplies	5	445,200	458,600	472,400	486,600	501,200
Road Materials & Supplies	5	7,100	7,400	7,700	8,000	8,300
Books, Publications, Subscriptions	2	18,900	19,500	20,100	20,800	21,500
Administrative Overhead Transfer	2	682,400	702,900	724,000	745,800	768,200
Bad Debt Allowance	2	28,100	29,000	29,800	30,700	105,400
TOTAL O&M EXPENSE		$ 6,748,900	$ 6,949,500	$ 7,155,800	$ 7,368,300	$ 7,660,800
DEBT SERVICE						
Series 2003 Refunding	Input	$ -	$ -	$ -	$ -	$ -
SRF Loan	Input	250,500	250,500	250,500	250,500	250,500

SCHEDULE 3

PROJECTED NET FISCAL REQUIREMENTS

SCENARIO 2

	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
Other Private Debt	Input					
Other - General Fund Loan	Input	-	-	-	-	-
TOTAL DEBT SERVICE		$ 250,500	$ 250,500	$ 250,500	$ 250,500	$ 250,500
OTHER REQUIREMENTS						
Capital From Rates						
System Improvements	Input	$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Machinery & Equipment	Input	-	-	-	-	-
Land	Input	-	-	-	-	-
Total Capital From Rates		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
Transfer to Ad Valorem Tax Fund	Input	-	-	-	-	-
Restricted Cash (Used for Debt Service)	Input	-	-	-	-	-
Transfer for Disaster/Capital Reserves	Input	-	-	-	-	-
Repayment of General Fund Interfund Loan	Input	-	-	-	-	-
TOTAL OTHER REQUIREMENTS		$ 187,000	$ 187,000	$ 187,000	$ 187,000	$ 187,000
TOTAL FISCAL REQUIREMENTS		**$ 7,186,400**	**$ 7,387,000**	**$ 7,593,300**	**$ 7,805,800**	**$ 8,098,300**
INCOME OTHER THAN USER RATES						
Guaranteed Revenue Charge	6	$ -	$ -	$ -	$ -	$ -
Fines & Forfeitures	6	40,200	41,400	42,600	43,900	45,200
Interest	Calc	209,900	241,500	273,900	305,700	338,900
Account Transfer Fee	7	-	-	-	-	-
Wulfert Tower Rental	2	79,200	81,600	84,000	86,500	89,100
Budgeted Carryforward	Input	-	-	-	-	-
Rate Stabilization Fund	Input	-	-	-	-	-
Impact Fees	Input	-	-	-	-	-
Other Income (Developer Subsidy)	Input	-	-	-	-	-
Reuse Revenues	6	416,300	428,800	441,700	455,000	468,700
Subtotal		$ 745,600	$ 793,300	$ 842,200	$ 891,100	$ 941,900
NET FISCAL REQUIREMENTS		**$ 6,440,800**	**$ 6,593,700**	**$ 6,751,100**	**$ 6,914,700**	**$ 7,156,400**

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 2

Escalation Category	Escalation Reference	Fiscal Year Ending 2013/14	2014/15	2015/16	2016/17
Benefits	1	1.0000	1.0000	1.0000	1.0000
General Inflation	2	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0200	1.0200	1.0200	1.0200
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 2

Escalation Category	Escalation Reference	Fiscal Year Ending 2017/18	2018/19	2019/20	2020/21	2021/22
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 2

Escalation Category	Escalation Reference	Fiscal Year Ending 2022/23	2023/24	2024/25	2025/26	2026/27
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

SCHEDULE 3A
ESCALATION REFERENCE FACTORS
SCENARIO 2

Escalation Category	Escalation Reference	Fiscal Year Ending 2027/28	2028/29	2029/30	2030/31	2031/32
Benefits	1	1.0250	1.0250	1.0250	1.0250	1.0250
General Inflation	2	1.0300	1.0300	1.0300	1.0300	1.0300
Labor Escalator	3	1.0300	1.0300	1.0300	1.0300	1.0300
Customer Growth Factor	4	1.0000	1.0000	1.0000	1.0000	1.0000
Customer Growth / Inflation Factor	5	1.0300	1.0300	1.0300	1.0300	1.0300
Rate Revenue Factor	6	1.0300	1.0300	1.0300	1.0300	1.0300
Supplies / Repairs & Maintenance	7	1.0300	1.0300	1.0300	1.0300	1.0300

APPENDIX A

July 6, 2012
GAI Proj. # A120676.00

Mr. Scott Krawczuk, Acting Public Works Director
City of Sanibel
800 Dunlop Road
Sanibel, FL 33957

Subject: Sewer Expansion Feasibility Study – Historical Analysis

Dear Mr. Krawczuk:

GAI Consultants, Inc. (GAI) is pleased to present herein the Historical Analysis (the "Report") for the Sewer System (the "System" or "Utility") authorized by the City of Sanibel (the "City"). This Report discusses the historical aspects of the System including an analysis of operating revenues, expenditures, and customer growth for Fiscal Years 2003 through 2011 (the "Study Period") based on audited financial results as presented in the City's Comprehensive Annual Financial Reports.

1.0 BACKGROUND

Until the early 1970s, domestic wastewater treatment on Sanibel Island consisted of septic tanks and small "self-contained" treatment facilities, or package plants serving individual developments. The Island's first centralized wastewater facility, known as the Jamestown-Beachview Central Wastewater System was established in 1974. This system was sold to Mariner Properties, Inc. in 1977 and then subsequently sold to Sanibel Sewer System Ltd. Partners in 1984. The Sanibel Sewer System was then acquired by the City of Sanibel in August 1991. In conjunction with this acquisition, it was determined that a comprehensive wastewater master plan should be completed in order for the City to best assess future wastewater needs and goals. In addition, a second water reclamation facility (WRF), the Wulfert Point WRF, was constructed on the northwest end of the island by the Sanctuary, as a provision of its developer's permit and was subsequently donated to the City.

Since the acquisition of the system in 1991 and the completion of the initial Wastewater Master Plan in October 1992, the City has systematically taken the necessary planning and implementation steps to expand and improve the wastewater system. These steps have included the preparation of two additional planning studies, an update of the

Wastewater Master Plan in 1994, and the preparation of the Wastewater Facilities Plan in 1997 and subsequent updates to that Facilities Plan in 1998 and 2000. The City has been proceeding with the capital expansion program presented in the Wastewater Facilities Plan, which is designed to increase wastewater collection, transmission, treatment, and disposal services to a significant portion of the land area within the City limits. The extension of treatment services on the Island can be best illustrated by the increasing number of lift stations over the Study Period. As shown on **Table** 1 and in **Chart 1**, there has been a 63% increase in the number of lift stations (50 added over the Study Period).

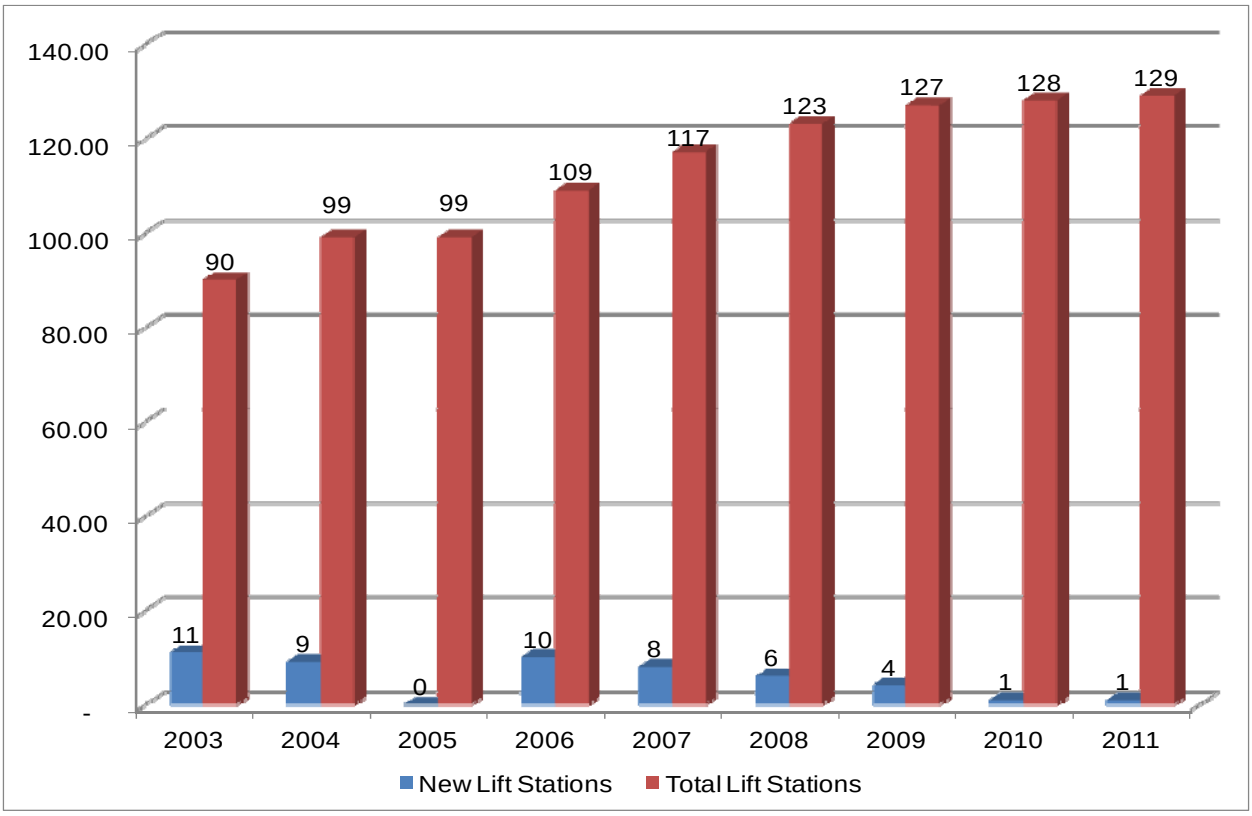


Chart 1. New and Cumulative Lift Stations

This capital expansion program is collectively referred to as the Sewer Expansion Program (the "Program"). Phase V, the most recent phase of the project to be completed, included the connection of 191 Equivalent Residential Units (ERUs) in Sanibel Bayous and 108 ERUs in Blind Pass Condos in July 2008. **Figure 1**, as provided by the City, presents the location of each of the phases of the Program.

Additionally, in 1991, the City adopted an automatic increase each year of three (3)

percent (3.0%) on all rates, fees, and charges. The purpose of this adjustment is to offset the effects of inflation and for the long-term financial sustainability of the Utility System.

2.0 SEWER EXPANSION PROGRAM

2.1 Capital Costs

The Preliminary Cost Estimate for the Program, as identified in the 1998 Water Facilities Plan Update was $40.18 million. This was based on initial pre-bid, pre-construction estimates as developed for the Utility by the City's Consulting Engineer (Hartman & Associates, Inc.). Currently, the City has incurred Capital Costs for the Program of $62.67 million with pending costs of $3.42 million, for total Program Costs of $66.09 million as detailed on **Schedule 1**.

As shown on **Schedule 1**, capital costs have increased by $25.91 million or 64.5% from the pre-bid, pre-construction initial estimate in 1998. These Program cost increases are primarily attributable to the following:

- The effluent line's modification to the deep well site for dual use so that irrigation water can be provided for customers along the line's route. This change included the addition of irrigation pumps, a 1.5 MG storage tank, laterals, and pressure reducing valves.
- The addition of odor control and noise abatement equipment as well as an upgrade to the pretreatment structure of mechanically cleaned bar screens.
- The modification to chlorine facilities and the chlorine feed system.
- The additional cost to construct facilities during the time weight restrictions were imposed on the Causeway.
- The escalating construction costs consistent with all building construction costs in Florida during the building boom up to 2006. Preliminary design estimates did not take into consideration this excessive inflation on construction costs.
- The modifications to Master Pump Station 3 including a generator, housing architecturally designed for compatibility with the neighborhood, and odor control equipment.

- The costs associated with acquiring, purchasing, and condemning utility easements on private roads.

- The costs associated with delays from the Citizen's Advisory Committee, procurement of easements, Causeway issues, and hurricanes.

- The plant modifications based on recommendations from the Citizen's Advisory Committee (Fiscal Year 2000) to utilize a modified two-plant option (originally to be one-plant option of the 2.5 MGD Donax Plant). These modifications included upsizing the transmission piping and modifying Master Pump Stations 1 & 2 to accommodate flow reversal. This decision was made primarily for emergency treatment for limited flow transfers from the Donax Plant, if treatment and/or transmission disruption occurs.

- Based on recommendations by LCEC for energy savings and surge protection, power factor correction devices and later variable frequency drives (VFDs) were installed on all four plant blowers, irrigation pumps, and deep well disposal pumps.

2.2 Funding

The City has utilized the State Revolving Fund (SRF) Loan Program through the Florida Department of Environmental Protection (FDEP) to fund the majority of the Sewer Expansion Program. SRF Loans typically have lower interest rates than Bonds and Bank Loans. The interest rate on these outstanding SRF Loans is approximately 3.0%. In addition to the SRF Loans, $3.5 million of the City's pooled cash was used to fund construction and improvements of the reuse system including the deep well and transmission to the deep well. The City also has outstanding Revenue Bonds that were used for acquisition of the system assets and other system improvements prior to the start of the Sewer Expansion Program. **Chart 2** below shows the outstanding debt service by type for the Study Period as detailed on **Schedule 2.**

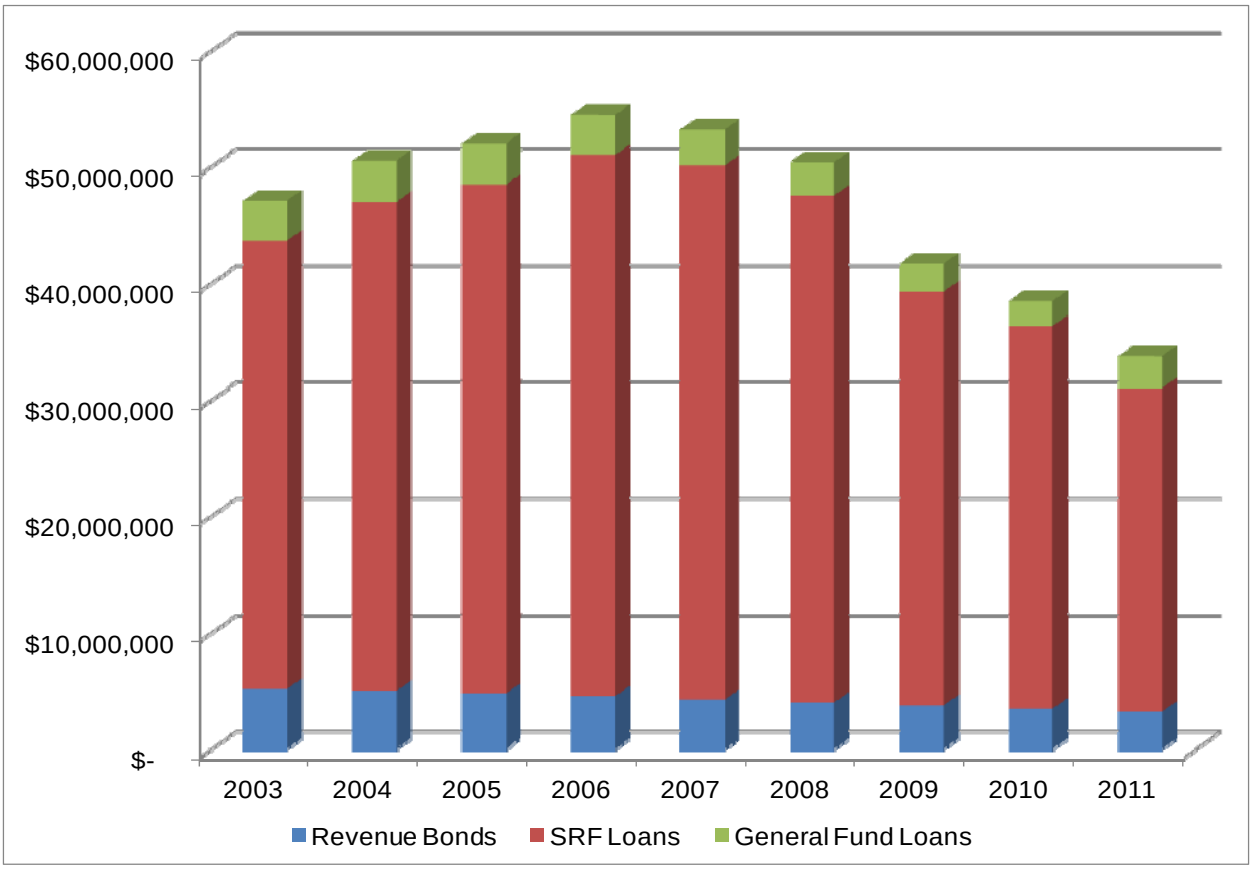


Chart 2. Outstanding Debt Service

2.3 Repayment Sources

The Program has been designed to equitably recover facility improvements through a series of customer and property owner charges. When the Program commenced, the City elected to dedicate $20.4 million from Ad Valorem Taxes to assist with pollution control activities, which benefit all residents of the City. In addition, each property owner in each Phase of the Program is required to pay, as improvements are completed, their appropriate fees, charges, and/or assessments from the following:

1. Plant Connection Fee based on facility costs for treatment and disposal expansion necessary to provide capacity for new connections.

2. Transmission Charge based on facility costs for transmission facilities required to serve the wastewater discharges from each property.

3. Special Assessment based on a percent of the gravity sewer line facility costs.

4. User Rates and Charges that provide operating revenues necessary to provide stability and bridge any shortfall resulting from the set funding requirements.

When the Program was initially undertaken, Special Assessments, Transmission Charges, and Connection Fees were anticipated to pay for approximately 50% of the capital costs of the Program with the remaining 50% to be funded through the use of Ad Valorem Taxes. The difference in Program Costs experienced by the City as the program has matured has resulted in the use of User Rates and Charges to supplement Ad Valorem Taxes to fund the remaining 50% of the Program.

3.0 ANNUAL OPERATING RESULTS

The financial and operating results discussed in **Section 3,** are based on information contained in the City's Comprehensive Annual Financial Reports for Fiscal Years 2003 through 2011, as well as information provided by City Staff.

3.1 Operating Revenues

The Utility's Operating Revenues are comprised of Charges for Services, Fines and Forfeitures, and Other Revenue/Miscellaneous. Charges for Services is the main source of revenue and includes charges for sewer service as well as charges for the sale of effluent (reuse). The Utility began selling reuse in 2004 and for Fiscal Year 2011 generated $292,893 in reuse revenues representing 5% of the total charges for services of $5,857,675 as shown on **Schedule 3**. Total Operating Revenues by source are shown on **Chart 3** below as detailed on **Schedule 3**. Total Operating Revenues for the Study Period have increased from $2,658,452 in FY 2003 to $5,937,048 in FY 2011.

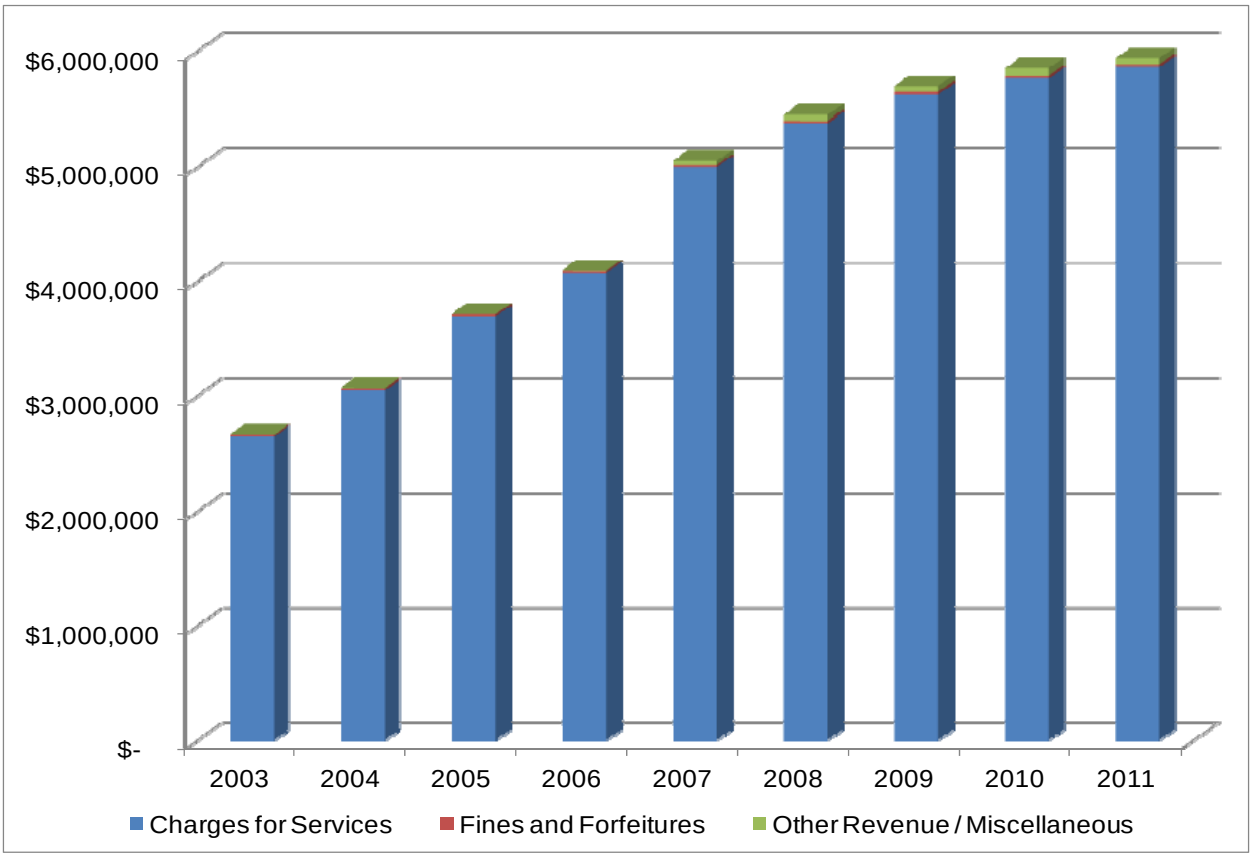


Chart 3. Operating Revenues

The growth shown in Operating Revenues is due to annual rate adjustments as well as customer growth. Customers of the Utility System are expressed as Sewer Equivalent Residential Units (ERUs) which converts non-residential customers to a residential equivalent. As shown on **Chart 4** below and summarized from **Table 1**, ERUs have increased from 7,106 in FY 2003 to 9,323 in FY 2011.

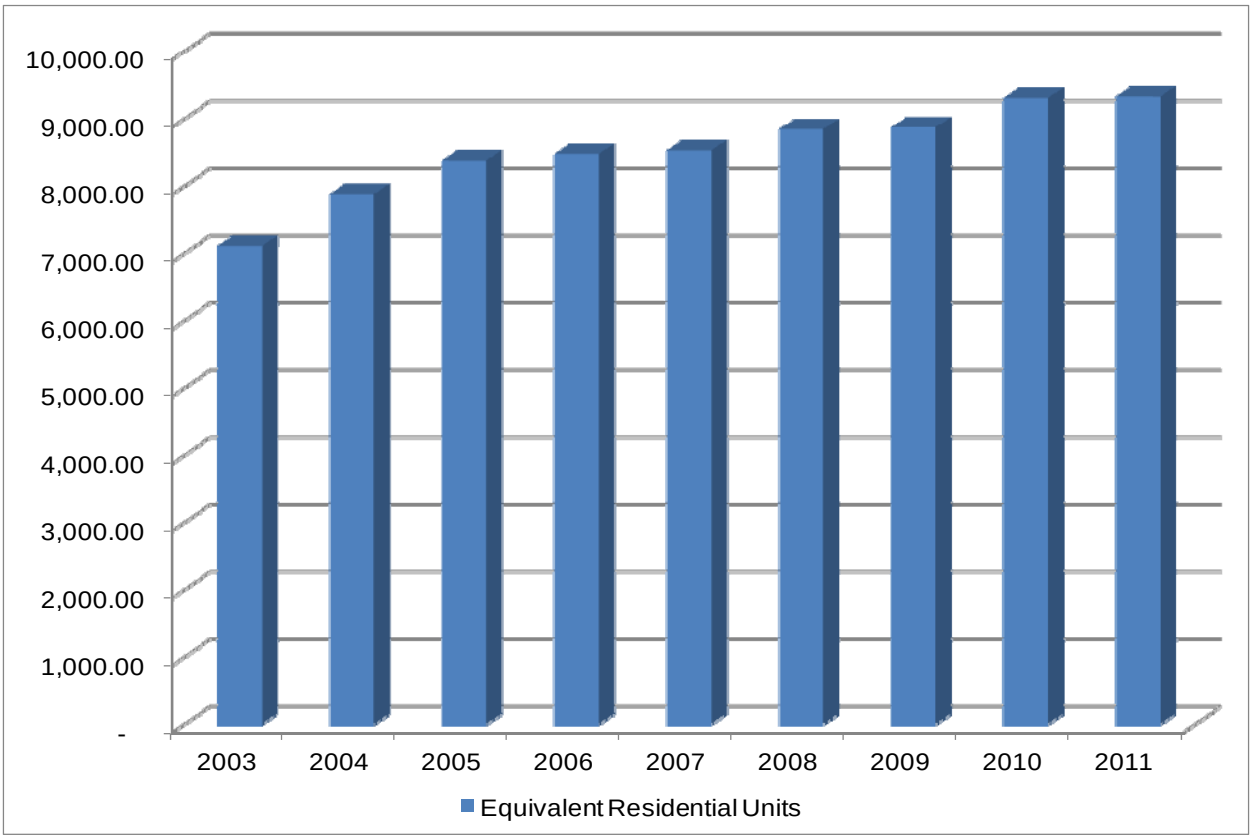


Chart 4. Equivalent Residential Units (ERUs)

3.2 Operating Expenses

The Utility's Operating Expenses are comprised of Personal Services; Contractual Services, Materials and Supplies; Utilities; Depreciation; Insurance; Administrative Charges; and Repairs and Maintenance. Total Operating Expenses by source are shown on **Chart 5** below as detailed on **Schedule 3**. Total Operating Expenses have ranged from $3,528,968 in FY 2003 to a high of $6,371,402 in FY 2009 and were $6,011,999 in FY 2011. The largest single Operating Expense Category is Depreciation, followed by Personal Services. **Table 1** provides a summary of the total operating expenses as summarized from **Schedule 3**. As shown on **Table 1**, operating expenses, exclusive of depreciation, have gone from $2,252,211 in FY 2003 to $3,548,471 in FY 2011.

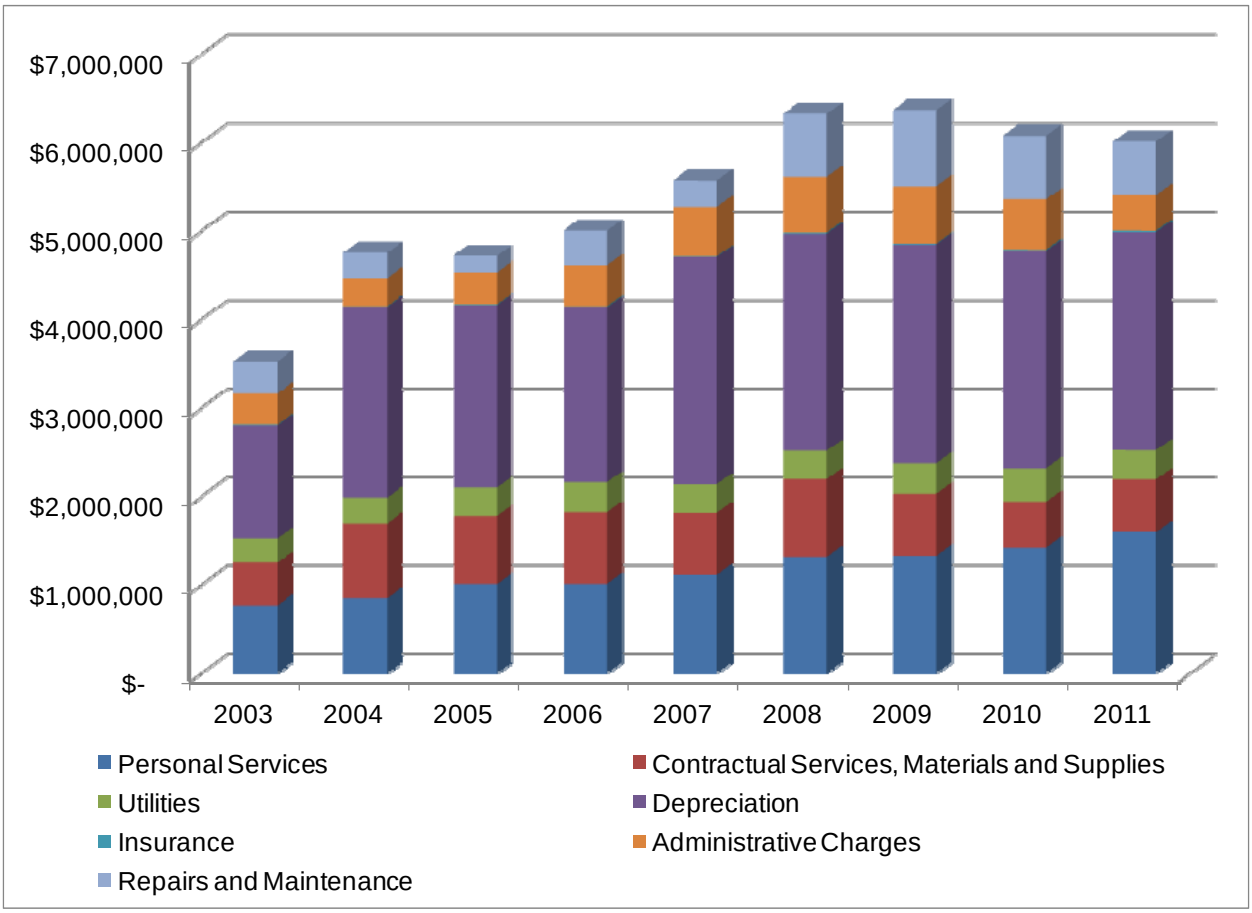


Chart 5. Operating Expenses

- **<u>Depreciation</u>** – Depreciation has ranged from $1,276,757 in FY 2003 to $2,463,528 in FY 2011.

- **<u>Personal Services</u>** – Personal Services is comprised of Salaries and Wages, Overtime, Special Pay, FICA Match, Worker's Compensation, and Unemployment Compensation; Retirement; and Cafeteria Benefits. The breakdown for each of these categories is detailed on **Schedule 4.** Total Salaries and Wages have increased from $631,542 in FY 2003 to $1,122,430 in FY 2011, a 77.73% increase. During that same time period, Retirement Benefits have increased from $67,659 to $253,631, a 274.87% increase and Cafeteria Benefits have increased from $68,229 to $221,482, a 224.62% increase. As these numbers indicate, the increased costs in Personal Services can primarily be attributed to the increases in Retirement and Cafeteria Benefits. **Chart 6** depicts the percentage increases in Personal Services by Major Category.

In addition to the detailed Personal Services Costs, the City tracks Full-Time Equivalent Employees (FTEs). This combines all full-time, part-time and administrative charge back hours and represents them as full-time employee equivalents based on standard full-time work week. As shown on **Table 1**, FTEs for the City's Utility Department have decreased from 19 in FY 2003 to 18.33 in FY 2011. Additionally, it should be noted that starting in FY 2011, the FTE number includes 0.25 FTEs for an accountant position transferred to the sewer fund from the finance department and 1.18 FTEs transferred from the public works department to the sewer fund to reflect work being done for this fund.

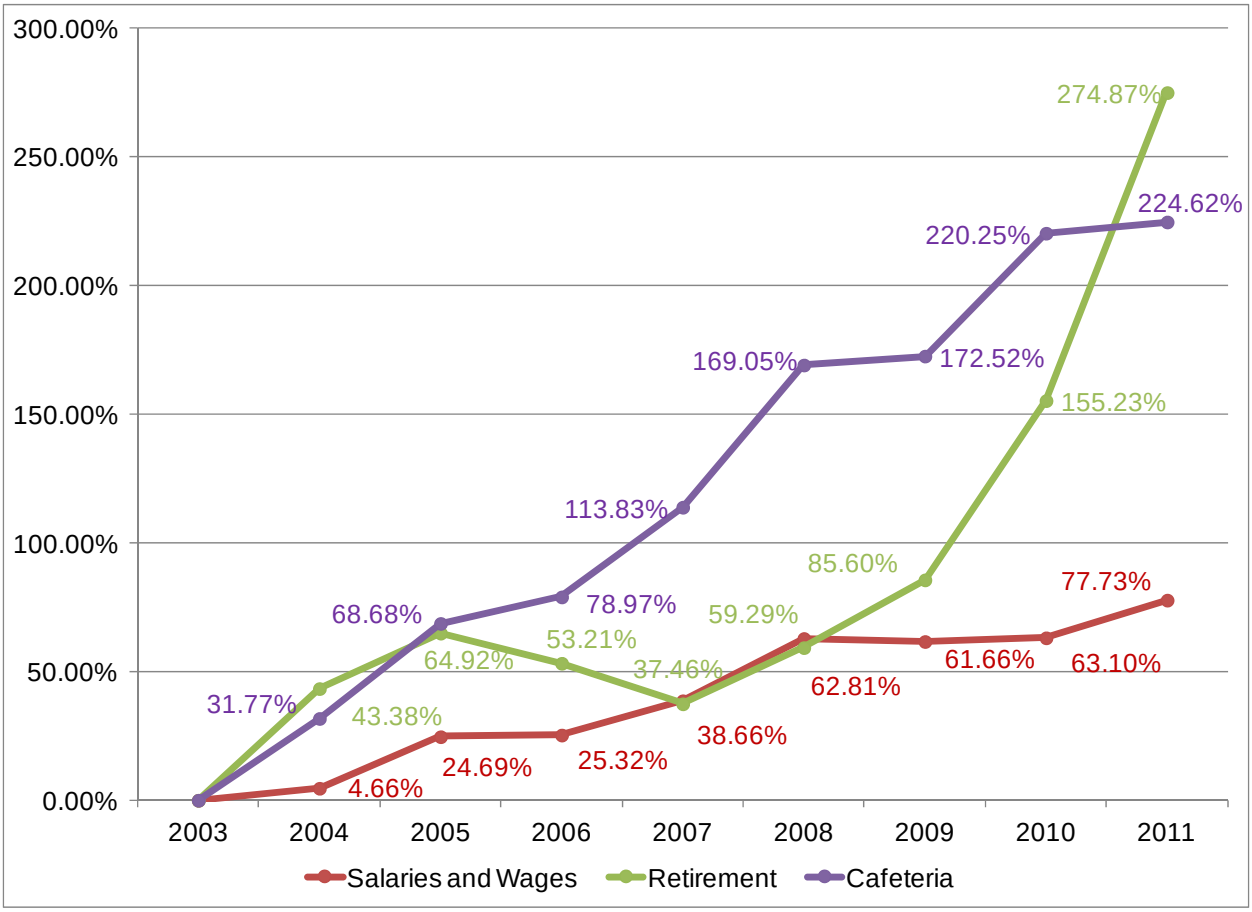


Chart 6. Personal Services Growth Percentages

- **<u>Repairs and Maintenance</u>** – Repairs and Maintenance costs have ranged from $365,391 in FY 2003 to $605,930 in FY 2011. Part of the Repairs and Maintenance Costs are associated with a Repairs and Maintenance Program undertaken by the Utility to address Infiltration and Inflow (I/I) issues throughout the older portions of

the System. Excessive I/I results in more flows being treated at the wastewater plant which results in higher chemical and power costs. The effects of the last several years of studies and repair work in key areas for I/I have shown a reduction in the average daily flows since 2008, when the most recent phase connected. As shown on **Table 1**, average daily sewer treatment went from 1,506 thousand gallons per day in FY 2008 to 1,122 thousand gallons per day in FY 2011. There are additional factors that influence flows such as occupancy rates and rainfall, making cost savings related to the I/I repairs difficult to estimate. Adding to this difficulty is the short time-period since the I/I repair work in key areas has been completed. While the exact cost savings relative to the I/I repair work is difficult to calculate, the savings expected from the reduction in flows is fairly straight forward. As estimated by City Staff, the cost savings to treat and transport each one-hundred thousand gallons per day is $182,500 per year.

- **Contractual Services, Materials, and Supplies** – Contractual Services, Materials and Supplies costs have ranged from $482,717 in FY 2003 to $594,912 in FY 2011.

- **Administrative Charges** – Administrative Charges include indirect cost allocations for non-utility City Staff time such as the Finance Staff, City Manager, IT, etc.; general insurance; building overhead, etc. Administrative Charges have ranged from $354,249 in FY 2003 to $405,049 in FY 2011.

- **Utilities** – Utilities costs have ranged from $272,647 in FY 2003 to $329,801 in FY 2011.

- **Insurance** – Insurance costs have ranged from $9,777 in FY 2003 to $16,076 in FY 2011.

When discussing utility system expenses, an informative metric is the dollar amount of Operations and Maintenance Expense spent per ERU. **Chart 7** shows the Operations and Maintenance Expense less depreciation per ERU as detailed on **Table 1**.

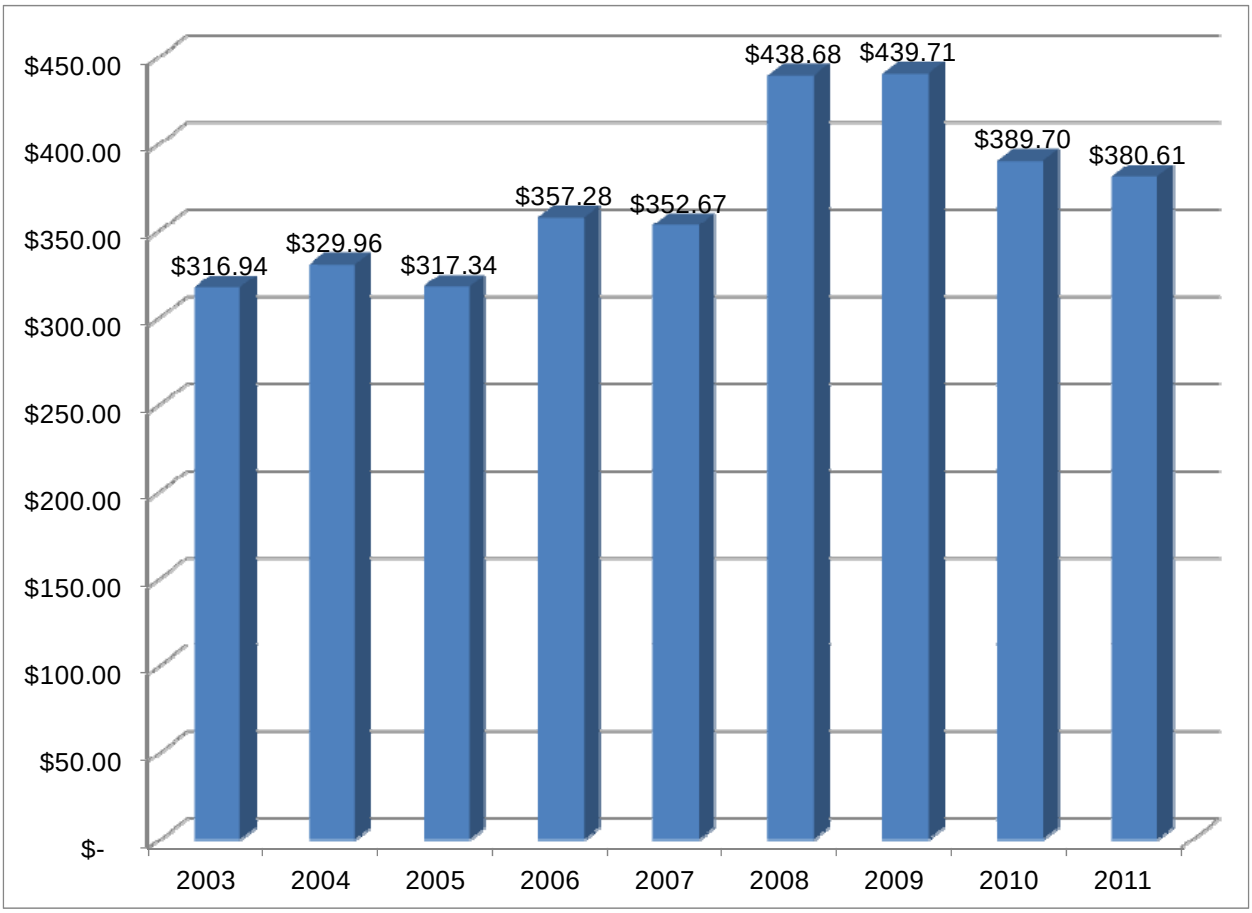


Chart 7. Total Operations and Maintenance Expenses (less depreciation) Per ERU

3.3 Debt Service Payment

As previously discussed, the Utility has utilized three (3) primary sources for capital funding: 1) Revenue Bonds, 2) SRF Loans, and 3) Loans from the City's General Fund. Annual payments on the Debt Service are shown below on **Chart 8** as detailed on **Schedule 2.** Debt Service payments have ranged from $3,018,803 in FY 2003 to $3,950,560 in FY 2011. **Chart 9** depicts the repayment sources associated with the annual debt service payments as summarized from **Schedule 2.**

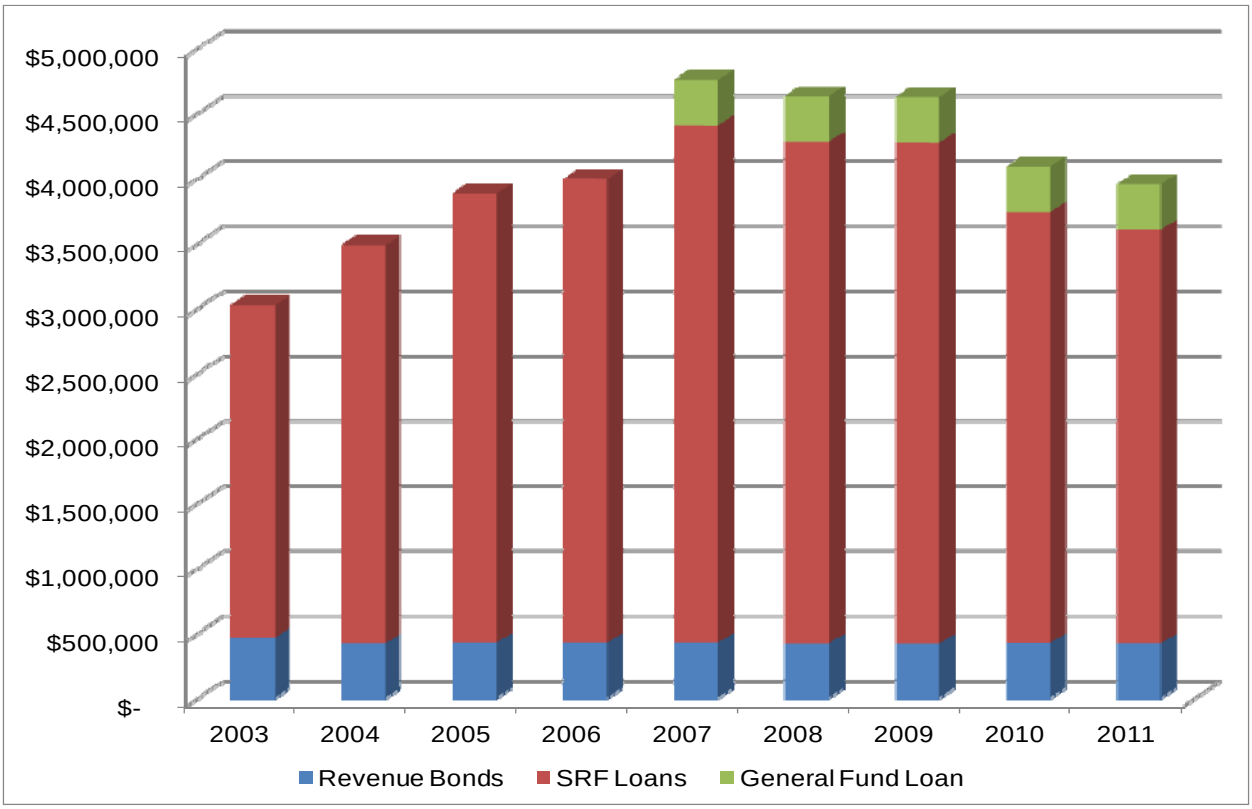


Chart 8. Debt Service Payments

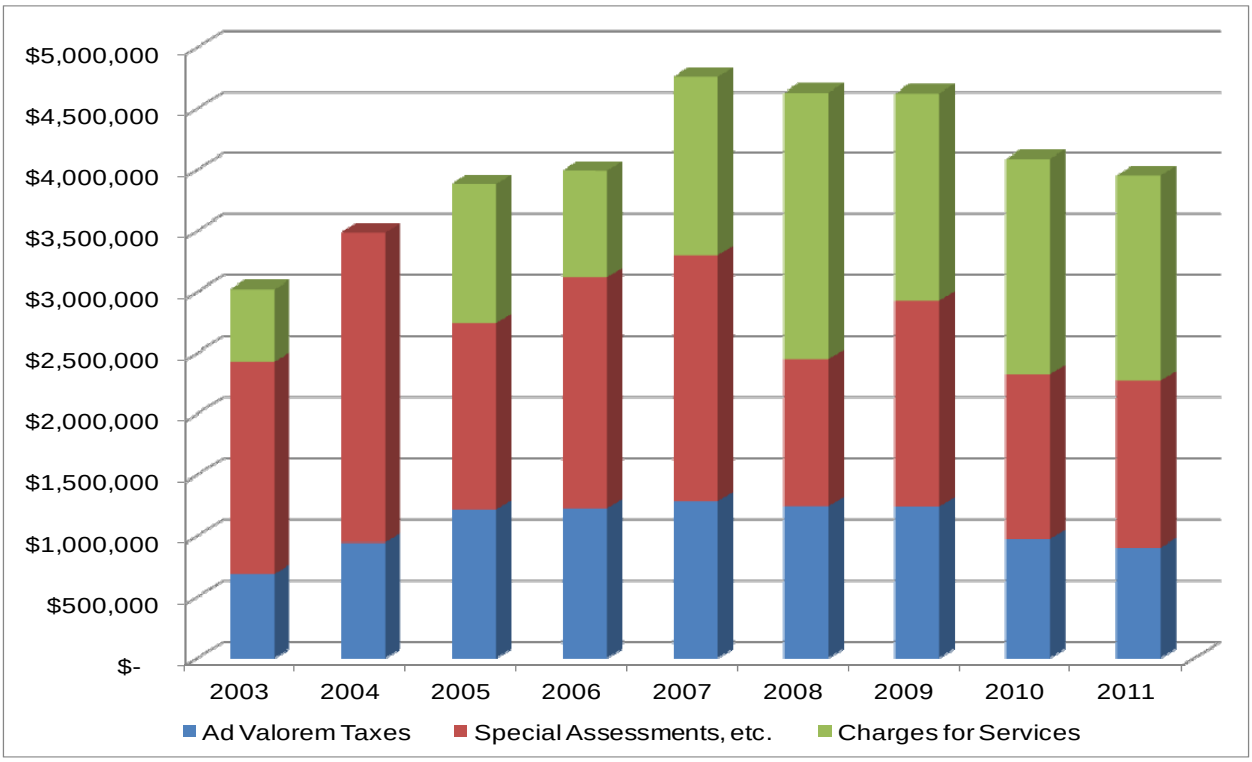


Chart 9. Debt Service Payment Funding Sources

4.0 RATE ADJUSTMENTS

As previously discussed, the actual Program Costs are 64.5% higher than the pre-bid, pre-construction initial estimate in 1998. As the costs have escalated, the City has had to raise rates in excess of inflation to fund the Program. These additional rate increases above inflation were 12% in 2005 (15% total rate increase) and 17% in 2007 (20% total rate increase). One of the main reasons for the additional increase in 2005 was due to the hurricanes in FY 2004 and potential impacts of regulatory changes on the System, prompting the City to establish restricted reserve funds for these purposes in FY 2005. A factor in the 2007 rate increase was the previously discussed General Fund Loan of approximately $3.5 million of the City's pooled cash to fund construction and improvements of the reuse system, including the deep well injection system. Starting in FY 2007, the City Council adopted a 10-year repayment schedule for these advances with a $350,000 payment budgeted annually (this amount has been adjusted to $275,000 beginning in FY 2012).

After completion of the 2009 Feasibility Study, the City paid off the SRF Debt Service associated with the Phase IIA project utilizing available balances in the ad valorem tax fund, associated debt service reserve fund, and other unrestricted cash. This was recommended as an option to the City as it helped mitigate the amount of the FY 2010 rate increase that would have been needed to meet coverage requirements of the then outstanding debt. Since that time, the City has paid down additional debt service, when resources are available, to continue to mitigate the rate increases needed to meet coverage. The funds for paying down the debt service primarily come from prepaid assessments. The repayment schedule for the assessment program was set at 20 years to match typical debt service requirements on loans. As shown on **Table 1,** there are a substantial number of customers that have prepaid their assessments, thereby allowing the City to pay off associated debt.

For FY 2011, the City Council elected to not adopt the 3.0% inflationary adjustment to the Sewer Rates and Charges. The rate increases for the Study Period are shown on **Table 1**. **Schedule 5** presents the historic results for the National Consumer Price Index for all Urban Consumers from 1982 through 2011, based on the average annual index. As shown, the historical 30-year average of the Consumer Price Index is 3.07%, which supports the 3.0% annual automatic rate increase adopted in 1991.

5.0 SUMMARY

Since the acquisition of the System in 1991, the City has worked to minimize rate shock and excessive rate increases by adopting an annual inflationary rate adjustment of 3.0% as well as seeking out low interest financing for its Sewer Expansion Program through the State Revolving Loan Fund as well as the General Fund. Where financially feasible, the City has made the decision to pay down a portion of this debt to minimize rate increases needed to meet the City's annual coverage requirements on the outstanding System debt.

We appreciate the opportunity to be of service in this matter and look forward to assisting the City with the completion of the Sewer Expansion Program.

Very truly yours,
GAI Consultants, Inc.

Tara Hollis

Tara L. Hollis, C.P.A., M.B.A.
Environmental Group Manager

Attachments

cc: Judie Zimomra, City of Sanibel
Sylvia Edwards, City of Sanibel

TABLE, SCHEDULES AND FIGURE

TABLE 1
Summary Financial and Operating Data
City of Sanibel

Description	Fiscal Year 2003	2004	2005	2006	2007	2008	2009	2010	2011
Operating Revenues	$ 2,658,452	$ 3,068,264	$ 3,713,482	$ 4,096,335	$ 5,051,569	$ 5,445,307	$ 5,694,967	$ 5,850,009	$ 5,937,048
Operating Expenses Excluding Depreciation	$ 2,252,211	$ 2,599,767	$ 2,656,467	$ 3,024,699	$ 3,003,673	$ 3,875,735	$ 3,897,626	$ 3,624,996	$ 3,548,471
Depreciation	1,276,757	2,154,893	2,064,299	1,977,783	2,566,757	2,450,558	2,473,776	2,455,654	2,463,528
Total Operating Expenses	$ 3,528,968	$ 4,754,660	$ 4,720,766	$ 5,002,482	$ 5,570,430	$ 6,326,293	$ 6,371,402	$ 6,080,650	$ 6,011,999
Operating Expenses Excluding Depreciation per ERU	$ 316.94	$ 329.96	$ 317.34	$ 357.28	$ 352.67	$ 438.68	$ 439.71	$ 389.70	$ 380.61
Annual Rate Increase	3.00%	3.00%	15.00%	3.00%	20.00%	3.00%	3.00%	3.00%	0.00%
CPI	2.28%	2.66%	3.39%	3.23%	2.85%	3.84%	-0.36%	1.64%	3.14%
Debt Service Paid	$ 2,484,887	$ 3,455,593	$ 3,863,461	$ 4,054,219	$ 4,405,897	$ 4,085,430	$ 9,867,111	$ 4,181,912	$ 6,560,620
Full Time Equivalents	19.00	21.00	20.00	18.00	17.25	17.00	17.00	16.57	18.33
Average daily sewage treatment (thousands of gallons)	1,116.00	1,242.00	1,478.00	1,356.00	1,355.00	1,506.00	1,396.00	1,515.00	1,122.00
Placement of new collection pipe (linear feet)	67,000.00	-	40,570.00	43,000.00	3,960.00	-	-	-	1,120.00
New Lift Stations	11.00	9.00	-	10.00	8.00	6.00	4.00	1.00	1.00
Total Lift Stations	90.00	99.00	99.00	109.00	117.00	123.00	127.00	128.00	129.00
Sewer equivalent residential units (ERU) (1)	7,106.00	7,879.00	8,371.00	8,466.00	8,517.00	8,835.00	8,864.00	9,302.00	9,323.00
Number of Financed Assessments Paid In Full	112.00	200.00	71.00	113.00	91.00	63.00	63.00	90.00	85.00

Special Assessments	Total # of Assessed Properties	Prepaid Assessments	Financed Assessments: Initial	Paid In Full as of 9/30/11	Remaining on Installments
Phase 1	489	120	369	208	161
Phase 2A	58	4	54	26	28
Phase 2B	550	75	475	251	224
Phase 2C	720	133	587	296	291
Phase 3A	489	136	353	92	261
Phase 3B	346	64	282	60	222
Phase 5	295	52	243	22	221
Totals	2,947	584	2,363	955	1,408

Note: (1) New method of calculating ERUs in FY10 based upon estimated 240 gallons of wastewater generation per ERU

SCHEDULE 1
Sewer System Expansion Program
Project Costs
City of Sanibel

		Project Costs (Million Dollars) (1)		
		Initial Plan 1998 (2)	Projects Completed	Projects Pending
Phase I Neighborhood Collection System	(3)	$ 6.23	$ 6.39	
Phase IIA A Donax-Wulfert Point Water Reclamation Facility Transmission Main; Rabbit Road Collection System		$ 2.76	$ 6.60	
Phase II Donax Water Reclamation Facility Upgrade and Expansion		$ 10.79	$ 16.14	
Phase IIB Neighborhood Collection System: East Area of City		$ 3.78	$ 5.64	
Phase IIC Neighborhood Collection System: Gulf Drive Area		$ 3.78	$ 8.54	
Phase IIIA Neighborhood Collection System: West Area of City		$ 7.06	$ 6.54	
Phase IIIB Neighborhood Collection System: West Area of City	(4)	$ -	$ 7.80	
Phase IV Neighborhood Collection System: Low Density Area		$ -		$ 1.42
Phase V Neighborhood Collection: Sanibel Bayous	(5)	$ -	$ 0.56	
Effluent Disposal System		$ 5.78	$ 4.46	$ 2.00
Total Project Costs		$ 40.18	$ 62.67	$ 3.42

(1) Costs for Project Completed include costs capitalized by the City as well as costs associated with the acquisition of easements as provided by the City.
(2) Initial plan in 1998 not done in the same phases but shown for comparison purposes where they would fall based on work.
(3) Phase I was not shown in the 1998 initial plan but is included here as the decision was made to include the Phase I costs as part of the "plan".
(4) Previously referred to in one phase (Phase III).
(5) Not included in initial plan.

SCHEDULE 2
Debt Service
City of Sanibel

Description	Fiscal Year Ending September 30, 2003	2004	2005	2006	2007	2008	2009	2010	2011
Outstanding Debt Service									
Revenue Bonds (1)	$ 5,243,332	$ 5,054,392	$ 4,833,446	$ 4,604,875	$ 4,287,269	$ 4,038,193	$ 3,784,120	$ 3,520,045	$ 3,250,970
State Revolving Fund Loans (1)	38,366,668	41,933,215	43,675,528	46,395,288	45,797,920	43,522,246	35,492,474	32,855,365	27,752,296
General Fund Loans (3)	3,500,000	3,500,000	3,500,000	3,500,000	3,150,000	2,800,000	2,450,000	2,100,000	2,750,000
Total Debt Service Outstanding	$ 47,110,000	$ 50,487,607	$ 52,008,974	$ 54,500,163	$ 53,235,189	$ 50,360,439	$ 41,726,594	$ 38,475,410	$ 33,753,266
Total Debt Service Paid									
Revenue Bonds (2)	$ 463,874	$ 417,409	$ 422,409	$ 422,209	$ 421,909	$ 416,509	$ 415,839	$ 419,651	$ 417,241
SRF Loans (2)	2,554,929	3,067,095	3,457,383	3,568,556	3,981,472	3,860,245	3,854,687	3,315,304	3,183,319
General Fund Loan (3)	-	-	-	-	350,000	350,000	350,000	350,000	350,000
Total	$ 3,018,803	$ 3,484,504	$ 3,879,792	$ 3,990,765	$ 4,753,381	$ 4,626,754	$ 4,620,526	$ 4,084,955	$ 3,950,560
Repayment Sources									
Ad Valorem Taxes (3)	$ 688,799	$ 944,883	$ 1,215,848	$ 1,225,068	$ 1,285,188	$ 1,242,655	$ 1,239,878	$ 970,185	$ 904,190
Special Assessments, etc. (3)	1,738,785	2,539,621	1,524,891	1,886,892	2,010,321	1,206,139	1,686,480	1,352,555	1,366,404
Charges for Services (3)	591,219	-	1,139,053	878,805	1,457,872	2,177,960	1,694,168	1,762,215	1,679,966
Total	$ 3,018,803	$ 3,484,504	$ 3,879,792	$ 3,990,765	$ 4,753,381	$ 4,626,754	$ 4,620,526	$ 4,084,955	$ 3,950,560

Notes:
(1) Source: Comprehensive Annual Financial Report Statement of Net Assets.
(2) Source: Comprehensive Annual Financial Report Notes to the Financial Statements.
(3) Provided by City Staff.

SCHEDULE 3
Historical Statement of Revenues and Expenses and Statement of Cash Flows
City of Sanibel

	Fiscal Year								
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
					STATEMENT OF REVENUE AND EXPENSES				
Operating Revenue									
Charges for Services	$ 2,642,335	$ 3,044,651	$ 3,694,359	$ 4,075,568	$ 5,000,214	$ 5,374,969	$ 5,620,158	$ 5,761,971	$ 5,857,675
Licenses and Permits	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	15,889	21,984	18,965	16,600	16,008	23,712	24,168	24,057	25,810
Other Revenue / Miscellaneous	228	1,629	158	4,167	35,347	46,626	50,641	63,981	53,563
Total Operating Revenue	$ 2,658,452	$ 3,068,264	$ 3,713,482	$ 4,096,335	$ 5,051,569	$ 5,445,307	$ 5,694,967	$ 5,850,009	$ 5,937,048
Operating Expenses									
Personal Services	$ 767,430	$ 847,864	$ 1,014,117	$ 1,017,242	$ 1,114,565	$ 1,319,556	$ 1,332,452	$ 1,421,226	$ 1,597,543
Contractual Services, Materials and Supplies	482,717	848,027	765,154	803,408	698,848	876,900	699,190	521,376	594,912
Utilities	272,647	292,954	322,319	340,288	325,201	319,070	344,860	378,328	329,801
Depreciation	1,276,757	2,154,893	2,064,299	1,977,783	2,566,757	2,450,558	2,473,776	2,455,654	2,463,528
Insurance	9,777	9,937	9,947	14,573	8,847	14,969	8,785	16,362	16,076
Administrative Charges	354,249	318,563	359,239	460,914	557,889	628,600	648,622	565,022	405,049
Repairs and Maintenance	365,391	282,422	185,691	388,274	298,323	716,640	863,717	722,682	605,090
Total Operating Expenses	$ 3,528,968	$ 4,754,660	$ 4,720,766	$ 5,002,482	$ 5,570,430	$ 6,326,293	$ 6,371,402	$ 6,080,650	$ 6,011,999
Operating Income (Loss)	$ (870,516)	$ (1,686,396)	$ (1,007,284)	$ (906,147)	$ (518,861)	$ (880,986)	$ (676,435)	$ (230,641)	$ (74,951)
Non-Operating Revenue (Expense)									
Taxes	$ 1,344,129	$ 1,263,404	$ 925,113	$ 1,019,678	$ 1,131,789	$ 1,175,625	$ 1,244,143	$ 1,241,407	$ 1,007,540
Investment Earnings / Interest Income	275,731	126,047	288,691	501,917	722,714	250,225	(43,772)	407,100	261,116
Special Assessment Interest Income	60,830	260,110	176,247	703,054	5,566	325,772	345,676	306,914	315,670
Insurance Proceeds on Loss	2,424								
Intergovernmental	-	3,807	50,000	-	555,312	155,966	-	-	-
Gain (loss) on Disposition of Equipment	8,270	-			537,412	11,640			13,196
Interest Expense and Fiscal Charges	(665,048)	(1,478,156)	(1,588,920)	(1,708,504)	(1,396,592)	(1,784,579)	(1,492,875)	(1,271,754)	(1,170,496)
Total Non-Operating Revenue (Expenses)	$ 1,026,336	$ 175,212	$ (148,869)	$ 516,145	$ 1,556,201	$ 134,649	$ 53,172	$ 683,667	$ 427,026
Change in Net Assets Before Contributions and Transfers	$ 155,820	$ (1,511,184)	$ (1,156,153)	$ (390,002)	$ 1,037,340	$ (746,337)	$ (623,263)	$ 453,026	$ 352,075
Capital Contributions	$ 4,290,064	$ 200,578	$ 4,801,626	$ 134,637	$ 100,952	$ 686,775	$ 1,912,990	$ 61,500	$ 106,327
Transfers In	-	-	-	-	-	175,002	-	-	-
Change in Net Assets	$ 4,445,884	$ (1,310,606)	$ 3,645,473	$ (255,365)	$ 1,138,292	$ 115,440	$ 1,289,727	$ 514,526	$ 458,402
Total Net Assets (Beginning of Year)	20,071,997	24,517,881	23,207,275	26,852,748	26,597,383	$ 27,735,675	27,851,116	29,140,843	29,655,369
Total Net Assets (End of Year)	$ 24,517,881	$ 23,207,275	$ 26,852,748	$ 26,597,383	$ 27,735,675	$ 27,851,116	$ 29,140,843	$ 29,655,369	$ 30,113,771

SCHEDULE 3
Historical Statement of Revenues and Expenses and Statement of Cash Flows
City of Sanibel

	Fiscal Year								
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
					STATEMENT OF CASH FLOWS				
Cash Flows from Operating Activities:									
Cash received from customers	$ 2,595,298	$ 3,044,445	$ 3,643,670	$ 4,178,868	$ 4,857,825	$ 5,603,073	$ 5,682,898	$ 5,810,740	$ 5,930,301
Cash payments to suppliers	(1,452,662)	(1,670,214)	(1,413,162)	(2,606,125)	(2,137,246)	(2,649,637)	(2,589,654)	(2,203,797)	(1,942,104)
Cash payments to employees	(785,047)	(837,973)	(1,000,168)	(1,036,263)	(1,114,431)	(1,297,316)	(1,304,546)	(1,428,085)	(1,565,142)
Net cash provided by operating activities	357,589	536,258	1,230,340	536,480	1,606,148	1,656,120	1,788,698	2,178,858	2,423,055
Cash Flows from Non-Capital Financing:									
Advances from other funds, net	(1,144,935)	2,059,826	(614,147)	(15,940)	(350,000)	(350,000)	(350,000)	(350,000)	650,000
Subsidy from local agency grants	-	3,808	50,000	-	(6,833)	718,111	-	-	-
Net cash provided (used) by noncappital financ	(1,144,935)	2,063,634	(564,147)	(15,940)	(356,833)	368,111	(350,000)	(350,000)	650,000
Cash Flows from Capital and Related Financing Activities:									
Collection of taxes for bond debt service	1,344,129	1,263,404	925,113	1,019,678	1,131,789	1,175,625	1,244,143	1,241,407	1,007,540
Proceeds from debt issued	14,499,063	5,363,802	3,823,589	4,773,248	1,927,833	-	-	-	-
Capital contributions	192,785	200,578	163,137	134,637	100,952	861,777	470,333	61,500	106,327
Collection of special assessments	1,755,357	2,311,752	1,466,075	1,880,755	1,473,755	889,514	870,474	945,184	953,704
Acquisition and construction of capital assets	(8,710,140)	(6,603,062)	(2,564,643)	(3,983,135)	(2,126,098)	(2,027,892)	(148,539)	(142,150)	(188,396)
Payment to refunding escrow agent	(5,656,119)	-	-	-	-	-	-	-	-
Principal payments on debt	(1,569,671)	(2,047,255)	(2,341,276)	(2,343,119)	(2,842,807)	(2,524,749)	(8,304,772)	(2,922,109)	(5,393,069)
Interest paid	(915,216)	(1,408,338)	(1,522,185)	(1,711,100)	(1,563,090)	(1,560,681)	(1,562,339)	(1,259,803)	(1,167,551)
Premium paid for early bond redemption	(52,900)	-	-	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-	-	-	-
Disposition of assets	-	-	-	-	537,412	11,640	-	-	17,982
Net cash provided (used) by capital and related financing activities	887,288	(919,119)	(50,190)	(229,036)	(1,360,254)	(3,174,766)	(7,430,700)	(2,075,971)	(4,663,463)
Cash Flows from Investing Activities									
Purchase of investments	-	37,655	-	-	-	(5,229,470)	(563,565)	(1,550,000)	(76,806)
Proceeds from sales and maturities of investm	63,193	-	15,904	8,731	6,629	-	5,122,402	255,772	179,720
Interest and dividends received	269,080	336,115	288,691	501,917	722,714	575,997	361,722	335,098	440,405
Net cash provided by investing activities	332,273	373,770	304,595	510,648	729,343	(4,653,473)	4,920,559	(959,130)	543,319
Net increase in cash and cash equivalents	432,215	2,054,543	920,598	802,152	618,404	(5,804,008)	(1,071,443)	(1,206,243)	(1,047,089)
Cash and cash equivalents-beginning	7,360,802	7,793,017	9,847,560	10,768,158	11,570,310	$ 12,188,714	6,384,705	5,313,262	4,107,019
Cash and cash equivalents-ending	$ 7,793,017	$ 9,847,560	$ 10,768,158	$ 11,570,310	$ 12,188,714	$ 6,384,706	$ 5,313,262	$ 4,107,019	$ 3,059,930

Source: City of Sanibel Comprehensive Annual Financial Reports

SCHEDULE 4
Personal Services Detail
City of Sanibel

Description	Fiscal Year 2003	2004	2005	2006	2007	2008	2009	2010	2011
PERSONAL SERVICES									
Salaries & Wages									
Full-time*	$ 549,372	$ 576,602	$ 688,752	$ 687,187	$ 737,418	$ 838,299	$ 813,091	$ 805,640	$ 896,973
Part-time	-	-		2,156	-	6,477	8,356	31,839	33,953
Salary Adjustments	-	-					-	-	-
Requested positions	-	-	-	-	-	-	-	-	-
Overtime	30,015	29,972	36,898	37,914	60,776	92,911	85,091	85,084	88,294
Special Pay	1,377	1,840	3,203	4,171	9,932	12,359	17,356	22,729	12,812
FICA Match	45,068	44,472	54,371	54,863	60,945	71,943	69,988	71,923	78,714
Workers' Comp	5,710	4,696	4,222	3,805	6,593	6,080	27,055	12,823	11,684
Unemployment Comp	-	3,364	-	1,375	-	147	-	-	-
Subtotal Salaries and Wages	$ 631,542	$ 660,946	$ 787,446	$ 791,471	$ 875,665	$ 1,028,215	$ 1,020,937	$ 1,030,038	$ 1,122,430
Retirement	67,659	97,010	111,584	103,660	93,004	107,771	125,577	172,686	253,631
Cafeteria Benefits	68,229	89,908	115,087	122,112	145,895	183,570	185,939	218,502	221,482
TOTAL PERSONAL SERVICES	$ 767,430	$ 847,864	$ 1,014,117	$ 1,017,243	$ 1,114,565	$ 1,319,556	$ 1,332,453	$ 1,421,226	$ 1,597,543

Source: City of Sanibel Finance Department.

SCHEDULE 5
Historical National Consumer Price Index
All Urban Consumers - U.S. City Average

Year	Index (Annual Average)
1982	6.16%
1983	3.21%
1984	4.32%
1985	3.56%
1986	1.86%
1987	3.65%
1988	4.14%
1989	4.82%
1990	5.40%
1991	4.21%
1992	3.01%
1993	2.99%
1994	2.56%
1995	2.83%
1996	2.95%
1997	2.29%
1998	1.56%
1999	2.21%
2000	3.36%
2001	2.85%
2002	1.58%
2003	2.28%
2004	2.66%
2005	3.39%
2006	3.23%
2007	2.85%
2008	3.84%
2009	-0.36%
2010	1.64%
2011	3.14%
30-Year Average	3.07%

PHASE I
PHASE IIA
PHASE IIB
PHASE IIC
PHASE IIIA
PHASE IIIB
PHASE IV LOW PRESSURE
PHASE V SANIBEL BAYOUS

CITY OF SANIBEL UTILITY DEPARTMENT
SANIBEL SEWER SYSTEM EXPANSION PROJECT

SCALE 1"=2000'

PHASE MAP

Designed by:

	BY:	DATE:
CHECKED		
QC APPROVAL		
FILE:		

NO.	REVISIONS	DATE

DATE: _____

DRAWING FILE phase map.dwg

FIGURE 1

SHEET ____ OF ____