



City of Tarpon Springs

FY 2010 Water & Wastewater Revenue Sufficiency Analysis Update

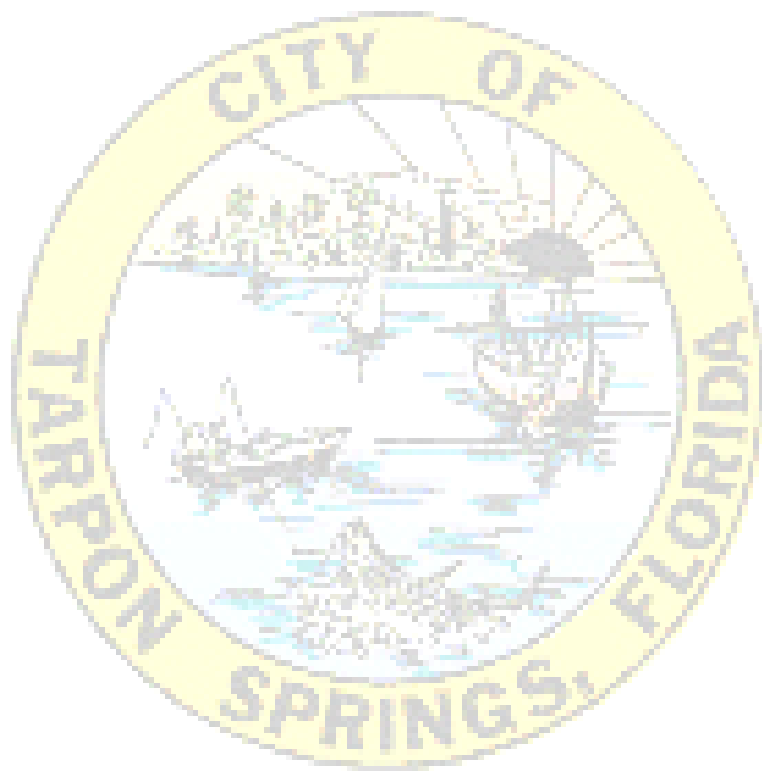
Final Report

March 11, 2011

Prepared by:

BURTON & ASSOCIATES

UTILITY RATES ■ ASSESSMENTS ■ FINANCIAL PLANNING



BURTON & ASSOCIATES

March 11, 2011

Ms. Arie Walker
Finance Director
City of Tarpon Springs
324 East Pine St.
Tarpon Springs, FL 34688-5004

Re: FY 2010 Water & Wastewater Revenue Sufficiency Analysis Update

Dear Ms. Walker:

Burton & Associates is pleased to present this Final Report of the FY 2010 Water & Wastewater Revenue Sufficiency Analysis Update that we have performed for the City's Water and Wastewater Enterprise Fund.

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

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

Sincerely,



Andrew J. Burnham
Senior Vice President

Enclosure

BURTON & ASSOCIATES

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SECTION 1. INTRODUCTION

Burton & Associates has conducted a Water & Wastewater Revenue Sufficiency Analysis Update for the City of Tarpon Springs Water & Wastewater Systems (Utility). This report describes in detail the assumptions, procedures, results, as well as the conclusions and recommendations of the RSA.

1.1 BACKGROUND

In 2008, Burton & Associates performed a Revenue Sufficiency Analysis (RSA) for the City of Tarpon Springs (City) from which a multi-year plan of annual water and wastewater rate adjustments was developed and ultimately approved by the City's Board of Commissioners. These approved annual rate adjustments were determined sufficient to generate the annual water and wastewater rate revenues necessary to satisfy the annual operating and capital requirements of the Utility through FY 2017, including construction of the Alternative Water Project (AWP). See Table 1.1 for approved annual water and wastewater rate adjustments.

However, upon completion of the FY 2008 RSA, the Utility experienced significant changes in circumstance that negatively impacted the adequacy of the approved annual water and wastewater rate adjustments; including, (1) the economic downturn, which contributed to reduced billed water and wastewater volumes, as well as a significant reduction in near-term customer growth, (2) water use restrictions that also contributed to a sizable reduction in billed water and wastewater volumes¹, (3) greater than initially projected purchased water costs resulting from increases in approved and projected

¹ FY 2009 water and wastewater rate revenues were approximately 6% less than projected in the FY 2008 RSA, due to reductions in volume.

Pinellas County wholesale water rates², and (4) a change in the timing of the AWP³. In light of these changes in circumstance, the City again retained the services of Burton & Associates in 2009 to conduct an RSA Update for the Utility that would determine if the approved annual water and wastewater rate adjustments were still sufficient to satisfy the annual requirements of the Utility and, if not, to determine a new plan of incremental increase above the approved plan that would satisfy the Utility's projected requirements.

Per the results of the FY 2009 RSA Update, it was determined that the approved multi-year plan of annual water and wastewater rate adjustments would not be sufficient to satisfy the projected annual operating and capital requirements of the Utility, through FY 2019 (the last year of the approved plan). As such, it was determined (and ultimately approved by Board of Commissioners) that an incremental 2.00% annual increase above the approved multi-year plan of annual water and wastewater rate adjustments, as well as annual rate adjustments of 6.75% in FY 2018 and FY 2019, would be necessary to satisfy the requirements of the Utility. See Table 1.2 for approved annual water and wastewater rate adjustments.

Since completing the FY 2009 RSA Update, the City has continued to experience some of the same negative pressures that had impacted the City after completing the FY 2008 RSA, including:

1. Continued Economic Downturn – The current economy continues to contribute to reduced water consumption and wastewater flow volumes, resulting in reduced

² In 2009, Pinellas County approved an 8.00% increase in FY 2010 wholesale water rates, compared to a 6.00% increase assumed in the FY 2008 RSA. Furthermore, FY 2011 and FY 2012 projected wholesale water rate increases (per the Rate Study completed in 2009 for the County) were 13.00% per year, compared to 6.00% annual increases assumed in the FY 2008 RSA.

³ The change in the timing of the AWP resulted in approximately \$2.35 million of additional projected purchased water expense, in FY 2010 and FY 2011, than what was projected in the FY 2008 RSA. The timing of the AWP assumed in the FY 2008 RSA was based upon estimates developed in 2008, prior to any design and permitting efforts.

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INTRODUCTION

water and wastewater rate revenue. FY 2010 water and wastewater rate revenues were approximately 3.5% lower than projected in the FY 2009 RSA Update.

2. Timing of the AWP – Construction of the AWP is currently projected to be completed by April 1, 2013; while, the FY 2009 RSA Update had assumed completion by October 1, 2011. This change in timing is projected to result in additional purchased water expenditures, in fiscal years 2010 through 2013, that total \$1.89 million more than what had been projected in the FY 2009 RSA Update.⁴

Table 1.1: 2008 Approved Annual Water & Wastewater Rate Adjustments

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Water	9.25%	8.75%	8.50%	8.25%	8.00%	7.75%	7.50%	7.50%	7.50%
Wastewater	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Table 1.2: 2009 Approved Annual Water & Wastewater Rate Adjustments*

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Water	10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%
Wastewater	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%

* Net of approved annual incremental increase of 2.00%, beginning in FY 2011.

⁴ In 2010, Pinellas County approved a 3.50% increase in FY 2011 wholesale water rates, compared to a 13.00% increase assumed in the FY 2009 RSA Update. Per the Rate Study completed in 2009 for the County, the projected wholesale water rate increases are 6.50% in FY 2012 and FY 2013, compared to 13.00% and 5.00%, respectively, in the FY 2009 RSA Update.

As such, the City again retained the services of Burton & Associates in 2009 to conduct an RSA Update for the Utility that would determine, based upon updated information and assumptions, if the approved annual water and wastewater rate adjustments were still sufficient to satisfy the annual operating and capital requirements of the Utility.

1.2 OBJECTIVES

Perform a Revenue Sufficiency Analysis – To evaluate the sufficiency of the approved multi-year plan of annual water and wastewater rate adjustments to satisfy the financial requirements of the Utility, including 1) operations and maintenance (O&M) costs, 2) capital improvement program costs, 3) existing and new debt service expenses and corresponding net income to debt service coverage ratios, and 4) adequate operating reserves; while funding the capital and incremental O&M requirements of the AWP.

Conduct a Residential Rate Survey – That compares the Utility’s combined FY 2011 monthly water and wastewater bill for its residential users to those of other utility systems in the surrounding geographic area, assuming 6,500 gallons of consumption per month.

SECTION 2. REVENUE SUFFICIENCY ANALYSIS

Burton & Associates performed a Revenue Sufficiency Analysis (RSA) for the Utility that identified the level of annual water and wastewater revenue (and rate adjustments) required over a near-term planning period (FY 2011 – FY 2015) and long-term projection period (FY 2011 – FY 2020) to meet all of the Utility’s financial requirements. The following sub-sections present the procedures, assumptions, and results, as well as the conclusions and recommendations of the RSA.

2.1 DESCRIPTION

The RSA was performed using both historical and projected information. The historical financial information as provided by City staff was used to establish the beginning FY 2010 balances for each of the various funds for this system. It is important to note that funds reserved or encumbered for specific capital projects were included in the beginning fund balances available for capital projects in FY 2010 and the associated capital project costs were included in the capital improvement plan in FY 2010. Assumed beginning fund balances, as of September 30, 2009, are presented on Schedule 2 of the Appendix.

The revenue utilized in the RSA consists of rate revenue, interest earnings, impact fee revenue, and other minor revenue from miscellaneous service charges. The FY 2010 rate revenues are based upon actual results and serve as the basis upon which future rate revenues are based, adjusted annually to reflect additional revenue from assumed rate increases and customer growth. All other non-rate revenues in FY 2010 reflect actual information; while, future non-rate revenues are based upon the FY 2011 Budget, excluding water and wastewater impact fee revenues (which were calculated annually based upon annual impact fees⁵ and the projected number of new connections) and interest earnings (which were calculated annually based upon projected average fund

⁵ Annual water and wastewater impact fees are assumed to escalate annually by 3.00%.

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REVENUE SUFFICIENCY ANALYSIS

balances and assumed interest rates⁶). Projected annual revenues are presented in line-item detail on Schedule 4 of the Appendix.

The FY 2010 revenue requirements are based upon actual results, which reflect all O&M costs, debt service requirements, inter-fund transfers, and minor capital outlay. Beginning in FY 2011, all expenses are based upon the FY 2011 Budget and then projected annually thereafter based upon assumed cost escalation factors for individual expense categories as determined in consultation with City staff and reflective of recent experience and expectations for future cost inflation, excluding annual R&R Fund contributions and purchased water expense. Projected annual revenue requirements are presented in line-item detail on Schedule 5 of the Appendix.

It is important to note, since completing the FY 2009 RSA Update, City staff has undertaken many cost reduction efforts that have resulted in budgeted FY 2011 O&M costs (excluding purchased water expenses) that are approximately 5.5%, or \$350,000, lower than projected in the FY 2009 RSA Update. Since FY 2011 serves as the basis from which future O&M costs are determined, the approximately \$350,000 of savings carries forward in each year of the forecast period.

Annual R&R Fund contributions are calculated based upon 5% of prior fiscal year's total operating revenue.

FY 2011 purchased water expenses are based upon the FY 2011 Budget. However, beginning in FY 2012 and continuing each year thereafter until the AWP is operational (April 1, 2013), purchased water expenses are calculated based upon projected Pinellas County wholesale water rates and projected demand. Upon completion of AWP construction (April 1, 2013), the City will no longer incur purchased water expenses and

⁶ The assumed annual interest earnings rates are 1.50% in FY 2010 through FY 2012, escalating by 0.25% per year to 1.75% in FY 2013 and 2.00% FY 2014, and then remaining at 2.00% for the remainder of the forecast.

will begin incurring incremental O&M costs for operation of the AWP⁷, based upon information provided by City staff and assumed cost escalation factors.

Furthermore, annual capital improvement requirements were provided by City staff and are presented in project-level detail, by year, on Schedule 3 of the Appendix.

2.2 ASSUMPTIONS

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

2.2.1 Rate Increase Implementation Date

Annual water and wastewater rate adjustments are assumed effective on October 1 of each fiscal year.

2.2.2 Customer Growth & Demand Projections

Consistent with the growth schedule assumed in the FY 2009 RSA Update, there is no new water or wastewater customer growth projected through FY 2013. After which, it is projected that 50 new water and wastewater equivalent residential units will connect to the Utility in FY 2014 and each year thereafter. This growth schedule represents annual water customer growth of approximately 0.45% per year (beginning in FY 2014) and annual wastewater customer growth of approximately 0.65% per year (beginning in FY 2014).

It is assumed that the annual rate of growth in water and wastewater customer demand will equal the rate of growth in new equivalent residential units, respectively.

⁷ Incremental salary expenditures are projected to begin January 1, 2013, or 3 months prior to completion of AWP construction, due to employee training.

2.2.3 Price Elasticity

As rates increase, discretionary water consumption (and therefore wastewater sales to a certain degree) will likely decline. Therefore, in order to generate sufficient revenue, projected rate increases will have to be adjusted to reflect a smaller revenue base to which they will be applied, thus causing the projected rate increases to be larger. The price elasticity adjustment reduces consumption-based revenues by the product of the annual rate increase and the annual assumed elasticity coefficient. For example, if in each year of the projection period the price elasticity coefficient assumed is 0.20, then water and wastewater consumption-based revenues will decrease by 2.00% for every 10.00% increase in rates.

It is assumed that the elasticity coefficient in FY 2011 is 0.20 and will decrease by 10% per year each year thereafter.

2.2.4 Cost Escalation

Annual cost escalation factors were determined for each line-item expense in consultation with City staff and are reflective of historical experience and current expectations for future cost inflation. The specific cost escalation factors are presented on Schedule 1 of the Appendix.

Increases in annual purchased water expenditures are based upon projected Pinellas County wholesale water rates and projected demand. However, upon completion of AWP construction, incremental O&M expenditures will escalate by the appropriate cost escalation factors.

2.2.5 Capital Projects Funding

Annual capital project costs are based upon the capital improvement program provided by City staff during the FY 2009 RSA Update and revised consistent with City staff's expectation as to the timing and cost of certain projects. Beginning in FY 2012 (excluding AWP and UV System project costs), a compounding annual cost inflation factor of 3.40% (based upon the average increase in the Engineering News Record Construction Cost Index, 2005 – 2010) is applied to each capital project so as to account

for inflation in the future cost of construction. Furthermore, beginning in FY 2011, an annual execution, or spending, rate assumption of 90% is assumed for each of these projects⁸. Estimated AWP and UV System project costs, as provided by staff, already reflect future cost inflation and will be executed at 100% of projected costs. A detailed listing of the specific projects and costs by year is presented on Schedule 3 of the Appendix.

2.2.6 AWP Financing

To fund the construction of the AWP, the City is in the process of issuing the Series 2011A Utility System Revenue Bonds (AWP), the parameters of which are based upon the preliminary information provided by PFM (the City's Financial Advisor). Per those parameters, the City will receive project proceeds of \$24.5 million in FY 2011 for the construction of the AWP (as well as repayment of \$6.7 million outstanding on a line of credit) that will be repaid over a 30-year term at an average total cost of borrowing equal to approximately 5.93%⁹. Furthermore, the plan of finance includes one year of capitalized interest (FY 2012) and assumes interest-only payments each year until the facility is in service (FY 2013).

2.2.7 AWP Grant Anticipation Note

Currently, there is \$20.1 million of AWP grant reimbursements available to the City for funding a portion of AWP construction. Due to a three-month lag between project expenditures and AWP grant reimbursements, the City intends to interim finance these project construction costs by issuing a Grant Anticipation Note (GAN). Annual GAN expenses were calculated assuming a three-month term and annual interest rate of 3.00%.

⁸ Capital improvement projects to be funded in FY 2010 are assumed 100% executed due to the inclusion of carry-forward projects for which there are reserved, or encumbered, funds included in beginning fund balances.

⁹ Per the preliminary information provided by PFM, All-In TIC is equal to approximately 5.93%.

2.2.8 AWP Incremental O&M Expense Impacts

Upon completion of AWP construction (April 1, 2013), the City will no longer incur purchased water expenses, but instead will begin incurring incremental O&M costs for operation of the AWP¹⁰, based upon information provided by City staff and assumed cost escalation factors. The annual incremental O&M expenses are presented by year and expense type on Schedule 5 of the Appendix.

2.2.9 Borrowing Assumptions

The parameters of the Series 2011A Utility System Revenue Bonds (AWP) and Series 2011 Utility System Revenue Bonds (including proceeds, costs of issuance, annual debt service, etc...) are preliminary and as provided by PFM, the City's Financial Advisor.

To the extent additional new debt is required in any year of the projection period, it is assumed to carry the following terms:

Long-Term Debt:

- Term: 20 Years
- Interest Rate: 5.00% in each year of the projection period
- Cost of Issuance: 1.25% of Par
- Underwriter's Discount: \$6.00 per \$1,000 of Par
- Debt Service Reserve: Equal to 1 year of annual debt service expense

It is important to note that the Series 2011A Utility System Revenue Bonds (AWP) assume a 30-year term, in recognition that the AWP is a new facility. However, the Series 2011 Utility System Revenue Bonds and all future revenue bonds (as calculated in FAMS) assume a shorter term of 20 years (and, consequently, a lower interest rate

¹⁰ Incremental salary expenditures are projected to begin January 1, 2013, or 3 months prior to completion of AWP construction, due to employee training.

assumption), in recognition that all other financed projects will be incremental additions to the existing system.

Furthermore, interim financing is assumed in certain years of the forecast, beginning in FY 2014. The interest payments assumed on proceeds from interim financing are based upon an annual interest rate assumption of 3.00%. A detailed calculation of projected annual debt service requirements, including projected annual interim financing costs, is presented on Schedule 10 of the Appendix.

2.2.10 Debt Service and Coverage

The Utility must maintain net revenues (gross revenues minus O&M expenses) that are at least 1.10 times greater than the annual debt service expense (i.e., the annual principal and interest payments), or 1.05 times debt service if net income plus impact fees are at least 1.20 times annual debt service.

This coverage requirement is a minimum requirement. To the extent that the Utility is unable to meet this requirement, it could be found in technical default and the City would likely have its credit rating downgraded, which would affect the interest rates and terms of future financing initiatives. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher coverage requirement in order to ensure compliance with these covenants in the event future projections of revenue, and expenses do not occur as predicted. In fact, rating agencies provide guidance as to levels of debt service coverage ratios they consider indicative of financially healthy utility systems. As such, the recommended financial management plan was established with a target debt service coverage ratio of 1.50 on net revenues, which is consistent with what rating agencies consider adequate for financially “strong” utility systems.¹¹

¹¹ As recently published by municipal utility rating agency, Standard & Poor’s (September 2008).

2.2.11 Minimum Operating Reserve

The financial management plan presented in this report assumes a minimum working capital reserve fund balance target equal to 3 months of annual O&M expenses. This level of operating or working capital reserve is within the typical industry range in Florida as well as the prudent range as identified by a recent analysis conducted by the Rates and Charges Sub-committee of the American Water Works Association (AWWA). Based upon our industry experience, water and wastewater utilities will generally target a minimum working capital reserve in the range of 2 – 6 months of O&M expenses. This range is consistent with the results of the recent analysis performed by the Rates and Charges Sub-committee of the AWWA, which concluded that adequate working capital reserves for water and wastewater utility systems should be between 2 – 6 months of O&M expenses. Furthermore, rating agencies also provide guidance as to the level of unrestricted operating reserve they consider indicative of financially “good” utility systems and this level of unrestricted operating reserve is consistent with that guidance.¹²

2.3 RESULTS

The fundamental objective of the RSA was to evaluate the sufficiency of the approved multi-year plan of annual water and wastewater rate adjustments to fund the financial requirements of the Utility, including 1) O&M costs, 2) capital improvement program costs, 3) existing and new debt service expenses and corresponding net income to debt service coverage ratios, and 4) adequate operating reserves; while funding the capital and incremental O&M requirements of the AWP.

Based upon the assumptions and base data described in this Report, it was determined that the currently approved multi-year plan of annual water and wastewater adjustments is sufficient to fund the financial requirements of the Utility, through FY 2019, in spite of declining rate revenues (the result of a prolonged economic downturn) and a change in the timing of AWP construction (and therefore operation). The O&M cost reduction

¹² As recently published by municipal utility rating agency, Standard & Poor’s (September 2008).

efforts undertaken by City staff since completion of the FY 2009 RSA Update, in conjunction with lower than anticipated Pinellas County wholesale water rate increases¹³, offset the negative consequences of the continued economic downturn and delayed AWP timing so that no adjustment is required to the currently approved multi-year plan of annual water and wastewater adjustments. Beyond FY 2019, annual water and wastewater rate adjustments of 6.75% are required in order to satisfy the financial requirements of the Utility through the remainder of the forecast period.

It should be noted that continuing with the AWP will result in lower annual water and wastewater rate adjustments than continuing to purchase water on a wholesale basis from Pinellas County. Based upon the assumptions and base data described in this Report, an incremental 1.50% annual increase above the approved plan of annual water and wastewater rate adjustments would be required to fund the financial requirements of the Utility if the AWP were not completed.

Residential Rate Survey

As part of the RSA, Burton & Associates conducted a residential rate survey that compares the Utility's combined FY 2011 monthly water and wastewater bill to that of other utility systems in the surrounding geographic area, assuming 6,500 gallons of consumption per month (the average usage for a single-family residence in the City). The results of the FY 2011 survey indicate that the Utility currently charges a monthly bill that is within the market range, assuming 6,500 gallons per month of consumption. The results of the survey are presented on Schedule 11 of the Appendix.

¹³ In 2010, Pinellas County approved a 3.50% increase in FY 2011 wholesale water rates, compared to a 13.00% increase assumed in the FY 2009 RSA Update. Per the Rate Study completed in 2009 for the County, the projected wholesale water rate increases are 6.50% in FY 2012 and FY 2013, compared to 13.00% and 5.00%, respectively, in the FY 2009 RSA Update.

2.4 CONCLUSIONS & RECOMMENDATIONS

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

- The City's currently approved plan of annual water and wastewater rate adjustments, in addition to a recommended 6.75% increase in FY 2020, should be sufficient to fund the financial requirements of the Utility in each year of the forecast period.
- An incremental 1.50% annual increase above the approved plan of annual water and wastewater rate adjustments would be required to satisfy the financial requirements of the Utility, if the AWP were not completed.
- The sufficiency of the approved plan of rate adjustments is predicated upon the issuance of the Series 2011A Utility System Revenue Bonds (AWP) and Series 2011 Utility System Revenue Bonds, in addition to future borrowing currently projected in each year of the forecast beginning in FY 2014.
- The City should update this analysis on an annual or bi-annual basis to evaluate the adequacy of its revenues and plan of annual water and wastewater rate adjustments. Doing so will allow for the incorporation of updated revenue and expense information as well as changes in economic conditions, water consumption, regulatory requirements, and other factors so that any necessary adjustments can be made to the financial management plan presented herein. This will allow the Utility to meet its financial and operating requirements during the projection period and minimize rate impacts to customers from future events occurring differently than currently projected.

Appendix – Supporting Financial Schedules for the RSA

Schedule 1 contains the assumptions of the RSA

Schedule 2 identifies the end of FY 2009 fund balances that serve as the FY 2010 beginning balances of the analysis

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

Schedule 4 presents a detailed list of all projected cash inflows from FY 2010-2020

Schedule 5 presents a detailed list of all projected cash outflows from FY 2010-2020

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

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

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

Schedule 9 presents a fund-level cash flow reconciliation, providing the beginning balance in each year, the amount utilized for project funding or payment of debt service, interest calculations, and the end of year fund balance

Schedule 10 contains the calculation of projected annual long-term borrowing

Schedule 11 presents the FY 2011 monthly water and sewer bill survey for typical single-family residential users, with monthly consumption equal to 6,500 gallons

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 1 - Assumptions

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
<u>Annual System Growth:</u>											
<u>Water System Growth:</u>											
Equivalent Residential Units (ERUs)	10,941	10,941	10,941	10,941	10,991	11,041	11,091	11,141	11,191	11,241	11,291
Growth in ERUs		0	0	0	50	50	50	50	50	50	50
% Increase in ERUs	N/A	0.00%	0.00%	0.00%	0.46%	0.45%	0.45%	0.45%	0.45%	0.45%	0.44%
% Increase in Usage (100% of ERU Growth)	N/A	0.00%	0.00%	0.00%	0.46%	0.45%	0.45%	0.45%	0.45%	0.45%	0.44%
<u>Sewer System Growth:</u>											
Equivalent Residential Units (ERUs)	7,605	7,605	7,605	7,605	7,655	7,705	7,755	7,805	7,855	7,905	7,955
Growth in ERUs		0	0	0	50	50	50	50	50	50	50
% Increase in ERUs	N/A	0.00%	0.00%	0.00%	0.66%	0.65%	0.65%	0.64%	0.64%	0.64%	0.63%
% Increase in Usage (100% of ERU Growth)	N/A	0.00%	0.00%	0.00%	0.66%	0.65%	0.65%	0.64%	0.64%	0.64%	0.63%
Total Water Production (million gallons per year)	219.00	310.25	310.25	1,218.43	2,131.60	2,131.60	2,137.44	2,131.60	2,131.60	2,131.60	2,137.44
Total Purchased Water (million gallons per year)	835.00	743.75	746.75	372.71	-	-	-	-	-	-	-
Total Water Demand (million gallons per year)	1,054.00	1,054.00	1,057.00	1,054.00	1,058.00	1,063.00	1,071.00	1,073.00	1,078.00	1,083.00	1,090.00
<u>Annual Elasticity Factor:</u>											
Applied to Water & Sewer Usage Charge Revenue (1)	N/A	0.20	0.18	0.16	0.15	0.13	0.12	0.11	0.10	0.09	0.08
<u>Impact Fee Per ERU: (2)</u>											
Water System	\$ 2,026	2,087	2,149	2,214	2,280	2,349	2,419	2,492	2,566	2,643	2,723
Sewer System	\$ 1,560	1,607	1,655	1,705	1,756	1,808	1,863	1,919	1,976	2,035	2,097
<u>Average Annual Interest Earnings Rate:</u>											
Water & Sewer Enterprise Fund	1.50%	1.50%	1.50%	1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<u>Operating Expenses Cost Escalation:</u>											
<u>Personal Services:</u>											
53623 Life & Health Insurance (3)	N/A	N/A	12.00%	12.00%	12.11%	12.11%	12.11%	12.11%	12.11%	12.11%	12.11%
All Other Personal Services (3)	N/A	N/A	3.50%	3.50%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%
<u>Operating & Maintenance:</u>											
53634 Other Contractual Services (4)	N/A	N/A	2.50%	2.50%	2.96%	2.95%	2.95%	2.95%	2.95%	2.95%	2.94%
53643 Electric Service (4)	N/A	N/A	6.00%	6.00%	6.46%	6.45%	6.45%	6.45%	6.45%	6.45%	6.44%
53643 Utility Services (4)	N/A	N/A	6.00%	6.00%	6.46%	6.45%	6.45%	6.45%	6.45%	6.45%	6.44%
53643 Water and Sewer	N/A	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
53645 Insurance	N/A	N/A	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
53646 Effluent Extensions	N/A	N/A	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
53646 Repairs & Maintenance (5)	N/A	N/A	3.50%	3.50%	3.73%	3.73%	3.73%	3.73%	3.72%	3.72%	3.72%
53646 Vehicle Maint. Repairs (5)	N/A	N/A	3.50%	3.50%	3.73%	3.73%	3.73%	3.73%	3.72%	3.72%	3.72%
53652 Operating Supplies (5)	N/A	N/A	4.00%	4.00%	4.23%	4.23%	4.23%	4.23%	4.22%	4.22%	4.22%
53652 Vehicle Fuel (4)	N/A	N/A	10.00%	10.00%	10.46%	10.45%	10.45%	10.45%	10.45%	10.45%	10.44%
53653 Road Materials & Supplies	N/A	N/A	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 1 - Assumptions

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Purchased Water from Pinellas County (6)	N/A	N/A	6.50%	6.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
AWP - Incremental O&M Expense:											
Salaries & Benefits (7)	N/A	N/A	N/A	N/A	5.13%	5.23%	5.34%	5.45%	5.57%	5.69%	5.81%
Chemicals (8)	N/A	N/A	N/A	N/A	5.05%	5.05%	5.05%	5.05%	5.04%	5.04%	5.04%
Power & Fuel (9)	N/A	N/A	N/A	N/A	7.55%	7.55%	7.55%	7.55%	7.54%	7.54%	7.54%
Maintenance, Miscellaneous (10)	N/A	N/A	N/A	N/A	3.55%	3.55%	3.55%	3.55%	3.54%	3.54%	3.54%
All Other Operating & Maintenance	N/A	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
All Operating Cost Categories:											
Weighted Average Cost Escalation (11)	N/A	N/A	5.47%	-0.68%	-8.58%	4.97%	5.05%	5.13%	5.22%	5.31%	5.40%
Interfund Transfers											
58191 General Fund Transfer	N/A	N/A	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Working Capital Reserve:											
Target (Number of Months of Operating Expenses)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Operating Expenses Execution Percentage:											
Personal Services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating & Maintenance (Excl. Purchased Water)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Purchased Water / AWP Incremental O&M Expense	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Capital Spending Execution Percentage:											
% of Capital Budget (12)	100%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%

(1) Beginning in FY 2012, it is assumed that the annual elasticity factor applied to all water and sewer usage charge revenue will decrease 10% per year.

(2) Water and Sewer Impact Fees escalate annually at 3.00% per year.

(3) Cost escalation factor includes adjustments equal to 25% of annual growth in water usage.

(4) Cost escalation factor includes adjustments equal to 100% of annual growth in water usage.

(5) Cost escalation factor includes adjustments equal to 50% of annual growth in water usage.

(6) Cost escalation factor reflects annual increases in wholesale rates from Pinellas County Utilities. However, annual expense is calculated based upon assumed wholesale rates and projected demand, plus a 10% contingency.

(7) Incremental 'Salaries' expenses are projected to begin January 1, 2013. Each year thereafter, the annual cost escalation factors are equal to the weighted average increase in total Personal Services.

(8) Incremental 'Chemicals' expenses are projected to begin April 1, 2013. Each year thereafter, the annual cost escalation factors are equal to 5.00% plus an adjustments equal to 10% of annual growth in water usage.

(9) Incremental 'Power & Fuel' expenses are projected to begin April 1, 2013. Each year thereafter, the annual cost escalation factors are equal to 7.50% plus an adjustments equal to 10% of annual growth in water usage.

(10) Incremental 'Maintenance, Miscellaneous' expenses are projected to begin April 1, 2013. Each year thereafter, the annual cost escalation factors are equal to 3.50% plus an adjustments equal to 10% of annual growth in

(11) Annual Operating Expenses decrease in FY 2013 and FY 2014 due to completion of AWP projects, which results in lower costs per unit of water demand verse purchasing water from Pinellas County Utilities.

(12) Capital Spending Execution Percentages do not apply to AWP or 'UV System' capital expenses, which are anticipated to be executed at 100% of budgeted costs.

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE

Schedule 2 – Beginning Balances

APPENDIX

<u>FUND BALANCES</u>	<u>9/30/2009</u>
Water Impact Fee Fund	\$ 1,153,607
Sewer Impact Fee Fund	\$ 2,016,182
Series 2011A Revenue Bond Proceeds (AWP)	\$ -
AWP Grant Proceeds	\$ -
Series 2011 Revenue Bond Proceeds	\$ -
Renewal & Replacement Fund	\$ -
Revenue Fund	\$ 7,363,687
Restricted Reserves Fund	\$ 10,801
TOTAL CONSOLIDATED FUND BALANCE	\$ 10,544,277
<u>CURRENT UNRESTRICTED ASSETS</u>	<u>Combined</u>
Cash & Cash Equivalents	\$ 4,634,877
Customer Deposits	\$ 936,922
Investments	\$ 1,943,766
Interest Receivables	\$ 10,829
Accounts Receivable - Billed (Net of Allowance for Uncollectible Accounts)	\$ 668,275
Accounts Receivable - Unbilled	\$ 350,119
Due From Other Governments	\$ 81,446
Inventories	\$ 115,280
Prepaid Items	\$ 125,404
TOTAL CURRENT UNRESTRICTED ASSETS	\$ 8,866,918
Less: Inventories	\$ (115,280)
Less: Accounts Payable	\$ (153,724)
Less: Accrued Liabilities	\$ (53,832)
Less: Contracts Payable	\$ (189,201)
Less: Bonds Payable	\$ -
Less: Capital Lease Payable	\$ (34,688)
Less: Customer Deposits	\$ (936,922)
Less: Compensated Absences	\$ (8,926)
Less: Unearned Revenue	\$ (10,658)
UNRESTRICTED WORKING CAPITAL	\$ 7,363,687
Plus/(Less): Line of Credit Proceeds / Adjustments	\$ -
NET UNRESTRICTED WORKING CAPITAL AVAILABLE	\$ 7,363,687
<u>RESTRICTED ASSETS</u>	
Restricted Cash and Cash Equivalents: Customer Deposits	\$ -
Accrued Interest	\$ 1,281
Accounts Receivable- Billed (Net)	\$ 9,520
Impact Fees	\$ -
Unamortized Bond Costs	\$ -
TOTAL RESTRICTED ASSETS	\$ 10,801
Less: Bonds Payable	\$ -
Less: Other Post Employment Benefits	\$ -
Less: Compensated Absences	\$ -
NET RESTRICTED BALANCE	\$ 10,801

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 3 – Capital Improvement Plan

<u>PROJECT DESCRIPTION:</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
1 <u>AWP Projects</u>											
2 Phase II Hydrogeology Study/WUP	\$ 50,000	-	-	-	-	-	-	-	-	-	-
3 Phase III RO Membrane Test Pilot/NPDES	\$ -	-	-	-	-	-	-	-	-	-	-
4 Phase IV RO Process Engineering	\$ -	-	-	-	-	-	-	-	-	-	-
5 Phase V Plant Design/Specs/Construction Services Engineering	\$ 770,418	618,000	300,675	-	-	-	-	-	-	-	-
6 Phase VI RO Facility Construction and Land Purchase	\$ -	-	24,419,118	12,209,559	-	-	-	-	-	-	-
7 Additional CIP Costs	\$ -	-	-	-	-	-	-	-	-	-	-
8 <u>Water Supply / Well Systems Projects</u>											
9 Well Improvements, Hydrant Flushing Automation	\$ 211,000	110,000	72,000	-	-	-	-	-	-	-	-
10 <u>Water Distribution Projects</u>											
11 Keystone Rd Utility Relocate - Recessing For Widening Project	\$ 1,000,000	-	-	-	-	-	-	-	-	-	-
12 Water Pipe/Valve Replacement Program (List Below)	\$ -	-	740,000	775,000	810,000	845,000	-	-	-	-	-
13 Bayshore Phase I Waterline	\$ -	300,000	-	-	-	-	-	-	-	-	-
14 Water Dist Projects from Assessment Plan or Unidentified	\$ -	175,000	175,000	-	-	-	-	-	-	-	-
15 Lemon St Waterline	\$ 300,000	-	-	-	-	-	-	-	-	-	-
16 Highland Avenue/Keystone Waterline	\$ 50,000	-	-	-	-	-	-	-	-	-	-
17 Loop in Cypress to Pine St. Waterline	\$ 75,000	-	-	-	-	-	-	-	-	-	-
18 2-inch Galv. Rep/Upgrade MLK, Dixie, Kiwi Area, Waterline	\$ 100,000	-	-	-	-	-	-	-	-	-	-
19 Riverside Drive Waterline	\$ 150,000	-	-	-	-	-	-	-	-	-	-
20 Water Distribution Assessment Planning/Engineering	\$ -	60,000	126,000	131,250	136,500	141,750	-	-	-	-	-
21 Geographical Information System (GIS)	\$ 50,000	50,000	60,000	62,500	-	-	-	-	-	-	-
22 <u>Valve Installation/Replacement (List Below)</u>											
23 Tarpon/Grosse and Tarpon/Diston - Repl. Two 20-inch Valves	\$ 150,000	-	-	-	-	-	-	-	-	-	-
24 Citywide Valve Replacements (as needed)	\$ 100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-
25 <u>Meter Repair/Backflow</u>											
26 Future Unspecified Projects/CPI-U Increases	\$ -	-	-	-	-	-	-	-	-	-	-
27 Meters	\$ 360,000	158,350	325,000	325,000	325,000	260,000	208,000	166,400	133,120	106,496	-
28 Vehicles	\$ -	-	-	112,500	-	-	-	-	-	-	-
29 <u>Sewage Collection Projects</u>											
30 Sewer/Manhole Rehab/Mapping/Evaluation (List Below)	\$ -	650,000	820,000	780,000	740,000	700,000	-	-	-	-	-
31 Dixie Hwy Corridor Sewer and Manhole Rehab	\$ 150,000	-	-	-	-	-	-	-	-	-	-
32 Historic District Sewer and Manhole Rehab	\$ 100,000	-	-	-	-	-	-	-	-	-	-
33 Sewer Lateral Rehab/Cleanout Installation	\$ 325,000	-	-	-	-	-	-	-	-	-	-
34 Sewer System Expansion	\$ 975,000	500,000	700,000	740,000	780,000	820,000	-	-	-	-	-
35 Force Main Improvements (List Below)	\$ -	-	-	-	-	-	-	-	-	-	-
36 Force Main Improvements: Air Release Valve Replacement	\$ 100,000	-	-	-	-	-	-	-	-	-	-
37 Force Main Improvements: Valve Installation	\$ 100,000	-	-	-	-	-	-	-	-	-	-
38 Excavator	\$ -	-	-	-	-	-	-	-	-	-	-

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 3 – Capital Improvement Plan

<u>PROJECT DESCRIPTION:</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
39 <u>Sewage Treatment Projects</u>											
40 Nutrient Control System	\$ -	-	-	-	-	-	-	-	-	-	-
41 Replace Generator Fuel Tank (New Regs)	\$ -	-	-	-	-	-	-	-	-	-	-
42 Clarifier Rehab	\$ -	-	-	312,500	-	75,000	-	-	-	-	-
43 Filter Rehab	\$ -	-	-	-	-	-	-	-	-	-	-
44 Electric Evaluations (Bio, Post-treatment, and Solid Systems)	\$ -	-	-	-	-	-	-	-	-	-	-
45 Belt Press Project, Conveyor, Thickener	\$ -	-	-	-	-	-	-	-	-	-	-
46 Sludge Dewatering Equipment Purchase	\$ -	-	-	-	-	-	-	-	-	-	-
47 Corrosion Control Program	\$ 40,000	30,000	48,000	30,000	-	-	-	-	-	-	-
48 Scada Upgrade	\$ -	65,000	-	-	-	-	-	-	-	-	-
49 Secondary Clarifier Design/Construction	\$ -	-	180,000	-	-	-	-	1,562,500	-	-	-
50 Pump Station Rehabs	\$ 165,000	100,000	240,000	-	150,000	150,000	-	-	-	-	-
51 Disinfection System Upgrade	\$ -	-	-	-	-	-	-	-	-	-	-
52 Security Improvements	\$ -	-	-	-	-	-	-	-	-	-	-
53 Phase II Odor Control	\$ -	-	-	-	-	-	-	-	-	-	-
54 Sludge Process Improvements	\$ 300,000	-	-	-	-	350,000	-	-	-	-	-
55 3rd Abw Filter	\$ -	-	-	-	-	-	-	-	-	-	-
56 Master Plan for WWTP	\$ -	-	-	-	-	-	-	-	-	-	-
57 Bar Screen/Headworks Rehab	\$ -	-	-	350,000	-	-	-	-	-	-	-
58 Mixer Replacement	\$ -	150,000	-	250,000	-	-	-	-	-	-	-
59 Biological Process Expansion w/ Aeration	\$ -	-	-	-	-	-	-	-	-	-	-
60 Return Activated Sludge Pump Replacement	\$ -	-	-	-	-	-	-	-	-	-	-
61 Plant Repermitting	\$ -	-	-	-	130,000	80,000	-	-	-	-	-
62 Side Stream Lift Station (Influent)	\$ -	-	-	-	-	-	-	-	-	-	-
63 Truck Replacement	\$ -	-	-	-	-	-	-	-	-	-	-
64 I.R. Pump Upgrade (Meters/VFD's/Rail System)	\$ 100,000	215,000	-	-	-	-	-	-	-	-	-
65 Main Generator and Switch Gear Replacement	\$ -	-	-	-	700,000	-	-	-	-	-	-
66 Upgrade Repair Blowers	\$ -	-	-	-	-	-	-	-	-	-	-
67 Upgrade Alum Feed System	\$ -	-	-	-	-	20,000	-	-	-	-	-
68 Second Polymer System	\$ -	-	-	-	-	-	-	-	-	-	-
69 Equipment Assessment	\$ -	-	-	-	-	-	-	-	-	-	-
70 Plant Electrical System Upgrade	\$ 325,000	80,000	-	-	-	400,000	-	-	-	-	-
71 Alum Feed Station Upgrade	\$ -	-	-	-	-	-	-	-	-	-	-
72 Sludge Holding Tank Upgrades	\$ 55,000	-	-	-	-	-	-	-	-	-	-
73 Future Bio-Solids Management System	\$ -	-	-	-	-	-	-	-	-	-	-
74 Clean All Basins	\$ -	-	-	70,000	-	-	-	-	-	-	-
75 Second Grit Removal System	\$ -	-	-	-	-	-	-	-	-	-	-
76 Truck Offloading Station	\$ -	210,000	-	-	-	-	-	-	-	-	-
77 Supernating System	\$ -	-	120,000	-	-	-	-	-	-	-	-
78 Separate Return/Waste for Each Clarifier	\$ -	-	270,000	-	-	-	-	-	-	-	-
79 Expand Reuse Distribution Control System	\$ -	-	240,000	-	-	-	-	-	-	-	-
80 Centrifuge Mods	\$ -	-	-	-	-	-	-	-	-	-	-
81 Basin Rehab: General	\$ -	-	-	250,000	-	-	-	-	-	-	-
82 Repave Treatment Plant Roadway	\$ -	-	-	40,000	-	-	-	-	-	-	-
83 Basin Rehab: Sand Filter Concrete Rehab	\$ 50,000	-	-	-	-	-	-	-	-	-	-
84 Basin Rehab: Main Treatment Basin	\$ 45,000	-	-	-	-	-	-	-	-	-	-
85 Buildings	\$ -	35,000	-	-	-	-	-	-	-	-	-

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 3 – Capital Improvement Plan

PROJECT DESCRIPTION:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
86 <u>Sewage Lift stations Projects</u>											
87 Wet well Rehab	\$ 40,000	37,000	45,000	45,000	50,000	50,000	-	-	-	-	-
88 Drywell Rehab	\$ 20,000	21,250	25,000	25,000	25,000	25,000	-	-	-	-	-
89 Control System Improvements	\$ 30,000	30,000	30,000	30,000	30,000	30,000	-	-	-	-	-
90 Emergency Generators\Bypass Pumping	\$ 30,000	30,000	35,000	35,000	30,000	30,000	-	-	-	-	-
91 Auxiliary Portable Bypass Pumps	\$ -	-	-	-	-	30,000	-	-	-	-	-
92 Submersible Pump Replacement	\$ 20,000	20,000	20,000	20,000	20,000	20,000	-	-	-	-	-
93 Carlton Rd. Lift Station Rebuild	\$ -	-	-	-	-	-	-	-	-	-	-
94 Station Rehab. (Design)	\$ -	75,000	-	-	250,000	250,000	-	-	-	-	-
95 Station Rehab. (Construction)	\$ -	-	175,000	-	-	-	-	-	-	-	-
96 Electric Service Improvements	\$ 10,000	10,500	12,000	12,500	10,000	20,000	-	-	-	-	-
97 Future Unspecified Projects/CPI-U Increases	\$ -	-	-	-	-	-	-	-	-	-	-
98 New Service Vehicles	\$ 40,000	-	54,000	-	75,000	-	-	-	-	-	-
99 IPP Service Vehicle	\$ -	-	-	-	25,000	-	-	-	-	-	-
100 New Composite Sampling Equipment	\$ -	-	-	-	35,000	-	-	-	-	-	-
101 New Personal Computers	\$ -	-	-	-	5,000	-	-	-	-	-	-
102 Vehicle	\$ -	-	-	-	-	25,000	-	-	-	-	-
103 Expansion/Infrastructure Evaluation	\$ -	-	-	-	-	70,000	-	-	-	-	-
104 General Building Improvements	\$ 10,000	2,140	-	-	-	-	-	-	-	-	-
105 Seminole Lift Station Replacement	\$ 188,000	-	-	-	-	-	-	-	-	-	-
106 UV System	\$ -	-	-	-	3,000,000	-	-	-	-	-	-
107 Reclaimed Water Distribution Projects - Water Allocation	\$ -	25,000	125,000	-	-	-	-	-	-	-	-
108 Reclaimed Water Distribution Projects - Sewer Allocation	\$ -	25,000	125,000	-	-	-	-	-	-	-	-
109 Unspecified Future Projects - Water (1)	\$ -	-	-	-	-	-	1,385,170	1,528,134	1,542,441	1,596,303	1,682,563
110 Unspecified Future Projects - Sewer (2)	\$ -	-	-	-	-	-	2,922,978	3,050,396	3,345,175	3,416,210	3,488,452
111 Total CIP Budget (in FY 2010 dollars)	\$ 6,584,418	3,882,240	29,581,793	16,705,809	7,426,500	4,491,750	4,616,148	6,407,430	5,120,736	5,219,009	5,171,014
112 Compounded Annual Cost Escalation Factor (3)	0.0%	0.0%	3.4%	6.9%	10.6%	14.3%	18.2%	22.2%	26.4%	30.7%	35.1%
113 Annual Capital Spending Execution Percentage (3)	100%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
114 Final CIP Funding Level (in future dollars)	\$ 6,584,418	3,555,816	29,244,370	16,535,401	7,406,138	4,620,663	4,910,658	7,046,891	5,825,349	6,139,120	6,287,436

- (1) Unspecified future project costs are based upon a rolling average of total water system project costs, excluding AWP Project costs (lines 1-7), for the preceding 5-year period.
 (2) Unspecified future project costs are based upon a rolling average of total sewer system project costs, excluding UV System project costs (line 106), for the preceding 5-year period.
 (3) Capital projects in blue highlighting are already in future dollars and are anticipated to be 100% executed.

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE

Schedule 4 – Projection of Cash Inflows

APPENDIX

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
1 <u>Rate Revenue Growth Assumptions</u>											
2 Growth in Water ERUs	N/A	0.00%	0.00%	0.00%	0.46%	0.45%	0.45%	0.45%	0.45%	0.45%	0.44%
3 Growth in Water Usage	N/A	0.00%	0.00%	0.00%	0.46%	0.45%	0.45%	0.45%	0.45%	0.45%	0.44%
4 Growth in Sewer ERUs	N/A	0.00%	0.00%	0.00%	0.66%	0.65%	0.65%	0.64%	0.64%	0.64%	0.63%
5 Growth in Sewer Usage	N/A	0.00%	0.00%	0.00%	0.66%	0.65%	0.65%	0.64%	0.64%	0.64%	0.63%
6 <u>Assumed Rate Revenue Adjustments</u>											
7 Assumed Water Rate Adjustment	N/A	10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%	6.75%
8 Assumed Sewer Rate Adjustment	N/A	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%	6.75%
9 <u>Water & Sewer Rate Revenue</u>											
10 Water Rate Revenue											
11 Base Facility Charges	\$ 1,687,377	1,864,552	2,055,668	2,261,235	2,493,047	2,742,305	3,016,423	3,317,873	3,557,725	3,814,840	4,090,455
12 Usage Charges	\$ 3,095,880	3,349,107	3,624,266	3,922,108	4,262,715	4,630,456	5,036,167	5,483,529	5,841,972	6,227,765	6,642,784
13 Sewer Rate Revenue											
14 Base Facility Charges	\$ 1,398,251	1,440,199	1,483,405	1,527,907	1,584,090	1,642,270	1,702,514	1,764,895	1,896,094	2,036,964	2,188,212
15 Usage Charges	\$ 3,257,741	3,335,340	3,416,849	3,502,250	3,615,151	3,733,172	3,856,407	3,984,960	4,253,552	4,543,013	4,854,814
16 Total Water & Sewer Rate Revenue	\$ 9,439,249	9,989,198	10,580,188	11,213,501	11,955,003	12,748,202	13,611,510	14,551,258	15,549,342	16,622,581	17,776,266
17 <u>Other Operating Revenue</u>											
18 Water Meter Connection Fee	\$ 10,050	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700
19 Effluent Sales	\$ 323,139	290,500	290,500	290,500	290,500	290,500	290,500	290,500	290,500	290,500	290,500
20 Water Turn On Fees	\$ 46,205	45,770	45,770	45,770	45,770	45,770	45,770	45,770	45,770	45,770	45,770
21 Sewer Connection Fees	\$ 26,854	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
22 Delinquent Penalty Water	\$ 56,600	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
23 Delinquent Penalty Sewer	\$ 61,925	59,600	59,600	59,600	59,600	59,600	59,600	59,600	59,600	59,600	59,600
24 Backflow Maintenance Fee (1)	\$ 166,774	145,000	163,000	181,000	199,000	217,000	235,000	253,000	271,000	289,000	289,000
25 Revenue Write-off Water	\$ (4,513)	-	-	-	-	-	-	-	-	-	-
26 Revenue Write-off Sewer	\$ (46,907)	-	-	-	-	-	-	-	-	-	-
27 Backflow Assembly Charge	\$ 3,425	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
28 Effluent Connection Fees	\$ 2,700	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
29 FOG Permit	\$ 3,700	-	-	-	-	-	-	-	-	-	-
30 FOG Pump Variance	\$ 250	-	-	-	-	-	-	-	-	-	-
31 Grease Waste Mon Chg	\$ 33	-	-	-	-	-	-	-	-	-	-
32 Miscellaneous	\$ 686	500	500	500	500	500	500	500	500	500	500
33 Admin Fees	\$ 76,490	76,490	76,490	76,490	76,490	76,490	76,490	76,490	76,490	76,490	76,490
34 Admin Fees W/S Conn.	\$ 12,939	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
35 Sales of Fixed Assets	\$ (18,622)	-	-	-	-	-	-	-	-	-	-
36 Sale of Surp Mat. & Scrap	\$ 2,833	-	-	-	-	-	-	-	-	-	-
37 Other Misc. Revenue	\$ 77,527	-	-	-	-	-	-	-	-	-	-
38 Additional Tap-In Fees: Water	\$ 3,800	-	-	-	-	-	-	-	-	-	-
39 Total Other Operating Revenue	\$ 805,887	688,960	706,960	724,960	742,960	760,960	778,960	796,960	814,960	832,960	832,960

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APPENDIX

Schedule 4 – Projection of Cash Inflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
40 Non-Operating Revenue / Other Sources of Funds											
40 Storm Water Revenue	\$ 37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211
41 Water System Impact Fees (2)	\$ 44,578	-	-	110,693	114,014	117,434	120,957	124,586	128,324	132,174	132,174
41 Sewer System Impact Fees (3)	\$ 119,488	-	-	85,233	87,790	90,423	93,136	95,930	98,808	101,772	101,772
42 Interest Earnings	\$ 134,785	95,740	309,476	264,378	169,534	115,965	224,917	139,719	253,101	164,440	269,270
42 Total Non-Operating Revenue / Other Sources of Fund:	\$ 336,061	132,951	346,687	497,515	408,549	361,034	476,221	397,447	517,444	435,597	540,426
43 TOTAL CASH INFLOWS	\$ 10,581,197	10,811,109	11,633,835	12,435,975	13,106,512	13,870,196	14,866,692	15,745,665	16,881,747	17,891,138	19,149,652

(1) In fiscal years 2012 through 2019, it is assumed an additional 500 units per year will begin paying monthly Backflow Maintenance Fees of \$3 per month.

(2) It is assumed that all impact fee revenues will be collected in the fiscal year preceding that which service is initiated. The FY 2010 water system impact fee is \$2,026 per ERU and will escalate 3.00% per year.

(3) It is assumed that all impact fee revenues will be collected in the fiscal year preceding that which service is initiated. The FY 2010 sewer system impact fee is \$1,560 per ERU and will escalate 3.00% per year.

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
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Schedule 5 – Projection of Cash Outflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
1 0332 Utility Billing											
2 <u>Personal Services</u>											
3 53612 Regular Salaries & Wages	\$ 127,333	105,671	109,369	113,197	117,289	121,527	125,918	130,467	135,180	140,062	145,120
4 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
5 53614 Overtime Pay	\$ 3,248	4,000	4,140	4,285	4,440	4,600	4,766	4,939	5,117	5,302	5,493
6 53615 Special Pay	\$ -	-	-	-	-	-	-	-	-	-	-
7 53621 FICA Taxes	\$ 9,973	8,390	8,684	8,988	9,312	9,649	9,998	10,359	10,733	11,121	11,522
8 53622 Retirement Contribution	\$ 11,360	9,541	9,875	10,221	10,590	10,973	11,369	11,780	12,205	12,646	13,103
9 53623 Life & Health Insurance	\$ 26,077	23,248	26,038	29,162	32,695	36,656	41,096	46,074	51,654	57,910	64,924
10 53624 Workers Compensation	\$ 314	263	272	282	292	302	313	325	336	349	361
11 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
12 53626 Other Post Employment Benefits	\$ 113	-	-	-	-	-	-	-	-	-	-
13 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
14 Sub-Total: Personal Services	\$ 178,418	151,113	158,378	166,134	174,618	183,707	193,461	203,943	215,226	227,390	240,524
15 <u>Operating & Maintenance</u>											
16 53631 Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
17 53634 Other Contractual Services	\$ -	-	-	-	-	-	-	-	-	-	-
18 53640 Travel Per Diem	\$ (143)	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
19 53641 Communication Services	\$ 1,496	1,797	1,842	1,888	1,935	1,984	2,033	2,084	2,136	2,189	2,244
20 53642 Freight & Postage Service	\$ 311	1,949	1,998	2,048	2,099	2,151	2,205	2,260	2,317	2,375	2,434
21 53643 Utility Services	\$ 2,221	2,429	2,575	2,729	2,905	3,093	3,293	3,505	3,731	3,972	4,227
22 53644 Rents & Leases	\$ 942	840	861	883	905	927	950	974	998	1,023	1,049
23 53646 Repairs & Maintenance	\$ 1,376	2,130	2,205	2,282	2,367	2,455	2,546	2,641	2,740	2,842	2,948
24 53647 Printing & Binding	\$ -	-	-	-	-	-	-	-	-	-	-
25 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
26 53651 Office Supplies	\$ 1,580	1,769	1,813	1,859	1,905	1,953	2,001	2,051	2,103	2,155	2,209
27 53652 Operating Supplies	\$ 1,037	2,806	2,918	3,035	3,163	3,297	3,436	3,582	3,733	3,891	4,055
28 53654 Books-Publ-Subscriptions	\$ -	-	-	-	-	-	-	-	-	-	-
29 53655 Training	\$ 270	875	897	919	942	966	990	1,015	1,040	1,066	1,093
30 Sub-Total: Operating & Maintenance	\$ 9,090	16,595	17,158	17,743	18,375	19,033	19,718	20,432	21,175	21,950	22,757
31 Total: 0332 Utility Billing	\$ 187,508	167,708	175,536	183,878	192,993	202,740	213,179	224,375	236,401	249,340	263,281
32 0333 Meter Readers											
33 <u>Personal Services</u>											
34 53612 Regular Salaries & Wages	\$ 100,019	103,806	107,439	111,200	115,219	119,382	123,696	128,165	132,794	137,590	142,559
35 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
36 53614 Overtime Pay	\$ 2,389	3,000	3,105	3,214	3,330	3,450	3,575	3,704	3,838	3,976	4,120
37 53615 Special Pay	\$ 2,446	2,360	2,443	2,528	2,619	2,714	2,812	2,914	3,019	3,128	3,241
38 53621 FICA Taxes	\$ 7,476	8,352	8,644	8,947	9,270	9,605	9,952	10,312	10,684	11,070	11,470
39 53622 Retirement Contribution	\$ 8,462	9,497	9,829	10,173	10,541	10,922	11,317	11,726	12,149	12,588	13,042
40 53623 Life & Health Insurance	\$ 29,865	40,513	45,375	50,820	56,976	63,878	71,615	80,290	90,015	100,917	113,140

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Schedule 5 – Projection of Cash Outflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
41 53624 Workers Compensation	\$ 3,927	4,837	5,006	5,182	5,369	5,563	5,764	5,972	6,188	6,411	6,643
42 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
43 53626 Other Post Employment Benefits	\$ 121	-	-	-	-	-	-	-	-	-	-
44 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
45 Sub-Total: Personal Services	\$ 154,706	172,365	181,841	192,063	203,324	215,514	228,731	243,082	258,687	275,681	294,215
46 <u>Operating & Maintenance</u>											
47 53631 Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
48 53640 Travel Per Diem	\$ -	200	205	210	215	221	226	232	238	244	250
49 53641 Communication Services	\$ 1,872	3,203	3,283	3,365	3,449	3,536	3,624	3,714	3,807	3,903	4,000
50 53642 Freight & Postage Service	\$ -	-	-	-	-	-	-	-	-	-	-
51 53645 Insurance	\$ 2,821	2,821	2,920	3,022	3,128	3,237	3,350	3,468	3,589	3,715	3,845
52 53646 Repairs & Maintenance	\$ 6,107	2,800	2,898	2,999	3,111	3,227	3,347	3,472	3,602	3,736	3,875
53 53646 Vehicle Maint. Repairs	\$ -	4,895	5,066	5,244	5,439	5,642	5,852	6,070	6,296	6,531	6,774
54 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
55 53651 Office Supplies	\$ -	-	-	-	-	-	-	-	-	-	-
56 53652 Operating Supplies	\$ 12,051	2,300	2,392	2,488	2,593	2,702	2,817	2,936	3,060	3,189	3,324
57 53652 Vehicle Fuel	\$ -	13,086	14,395	15,834	17,490	19,318	21,338	23,568	26,030	28,750	31,752
58 53654 Books-Publ-Subscriptions	\$ -	-	-	-	-	-	-	-	-	-	-
59 53655 Training	\$ 72	700	718	735	754	773	792	812	832	853	874
60 Sub-Total: Operating & Maintenance	\$ 22,922	30,005	31,876	33,897	36,179	38,656	41,347	44,272	47,454	50,919	54,693
61 Total: 0333 Meter Readers	\$ 177,628	202,370	213,718	225,960	239,503	254,171	270,078	287,353	306,141	326,600	348,908
62 0903 Collection Center											
63 <u>Personal Services</u>											
64 53611 Executive Salaries	\$ 30,382	28,620	29,622	30,658	31,767	32,914	34,104	35,336	36,612	37,935	39,304
65 53612 Regular Salaries & Wages	\$ 78,111	93,595	96,871	100,261	103,885	107,639	111,528	115,558	119,732	124,056	128,536
66 53613 Other Salaries & Wages	\$ 13,742	7,507	7,770	8,042	8,332	8,633	8,945	9,269	9,603	9,950	10,310
67 53614 Overtime Pay	\$ 898	1,460	1,511	1,564	1,621	1,679	1,740	1,803	1,868	1,935	2,005
68 53615 Special Pay	\$ -	-	-	-	-	-	-	-	-	-	-
69 53621 FICA Taxes	\$ 8,721	10,035	10,386	10,750	11,138	11,541	11,958	12,390	12,837	13,301	13,781
70 53622 Retirement Contribution	\$ 9,518	10,760	11,137	11,526	11,943	12,375	12,822	13,285	13,765	14,262	14,777
71 53623 Life & Health Insurance	\$ 29,735	40,480	45,338	50,778	56,929	63,826	71,557	80,225	89,942	100,835	113,047
72 53624 Workers Compensation	\$ 293	315	326	337	350	362	375	389	403	418	433
73 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
74 53626 Other Post Employment Benefits	\$ 91	-	-	-	-	-	-	-	-	-	-
75 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
76 Sub-Total: Personal Services	\$ 171,491	192,772	202,960	213,917	225,965	238,970	253,029	268,253	284,762	302,691	322,193
77 <u>Operating & Maintenance</u>											
78 53631 Professional Services	\$ -	574	588	603	618	634	649	666	682	699	717
79 53634 Other Contractual Services	\$ 1,446	5,322	5,455	5,591	5,757	5,927	6,102	6,282	6,467	6,658	6,854
80 53640 Travel Per Diem	\$ -	1,746	1,790	1,834	1,880	1,927	1,975	2,025	2,075	2,127	2,181
81 53641 Communication Services	\$ -	1,200	1,230	1,261	1,292	1,325	1,358	1,392	1,426	1,462	1,499
82 53642 Freight & Postage Service	\$ 8,551	6,661	6,828	6,998	7,173	7,352	7,536	7,725	7,918	8,116	8,319
83 53643 Utility Services	\$ 3,616	3,780	4,007	4,247	4,521	4,813	5,124	5,454	5,806	6,180	6,579

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Schedule 5 – Projection of Cash Outflows

APPENDIX

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
84 53644 Rents & Leases	\$ 840	1,320	1,353	1,387	1,421	1,457	1,493	1,531	1,569	1,608	1,648
85 53645 Insurance	\$ -	-	-	-	-	-	-	-	-	-	-
86 53646 Repairs & Maintenance	\$ 1,201	2,118	2,192	2,269	2,353	2,441	2,532	2,626	2,724	2,826	2,931
87 53647 Printing & Binding	\$ -	-	-	-	-	-	-	-	-	-	-
88 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
89 53651 Office Supplies	\$ 1,433	2,906	2,979	3,053	3,129	3,208	3,288	3,370	3,454	3,541	3,629
90 53652 Operating Supplies	\$ 2,241	3,058	3,180	3,308	3,447	3,593	3,745	3,903	4,068	4,240	4,419
91 53654 Books-Publ-Subscriptions	\$ 103	196	201	206	211	216	222	227	233	239	245
92 53655 Training	\$ -	635	651	667	684	701	718	736	755	774	793
93 Sub-Total: Operating & Maintenance	\$ 19,431	29,516	30,453	31,424	32,489	33,594	34,743	35,937	37,179	38,470	39,813
94 Total: 0903 Collection Center	\$ 190,922	222,288	233,413	245,342	258,453	272,564	287,772	304,190	321,941	341,161	362,006
95 4001 Utility Administration											
96 <u>Personal Services</u>											
97 53611 Executive Salaries	\$ 118,631	93,318	96,584	99,965	103,578	107,321	111,198	115,216	119,377	123,689	128,156
98 53612 Regular Salaries & Wages	\$ 124,418	112,465	116,401	120,475	124,830	129,341	134,014	138,855	143,871	149,067	154,451
99 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
100 53614 Overtime Pay	\$ 160	1,000	1,035	1,071	1,110	1,150	1,192	1,235	1,279	1,325	1,373
101 53615 Special Pay	\$ -	15,956	16,514	17,092	17,710	18,350	19,013	19,700	20,412	21,149	21,913
102 53621 FICA Taxes	\$ 16,440	18,147	18,782	19,440	20,142	20,870	21,624	22,405	23,215	24,053	24,922
103 53622 Retirement Contribution	\$ 20,910	38,757	40,113	41,517	43,018	44,573	46,183	47,852	49,580	51,371	53,226
104 53623 Life & Health Insurance	\$ 27,014	2,603	2,915	3,265	3,661	4,104	4,601	5,159	5,784	6,484	7,269
105 53624 Workers Compensation	\$ 3,452	-	-	-	-	-	-	-	-	-	-
106 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
107 53626 Other Post Employment Benefits	\$ 151	-	-	-	-	-	-	-	-	-	-
108 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
109 Sub-Total: Personal Services	\$ 311,175	282,246	292,346	302,826	314,048	325,708	337,826	350,421	363,518	377,139	391,309
110 <u>Operating & Maintenance</u>											
111 53631 Professional Services	\$ -	-	-	-	-	-	-	-	-	-	-
112 53640 Travel Per Diem	\$ 2,782	6,600	6,765	6,934	7,107	7,285	7,467	7,654	7,845	8,041	8,242
113 53641 Communication Services	\$ 1,049	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
114 53642 Freight & Postage Service	\$ 566	314	322	330	338	347	355	364	373	383	392
115 53643 Utility Services	\$ -	-	-	-	-	-	-	-	-	-	-
116 53644 Rents & Leases	\$ 840	1,320	1,353	1,387	1,421	1,457	1,493	1,531	1,569	1,608	1,648
117 53645 Insurance	\$ 1,257	1,257	1,301	1,347	1,394	1,442	1,493	1,545	1,599	1,655	1,713
118 53646 Repairs & Maintenance	\$ 825	1,000	1,035	1,071	1,111	1,153	1,196	1,240	1,286	1,334	1,384
119 53647 Printing & Binding	\$ 225	400	410	420	431	442	453	464	475	487	500
120 53648 Promotional Activities	\$ -	-	-	-	-	-	-	-	-	-	-
121 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
122 53651 Office Supplies	\$ 470	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
123 53652 Operating Supplies	\$ 10,557	4,090	4,254	4,424	4,611	4,806	5,009	5,220	5,441	5,671	5,910
124 53654 Books-Publ-Subscriptions	\$ 729	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
125 53655 Training	\$ 519	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
126 Sub-Total: Operating & Maintenance	\$ 19,818	26,981	27,739	28,520	29,336	30,177	31,043	31,935	32,854	33,801	34,776
127 Total: 4001 Utility Administration	\$ 330,993	309,227	320,085	331,346	343,384	355,885	368,868	382,356	396,372	410,939	426,085

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Schedule 5 – Projection of Cash Outflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
128 4302 Water Supply											
129 <u>Personal Services</u>											
130 53612 Regular Salaries & Wages	\$ 142,424	155,481	160,923	166,555	172,575	178,811	185,272	191,965	198,900	206,083	213,525
131 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
132 53614 Overtime Pay	\$ 10,351	13,077	13,535	14,008	14,515	15,039	15,583	16,146	16,729	17,333	17,959
133 53615 Special Pay	\$ 4,222	5,080	5,258	5,442	5,639	5,842	6,053	6,272	6,499	6,733	6,976
134 53621 FICA Taxes	\$ 11,307	13,283	13,748	14,229	14,743	15,276	15,828	16,400	16,992	17,606	18,242
135 53622 Retirement Contribution	\$ 13,659	15,107	15,636	16,183	16,768	17,374	18,002	18,652	19,326	20,024	20,747
136 53623 Life & Health Insurance	\$ 31,636	44,249	49,559	55,506	62,230	69,768	78,220	87,694	98,316	110,224	123,573
137 53624 Workers Compensation	\$ 6,379	7,692	7,961	8,240	8,538	8,846	9,166	9,497	9,840	10,195	10,564
138 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
139 53626 Other Post Employment Benefits	\$ 121	-	-	-	-	-	-	-	-	-	-
140 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
141 Sub-Total: Personal Services	\$ 220,100	253,969	266,619	280,163	295,007	310,957	328,123	346,626	366,601	388,198	411,586
142 <u>Operating & Maintenance</u>											
143 53631 Professional Services	\$ 25	-	-	-	-	-	-	-	-	-	-
144 53633 Court Reporter Services	\$ -	-	-	-	-	-	-	-	-	-	-
145 53634 Other Contractual Services (Purchased Water)	\$ 2,764,021	2,680,000	2,883,253	1,532,616	-	-	-	-	-	-	-
146 AWP - Incremental Salaries & Benefits Expense	\$ -	-	-	754,681	1,057,901	1,113,273	1,172,718	1,236,633	1,305,460	1,379,693	1,459,881
147 AWP - Incremental Chemicals Expense	\$ -	-	-	62,967	99,216	104,222	109,480	115,003	120,805	126,899	133,301
148 AWP - Incremental Power & Fuel Expense	\$ -	-	-	106,291	171,467	184,405	198,319	213,282	229,374	246,680	265,291
149 AWP - Incremental Maint. & Other Misc. Expense	\$ -	-	-	82,926	128,799	133,366	138,094	142,990	148,059	153,307	158,741
150 53640 Travel Per Diem	\$ 1,726	1,081	1,108	1,136	1,164	1,193	1,223	1,254	1,285	1,317	1,350
151 53641 Communication Services	\$ 5,921	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
152 53642 Freight & Postage Service	\$ 540	1,805	1,850	1,896	1,944	1,992	2,042	2,093	2,146	2,199	2,254
153 53643 Utility Services	\$ 42,114	44,896	47,590	50,445	53,702	57,169	60,858	64,784	68,961	73,407	78,138
154 53644 Rents & Leases	\$ 1,781	-	-	-	-	-	-	-	-	-	-
155 53645 Insurance	\$ 1,410	1,410	1,459	1,510	1,563	1,618	1,675	1,733	1,794	1,857	1,922
156 53646 Repairs & Maintenance	\$ 43,816	31,500	32,603	33,744	35,002	36,306	37,659	39,062	40,517	42,026	43,590
157 53646 Vehicle Maint. Repairs	\$ -	4,977	5,151	5,331	5,530	5,736	5,950	6,172	6,402	6,640	6,887
158 53647 Printing & Binding	\$ -	2,250	2,306	2,364	2,423	2,484	2,546	2,609	2,675	2,741	2,810
159 53648 Promotional Activities	\$ 739	-	-	-	-	-	-	-	-	-	-
160 53649 Other Current Charges	\$ 2,257	-	-	-	-	-	-	-	-	-	-
161 53651 Office Supplies	\$ 1,030	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
162 53652 Operating Supplies	\$ 72,584	53,787	55,938	58,176	60,636	63,199	65,870	68,654	71,554	74,576	77,725
163 53652 Vehicle Fuel	\$ -	10,098	11,108	12,219	13,496	14,907	16,466	18,186	20,087	22,185	24,502
164 53654 Books-Publ-Subscriptions	\$ 1,173	550	564	578	592	607	622	638	654	670	687
165 53655 Training	\$ 3,321	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
166 53699 Non-Operating	\$ -	-	-	-	-	-	-	-	-	-	-
167 Sub-Total: Operating & Maintenance	\$ 2,942,459	2,839,354	3,050,105	2,714,235	1,640,974	1,728,205	1,821,442	1,921,211	2,028,093	2,142,727	2,265,820
168 Total: 4302 Water Supply	\$ 3,162,559	3,093,323	3,316,724	2,994,398	1,935,981	2,039,163	2,149,565	2,267,837	2,394,693	2,530,925	2,677,406

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Schedule 5 – Projection of Cash Outflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
169 4303 Water Distribution											
170 <u>Personal Services</u>											
171 53611 Executive Salaries	\$ 4,644	9,078	9,396	9,725	10,076	10,440	10,817	11,208	11,613	12,032	12,467
172 53612 Regular Salaries & Wages	\$ 293,887	267,880	277,256	286,960	297,331	308,076	319,207	330,739	342,686	355,063	367,885
173 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
174 53614 Overtime Pay	\$ 33,334	27,205	28,157	29,143	30,196	31,287	32,418	33,589	34,802	36,059	37,361
175 53615 Special Pay	\$ 8,045	6,641	6,873	7,114	7,371	7,637	7,913	8,199	8,496	8,802	9,120
176 53621 FICA Taxes	\$ 24,372	23,793	24,626	25,488	26,409	27,363	28,352	29,376	30,437	31,537	32,675
177 53622 Retirement Contribution	\$ 29,581	27,060	28,007	28,987	30,035	31,120	32,245	33,410	34,617	35,867	37,162
178 53623 Life & Health Insurance	\$ 81,240	86,820	97,238	108,907	122,100	136,891	153,473	172,063	192,903	216,267	242,460
179 53624 Workers Compensation	\$ 11,968	13,380	13,848	14,333	14,851	15,388	15,944	16,520	17,116	17,735	18,375
180 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
181 53626 Other Post Employment Benefits	\$ 306	-	-	-	-	-	-	-	-	-	-
182 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
183 Sub-Total: Personal Services	\$ 487,378	461,857	485,402	510,656	538,369	568,203	600,369	635,104	672,671	713,362	757,506
184 <u>Operating & Maintenance</u>											
185 53631 Professional Services	\$ 95,265	45,000	46,125	47,278	48,460	49,672	50,913	52,186	53,491	54,828	56,199
186 53634 Other Contractual Services	\$ -	-	-	-	-	-	-	-	-	-	-
187 53640 Travel Per Diem	\$ 1,013	1,125	1,153	1,182	1,212	1,242	1,273	1,305	1,337	1,371	1,405
188 53641 Communication Services	\$ 1,875	-	-	-	-	-	-	-	-	-	-
189 53642 Freight & Postage Service	\$ -	6,676	6,843	7,014	7,189	7,369	7,553	7,742	7,936	8,134	8,337
190 53643 Utility Services	\$ -	57	60	64	68	73	77	82	88	93	99
191 53644 Rents & Leases	\$ 4,246	5,859	6,005	6,156	6,310	6,467	6,629	6,795	6,965	7,139	7,317
192 53645 Insurance	\$ 3,231	3,231	3,344	3,461	3,582	3,708	3,837	3,972	4,111	4,255	4,404
193 53646 Repairs & Maintenance	\$ 78,611	77,108	79,807	82,600	85,680	88,873	92,185	95,620	99,181	102,874	106,703
194 53646 Effluent Extensions	\$ -	1,035	1,071	1,109	1,148	1,188	1,229	1,272	1,317	1,363	1,411
195 53646 Vehicle Maint. Repairs	\$ -	39,039	40,405	41,820	43,379	44,996	46,672	48,411	50,214	52,084	54,023
196 53647 Printing & Binding	\$ 572	-	-	-	-	-	-	-	-	-	-
197 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
198 53651 Office Supplies	\$ 402	2,070	2,122	2,175	2,229	2,285	2,342	2,401	2,461	2,522	2,585
199 53652 Operating Supplies	\$ 47,185	38,729	40,278	41,889	43,661	45,506	47,430	49,434	51,522	53,698	55,965
200 53652 Vehicle Fuel	\$ -	18,371	20,208	22,229	24,553	27,120	29,955	33,086	36,543	40,360	44,576
201 53653 Road Materials & Supplies	\$ 6,734	20,444	21,160	21,900	22,667	23,460	24,281	25,131	26,010	26,921	27,863
202 53654 Books-Publ-Subscriptions	\$ 2,028	1,035	1,061	1,087	1,115	1,142	1,171	1,200	1,230	1,261	1,293
203 53655 Training	\$ 6,289	6,458	6,619	6,785	6,955	7,128	7,307	7,489	7,677	7,868	8,065
204 53699 Non-Operating	\$ -	-	-	-	-	-	-	-	-	-	-
205 Sub-Total: Operating & Maintenance	\$ 247,453	266,237	276,262	286,749	298,206	310,229	322,856	336,125	350,081	364,771	380,245
206 Total: 4303 Water Distribution	\$ 734,831	728,094	761,664	797,405	836,575	878,432	923,225	971,229	1,022,752	1,078,133	1,137,751
207 4304 Meter Repair											
208 <u>Personal Services</u>											
209 53612 Regular Salaries & Wages	\$ 60,272	59,417	61,497	63,649	65,949	68,333	70,802	73,360	76,009	78,755	81,599
210 53614 Overtime Pay	\$ 569	1,500	1,553	1,607	1,665	1,725	1,787	1,852	1,919	1,988	2,060

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	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
211 53615 Special Pay	\$ 440	400	414	428	444	460	477	494	512	530	549
212 53621 FICA Taxes	\$ 4,653	4,690	4,854	5,024	5,206	5,394	5,589	5,791	6,000	6,216	6,441
213 53622 Retirement Contribution	\$ 5,331	5,335	5,522	5,715	5,922	6,136	6,357	6,587	6,825	7,071	7,327
214 53623 Life & Health Insurance	\$ 13,907	16,908	18,937	21,209	23,779	26,659	29,889	33,509	37,568	42,118	47,219
215 53624 Workers Compensation	\$ 2,185	2,716	2,811	2,909	3,015	3,124	3,236	3,353	3,474	3,600	3,730
216 53626 Other Post Employment Benefits	\$ 60	-	-	-	-	-	-	-	-	-	-
217 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
218 Sub-Total: Personal Services	\$ 87,418	90,966	95,587	100,542	105,979	111,830	118,136	124,945	132,306	140,278	148,924
219 <u>Operating & Maintenance</u>											
220 53631 Professional Services	\$ 2,279	-	-	-	-	-	-	-	-	-	-
221 53634 Other Contractual Services	\$ 3,325	1,081	1,108	1,136	1,169	1,204	1,239	1,276	1,314	1,352	1,392
222 53640 Travel Per Diem	\$ -	-	-	-	-	-	-	-	-	-	-
223 53641 Communication Services	\$ -	400	410	420	431	442	453	464	475	487	500
224 53642 Freight & Postage Service	\$ 369	570	584	599	614	629	645	661	678	694	712
225 53643 Utility Services	\$ -	-	-	-	-	-	-	-	-	-	-
226 53644 Rents & Leases	\$ 1,128	431	442	453	464	476	488	500	512	525	538
227 53645 Insurance	\$ 705	705	730	755	782	809	837	867	897	928	961
228 53646 Repairs & Maintenance	\$ 543	30,818	31,897	33,013	34,244	35,520	36,844	38,217	39,640	41,116	42,646
229 53646 Vehicle Maint. Repairs	\$ -	2,474	2,561	2,650	2,749	2,851	2,958	3,068	3,182	3,301	3,424
230 53651 Office Supplies	\$ 228	1,054	1,080	1,107	1,135	1,163	1,193	1,222	1,253	1,284	1,316
231 53652 Operating Supplies	\$ 21,672	14,757	15,347	15,961	16,636	17,339	18,072	18,836	19,632	20,461	21,325
232 53652 Vehicle Fuel	\$ -	2,729	3,002	3,302	3,647	4,029	4,450	4,915	5,428	5,996	6,622
233 53654 Books-Publ-Subscriptions	\$ 422	180	185	189	194	199	204	209	214	219	225
234 53655 Training	\$ 120	901	924	947	970	995	1,019	1,045	1,071	1,098	1,125
235 Sub-Total: Operating & Maintenance	\$ 30,791	56,100	58,269	60,532	63,035	65,656	68,401	71,278	74,296	77,462	80,785
236 Total: 4304 Meter Repair	\$ 118,209	147,066	153,855	161,075	169,014	177,486	186,538	196,223	206,602	217,740	229,709
237 <u>4602 Sewage Collection</u>											
238 <u>Personal Services</u>											
239 53611 Executive Salaries	\$ 4,644	9,078	9,396	9,725	10,076	10,440	10,817	11,208	11,613	12,032	12,467
240 53612 Regular Salaries & Wages	\$ 185,236	202,081	209,154	216,474	224,298	232,404	240,801	249,500	258,513	267,849	277,522
241 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
242 53614 Overtime Pay	\$ 10,855	31,050	32,137	33,262	34,464	35,709	36,999	38,336	39,721	41,155	42,642
243 53615 Special Pay	\$ 6,419	3,321	3,437	3,558	3,686	3,819	3,957	4,100	4,248	4,402	4,561
244 53621 FICA Taxes	\$ 15,136	18,800	19,458	20,139	20,867	21,621	22,402	23,212	24,050	24,919	25,818
245 53622 Retirement Contribution	\$ 17,549	21,381	22,129	22,904	23,732	24,589	25,478	26,398	27,352	28,340	29,363
246 53623 Life & Health Insurance	\$ 52,147	68,834	77,094	86,345	96,805	108,532	121,679	136,418	152,941	171,464	192,231
247 53624 Workers Compensation	\$ 7,960	10,488	10,855	11,235	11,641	12,062	12,498	12,949	13,417	13,901	14,403
248 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
249 53626 Other Post Employment Benefits	\$ 215	-	-	-	-	-	-	-	-	-	-
250 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
251 Sub-Total: Personal Services	\$ 300,161	365,033	383,660	403,641	425,569	449,176	474,631	502,121	531,854	564,063	599,007

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Schedule 5 – Projection of Cash Outflows

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	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
252 <u>Operating & Maintenance</u>											
253 53631 Professional Services	\$ 7,938	1,095	1,122	1,150	1,179	1,209	1,239	1,270	1,302	1,334	1,368
254 53634 Other Contractual Services	\$ 530	4,000	4,100	4,203	4,327	4,455	4,586	4,721	4,861	5,004	5,151
255 53640 Travel Per Diem	\$ 391	225	231	236	242	248	255	261	267	274	281
256 53641 Communication Services	\$ 2,251	2,950	3,024	3,099	3,177	3,256	3,338	3,421	3,507	3,594	3,684
257 53642 Freight & Postage Service	\$ 64	57	58	60	61	63	64	66	68	69	71
258 53643 Utility Services	\$ 191	385	408	433	461	490	522	556	591	629	670
259 53643 Electric Service	\$ -	261	277	293	312	332	354	377	401	427	454
260 53644 Rents & Leases	\$ 4,089	3,002	3,077	3,154	3,233	3,314	3,396	3,481	3,568	3,658	3,749
261 53645 Insurance	\$ 6,796	6,796	7,034	7,280	7,535	7,799	8,072	8,354	8,646	8,949	9,262
262 53646 Repairs & Maintenance	\$ 67,387	37,620	38,937	40,299	41,802	43,360	44,976	46,652	48,389	50,191	52,059
263 53646 Vehicle Maint. Repairs	\$ -	35,569	36,814	38,102	39,523	40,996	42,524	44,108	45,751	47,454	49,221
264 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
265 53651 Office Supplies	\$ 60	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
266 53652 Operating Supplies	\$ 41,000	31,000	32,240	33,530	34,947	36,425	37,964	39,568	41,240	42,982	44,797
267 53652 Vehicle Fuel	\$ -	22,440	24,684	27,152	29,992	33,127	36,590	40,414	44,637	49,300	54,449
268 53653 Road Materials & Supplies	\$ 2,489	12,019	12,440	12,875	13,326	13,792	14,275	14,774	15,292	15,827	16,381
269 53654 Books-Publ-Subscriptions	\$ 428	600	615	630	646	662	679	696	713	731	749
270 53655 Training	\$ 3,798	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244
271 53699 Non-Operating	\$ -	-	-	-	-	-	-	-	-	-	-
272 Sub-Total: Operating & Maintenance	\$ 137,411	165,019	172,235	179,852	188,301	197,255	206,753	216,837	227,553	238,952	251,088
273 Total: 4602 Sewage Collection	\$ 437,573	530,052	555,895	583,493	613,870	646,432	681,385	718,958	759,408	803,015	850,096
274 <u>4603 Sewage Treatment</u>											
275 <u>Personal Services</u>											
276 53612 Regular Salaries & Wages	\$ 608,777	680,161	703,967	728,605	754,939	782,221	810,484	839,764	870,098	901,523	934,079
277 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
278 53614 Overtime Pay	\$ 34,731	54,700	56,615	58,596	60,714	62,908	65,181	67,536	69,975	72,502	75,121
279 53615 Special Pay	\$ 6,438	6,180	6,396	6,620	6,859	7,107	7,364	7,630	7,906	8,191	8,487
280 53621 FICA Taxes	\$ 48,603	56,690	58,674	60,728	62,923	65,196	67,552	69,993	72,521	75,140	77,854
281 53622 Retirement Contribution	\$ 54,933	64,471	66,727	69,063	71,559	74,145	76,824	79,599	82,475	85,453	88,539
282 53623 Life & Health Insurance	\$ 107,874	147,968	165,724	185,611	208,096	233,305	261,565	293,248	328,767	368,586	413,226
283 53624 Workers Compensation	\$ 20,912	27,745	28,716	29,721	30,795	31,908	33,061	34,256	35,493	36,775	38,103
284 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
285 53626 Other Post Employment Benefits	\$ 484	-	-	-	-	-	-	-	-	-	-
286 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
287 Sub-Total: Personal Services	\$ 882,752	1,037,915	1,086,819	1,138,945	1,195,886	1,256,790	1,322,031	1,392,026	1,467,234	1,548,172	1,635,409
288 <u>Operating & Maintenance</u>											
289 53631 Professional Services	\$ 21,486	86,289	88,446	90,657	92,924	95,247	97,628	100,069	102,571	105,135	107,763
290 53634 Other Contractual Services	\$ 202,012	260,793	267,313	273,996	282,098	290,433	299,010	307,833	316,910	326,249	335,856
291 53640 Travel Per Diem	\$ 1,333	2,122	2,175	2,229	2,285	2,342	2,401	2,461	2,522	2,585	2,650

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	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
292 53641 Communication Services	\$ 5,201	7,500	7,688	7,880	8,077	8,279	8,486	8,698	8,915	9,138	9,366
293 53642 Freight & Postage Service	\$ 2,003	4,243	4,349	4,458	4,569	4,683	4,801	4,921	5,044	5,170	5,299
294 53643 Water and Sewer	\$ 328,270	17,404	18,274	19,188	20,147	21,155	22,212	23,323	24,489	25,714	26,999
295 53643 Electric Service	\$ -	334,913	355,008	376,308	400,606	426,465	453,984	483,270	514,435	547,600	582,892
296 53644 Rents & Leases	\$ 2,744	2,849	2,920	2,993	3,068	3,145	3,223	3,304	3,387	3,471	3,558
297 53645 Insurance	\$ 20,887	21,087	21,825	22,589	23,380	24,198	25,045	25,921	26,829	27,768	28,739
298 53646 Repairs & Maintenance	\$ 185,471	164,389	170,143	176,098	182,663	189,472	196,533	203,854	211,447	219,320	227,484
299 53646 Vehicle Maint. Repairs	\$ -	4,307	4,458	4,614	4,786	4,964	5,149	5,341	5,540	5,746	5,960
300 53647 Printing & Binding	\$ 266	300	308	315	323	331	339	348	357	366	375
301 53648 Promotional Activities	\$ 2,564	1,700	1,743	1,786	1,831	1,876	1,923	1,971	2,021	2,071	2,123
302 53649 Other Current Charges	\$ 416	300	308	315	323	331	339	348	357	366	375
303 53651 Office Supplies	\$ 1,059	2,352	2,411	2,471	2,533	2,596	2,661	2,728	2,796	2,866	2,937
304 53652 Operating Supplies	\$ 265,062	250,102	260,106	270,510	281,949	293,868	306,288	319,230	332,716	346,768	361,410
305 53652 Vehicle Fuel	\$ -	3,635	3,999	4,398	4,858	5,366	5,927	6,547	7,231	7,986	8,820
306 53654 Books-Publ-Subscriptions	\$ 19,333	1,359	1,393	1,428	1,463	1,500	1,538	1,576	1,615	1,656	1,697
307 53655 Training	\$ 6,379	9,700	9,943	10,191	10,446	10,707	10,975	11,249	11,530	11,819	12,114
308 53699 Non-Operating	\$ -	-	-	-	-	-	-	-	-	-	-
309 Sub-Total: Operating & Maintenance	\$ 1,064,487	1,175,344	1,222,807	1,272,425	1,328,329	1,386,960	1,448,462	1,512,991	1,580,710	1,651,791	1,726,417
310 Total: 4603 Sewage Treatment	\$ 1,947,239	2,213,259	2,309,626	2,411,369	2,524,215	2,643,750	2,770,494	2,905,017	3,047,944	3,199,962	3,361,826
311 4604 Sewage Lift Stations											
312 <u>Personal Services</u>											
313 53612 Regular Salaries & Wages	\$ 109,560	98,346	101,788	105,351	109,158	113,103	117,190	121,423	125,809	130,353	135,061
314 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
315 53614 Overtime Pay	\$ 5,146	8,659	8,962	9,276	9,611	9,958	10,318	10,691	11,077	11,477	11,892
316 53615 Special Pay	\$ 3,542	3,720	3,850	3,985	4,129	4,278	4,433	4,593	4,759	4,931	5,109
317 53621 FICA Taxes	\$ 8,920	8,471	8,767	9,074	9,402	9,742	10,094	10,459	10,837	11,228	11,633
318 53622 Retirement Contribution	\$ 10,288	9,633	9,970	10,319	10,692	11,078	11,479	11,893	12,323	12,768	13,229
319 53623 Life & Health Insurance	\$ 23,004	28,839	32,300	36,176	40,558	45,471	50,979	57,154	64,077	71,838	80,538
320 53624 Workers Compensation	\$ 4,003	4,649	4,812	4,980	5,160	5,347	5,540	5,740	5,947	6,162	6,385
321 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
322 53626 Other Post Employment Benefits	\$ 91	-	-	-	-	-	-	-	-	-	-
323 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
324 Sub-Total: Personal Services	\$ 164,553	162,317	170,449	179,161	188,711	198,978	210,032	221,953	234,829	248,757	263,846
325 <u>Operating & Maintenance</u>											
326 53631 Professional Services	\$ 110	1,326	1,359	1,393	1,428	1,464	1,500	1,538	1,576	1,616	1,656
327 53633 Court Reporter Services	\$ -	-	-	-	-	-	-	-	-	-	-
328 53634 Other Contractual Services	\$ -	3,011	3,086	3,163	3,257	3,353	3,452	3,554	3,659	3,767	3,878
329 53640 Travel Per Diem	\$ -	591	606	621	636	652	669	685	703	720	738
330 53641 Communication Services	\$ 6,308	10,919	11,192	11,472	11,759	12,053	12,354	12,663	12,979	13,304	13,636
331 53642 Freight & Postage Service	\$ 67	200	205	210	215	221	226	232	238	244	250
332 53643 Water and Sewer	\$ 94,184	7,809	8,199	8,609	9,040	9,492	9,966	10,465	10,988	11,537	12,114

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE

Schedule 5 – Projection of Cash Outflows

APPENDIX

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
333 53643 Electric Service	\$ -	102,091	108,216	114,709	122,116	129,999	138,387	147,314	156,814	166,924	177,682
334 53644 Rents & Leases	\$ 325	4,570	4,684	4,801	4,921	5,044	5,171	5,300	5,432	5,568	5,707
335 53645 Insurance	\$ 6,958	6,958	7,202	7,454	7,714	7,984	8,264	8,553	8,853	9,162	9,483
336 53646 Repairs & Maintenance	\$ 97,813	93,356	96,623	100,005	103,734	107,601	111,610	115,768	120,080	124,551	129,187
337 53646 Vehicle Maint. Repairs	\$ -	7,891	8,167	8,453	8,768	9,095	9,434	9,785	10,150	10,528	10,920
338 53647 Printing & Binding	\$ -	-	-	-	-	-	-	-	-	-	-
339 53648 Promotional Activities	\$ -	-	-	-	-	-	-	-	-	-	-
340 53649 Other Current Charges	\$ -	-	-	-	-	-	-	-	-	-	-
341 53651 Office Supplies	\$ 84	379	388	398	408	418	429	440	451	462	473
342 53652 Operating Supplies	\$ 34,461	25,686	26,713	27,782	28,957	30,181	31,456	32,786	34,171	35,614	37,118
343 53652 Vehicle Fuel	\$ -	14,032	15,435	16,979	18,754	20,715	22,880	25,271	27,912	30,828	34,048
344 53654 Books-Publ-Subscriptions	\$ 27	589	604	619	634	650	666	683	700	718	736
345 53655 Training	\$ -	750	769	788	808	828	849	870	892	914	937
346 53699 Non-Operating	\$ -	-	-	-	-	-	-	-	-	-	-
347 Sub-Total: Operating & Maintenance	\$ 240,338	280,158	293,450	307,457	323,151	339,750	357,314	375,907	395,596	416,455	438,562
348 Total: 4604 Sewage Lift Stations	\$ 404,891	442,475	463,900	486,618	511,861	538,728	567,347	597,860	630,425	665,212	702,408
349 8803 W/S Non-Departmental											
350 <u>Personal Services</u>											
351 53612 Regular Salaries & Wages	\$ 222,841	223,147	230,957	239,041	247,680	256,631	265,903	275,510	285,462	295,772	306,452
352 53613 Other Salaries & Wages	\$ -	-	-	-	-	-	-	-	-	-	-
353 53614 Overtime Pay	\$ 18	2,000	2,070	2,142	2,220	2,300	2,383	2,469	2,559	2,651	2,747
354 53615 Special Pay	\$ 20	100	104	107	111	115	119	123	128	133	137
355 53621 FICA Taxes	\$ 16,493	17,232	17,835	18,459	19,127	19,818	20,534	21,276	22,044	22,840	23,665
356 53622 Retirement Contribution	\$ 19,391	19,596	20,282	20,992	21,750	22,536	23,351	24,194	25,068	25,974	26,912
357 53623 Life & Health Insurance	\$ 36,155	44,740	50,109	56,122	62,921	70,543	79,088	88,667	99,407	111,447	124,944
358 53624 Workers Compensation	\$ 472	541	560	580	600	622	645	668	692	717	743
359 53625 Unemployment Compensation	\$ -	-	-	-	-	-	-	-	-	-	-
360 53626 Other Post Employment Benefits	\$ 106	-	-	-	-	-	-	-	-	-	-
361 53629 Salary/ Benefit Increase	\$ -	-	-	-	-	-	-	-	-	-	-
362 Sub-Total: Personal Services	\$ 295,495	307,356	321,916	337,443	354,409	372,565	392,022	412,907	435,359	459,533	485,600
363 <u>Operating & Maintenance</u>											
364 53631 Professional Services	\$ -	26,500	27,163	27,842	28,538	29,251	29,982	30,732	31,500	32,288	33,095
365 53632 Accounting and Auditing	\$ 15,271	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
366 53634 Other Contractual Services	\$ 16,665	13,500	13,838	14,183	14,603	15,034	15,478	15,935	16,405	16,888	17,386
367 53640 Travel Per Diem	\$ 746	7,500	7,688	7,880	8,077	8,279	8,486	8,698	8,915	9,138	9,366
368 53641 Communication Services	\$ 38	50	51	53	54	55	57	58	59	61	62
369 53642 Freight & Postage Service	\$ 39,005	41,040	42,066	43,118	44,196	45,300	46,433	47,594	48,784	50,003	51,253
370 53643 Utility Services	\$ -	-	-	-	-	-	-	-	-	-	-
371 53644 Rents & Leases	\$ 10,920	14,520	14,883	15,255	15,636	16,027	16,428	16,839	17,260	17,691	18,133
372 53645 Insurance	\$ 60,956	60,369	62,482	64,669	66,932	69,275	71,699	74,209	76,806	79,494	82,277
373 53646 Repairs & Maintenance	\$ 670	2,000	2,070	2,142	2,222	2,305	2,391	2,480	2,573	2,668	2,768

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE

Schedule 5 – Projection of Cash Outflows

APPENDIX

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
374 53647 Printing & Binding	\$ -	650	666	683	700	717	735	754	773	792	812
375 53649 Other Current Charges	\$ 2,781	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
376 53651 Office Supplies	\$ -	300	308	315	323	331	339	348	357	366	375
377 53652 Operating Supplies	\$ 1,736	1,000	1,040	1,082	1,127	1,175	1,225	1,276	1,330	1,387	1,445
378 53654 Books-Publ-Subscriptions	\$ 508	600	615	630	646	662	679	696	713	731	749
379 53655 Training	\$ 258	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
380 53693 Water	\$ 7,929	15,800	16,353	16,925	17,518	18,131	18,765	19,422	20,102	20,806	21,534
381 53693 Sewer	\$ -	8,000	8,280	8,570	8,870	9,180	9,501	9,834	10,178	10,534	10,903
382 53693 Irrigation	\$ -	-	-	-	-	-	-	-	-	-	-
383 53699 Non-Operating	\$ 293	-	-	-	-	-	-	-	-	-	-
384 Sub-Total: Operating & Maintenance	\$ 157,777	221,829	228,251	234,865	241,748	248,838	256,142	263,665	271,415	279,399	287,624
385 Total: 8803 W/S Non-Departmental	\$ 453,272	529,185	550,168	572,308	596,157	621,403	648,164	676,573	706,775	738,932	773,225
386 Total Operating Expense (@ 100% Execution)	\$ 8,145,623	8,585,047	9,054,585	8,993,191	8,222,009	8,630,753	9,066,615	9,531,973	10,029,454	10,561,959	11,132,700
387 Personal Services Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
388 O&M (Excl. Purchased Water) Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
389 Purchased Water/AWP Incremental O&M Execution Percenta	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
390 Total Operating Expense Funding Requirement	\$ 8,145,623	8,585,047	9,054,585	8,993,191	8,222,009	8,630,753	9,066,615	9,531,973	10,029,454	10,561,959	11,132,700
391 Senior-Lien Debt Service Expense											
392 Existing Debt Service											
393 Utility System Revenue Bonds, Series 2002	\$ 62,346	-	-	-	-	-	-	-	-	-	-
394 New Debt Service											
395 Utility System Revenue Bonds, Series 2011A (AWP) (1),(2)	\$ -	-	-	1,536,258	2,301,258	2,298,739	2,302,289	2,302,656	2,299,685	2,302,794	2,301,660
396 Utility System Revenue Bonds, Series 2011 (1)	\$ -	-	419,978	419,978	824,978	825,380	823,967	826,090	821,570	821,000	823,934
397 Cumulative Debt Service for Future Borrowings	\$ -	-	-	-	-	-	531,816	853,486	1,411,527	1,749,060	2,257,741
398 Total Senior-Lien Debt Service Expense	\$ 62,346	-	419,978	1,956,236	3,126,236	3,124,119	3,658,072	3,982,231	4,532,782	4,872,853	5,383,334
399 Interim Financing & Other Below the Line Expenses											
400 Grant Anticipation Note - AWP Interim Financing Costs (3)	\$ -	-	100,500	50,250	-	-	-	-	-	-	-
401 Line Of Credit - AWP Interim Financing Costs (4)	\$ 200,219	200,219	-	-	-	-	-	-	-	-	-
402 Future Borrowings - Interim Financing Costs (5)	\$ -	-	-	-	37,583	127,929	-	85,676	-	69,318	-
403 Vac-Con Truck Lease-Purchase	\$ 37,892	-	-	-	-	-	-	-	-	-	-
404 Total Interim Financing & Other Below the Line Expenses	\$ 238,111	200,219	100,500	50,250	37,583	127,929	-	85,676	-	69,318	-
405 Interfund Transfers											
406 58191 General Fund Transfer	\$ 507,110	524,859	543,229	562,242	581,921	602,288	623,368	645,186	667,767	691,139	715,329
407 Renewal & Replacement Fund Contribution (6)	\$ 515,774	512,257	533,908	564,357	596,923	634,898	675,458	719,524	767,411	818,215	872,777
408 Total Interfund Transfers	\$ 1,022,884	1,037,116	1,077,137	1,126,599	1,178,844	1,237,186	1,298,826	1,364,709	1,435,178	1,509,354	1,588,106

FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 5 – Projection of Cash Outflows

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
409 Minor Capital Outlay											
410 53664 Machinery & Equipment	\$ -	\$ 176,659	\$ 182,842	\$ 189,242	\$ 195,865	\$ 202,720	\$ 209,815	\$ 217,159	\$ 224,760	\$ 232,626	\$ 240,768
411 Total Minor Capital Outlay	\$ -	176,659	182,842	189,242	195,865	202,720	209,815	217,159	224,760	232,626	240,768
409 TOTAL CASH OUTFLOWS	\$ 9,468,965	9,999,041	10,835,042	12,315,517	12,760,536	13,322,706	14,233,328	15,181,748	16,222,173	17,246,111	18,344,908

(1) Debt service schedules are preliminary and as provided by PFM, the City's financial advisor.

(2) Assumes 1 year of capitalized interest, in FY 2012.

(3) Due to a 3-month lag between project expenditures and AWP Grant reimbursements, the City intends to interim finance the portion to be grant funded by issuing a Grant Anticipation Note (GAN) . Annual GAN expenses were calculated assuming a 3-month term and annual interest rate of 3.00%. It is anticipated that the City will issue the GAN for \$20.1 million, as this is currently the amount of AWP Grant proceeds available to the City.

(4) Preliminary Series 2011A Revenue Bond (AWP) proceeds total \$24.5 million, of which approximately \$6.7 million (including \$783,400 in FY 2010) is to reimburse an outstanding line of credit currently being used to interim finance AWP costs. Annual interim financing costs were calculated assuming an annual interest rate of 3.00% and reimbursement in late FY 2011.

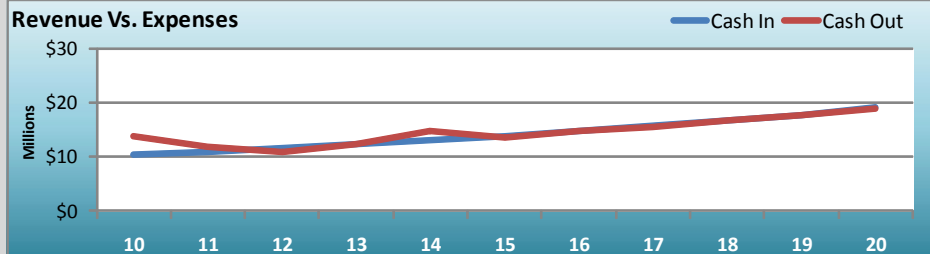
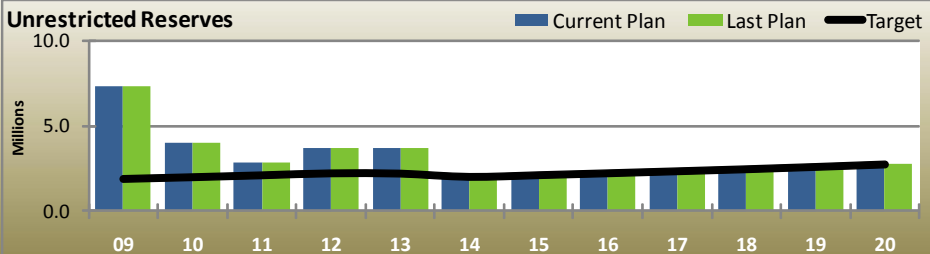
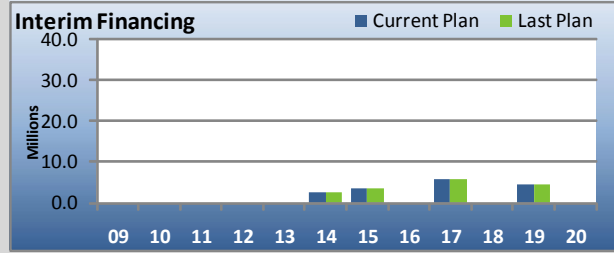
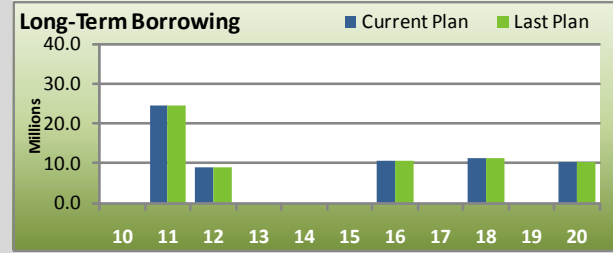
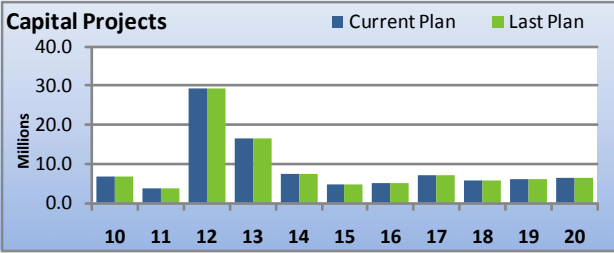
(5) Annual interim financing costs were calculated assuming an annual interest rate of 3.00%.

(6) Calculated annually as 5% of preceding year gross operating revenues.

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

CITY OF TARPON SPRINGS, FL

		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Cumulative Change	
Override ▶			10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%	6.75%	FY 2015	FY 2020
Water Rate Increases		0.00%	10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%	6.75%	61.0%	134.9%
Last Plan		0.00%	10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%	6.75%	61.0%	134.9%
Override ▶			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%	6.75%		
Sewer Rate Increases		0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%	6.75%	15.9%	49.6%
Last Plan		0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%	6.75%	15.9%	49.6%
Rate Covenant I	1.10	36.43	6.14	1.66	1.50	1.61	1.53	1.50	1.46	1.46	1.45		O&M FY11 ▶	100%
Rate Covenant II	1.05/1.20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		FY11 Usage	0.00%
Last Plan		36.43	6.14	1.66	1.50	1.61	1.53	1.50	1.46	1.46	1.45		Incl. AWP	YES
CIP Execution Percentage ▶		100%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	Start Date	4/1/13
Water		\$25.75	28.45	31.37	34.51	37.87	41.47	45.41	49.72	53.08	56.66	60.49	AWP Grant	\$ 20.1
Sewer		\$39.76	40.95	42.18	43.44	44.74	46.09	47.47	48.89	52.19	55.72	59.48	Reserve Target	
Average Bill		\$65.51	69.40	73.55	77.95	82.62	87.56	92.88	98.62	105.27	112.38	119.96	3.00	Mos. O&M
Last Plan		\$65.51	69.40	73.55	77.95	82.62	87.56	92.88	98.62	105.27	112.38	119.96		



FY 2010 REVENUE SUFFICIENCY ANALYSIS UPDATE
APPENDIX

Schedule 7 – Pro Forma

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
1 Rate Revenue Subject to Growth & Rate Adjustments											
2 Water and Sewer Base Rate Revenue	\$ 9,439,249	9,439,249	9,989,198	10,580,188	11,213,501	11,955,003	12,748,202	13,611,510	14,551,258	15,549,342	16,622,581
3 Additional Rate Revenue From Partial PY Rate Increase	\$ -	-	-	-	-	-	-	-	-	-	-
4 Additional Rate Revenue From Growth	\$ -	-	-	-	61,327	64,691	68,269	72,142	76,333	81,140	86,287
5 Weather Normalization And Other Revenue Adjustments	\$ -	-	-	-	-	-	-	-	-	-	-
6 Subtotal: Base Rate Revenue With Growth	\$ 9,439,249	9,439,249	9,989,198	10,580,188	11,274,828	12,019,695	12,816,471	13,683,652	14,627,591	15,630,482	16,708,868
7 Proposed Water Rate Increase	N/A	10.50%	10.25%	10.00%	9.75%	9.50%	9.50%	9.50%	6.75%	6.75%	6.75%
8 Proposed Sewer Rate Increase	N/A	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	6.75%	6.75%	6.75%
9 Additional Rate Revenue From Rate Increase	\$ -	641,922	677,666	715,001	757,528	801,713	865,894	936,288	987,362	1,055,058	1,127,849
10 Price Elasticity Adjustment	\$ -	(91,973)	(86,676)	(81,688)	(77,353)	(73,206)	(70,855)	(68,681)	(65,611)	(62,958)	(60,451)
11 Total Rate Revenue	\$ 9,439,249	9,989,198	10,580,188	11,213,501	11,955,003	12,748,202	13,611,510	14,551,258	15,549,342	16,622,581	17,776,266
12 Plus: Other Operating Revenue											
13 Other Operating Revenue	\$ 805,887	688,960	706,960	724,960	742,960	760,960	778,960	796,960	814,960	832,960	832,960
14 Equals: Total Operating Revenue	\$ 10,245,136	10,678,158	11,287,148	11,938,461	12,697,963	13,509,162	14,390,470	15,348,218	16,364,302	17,455,541	18,609,226
15 Less: Operating Expenses											
16 Personal Services	\$ (3,253,647)	(3,477,909)	(3,645,978)	(3,825,490)	(4,021,885)	(4,232,399)	(4,458,393)	(4,701,381)	(4,963,047)	(5,245,264)	(5,550,119)
17 Operating & Maintenance (1)	\$ (4,891,976)	(5,107,138)	(5,408,607)	(5,167,700)	(4,200,124)	(4,398,354)	(4,608,222)	(4,830,591)	(5,066,406)	(5,316,695)	(5,582,581)
18 Equals: Net Operating Income	\$ 2,099,512	2,093,111	2,232,564	2,945,270	4,475,955	4,878,409	5,323,855	5,816,245	6,334,849	6,893,582	7,476,526
19 Plus: Non-Operating Income/(Expense)											
20 Non-Operating Revenue	\$ 37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211	37,211
21 Interest Earned On Fund Balances	\$ 134,785	95,740	309,476	264,378	169,534	115,965	224,917	139,719	253,101	164,440	269,270
22 Water System Impact Fees	\$ 44,578	-	-	110,693	114,014	117,434	120,957	124,586	128,324	132,174	132,174
23 Sewer System Impact Fees	\$ 119,488	-	-	85,233	87,790	90,423	93,136	95,930	98,808	101,772	101,772
24 Equals: Net Income	\$ 2,435,574	2,226,062	2,579,251	3,442,785	4,884,503	5,239,443	5,800,077	6,213,692	6,852,293	7,329,179	8,016,953
25 Less: Revenues Excluded From Coverage Test											
26 Water System Impact Fees	\$ (44,578)	-	-	(110,693)	(114,014)	(117,434)	(120,957)	(124,586)	(128,324)	(132,174)	(132,174)
27 Sewer System Impact Fees	\$ (119,488)	-	-	(85,233)	(87,790)	(90,423)	(93,136)	(95,930)	(98,808)	(101,772)	(101,772)
28 Equals: Net Income Available For Debt Service	\$ 2,271,508	2,226,062	2,579,251	3,246,859	4,682,700	5,031,585	5,585,983	5,993,175	6,625,161	7,095,233	7,783,007
29 Senior-Lien Debt Service Coverage Test											
30 Existing Debt Service	\$ 62,346	-	-	-	-	-	-	-	-	-	-
31 New Debt Service											
32 Utility System Revenue Bonds, Series 2011A (AWP)	\$ -	-	-	1,536,258	2,301,258	2,298,739	2,302,289	2,302,656	2,299,685	2,302,794	2,301,660
33 Utility System Revenue Bonds, Series 2011	\$ -	-	419,978	419,978	824,978	825,380	823,967	826,090	821,570	821,000	823,934
34 Cumulative Debt Service for Future Borrowings	\$ -	-	-	-	-	-	531,816	853,486	1,411,527	1,749,060	2,257,741
35 Total Senior-Lien Debt Service	\$ 62,346	-	419,978	1,956,236	3,126,236	3,124,119	3,658,072	3,982,231	4,532,782	4,872,853	5,383,334
36 Calculated Debt Service Coverage: Test I OR	1.10 Req.	36.43	N/A	6.14	1.66	1.50	1.61	1.53	1.50	1.46	1.46
37 Calculated Debt Service Coverage: Test II (Net Income)	1.05 Req.	36.43	N/A	6.14	1.66	1.50	1.61	1.53	1.50	1.46	1.46
38 Calculated Debt Service Coverage: Test II (Net Income, Avail Impact I	1.20 Req.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Schedule 7 – Pro Forma

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
39 Cash Flow Test											
40 Net Income Available for Debt Service	\$ 2,271,508	2,226,062	2,579,251	3,246,859	4,682,700	5,031,585	5,585,983	5,993,175	6,625,161	7,095,233	7,783,007
41 Total Senior-Lien Debt Service	\$ (62,346)	-	(419,978)	(1,956,236)	(3,126,236)	(3,124,119)	(3,658,072)	(3,982,231)	(4,532,782)	(4,872,853)	(5,383,334)
42 Payment of Senior-Lien Debt Service w/ Water System Impact Fees	\$ -	-	-	110,693	114,014	117,434	120,957	124,586	128,324	132,174	132,174
43 Payment of Senior-Lien Debt Service w/ Sewer System Impact Fees	\$ -	-	-	-	-	-	-	-	-	-	-
44 Interim Financing Costs											
45 Grant Anticipation Note - AWP	\$ -	-	(100,500)	(50,250)	-	-	-	-	-	-	-
46 Line of Credit - AWP	\$ (200,219)	(200,219)	-	-	-	-	-	-	-	-	-
47 Future Borrowing	\$ -	-	-	-	(37,583)	(127,929)	-	(85,676)	-	(69,318)	-
48 Minor Capital Outlay	\$ -	(176,659)	(182,842)	(189,242)	(195,865)	(202,720)	(209,815)	(217,159)	(224,760)	(232,626)	(240,768)
49 General Fund Transfer	\$ (507,110)	(524,859)	(543,229)	(562,242)	(581,921)	(602,288)	(623,368)	(645,186)	(667,767)	(691,139)	(715,329)
50 Renewal & Replacement Fund Contribution	\$ (515,774)	(512,257)	(533,908)	(564,357)	(596,923)	(634,898)	(675,458)	(719,524)	(767,411)	(818,215)	(872,777)
51 Other Below the Line Expenses	\$ (37,892)	-	-	-	-	-	-	-	-	-	-
52 Net Cash Flow	\$ 948,167	812,068	798,794	35,226	258,186	457,066	540,227	467,986	560,766	543,255	702,972
53 Unrestricted Working Capital Reserve Fund											
54 Balance At Beginning Of Fiscal Year	\$ 7,363,687	4,001,610	2,883,119	3,681,913	3,717,138	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490
55 Cash Flow Surplus/(Deficit)	\$ 948,167	812,068	798,794	35,226	258,186	457,066	540,227	467,986	560,766	543,255	702,972
56 Cash Flow Deficit Paid With Unrestricted Reserve Funds	\$ -	-	-	-	-	-	-	-	-	-	-
57 Capital Projects Paid With Unrestricted Reserve Funds	\$ (4,310,244)	(1,930,559)	-	-	(1,919,823)	(354,880)	(431,262)	(351,647)	(436,395)	(410,129)	(560,287)
58 Balance At End Of Fiscal Year	\$ 4,001,610	2,883,119	3,681,913	3,717,138	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490	2,783,175
59 Minimum Working Capital Reserve Target	\$ 2,036,406	2,146,262	2,263,646	2,248,298	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490	2,783,175
60 Excess Working Capital Above Target	\$ 1,965,204	736,857	1,418,266	1,468,841	-	-	-	-	-	-	-

(1) Includes operating and maintenance expenses associated with water purchased from Pinellas County Utilities, as well as incremental O&M expenses associated with operation of AWP.

Schedule 8 – Capital Projects Funding Sources

CAPITAL PROJECT FUNDING SOURCES:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Water Impact Fee Fund	\$ -	22,500	116,325	-	-	-	147,354	168,064	175,468	187,773	204,583
Sewer Impact Fee Fund	\$ 975,000	472,500	726,219	90,679	87,837	90,424	93,136	95,930	98,808	101,772	101,772
Series 2011A Revenue Bond Proceeds (AWP)	\$ 783,400	618,000	11,319,793	5,509,559	-	-	-	-	-	-	-
AWP Grant Proceeds	\$ -	-	13,400,000	6,700,000	-	-	-	-	-	-	-
Series 2011 Revenue Bond Proceeds	\$ -	-	3,682,033	4,235,163	1,179,394	11,794	118	1	-	-	-
Renewal & Replacement Fund	\$ 515,774	512,257	-	-	1,713,544	646,064	675,570	719,525	767,411	818,215	872,777
Revenue Fund	\$ 4,310,244	1,930,559	-	-	1,919,823	354,880	431,262	351,647	436,395	410,129	560,287
Future Long-Term Borrowing Proceeds	\$ -	-	-	-	-	-	3,563,218	-	4,347,266	-	4,548,017
Future Interim Financing Proceeds	\$ -	-	-	-	2,505,540	3,517,501	-	5,711,724	-	4,621,230	-
Total Capital Project Funding	\$ 6,584,418	3,555,816	29,244,370	16,535,401	7,406,138	4,620,663	4,910,658	7,046,891	5,825,349	6,139,120	6,287,436

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Schedule 9 – Funding Summary By Fund

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
WATER IMPACT FEE FUND											
Balance at the beginning of the Fiscal Year	\$ 1,153,607	1,215,824	1,211,392	1,112,366	1,131,832	1,154,469	1,177,558	1,052,281	903,582	744,431	569,669
Additional Annual Revenues	\$ 44,578	-	-	110,693	114,014	117,434	120,957	124,586	128,324	132,174	132,174
Less: Payment of Debt Service	\$ -	-	-	(110,693)	(114,014)	(117,434)	(120,957)	(124,586)	(128,324)	(132,174)	(132,174)
Subtotal	\$ 1,198,185	1,215,824	1,211,392	1,112,366	1,131,832	1,154,469	1,177,558	1,052,281	903,582	744,431	569,669
Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Total amount Available for Projects	\$ 1,198,185	1,215,824	1,211,392	1,112,366	1,131,832	1,154,469	1,177,558	1,052,281	903,582	744,431	569,669
Amount Paid For Projects	\$ -	(22,500)	(116,325)	-	-	-	(147,354)	(168,064)	(175,468)	(187,773)	(204,583)
Subtotal	\$ 1,198,185	1,193,324	1,095,067	1,112,366	1,131,832	1,154,469	1,030,204	884,217	728,114	556,658	365,086
Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ 17,638	18,069	17,298	19,466	22,637	23,089	22,078	19,365	16,317	13,011	9,348
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year	\$ 1,215,824	1,211,392	1,112,366	1,131,832	1,154,469	1,177,558	1,052,281	903,582	744,431	569,669	374,433
SEWER IMPACT FEE FUND											
Balance at the beginning of the Fiscal Year	\$ 2,016,182	1,184,496	726,219	5,447	48	-	-	-	-	-	-
Additional Annual Revenues	\$ 119,488	-	-	85,233	87,790	90,423	93,136	95,930	98,808	101,772	101,772
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 2,135,669	1,184,496	726,219	90,679	87,837	90,424	93,136	95,930	98,808	101,772	101,772
Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Total amount Available for Projects	\$ 2,135,669	1,184,496	726,219	90,679	87,837	90,424	93,136	95,930	98,808	101,772	101,772
Amount Paid For Projects	\$ (975,000)	(472,500)	(726,219)	(90,679)	(87,837)	(90,424)	(93,136)	(95,930)	(98,808)	(101,772)	(101,772)
Subtotal	\$ 1,160,669	711,996	-	-	-	-	-	-	-	-	-
Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ 23,826	14,224	5,447	48	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year	\$ 1,184,496	726,219	5,447	48	-	-	-	-	-	-	-
SERIES 2011A REVENUE BOND PROCEEDS (AWP)											
Balance at the beginning of the Fiscal Year	\$ -	-	17,337,095	6,192,460	743,061	757,922	773,080	788,542	804,313	820,399	836,807
Additional Annual Revenues (1)	\$ 783,400	17,826,035	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 783,400	17,826,035	17,337,095	6,192,460	743,061	757,922	773,080	788,542	804,313	820,399	836,807
Less: Restricted Funds	\$ -	-	(6,017,302)	(682,901)	-	-	-	-	-	-	-
Total amount Available for Projects	\$ 783,400	17,826,035	11,319,793	5,509,559	743,061	757,922	773,080	788,542	804,313	820,399	836,807
Amount Paid For Projects	\$ (783,400)	(618,000)	(11,319,793)	(5,509,559)	-	-	-	-	-	-	-
Subtotal	\$ -	17,208,035	-	-	743,061	757,922	773,080	788,542	804,313	820,399	836,807
Add Back: Restricted Funds	\$ -	-	6,017,302	682,901	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ -	129,060	175,158	60,159	14,861	15,158	15,462	15,771	16,086	16,408	16,736
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year	\$ -	17,337,095	6,192,460	743,061	757,922	773,080	788,542	804,313	820,399	836,807	853,543

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Schedule 9 – Funding Summary By Fund

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<u>AWP GRANT PROCEEDS</u>											
Balance at the beginning of the Fiscal Year	\$ -	-	-	-	-	-	-	-	-	-	-
Additional Annual Revenues	\$ -	-	13,400,000	6,700,000	-	-	-	-	-	-	-
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ -	-	13,400,000	6,700,000	-	-	-	-	-	-	-
Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Total amount Available for Projects	\$ -	-	13,400,000	6,700,000	-	-	-	-	-	-	-
Amount Paid For Projects	\$ -	-	(13,400,000)	(6,700,000)	-	-	-	-	-	-	-
Subtotal	\$ -	-	-	-	-	-	-	-	-	-	-
Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ -	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year (2)	\$ -	-	-	-	-	-	-	-	-	-	-
<u>SERIES 2011 REVENUE BOND PROCEEDS</u>											
Balance at the beginning of the Fiscal Year	\$ -	-	-	5,357,852	1,179,394	11,794	118	1	-	-	-
Additional Annual Revenues	\$ -	-	9,000,000	-	-	-	-	-	-	-	-
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ -	-	9,000,000	5,357,852	1,179,394	11,794	118	1	-	-	-
Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Total amount Available for Projects	\$ -	-	9,000,000	5,357,852	1,179,394	11,794	118	1	-	-	-
Amount Paid For Projects	\$ -	-	(3,682,033)	(4,235,163)	(1,179,394)	(11,794)	(118)	(1)	-	-	-
Subtotal	\$ -	-	5,317,967	1,122,689	-	-	-	-	-	-	-
Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ -	-	39,885	56,705	11,794	118	1	-	-	-	-
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year	\$ -	-	5,357,852	1,179,394	11,794	118	1	-	-	-	-
<u>RENEWAL & REPLACEMENT FUND</u>											
Balance at the beginning of the Fiscal Year	\$ -	-	-	537,912	1,116,621	11,166	112	1	-	-	-
Additional Annual Revenues	\$ 515,774	512,257	533,908	564,357	596,923	634,898	675,458	719,524	767,411	818,215	872,777
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 515,774	512,257	533,908	1,102,270	1,713,544	646,064	675,570	719,525	767,411	818,215	872,777
Less: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Total amount Available for Projects	\$ 515,774	512,257	533,908	1,102,270	1,713,544	646,064	675,570	719,525	767,411	818,215	872,777
Amount Paid For Projects	\$ (515,774)	(512,257)	-	-	(1,713,544)	(646,064)	(675,570)	(719,525)	(767,411)	(818,215)	(872,777)
Subtotal	\$ -	-	533,908	1,102,270	-	-	-	-	-	-	-
Add Back: Restricted Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	\$ -	-	4,004	14,352	11,166	112	1	-	-	-	-
Less: Interest Allocated to Cash Flow	\$ -	-	-	-	-	-	-	-	-	-	-
Balance at the end of Fiscal Year	\$ -	-	537,912	1,116,621	11,166	112	1	-	-	-	-

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Schedule 9 – Funding Summary By Fund

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
REVENUE FUND											
Balance at the beginning of the Fiscal Year	\$ 7,363,687	4,001,610	2,883,119	3,681,913	3,717,138	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490
Additional Annual Revenues	\$ 948,167	812,068	798,794	35,226	258,186	457,066	540,227	467,986	560,766	543,255	702,972
Less: Payment of Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 8,311,854	4,813,678	3,681,913	3,717,138	3,975,325	2,512,569	2,697,916	2,734,640	2,943,759	3,050,619	3,343,462
Less: Restricted Funds	\$ (2,036,406)	(2,146,262)	(2,263,646)	(2,248,298)	(2,055,502)	(2,157,688)	(2,266,654)	(2,382,993)	(2,507,363)	(2,640,490)	(2,783,175)
Total amount Available for Projects	\$ 6,275,448	2,667,416	1,418,266	1,468,841	1,919,823	354,880	431,262	351,647	436,395	410,129	560,287
Amount Paid For Projects	\$ (4,310,244)	(1,930,559)	-	-	(1,919,823)	(354,880)	(431,262)	(351,647)	(436,395)	(410,129)	(560,287)
Subtotal	\$ 1,965,204	736,857	1,418,266	1,468,841	-	-	-	-	-	-	-
Add Back: Restricted Funds	\$ 2,036,406	2,146,262	2,263,646	2,248,298	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490	2,783,175
Plus: Interest Earnings	\$ 85,240	51,635	49,238	64,742	57,726	42,132	44,243	46,496	48,904	51,479	54,237
Less: Interest Allocated to Cash Flow	\$ (85,240)	(51,635)	(49,238)	(64,742)	(57,726)	(42,132)	(44,243)	(46,496)	(48,904)	(51,479)	(54,237)
Balance at the end of Fiscal Year	\$ 4,001,610	2,883,119	3,681,913	3,717,138	2,055,502	2,157,688	2,266,654	2,382,993	2,507,363	2,640,490	2,783,175
RESTRICTED RESERVES FUND											
Balance at the beginning of the Fiscal Year	\$ 10,801	10,801	2,313,987	3,140,076	3,140,076	3,140,076	3,140,076	3,993,562	3,993,562	4,889,136	4,889,136
Additional Funds:											
Debt Service Reserve on New Debt	\$ -	2,303,186	826,090	-	-	-	853,486	-	895,574	-	816,358
Other Additional Funds	\$ -	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 10,801	2,313,987	3,140,076	3,140,076	3,140,076	3,140,076	3,993,562	3,993,562	4,889,136	4,889,136	5,705,494
Plus: Interest Earnings	\$ 162	17,436	40,905	54,951	62,802	62,802	71,336	79,871	88,827	97,783	105,946
Less: Interest Allocated to Cash Flow	\$ (162)	(17,436)	(40,905)	(54,951)	(62,802)	(62,802)	(71,336)	(79,871)	(88,827)	(97,783)	(105,946)
Balance at the End of Fiscal Year	\$ 10,801	2,313,987	3,140,076	3,140,076	3,140,076	3,140,076	3,993,562	3,993,562	4,889,136	4,889,136	5,705,494

(1) Preliminary proceeds total \$24.5 million, of which approximately \$6.7 million (including \$783,400 in FY 2010) is to reimburse an outstanding line of credit currently being used to interim finance AWP costs. The remaining proceeds of approximately \$17.8 million are currently projected to be available in late FY 2011.

(2) Currently, proceeds available to the City for AWP projects total \$20.1 million.

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Schedule 10 – Projection of Long-Term Borrowing

	FY 2010	FY 2011	FY 2012 (1),(2)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Term (Years)	20	20	20	20	20	20	20	20	20	20	20
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Sources of Funds											
Par Amount	\$ -	-	-	-	-	-	10,636,317	-	11,160,831	-	10,173,628
Uses of Funds											
Proceeds	\$ -	-	-	-	-	-	9,586,259	-	10,058,990	-	9,169,248
Cost of Issuance	\$ -	-	-	-	-	-	132,755	-	139,301	-	126,980
Underwriter's Discount	\$ -	-	-	-	-	-	63,818	-	66,965	-	61,042
Bond Insurance	\$ -	-	-	-	-	-	-	-	-	-	-
Capitalized Interest	\$ -	-	-	-	-	-	-	-	-	-	-
Debt Service Surety	\$ -	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve	\$ -	-	-	-	-	-	853,486	-	895,574	-	816,358
Other Costs	\$ -	-	-	-	-	-	-	-	-	-	-
Total Uses	\$ -	-	-	-	-	-	10,636,317	-	11,160,831	-	10,173,628
1 Year Interest	\$ -	-	-	-	-	-	531,816	-	558,042	-	508,681
Annual Debt Service	\$ -	-	-	-	-	-	853,486	-	895,574	-	816,358
Total Debt Service	\$ -	-	-	-	-	-	17,069,712	-	17,911,479	-	16,327,165
Cumulative New Annual Debt Service	\$ -	-	-	-	-	-	531,816	853,486	1,411,527	1,749,060	2,257,741
Interim Financing											
Interim Financing Proceeds	\$ -	-	-	-	2,505,540	3,517,501	-	5,711,724	-	4,621,230	-
Interest Payments (3)	\$ -	-	-	-	37,583	127,929	-	85,676	-	69,318	-
EOY Balance	\$ -	-	-	-	2,505,540	6,023,041	-	5,711,724	-	4,621,230	-
Proceeds to be Bond-Funded	\$ -	-	-	-	-	-	9,586,259	-	10,058,990	-	9,169,248

- (1) The parameters of the Series 2011A Utility System Revenue Bonds (AWP) (including proceeds, cost of issuance, annual debt service, etc...) are preliminary and as provided by PFM. While not presented on this Schedule, the parameters have been integrated into the analysis cash flow and capital funding calculations.
- (2) The parameters of the Series 2011 Utility System Revenue Bonds (including proceeds, cost of issuance, annual debt service, etc...) are preliminary and as provided by PFM. While not presented on this Schedule, the parameters have been integrated into the analysis cash flow and capital funding calculations.
- (3) Interest payments on all proceeds from interim financing are based upon annual interest rate of 3.00%.

FY 2011 Combined Water & Sewer Bill Survey at 6,500 Gallons per Month

