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Affordability Analysis of Alternative Water Supply

St. Johns River Water Management District **Affordability Analysis of Alternative Water Supply**

<u>Technical Memorandum – February 9, 2004</u>

TABLE OF CONTENTS

Se	ction		Page
EXE	ECUTIV	/E SUMMARY	i
	A.	Background and Scope of the Study	i
	В.	The Analysis	ii
		1. Water Demand Centers	iii
		2. Timing and Sizing of Surface Water Facilities	iii
		3. Cost of Surface Water Facilities	iv
		4. The Water Supply Entity	iv
		5. The Local Utility Analyzed	V
	C.	Results	vi
		1. Cost and Rate Impact	vii
		2. Affordability	viii
	D.	Conclusions	ix
I	INT	RODUCTION	1
	A.	Background	1
	В.	Objective and Scope	2
	C.	Study Procedures	4
II	ANA	ALYSIS	7
	A.	Overview of the Analysis	7
		1. Scenarios Evaluated	7
		2. Population Clusters and Water Demand Centers	9
		3. Water Supply Entity, Governance,	
		Rate And Utility Assumptions	16
		4. The Model	20
	B.	Assumptions	22
Ш	RES	BULTS	27
	A.	Comparative Analysis of Scenario Results	27
		1. Rate Adjustment Strategies	27
	В.	Detailed Scenario Analysis Results	35
	C.	Affordability Analysis	35

St. Johns River Water Management District

TABLE OF CONTENTS

Sec	tion	Page
IV.	CONCLUSIONS	42
APP	ENDICES	
	APPENDIX Aa – Seminole County Demand Center	
	Intermittent Source, ASR, Site K,	
	Just-In-Time Rates	45
	APPENDIX Ab – Seminole County Demand Center	
	Reliable Source, ASR, Site K,	
	Just-In-Time Rates	52
	APPENDIX Ac – Seminole County Demand Center	
	Reliable Source, Without ASR, Site K,	
	Just-In-Time Rates	58
	APPENDIX Ba – Seminole and SW Volusia County Demand Center	
	Intermittent Source, ASR, Site E,	
	Just-In-Time Rates	64
	APPENDIX Bb – Seminole and SW Volusia County Demand Center	
	Reliable Source, ASR, Site E,	
	Just-In-Time Rates	71
	APPENDIX Bc – Seminole and SW Volusia County Demand Center	
	Reliable Source, Without ASR, Site E,	
	Just-In-Time Rates	77
	APPENDIX Ca – Volusia County Demand Center	
	Intermittent Source, ASR, Site E,	
	Just-In-Time Rates	83
	APPENDIX Cb – Volusia County Demand Center	
	Reliable Source, ASR, Site E,	
	Just-In-Time Rates	90
	APPENDIX Cc – Volusia County Demand Center	
	Reliable Source, Without ASR, Site E,	
	Just-In-Time Rates	96

TABLE OF FIGURES

Figure		Page
Figure 1	Population Clusters – Volusia and Seminole Counties	10
Figure 2	Northeast Volusia Population Cluster	11
Figure 3	Southwest Volusia Population Cluster	11
Figure 4	Western Seminole Population	12
Figure 5	Demand Center Demand Projections, and Surface	
_	Water Plant Timing and Sizing	14
Figure 6	Graphical Display of Demand Center Demand	
_	Projections, and Surface Water Plant Timing and Sizing	15
Figure 7	Graphical Representations of Dollar Impact Upon	
_	Household Water Cost – Assumes \$15 Average Water	
	Bill per Month Per Household	29
Figure 8	Graphical Representations of Dollar Impact Upon	
	Household Water Cost – Assumes \$25 Average Water	
	Bill per Month Per Household	30
Figure 9	Graphical Representation of the Percentage that	
J	Household Water Cost is Higher with Surface	
	Water than with Groundwater – Same for \$15 and	
\$25 Averag	e Water Bill per Month per Household 31	
APPENDICI	≣S	
APPENDIX	Aa – Seminole County Demand Center Intermittent	
	Source, ASR, Site K, Just-In-Time Rates	
Figure Aa1	Utility – Groundwater Scenario – Summary Panel	46
Figure Aa2	Utility – Groundwater Scenario – Proforma	47
Figure Aa3	Utility – Surface Water Scenario – Summary Panel	48
Figure Aa4	Utility – Surface Water Scenario – Proforma	49
Figure Aa5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	50
Figure Aa6	Water Supply Entity – Surface Water Scenario	
	- Proforma	51

TABLE OF FIGURES

Figure		Page
APPENDIX .	Ab – Seminole County Demand Center Reliable	
	Source, ASR, Site K, Just-In-Time Rates	
Figure Ab1	Utility – Groundwater Scenario – Summary Panel	53
Figure Ab2	Utility – Groundwater Scenario – Proforma	53
Figure Ab3	Utility – Surface Water Scenario – Summary Panel	54
Figure Ab4	Utility – Surface Water Scenario – Proforma	55
Figure Ab5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	56
Figure Ab6	Water Supply Entity – Surface Water Scenario	
	- Proforma	57
APPENDIX .	Ac – Seminole County Demand Center Reliable	
	Source, Without ASR, Site K, Just-In-Time Rates	
Figure Ac1	Utility – Groundwater Scenario – Summary Panel	59
Figure Ac2	Utility – Groundwater Scenario – Proforma	59
Figure Ac3	Utility – Surface Water Scenario – Summary Panel	60
Figure Ac4	Utility – Surface Water Scenario – Proforma	61
Figure Ac5	Water Supply Entity – Surface Water Scenario	60
Figure A of	- Summary Panel	62
Figure Act	Water Supply Entity – Surface Water Scenario - Proforma	60
	- Proforma	63
APPENDIX	Ba – Seminole and SW Volusia County Demand Center	
	Intermittent Source, ASR, Site E, Just-In-Time Rates	
Figure Ba1	Utility – Groundwater Scenario – Summary Panel	65
Figure Ba2	Utility – Groundwater Scenario – Proforma	66
Figure Ba3	Utility – Surface Water Scenario – Summary Panel	67
Figure Ba4	Utility – Surface Water Scenario – Proforma	68
Figure Ba5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	69

TABLE OF FIGURES

Figure		Page
Figure Ba6	Water Supply Entity – Surface Water Scenario - Proforma	70
APPENDIX	Bb – Seminole and SW Volusia County Demand Center Reliable Source, ASR, Site E, Just-In-Time Rates	
Figure Bb1	Utility – Groundwater Scenario – Summary Panel	72
Figure Bb2	Utility – Groundwater Scenario – Proforma	72
Figure Bb3	Utility – Surface Water Scenario – Summary Panel	73
Figure Bb4	Utility – Surface Water Scenario – Proforma	74
Figure Bb5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	75
Figure Bb6	Water Supply Entity – Surface Water Scenario	
	- Proforma	76
APPENDIX	Bc – Seminole and SW Volusia County Demand Center	
	Reliable Source, Without ASR, Site E, Just-In-Time Rates	
Figure Bc1	Utility – Groundwater Scenario – Summary Panel	78
Figure Bc2	Utility – Groundwater Scenario – Proforma	78
Figure Bc3	Utility – Surface Water Scenario – Summary Panel	79
Figure Bc4	Utility – Surface Water Scenario – Proforma	80
Figure Bc5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	81
Figure Bc6	Water Supply Entity – Surface Water Scenario	
	- Proforma	82
APPENDIX	Ca – Volusia County Demand Center Intermittent Source,	
	ASR, Site E, Just-In-Time Rates	
Figure Ca1	Utility – Groundwater Scenario – Summary Panel	84
Figure Ca2	Utility – Groundwater Scenario – Proforma	85

TABLE OF FIGURES

Figure		Page
Figure Ca3	Utility – Surface Water Scenario – Summary Panel	86
Figure Ca4	Utility – Surface Water Scenario – Proforma	87
Figure Ca5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	88
Figure Ca6	Water Supply Entity – Surface Water Scenario	
	- Proforma	89
APPENDIX	Cb – Volusia County Demand Center Reliable Source,	
	ASR, Site E, Just-In-Time Rates	
Figure Cb1	Utility – Groundwater Scenario – Summary Panel	91
Figure Cb2	Utility – Groundwater Scenario – Proforma	91
Figure Cb3	Utility – Surface Water Scenario – Summary Panel	92
Figure Cb4	Utility – Surface Water Scenario – Proforma	93
Figure Cb5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	94
Figure Cb6	Water Supply Entity – Surface Water Scenario	
	- Proforma	95
APPENDIX	Cc – Volusia County Demand Center Reliable Source,	
	Without ASR, Site E, Just-In-Time Rates	
Figure Cc1	Utility – Groundwater Scenario – Summary Panel	97
Figure Cc2	Utility – Groundwater Scenario – Proforma	97
Figure Cc3	Utility – Surface Water Scenario – Summary Panel	98
Figure Cc4	Utility – Surface Water Scenario – Proforma	99
Figure Cc5	Water Supply Entity – Surface Water Scenario	
	- Summary Panel	100
Figure Cc6	Water Supply Entity – Surface Water Scenario	
	- Proforma	101

ST. JOHNS RIVER WATER SUPPLY PROJECT AFFORDABILITY ANALYSIS TABLE OF TABLES

Table		Page
Table 1	Scenarios Evaluated for Each Demand Center	8
Table 2	Primary Scenarios Evaluated	9
Table 3	Water Demand Centers	12
Table 4	Assumptions Regarding the Typical Utility Applicable	
	To All Scenarios	23
Table 5	Cost Assumptions for each Scenario evaluated – Page 1-3	24
Table 6	Dollar Impact upon Household Water Cost – Assumes \$15	
	Average Water Bill per Month per Household	32
Table 7	Dollar Impact upon Household Water Cost – Assumes \$25	
	Average Water Bill per Month per Household	33
Table 8	Rate Spikes under Just-In-Time Rates	34
Table 9	Affordability Thresholds	36
Table 10	Historical Median Household Income for Seminole, Orange	
	And Lake Counties	37
Table 11a	Analysis of Cost of Water Compared to Average Median	
	Household Income for the Highest Cost Scenario Assuming	
	A Current Monthly Cost of Water of \$25.00 per ERC	39
Table 11b	Analysis of Cost of Water Compared to Average Median	
	Household Income for the Lowest Cost Scenario Assuming	
	A Current Monthly Cost of Water of \$25.00 per ERC	40

EXECUTIVE SUMMARY

This Technical Memorandum Presents the results of the Affordability Analysis that Burton & Associates conducted for the St. Johns River Water Management District (the District) as part of the St. Johns River Water Supply Project (the Study). The St. Johns River Water Supply Project consisted of three elements, which were each conducted by different consultants, with extensive coordination among all three consultants during the completion of the Study.

The three elements of the Study were 1) the Treatability Element, conducted by CH2M HILL, 2) the Siting Element, conducted by HDR, and 3) the Water Demand and Affordability Element, conducted by Burton & Associates. The results of the Water Demand portion of the third element was published by Burton & Associates in a Technical memorandum on November 3, 2003 and this Technical Memorandum presents the results of the Affordability Analysis portion of the third element of the Study.

A. <u>BACKGROUND AND SCOPE OF THE STUDY</u>

Based upon extensive groundwater modeling, the District has determined that water demands in East/Central Florida will exceed the maximum sustainable groundwater withdrawal levels (MSGWLs) sometime during the next twenty years. Predicting the exact timing at which maximum sustainable groundwater withdrawals will be exceeded may be arguable; however, there is little argument that it is becoming critical to identify viable and affordable alternative water supply sources in order to allow for the time necessary to bring an alternative water supply source into production.

The St. Johns River Water Supply Project was conducted to determine the feasibility of using water from the St. Johns River as a potable water source as an alternative to groundwater. The Treatability and Siting Elements of the Study evaluated 1) the required/preferred treatment processes and the cost of those processes, and 2) viable sites for the river intake and treatment plant and the range of costs for those sites, including transmission and pumping costs associated with each site. The analysis presented in this Technical Memorandum was conducted to 1) determine the size and cost of required surface water treatment facilities as an alternative to groundwater to meet projected water demands in identified water Demand Centers in Seminole and Volusia Counties ¹ assuming that surface water will be provided in 2011 (see note below), 2)

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¹ The scope of the Study was limited geographically to Seminole and Volusia Counties

determine the effect of the cost of surface water upon the cost of water at the retail level, and 3) assess the affordability of the increased cost of water at the retail level.

Note: The determination of the exact time when maximum sustainable groundwater withdrawals will be exceeded in the identified demand centers is beyond the scope of this Study. Therefore, in order to present the most conservative affordability analysis, it was assumed that surface water would be provided in the identified demand centers as soon as possible. It was assumed that six years may be required to 1) organize the governance within which the surface water plant will be owned and operated, and 2) plan, design permit and construct the plant. Therefore, it was assumed that the surface water plant would be put into service at the end of 2010 and 2011 would be the first full year of operation.

B. THE ANALYSIS

The analysis presented in this Technical Memorandum was accomplished by modeling the financial dynamics of:

- 1) A water supply entity (WSE) that would be responsible for providing surface water from the St. Johns River to its member utilities when surface water is required, and
- 2) A typical local utility that, as a member of the above referenced WSE, will:
 - a. Purchase surface water from the WSE to meet its incremental water demands after surface water is required, and
 - b. Participate in a surface water surcharge program with all other member utilities to fund the costs of the WSE that can not be recovered through wholesale water sales.

The analysis included the identification of water Demand Centers within Seminole and Volusia Counties and the determination of the assumed timing and estimated size of a surface water plant to serve projected incremental water demands after 2010 in each Demand Center. Then, using capital and operations and maintenance (O&M) cost estimates provided by CH2M HILL and HDR, the analysis included determination of a logical rate program and rates by which a WSE could recover the costs of the surface water plant from benefiting local utilities in the Demand Center. Finally, the analysis included 1) determination of the impact of that cost of

surface water, as it is born by the benefiting local utilities, upon the retail cost of water, and 2) an assessment of its affordability. The major elements of the analysis are described briefly in the following five sub-sections.

1. Water Demand Centers

In the previously published Population and Water Usage Projections Technical Memorandum, three population clusters were identified, 1) Northeast Volusia County, 2) Southwest Volusia County, and 3) Western Seminole County ². For the purposes of this Affordability Analysis, these population clusters were configured into water Demand Centers as follows:

- 1. <u>Seminole County</u> Includes the Western Seminole population cluster
- 2. <u>Volusia County</u> Includes both the Northeast and Southwest Volusia County population clusters
- 3. <u>Seminole and SW Volusia</u> Includes both the Western Seminole and Southwest Volusia County population clusters.

2. <u>Timing and Sizing of Surface Water Facilities</u>

Water demand projections were compiled for each Demand Center from the water demand projections by population cluster developed in the aforementioned Population and Water Usage Projections Technical Memorandum. A model was developed for each Demand Center that projected annual water demands through 2024. The model calculates the size of the required surface water plant at the end of 2010 and the assumed in service date, based upon the projected water demands for the Demand Center through 2024. However, the surface water plant must have flows of approximately 50% of the plant capacity, even in the first year of operation ³.

Therefore, at the end of 2010, when the surface water plant is assumed to be placed into service, the model converts water demands equal to 50% of the plant capacity from groundwater to surface water to provide the initial 50% load factor for the surface water plant. From 2011 through 2024 all incremental water demands are assumed to be met by the surface water plant.

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² Graphical representations of these population clusters are presented in Figures 1, 2 and 3 on pages 9, 10 and 11 of this technical memorandum.

³ The sizing and 50% initial loading criteria were provided by CH2M HILL.

3. <u>Cost of Surface Water Facilities</u>

Based upon the assumed timing and estimated size of the projected surface water plant, determined for each Demand Center as described in the previous section, CH2M HILL and HDR provided estimated capital and operations and maintenance (O&M) costs. These cost estimates included three treatment process/configuration scenarios and two sites for each Demand Center. The treatment process/configuration scenarios included:

- a. Intermittent source with aquifer storage and recovery
- b. Reliable source with aquifer storage and recovery
- c. Reliable source without aquifer storage and recovery

The capital and O&M costs provided assumed that the initial plant would include "backbone" facilities to serve its ultimate capacity but would only include "process equipment" facilities sufficient to serve demands to about 75% of ultimate capacity. Estimates were also provided for the incremental process equipment costs to serve the ultimate capacity, to be implemented when demands reach approximately 75% of capacity.

4. The Water Supply Entity

For the purposes of this analysis, it was assumed that surface water would be provided by a water supply entity (WSE). The WSE could be either an existing utility or a newly created entity. In either case the following assumptions were made regarding the structure, operation and rates of the assumed WSE.

- a. It is assumed that the WSE would be comprised of all of the local utilities, as member utilities, in the Demand Center being evaluated in each scenario.
- b. It is assumed that the WSE would plan, design, build and operate surface water facilities required to meet the projected demands of its member utilities.
- c. It is assumed that the WSE would fund the capital costs associated with new surface water facilities with current resources to the extent possible and capital

costs not able to be funded with current resources will be funded with conventional revenue bond debt.

- d. It is assumed that the WSE will implement a rate program that will consist of two rates as follows:
 - 1) A delivered water rate It is assumed that this rate will be charged to each member utility for all water purchased by each respective member utility. This rate is assumed to be imputed at a rate equivalent to the cost of groundwater facilities. Although this rate is held constant throughout the projection period in this analysis, it could be escalated throughout the projection period to approach a full cost recovery surface water rate by the end of the period.
 - 2) A surface water surcharge rate It is assumed that this rate will be charged to all member utilities based upon all water billed by the member utilities. The rate will include all costs of the WSE that are not recovered in the delivered water rate.

This rate program provides that each member utility will pay a reasonable rate for all water purchased during the transition to surface water and that the cost of the non used and useful plant will be born by all member utilities through the surface water surcharge rate. The surface water surcharge rate could be viewed as a surface water availability charge that all member utilities will pay. Assessing it based upon total water billed effectively allocates the costs to each member utility based upon the entire groups' current and potential need for additional surface water and does not presume that all members will be required to connect. It is possible that a member will benefit with continued use of groundwater due to other members taking surface water.

5. The Local Utility Analyzed

The objective of this analysis was to assess the affordability of the cost impact of surface water at the retail level as an alternative to groundwater to meet incremental water demands in the identified Demand Centers. Therefore, it was necessary to model a typical local utility that would be a member utility of the WSE described in the previous section. For the purposes of

this analysis the local utility analyzed was assumed to be a moderately sized water utility with approximately 8,000 water customers, which grows to approximately 13,000 water customers by the end of the twenty (20) year projection period. The parameters of the local utility were set up so that the financial performance of the utility over the projection period in the benchmark scenario (which assumes that groundwater would be available throughout the period) would not be influenced by unusual factors or "problems" such as consent decrees, major renewal and replacement requirements, etc.

C. <u>RESULTS</u>

This Technical memorandum presents a detailed evaluation of twenty one scenarios; three Demand Centers, one benchmark scenario for each Demand Center, which assumes that groundwater would be available throughout the projection period⁴, three treatment processes/configurations per demand Center and two sites per Demand Center. The following table demonstrates the seven (7) scenarios evaluated for each Demand Center, which result in twenty one (21) total scenarios when all three Demand Centers are considered.

<u>Scenario</u> <u>Number</u>	Scenarios for Each Demand Center		
1	Benchmark Groundwater Scenario		
2 3	Intermittent Source - ASR - Site 1 Intermittent Source - ASR - Site 2		
4 5	Reliable Source - ASR - Site 1 Reliable Source - ASR - Site 2		
6 7	Reliable Source - w/o ASR - Site 1 Reliable Source - w/o ASR - Site 2		

The detailed results of each scenario are presented in the body of this Technical Memorandum, however, a summary of the results is discussed in the following sub-sections.

⁴ The groundwater scenario is not considered to be a realistic scenario in that the District's groundwater modeling indicates projected water demands in all identified Demand Centers in Seminole and Volusia Counties will exceed assumed MSGWLs during the twenty (20) year projection period. It is included only as a benchmark scenario against which to compare the other surface water scenarios to quantify the magnitude of the cost impact of going from groundwater to surface water to meet incremental water demands.

1. <u>Cost and Rate Impact</u>

In summary, the results of the analysis show that the impact of the cost of meeting projected water demands after 2010 with surface water in the identified Demand Centers will result in the retail cost of water being from 35% to 67% greater at the end of the twenty (20) year projection period than it would otherwise be were groundwater available throughout the projection period.

Note: This is based upon 1) the results of the benchmark groundwater scenario which shows that a cumulative increase in rates of about 39% would be required over the projection period if groundwater could be used, compared to 2) the results of the least and most expensive surface water scenarios which show that a cumulative 88% and 132% increase in rates respectively will be required over the projection period if surface water is used for all incremental demands after 2010. Applying these cumulative percentage increases to the monthly cost of water for an average residential user, assumed to be \$25.00 per month⁵ in 2004, results in a monthly cost of about \$34.71 per ERU in 2024 under the groundwater scenario and about \$47.00 and \$57.90 per month per ERU respectively for the lowest and highest cost scenarios in 2024 under the surface water scenario. Thus, the cost of water with surface water would be about 35% to 67% greater respectively for the lowest and highest cost scenarios than it would otherwise be were groundwater available throughout the projection period. These calculations can be seen in the following Table.

St. Johns River Water Management District

⁵ Discussions with a number of representatives from utilities in the Seminole and Volusia County region indicated that the current cost of potable water is within a range of from about \$15.00 to \$25.00 per month per ERU for most utilities in the study area. The higher cost was used in the affordability analysis in order to present the most conservative picture possible.

EXECUTIVE SUMMARY

	<u>Groundwater</u>	Lowest Cost Surface Water Scenario *	<u>Highest Cost</u> <u>Surface</u> <u>Water</u> <u>Scenario</u> ***
Assumed Current Water Cost per Equivalent Residential Unit (ERU)	\$25.00	\$25.00	\$25.00
Cumulative Increase in Rates Required over the Projection Period	38.86%	88.00%	131.62%
Water Cost per ERU at end of Projection Period	\$35	\$47	\$58
Percent That Surface Water is Greater than Groundwater	NA	35%	67%

^{*} Seminole Demand Center, Reliable Source w ASR, Site B

Also, in the year that surface water facilities are projected to be implemented, the typical local utility evaluated would require rate increases of from 43% to 96% (assuming the above referenced lowest and highest cost scenarios respectively). The analysis shows these "rate spikes" can be mitigated somewhat by either implementing equal annual rate increases of from about 4.0 % to about 7.2% per year or annual rate indexing (increases assumed to be at an inflationary level of 2.5%) in each of the years preceding the year that surface water must be implemented. The equal annual rate increases would eliminate the rate spikes by effectively smoothing the impact over the preceding years' rate increases. The annual rate indexing would lessen the rate spikes to a range of from about 19% to about 65%, for the lowest and highest cost scenarios respectively, by also smoothing some of the impact over the preceding years' rate increases in the form of rate indexing.

2. Affordability

An assessment was also made as to the affordability of water after implementation of surface water. Although there is not a published standard for affordability of drinking water, the U.S. Environmental Protection Agency (USEPA), under provisions of the Safe Drinking Water Act Amendments of 1996, published information to assist the states in formulating affordability criteria. This information is available at http://www.epa.gov/OGWDW/smallsys/afforddh.html#preface.

Based upon a review of the above referenced information, it is concluded that 1) the most commonly accepted measure of affordability of drinking water is the relationship of the cost of water per household to median household income and 2) a household affordability ratio, or index

^{**} Volusia Demand Center, Reliable Source w/o ASR, Site E

of affordability, can be established as the cost of water per household divided by the median household income in the service area.

A number of studies are cited in the above referenced USEPA information that have established such ratios as thresholds for affordable drinking water. These thresholds of affordability generally range from 1.5% to 2%, that is if the cost of water is less than the threshold of from 1.5% to 2% of median household income, water is generally considered to be affordable.

The analyses presented in this Technical Memorandum show that even with the projected increase in the cost of water, the cost of water per household as a percent of median household income in the Demand Centers is projected to range from 0.61% to 1.17% after the implementation of surface water. Therefore, based upon this observation it can be concluded that water will still be within accepted thresholds of affordability after surface water is implemented.

However, notwithstanding the above conclusion regarding affordability, the implementation of surface water will result in the need for very large retail rate increases if no mitigation strategies are employed. The analysis presented herein shows that implementation of equal annual rate increases or annual inflationary rate indexing in the years prior to implementation of surface water can substantially mitigate the rate shock that would otherwise occur in the year that surface water is implemented.

D. <u>CONCLUSIONS</u>

Based upon the analyses presented in this Technical Memorandum, several conclusions can be made. The major conclusions of this analysis, based upon the evaluation of the typical local utility as defined in this analysis, are as follows⁶:

1. For the moderately sized local utility evaluated in this analysis, a large rate increase, or rate spike, of from about 43% to about 96% will be required when surface water is implemented if no mitigating rate adjustment strategies are adopted in advance of that time.

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⁶ All ranges represent results for the lowest and highest cost scenarios which are the Seminole Demand Center, Reliable Source with ASR, Site B and the Volusia Demand Center, Reliable Source w/o ASR, Site E respectively.

- 2. This will result in the cost of retail water per household being from 39% to 83% higher in 2014, three years after surface water is assumed to be implemented, than the cost would otherwise be if groundwater were available throughout the projection period.
- 3. This will also result in a cumulative rate increase of from about 88% to about 132% by the end of the projection period (compared to a projected cumulative increase if groundwater were available throughout the projection period of about 39%) causing the cost of retail water per household to be from about 35% to 67% higher by the end of the projection period than the cost would otherwise be if groundwater were available throughout the projection period. This reduction compared to groundwater is due to the growth in demand that allows the fixed costs of the surface water facilities to be spread over a larger base.
- 4. Adopting equal annual rate increases of from about 4.0% to about 7.2% during the years preceding the implementation of surface water will eliminate the large rate spikes mentioned in conclusion 1.
- 5. Adopting annual rate indexing at inflationary levels of approximately 2.5% will mitigate the rate spikes mentioned in conclusion 1 to a range of from about 19% to 65%
- 6. The cost impact of surface water is considerably larger in the Volusia scenario than in the Seminole scenario. This is due primarily to 1) the fact that the surface water plant size in the Volusia Demand Center (33.63 mgd) is about 35% larger than in the Seminole Demand Center (25.00 mgd), yet the base water demand over which the plant costs are spread in the blended rate plan described herein is about 22% smaller in the Volusia Demand Center (57.76 mgd in 2010) than in the Seminole Demand Center (74.03 mgd in 2010)⁷, thus resulting in a higher blended unit cost in the Volusia demand Center than in the Seminole demand Center, and 2) the larger transmission costs to deliver the raw water to the plant and the treated surface water to the two Volusia population clusters on the west and east of the County.

The difference in demand curves described in the footnote on this page causes the convention adopted for this Study of sizing the surface water plant to meet incremental

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⁷ This happens because, even though the Volusia Demand Center has a smaller base level of water demand than does the Seminole Demand Center, the demand curve, or growth in water demand, is linear throughout the projection period in the Volusia demand Center; whereas, in Seminole County the demand curve flattens out considerably in 2015 as the County approaches build-out.

water demands through 2024, to result in an initial facilities size and cost that is larger relative to overall water demands for the Volusia Demand Center than for the Seminole Demand Center. The higher pipeline costs exacerbate this impact, causing rather large rate spikes in 2011 in the Volusia demand Center.

In a situation such as this, the cost impact could be mitigated by phasing the plant. For instance, the initial plant in the Volusia Demand Center could be sized to meet 8 to 10 years of projected growth in demand above its initial 50% base load instead of the 14 years of projected growth in demand in the scenario evaluated herein. Reducing the plant sizing to meet 8 to 10 years of projected growth would reduce the rate increase in 2011 from about 96% to about 74%

- 7. The conclusions and observations in conclusion 4 demonstrate that the earlier that annual rate adjustment mitigation strategies are put in place, the more effective they will be in mitigating the rate shock that otherwise will accompany the implementation of surface water.
- 8. The affordability analysis presented in this Technical Memorandum, shows that the projected cost of water, including the impact of the projected cost of surface water facilities and operations, compared to the projected median household income for Seminole, and Volusia Counties is projected to be within generally accepted thresholds of affordability (less than 1.5% of median household income) for all years of the projection period, with an assumed current monthly water cost of \$25.00 per household.
- 9. Although the effects of implementing surface water upon the cost of retail water are projected to be well within accepted measures of affordability, the large rate increases that are projected to be required may present the perception of unaffordable water rates and consequently may be politically difficult to implement. Therefore, it is concluded that it is extremely important for local utilities to begin to implement mitigating rate adjustment strategies well in advance of the time that surface water must be implemented.

⁸ Discussions with a number of representatives from utilities in the Seminole and Volusia County region indicated that the current cost of potable water is within a range of from about \$15.00 to \$25.00 per month per ERU for most utilities in the study area. The higher cost was used in the affordability analysis in order to present the most conservative picture possible.

10. Given the timeframe in which surface water is likely to be required; the uncertainties as to the final levels of groundwater withdrawals that will be sustainable; the time required to organize a water supply governance structure; and the time required to plan, design and build the required surface water facilities and bring those facilities into service; it is critical that local utilities begin the process now.

SECTION I – INTRODUCTION

I. INTRODUCTION

A. <u>BACKGROUND</u>

Due to the cumulative effects of growth, local utilities throughout the State of Florida are facing the need to identify viable and economic sources of potable water as alternatives to groundwater, which serves as the primary water source for most of the State. However;

- 1) The cost of alternative water supplies will be substantially higher than the cost of groundwater.
- 2) The impact of the cost of providing potable water from alternative water sources upon the cost of delivered potable water for local utilities will be dependent upon the timing, sizing and cost of the alternative water supply, treatment and transmission facilities (alternative water facilities) required, and
- 3) Each local utility is different in terms of its existing groundwater treatment capacity, allowed/permitted groundwater withdrawals, projected growth, existing capital structure, operations and maintenance costs and other factors unique to each individual utility.

Therefore, in February of 2000, the District embarked upon a project to evaluate the St. Johns River as a viable alternative water supply source for Volusia and Seminole Counties in terms of the treatability of the water, available sites for a river water treatment plant, projected water demand and the affordability of river water relative to the impact of its cost upon retail water rates. This project consisted of three elements as discussed below:

Treatability Element – The District contracted with CH2M HILL to conduct a treatability analysis, which included the operation of a pilot water treatment plant on the St. Johns River in Sanford, Florida. Several alternative treatment processes were evaluated and the capital and operations and maintenance costs for preferred processes were developed. The results of this treatability element are available under separate cover in a Technical Memorandum prepared by CH2M HILL.

SECTION I – INTRODUCTION

Siting Element -

The District contracted with HDR to conduct a siting analysis, which included identification of a short list of feasible sites for location of a water treatment intake structure and water treatment plant on the St. Johns River in a corridor adjacent to the river from the City of Deland to Sanford. The results of this Siting element are available under separate cover in a Technical Memorandum prepared by HDR.

Water Demand and

Affordability Element – The District contracted with Burton & Associates to conduct 1) a projection of population and water demands in Volusia and Seminole Counties, and 2) an analysis of the affordability of surface water relative to the impact upon the cost of water at the retail level. A Technical Memorandum issued on November 3, 2003 by Burton & Associates presents the results of the population and water demand projections⁹ and this Technical Memorandum presents the results of the affordability analysis.

В. OBJECTIVE AND SCOPE

The objective of this analysis was to determine the cost impact of using the St. Johns River as an alternative water supply source (compared to the current groundwater source) upon the cost of delivered potable water for typical local utilities in Volusia and Seminole Counties. The analysis included a projection of the cost of delivered water over a twenty-year period (the projection period). The geographic scope of the analysis was Volusia and Seminole Counties and Demand Centers were identified in those counties for alternative plant sizing and siting scenarios.

⁹ Population and water demand projections were projected in conjunction with the District's Water Supply Assessment (WSA) effort to be published under separate cover and are in all material respects consistent with the results of the WSA.

SECTION I – INTRODUCTION

It is understood that each local utility is unique and that this analysis will not replicate the exact financial dynamics of any specific utility. However, by examining the general cost of surface water from the St. Johns River as an alternative water supply source for a *typical* local utility, it was felt that the marginal cost of meeting the demands of growth with surface water compared to the cost of continuing with groundwater would be representative of the impact of using surface water as an alternative water supply when sustainable groundwater withdrawal limits are reached. For this analysis, it was assumed that the typical local utility is governmentally owned; therefore, the rate revenue requirements are determined using the cash needs approach. Evaluation of the structure of the water rates was not included in the scope of this analysis.

This analysis computes annual percentage increases in the cost of water over a twenty-year projection period. It also calculates the average monthly water cost per equivalent residential unit (ERU). It was determined that when surface water is required, the percentage increases projected for the local utility will reflect the effects in the retail rates of a blending of groundwater and surface water costs.

To the extent that a local utility's existing underlying financial and operational parameters cause its groundwater to be more costly than what is assumed for the *typical* utility in this analysis, the percentage increases may be smaller and the absolute cost per 1,000 gallons and the average monthly water cost per ERU of blended groundwater/surface water may be higher. Conversely, to the extent that a local utility's existing underlying financial and operational parameters cause its groundwater to be less costly than what is assumed for the *typical* utility in this analysis, the percentage increases may be larger and the absolute cost per 1,000 gallons and the average monthly water cost per ERU of blended groundwater/surface water may be lower.

For general planning purposes, it was felt that the results of this analysis:

Represent a reasonable estimate of the impact upon the cost of delivered potable water of using surface water as a source to meet water demands resulting from growth after 2010 compared to continuing to meet those increased water demands with groundwater, and

SECTION I – INTRODUCTION

2) Demonstrate the need for proactive planning for these increased costs and for the governance structure within which water from sources other than groundwater can be economically provided.

C. <u>STUDY PROCEDURES</u>

In order to perform the analysis required, it was determined that a dynamic model should be developed to determine the cost of water for a typical moderately sized utility in the Volusia/Seminole County area. The model needed to be dynamic so that it could automatically adjust the timing, sizing and cost of additional water supply, treatment and transmission facilities, and all of the resulting projections, as the underlying assumptions of the model are changed.

This dynamic model (the model) was developed and it incorporates the financial and operating parameters of what was defined as a "typical" moderately sized local utility. The model includes a twenty-year projection of the financial results of operations, including the annual percentage increases in rates that would be necessary to provide sufficient revenues to cover the utility's costs. The delivered cost of potable water in dollars per 1,000 gallons and the average monthly water cost per ERU are also calculated in each year. The model also includes a WSE module that projects the financial dynamics of an assumed WSE over the twenty (20) year projection period.

The dynamic nature of the model provided the ability to evaluate a number of scenarios in terms of Demand Centers, or service areas for the surface water plant, treatment processes/configurations and sites. It was determined that three Demand Centers would be evaluated and that three treatment processes/configurations would be evaluated for each Demand Center. It was also determined that one primary site would be evaluated for each treatment process/configuration for each Demand Center, but that a sensitivity analysis would be performed for a second site for each Demand Center. This resulted in nine primary scenarios with a sensitivity analysis of the effects of alternative sites upon each of the nine primary scenarios. In addition, a benchmark groundwater scenario was developed for comparative purposes for each Demand Center. The scenarios evaluated for each demand Center are described in detail in Section II.A.1

SECTION I – INTRODUCTION

For each Demand Center, the timing of the need for surface water from the St. Johns River, and the size of the supply, treatment and transmission facilities required were determined by specific functionality developed in the model. This functionality includes assumptions as to annual customer growth and tracks usage and groundwater withdrawals each year. Also, the model assumes that surface water supply facilities will be provided at the end of 2010¹⁰ and determines how large the capacity of the required surface water supply, treatment and transmission facilities must be to serve the projected water demands through 2024, which is the last year of the projection period.

The results regarding the assumed timing and estimated size of the required surface water treatment facilities for each Demand Center were provided to CH2M HILL and HDR. Based upon these timing and sizing requirements, CH2M HILL and HDR then determined the capital and O&M costs for the required facilities for each Demand Center under three treatment process/configuration alternatives and two site alternatives and provided those cost estimates to Burton & Associates for use in the affordability analysis presented in this Technical Memorandum.

Several interactive work sessions were held with District staff to review the preliminary results of the analysis. During these work sessions, the graphical output of the model was projected on a large viewing screen and alternative scenarios were evaluated. Changes to

¹⁰ The determination of the exact time when maximum sustainable groundwater withdrawals will be exceeded in the identified demand centers is beyond the scope of this Study. Therefore, in order to present the most conservative affordability analysis, it was assumed that surface water would be provided in the identified demand centers as soon as possible. It was assumed that six years may be required to 1) organize the governance within which the surface water plant will be owned and operated, and 2) plan, design, permit and construct the plant. Therefore, it was assumed that the surface water plant would be put into service at the end of 2010 and 2011 would be the first full year of operation.

SECTION I – INTRODUCTION

variables such as growth, cost escalation rates, etc. could be made during the work sessions and the implications seen immediately.

Based upon input from the workshops with District staff, the model was finalized and the results were documented in this Technical Memorandum.

ST. JOHNS RIVER WATER SUPPLY PROJECT AFFORDABILITY ANALYSIS SECTION II – ANALYSIS

II. ANALYSIS

A. OVERVIEW OF THE ANALYSIS

A detailed description of each scenario evaluated is presented in the next sub-section, however, this section presents an overview of the analysis and the scenarios evaluated. A dynamic model (the model) was developed to determine the cost of potable water for what was defined as a typical moderately sized utility. The model produces a twenty-year projection of the financial results of operations, and determines the annual percentage increases in rates that would be necessary to provide sufficient revenue to cover the utility's costs in all years of the projection period. The delivered cost of potable water in dollars per 1,000 gallons and the average monthly water cost per ERU are also calculated in each year. The model also includes a WSE module that projects the financial dynamics of an assumed WSE over the twenty (20) year projection period.

For each scenario evaluated, the model projects annual water demand and sizes a surface water plant at the end of 2010 to meet the projected water demands through 2024, the last year of the projection period. Based upon input from CH2M HILL (the consultants performing the treatability element as described in the prior section), the surface water plant must operate at approximately 50% of its design capacity, even in its first year of operation. Therefore, the model assumes that when the surface water plant goes into service at the end of 2010, groundwater withdrawals equal to 50% of the plant capacity will be diverted to the surface water plant. The model assumes that after the surface water plant goes into service, all incremental water demand for the rest of the projection period will be met with the new surface water plant.

The model was used as described above to perform comparative analyses of alternative scenarios described in the following paragraphs.

1. Scenarios Evaluated

Nine primary scenarios were evaluated with a sensitivity analysis of each scenario relative to siting of the plant, and a benchmark groundwater scenario for each Demand Center evaluated – effectively twenty one total scenarios. The scenarios are comprised of combinations of 1) three Demand Centers (described in the following section), 2) one benchmark groundwater scenario per Demand Center, 3) three treatment processes/configurations per Demand Center, and 4) two sites per Demand Center. A description of the scenarios evaluated for each Demand Center is presented in Table 1 below:

ST. JOHNS RIVER WATER SUPPLY PROJECT AFFORDABILITY ANALYSIS SECTION II – ANALYSIS

Table 1 – Scenarios Evaluated for Each Demand Center

<u>Scenario</u> <u>Number</u>	Scenarios for Each Demand Center	
1	Benchmark Groundwater Scenario	
2	Intermittent Source - ASR - Site 1 Intermittent Source - ASR - Site 2	
4 5	Reliable Source - ASR - Site 1 Reliable Source - ASR - Site 2	
6 7	Reliable Source - w/o ASR - Site 1 Reliable Source - w/o ASR - Site 2	

The benchmark groundwater scenarios were necessary to provide a basis for comparison of all scenarios. These benchmark scenarios assume that the utility could continue to use groundwater throughout the twenty-year projection period (the projection period). This is not a viable scenario based upon the District's assessment of available groundwater withdrawals in Volusia and Seminole Counties; however, these scenarios are presented for each Demand Center solely as a benchmark scenario for comparative analysis with all other surface water scenarios. The nine primary scenarios evaluated are described in Table 2 on the following page:

ST. JOHNS RIVER WATER SUPPLY PROJECT AFFORDABILITY ANALYSIS SECTION II – ANALYSIS

Table 2 – Primary Scenarios Evaluated

Scenario	Demand Center	Treatment Process (1)	Site (2)
1-A	Seminole County	IS – w ASR	Highest Cost
1-B	Seminole County	RS - w ASR	Highest Cost
1-C	Seminole County	RS – w/o ASR	Highest Cost
2-A	Volusia County	IS – w ASR	Highest Cost
2-В	Volusia County	RS - w ASR	Highest Cost
2-C	Volusia County	$RS - w/o \ ASR$	Highest Cost
3-A	Seminole & SW Volusia	IS – w ASR	Highest Cost
3-B	Seminole & SW Volusia	RS - w ASR	Highest Cost
3-C	Seminole & SW Volusia	RS – w/o ASR	Highest Cost

(1) Key to Treatment Process Codes:

IS - w ASR = Intermittent Source with Aguifer Storage and Recovery

RS - w ASR = Reliable Source with Aguifer Storage and Recovery

RS - w/o ASR = Reliable Source without Aquifer Storage and Recovery

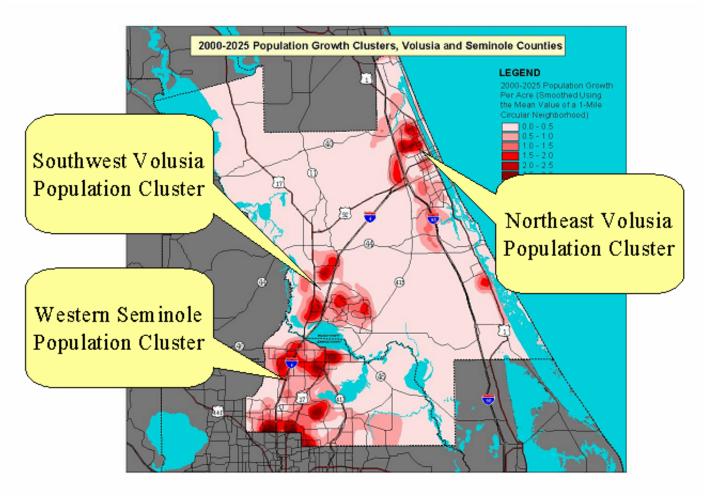
(2) Sensitivity analyses were also conducted for the lowest cost site for each primary scenario.

2. **Population Clusters and Water Demand Centers**

a. <u>Population Clusters</u> - Prior to completion of the affordability analysis presented in this Technical Memorandum, Burton & Associates completed a Population and Water Demand Projection, the results of which were presented in another Technical Memorandum dated November 3, 2003. During that element of work, population clusters were identified in Volusia and Seminole Counties. Three Population Clusters were identified; 1) Northeast Volusia County, 2) Southwest Volusia County, and 3) Western Seminole County. These Population Clusters are graphically depicted in Figures 1 through 4 on the following pages.

SECTION II – ANALYSIS

Figure 1 – Population Clusters



SECTION II – ANALYSIS

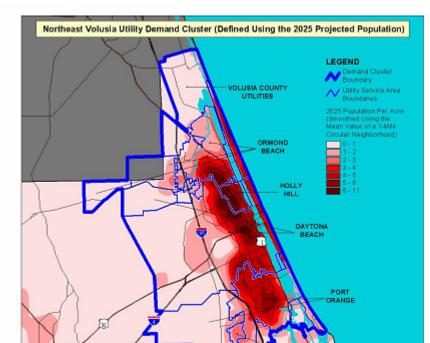
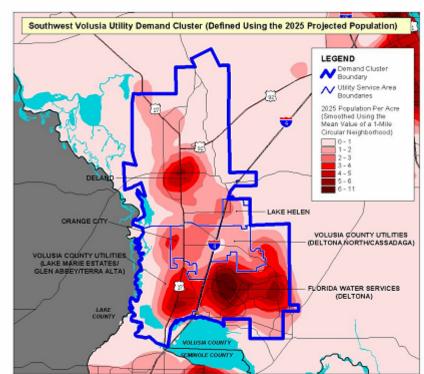
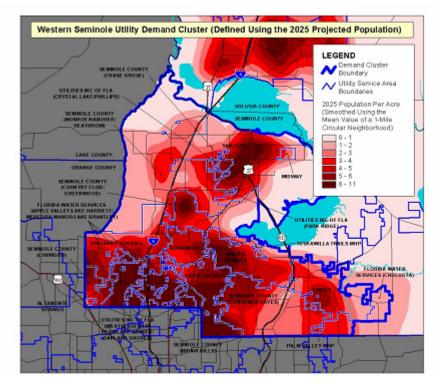


Figure 2 – Northeast Volusia Population Cluster

Figure 3 – Southwest Volusia Population Cluster



SECTION II – ANALYSIS



<u>Figure 4 – Western Seminole Population Cluster</u>

b. <u>Demand Centers</u> - These Population Clusters were then combined into logical Demand Centers, or service areas, that could be served by feasible plant sites identified by HDR in the Siting Element of the St. Johns River Water Supply Project. The Demand Centers are presented in Table 2 below:

Table 3 – Water Demand Centers

Number	Demand Center	Description
Demand Center 1	Seminole County	Western Seminole Population Cluster
Demand Center 2	Volusia County	Northeast and Southwest Volusia Population Clusters
Demand Center 3	Seminole and Southwest Volusia	Western Seminole and Southwest Volusia Population Clusters

Projected water usage by year was compiled for each of the identified Demand Centers and is presented in Figure 5 on the second following page.

Figure 5 contains the analysis that shows the assumed timing and determines the sizing of the required surface water plant for each Demand Center. Figure 6, following Figure 5, presents a graphical representation of the demand projections in Figure 5. For each year through 2024, for each Demand Center, Figure 5 determines the following:

- 1. Water demand projections
- 2. The year in which the surface water plant is assumed to be placed in service
- 3. Surface water demand
- 4. Capacity of surface water plant to serve demands through 2024
- 5. Surface water demand as a percent of plant size (capacity)

Year of implementation of surface water plan

SECTION II – ANALYSIS

Figure 5 – Demand Center Demand Projections, and Surface Water Plant Timing and Sizing

St. Johns River Water Management District St. Johns River Water Supply Project Demand Center Demand Projections, Surface Water Plant Sizing and Timing

					Del	ianu C	SINGI D	emanu i	/ U) CC	(U//S, S)	unace v	rater r	an Jiz	ii iy ai iu	ruung											
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	Volusia County Demand Center																									
2	Demand Projections	47.07	48.24	49.42	50.59	51.77	52.94	54.15	55.35	56.56	57.76	58.97	60.26	61.54	62.83	64.11	65.40	66.70	68.00	69.29	70.59	71.89	72.86	73.84	74.81	75.79
											1	Plant in														
												Service -														
												End of														
	Year of Implementation of Surface Water Plant @ 50%	of Capac	ity									Year														
	Surface Water Plant Capacity (mgd)											33.63														
	Surface Water Demand (mgd)											16.82	18.10	19.39	20.67	21.96	23.25	24.54	25.84	27.14	28.44	29.74	30.71	31.68	32.66	33.63
	Surface Water Demand as a Percent of Plant Capacity											50.0%	53.8%	57.6%			69.1%	73.0%	76.8%	80.7%					97.1%	
7 [Groundwater Withdrawals (mgd)	47.07	48.24	49.42	50.59	51.77	52.94	54.15	55.35	56.56	57.76	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15	42.15
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Seminole County Demand Center																									
8	Demand Projections	58.79	60.59	62.39	64.19	65.99	67.79	69.35	70.91	72.47	74.03	75.59	77.24	78.89	80.55	82.20	83.85	84.38	84.91	85.44	85.97	86.50	86.90	87.30	87.69	88.09
												Plant in														
												Service -														
ا ،	Year of Implementation of Surface Water Plant @ 50%	-60	·									End of Year														
	Surface Water Plant Capacity (mgd)	of Capac	пу									25.00														
	Surface Water Plant Capacity (riigu) Surface Water Demand (mgd)											25.00 12.50	14 15	15.81	17 46	19 11	20.76	21.29	21.82	22.35	22.88	23.41	23.81	24.21	24.61	25.00
	Surface Water Demand (mgd) Surface Water Demand as a Percent of Plant Capacity											50.0%	56.6%	63.2%				85.2%	87.3%	89.4%	91.5%	93.6%	95.2%		98.4%	
	Groundwater Withdrawals	58.79	60.59	62.39	64.19	65.99	67.79	69.35	70.91	72.47	74.03	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09	63.09
13 [Olouliuwatei Viitiiulawais	30.73	00.30	02.33	04.13	05.55	01.13	00.00	70.51	12.41	74.00	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03	03.03
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
14	Seminole and Southwest Volusia Demand Center	2000	2001	LUUL		2001		2000	2001		2000	20.0	2011	2012	20.0		20.0	20.0	2011	20.0	2010			LULL		
	Demand Projections	79.31	81.83	84.36	86.88	89.41	91.93	94.25	96.57	98.89	101.21	103.53	105.95	108.36	110.78	113.19	115.61	116.74	117.87	119.01	120.14	121.27	122.15	123.04	123.92	124.81
												Plant in														
												Service -														
												End of														
16	Year of Implementation of Surface Water Plant @ 50%	of Capac	ity									Year														
17	Surface Water Plant Capacity (mgd)											42.55														
18	Surface Water Demand (mgd)											21.28	23.69	26.11	28.52	30.94	33.36	34.49	35.62	36.75	37.88	39.02	39.90	40.78	41.67	42.55
19	Surface Water Demand as a Percent of Plant Capacity											50.0%	55.7%	61.4%	67.0%	72.7%	78.4%	81.0%	83.7%	86.4%	89.0%	91.7%	93.8%	95.8%	97.9%	100.0%
20	Groundwater Withdrawals	79.31	81.83	84.36	86.88	89.41	91.93	94.25	96.57	98.89	101.21	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25	82.25

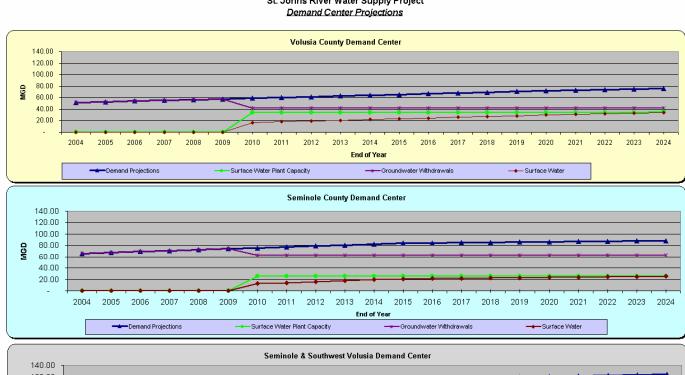
Source: Burton & Associates

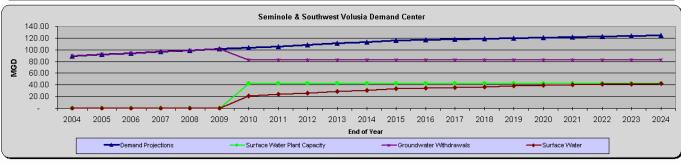
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SECTION II – ANALYSIS

Figure 6 - Graphical Display of Demand Center Demand Projections, and Surface Water Plant Timing and Sizing

St. Johns River Water Management District St. Johns River Water Supply Project Demand Center Projections





Source: Burton & Associates

C:\Data\SJRWMD\Andy\SJRWMD\V\Models as of 2-1-2004\(FAMS\-\V\ater Supply Entity\-SJRWMD_4\xls\)Demand Center Graphs

3. Water Supply Entity, Governance, Rate and Utility Assumptions

In order to perform an analysis of the affordability of surface water in the Demand Centers identified in the previous sub-section, it was necessary to define the service delivery configuration for the provision of surface water to the local retail utilities in the Demand Centers being evaluated. Therefore, this section presents a description of the assumptions of the analysis relative to the WSE to provide surface water to the local retail utilities, the governance structure of the WSE and the local retail utilities, the rates to be charged by the WSE and assumptions regarding the local retail utility to be modeled relative to the impact of surface water upon the cost of water at the retail level.

a. <u>Water Supply Entity</u> - For each scenario evaluated, it is assumed that surface water will be provided at the end of 2010, or six years from 2004. The determination of the exact time when maximum sustainable groundwater withdrawals will be exceeded in the identified Demand Centers is beyond the scope of this Study. Therefore, in order to present the most conservative affordability analysis, it was assumed that surface water would be provided in the identified demand centers as soon as possible. It was assumed that six years may be required to 1) organize the governance within which the surface water plant will be owned and operated, and 2) plan, design, permit and construct the plant. Therefore, it was assumed that the surface water plant would be put into service at the end of 2010 and 2011 would be the first full year of operation.

At the end of 2010, when the surface water plant is assumed to be placed into service, the WSE would begin to deliver an amount of water equal to 50% of the plant capacity. It is assumed that this will be accomplished by converting that amount of usage from groundwater withdrawals to the surface water plant. From 2011 through 2024 all incremental water demands are assumed to be met by the surface water plant operated by the WSE. It is further assumed that the initial plant will initially include "backbone" facilities to serve its ultimate capacity but will only include "process equipment" facilities sufficient to serve demands to about 75% of ultimate capacity. It is assumed that incremental process equipment to serve the ultimate capacity will be implemented when demands reach approximately 75% of capacity.

It is assumed that the WSE could either be a new entity or an existing water utility. For the purposes of this analysis, it is assumed that the WSE be comprised of the utilities in the Demand Center service area and that all utilities in the Demand Center will participate as members of the WSE. It is assumed that the WSE will fund the capital costs of the surface water plant (including intake, treatment, effluent disposal, transmission and pumping facilities) with

existing resources to the extent that they are available and that the remainder of the costs will then be funded with conventional revenue bond debt.

Since it is assumed that the WSE will have minimum resources at its inception, the first increment of surface water plant expenditures will be funded primarily with debt. However, as revenues are generated after the plant goes into service, excess revenues will be generated in the form of debt service coverage. It is assumed that these excess revenues will be deposited into a reserve fund and will be available to downsize the borrowing required for the incremental expenditures necessary to fund the process equipment necessary to provide the full plant capacity.

b. <u>Governance Structure</u> - The determination of ownership, funding and operational responsibility for the groundwater and surface water supply, treatment and transmission facilities that will be required over the projection period of this analysis will be potentially challenging from a governance perspective. It could be accomplished by interlocal agreements with an existing utility serving as the surface water supplier or by creation of an entity that would provide all of the groundwater and surface water to its members/customers. This would require that all parties reach agreement regarding ownership/leasing of existing groundwater facilities, operations and maintenance responsibilities, interconnects, rates, etc.

The evaluation of the governance structure within which surface water could be implemented is beyond the scope of this analysis and it is assumed that a structure can be implemented that would allow for a blended rate, as assumed in this analysis and described in the following sub-section. In any event, the governance structure must finally be decided upon by the local utilities and, therefore, can not be determined until interested local utilities take the initiative to structure a governance framework within which surface water can be provided.

c. <u>Assumed Rate Program of the Water Supply Entity</u> – It is assumed that 6 years prior to the projected in service date of the surface water plant, the WSE will be formed and will begin to incur administrative costs related to the planning, design and construction of the surface water plant. It is assumed that the WSE will begin administering a rate program upon its inception, and that the initial rate will recover all of its operating costs in a rate to be charged to its member utilities for all water billed by each utility. This rate will be referred to hereinafter as the surface water surcharge rate and it is not related to the delivery of surface water.

When the WSE places the surface water plant in service, it will begin providing surface water to one or more utilities that will convert demands being met with groundwater withdrawals

to the surface water plant to provide the initial 50% load that is required for the surface water plant to operate effectively. It is assumed that the WSE will begin charging a rate for delivered water at that time. This rate will be referred to hereinafter as the delivered water rate.

It is further assumed that the delivered water rate will be imputed at a level approximately equivalent to the cost of producing groundwater. As the surface water plant becomes more fully utilized, the delivered water rate could be escalated annually to a level approaching full cost recovery of all of the costs of the WSE. During the period that the delivered water rate is less than a full cost recovery rate, the costs not recovered in the delivered water rate will be included in the surface water surcharge rate to be charged to the WSE's member utilities for all water billed by each utility. This rate structure allows 1) for member utilities that require surface water to pay reasonable rates for the water that they use during the transition to surface water, and 2) for all member utilities of the WSE to share proportionately in the funding of the "non used and useful" plant costs during the time that the surface water facilities are not utilized at full capacity.

The effect of this assumed rate program is that each member utility will include in its cost of service and retail rates the amounts paid to the WSE through the delivered water rate and the surface water surcharge rate. This will result in a *blended retail rate* that includes the cost of providing groundwater to meet the member utility's water demands up to the level of steady state groundwater withdrawals¹¹ and the cost of providing surface water for its incremental water demands.

The provision for both a surface water surcharge rate and a delivered water rate is to allow for the fact that individual utilities may require surface water at different levels in response to the varying growth that will occur in each member utility's service area. To the extent that growth in a member utility's service area is disproportionate to its historical water demands, the proposed rate program places more (or less) burden in terms of cost for delivered water on those utilities with higher (or lower) growth than their historical demands might suggest, while providing a mechanism to recover all costs through the surface water surcharge in a manner proportionate to the total water demands of each member utility. This assumed rate program would require that interlocal agreements be established between the WSE and each member utility/ customer.

d. <u>The Typical Utility Evaluated</u> - For the purposes of this analysis, it was assumed that the *typical* local utility evaluated in each scenario would be located in the Demand Center

1

¹¹ Groundwater withdrawals that will continue after conversion to the surface water plant to meet incremental demands.

associated with the scenario and that the WSE would ultimately serve all of the incremental water demands in the Demand Center. It is further assumed that the WSE will have the ability to set rates based upon the rate program described in the previous sub-section or a similar program that results in a blended groundwater/surface water rate effect.

It is recognized that the potential challenges in implementing either interlocal agreements and/or creating such a Demand Center-wide WSE might preclude such a Demand Center-wide approach to the provision of surface water. The Demand Center-wide assumption was made simply to evaluate the cost impact of the economies of scale, on a unit cost basis, of larger surface water facilities. It is recognized that if such a WSE is implemented, it might meet water demands for a sub-set of the assumed Demand Centers or across assumed Demand Center boundaries. This analysis included all water demand in each Demand Center identified strictly for demonstration purposes. If fewer utilities in each Demand Center opt to be included as members of a WSE, the size of the projected surface water facilities would be smaller, but the ultimate range of impact of surface water upon retail rates would be similar to that projected herein.

In all scenarios evaluated, groundwater withdrawals are assumed throughout the projection period up to the time that the surface water plant is assumed to be placed into service. It is further assumed that when the surface water plant is placed into service, groundwater equal to 50% of the plant capacity will be converted from groundwater withdrawals to the surface water plant. The surface water plant is sized to meet the cumulative incremental demand from the time it is placed into service through 2024, with a 50% initial loading.

In order to demonstrate the differential effects of the cost of surface water versus groundwater (all scenarios compared to the benchmark scenario), the financial and operational characteristics of the typical utility were set up so that minimal rate increases were required during the projection period under the benchmark groundwater scenario. This assumes a typical budget for annual capital improvements (other than additional water supply and treatment facilities) and renewal and replacement, and that no extraordinary repairs or replacements will be necessary during the projection period. The analysis also assumes that the utility begins the projection period with adequate revenues such that the need for rate increases does not emerge for several years, and rate increases prior to and after the years when additional water supply facilities are added are driven primarily by inflationary pressures upon costs.

Also, the utility was set up so that it is assumed to have sufficient groundwater capacity relative to its current and projected water usage, so that additional capacity would not be needed

until the surface water plant is assumed to be placed into service. Also, it is assumed that the conversion of groundwater withdrawals to surface water to provide the initial 50% loading for the plant is spread proportionately to each utility in the Demand Center such that all utilities in the Demand Center would convert to surface water in the same year. To the extent that a local utility's capacity or allowed groundwater withdrawals are different than assumed, surface water may be needed sooner or later than projected in this analysis.

4. The Model

The analysis represented in the model used for this analysis is a twenty-year revenue sufficiency analysis for both the WSE and the representative local retail utility. The model for the WSE includes cost recovery from rates based upon the rate program described in Section II.A.3.c. Similarly, the model for the local retail utility assumes the cost of surface water based upon that same rate program.

a. <u>The Model for the Water Supply Entity</u> – The model for the WSE simulates the financial performance of the entity over a twenty-year projection period. It identifies the costs of operation, both operations and maintenance (O&M) and capital costs, for each year in the projection period. O&M and capital costs for the WSE were provided by CH2M HILL and HDR, the two firms conducting the treatability and siting elements respectively of the St. Johns River Water Supply Project. The cost input is Demand Center and scenario specific relative to the required capacity and costs of the surface water facilities.

The model projects revenue from the delivered water rate, described in Section II.A.3.c, and calculates the surface water surcharge rate, described in that same section, which is calculated based upon the annual costs not recovered in the delivered water rate spread over the total water billed by all utilities in the Demand Center being evaluated.

The assumed timing and estimated sizing of required additional water supply, treatment and transmission facilities are dynamically calculated by the model using several algorithms. For each year in the projection period, the model tracks water usage (as it increases due to projected population growth). At the end of 2010, the model calculates the plant size that if initially loaded at 50% of its capacity, will reach its capacity in 2024 based upon the projected incremental water demands in the Demand Center. This will allow the surface water plant to go into service with a 50% initial load and be able to accommodate fourteen (14) years of growth from that time. For groundwater facilities in the benchmark scenario, the sizing assumption

(provided by CH2M HILL) is to provide sufficient capacity to serve seven years of incremental demands.

Estimates of initial capital and O&M costs for the new surface water facilities for each scenario were provided by CH2M HILL and HDR based upon the assumed timing and sizing parameters determined in the model. Initial cost estimates included "back-bone" facilities designed to serve the maximum plant capacity and "process equipment" cost estimates to provide capacity to last from the in service date with a 50% load factor, to approximately 75% of the maximum plant capacity. Incremental "process equipment" cost estimates were also provided for the additional equipment to serve the maximum capacity of the plant.

b. <u>The Model for the Local Retail Utility</u> – The model for the local retail utility simulates the financial performance of the utility over a twenty-year projection period. It is essentially a multi-year revenue sufficiency analysis that identifies annual rate revenue increases needed to provide sufficient funds to cover all of the projected expenses of the utility. It includes as operations costs the costs of purchased water from the WSE and the surface water surcharge from the WSE.

When incremental water demands must be met with surface water from the WSE, any financing costs associated with the existing groundwater facilities of the local retail utility remain in the cost basis of the utility model until the end of the financing term. Also, for the purposes of this analysis, the initial assumed debt service of the local retail utility, which may have funded items other than water supply and treatment facilities, is assumed to continue throughout the projection period.

The model also tracks unrestricted reserves and impact fees from new connections. Each year eligible capital projects are first funded from these sources and, if these sources are not sufficient, the remaining capital costs are assumed to be funded with 30-year term conventional revenue bond debt. The model identifies annual rate increases, if required, to ensure that sufficient revenues are generated each year to meet all of the utility's financial obligations, including typical revenue bond covenants, such as debt service coverage requirements.

B. <u>ASSUMPTIONS</u>

Table 4, on the following page, presents the assumptions regarding the *typical retail utility* that are applicable to all of the scenarios evaluated. Table 5, following Table 4, presents the surface water cost assumptions for each scenario evaluated that were provided by CH2M HILL and HDR.

SECTION II – ANALYSIS

Table 4 – Assumptions Regarding the Typical Utility Applicable to All Scenarios

Typical Utility Assumption	First Year Value	Adjustment
Water Usage	2.38 mgd	Annual growth %
Number of Customers (ERUs)	7,917	Based upon annual growth
Maximum Sustainable Groundwater Withdrawal	Specific to Demand Center	NA
Annual Growth Percentage	NA	2.5% to 1.69%
Annual Rate Revenues		
Allitual Rate Revenues	\$1,900,000	Annual growth % plus rate Increase
Annual O&M Expenses	\$974,025	Annual expense escalator plus impact of additional facilities
O&M Escalation Factor	NA	3.0 %
Unrestricted Reserves	\$2,729,000	Based upon cash flow
Minimum Working Capital Reserve Balance	Equal to 3 months O&M Expenses	Based upon O&M expense
Existing Debt Service	\$998,391	None
New Debt Service	NA	Based upon debt funding required for additional facilities, when required Term: 30 Years Interest Rate: 6.0%
Capital Improvement Program	\$970,000	Appual conital cost accolation factor
(Misc. capital and R&R)	Avg. Annual Amt.	Annual capital cost escalation factor
Capital Cost Escalation Factor	NA	3.0 %
Size of Initial Surface Water Plant	Specific to Demand Center	NA
Capital Costs – Supply & Treatment Initial Surface Water Plant	Specific to Demand Center	NA
Capital Costs – Transmission Initial Surface Water Plant	Specific to Demand Center	NA
Assumed Length of Transmission Line for Surface Water Facilities	Specific to Demand Center & Site	NA
Funding of Additional Facilities	NA	Impact fees and unrestricted reserves to the extent possible, with the rest funded with conventional 30 year term revenue bonds
Interest Earnings Rate on Invested	1.50%	Escalated .50% per year to 3.5% by
Funds	2004 & 2005	year 2009
Years of Growth Assumed in Additional Groundwater Capacity	NA	7 Years
Years of Growth Assumed in Additional Surface Water Capacity	NA	20 Years

SECTION II – ANALYSIS

<u>Table 5 – Cost Assumptions for each Scenario Evaluated – Page 1 of 3</u>

St. Johns River Water Supply Project Affordability Analysis Surface Water Cost Assumptions

Intermittent Source with Aquifer Storage and Recovery

Demand Center	Initial I	Design	Ultimate	Design	Ultimate	Design
			Site	e G	Site	e E
All Volusia	ADF	26 mgd	ADF	34 mgd	ADF	34 mgd
Coulted Cooks	Max Day	34 mgd	Max Day	45 mgd	Max Day	45 mgd
Capital Costs			r-n	4 000 00C	ran	4 000 00C
Plant			⊅ ∠U	4,082,896		4,082,896
Raw Water Pipeline Finished Water Pipeline			Œ	\$890,400 5,836,000		6,022,000 9,517,600
Concentrate Disposal Pipeline				7,392,000		0,803,600
ASR				1,620,000		0,600,000 1,620,000
Plant Land Cost			ΨΟ	\$510,000	Ψ0	\$750,000
Pipeline Land Cost			\$	4,141,000	\$	6,055,000
Total Ultimate Design				14,472,296		38,851,096
Less: Process Equip Capital Cost Increment				6,570,136		6,570,136
Total Initial Design				97,902,160		32,280,960
Annual O&M Cost (same for both sites)	\$	20,814,083		28,708,952		28,708,952
			Site	e B	Site	e K
Seminole	ADF	19 mgd	ADF	25 mgd	ADF	25 mgd
	Max Day	25 mgd	Max Day	33 mgd	Max Day	33 mgd
Capital Costs						
Plant			\$15	5,551,638	\$15	5,551,638
Raw Water Pipeline				2,024,878	\$	8,590,139
Finished Water Pipeline			\$4	6,631,791	\$5	0,313,345
Concentrate Disposal Pipeline				\$261,883		4,188,291
ASR				3,250,000	\$2	3,250,000
Plant Land Cost				1,300,000	_	\$0
Pipeline Land Cost				3,453,000		4,816,000
Total Ultimate Design				32,473,190		16,709,414
Less: Process Equip Capital Cost Increment				64,778,271		\$4,778,271
Total Initial Design Annual O&M Cost (same for both sites)	\$	14,022,893		27,694,920 18,600,835		11,931,143 18,600,835
Timinal Cam Cost (Camo Io. Data Otto)	•	,022,000	Site		Site	
Seminole and South Volusia	ADF	32 mgd	ADF	43 mgd	ADF	43 mgd
	Max Day	_	Max Day	_	Max Day	_
Capital Costs	•	•	•	•	•	•
Plant			\$24	8,485,006	\$24	8,485,006
Raw Water Pipeline			\$1	0,625,833	\$2	8,841,679
Finished Water Pipeline			\$14	4,966,427	\$14	4,966,427
Concentrate Disposal Pipeline			\$	5,275,636	\$1:	2,529,204
ASR			\$3	9,990,000	\$3	9,990,000
				\$ 0		\$750,000
Plant Land Cost						
Pipeline Land Cost				8,840,000		0,680,000
Pipeline Land Cost Total Ultimate Design			\$45	58,182,903	\$48	36,242,316
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment			\$45 -9	58,182,903 59,168,187	\$48 -9	36,242,316 \$9,168,187
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design		00.400.000	\$45 -9 \$44	5 <mark>8,182,903</mark> 59,168,187 1 9,014,716	\$48 -9 \$47	36,242,316 \$9,168,187 77,074,129
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment	\$	26,123,295	\$45 -9 \$44	58,182,903 59,168,187	\$48 -9 \$47	36,242,316
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design Annual O&M Cost (same for both sites)			\$45 -9 \$44 i \$3	58,182,903 59,168,187 19,014,716 37,585,862	\$48 -9 \$47 \$3	36,242,316 \$9,168,187 77,074,12 9
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design Annual O&M Cost (same for both sites) Construction Markups:	Capital Mark	(-ups:	\$45 -8 \$44 i \$3	58,182,903 59,168,187 19,014,716 37,585,862 In Flow Fac	\$48 -8 \$47 \$3	36,242,316 \$9,168,187 77,074,12 9
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design Annual O&M Cost (same for both sites) Construction Markups: Overhead 10%	Capital Mark Permittng	(-ups: 3%	\$45 { \$44 i \$3 Desig Max [58,182,903 §9,168,187 19,014,716 37,585,862 In Flow Factory 1.32	\$48 -8 \$47 \$3 etors:	36,242,31 6 59,168,187 77,074,12 9
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design Annual O&M Cost (same for both sites) Construction Markups: Overhead 10% Profit 5%	Capital Mark Permittng Engineering	-ups: 3% /SDC 16%	\$45 -{ \$44 i \$3 Desig Max I 6 ASR	58,182,903 §9,168,187 19,014,716 37,585,862 In Flow Factory 1.32	\$48 -8 \$47 \$3	36,242,316 \$9,168,187 77,074,12 9
Pipeline Land Cost Total Ultimate Design Less: Process Equip Capital Cost Increment Total Initial Design Annual O&M Cost (same for both sites) Construction Markups: Overhead 10%	Capital Mark Permittng	(-ups: 3%	\$4: 	58,182,903 §9,168,187 19,014,716 37,585,862 In Flow Factory 1.32	\$48 -8 \$47 \$3 etors:	36,242,316 \$9,168,187 77,074,129

Source: CH2MHill and HDR

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SECTION II – ANALYSIS

Table 5 (Cont'd) - Cost Assumptions for each Scenario Evaluated - Page 2 of 3

St. Johns River Water Supply Project Affordability Analysis Surface Water Cost Assumptions

Reliable Source with Aquifer Storage and Recovery

Demand Center	Initial [Design	า	Ultimate	Design	Ultii	nate	Design
				Site			Site	
All Volusia	ADF	26 m	_	ADF	34 mgd	ADF	_	34 mgd
Capital Costs	Max Day	30 M	ıga	Max Day	39 mga	Max	υay	39 mgd
Plant				\$18 1	3,408,393		\$ 183	3,408,393
Raw Water Pipeline				Ψιο	\$890,400			6,022,000
Finished Water Pipeline				\$5/	5,836,000			9,517,600
Concentrate Disposal Pipeline					7,392,000			,803,600
ASR					540,000			540,000
Plant Land Cost					\$510,000			\$750,000
Pipeline Land Cost				\$4	4,141,000		\$6	,055,000
Total Ultimate Design				\$26	2,717,793	i		7,096,593
Less: Process Equip Capital Cost Increment				-\$	5,822,878	l	-\$	5,822,878
Total Initial Design				\$25	6,894,916	i	\$29	1,273,716
Annual O&M Cost (same for both sites)	\$	19,898	3,834	\$2	6,836,052		\$2	6,836,052
				Site	9 B		Site	K
Seminole	ADF	19 m	gd	ADF	25 mgd	ADF		25 mgd
	Max Day	22 m	ıgd	Max Day	29 mgd	Max	Day	29 mgd
Capital Costs								
Plant				\$139	9,456,224			9,456,224
Raw Water Pipeline					2,024,878			3,590,139
Finished Water Pipeline				\$46	5,631,791			0,313,345
Concentrate Disposal Pipeline					\$261,883			1,188,291
ASR					7,750,000		\$,	7,750,000
Plant Land Cost					1,300,000			\$0
Pipeline Land Cost					3,453,000			1,816,000 5.444.000
Total Ultimate Design Less: Process Equip Capital Cost Increment					10,877,776 34,382,522			5,114,000 4,382,522
Total Initial Design					6,495,254			0, 731,478
Annual O&M Cost (same for both sites)	\$	13,922	2.910		17,965,501			7,965,501
,	<u> </u>			Site			Site	
Seminole and South Volusia	ADF	32 m	ıqd	ADF	43 mgd	ADF		43 mgd
	Max Day		_	Max Day	_	Max	Day	49 mgd
Capital Costs	-		•	-	•		-	•
Plant				\$22	1,288,669		\$221	,288,669
Raw Water Pipeline				\$10	0,625,833		\$28	8,841,679
Finished Water Pipeline				\$144	4,966,427		\$144	1,966,427
Concentrate Disposal Pipeline					5,275,636			2,529,204
ASR				\$13	3,330,000		\$13	3,330,000
Plant Land Cost					\$0			\$750,000
Pipeline Land Cost					3,840,000			0,680,000
Total Ultimate Design					14,326,566			2,385,979
Less: Process Equip Capital Cost Increment					67,888,457			7,888,457
Total Initial Design	¢.	24.74	LCCE		6,438,109			4,497,522
Annual O&M Cost (same for both sites)	•	24,714	1,000	\$3	4,367,175		Þ J	4,367,175
Construction Markuma:	Cawis-I Miled			Danie.	s Ela… F-	-t-v-·		
Construction Markups: Overhead 10%	Capital Mark Permittng	(-ups:	3%		n Flow Fa	ctors: 5 * ADF		
Overhead 10% Profit 5%	Engineering	/SDC	5% 16%	Max [ASR		3 * ADF		
		JUL	10.70	AOR	0.50) ADE		
Mob/Bond 3% Contingency 30%	Start-up Legal		2% 3%					

Source: CH2MHill and HDR

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SECTION II – ANALYSIS

<u>Table 5 (Cont'd) – Cost Assumptions for each Scenario Evaluated – Page 3 of 3</u>

St. Johns River Water Supply Project Affordability Analysis Surface Water Cost Assumptions

Reliable Source without Aquifer Storage and Recovery

Demand Center	Initial [)esign	Ultimate	Design	Ultimate	Design
			Site	. G	Site	9 F
All Volusia	ADF	26 mgd	ADF	34 mgd	ADF	34 mgd
	Max Day	39 mgd	Max Day	_	Max Day	•
Capital Costs	_	_	_	-	-	_
Plant			\$22	4,810,074	\$22	4,810,074
Raw Water Pipeline				\$890,400	\$2	6,022,000
Finished Water Pipeline			\$5:	5,836,000	\$5	9,517,600
Concentrate Disposal Pipeline			\$	7,392,000	\$1	0,803,600
ASR				\$0		\$0
Plant Land Cost			_	\$510,000	_	\$750,000
Pipeline Land Cost				4,141,000		6,055,000
Total Ultimate Design				3,579,474		27,958,274
Less: Process Equip Capital Cost Increment				57,531,443		67,531,443
Total Initial Design	¢	22 700 720		6,048,032		20,426,832
Annual O&M Cost (same for both sites)	7	22,798,729		80,844,123		30,844,123
Seminole	ADF	19 mgd	Site ADF	25 mgd	Site ADF	er. 25 mgd
Seminore	Max Day		Max Day	_	Max Day	_
Capital Costs	wax Day	zə myu	wax bay	JU IIIGU	wax bay	JU IIIGU
Plant			\$17	1,301,478	\$17	1,301,478
Raw Water Pipeline				2,024,878		8,590,139
Finished Water Pipeline				6,631,791		0,313,345
Concentrate Disposal Pipeline				\$261,883		4,188,291
ASR '				\$0		\$0
Plant Land Cost			\$	1,300,000		\$0
Pipeline Land Cost			\$:	3,453,000	\$	4,816,000
Total Ultimate Design			\$22	24,973,030		39,209,254
Less: Process Equip Capital Cost Increment				5,620,954		620,954,620,63
Total Initial Design				9,352,076		33,588,300
Annual O&M Cost (same for both sites)		14,799,688		19,601,801		<u>19,601,801</u>
			Site		Site	
Seminole and South Volusia	ADF	32 mgd	ADF	43 mgd	ADF	43 mgd
C14-1 C4-	Max Day	48 mga	Max Day	65 mga	Max Day	65 mga
Capital Costs Plant			£07!	8,906,715	£07	8,906,715
Raw Water Pipeline				D,625,833		8,841,679
Finished Water Pipeline				4,966,427		4,966,427
Concentrate Disposal Pipeline				5,275,636		2,529,204
ASR			·	\$0	•	-,,· \$0
Plant Land Cost				\$0		\$750,000
Pipeline Land Cost			\$1	8,840,000	\$1	0,680,000
Total Ultimate Design			\$44	8,614,612	\$47	6,674,025
Less: Process Equip Capital Cost Increment			-\$1	0,520,295	-\$	10,520,295
Total Initial Design				8,094,317		6,153,731
Annual O&M Cost (same for both sites)	\$	27,994,856	\$4	1,371,847	\$ 4	11,371,847
Construction Markups:	Capital Mark		-	n Flow Fac		
Overhead 10%	Permittng	3%	Max [) * ADF	
Profit 5%	Engineering/			0.0 *	* ADF	
Mob/Bond 3%	Start-up	2%				
Contingency 30%	Legal	3%				

Source: CH2MHill and HDR

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III. RESULTS

This section presents the results of the analysis. A summary of the comparative analysis of scenarios is first presented, followed by a description of the detailed projections for each scenario evaluated and a description of the affordability analysis.

A. <u>COMPARATIVE ANALYSIS OF SCENARIO RESULTS</u>

This section presents a comparative analysis of the results of each scenario evaluated. The groundwater scenario for each Demand Center serves as the benchmark scenario in this comparative analysis because it represents the status quo assuming that groundwater was available throughout the projection period. However, based upon the District's groundwater modeling, groundwater will not be available to serve the incremental water demands of new growth at some point during the projection period. At that time groundwater can continue to be used as the source to serve water usage up to the maximum sustainable groundwater withdrawal limit, but an alternative water source must be used to serve the incremental water usage demands of new growth above that level.

All other scenarios evaluate the impact upon the cost of delivered water of a typical retail utility, assuming that surface water will be provided by a WSE, either an existing utility or a new entity, which will provide surface water to a number of local utilities (all of each demand Center in this analysis). This will allow realization of the economies of scale, on a unit cost basis, of a larger facility. However, this scenario will also require a blended rate including 1) the cost of groundwater at steady-state groundwater withdrawals¹², and 2) the cost to provide incremental water usage demands with surface water facilities

1. Rate Adjustment Strategies

Three comparisons were made during this analysis: 1) just-in-time rate adjustments, 2) equal annual rate adjustments to smooth the large rate increases, or "rate spikes", that result with just-in-time rate adjustments and 3) annual rate indexing adjustments to lessen the rate spikes that result with just-in-time rate adjustments. Equal annual rate adjustments and annual rate indexing in advance of the need for surface water are two mitigation strategies that local utilities could consider to make the transition to surface water more financially and politically feasible.

¹² Groundwater withdrawals that will continue after conversion to the surface water plant to meet incremental demands.

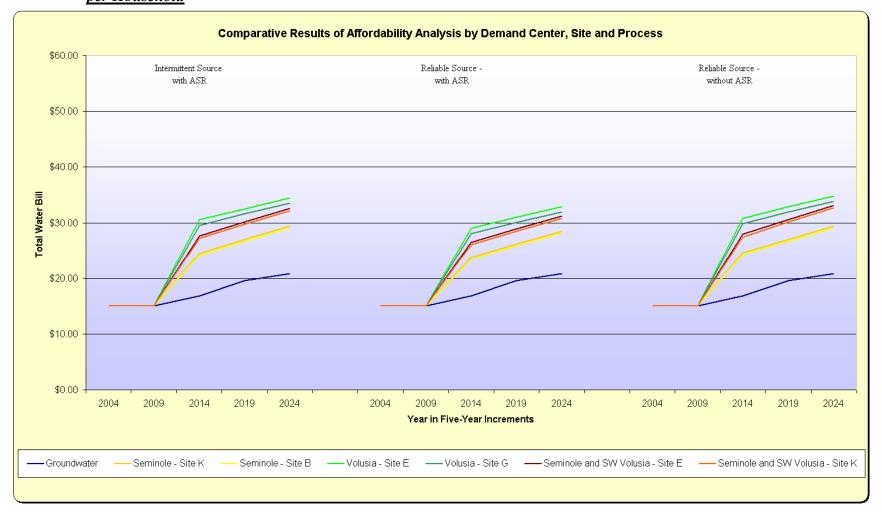
a. Just-in-time Rate Adjustments

First, just-in-time rate adjustments were calculated and compared. Just-in-time rate adjustments reflect the required adjustments in rates in the year required. This approach to rate planning often results in "rate spikes", or large rate increase requirements in one year and utilities often adopt a plan of regular annual rate adjustments in advance of projected rate spikes to avoid, or at least lessen these rate spikes.

Figures 7, 8 and 9, on the following pages, present graphical summary representations of the impact of surface water upon the retail cost of water per average household in absolute dollars and as a percentage increase for all scenarios evaluated, assuming just-in-time rate adjustments and a range of current cost of water per household of \$15 per month on the low end and \$25 per month on the high end. Due to the extended term of the projection period, and the large number of scenarios evaluated, these graphs show the impacts of surface water upon the cost of water at the retail level at five-year increments. Tables 5 and 6, following Figure 9, present the numerical results from which the graphical representations in Figures 7, 8 and 9 are drawn.

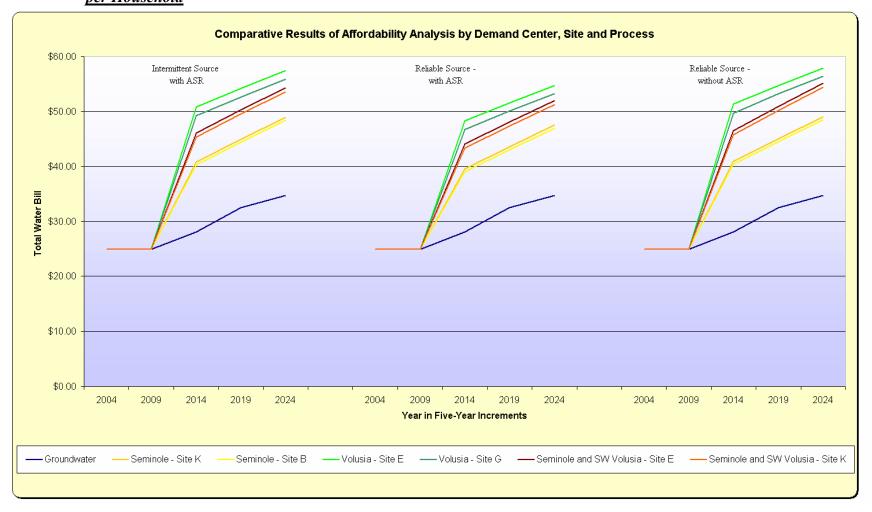
SECTION III - RESULTS

<u>Figure 7 – Graphical Representation of Dollar Impact upon Household Water Cost – Assumes \$15 Average Water Bill per Month</u> per Household



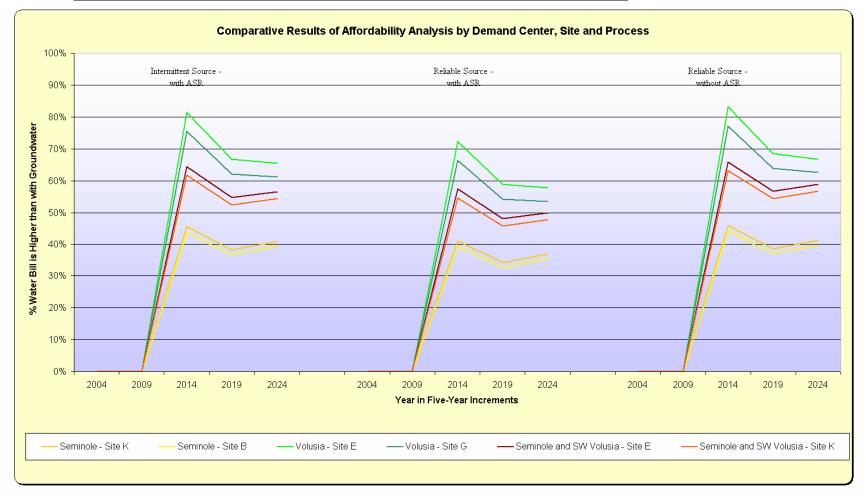
SECTION III - RESULTS

<u>Figure 8 – Graphical Representation of Dollar Impact upon Household Water Cost – Assumes \$25 Average Water Bill per Month</u> per Household



SECTION III - RESULTS

<u>Figure 9 – Graphical Representation of the Percentage that Household Water Cost is Higher with Surface Water than with</u>
<u>Groundwater – Same for \$15 and \$25 Average Water Bill per Month per Household</u>



SECTION III – RESULTS

Table 6 – Dollar Impact upon Household Water Cost – Assumes \$15 Average Water Bill per Month per Household

St. Johns River Water Management District St. Johns River Water Supply Project Affordability Analysis Comparative Summary of Scenario Results

		А	В	С	D	E	F	G	Н	1	J	K	L	M	Ν	0	P	Q	R	ε	T
	Demand Centers/Sites (1)		Gro	oundwate	er			i	S-ASR				RS	- w ASF	?			RS	- wlo AS	R	
		<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	2024	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	2024
	1 Seminole 2 Site K 3 % Rate Increase 4 Monthly Bill 5 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	63.51% \$24.53 45.69%	79.75% \$26.96 38.29%	95.87% \$29.38 41.05%	0.00% \$15.00	0.00% \$15.00 0.00%	58.50% \$23.78 41.23%	74.47% \$26.17 34.22%	90.13% \$28.52 36.92%	0.00% \$15.00	0.00% \$15.00 0.00%	63.90% \$24.58 46.03%	80.27% \$27.04 38.69%	96.33% \$29.45 41.39%
	6 Site B 7 % Rate Increase 8 Monthly Bill 9 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	61.40% \$24.21 43.81%	77.67% \$26.65 36.68%	93.74% \$29.06 39.52%	0.00% \$15.00	0.00% \$15.00 0.00%	56.38% \$23.46 39.34%	72.37% \$25.86 32.61%	88.00% \$28.20 35.39%	0.00% \$15.00	0.00% \$15.00 0.00%	61.79% \$24.27 44.16%	78.19% \$26.73 37.08%	94.21% \$29.13 39.86%
1 1	10 Volusia County 11 Site E 12 % Rate Increase 13 Monthly Bill 14 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	103.53% \$30.53 81.35%	116.76% \$32.51 66.76%	129.69% \$34.45 65.41%	0.00% \$15.00	0.00% \$15.00 0.00%	93.42% \$29.01 72.34%	106.49% \$30.97 58.86%	119.05% \$32.86 57.75%	0.00% \$15.00	0.00% \$15.00 0.00%	105.49% \$30.82 83.10%	119.04% \$32.86 68.51%	131.62% \$34.74 66.80%
1	15 Site G 16 % Rate Increase 17 Monthly Bill 18 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	96.93% \$29.54 75.47%	110.60% \$31.59 62.01%	123.70% \$33.56 61.10%	0.00% \$15.00	0.00% \$15.00 0.00%	86.76% \$28.01 66.41%	100.37% \$30.05 54.14%	113.09% \$31.96 53.46%	0.00% \$15.00	0.00% \$15.00 0.00%	98.83% \$29.82 77.16%	112.99% \$31.95 63.86%	125.74% \$33.86 62.57%
2 2 2	19 Seminole & SW Volusia 20 Site E 21 % Rate Increase 22 Monthly Bill 23 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	84.50% \$27.67 64.39%	101.06% \$30.16 54.67%	117.33% \$32.60 56.51%	0.00% \$15.00	0.00% \$15.00 0.00%	76.59% \$26.49 57.34%	92.51% \$28.88 48.10%	108.06% \$31.21 49.84%	0.00% \$15.00	0.00% \$15.00 0.00%	86.13% \$27.92 65.85%	103.63% \$30.54 56.66%	120.58% \$33.09 58.85%
2 2	24 Site K 25 % Rate Increase 26 Monthly Bill 27 % SW Bill is Greater than GW Bill	0.00% \$15.00 NA	0.00% \$15.00 NA	12.23% \$16.83 NA	29.99% \$19.50 NA	38.86% \$20.83 NA	0.00% \$15.00	0.00% \$15.00 0.00%	81.45% \$27.22 61.67%	98.13% \$29.72 52.42%	114.39% \$32.16 54.39%	0.00% \$15.00	0.00% \$15.00 0.00%	73.54% \$26.03 54.62%	89.59% \$28.44 45.85%	105.12% \$30.77 47.72%	0.00% \$15.00	0.00% \$15.00 0.00%	83.08% \$27.46 63.13%	100.70% \$30.11 54.40%	117.64% \$32.65 56.73%

(1) SW = Surface Water: GW=Groundwater

Source: Burton & Associates

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SECTION III – RESULTS

Table 7 – Dollar Impact upon Household Water Cost – Assumes \$25 Average Water Bill per Month per Household

St. Johns River Water Management District St. Johns River Water Supply Project Affordability Analysis Comparative Summary of Scenario Results

		А	В	С	D	Ε	F	G	Н	1	J	К	L	М	N	0	Ρ	Q	R	ε	T
Demand Centers/Sit	es (1)			oundwate					IS-ASR					S-WASF					- w/o AS		
		<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>	<u>2004</u>	<u>2009</u>	<u>2014</u>	<u>2019</u>	<u>2024</u>
1 Seminole 2 Site K 3 % Rate Increase 4 Monthly Bill 5 % SW Bill is Greater th	han GW Bill	0.00% \$25.00 NA	0.00% \$25.00 NA	12.23% \$28.06 NA	29.99% \$32.50 NA	38.86% \$34.71 NA	0.00% \$25.00	0.00% \$25.00 0.00%	63.51% \$40.88 45.69%	79.75% \$44.94 38.29%	95.87% \$48.97 41.05%	0.00% \$25.00	0.00% \$25.00 0.00%	58.50% \$39.63 41.23%	74.47% \$43.62 34.22%	90.13% \$47.53 36.92%	0.00% \$25.00	0.00% \$25.00 0.00%	63.90% \$40.97 46.03%	80.27% \$45.07 38.69%	96.33% \$49.08 41.39%
6 Site B 7 % Rate Increase 8 Monthly Bill 9 % SW Bill is Greater th	han GW Bill	0.00% \$25.00 NA	0.00% \$25.00 NA	12.23% \$28.06 NA	29.99% \$32.50 NA	38.86% \$34.71 NA	0.00% \$25.00	0.00% \$25.00 0.00%	61.40% \$40.35 43.81%	77.67% \$44.42 36.68%	93.74% \$48.44 39.52%	0.00% \$25.00	0.00% \$25.00 0.00%	56.38% \$39.10 39.34%	72.37% \$43.09 32.61%	88.00% \$47.00 35.39%	0.00% \$25.00	0.00% \$25.00 0.00%	61.79% \$40.45 44.16%	78.19% \$44.55 37.08%	94.21% \$48.55 39.86%
10 Volusia County 11 Site E 12 % Rate Increase 13 Monthly Bill 14 % SW Bill is Greater th 15 Site G 16 % Rate Increase	han GW Bill	0.00% \$25.00 NA	0.00% \$25.00 NA	12.23% \$28.06 NA	29.99% \$32.50 NA 29.99%	38.86% \$34.71 NA 38.86%	0.00% \$25.00 0.00%	0.00% \$25.00 0.00%	103.53% \$50.88 81.35%	116.76% \$54.19 66.76%	129.69% \$57.42 65.41%	0.00% \$25.00 0.00%	0.00% \$25.00 0.00%	93.42% \$48.35 72.34%	\$51.62 58.86%	119.05% \$54.76 57.75%	0.00% \$25.00	0.00% \$25.00 0.00%	105.49% \$51.37 83.10%	119.04% \$54.76 68.51%	131.62% \$57.90 66.80%
17 Monthly Bill 18 % SW Bill is Greater th		\$25.00 NA	\$25.00 NA	\$28.06 NA	\$32.50 NA	\$34.71 NA	\$25.00	\$25.00 0.00%	96.93% \$49.23 75.47%	\$52.65 62.01%	\$55.93 61.10%	\$25.00	\$25.00 0.00%	\$46.69 66.41%	\$50.09 \$4.14%	\$53.27 53.46%	\$25.00	\$25.00 0.00%	98.83% \$49.71 77.16%	\$53.25 63.86%	\$56.43 62.57%
19 Seminole & SW Volu 20 Site E 21 % Rate Increase 22 Monthly Bill 23 % SW Bill is Greater th		0.00% \$25.00 NA	0.00% \$25.00 NA	12.23% \$28.06 NA	29.99% \$32.50 NA	38.86% \$34.71 NA	0.00% \$25.00	0.00% \$25.00 0.00%	84.50% \$46.12 64.39%	101.06% \$50.26 54.67%	117.33% \$54.33 56.51%	0.00% \$25.00	0.00% \$25.00 0.00%	76.59% \$44.15 57.34%	92.51% \$48.13 48.10%	108.06% \$52.02 49.84%	0.00% \$25.00	0.00% \$25.00 0.00%	86.13% \$46.53 65.85%	103.63% \$50.91 56.66%	120.58% \$55.14 58.85%
24 Site K 25 % Rate Increase 26 Monthly Bill 27 % SW Bill is Greater th	han GW Bill	0.00% \$25.00 NA	0.00% \$25.00 NA	12.23% \$28.06 NA	29.99% \$32.50 NA	38.86% \$34.71 NA	0.00% \$25.00	0.00% \$25.00 0.00%	81.45% \$45.36 61.67%	98.13% \$49.53 52.42%	114.39% \$53.60 54.39%	0.00% \$25.00	0.00% \$25.00 0.00%	73.54% \$43.38 54.62%	89.59% \$47.40 45.85%	105.12% \$51.28 47.72%	0.00% \$25.00	0.00% \$25.00 0.00%	83.08% \$45.77 63.13%	100.70% \$50.18 54.40%	117.64% \$54.41 56.73%

(1) SW = Surface Water: GW=Groundwater

Source: Burton & Associates

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SECTION III - RESULTS

Under the just-in-time rate adjustment approach represented in the graphs in Figures 7, 8 and 9, and in Tables 6 and 7, a "rate spike", or large annual rate increase is required in each scenario. The years of the rate spikes and the amounts are presented in Table 8 below.

<u>Table 8 – Rate Spikes under Just-in-time Rates</u>

Scenario	,	Year of Rate Spike	Percentage Rate Spike Required	Equal Annual Rate Increases Required to Smooth Rate Spike	Rate Spike after Annual Indexing of 2.5%
Seminole:					
Groundw	ater	2011 & 2018	3.88% &9.50%	1.35%	0.00%
IS-ASR;	Site K	2011	49.63%	4.14%	24.53%
	Site B	2011	47.58%	4.10%	22.77%
RS-w ASI	R; Site K	2011	44.93%	3.95%	20.49%
	Site B	2011	42.88%	3.87%	18.72%
RS-w/o A	SR; Site K	2011	50.03%	4.15%	24.88%
	Site B	2011	47.99%	4.11%	23.12%
Volusia:					
Groundw	ater	2011 & 2018	3.88% &9.50%	1.33%	0.00%
IS-ASR;	Site E	2011	93.26%	6.97%	62.15%
	Site G	2011	86.92%	6.52%	56.68%
RS-w ASI	R; Site E	2011	83.27%	6.29%	53.54%
	Site G	2011	76.83%	5.88%	47.99%
RS-w/o A	SR; Site E	2011	96.30%	7.18%	64.78%
	Site G	2011	89.84%	6.72%	59.21%
Seminole & SW Vol	usia:				
Groundw	ater	2011 & 2018	3.88% &9.50%	1.35%	0.00%
IS-ASR;	Site E	2011	71.40%	5.51%	43.31%
	Site K	2011	68.46%	5.32%	40.78%
RS-w ASI	R; Site E	2011	63.77%	5.00%	36.73%
	Site K	2011	60.82%	4.81%	34.19%
RS-w/o A	SR; Site E	2011	73.08%	5.62%	44.76%
	Site K	2011	70.14%	5.43%	42.22%

b. <u>Alternative Rate Adjustment Mitigation Strategies: Equal Annual Rate</u>
Adjustments and Annual Rate Indexing

Table 8 shows that significant rate spikes will occur in 2011 for all scenarios under a just-in-time rate adjustment approach. Two alternative rate adjustment strategies were evaluated that mitigate the rate shock of just-in-time rates, 1) equal annual rate adjustments sized to smooth out the rate spikes, and 2) annual rate indexing to lessen the rate spikes. The results of these analyses are in the two right hand columns of Table 8 on the preceding page.

B. <u>DETAILED SCENARIO ANALYSIS RESULTS</u>

Detailed analyses were conducted for each scenario evaluated. The previous section presents comparative summary results of the scenarios evaluated and the detailed analysis schedules and results for each scenario evaluated are presented in the Appendices.

C. <u>AFFORDABILITY ANALYSIS</u>

In order to examine the affordability of the retail water rates that would be necessary to fund surface water facilities in Seminole and Volusia Counties, we performed an affordability analysis of the resultant cost of water per average household. Although there is not a published standard for affordability of drinking water, the U.S. Environmental Protection Agency (USEPA), under provisions of the Safe Drinking Water Act Amendments of 1996, published information to assist the states in formulating affordability criteria. This information is available at:

http://www.epa.gov/OGWDW/smallsys/afforddh.html#preface.

Based upon a review of the above referenced information, it is concluded that 1) the most commonly accepted measure of affordability of drinking water is the relationship of the cost of water per household to median household income and 2) a household affordability ratio, or index of affordability, can be established as the cost of water per household divided by the median household income in the service area.

A number of studies are cited in the above referenced USEPA information that have established such ratios as thresholds for affordable drinking water. These thresholds of affordability generally range from 1.5% to 2%. That is, if the cost of water is less than the threshold of from 1.5% to 2% of median household income, water is generally considered to be affordable.

SECTION III – RESULTS

The above referenced USEPA information includes selected state policies using affordability criteria. The most specific affordability policies cited were developed by the State of New York (New York). New York developed a table that established "Target Service Charges" below which water could be considered affordable, for ranges of Median Household Income. These affordability criteria developed by New York are shown in Table 9 below.

Table 9 – Affordability Thresholds

<u>Median Annual</u> <u>Household</u> <u>Income</u>	Affordability Threshold for Annual Water Service Charges	Affordability Threshold for Monthly Water Service Charges (1)	Affordability Threshold for Water Service Charges as a % of MMHI (1)
\$10,000	\$100	\$8.33	1.00%
\$15,000	\$150	\$12.50	1.00%
\$20,000	\$200	\$16.67	1.00%
\$25,000	\$253	\$21.08	1.01%
\$30,000	\$371	\$30.92	1.24%
\$35,000	\$488	\$40.67	1.39%
\$40,000	\$600	\$50.00	1.50%
\$45,000	\$675	\$56.25	1.50%
\$50,000	\$750	\$62.50	1.50%
\$55,000	\$825	\$68.75	1.50%
\$60,000	\$900	\$75.00	1.50%

⁽¹⁾ These values were calculated from the table published in the USEPA information.

In order to evaluate the affordability of the impact of the cost of surface water upon the retail cost of water in Seminole and Volusia Counties, the above referenced table of affordability thresholds relative to median household income was used, with interpolations of median household income values in \$1,000 increments. An analysis was conducted which determined the ratio of the cost of water per average household in each year, in each scenario presented herein (assuming just-in-time rate adjustments), to the projected median household income in Seminole and Volusia counties.

The analysis was conducted relative to projected median household income for Seminole County for the lowest cost scenario (Seminole Demand Center, Reliable Source with ASR, Site B) and for Volusia County for the highest cost scenario (Volusia Demand Center, Reliable Source w/o ASR, Site E). The analysis was conducted based upon an assumed current cost of

SECTION III – RESULTS

water per household of \$25.00 per month¹³, adjusted by the annual percentage rate increases determined in the above referenced scenarios (assuming just-in-time rate adjustments).

The projected median household income data used in the analysis was derived from U.S. Census Bureau median household income data for Seminole and Volusia Counties shown in Table 10 below.

<u>Table 10 – Historical Median Household Income for Seminole and Volusia Counties</u>

	Semino	le County	<u>Volusi</u>	a County
Year	Median Household Income	Average Annual Rate of Increase	Median Household Income	Average Annual Rate of Increase
1979	\$18,289	NA	\$12,393	NA
1989	\$35,637	6.90%	\$24,818	7.19%
1999	\$49,326	3.30%	\$35,219	3.56%

Table 10 shows that both counties had historical average increases in median household income from 1989 to 1999 of from 3.30% to 7.19%. However, in order to be conservative, the average median household income for each county was projected to increase at only 3.0% per year throughout the 20-year projection period. This assumption is consistent with the operations and maintenance cost escalation factor assumed in the projections in the utility and WSE models.

Table 11a presents the results of the affordability analysis based upon 1) the highest cost scenario evaluated (Volusia Demand Center - Reliable Source w/o ASR – Site E), 2) the lowest median household income of Volusia County, and 3) assumed current water costs per household, or equivalent residential unit (ERU), of \$25.00 per month

Table 11b presents the results of the affordability analysis based upon 1) the lowest cost scenario evaluated (Seminole Demand Center - Reliable Source w ASR – Site B), 2) the highest median household income of Seminole County, and 3) assumed current water costs per household, or equivalent residential unit (ERU), of \$25.00 per month.

¹³ Discussions with a number of representatives from utilities in the Seminole and Volusia County region indicated that the current cost of potable water is within a range of from about \$15.00 to \$25.00 per month per ERU for most utilities in the study area. The higher cost was used in the affordability analysis in order to present the most conservative picture possible

	The two	examples	in Tables	11a and	11b	represent	the high	and	low 1	range	respec	tively	y of
afforda	ability of	all of the s	cenarios e	valuated	l in t	this Study.	•						

SECTION III - RESULTS

<u>Table 11a – Analysis of the Cost of Water Compared to Median Household Income for the Highest Cost Scenario Assuming a Current Monthly Cost of Water of \$25.00 per ERU</u>

St. Johns River Water Management District St. Johns River Water Supply Project Affordability Analysis

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Years 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Меа	lian Household In	come (\$1	,000s)																								
1 <u>4</u> 2 3	Annual Household Inc Esc Factor Seminole	3.00% \$49.3	3.00% \$50.8	3.00% \$52.3	3.00% \$53.9	3.00% \$55.5	3.00% \$57.2	3.00% \$58.9	3.00% \$60.7	3.00% \$62.5	3.00% \$64.4	3.00% \$66.3	3.00% \$68.3	3.00% \$ 70.3	3.00% \$ 72.4	3.00% \$74.6	3.00% \$76.8	3.00% \$79.2	3.00% \$81.5	3.00% \$84.0	3.00% \$86.5	3.00% \$89.1	3.00% \$91.8	3.00% \$94.5	3.00% \$97.3	3.00% \$100.3	3.00% \$103.3
4	Volusia	\$35.2	\$36.3	\$37.4	\$38.5	\$39.6	\$40.8	\$42.1	\$43.3	\$44.6	\$46.0	\$47.3	\$48.8	\$50.2	\$51.7	\$53.3	\$54.9	\$56.5	\$58.2	\$60.0	\$61.8	\$63.6	\$65.5	\$67.5	\$69.5	\$71.6	\$73.7
5 <u>A</u> 6 7	Monthly Household In Seminole Volusia	<u>come</u> \$4.1 \$2.9	\$4.2 \$3.0	\$4.4 \$3.1	\$4.5 \$3.2	\$4.6 \$3.3	\$4.8 \$3.4	\$4.9 \$3.5	\$5.1 \$3.6	\$5.2 \$3.7	\$5.4 \$3.8	\$5.5 \$3.9	\$5.7 \$4.1	\$5.9 \$4.2	\$6.0 \$4.3	\$6.2 \$4.4	\$6.4 \$4.6	\$6.6 \$4.7	\$6.8 \$4.9	\$7.0 \$5.0	\$7.2 \$5.1	\$7.4 \$5.3	\$7.6 \$5.5	\$7.9 \$5.6	\$8.1 \$5.8	\$8.4 \$6.0	\$8.6 \$6.1
Sce	nario - Volusia - R	eliable S	ource w/o	ASR - Si	te E (1)																						
8 <u>4</u> 9	Affordability Threshol Monthly County F Affordability Thre	– lousehold l	ncome in S	ervice Area			\$3.4	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.1	\$4.2	\$4.3	\$4.4	\$4.6	\$4.7	\$4.9	\$5.0	\$5.1	\$5.3	\$5.5	\$5.6	\$5.8	\$6.0	\$6.1
11 12	% of Median H Maximum Affo			ost			1.50% \$51.04	1.50% \$52.57	1.50% \$54.14	1.50% \$55.77	1.50% \$57.44	1.50% \$59.16	1.50% \$60.94	1.50% \$62.77	1.50% \$64.65	1.50% \$66.59	1.50% \$68.59	1.50% \$70.65	1.50% \$72.76	1.50% \$74.95	1.50% \$77.20	1.50% \$79.51	1.50% \$81.90	1.50% \$84.35	1.50% \$86.88	1.50% \$89.49	1.50% \$92.18
13 💆	Analysis of Affordabil				<u>nario</u>																						
14 15	Projected Rate Projected Monthly				re Availab	le	0.00% \$25.00	3.88% \$25.97	2.85% \$26.71	2.88% \$27.48	2.11% \$28.06	2.24% \$28.69	0.64% \$28.87	1.14% \$29.20	9.50% \$31.97	1.64% \$32.50	2.46% \$33.29	0.83% \$33.57	0.52% \$33.75	1.44% \$34.23	1.41% \$34.71						
16 17	Monthly Cost of V Affordability Co		Percent of He	ousehold in	come		0.73% OK	0.71% OK	0.69% OK	0.67% OK	0.65% OK	0.63% OK	0.62% OK	0.62% OK	0.62% OK	0.62% OK	0.61% OK	0.61% OK	0.60% OK	0.58% OK	0.62% OK	0.61% OK	0.61% OK	0.60% OK	0.58% OK	0.57% OK	0.56% OK
18 <u>#</u>	Analysis of Affordabil.																										
19 20	Projected Rate Projected Monthly				,		0.00% \$25.00	0.00% \$25.00	0.00% \$25.00	0.00% \$25.00	0.00% \$25.00	0.00% \$25.00	0.00% \$25.00	96.30% \$49.08	0.00% \$49.08	1.23% \$49.68	3.41% \$51.37	1.61% \$52.20	0.66% \$52.55	0.82% \$52.98	2.08% \$54.08	1.25% \$54.76	2.43% \$56.09	0.15% \$56.17	1.13% \$56.81	1.00% \$57.37	0.93% \$57.90
21	Monthly Cost of V	Vater as a F					0.73%	0.71%	0.69%	0.67%	0.65%	0.63%	0.62%	1.17%	1.14%	1.12%	1.12%	1.11%	1.08%	1.06%	1.05%	1.03%	1.03%	1.00%	0.98%	0.96%	0.94%
22	Affordability C	heck					ок	ОК	ОК	OK	OK	ОК	OK	ОК	OK	OK	OK	OK	ОК	ОК	OK	OK	OK	OK	OK	ОК	ОК
	Percentage that Water Scenario is Higher tha						0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	88.97%	83.73%	80.79%	83.10%	81.98%	82.03%	81.46%	69.16%	68.51%	68.47%	67.32%	68.33%	67.60%	66.80%

⁽¹⁾ This scenario resulted in the highest cost of water after implementation of the surface water plant in a Demand Center with the lowest median household income, therefore, a positive test of affordability for this scenario, ensures that all other scenarios will be affordable.

Source: Burton & Associates

SECTION III – RESULTS

<u>Table 11b – Analysis of the Cost of Water Compared to Median Household Income for the Lowest Cost Scenario Assuming a Current Monthly Cost of Water of \$25.00 per ERU</u>

St. Johns River Water Management District St. Johns River Water Supply Project <u>Affordability Analysis</u>

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Years 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Мес	dian Household Inc	ome (\$1	.000s)																								
1 4	Annual Household Inc	ome																									
2	Esc Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
3	Seminole	\$49.3	\$50.8	\$52.3	\$53.9	\$55.5	\$57.2	\$58.9	\$60.7	\$62.5	\$64.4	\$66.3	\$68.3	\$70.3	\$72.4	\$74.6	\$76.8	\$79.2	\$81.5	\$84.0	\$86.5	\$89.1	\$91.8	\$94.5	\$97.3	\$100.3	\$103.3
4	Volusia	\$35.2	\$36.3	\$37.4	\$38.5	\$39.6	\$40.8	\$42.1	\$43.3	\$44.6	\$46.0	\$47.3	\$48.8	\$50.2	\$51.7	\$53.3	\$54.9	\$56.5	\$58.2	\$60.0	\$61.8	\$63.6	\$65.5	\$67.5	\$69.5	\$71.6	\$73.7
5 1	Monthly Household Inc	ome																									
6	Seminole	\$4.1	\$4.2	\$4.4	\$4.5	\$4.6	\$4.8	\$4.9	\$5.1	\$5.2	\$5.4	\$5.5	\$5.7	\$5.9	\$6.0	\$6.2	\$6.4	\$6.6	\$6.8	\$7.0	\$7.2	\$7.4	\$7.6	\$7.9	\$8.1	\$8.4	\$8.6
7	Volusia	\$2.9	\$3.0	\$3.1	\$3.2	\$3.3	\$3.4	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.1	\$4.2	\$4.3	\$4.4	\$4.6	\$4.7	\$4.9	\$5.0	\$5.1	\$5.3	\$5.5	\$5.6	\$5.8	\$6.0	\$6.1
Sce	nario - Seminole -	Reliable	Source w	ith ASR -	Site B (1)																						
			OCCITOO II	INTO INTO	0110 0 (1)																						
8 4	8 Affordability Threshold				***	44.0	65.4	45.0	45.4	¢E E	te 7	* F 0	tc o	ec a	ec. 4	tc c	tc o	ê7.0	¢7.0	47.4	47. C	ė7 O	40.4	40.4	to c		
10	9 Monthly County Household Income in Service Area Affordability Threshold:				\$4.8	\$4.9	\$5.1	\$5.2	\$5.4	\$5.5	\$5.7	\$5.9	\$6.0	\$6.2	\$6.4	\$6.6	\$6.8	\$7.0	\$7.2	\$7.4	37.6	\$7.9	\$8.1	\$8.4	\$8.6		
11	11 % of Median Household Income				1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%		
12	Maximum Affor			ost			\$71.48	\$73.62	\$75.83	\$78.11	\$80.45	\$82.86	\$85.35	\$87.91	\$90.55	\$93.26	\$96.06	\$98.94	\$101.91	\$104.97	\$108.12	\$111.36	\$114.70	\$118.14	\$121.69	\$125.34	\$129.10
13 4	Analysis of Affordabilia Projected Rate				<u>nario</u>		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.88%	2.85%	2 88%	2 11%	2 24%	0.64%	1 14%	9.50%	1 64%	2 46%	0.83%	0.52%	1.44%	1.41%
15	Projected Monthly				ra Availah	la	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.97	\$26.71	\$27.48	\$28.06	\$28.69	\$28.87	\$29.20	\$31.97	\$32.50	\$33.29	\$33.57	\$33.75	\$34.23	\$34.71
16	Monthly Cost of W						0.52%	0.51%	0.49%	0.48%	0.47%	0.45%	0.44%	0.44%	0.44%	0.44%	0.44%	0.43%	0.42%	0.42%	0.44%	0.44%	0.44%	0.43%	0.42%	0.41%	0.40%
17						OK	ОК	OK	OK	OK	ОК	OK	OK	ОК	ОК	OK	OK	ОК	OK	OK	ОК	ОК	OK	OK	OK	ОК	
	18 Analysis of Affordability - Surface Water Scenario 19 Projected Rate Increases with Surface Water						0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.88%	0.14%	£ 990/	3.77%	2.60%	1.25%	1.50%	2.61%	1.87%	3.08%	0.83%	1.75%	1.59%	1.51%
19 20						\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$35.72	\$35.77	5.32% \$37.67	\$39.10	\$40.11	\$40.61	\$41.22	\$42.30	\$43.09	\$44.42	\$44.79	\$45.57	\$46.30	\$47.00	
21	Monthly Cost of W						0.52%	0.51%	0.49%	0.48%	0.47%	0.45%	0.44%	0.61%	0.59%	0.61%	0.61%	0.61%	0.60%	0.59%	0.59%	0.58%	0.58%	0.57%	0.56%	0.55%	0.55%
22						OK	ОК	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	
23	<u>Percentage that Water</u> Scenario is Higher thai	Cost in Su	rtace Water	novio			0.00%	0.00%	0.000	0.000	0.00%	0.00%	0.00%	37.54%	33.92%	37.10%	39.34%	39.83%	40.69%	41.19%	32.31%	32.61%	33.42%	33.42%	35.04%	35.25%	35.39%
3	ocenario is migner thai	r in Groun	uwater 50el	10110			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	37.34%	JJ.92%	37.10%	39.34%	39.03%	40.09%	41.19%	32.31%	32.01%	33.42%	33.42%	33.04%	33.23%	33.39%

⁽¹⁾ This scenario resulted in the lowest cost of water after implementation of the surface water plant in a Demand Center with the highest median household income, therefore, this is the most affordable scenario evaluated.

Source: Burton & Associates

The analysis reflected in Table 11a shows that, assuming a current cost of water of \$25.00 per ERU and the scenario with the highest cost of water:

- ➤ The cost of water compared to the Volusia County median household income (the affordability index), is 0.73% in 2004,
- ➤ The affordability index reaches a maximum of 1.17% in 2011,
- This affordability index is below the affordability threshold of 1.50% in each year of the projection period.

Also, the analysis reflected in Table 11b shows that, assuming a current cost of water of \$25.00 per ERU and the scenario with the lowest cost of water:

- ➤ The cost of water compared to the Seminole County median household income (the affordability index), is 0.52% in 2004,
- ➤ The affordability index reaches a maximum of .61% in 2011,
- ➤ This affordability index is well below the affordability threshold of 1.50% in each year of the projection period.

In summary, the affordability analysis presented in this section shows that the projected cost of water, including the impact of the projected cost of surface water facilities, compared to the projected median household income for Seminole and Volusia Counties, is within generally accepted thresholds of affordability for all years of the projection period, with an assumed current monthly water cost of \$25.00 per ERU per household, escalated based upon the required rate increases in the analysis of the highest and the lowest cost scenarios.

IV. CONCLUSIONS

Based upon the analyses presented in this Technical Memorandum, several conclusions can be made. The major conclusions of this analysis, based upon the evaluation of the typical local utility as defined in this analysis, are as follows¹⁴:

- 1. For the moderately sized local utility evaluated in this analysis, a large rate increase, or rate spike, of from about 43% to 96% will be required when surface water is implemented if no mitigating rate adjustment strategies are adopted in advance of that time.
- 2. This will result in the cost of retail water per household being from 39% to 83% higher in 2014, three years after surface water is assumed to be implemented, than the cost would otherwise be if groundwater were available throughout the projection period.
- 3. This will also result in a cumulative rate increase of from about 88% to about 132% by the end of the projection period (compared to a projected cumulative increase if groundwater were available throughout the projection period of about 39%) causing the cost of retail water per household to be from about 35% to 67% higher by the end of the projection period than the cost would otherwise be if groundwater were available throughout the projection period. This reduction compared to groundwater is due to the growth in demand that allows the fixed costs of the surface water facilities to be spread over a larger base.
- 4. The cost impact of surface water is considerably larger in the Volusia scenario than in the Seminole scenario. This is due primarily to 1) the fact that the surface water plant size in the Volusia Demand Center (33.63 mgd) is about 35% larger than in the Seminole Demand Center (25.00 mgd), yet the base water demand over which the plant cost are spread in the blended rate plan described herein is about 22% smaller in the Volusia Demand Center (57.76 mgd in 2010) than in the Seminole Demand Center (74.03 mgd in 2010)¹⁵, thus resulting in a higher blended unit cost in the Volusia demand Center than in the Seminole demand Center, and 2) the larger transmission costs to deliver the raw water

¹⁴ All ranges represent results for the lowest and highest cost scenarios which are the Seminole Demand Center, Reliable Source with ASR, Site B and the Volusia Demand Center, Reliable Source w/o ASR, Site E respectively. ¹⁵ This happens because, even though the Volusia Demand Center has a smaller base level of water demand than does the Seminole Demand Center, the demand curve, or growth in water demand, is linear throughout the projection period in the Volusia demand Center; whereas, in Seminole County the demand curve flattens out considerably in 2015 as the County approaches build-out.

to the plant and the treated surface water to the two Volusia population clusters on the west and east of the County.

The difference in demand curves described in the footnote on this page causes the convention adopted for this Study of sizing the surface water plant to meet incremental water demands through 2024, to result in an initial facilities size and cost that is larger relative to overall water demand for the Volusia Demand Center than for the Seminole Demand Center. The higher pipeline costs exacerbate this impact, causing rather large rate spikes in 2011 in the Volusia demand Center.

In a situation such as this, the cost impact could be mitigated by phasing the plant. For instance, the initial plant in the Volusia Demand Center could be sized to meet 8 to 10 years of projected growth in demand above its initial 50% base load instead of the 14 years of projected growth in demand in the scenario evaluated herein. Reducing the plant sizing to meet 8 to 10 years of projected growth would reduce the rate increase in 2011 from about 96% to about 74%

- 5. Adopting equal annual rate increases of from about 4.0% to 7.2% during the years preceding the implementation of surface water will eliminate the large rate spikes mentioned in conclusion 1.
- 6. Adopting annual rate indexing at inflationary levels of approximately 2.5% will mitigate the rate spikes mentioned in conclusion 1 (that are projected to range from 43% to 96% to increases in the range of from about 19% to 65%), with the lowest increases being in the Seminole Demand Center, the largest increases being in the Volusia Demand Center and mid range increases being in the Seminole and SW Volusia demand Center.
- 7. The conclusions and observations in conclusion 4 demonstrate that the earlier that annual rate adjustment mitigation strategies are put in place, the more effective they will be in mitigating the rate shock that otherwise will accompany the implementation of surface water.
- 8. The affordability analysis presented in this Technical Memorandum, shows that the projected cost of water, including the impact of the projected cost of surface water facilities and operations, compared to the projected median household income for Seminole, and Volusia Counties is projected to be within generally accepted thresholds of

affordability (less than 1.5% of median household income) for all years of the projection period, with an assumed current monthly water cost of \$25.00 per household.

- 9. Although the effects of implementing surface water upon the cost of retail water are projected to be well within accepted measures of affordability, the large rate increases that are projected to be required may present the perception of unaffordable water rates and consequently may be politically difficult to implement. Therefore, it is concluded that it is extremely important for local utilities to begin to implement mitigating rate adjustment strategies well in advance of the time that surface water must be implemented.
- 10. Given the timeframe in which surface water is projected to be required; the uncertainties as to the final levels of groundwater withdrawals that will be sustainable; the time required to organize a water supply governance structure and the time required to plan, design and build the required surface water facilities and bring those facilities into service; it is critical that local utilities begin the process now.

APPENDIX Aa

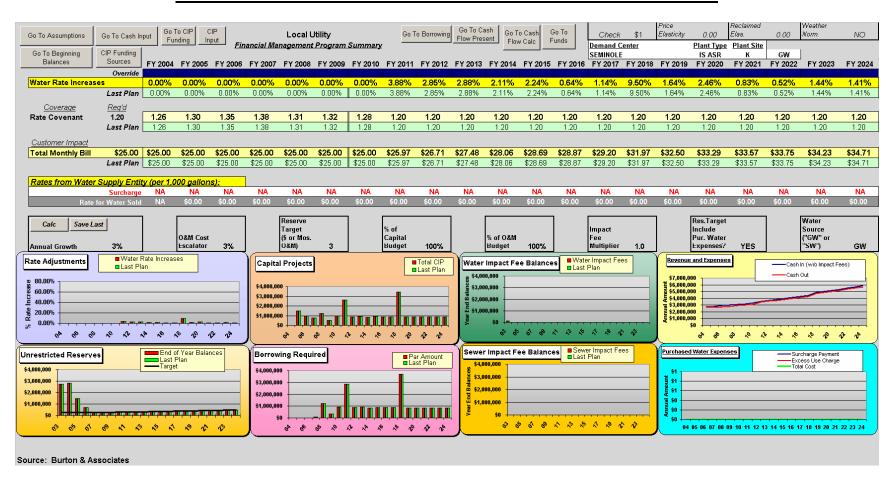
APPENDIX Aa

Seminole County Demand Center Intermittent Source ASR Site K Just-in-Time Rates

Figure Number	Title
rumber	THE
Aa1	Utility – Groundwater Scenario – Summary Panel
Aa2	Utility – Groundwater Scenario – Proforma
Aa3	Utility – Surface Water Scenario – Summary Panel
Aa4	Utility – Surface Water Scenario – Proforma
Aa5	Water Supply Entity – Surface Water Scenario – Summary Panel
Aa6	Water Supply Entity – Surface Water Scenario – Proforma

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K
FIGURE Aa1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL



APPENDIX Aa

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K FIGURE Aa2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

	Local Utility Water and Sewer System Financial Management Program Summary Forecast of Nat Revenues and Debt Service Coverage																				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Revenue	irowth 0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2 Revenue Subject to Rate Increases																					
3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$2,415,646	\$2,546,639	\$2,685,443	\$2,810,523	\$2,945,210	\$3,038,053	\$3,149,509	\$3,517,702	\$3,647,033	\$3,811,355	\$3,919,902	\$4,019,247	\$4,158,478
4 Rate Revenue from Growth	\$1		\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$60,391	\$63,666	\$67,136	\$70,263	\$73,630	\$75,951	\$62,990	\$70,354	\$72,941	\$76,227	\$78,398	\$80,385	\$83,170
5 Proposed Rate Increase 6 Rate Revenue from Rate Increase	\$1 61		\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$90,230	\$0 \$70,601	\$0 \$75,139	\$0 \$57,944	\$0 \$64,423	\$0 \$19,213	\$0 \$35,505	\$0 \$305,203	\$0 \$58,977	\$0 \$91,382	\$0 \$32,320	\$0 \$20,946	\$0 \$58.847	\$0 \$59,859
7 Total Water Rate Revenue	\$1,900,000			\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$2,415,646	\$2,546,639	\$2,685,443		\$2,945,210									
8 Other Operating Revenue													*-,,							* - 1 1	
9 Other Operating Revenue (1)	\$272,800		\$289,414	\$298,096	\$307,039	\$316,250	\$325,737	\$335,510	\$345,575	\$355,942	\$366,620	\$377,619	\$388,948	\$400,616	\$412,634	\$425,014		\$450,897	\$464,424	\$478,356	\$492,707
10 Total Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$2,751,156	\$2,892,214	\$3,041,385	\$3,177,144	\$3,322,829	\$3,427,001	\$3,550,125	\$3,930,337	\$4,072,046	\$4,249,119	\$4,370,799	\$4,483,670	\$4,636,835	\$4,794,214
11 Expenses																					
12 Purchased Water at Groundwater Rates	\$i		\$ D	\$0	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Water Treatment Facility Surcharge 14 Operations and Maintenance Evpense	\$1		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Operations and Maintenance Expense 15 Net Operating Income	\$974,025 \$1,198,775			\$1,064,343 \$1,309,934	\$1,096,274 \$1,349,232	\$1,129,162 \$1,389,709	\$1,163,037 \$1,431,400	\$1,208,099 \$1,543,057	\$1,252,933 \$1,639,280			\$1,400,395 \$1,922,434							\$1,820,971 \$2,662,700		\$1,963,967 \$2,830,247
net Operating income	41,100,77	91,254,750	41,271,700	41,000,004	Ø1,340,232	91,000,100	41,451,400	41,040,007	#1,000,200	#1,741,201	01,027,123	#1,022,404	#1,075,424	\$2,041,000	42,000,700	42,440,073	42,000,010	9 2,017,070	42,002,700	42,740,010	92,030,247
16 Plus: Non Operating Income (Expense)																					
17 Non Operating Revenue 18 Interest Earned on Invested Funds	\$67.993		\$0 \$75,488	\$0 \$73.957	\$0 \$90.092	\$0 \$92,905	\$0 \$99.261	\$0 \$156.194	\$0 \$142,463	\$0 \$125,035	\$0 \$115.954	\$0 \$103.804	\$0 \$133.455	\$0 \$145.136	\$164.525	\$0 \$159.246	\$0 \$123.731	\$0 \$144.001	\$0 \$176.431	\$0 \$170.854	\$0 \$163.471
Transfers In	\$500,000 \$500,000		\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	\$671.958	\$692,117	\$712,880	\$734,267	\$756,295	\$778,984	\$802,353	\$826,424	\$851,217	\$876,753	\$903,056
20 Water Expansion Fees	\$1	\$141,000	\$145,230	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404	\$151,089	\$154,866	\$158,738	\$162,706	\$133,419	\$136,088	\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
21 Total Non Operating Income	\$557,990		\$751,168	\$769,907	\$806,921	\$831,239	\$859,745	\$911,432	\$919,656	\$924,826	\$939,001	\$950,788		\$1,042,110		\$1,074,317		\$1,112,010			\$1,216,778
22 Net Income	\$1,756,76i \$1		\$2,022,949 (\$145,230)	\$2,079,841 (\$149,587)	\$2,156,153 (\$154,075)	\$2,220,948 (\$158,697)	\$2,291,145 (\$163,458)	\$2,454,488 (\$140,301)	\$2,558,937 (\$143,809)	\$2,666,027 (\$147,404)		\$2,873,222 (\$154,866)	\$2,978,498	\$3,083,667 (\$162,706)							\$4,047,025
23 Less: Water Expansion Fees 24 Net Income Available for Debt Service	\$1,756,76		\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128	\$2,518,623	(\$151,089) \$2,615,041		(\$158,738) \$2,819,760		\$3,284,553				(\$144,417) \$3,690,347	(\$147,306) \$3,793,220	(\$150,252) \$3,896,774
25 Senior Lien Debt Service Coverage	41,100,101	**,0**,202	41,011,110	41,000,201	\$2,002,010	42,002,20	42,121,001	42,011,101	42,110,120	42,010,020	42,010,011	42,1 10,000	42,010,100	*2,020,001	40,201,000	40,001,001	40,100,100	40,000,101	40,000,011	40,100,220	40,000,111
26 Existing Senior Lien Debt Service	\$998,39		\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
New Senior Lien Debt Service	\$1		\$0	\$0	\$0	\$0	\$0	\$0	\$D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 *** 207 FE4	\$0	\$0
Cumulative New Senior Lien Debt for Additional Borrowings Total Senior Lien Debt Service	\$998.39		\$998.391	\$7,632 \$1,006,023	\$99,976 \$1.098.367	\$126,662 \$1.125.053	\$198,969 \$1,197,360	\$417,651 \$1,416,042	\$486,395 \$1,484,786	\$556,806 \$1.555.197	\$620,845 \$1,619,236	\$690,141 \$1,688,532	\$757,342 \$1,755,733		\$2,106,882	\$2,171,517			\$1,367,551 \$2,365,942		\$2,494,765
30 Senior Lien Debt Service Coverage 1.2 Ro				\$2	\$2	\$1,123,033	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2,230,750	\$2	\$2,505,542	\$2,430,363	\$2,454,765
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage	\$1,756,76	\$1,817,252	\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128	\$2,518,623	\$2,615,041	\$2,718,355	\$2,819,760	\$2,920,961	\$3,284,553	\$3,384,804	\$3,486,403	\$3,588,101	\$3,690,347	\$3,793,220	\$3,896,774
33 Less: Senior Lien Debt Service	(\$998,39			(\$1,006,023)	(\$1,098,367)	(\$1,125,053)	(\$1,197,360)	(\$1,416,042)	(\$1,484,786)										(\$2,365,942)		
34 Net Income Available for SRF Debt Service Coverage	\$758,377		\$879,328	\$924,231	\$903,711	\$937,198	\$930,327	\$898,145	\$930,342	\$963,426		\$1,029,823							\$1,324,405		\$1,402,009
35 Existing SRF Debt Service 36 SRF Debt Service Coverage 1.15 Ro	\$1 ea'd \$1		\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0											
·					•																**
37 Net Income Available for Debt Service 38 Less:	\$1,756,76	3 \$1,817,252	\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128	\$2,518,623	\$2,615,041	\$2,718,355	\$2,819,760	\$2,920,961	\$3,284,553	\$3,384,804	\$3,486,403	\$3,588,101	\$3,690,347	\$3,793,220	\$3,896,774
39 Total Senior Lien Debt Service	(\$998,39	(\$998,391)	(\$998,391)	(\$1,006,023)	(\$1,098,367)	(\$1,125,053)	(\$1,197,360)	(\$1,416,042)	(\$1,484,786)	(\$1,555,197)	(\$1,619,236)	(\$1,688,532)	(\$1,755,733)	(\$1,822,245)	(\$2,106,882)	(\$2,171,517)	(\$2,236,708)	(\$2,301,398)	(\$2,365,942)	(\$2,430,389)	(\$2,494,765)
40 State Revolving Fund Loans	\$1		\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payment of Debt Service With Water Impact Fees Payment of Debt Service With Sewer Impact Fees	\$116,628 \$1		\$145,237 \$0	\$149,587 \$0	\$154,075 \$0	\$158,697 \$0	\$163,458 \$0	\$140,301 \$0	\$143,809 \$0	\$147,404 \$0	\$151,089 \$0	\$154,866 \$0	\$158,738 \$0	\$162,706 \$0	\$133,419 \$0	\$136,088 \$0	\$138,809 \$0	\$141,585 \$0	\$144,417 \$0	\$147,306 \$0	\$150,252 \$0
42 Payment of Debt Service With Sewer Impact Fees 43 Transfer Out	(\$757,00)				(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)										(\$1,288,742)		
44 Capital Outlay	(\$17,00)		(\$18,035)	(\$18,576)	(\$19,134)	(\$19,708)	(\$20,299)	(\$20,908)	(\$21,535)	(\$22,181)	(\$22,847)	(\$23,532)	(\$24,238)	(\$24,965)	(\$25,714)		(\$27,280)		(\$28,941)	(\$29,810)	(\$30,704)
15 Net Cash Flow	\$101,000		\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,923	\$154,330
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000		\$1,493,519	\$696,947	\$266,086	\$274,068	\$282,290	\$290,759	\$302,025	\$313,233	\$325,046	\$337,504	\$350,099	\$363,394	\$377,142	\$391,651	\$406,368	\$422,200	\$438,281	\$455,243	\$472,806
Minimum Working Capital Reserve Target Reserve Fund Balance in Excess of Working Capital Target	\$243,500 at \$2,485,49		\$258,336 \$1,235,183	\$266,086 \$430,861	\$274,068 \$0	\$282,290 \$0	\$290,759 \$0	\$302,025 \$0	\$313,233 \$0	\$325,046 \$0	\$337,504 \$0	\$350,099 \$0	\$363,394 \$0	\$377,142 \$0	\$391,651 \$0	\$406,368 \$0	\$422,200 \$0	\$438,281 \$0	\$455,243 \$0	\$472,806 \$0	\$490,992 \$0
49 Less: Reserve Fund Balance used for Cash Flow	1 42,405,459 }		\$0	\$0	\$0	\$0	\$0	\$D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund Balance in Excess of Working Capital Targe																					
of Current Year Cash Flow	\$2,485,49	\$2,579,191	\$1,235,183	\$430,861	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51 Net Cash Flow After Use of Reserve Funds	\$101,000		\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,923	\$154,330
52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund	\$101.000		\$203,428	\$0 \$228,047	\$0 \$186,642	\$0 \$198,617	\$169,588	\$0 \$86,524	\$0 \$93,671	\$0 \$100,935	\$0 \$106,703	\$0 \$113,293	\$119,226	\$0 \$124.777	\$0 \$140.346	\$143,508	\$146.461	\$0 \$148.985	\$0 \$151,139	\$152.923	\$0 \$154,330
53 Net Cash Flow to Unrestricted Reserve Fund 54 Unrestricted Reserve Fund - Beginning of Year Balance	\$101,00. \$2,729,00			\$696,947	\$266,086	\$274,068	\$282,290	\$290,759	\$302.025	\$313,233	\$325,046	\$337.504	\$350,099	\$363.394	\$377,142	\$143,508 \$391,651	\$406,368	\$422,200	\$43B.281	\$152,923 \$455,243	\$154,330 \$472.806
55 Cash In(Out) from Rate Revenues	\$101,000		\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,923	\$154,330
56 Less: Reserve Fund Balance used for Cash Flow	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	ndina) Si			(\$658,908)		(\$190,395)	(\$161,120)					(\$100,698)	(\$105,931)	(\$111,029)	(\$125,837)	(\$128,791)	(\$130,629)	(\$132,904)	(\$134,177)	(\$135,360)	(\$136,144)
		(4.,,000,000)			(\$178,659)			(\$75,258)	(\$82,462)	(\$89,123)	(\$94,245)										
57 Less: Projects Paid with Reserve Funds (Non Specified Fu 58 Unrestricted Reserve Fund - End of Year Balance 59 Minimum Working Capital Reserve Target	\$2,830,00 \$2,830,00 \$243,50	\$1,493,519	\$696,947 \$258,336	\$266,086 \$266,086	\$274,068 \$274,068	\$282,290 \$282,290	\$290,759 \$290,759	\$302,025 \$302,025	\$313,233 \$313,233	\$325,046 \$325,046	\$337,504 \$337,504	\$350,099 \$350,099	\$363,394 \$363,394	\$377,142 \$377,142	\$391,651 \$391,651	\$406,368 \$406,368	\$422,200 \$422,200	\$438,281 \$438,281	\$455,243 \$455,243	\$472,806 \$472,806	\$490,992 \$490,992

(1) Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot moving fees, rental income, recording fees, and other miscellaneous revenues

Source: Burton & Associates

C:/Data/SJR/MMD/Andy/SJR/MMD IV/Models as of 2-1-2004\[FAMS-Typical Utility-SJR/MMD_3_No Sewer_GW.xls]Pro-Forma

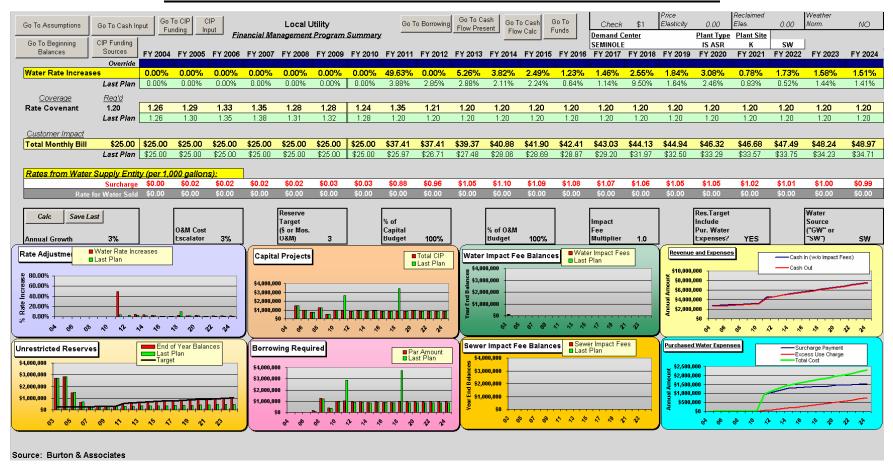
2/4/2004

APPENDIX Aa

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K
FIGURE Aa3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



APPENDIX Aa

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K FIGURE Aa4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

					Wat	ter and Sewe		Local Utility inancial Mar enues and D	agement Pr		nmary										
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water Growth	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
1 Revenue 2 Revenue Subject to Rate Increases																					
3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,479,417					\$4,463,178		\$4,855,131				\$5,655,862	\$5,860,184
4 Rate Revenue from Growth 5 Proposed Rate Increase	\$0 \$0	\$57,000 \$0	\$58,710 \$0	\$60,471 \$0	\$62,285 \$0	\$64,154 \$0	\$66,079 \$0	\$56,717 \$0	\$86,985 08	\$89,160 \$0	\$96,193 \$0	\$102,366 \$0	\$107,538 \$0	\$111,579 \$0	\$92,833 \$0	\$97,103 \$ 0	\$100,867 \$0	\$106,049 \$0	\$109,013 \$0	\$113,117 \$0	\$117,204 \$0
6 Rate Revenue from Rate Increase	\$0 \$0	\$D	\$D	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1,154,000	\$D	\$192,166	\$150,732	\$104,498	\$54,122	\$66,892	\$120,649	\$91,124	\$158,236	\$42,130	\$96,210	\$91,204	\$90,074
7 Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,479,417	\$3,566,402	\$3,847,728	\$4,094,653	\$4,301,518	\$4,463,178	\$4,641,650	\$4,855,131	\$5,043,358	\$5,302,461	\$5,450,640	\$5,655,862	\$5,860,184	\$6,067,461
8 Other Operating Revenue 9 Other Operating Revenue (1)	\$272,800	\$280.984	\$289.414	\$298.096	\$307.039	\$316,250	\$325.737	\$335.510	\$345.575	\$355.942	\$366,620	\$377.619	\$388.948	\$400.616	\$412.634	\$425.014	\$437.764	\$450.897	\$464,424	\$478.356	\$492.707
10 Total Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$3,814,927	\$3,911,977		\$4,461,274		\$4,852,125						\$6,120,286		\$6,560,168
11 Expenses																					
12 Purchased Water at Groundwater Rates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,929	\$88,643	\$135,571	\$187,714	\$234,643	\$286,786	\$338,929	\$396,286		\$511,000	\$568,357	\$630,929	\$693,500	\$756,071
Water Treatment Facility Surcharge Operations and Maintenance Expense	\$0 \$974.025	\$18,447 \$1,003,246	\$20,052 \$1,033,343	\$21,814 \$1.064.343	\$23,748 \$1,096,274	\$25,873 \$1,129,162	\$28,253 \$1,163,037	\$942,150 \$1,197,928	\$1,056,999 \$1,233,866						\$1,387,996	\$1,413,116 \$1,517,499		\$1,463,912			\$1,542,430 \$1,759,197
15 Net Operations and Maintenance Expense	\$1,198,775	\$1,003,246	\$1,055,545	\$1,064,343	\$1,096,274	\$1,363,836	\$1,403,147	\$1,627,920	\$1,532,470		\$1,509,000					\$2,089,328					\$2,502,469
16 Plus: Non Operating Income (Expense) 17 Non Operating Revenue	\$0	\$0	\$O	\$O	\$0	\$0	\$0	\$0	\$O	\$O	\$0	\$0	\$O	so	\$0	\$0	\$O	sn.	\$0	\$0	sn
18 Interest Earned on Invested Funds	\$57,993	\$67,375	\$74,910	\$73,611	\$90,489	\$93,493	\$99,992	\$108,649	\$117,103	\$121,316	\$123,909	\$112,761	\$143,117	\$155,475	\$141,936	\$148,319	\$113,115	\$149,932	\$153,130	\$158,265	\$161,584
19 Transfers In	\$500,000 \$0	\$515,000	\$530,450 \$145,230	\$546,364 \$149,587	\$562,754 \$154,075	\$579,637 \$158,697	\$597,026 \$163,458	\$614,937 \$140,301	\$633,385 \$143,809	\$652,387 \$147,404	\$671,958 \$151.089	\$692,117	\$712,880	\$734,267 \$162,706	\$756,295	\$778,984	\$802,353	\$826,424	\$851,217 \$144,417	\$876,753 \$147,306	\$903,056
20 <u>Water Expansion Fees</u> 21 Total Non Operating Income	\$557.993	\$141,000 \$723,375	\$750,590	\$769,562	\$807,318	\$831,826	\$860,476	\$863,887	\$894,297	\$921,106	\$946,956	\$154,866 \$959.744	\$158,738 \$1,014,735	\$1,052,449	\$133,419 \$1,031,650	\$136,088 \$1,063,391	\$138,809 \$1,054,278	\$141,585 \$1.117.941		\$1,182,324	\$150,252 \$1,214,891
22 Net Income	\$1,756,768	\$1,939,666	\$2,002,319	\$2,057,682	\$2,132,801	\$2,195,662	\$2,263,622	\$2,491,807	\$2,426,767	\$2,527,691	\$2,633,390	\$2,744,489	\$2,853,616	\$2,962,528	\$3,041,834	\$3,152,718	\$3,265,481	\$3,377,294	\$3,490,094	\$3,603,431	\$3,717,360
23 Less: Water Expansion Fees 24 Net Income Available for Debt Service	\$0 \$1,756,768	(\$141,000) \$1,798,666	(\$145,230) \$1,857,089	(\$149,587) \$1.908.095	(\$154,075) \$1,978,726	(\$158,697) \$2,036,965	(\$163,458) \$2,100,165	(\$140,301) \$2,351,505	(\$143,809) \$2,282,958	(\$147,404) \$2,380,287	(\$151,089) \$2,482,301	(\$154,866) \$2,589,623	(\$158,738) \$2,694,878	(\$162,706) \$2,799,822	(\$133,419) \$2,908,414		(\$138,809) \$2,136,673	(\$141,585) \$3,235,708	(\$144,417) \$3,345,677	(\$147,306) \$3,456,125	(\$150,252) \$3,567,108
25 Senior Lien Debt Service Coverage	41,750,760	#1,730,000	Ø1,007,003	01,000,000	81,510,120	42,030,300	42,100,100	42,301,000	\$2,202,330	\$2,000,201	82,402,301	42,305,023	φ2,054,070	02,735,022	42,500,414	40,010,001	40,120,072	8 3,230,700	40,040,017	40,400,120	\$0,007,100
26 Existing Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
27 New Senior Lien Debt Service 28 Cumulative New Senior Lien Debt for Additional Borrowings	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$13.744	\$0 \$108.913	\$0 \$138.877	\$0 \$214.989	\$0 \$292,564	\$0 \$365,458	\$0 \$441.526	\$0 \$510.228	\$0 \$582.864	\$0 \$653.274	\$0 \$722.905	\$0 \$795,042	\$0 \$866.315	\$D \$039.641	\$0 \$1,009,346	\$0 \$1 090 236	\$D £1 1£1 09£	\$0 \$1 221 662
29 Total Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$1,012,135	\$1,107,304	\$1,137,268	\$1,213,380	\$1,290,955	\$1,363,849		\$1,508,619				\$1,793,433				\$2,078,717		\$2,220,044
30 Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
31 SRF Debt Service Coverage																					
 Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service 	\$1,756,768 (\$998.391)	\$1,798,666 (\$998.391)	\$1,857,089 (\$998.391)	\$1,908,095 (\$1,012,135)	\$1,978,726 (\$1,107,304)	\$2,036,965 (\$1,137,268)	\$2,100,165 (\$1,213,380)	\$2,351,505 (\$1,290,955)	\$2,282,958 (\$1,363,849)							\$3,016,631 (\$1,864,706)					
34 Net Income Available for SRF Debt Service Coverage	\$758,377	\$800,275	\$858,698	\$895,960	\$871,422	\$899,697	\$886,785	\$1,060,550	\$919,109	\$940,370						\$1,151,925					\$1,347,064
35 Existing SRF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0
36 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Income Available for Debt Service 38 Less:	\$1,756,768	\$1,798,666	\$1,857,089	\$1,908,095	\$1,978,726	\$2,036,965	\$2,100,165	\$2,351,505	\$2,282,958	\$2,380,287	\$2,482,301	\$2,589,623	\$2,694,878	\$2,799,822	\$2,908,414	\$3,016,631	\$3,126,672	\$3,235,708	\$3,345,677	\$3,456,125	\$3,567,108
39 Total Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,012,135)	(\$1,107,304)	(\$1,137,268)	(\$1,213,380)	(\$1,290,955)	(\$1,363,849)									(\$2,007,737)			(\$2,220,044)
40 State Revolving Fund Loans 41 Payment of Debt Service With Water Impact Fees	\$0 \$116,626	\$0 \$141,875	\$0 \$145,237	\$0 \$149,587	\$0 \$154,075	\$0 \$158,697	\$0 \$163,458	\$0 \$140,301	\$0 \$143,809	\$0 \$147,404	\$0 \$151,089	\$0 \$154,866	\$0 \$158,738	\$0 \$162,706	\$0 \$133,419	\$0 \$136,088	\$0 \$138,809	\$0 \$141,585	\$0 \$144,417	\$0 \$147,306	\$0 \$150,252
42 Payment of Debt Service With Sewer Impact Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$100,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,000	\$0	\$0	\$0	\$0
43 Transfer Out	(\$757,000)	(\$779,710)	(\$803,101)	(\$827,194)	(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)							(\$1,179,381)					
44 Capital Outlay 45 Net Cash Flow	(\$17,000) \$101,003	(\$17,510) \$144,930	(\$18,035) \$182,798	(\$18,576) \$199,776	(\$19,134) \$154,353	(\$19,708) \$161,116	(\$20,299) \$126,046	(\$20,908) \$248,929	(\$21,535) \$82,438	(\$22,181) \$77,879	(\$22,847) \$84,580	(\$23,532) \$91,837	(\$24,238) \$98,412	(\$24,965) \$104,587	(\$25,714) \$77,656	(\$26,485) \$82,146	(\$27,280) \$86,506	(\$28,098) \$90,253	(\$28,941) \$93,694	(\$29,810) \$96,740	\$30,704) \$99,386
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,474,933	\$657,731	\$271,539	\$280,006	\$288,759	\$297.823	\$546,752	\$594,877	\$649,271	\$693,710	\$723 598	\$753,311	\$783,046	\$814,396	\$844,761	\$882,255	\$910,546	\$944,739	\$979,358
47 Minimum Working Capital Reserve Target	\$243,506	\$255,423	\$263,349	\$271,539	\$280,006	\$288,759	\$297,823	\$546,752	\$594,877	\$649,271	\$693,710	\$723,598	\$753,311	\$783,046	\$814,396	\$844,761	\$882,255	\$910,546	\$944,739		\$1,014,425
48 Reserve Fund Balance in Excess of Working Capital Target 49 Less: Reserve Fund Balance used for Cash Flow	\$2,485,494 \$0	\$2,574,580 \$0	\$1,211,584 \$0	\$386,192 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$∩	\$0 \$0
Reserve Fund Balance in Excess of Working Capital Target Net																			*-		
of Current Year Cash Flow	\$2,485,494	\$2,574,580	\$1,211,584	\$386,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51 Net Cash Flow After Use of Reserve Funds	\$101,003	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$248,929	\$82,438	\$77,879	\$84,580	\$91,837	\$98,412	\$104,587 \$0	\$77,656	\$82,146	\$86,506 \$0	\$90,253	\$93,694	\$96,740 \$0	\$99,386
52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund	\$0 \$101,003	\$0 \$144.930	\$0 \$182,798	\$0 \$199,776	\$0 \$154.353	\$0 \$161.116	\$126.046	\$0 \$248,929	\$0 \$82,438	\$0 \$77,879	\$0 \$84.580	\$0 \$91.837	\$98.412	\$104.587	\$0 \$77.656	\$0 \$82,146	\$86.506	\$0 \$90,253	\$0 \$93,694	\$96.740	\$0 \$99,386
54 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,474,933	\$657,731	\$271,539	\$280,006	\$288,759	\$297,823	\$546,752	\$594,877	\$649,271	\$693,710	\$723,598	\$753,311	\$783,046	\$814,396	\$844,761	\$882,255	\$910,546	\$944,739	\$979,358
55 Cash In(Out) from Rate Revenues	\$101,003 \$0	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$248,929	\$82,438	\$77,879	\$84,580	\$91,837	\$98,412	\$104,587 \$0	\$77,656	\$82,146	\$86,506	\$90,253	\$93,694	\$96,740 \$0	\$99,386 n
 Less: Reserve Fund Balance used for Cash Flow Less: Projects Paid with Reserve Funds (Non Specified Funding) 	\$U \$0	\$0 (\$1,500,000)	\$0 (\$1,000,000)	\$0 (\$585,968)	\$0 (\$145,887)	\$0 (\$152,363)	\$0 (\$116,982)	\$0 \$0	\$0 (\$34,313)	\$0 (\$23,485)	\$0 (\$40.141)	\$0 (\$61,949)	\$0 (\$68,699)	\$U (\$74,852)	\$0 (\$46,307)	\$0 (\$51,780)	\$0 (\$49,012)	\$0 (\$61,962)	\$0 (\$59,501)	\$U (\$62,121)	\$U (\$64,319)
58 Unrestricted Reserve Fund - End of Year Balance	\$2,830,003	\$1,474,933	\$657,731	\$271,539	\$280,006	\$288,759	\$297,823	\$546,752	\$594,877	\$649,271	\$693,710	\$723,598	\$753,311	\$783,046	\$814,396	\$844,761	\$882,255	\$910,546	\$944,739	\$979,358	\$1,014,425
59 Minimum Working Capital Reserve Target	\$243,506	\$255,423	\$263,349	\$271,539	\$280,006	\$288,759	\$297,823	\$546,752	\$594,877	\$649,271	\$693,710	\$723,598	\$753,311	\$783,046	\$814,396	\$844,761	\$882,255	\$910,546	\$944,739	\$979,358	\$1,014,425
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,219,510	\$394,382	\$0	(\$0)	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	(\$O)	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)

⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

Source: Burton & Associates

C:/Data/SJR/MMD/Andy/SJR/MMD Y/Models as of 2-1-2004/[FAMS-Typical Utility-SJR/MMD_3_No Sewer_GW:xis]Pro-Forma

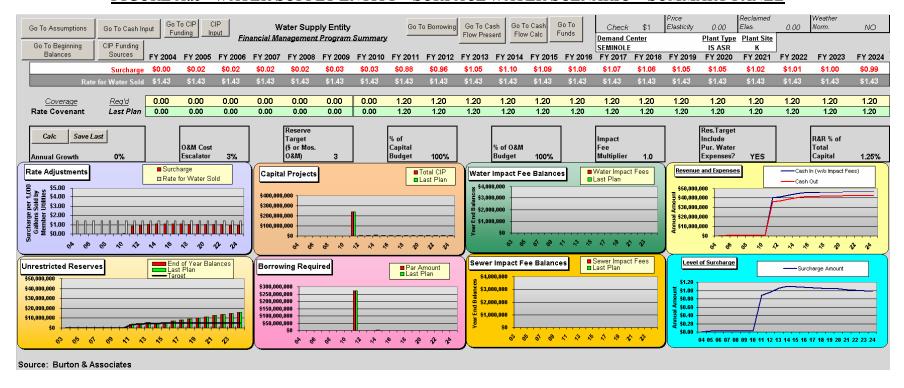
2/8/2004

APPENDIX Aa

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K
FIGURE Aa5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



APPENDIX Aa

Affordability Analysis - Scenario Results Scenario: Seminole Demand Center, Intermittent Source with ASR, Site K FIGURE Aa6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

								em Financia	oply Entity al Managem and Debt Se												
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Revenue																					
2 Surcharge Revenue 3 Delivered Water Revenue	\$0 \$0	\$511,193 \$0	\$551,897 \$0	\$596,021 \$0	\$643,845 \$0	\$695,670 \$0	\$753,091 \$0	\$24,914,352 \$7,380,300	\$27,717,696 \$8,241,700				\$33,334,824 \$11,102,257								
4 Total Operating Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670			\$35,959,396		\$42,879,667		\$44,437,081								
5 Expenses																					
6 Operations and Maintenance Expense 8 Net Operating Income	\$0 \$0	\$515,000 (\$3,807)	\$556,973 (\$5,076)	\$602,366 (\$6.344)	\$651,459 (\$7,613)	\$704,552 (\$8.882)			\$16,250,729 \$19,708,667				\$20,292,754 \$24,144,328								
o Net Operating income	30	(\$3,007)	(010,070)	(40,344)	(47,013)	(#0,002)	(\$0,002)	\$17,447,000	100,000,01	\$22,455,100	\$23,552,741	\$24,155,052	\$24,144,020	\$24,105,155	\$24,000,007	\$24,026,322	\$24,300,231	\$23,340,031	423,509,516	\$23,070,301	\$23,031,245
9 Plus: Non Operating Income (Expense) 10 Non Operating Revenue	\$0	sn.	\$0	\$0	\$0	\$0	\$0	sn.	sn.	sn.	sn.	sn.	\$ 0	sn	50	sn.	sn.	\$O	sn.	sn.	sn.
11 Interest Earned on Invested Funds	\$3,778	\$3,807	\$5,076	\$6,344	\$7,613	\$8,882	\$8,882	\$7,503,709	\$5,242,726	\$2,498,205	\$1,219,379	\$1,057,088		\$1,106,927	\$1,146,063	\$1,185,198	\$843,829	\$1,263,469	\$1,302,604	\$1,341,739	\$1,380,875
12 Transfers In 13 Water Expansion Fees	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 sn	\$0 \$0	\$0 \$0	\$0 \$0	\$0 sn	\$0 \$0	\$0 \$0	\$0 \$∩	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
14 Total Non Operating Income	\$3,778	\$3,807	\$5,076	\$6,344	\$7,613	\$8,882	\$8,882	\$7,503,709	\$5,242,726	\$2,498,205	\$1,219,379	\$1,057,088		\$1,106,927	\$1,146,063		\$843,829		\$1,302,604	\$1,341,739	
15 Net Income 16 Less: Water Expansion Fees	\$3,770 \$ 0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	\$24,951,394 \$0	\$24,951,394 \$0	\$24,951,394 \$0	\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0		\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0	\$25,212,120 \$0
17 Net Income Available for Debt Service	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$D)	(\$0)	\$24,951,394	\$24,951,394	\$24,951,394	\$25,212,120		\$25,212,120					\$25,212,120	\$25,212,120	\$25,212,120	
18 Senior Lien Debt Service Coverage 19 Existing Senior Lien Debt Service	SO	\$O	50	\$0	\$0	\$0	\$0	\$ 0	sn.	sn.	sn	\$∩	sn	sn.	50	SΠ	sn	sn.	sn.	sn.	50
20 New Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21 Cumulative New Senior Lien Debt for Additional Borrowings 22 Total Senior Lien Debt Service	\$0 \$0	\$20,792,828 \$20,792,828	\$20,792,828 \$20,792,828				\$21,010,100 \$21,010,100														
23 Senior Lien Debt Service Coverage 1.2 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
24 SRF Debt Service Coverage																					
25 Net Income Available for Senior Lien Debt Service Coverage	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)							\$25,212,120								
26 Less: Senior Lien Debt Service 27 Net Income Available for SRF Debt Service Coverage	\$0 \$3,778	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	(\$20,792,828) \$4,158,566	(\$20,792,828) \$4,158,566	(\$20,792,828) \$4,158,566			(\$21,010,100) \$4,202,020	\$4,202,020	\$4,202,020			(\$21,010,100) \$4,202,020	(\$21,010,100) \$4,202,020		
28 Existing SRF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30 Net Income Available for Debt Service	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$24,951,394	\$24,951,394	\$24,951,394	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120	\$25,212,120
31 Less: 32 Total Senior Lien Debt Service	\$0	\$∩	\$0	\$0	\$0	\$0	sn.	(\$20,792,828)	(\$20,792,828)	(\$20.792.828)	(\$21.010.100)	(\$21,010,100)	(\$21,010,100)	(\$21,010,100)	(\$21.010.100)	(\$21,010,100)	(\$21.010.100)	(\$21.010.100)	(\$21 D10 100)	(\$21,010,100)	(\$21,010,100)
33 State Revolving Fund Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Payment of Debt Service With Water Impact Fees 35 Transfer Out	\$0 \$0	\$0 \$0	\$0 90	\$0 90	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 60	\$0 \$0	\$0 60	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$0	\$0 80	\$0 \$0	\$0 \$0
36 Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Cash Flow 38 Unrestricted Reserve Fund - Beginning of Year Balance	\$3,778 \$250,000	(\$0) \$253.778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253.778	\$4,158,566 \$253,778	\$4,158,566 \$3,711,742	\$4,158,566 \$4,786,440	\$4,202,020 \$5,861,138		\$4,202,020 \$5,839,884	\$4,202,020 \$6,958,036	\$4,202,020 \$8,076,188		\$4,202,020 \$10,312,493	\$4,202,020 \$11,430,645	\$4,202,020		
39 Minimum Working Capital Reserve Target	\$250,000	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$3,711,742	\$4,062,682	\$4,399,308	\$4,721,731	\$5,030,072	\$5,073,188	\$5,113,145	\$5,150,095		\$5,215,648	\$5,218,194	\$5,219,732	\$5,220,487	\$5,220,703
40 Reserve Fund Balance in Excess of Working Capital Target 41 Less: Reserve Fund Balance used for Cash Flow	\$250,000 \$0	\$125,028 (\$0)	\$114,535 (\$0)	\$103,187 (\$0)	\$90,914 (\$0)	\$77,640 (\$0)	\$63,285 (\$0)	\$0 \$0	\$0 \$0	\$387,132 \$0	\$1,139,406 \$0	\$0 \$0	\$766,695 \$0	\$1,844,891 \$0	\$2,926,093 \$0		\$5,096,845 \$0	\$6,212,451 \$0	\$7,329,066 \$0		
Reserve Fund Balance in Excess of Working Capital Target Net	30	(90)	(80)	(\$0)	(\$0)	(au)	(90)	\$0	\$0	30	\$0	30	\$0	30	\$0	30	\$0	30	\$0	30	\$0
of Current Year Cash Flow	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$387,132	\$1,139,406	\$0	\$766,695	\$1,844,891	\$2,926,093	\$4,010,137	\$5,096,845	\$6,212,451	\$7,329,066	\$8,446,463	\$9,564,399
43 Net Cash Flow After Use of Reserve Funds	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$4,158,566 \$0	\$4,158,566 \$0	\$4,158,566	\$4,202,020			\$4,202,020	\$4,202,020			\$4,202,020	\$4,202,020		
44 Less: CIP Projects Designated to be Paid with Cash 45 Net Cash Flow to Unrestricted Reserve Fund	\$0 \$3,778	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$4,158,566	\$4,158,566	\$4,158,566	\$0 \$4,202,020	\$0 \$4,202,020	\$0 \$4,202,020	\$0 \$4,202,020	\$0 \$4,202,020		\$4,202,020	\$4.202.020	\$0 \$4,202,020		
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$3,711,742	\$4,786,440	\$5,861,138	\$4,721,731	\$5,839,884	\$6,958,036	\$8,076,188	\$9,194,341	\$10,312,493	\$11,430,645	\$12,548,798	\$13,666,950	\$14,785,102
47 Cash In(Out) from Rate Revenues 48 Less: Reserve Fund Balance used for Cash Flow	\$3,778 \$0	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$4,158,566 \$0	\$4,158,566 \$0	\$4,158,566 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0	\$4,202,020 \$0
49 Less: Projects Paid with Reserve Funds (Non Specified Funding)	\$0	\$D	\$0	\$0	\$0	\$0	\$ 0	(\$700,602)	(\$3,083,868)	(\$3,083,868)	(\$5,341,426)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)	(\$3,083,868)
50 Unrestricted Reserve Fund - End of Year Balance 51 Minimum Working Capital Reserve Target 3 Mo O&	\$253,778 \$0	\$253,778 \$128,750	\$253,778 \$139,243	\$253,778 \$150,591	\$253,778 \$162,865	\$253,778 \$176,138	\$253,778 \$190,493	\$3,711,742 \$3,711,742	\$4,786,440 \$4,062,682	\$5,861,138 \$4,399,308	\$4,721,731 \$4,721,731	\$5,839,884 \$5,030,072	\$6,958,036 \$5,073,188	\$8,076,188 \$5,113,145	\$9,194,341	\$10,312,493 \$5,184,203		\$12,548,798 \$5,218,194	\$13,666,950 \$5,219,732		\$15,903,255 \$5,220,703
52 Excess (Deficiency) of Working Capital Reserves to Target	\$253,778	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$5,711,742	\$723,758	\$1,461,830	\$4,721,731		\$1,884,848	\$2,963,043	\$4,044,246		\$6,214,997	\$7,330,603	\$8,447,218		

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2/8/200

APPENDIX Ab Seminole County Demand Center

Reliable Source ASR Site K Just-in-Time Rates

Figure Number	Title
Ab1	Utility – Groundwater Scenario – Summary Panel
Ab2	Utility – Groundwater Scenario – Proforma
Ab3	Utility – Surface Water Scenario – Summary Panel
Ab4	Utility – Surface Water Scenario – Proforma
Ab5	Water Supply Entity – Surface Water Scenario – Summary Panel
Ab6	Water Supply Entity – Surface Water Scenario – Proforma

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source with ASR, Site K
FIGURE Ab1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

FIGURE Ab2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

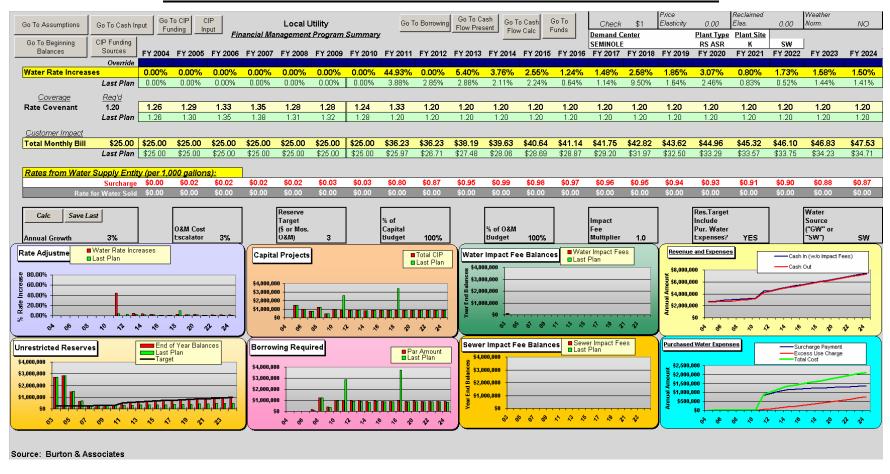
Same as Figures Aa1 and Aa2

APPENDIX Ab

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source with ASR, Site K
FIGURE Ab3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source with ASR, Site K FIGURE Ab4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

					Wat	ter and Sew	er System F	Local Utility		rogram Sun	ımarı/										
					174			enues and D			u.y										
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water Growth 1 Revenue	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2 Revenue Subject to Rate Increases																					
3 Water Rate Revenue	\$1,900,000 \$0	\$1,900,000 \$57,000	\$1,957,000 \$58,710	\$2,015,710 \$60,471	\$2,076,181 \$62,285	\$2,138,467 \$64.154	\$2,202,621 \$66,079	\$2,268,699 \$56,717	\$3,370,306 \$84,258	\$3,454,564 \$86,364	\$3,732,103 \$93,303	\$3,969,302 \$99,233	\$4,172,313 \$104,308	\$4,329,444 \$108,236	\$4,503,283 \$90,066	\$4,711,921 \$94,238	\$4,895,085 \$97.902	\$5,146,313 \$102,926	\$5,291,434 \$105,829	\$5,490,763 \$109,815	\$5,688,947 \$113,779
4 Rate Revenue from Growth 5 Proposed Rate Increase	\$0 \$0	000,10\$ 0 8	\$00,710 08	\$60,471 \$0	902,200 80	\$04,154 \$0	\$00,009 0\$	\$00,717 0\$	\$04,250 \$0	\$00,004 \$D	02 02	109,∠33 \$0	\$1U4,300 \$D	\$100,236 \$0	90U,U00 08	\$94,230 \$0	\$97,902 08	\$102,926	\$105,629 \$0	C10,601¢	\$113,779 \$0
6 Rate Revenue from Rate Increase	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,044,889	\$0	\$191,175	\$143,897	\$103,778	\$52,823	\$65,603	\$118,574	\$88,927	\$153,327	\$42,196	\$93,501	\$88,370	\$87,102
7 Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,370,306	\$3,454,564	\$3,732,103	\$3,969,302	\$4,172,313	\$4,329,444	\$4,503,283	\$4,711,923	\$4,895,087	\$5,146,314	\$5,291,436	\$5,490,764	\$5,688,948	\$5,889,828
8 Other Operating Revenue 9 Other Operating Revenue (1)	\$272,800	\$280,984	\$289,414	\$298,096	\$307,039	\$316,250	\$325,737	\$335,510	\$345,575	\$355,942	\$366,620	\$377,619	\$388,948	\$400,616	\$412,634	\$425,014	\$437,764	\$450,897	\$464,424	\$478,356	\$492,707
10 Total Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$3,705,815	\$3,800,138		\$4,335,923							\$5,742,332			
11 Expenses																					
12 Purchased Water at Groundwater Rates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,929	\$88,643	\$135,571	\$187,714	\$234,643	\$286,786	\$338,929		\$448,429	\$511,000	\$568,357	\$630,929	\$693,500	\$756,071
13 Water Treatment Facility Surcharge 14 Operations and Maintenance Expense	\$0 \$974.025	\$18,447 \$1,003,246	\$20,052 \$1,033,343	\$21,814 \$1.064.343	\$23,748 \$1,096,274	\$25,873 \$1,129,162	\$28,253 \$1,163,037	\$854,555 \$1,197,928	\$955,939 \$1,233,866	\$1,073,565 \$1,270,882				\$1,223,379 \$1,430,389		\$1,263,873		\$1,303,892 \$1,609,915	\$1,323,991	\$1,344,099	\$1,364,244 \$1,759,197
15 Net Operating Income	\$1,198,775	\$1,003,246	\$1,055,545	\$1,064,343	\$1,325,483	\$1,363,836	\$1,403,147	\$1,606,404	\$1,521,691									\$2,260,169			
16 Plus: Non Operating Income (Expense)																					
17 Non Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18 Interest Earned on Invested Funds	\$57,993	\$67,375	\$74,910	\$73,611	\$90,489	\$93,493	\$99,992	\$108,266	\$116,292	\$120,382	\$122,854	\$111,642	\$141,958	\$154,274		\$147,028	\$113,104	\$148,535	\$151,686	\$156,765	\$160,025
19 Transfers In 20 Water Expansion Fees	\$500,000 \$0	\$515,000 \$141,000	\$530,450 \$145,230	\$546,364 \$149.587	\$562,754 \$154.075	\$579,637 \$158.697	\$597,026 \$163,458	\$614,937 \$140,301	\$633,385 \$143,809	\$652,387 \$147,404	\$671,958 \$151.089	\$692,117 \$154.866	\$712,880 \$158,738	\$734,267 \$162,706	\$756,295 \$133,419	\$778,984 \$136,088	\$802,353 \$138.809	\$826,424 \$141.585	\$851,217 \$144,417	\$876,753 \$147,306	\$903,056 \$150,252
21 Total Non Operating Income	\$567,993	\$723,375	\$750,590	\$769,562	\$807,318	\$831,826	\$860,476	\$863,504	\$893,485	\$920,173	\$945,901					\$1,062,099		\$1,116,544			\$1,213,332
22 Net Income	\$1,756,768	\$1,939,666	\$2,002,319	\$2,057,682	\$2,132,801	\$2,195,662	\$2,263,622	\$2,469,908	\$2,415,176	\$2,528,200		\$2,744,644		\$2,962,450		\$3,152,398		\$3,376,713		\$3,602,571	\$3,716,354
23 Less: Water Expansion Fees 24 Net Income Available for Debt Service	\$1,756,768	(\$141,000) \$1,798,666	(\$145,230) \$1,857,089	(\$149,587) \$1,908,095	(\$154,075) \$1,978,726	(\$158,697) \$2,036,965	(\$163,458) \$2,100,165	(\$140,301) \$2,329,607	(\$143,809) \$2,271,367	(\$147,404) #3,390,700	(\$151,089) \$2,482,558	(\$154,866)	(\$158,738) #3,604,017		(\$133,419) \$2,908,218				\$3,344,958	(\$147,306)	
25 Senior Lien Debt Service Coverage	\$1,750,760	31,730,000	\$1,000,100	000,000,16	81,570,720	8 2,030,300	\$2,100,100	\$2,329,007	\$2,271,307	\$2,300,736	3 2,402,550	\$2,000,770	\$2,034,317	\$2,755,744	\$2,500,210	40,010,011	\$3,120,193	3 3,230,127	\$3,344,550	\$0,400,200	\$3,000,103
26 Existing Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
27 New Senior Lien Debt Service 28 Cumulative New Senior Lien Debt for Additional Borrowings	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$13.744	\$0 \$108.913	\$0 \$138.877	\$0 \$214.989	\$0 \$292.564	\$0 \$366,234	\$0 \$441.950	\$0 \$510.442	\$0 \$582.993	\$0 \$653,306	\$0 \$722.840	\$0 \$794.878	\$0 \$866.048	\$938.142	\$0 e1 000 000	\$0 \$1,079,727	\$0 \$1.150.369	\$0 \$1,220,815
29 Total Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$1,012,135	\$1,107,304	\$1,137,268	\$1,213,380	\$1,290,955	\$1,364,625	\$1,440,341			\$1,651,697	\$1,721,231		\$1,864,439			\$2,078,118		
30 Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage 33 Less: Senior Lien Debt Service	\$1,756,768 (\$998,391)	\$1,798,666 (\$998.391)	\$1,857,089 (\$998.391)	\$1,908,095 (\$1,012,135)	\$1,978,726 (\$1,107,304)	\$2,036,965 (\$1,137,268)	\$2,100,165 (\$1,213,380)	\$2,329,607 (\$1,290,955)	\$2,271,367 (\$1,364,625)									\$3,235,127 (\$2,007,253)			
34 Net Income Available for SRF Debt Service Coverage	\$758.377	\$800.275	\$858,698	\$895,960	\$871.422	\$899.697	\$886,785	\$1,038,652	\$906,742	\$940,455								\$1,227,874			
35 Existing SRF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Income Available for Debt Service 38 Less:	\$1,756,768	\$1,798,666	\$1,857,089	\$1,908,095	\$1,978,726	\$2,036,965	\$2,100,165	\$2,329,607	\$2,271,367	\$2,380,796	\$2,482,558	\$2,589,778	\$2,694,917	\$2,799,744	\$2,908,218	\$3,016,311	\$3,126,193	\$3,235,127	\$3,344,958	\$3,455,265	\$3,566,103
39 Total Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,012,135)	(\$1,107,304)	(\$1,137,268)	(\$1,213,380)	(\$1,290,955)	(\$1,364,625)									(\$2,007,253)			
40 State Revolving Fund Loans	\$0 8116.606	\$0 6141.07E	\$0 61.45.337	\$0 \$149,587	\$0 \$154.075	\$0 \$158,697	\$0 \$163,458	\$0 6140.201	6142.000	\$0 \$147.404	\$0 \$151.089	\$0 \$154.866	\$0 \$158.738	\$0 \$162.706	\$0 \$133.419	\$0 \$136,088	\$0 \$138.809	\$0 \$141.585	\$0 \$144.417	\$0 \$147.306	\$0 \$150,252
41 Payment of Debt Service With Water Impact Fees 42 Payment of Debt Service With Sewer Impact Fees	\$116,626 \$0	\$141,875 \$0	\$145,237 \$0	\$149,587 \$0	\$154,U/5 \$0	\$158,697 \$0	\$163,458 \$0	\$140,301 \$0	\$143,809 \$0	\$147,4U4 \$0	\$151,089	\$154,866 \$0	\$158,738 \$0	\$162,706	\$133,419	\$1.36,U88 \$0	\$138,809	\$141,585	\$144,417 \$0	\$147,30b \$0	\$150,252
43 Transfer Out	(\$757,000)	(\$779,710)	(\$803,101)	(\$827,194)	(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)	(\$987,713)						(\$1,179,381)		(\$1,251,206)			
44 Capital Outlay 45 Net Cash Flow	(\$17,000) \$101,003	(\$17,510) \$144,930	(\$18,035) \$182,798	(\$18,576) \$199,776	(\$19,134) \$154,353	(\$19,708) \$161,116	(\$20,299) \$126,046	(\$20,908) \$227,030	(\$21,535) \$70,071	(\$22,181) \$77,964	(\$22,847) \$84,622	(\$23,532) \$91,863	(\$24,238) \$98,419	(\$24,965) \$104.574	(\$25,714) \$77,623	(\$26,485) \$82,092	(\$27,280) \$86,426	(\$28,098) \$90,156	(\$28,941) \$93,574	(\$29,810) \$96,597	(\$30,704) \$99,218
45 Net Cash Flow 46 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$144,930 \$2,830,003	\$182,798	\$657,731	\$154,353 \$271,539	\$161,116 \$280,006	\$126,046 \$288,759	\$227,030 \$297,823	\$524.853	\$77,964 \$569,612	\$64,622 \$620,004	\$91,863 \$662,044	\$98,419 \$690,978	\$719,578	\$77,623 \$748,174	\$82,092 \$778,331	\$807,450	\$843,336	\$93,574 \$870.541	\$903,283	\$99,218 \$936,389
47 Minimum Working Capital Reserve Target	\$243,506	\$255,423	\$263,349	\$271,539	\$280,006	\$288,759	\$297,823	\$524,853	\$569,612	\$620,004	\$662,044	\$690,978	\$719,578	\$748,174	\$778,331	\$807,450	\$843,336	\$870,541	\$903,283	\$936,389	\$969,878
48 Reserve Fund Balance in Excess of Working Capital Target	\$2,485,494	\$2,574,580	\$1,211,584	\$386,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49 Less: Reserve Fund Balance used for Cash Flow Reserve Fund Balance in Excess of Working Capital Target Net	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
of Current Year Cash Flow	\$2,485,494	\$2,574,580	\$1,211,584	\$386,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0
51 Net Cash Flow After Use of Reserve Funds	\$101,003	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$227,030	\$70,071	\$77,964	\$84,622	\$91,863	\$98,419	\$104,574	\$77,623	\$82,092	\$86,426	\$90,156	\$93,574	\$96,597	\$99,218
52 Less: CIP Projects Designated to be Paid with Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 670.074	\$0	\$0 604 C22	\$0	\$0	\$0 \$104,574	\$0	\$0	\$0	\$0	\$0 600.574	\$0	\$0
53 Net Cash Flow to Unrestricted Reserve Fund 54 Unrestricted Reserve Fund - Beginning of Year Balance	\$101,003 \$2,729,000	\$144,930 \$2,830,003	\$182,798 \$1,474,933	\$199,776 \$657,731	\$154,353 \$271,539	\$161,116 \$280,006	\$126,046 \$288,759	\$227,030 \$297,823	\$70,071 \$524,853	\$77,964 \$569,612	\$84,622 \$620.004	\$91,863 \$662,044	\$98,419 \$690,978	\$1U4,574 \$719,578	\$77,623 \$748,174	\$82,092 \$778,331	\$86,426 \$807,450	\$90,156 \$843,336	\$93,574 \$870,541	\$96,597 \$903,283	\$99,218 \$936,389
55 Cash In(Out) from Rate Revenues	\$101,003	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$227,030	\$70,071	\$77,964	\$84,622	\$91,863	\$98,419	\$104,574	\$77,623	\$82,092	\$86,426	\$90,156	\$93,574	\$96,597	\$99,218
56 Less: Reserve Fund Balance used for Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 Less: Projects Paid with Reserve Funds (Non Specified Funding) 58 Unrestricted Reserve Fund - End of Year Balance	\$2,830,003	(\$1,500,000) \$1,474,933	(\$1,000,000) \$657,731	(\$585,968) \$271,539	(\$145,887) \$280,006	(\$152,363) \$288,759	(\$116,982) \$297,823	\$0 \$524,853	(\$25,312) \$569,612	(\$27,572) \$620,004	(\$42,583) \$662.044	(\$62,929) \$690,978	\$69,819) \$719.578	(\$75,979) \$748.174	(\$47,466) \$778,331	(\$52,973) \$807,450	(\$50,541) \$843,336	(\$62,950) \$870,541	(\$60,832) \$903,283	(\$63,490) \$936,390	(\$65,729) \$969,878
59 Minimum Working Capital Reserve Target	\$243,506	\$255,423	\$263,349	\$271,539	\$280,006	\$288,759	\$297,823	\$524,853	\$569,612	\$620,004	\$662,044	\$690,978	\$719,578	\$748,174		\$807,450	\$843,336	\$870,541	\$903,283	\$936,389	\$969,878
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,219,510	\$394,382	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

Source: Burton & Associates
C:DotalSJRMMDVandySJRWMD VModels as of 2-1-2004(FAMS-Typical Utity-SJRVMD_3_No Sewer_GW.xts]Pro-Forma

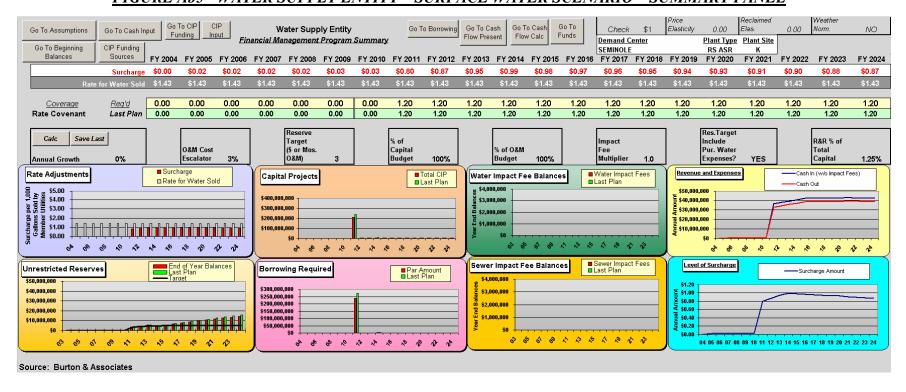
2/8/2004

APPENDIX Ab

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source with ASR, Site K FIGURE Ab5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source with ASR, Site K FIGURE Ab6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

Water Supply Entity Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2011 FY 2012 FY 2004 FY 2007 FY 2010 FY 2013 FY 2014 FY 2017 FY 2018 FY 2019 FY 2021 FY 2022 FY 2005 FY 2006 FY 2008 FY 2009 FY 2015 FY 2016 FY 2020 FY 2023 Surcharge Revenue \$511 193 \$551 897 \$596 021 \$643,845 \$695,670 \$753.091 \$22.597.965 \$25.067.608 \$27.904.458 \$29.653.229 \$30.121.528 \$29.972.503 \$29.783.270 \$29.580.514 \$29.364.895 \$29.489.834 \$28.663.891 \$28.565.498 \$28.302.651 \$28.016.927 \$551,897 Total Operating Revenue \$596,021 \$643,845 \$695,670 5 Expenses Operations and Maintenance Expense \$651,459 \$704.552 \$761.973 \$14.746.984 \$16,116.771 \$17,424.683 \$18.671.031 \$19,966.433 \$19,992.114 \$20,113.662 \$20,221,688 \$20,316.651 \$20,399.665 \$20,308.682 \$20,321.42 \$20,221,449 \$20,224.4788 \$48.682 \$17,192.537 \$19,592.930 \$20,946.698 \$21,009.995 \$21,002.647 \$21,004.222 \$21,013.797 \$20,979.373 \$21,277.665 \$20,910.623 \$20,876.099 \$20,841.674 \$20,007.249 \$40,007.249 \$ (\$7,613) (\$8,882) 9 Plus: Non Operating Income (Expense Non Operating Revenue \$0 \$0 \$0 \$0 \$8,882 \$6,545,160 \$4,583,903 \$0 \$0 \$2,193,520 \$1,088,225 \$0 \$0 \$943,928 \$952,277 \$0 \$0 \$0 \$986,701 \$1,021,126 \$1,055,551 \$737,268 \$1,124,400 \$1,158,625 \$1,193,249 \$1,227,674 Interest Earned on Invested Funds \$3,807 \$5,076 \$6,344 \$7,613 \$8,882 Transfers In Water Expansion Fees 14 Total Non Operating Income 15 Net Income 46,545,160 84,583,903 \$2,193,520 \$1,082,25 \$943,928 \$952,277 \$986,701 \$1,021,126 \$1,065,551 \$737,268 \$1,124,400 \$1,193,825 \$1,193,249 \$1,227,574 \$21,776,441 < \$3.80 \$5.076 \$6,344 Less: Water Expansion Fee: Net Income Available for Debt Service 18 Senior Lien Debt Service Coverage Existing Senior Lien Debt Service New Senior Lien Debt Service Cumulative New Senior Lien Debt for Additional Borrowings 58 361,61,47 304 \$181,447 304 \$181,447 304 \$181,447 304 \$181,624,305 \$181,362,435 \$ 22 Total Senior Lien Debt Service 24 SRF Debt Service Coverage 25 Net Income Available for Senior Lien Debt Service Coverage (80) \$21,776,441 \$21,776,441 \$21,776,441 \$22,034,923 \$2 \$3,778 Less: Senior Lien Debt Service \$0 (\$18,147,034) (\$18,147,034) (\$18,147,034) (\$18,147,034) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service \$3,672,488 SRF Deht Service Coverage 1.15 Reg'd ś۵ SΠ 30 Net Income Available for Debt Service (\$0) (\$0) (\$0) (\$0) \$21,776,441 \$21,776,441 \$21,776,441 \$22,034,923 \$2 Total Senior Lien Debt Service (\$18,147,034) (\$18,147,034) (\$18,147,034) (\$18,147,034) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) (\$18,362,435) State Revolving Fund Loans Payment of Debt Service With Water Impact Fees Transfer Out Capital Outlay Net Cash Flow \$3,629,407 \$0< \$3 629 407 \$3,672,488 \$5,567,710 Unrestricted Reserve Fund - Beginning of Year Balance \$253,778 \$3,686,746 \$4,627,228 \$250,000 \$253,778 Minimum Working Capital Reserve Target Reserve Fund Balance in Excess of Working Capital Target \$4,029,193 \$4,366,159 \$4,667,758 \$4,964,108 \$4,989,028 \$5,028,416 \$5,028,428 \$5,079,213 \$6,099,966 \$5,092,146 \$5,083,036 \$5,072,962 \$5,061,699 \$10 \$4271,068 \$899,962 \$0 \$653,291 \$1,066,466 \$2,563,022 \$3,522,794 \$4,465,602 \$5,476,995 \$46,469,657 \$7,463,392 \$18,457,947 \$190.493 \$3,686,746 Less: Reserve Fund Balance used for Cash Flow (SD) (\$0) (\$0) rve Fund Balance in Excess of Working Capital Target Ne of Current Year Cash Flow \$250,000 \$125,028 \$114.535 \$103.187 \$90.914 \$77.640 \$63,285 \$1,606,466 \$2,563,022 43 Net Cash Flow After Use of Reserve Funds \$3,629,407 \$3,629,407 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 \$3,672,488 44 Less: CIP Projects Designated to be Paid with Cash 45 Net Cash Flow to Unrestricted Reserve Fund \$3,629,407 \$0 \$3,629,407 \$0 \$3,672,488 \$0 \$3,672,488 \$0 \$3,672,488 \$3 672 488 \$3 672 488 \$253,778 46 Unrestricted Reserve Fund - Beginning of Year Balance \$250,000 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$5,651,320 \$6,634,882 \$8,602,006 \$9,585,568 \$10,569,130 \$11,552,693 \$12,536,255 \$13,519,817 Cash In(Out) from Rate Revenues \$3,778 \$3,629,407 \$3,629,407 \$3,629,407 \$3,672,488 \$ Less: Reserve Fund Balance used for Cash Flow (\$0) (\$2,688,925) (\$4,572,439) (\$2,688,925) (\$2,688,925) (\$2,688,925) (\$2,688,925) (\$2,688,925) (\$2,688,925) Less: Projects Paid with Reserve Funds (Non Specified Funding Unrestricted Reserve Fund - End of Year Balance Minimum Working Capital Reserve Target \$253,77 \$253.778 \$253.778 \$253.778 \$253.778 \$253,778 \$5,567,710 \$4,667,759 \$5,651,321 \$6,634,883 \$4,356,159 \$4,667,758 \$4,964,108 \$4,998,028 \$7,618,445 \$5,028,416 \$4,029,193 \$3,686,746 52 Excess (Deficiency) of Working Capital Reserves to Target \$114,535 \$103,187 \$77,640 \$687.213 \$1,636,855 \$2,590,030 \$3,546,585 \$4,506,357 \$5,469,165 \$6,460,548 \$7,453,220 \$8,446,956 \$9,441,511

Source: Burton & Associates

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2/8/2004

APPENDIX Ab

APPENDIX Ac

Seminole County Demand Center Reliable Source Without ASR Site K Just-in-Time Rates

Figure <u>Number</u>	Title
Ac1	Utility – Groundwater Scenario – Summary Panel
Ac2	Utility – Groundwater Scenario – Proforma
Ac3	Utility – Surface Water Scenario – Summary Panel
Ac4	Utility – Surface Water Scenario – Proforma
Ac5	Water Supply Entity – Surface Water Scenario – Summary Panel
Ac6	Water Supply Entity – Surface Water Scenario – Proforma

APPENDIX Ac

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source without ASR, Site K FIGURE Ac1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

FIGURE Ac2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

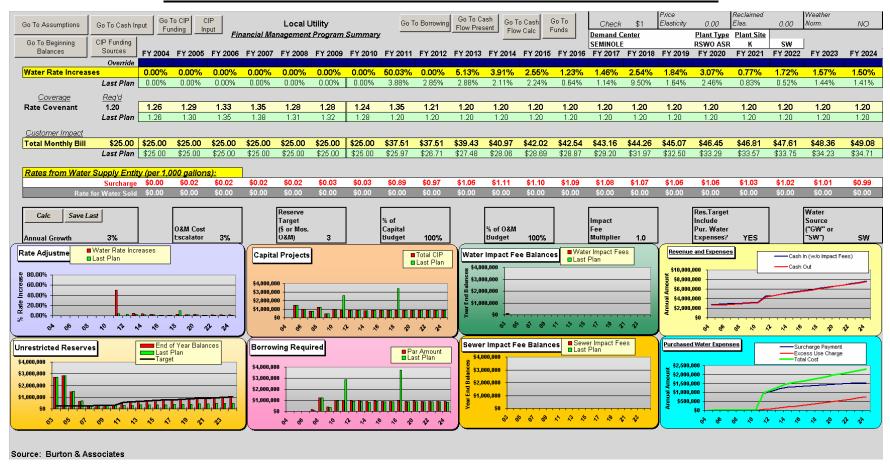
Same as Figures Aa1 and Aa2

APPENDIX Ac

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source without ASR, Site K FIGURE Ac3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source without ASR, Site K FIGURE Ac4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

						Wat				/ nagement Pr l <i>ebt Servic</i> e		nmary										
		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Rev	Water Growth	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
1 Rev	Revenue Subject to Rate Increases																					
3	Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,488,873	\$3,576,094	\$3,853,649	\$4,104,314	\$4,314,295	\$4,476,594	\$4,655,480	\$4,869,338	\$5,057,897	\$5,317,572	\$5,465,461	\$5,670,629	\$5,874,838
4	Rate Revenue from Growth	\$0	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$87,222	\$89,402	\$96,341	\$102,608	\$107,857	\$111,915	\$93,110	\$97,387	\$101,158	\$106,351	\$109,309	\$113,413	\$117,497
5	Proposed Rate Increase Rate Revenue from Rate Increase	\$0 \$0	\$0 \$∩	\$0 \$∩	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1 \$1.163.456	\$0 \$0	\$0 \$188.153	\$0 \$154.324	\$0 \$107.372	\$0 \$54,442	\$0 \$66.971	\$0 \$120.748	\$0 \$91.172	\$0 \$158.517	\$0 \$41.538	\$0 \$95.858	\$0 \$90.796	\$0 \$89.609
7	Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,488,873	\$3,576,094	\$3,853,649			\$4,476,594			\$5,057,897	\$5,317,572			\$5,874,838	\$6,081,944
8	Other Operating Revenue																					
9	Other Operating Revenue (1)	\$272,800	\$280,984	\$289,414	\$298,096	\$307,039	\$316,250	\$325,737	\$335,510	\$345,575	\$355,942	\$366,620	\$377,619	\$388,948	\$400,616	\$412,634	\$425,014	\$437,764	\$450,897	\$464,424	\$478,356	\$492,707
10 10 0	al Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$3,824,382	\$3,921,669	\$4,209,591	\$4,470,935	\$4,691,914	\$4,865,542	960,060,66	\$5,281,972	\$5,482,911	\$5,755,336	\$5,916,358	\$6,135,053	\$6,353,194	\$6,5/4,651
11 Exp	enses																					
12	Purchased Water at Groundwater Rates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,929	\$88,643	\$135,571	\$187,714	\$234,643	\$286,786	\$338,929	\$396,286	\$448,429	\$511,000	\$568,357	\$630,929	\$693,500	\$756,071
13 14	Water Treatment Facility Surcharge Operations and Maintenance Expense	\$0 \$974.025	\$18,447 \$1,003,246	\$20,052 \$1,033,343	\$21,814 \$1.064.343	\$23,748 \$1,096,274	\$25,873 \$1,129,162	\$28,253 \$1,163,037	\$949,741 \$1,197,928	\$1,064,214 \$1,233,866	\$1,196,919 \$1,270,882								\$1,478,937 \$1,609.915			\$1,557,118 \$1,759,197
	Operating Income	\$1,198,775	\$1,216,291	\$1,251,729	\$1,288,120	\$1,325,483	\$1,363,836	\$1,403,147	\$1,629,784	\$1,534,947									\$2,259,150			\$2,502,264
16 Plus	s: Non Operating Income (Expense) Non Operating Revenue	\$ 0	\$O	\$∩	\$0	sn.	\$0	sn.	\$O	s∩	sn.	sn.	m	en.	sn	ro.	£0	en	go	m	60	er.
18	Non Operating Revenue Interest Earned on Invested Funds	\$57,993	\$67,375	\$74,910	\$73,611	\$90,489	\$93,493	\$99,992	\$108,682	\$117,164	\$121,366	\$123,972	\$112,856	\$143,229	\$155,593	\$142,058	\$148,444	\$113,113	\$150,062	\$153,259	\$158,394	\$161,711
19	Transfers In	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	\$671,958	\$692,117	\$712,880	\$734,267	\$756,295	\$778,984	\$802,353	\$826,424	\$851,217	\$876,753	\$903,056
20	Water Expansion Fees	\$0	\$141,000	\$145,230	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404	\$151,089	\$154,866	\$158,73B	\$162,706	\$133,419	\$136,088	\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
21 <u>lot</u> 22 Net	al Non Operating Income	\$557,993 \$1,756,768	\$723,375 \$1,939,666	\$750,590 \$2,002,319	\$769,562 \$2.057.682	\$807,318 \$2.132.801	\$831,826 \$2,195,662	\$860,476 \$2,263,622	\$863,920 \$2,493,704	\$894,358 \$2,429,305	\$921,156 \$2,527,375	\$947,019		\$2,853,499					\$1,118,071 \$3,377,221	\$3,490,021		\$1,215,018 \$3,717,282
23	Less: Water Expansion Fees	\$0	(\$141,000)	(\$145,230)	(\$149,587)	(\$154,075)	(\$158,697)	(\$163,458)	(\$140,301)	(\$143,809)	(\$147,404)		(\$154,866)	(\$158,738)	(\$162,706)	(\$133,419)	(\$136,088)	(\$138,809)		(\$144,417)		(\$150,252)
	Income Available for Debt Service	\$1,756,768	\$1,798,666	\$1,857,089	\$1,908,095	\$1,978,726	\$2,036,965	\$2,100,165	\$2,353,403	\$2,285,496	\$2,379,971	\$2,482,084	\$2,589,487	\$2,694,761	\$2,799,716	\$2,908,321	\$3,016,547	\$3,126,601	\$3,235,635	\$3,345,604	\$3,456,050	\$3,567,030
	ior Lien Debt Service Coverage	6000 204	e000 204	4000 004	#000 004	#000 004	£000 004	e000 204	6000 204	4000 004	#000 004	#000 004	\$998,391	\$998,391	\$998,391	\$998.391	\$998.391	\$998,391	\$998.391	\$998,391	\$998,391	\$998,391
26 27	Existing Senior Lien Debt Service New Senior Lien Debt Service	\$998,391 \$0	\$998,391 \$D	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 \$D	\$998,391 SD	\$998,391 \$0	\$998,391 \$0	165' 966 8 US	180,0886	165,0668 US	Tec, seec	1 ec, seec	165'9668 US	165° 0860 US	1 ec, seeca 102	1 ec, seeg	\$090,391 08
28	Cumulative New Senior Lien Debt for Additional Borrowings	\$0	\$0	\$0	\$13,744	\$108,913	\$138,877	\$214,989	\$292,564	\$365,210	\$441,263	\$510,047	\$582,751	\$653,176	\$722,817	\$794,964	\$866,245		\$1,009,285			\$1,221,588
	al Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$1,012,135	\$1,107,304	\$1,137,268	\$1,213,380	\$1,290,955	\$1,363,601	\$1,439,654		\$1,581,142				\$1,864,636					\$2,219,979
30	Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$ 2	\$ 2	\$2	\$2	\$ 2	\$2	\$2	\$2	\$ 2	\$2	\$2	\$ 2	\$2
31 SRF	Debt Service Coverage																					
32	Net Income Available for Senior Lien Debt Service Coverage	\$1,756,768	\$1,798,666	\$1,857,089	\$1,908,095	\$1,978,726	\$2,036,965	\$2,100,165	\$2,353,403	\$2,285,496									\$3,235,635			\$3,567,030
33 34	Less: Senior Lien Debt Service Net Income Available for SRF Debt Service Coverage	(\$998,391) \$758,377	(\$998,391) \$800,275	(\$998,391) \$858,698	(\$1,012,135) \$895,960	(\$1,107,304) \$871,422	(\$1,137,268) \$899,697	(\$1,213,380) \$886,785	(\$1,290,955) \$1,062,448	(\$1,363,601) \$921,895	(\$1,439,654) \$940,317								(\$2,007,676) \$1,227,959			(\$2,219,979) \$1,347,051
35	Existing SRF Debt Service	71c,0016 08	\$000,275 \$D	000,000 02	008,000 02	\$071,422	760,660 6 08	000,000 R	\$1,002,440 \$0	\$921,095 \$0	\$040,517 \$0	9973,040 98	\$1,000,345	\$1,045,194 \$D	80	\$0	116,101,16 O2	\$1,109,720	\$0	\$1,200,340 \$1	aca, auc, i≰ ∩2	100,746,16 08
36	SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
or Nes	Income Available for Debt Service	\$1,756,768	\$1,798,666	\$1,857,089	\$1,908,095	\$1,978,726	\$2,036,965	\$2,100,165	\$2,353,403	\$2,285,496	£2 270 074	en 400 004	£0.500 407	ED CO4 701	£2 700 710	£2 000 224	#2 01C E47	E2 420 004	\$3,235,635	43 34E CO4	£3.450.050	£2 £67 020
	Less:	\$1,700,700	\$1,750,000	81,000,100 600,100	ceu, oue, 1 ¢	a1,5/0,/20	3 2,U30,300	\$2,100,100	\$2,303,403	\$2,200,496	\$2,373,371	3 2,402,004	\$2,009,407	\$2,034,701	\$2,733,710	3 2,300,321	\$5,010,047	\$3,120,001	00.00,000	\$3,345,004 \$10,000	40,400,000	000, 100, 04
39	Total Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,012,135)	(\$1,107,304)	(\$1,137,268)	(\$1,213,380)	(\$1,290,955)	(\$1,363,601)									(\$2,007,676)			
40	State Revolving Fund Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41 42	Payment of Debt Service With Water Impact Fees Payment of Debt Service With Sewer Impact Fees	\$116,626 \$0	\$141,875 \$0	\$145,237 \$0	\$149,587 \$0	\$154,075 \$0	\$158,697 \$0	\$163,458 \$0	\$140,301 \$0	\$143,809 \$0	\$147,404 \$0	\$151,089 \$0	\$154,866 \$0	\$158,738 \$0	\$162,706 \$0	\$133,419 \$0	\$136,088 \$0	\$138,809 \$0	\$141,585 \$0	\$144,417 \$0	\$147,306 \$0	\$150,252 \$0
43	Transfer Out	(\$757,000)	(\$779,710)	(\$803,101)	(\$827,194)	(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)	(\$987,713)	(\$1,017,345)	(\$1,047,865)	(\$1,079,301)	(\$1,111,680)	(\$1,145,030)	(\$1,179,381)	(\$1,214,763)	(\$1,251,206)	(\$1,288,742)	(\$1,327,404)	(\$1,367,226)
44	Capital Outlay	(\$17,000)	(\$17.510)	(\$18,035)	(\$18,576)	(\$19,134)	(\$19,708)	(\$20,299)	(\$20,908)	(\$21,535)	(\$22,181)			(\$24,238)	(\$24,965)	(\$25,714)		(\$27,280)	(\$28,098)	(\$28,941)	(\$29,810)	(\$30,704)
45 Net 46	Cash Flow Unrestricted Reserve Fund - Beginning of Year Balance	\$101,003 \$2,729,000	\$144,930 \$2,830,003	\$182,798 \$1,474,933	\$199,776 \$657,731	\$154,353 \$271,539	\$161,116 \$280,006	\$126,046 \$288,759	\$250,827 \$297,823	\$85,224 \$548,649	\$77,827 \$596,681	\$84,543 \$650,843	\$91,815 \$696,195	\$98,393 \$726,850	\$104,570 \$756,723	\$77,641 \$786,560	\$82,132 \$818,001	\$86,494 \$848,448	\$90,240 \$886,050	\$93,682 \$914,302	\$96,728 \$948,481	\$99,373 \$983,073
47	Minimum Working Capital Reserve Target	\$243,506	\$255,423	\$263,349	\$271,539	\$280,006	\$288,759	\$297,823	\$548,649	\$596,681	\$650,843	\$696,195	\$726,850	\$756,723	\$786,560	\$818,001	\$848,448	\$886,050	\$914,302	\$948,481	\$983,073	\$1,018,097
48	Reserve Fund Balance in Excess of Working Capital Target	\$2,485,494	\$2,574,580	\$1,211,584	\$386,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49 Dog	Less: Reserve Fund Balance used for Cash Flow erve Fund Balance in Excess of Working Capital Target Net	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	erve Fund Datance in Excess of Working Capital Target Net Current Year Cash Flow	\$2,485,494	\$2,574,580	\$1,211,584	\$386,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Cash Flow After Use of Reserve Funds	\$101,003	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$250,827	\$85,224	\$77,827	\$84,543	\$91,815	\$98,393	\$104,570	\$77,641	\$82,132	\$86,494	\$90,240	\$93,682	\$96,728	\$99,373
52 53 Not	Less: CIP Projects Designated to be Paid with Cash Cash Flow to Unrestricted Reserve Fund	\$0 \$101,003	\$0 \$144,930	\$182,798	\$0 \$199,776	\$0 \$154,353	\$0 \$161,116	\$0 \$126,046	\$0 \$250,827	\$85,224	\$0 \$77.827	\$0 \$84.543	\$0 \$91,815	\$0 \$98.393	\$0 \$104.570	\$77,641	\$0 \$82.132	\$86,494	\$0 \$90,240	\$0 \$93,682	\$96,728	\$0 \$99,373
	Cash Flow to Unrestricted Reserve Fund estricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,474,933	\$657,731	\$271.539	\$280,006	\$126,046 \$288,759	\$250,827 \$297.823	\$548,649	\$596.681	\$650.843	\$696,195	\$726,850	\$756,723	\$786.560	\$818,001	\$848,448	\$886,050	\$914.302	\$948,481	\$983.073
55	Cash In(Out) from Rate Revenues	\$101,003	\$144,930	\$182,798	\$199,776	\$154,353	\$161,116	\$126,046	\$250,827	\$85,224	\$77,827	\$84,543	\$91,815	\$98,393	\$104,570	\$77,641	\$82,132	\$86,494	\$90,240	\$93,682	\$96,728	\$99,373
56	Less: Reserve Fund Balance used for Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 58	Less: Projects Paid with Reserve Funds (Non Specified Funding) Unrestricted Reserve Fund - End of Year Balance	\$2,830,003	(\$1,500,000) \$1,474,933	(\$1,000,000) \$657,731	(\$585,968) \$271,539	(\$145,887) \$280,006	(\$152,363) \$288,759	(\$116,982) \$297.823	\$0 \$548,649	(\$37,193) \$596,681	(\$23,664) \$650,843	(\$39,191) \$696,195	(\$61,160) \$726,850	\$756,723	(\$74,732) \$786,560	(\$46,199) \$818.001	(\$51,685) \$848,448	(\$48,892) \$886,050	(\$61,989) \$914,302	(\$59,503) \$948,481	(\$62,136) \$983,073	(\$64,349) \$1.018.097
58 59	Minimum Working Capital Reserve Target	\$2,830,003 \$243,506	\$1,474,933 \$255,423	\$263.349	\$271,539	\$280,006 \$280,006	\$288,759 \$288,759	\$297,823 \$297.823	\$548,649 \$548,649	\$596,681 \$596.681	\$650,843	\$696,195	\$726,850 \$726,850	\$756,723 \$756,723	\$786,560	\$818,001	\$848,448 \$848.448	\$886,050	\$914,3U2 \$914.3D2	\$948,481 \$948.481		\$1,018,097
	ess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,219,510	\$394,382	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	(\$0)	(\$0)	\$0	(\$0)	\$0	\$0	(\$0)	\$0

⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

ce: Burton & Associates

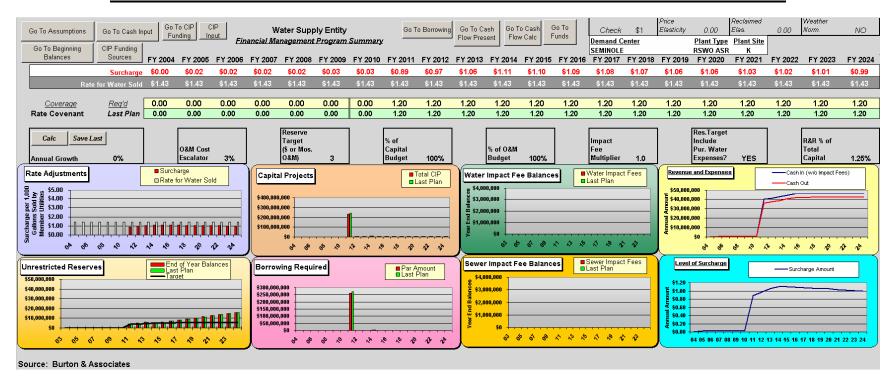
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2/8/2004

APPENDIX Ac

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source without ASR, Site K FIGURE Ac5 – WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole Demand Center, Reliable Source without ASR, Site K FIGURE Ac6 – WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – PROFORMA

Water Supply Entity Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2009 FY 2004 FY 2005 FY 2006 FY 2007 FY 2008 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 FY 2020 FY 2021 FY 2022 FY 2023 \$753.091 \$25,115,080 \$27,806,884 \$31,110,734 \$33,171,191 \$33,781,188 \$33,674,086 \$33,521,297 \$33,354,470 \$33,175,085 \$33,367,218 \$32,738,813 \$32,248,887 \$32,234,920 \$31,972,890 \$7,280,00 \$82,247,09 \$82,247,09 \$49,00,510 Surcharge Revenue \$511,193 \$551,897 \$596,021 \$643,845 \$695,670 Delivered Water Revenue \$511 193 \$551 897 \$596 021 \$643 845 \$695,670 Total Operating Revenue \$761.973 \$15,623,762 \$17,100,133 \$18,515,473 \$19,870,228 \$21,164,880 \$21,339,689 \$21,500,649 \$21,648,372 \$21,648,512 \$21,206,798 \$21,907,596 \$21,907,596 \$21,903,331 \$21,895,086 \$21,893,788 \$48,882\$ \$48 Operations and Maintenance Expens 8 Net Operating Income (\$3.807) (\$5.076) (\$6,344) (\$7,613) (\$8,882) 9 Plus: Non Operating Income (Expense Interest Earned on Invested Funds \$3,807 \$5,076 \$6,344 \$7,613 \$8,882 \$7,251,204 \$2,424,471 \$1,222,557 \$1,045,817 \$1,050,565 \$1,088,758 \$1,126,950 \$1,165,143 \$819,411 \$1,241,528 \$1,279,721 \$1,317,914 \$1,356,107 Transfers In \$0 \$0 \$0 \$0 \$0 \$0 \$0 **Total Non Operating Income** \$5,076 \$8,882 \$2,424,471 \$1,222,557 \$1,045,817 \$1,050,565 \$1,088,758 \$24,122,002 \$24,400,020 \$24,400,020 \$24,400,020 \$24,400,020 \$1,126,950 \$1,165,143 \$819,411 \$1,241,528 \$1,279,721 \$1,317,914 \$1,356,107 \$24,400,020 \$24,400,020 \$24,400,020 \$24,400,020 \$24,400,020 \$24,400,020 Less: Water Expansion Fees (\$0) \$24,122,832 \$24,122,832 \$24,122,832 \$24,488,020 \$ Net Income Available for Debt Service Senior Lien Debt Service Coverage Existing Senior Lien Debt Service New Senior Lien Deht Senice SO SO \$20,102,360 \$20,406,683 \$20,406,683 \$20,406,683 \$20,406,683 \$20,406,683 \$20,406,683 \$20,102,360 \$20,102,360 \$20,102,360 \$20,406,683 \$20,406 22 Total Senior Lien Debt Service Senior Lien Debt Service Coverage 24 SRF Debt Service Coverage 25 Net Income Available for Senior Lien Debt Service Coverage (\$0) \$24,122,832 \$24,122,832 \$24,122,832 \$24,488,020 \$2 Less: Senior Lien Debt Service Net Income Available for SRF Debt Service Coverage (\$20,102,860) (\$20,102,860) (\$20,102,860) (\$20,102,860) (\$20,466,863) (\$ \$3.778 Existing SRF Debt Service SRF Debt Service Coverage 1.15 Reg'd \$0 \$3,778 (\$0) (\$0) \$24 122 832 \$24 122 832 \$24 122 832 \$24 488 020 \$2 30 Net Income Available for Debt Service (SII) (\$0) (SO) (SD) Total Senior Lien Debt Service (\$20,102,360) (\$20,102,360) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) (\$20,406,683) State Revolving Fund Loans Payment of Debt Service With Water Impact Fees Capital Outlay \$4,020,472 (\$0) \$253,778 Unrestricted Reserve Fund - Beginning of Year Balance \$253 778 \$5,966,653 \$4,967,557 \$7,149,999 \$8,241,220 \$9,332,441 \$10,423,662 \$11,514,883 \$12,606,104 \$13,897,324 \$14,788,545 \$5,375,162 \$5,472,933 \$5,445,879 \$5,476,700 \$5,476,884 \$5,475,833 \$5,473,771 \$5,470,944 \$250,000 \$253,778 \$253,778 \$253 778 \$253,778 \$253,778 \$3,905,941 \$4,936,297 \$6,058,778 Minimum Working Capital Reserve Target Reserve Fund Balance in Excess of Working Capital Target \$250,000 \$90.914 \$77.640 \$63.28 \$307,429 \$999 098 \$723,856 \$2,829,127 \$3,886,561 \$4,946,962 \$6,037,999 \$7,130,271 Less: Reserve Fund Balance used for Cash Flow Reserve Fund Balance in Excess of Working Capital Target Ne of Current Year Cash Flow \$250,000 \$125,028 \$114.535 \$103.187 \$90.914 \$77,640 \$63,285 SO \$307.429 \$999.096 \$723,856 \$1,774,837 \$2,829,127 \$3,886,561 \$4,946,962 \$6,037,999 \$7,130,271 \$8,223,553 \$9,317,601 43 Net Cash Flow After Use of Reserve Funds \$3,778 SΠ \$4 020 472 \$4 020 472 \$4 020 472 \$4 081 337 \$4 081 337 \$4 081 337 \$4 081 337 \$4 081 337 \$4 081 337 \$4.081.337 \$4 081 337 \$4 081 337 \$4 081 337 \$4 081 337 CIP Projects Designated to be Paid with Cash \$0 \$4,020,472 \$0 \$4,081,337 \$0 \$4,081,337 \$0 \$4,081,337 \$0 \$4,081,337 \$0 \$4,081,337 \$0 \$0 \$4,081,337 \$4,081,337 \$0 \$4,020,472 \$4,020,472 \$3,778 45 Net Cash Flow to Unrestricted Reserve Fund Unrestricted Reserve Fund - Beginning of Year Balance Cash In(Out) from Rate Revenues \$250,000 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$3,905,941 \$4,936,297 \$5,966,663 \$4,967,557 \$4,081,337 \$4,081,337 \$6,058,778 \$7,149,999 \$8,241,220 \$9,332,441 \$10,423,662 \$11,514,863 \$12,506,104 \$13,597,324 \$14,788,545 \$4,081,337 \$4,081 \$3,778 \$4,020,472 \$4,020,472 \$4,020,472 Less: Reserve Fund Balance used for Cash Flow (SII) (50) (SO) (SD) (\$0) sn. Less: Projects Paid with Reserve Funds (Non Specified Funding) Unrestricted Reserve Fund - End of Year Balance (\$2,990,116) (\$2,990,116) (\$5,080,433) (\$2,990,116) (\$2,9 \$253,778 \$253,778 \$253,778 \$4,628,868 \$4,967,557 \$5,291,220 \$5,334,922 \$5,375,162 \$5,412,993 \$5,445,879 \$5,476,701 \$5,476,864 \$5,475,633 \$5,473,771 \$5,470,944 \$1,337,765 \$(\$0\$) \$767,558 \$1,815,077 \$2,866,068 \$3,920,348 \$4,977,782 \$6,038,183 \$7,129,219 \$8,221,492 \$9,314,774 \$10,408,822 Minimum Working Capital Reserve Target \$3,905,941 52 Excess (Deficiency) of Working Capital Reserves to Target \$125,028 \$114,535 \$90,914

Source: Burton & Associates

C:Data/SJRVMDVAndy/SJRVMD V/Models as of 2-1-2004/[FAMS-Water Supply Entity-SJRVMD_4.xis]Pro-Forma

2/8/2004

APPENDIX Ba

Seminole and SW Volusia Demand Center **Intermittent Source ASR** Site E **Just-in-Time Rates**

Figure <u>Number</u>	Title
Ba1	Utility – Groundwater Scenario – Summary Panel
Ba2	Utility – Groundwater Scenario – Proforma
Ba3	Utility – Surface Water Scenario – Summary Panel
Ba4	Utility – Surface Water Scenario – Proforma
Ba5	Water Supply Entity – Surface Water Scenario – Summary Panel
Ba6	Water Supply Entity – Surface Water Scenario – Proforma

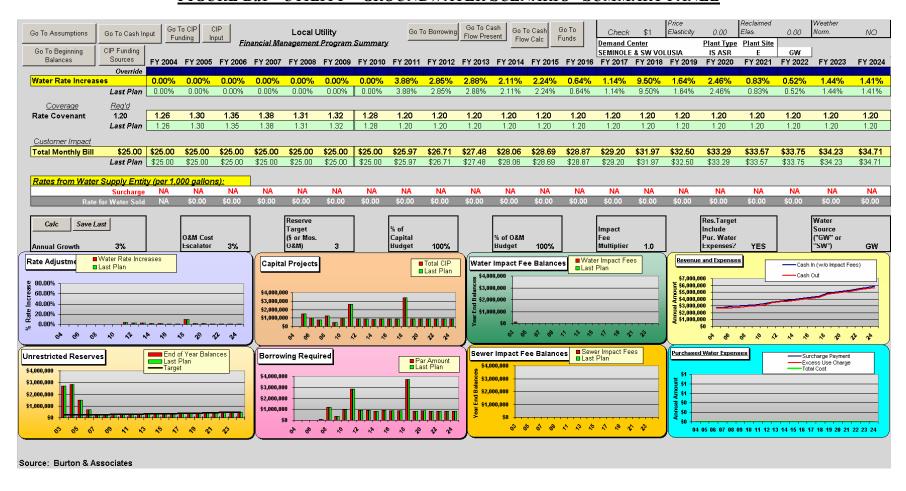
APPENDIX Ba

Burton & Associates

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL



APPENDIX Ba

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

					Wa			Local Utility inancial Man enues and D	agement Pr		nmary										
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water Growth	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
1 Revenue 2 Revenue Subject to Rate Increases																					
3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1.957.000	\$2.015.710	\$2,076,181	\$2.138.467	\$2,202,621	\$2,268,699	\$2,415,646	\$2,546,639	\$2,685,443	\$2.810.523	\$2,945,210	\$3,038,053	\$3,149,509	\$3,517,702	\$3,647,033	\$3,811,355	\$3,919,902	\$4.019.247	\$4.158.479
4 Rate Revenue from Growth	\$0	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$60,391	\$63,666	\$67,136	\$70,263	\$73,630	\$75,951	\$62,990	\$70,354	\$72,941	\$76,227	\$78,398	\$80,385	\$83,170
5 Proposed Rate Increase 6 Rate Revenue from Rate Increase	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$90,230	\$0 \$70,601	\$0 \$75,139	\$0 \$57,944	\$0 \$64,423	\$0 \$19,213	\$0 \$35,505	\$0 \$305,203	\$0 \$58,977	\$0 \$91,382	\$0 \$32,320	\$0 \$20,945	\$0 \$58,846	\$0 \$59,858
7 Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$2,415,646	\$2,546,639	\$2,685,443			\$3,038,053	\$3,149,509				\$32,320			
8 Other Operating Revenue		41,001,000	42,010,110	42,010,101	*2,100,101	VE ,EOE ,OE .	42,200,000			42,000,110	42,010,020	42,010,210	40,000,000	40,110,000	40,011,102	40,011,000	40,011,000	40,010,002	41,010,010	*1,100,111	* 1,001,000
9 Other Operating Revenue (1)	\$272,800	\$280,984	\$289,414	\$298,096	\$307,039	\$316,250	\$325,737	\$335,510	\$345,575	\$355,942	\$366,620	\$377,619	\$388,948	\$400,616	\$412,634	\$425,014	\$437,764	\$450,897	\$464,424	\$478,356	\$492,707
10 Total Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$2,751,156	\$2,892,214	\$3,041,385	\$3,177,144	\$3,322,829	\$3,427,001	\$3,550,125	\$3,930,337	\$4,072,046	\$4,249,119	\$4,370,799	\$4,483,669	\$4,636,834	\$4,794,213
11 Expenses																					
12 Purchased Water at Groundwater Rates	\$□	\$0	\$ D	\$0	\$0	\$0	\$□	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Water Treatment Facility Surcharge 14 Operations and Maintenance Expense	\$0	\$0 04.000.046	\$0	\$0	\$0 \$1,096,274	\$0 \$1,129,162	\$0 \$1,163,037	\$0 \$1,208,099	\$0 \$1.252.933	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 #1 001 222	\$0
14 Operations and Maintenance Expense 15 Net Operating Income	\$974,025 \$1,198,775	\$1,003,246 \$1,234,738	\$1,033,343 \$1,271,780	\$1,064,343 \$1,309,934	\$1,096,274	\$1,129,162 \$1,389,709	\$1,163,U37 \$1.431.400	\$1,543,057	\$1,252,933									\$1,753,123 \$2,617,676		\$2,745,612	\$1,963,967 \$2,830,246
	,,	, ,		,		,	,,		, ,								,				,,
16 Plus: Non Operating Income (Expense)	**	***	**		***			**	-			-			***	***		***		**	**
17 Non Operating Revenue 18 Interest Earned on Invested Funds	\$0 \$57.993	\$0 \$67.514	\$0 \$75.488	\$0 \$73.957	\$0 \$90,092	\$0 \$92,905	\$0 \$99,261	\$0 \$156.194	\$0 \$142.463	\$0 \$125,035	\$0 \$115,954	\$0 \$103.804	\$0 \$133.455	\$0 \$145.136	\$0 \$164.525	\$0 \$159,246	\$0 \$123.731	\$0 \$144.001	\$0 \$176.431	\$0 \$170,854	\$0 \$163,471
19 Transfers In	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	\$671,958	\$692,117	\$712,880	\$734,267	\$756,295	\$778,984	\$802,353	\$826,424	\$851,217	\$876,753	\$903,056
20 Water Expansion Fees	\$0	\$141,000	\$145,230	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404	\$151,089	\$154,866	\$158,738	\$162,706	\$133,419	\$136,088	\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
21 Total Non Operating Income	\$557,993	\$723,514	\$751,168	\$769,907	\$806,921	\$831,239	\$859,745	\$911,432	\$919,656	\$924,826	\$939,001										
22 Net Income 23 Less: Water Expansion Fees	\$1,756,768 \$0	\$1,958,252 (\$141,000)	\$2,022,949 (\$145,230)	\$2,079,841 (\$149,587)	\$2,156,153 (\$154,075)	\$2,220,948 (\$158,697)	\$2,291,145 (\$163,458)	\$2,454,488 (\$140,301)	\$2,558,937 (\$143,809)	\$2,666,027 (\$147,404)	\$2,766,130 (\$151,089)	\$2,873,222 (\$154,866)	\$2,978,498 (\$158,738)	\$3,083,667 (\$162,706)	\$3,417,972 (\$133,419)	\$3,520,892 (\$136,088)	\$3,625,212 (\$138,809)			\$3,940,524 (\$147,306)	
24 Net Income Available for Debt Service	\$1,756,768	\$1,817,252	\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128	\$2,518,623			\$2,819,760		\$3,284,553						
25 Senior Lien Debt Service Coverage																					
26 Existing Senior Lien Debt Service 27 New Senior Lien Debt Service	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 SO	\$998,391 \$0	\$998,391 Sn	\$998,391 \$0	\$998,391 Sn	\$998,391 \$0	\$998,391 SO	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 \$0	\$998,391 Sn	\$998,391 \$0	\$998,391 \$0	\$998,391 Si	\$998,391 Sn	\$998,391 \$0
28 Cumulative New Senior Lien Debt for Additional Borrowings	\$D	\$O	\$0 \$0	\$7,632	\$99,976	\$126,662	\$198,969	\$417,651	\$486,395	\$556,806	\$620,845	\$690,141	\$757,342							\$1,431,997	
29 Total Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$1,006,023	\$1,098,367	\$1,125,053	\$1,197,360	\$1,416,042	\$1,484,786	\$1,555,197	\$1,619,236	\$1,688,532	\$1,755,733	\$1,822,245	\$2,106,882	\$2,171,517		\$2,301,398	\$2,365,941		\$2,494,764
30 Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage	\$1,756,768	\$1,817,252	\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128									\$3,588,101			
33 Less: Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,006,023)	(\$1,098,367)	(\$1,125,053)	(\$1,197,360)	(\$1,416,042)	(\$1,484,786)											(\$2,430,388)	
34 Net Income Available for SRF Debt Service Coverage 35 Existing SRF Debt Service	\$758,377 \$0	\$818,861 \$0	\$879,328 \$0	\$924,231 \$0	\$903,711 \$0	\$937,198 \$0	\$930,327 \$0	\$898,145 \$0	\$930,342 \$0	\$963,426 \$0	80 02	\$1,029,823	\$1,064,027	\$1,080,116	\$1,177,671	\$1,213,287 \$0	\$1,249,695	\$1,286,703 \$0	\$1,324,405	\$1,362,631	\$1,402,008 \$0
36 SRF Debt Service Coverage 1.15 Reg'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Income Available for Debt Service 38 Less:	\$1,756,768	\$1,817,252	\$1,877,719	\$1,930,254	\$2,002,078	\$2,062,251	\$2,127,687	\$2,314,187	\$2,415,128	\$2,518,623	\$2,615,041	\$2,718,355	\$2,819,760	\$2,920,961	\$3,284,553	\$3,384,804	\$3,486,403	\$3,588,101	\$3,690,346	\$3,793,219	\$3,896,772
39 Total Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,006,023)	(\$1,098,367)	(\$1,125,053)	(\$1,197,360)	(\$1,416,042)	(\$1,484,786)	(\$1,555,197)	(\$1,619,236)	(\$1,688,532)	(\$1,755,733)	(\$1,822,245)	(\$2,106,882)	(\$2,171,517)	(\$2,236,708)	(\$2,301,398)	(\$2,365,941)	(\$2,430,388)	(\$2,494,764)
40 State Revolving Fund Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41 Payment of Debt Service With Water Impact Fees 42 Payment of Debt Service With Sewer Impact Fees	\$116,626 \$0	\$141,875 \$0	\$145,237 \$0	\$149,587 \$0	\$154,075 \$0	\$158,697 \$0	\$163,458 \$0	\$140,301 \$0	\$143,809 \$0	\$147,404 \$0	\$151,089 \$0	\$154,866 \$0	\$158,738 \$0	\$162,706 \$0	\$133,419 \$0	\$136,088 \$0	\$138,809 \$0	\$141,585 \$0	\$144,417 \$0	\$147,306 \$0	\$150,252
42 Fayment of Debt Service With Sewer Impact Lees 43 Transfer Out	(\$757,000)	(\$779,710)	(\$803,101)	(\$827,194)	(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)											(\$1,327,404)	(\$1.367.226)
44 Capital Outlay	(\$17,000)	(\$17,510)	(\$18,035)	(\$18,576)	(\$19,134)	(\$19,708)	(\$20,299)	(\$20,908)	(\$21,535)	(\$22,181)	(\$22,847)	(\$23,532)	(\$24,238)	(\$24,965)	(\$25,714)	(\$26,485)	(\$27,280)	(\$28,098)	(\$28,941)	(\$29,810)	(\$30,704)
45 Net Cash Flow	\$101,003	\$163,516	\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,922	\$154,330
46 Unrestricted Reserve Fund - Beginning of Year Balance 47 Minimum Working Capital Reserve Target	\$2,729,000 \$243,506	\$2,830,003 \$250,811	\$1,493,519 \$258,336	\$696,947 \$266,086	\$266,086 \$274,068	\$274,068 \$282,290	\$282,290 \$290,759	\$290,759 \$302,025	\$302,025 \$313,233	\$313,233 \$325,046	\$325,046 \$337,504	\$337,504 \$350,099	\$350,099 \$363,394	\$363,394 \$377,142	\$377,142 \$391,651	\$391,651 \$406,368	\$406,368 \$422,200	\$422,200 \$438,281	\$438,281 \$455,243	\$455,243 \$472,806	\$472,806 \$490,992
48 Reserve Fund Balance in Excess of Working Capital Target	\$2,485,494	\$2,579,191	\$1,235,183	\$430,861	\$0	\$0	\$0	\$0	\$015,255	\$0	\$0.57,554	\$0.00,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49 Less: Reserve Fund Balance used for Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund Balance in Excess of Working Capital Target Net of Current Year Cash Flow	\$2,485,494	\$2,579,191	\$1,235,183	\$430,861	\$0	\$0	\$0	\$0	\$0	\$0	50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	s ∩	\$0
OF CHITCH TEST CASH FILW	42,400,434	42,070,101	ψ1,2JU,10J	100,001	\$U	\$U	\$U	φU	au	\$U	\$0	\$U	øU	90	\$0	\$U	au.	90	\$U	øU	40
51 Net Cash Flow After Use of Reserve Funds	\$101,003	\$163,516	\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,922	\$154,330
52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund	\$0 \$101,003	\$163,516	\$0 \$203,428	\$0	\$0 6196.643	\$0 \$199.617	\$169.588	\$0 \$86,524	\$0 \$93,671	\$100,935	\$0 \$106,703	\$0 \$113,293	\$0 \$110.226	\$0 \$124.777	\$0 \$140.346	\$0 \$143,508	\$146.461	\$0 \$148.985	\$0 \$151,139	\$152,922	\$0 \$154,330
53 Net Cash Flow to Unrestricted Reserve Fund 54 Unrestricted Reserve Fund - Beginning of Year Balance	\$101,003	\$163,516 \$2,830,003	\$203,428 \$1,493,519	\$228,047 \$696,947	\$186,642 \$266.086	\$198,617 \$274,068	\$169,588 \$282,290	\$86,524 \$290,759	\$93,671 \$302.025	\$100,935	\$106,703 \$325,046	\$113,293 \$337,504	\$119,226 \$350.099	\$124,777 \$363.394	\$14U,346 \$377,142	\$143,508 \$391,651	\$146,461 \$406,368	\$148,985 \$422,200	\$151,139 \$438,281	\$152,922 \$455,243	\$154,33U \$472,806
55 Cash In(Out) from Rate Revenues	\$101,003	\$163.516	\$203,428	\$228,047	\$186,642	\$198,617	\$169,588	\$86,524	\$93,671	\$100,935	\$106,703	\$113,293	\$119,226	\$124,777	\$140,346	\$143,508	\$146,461	\$148,985	\$151,139	\$152,922	\$154,330
56 Less: Reserve Fund Balance used for Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 Less: Projects Paid with Reserve Funds (Non Specified Funding) 58 Unrestricted Reserve Fund - End of Year Balance	\$0 \$2,830,003	(\$1,500,000) \$1,493,519	(\$1,000,000) \$696,947	(\$658,908) \$266,086	(\$178,659) \$274,068	(\$190,395) \$282,290	(\$161,120) \$290,759	(\$75,258) \$302,025	(\$82,462) \$313,233	(\$89,123) \$325,046	(\$94,245) \$337,504	(\$100,698) \$350,099	(\$105,931) \$363,394	(\$111,029) \$377,142	(\$125,837) \$391,651	(\$128,791) \$406,368	(\$130,629) \$422,200	(\$132,904) \$438,281	(\$134,177) \$455,242	(\$135,360) \$472,805	(\$136,144) \$490,991
59 Minimum Working Capital Reserve Target	\$243,506	\$250,811	\$258,336	\$266,086	\$274,068	\$282,290	\$290,759	\$302,025 \$302,025	\$313,233	\$325,046	\$337,504	\$350,099	\$363,394	\$377,142	\$391,651	\$406,368	\$422,200	\$430,201	\$455,243	\$472,806	\$490,991
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,242,708	\$438,611	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	\$0	(\$0)	(\$0)	(\$0)

(1) Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

ırce: Burton & Associates

C:Data/SJRVMDVAndy/SJRVMD VModels as of 2-1-2004/(FAMS-Typical Utility-SJRVMD_3_No Sewer_GVV:xis]Pro-Forma

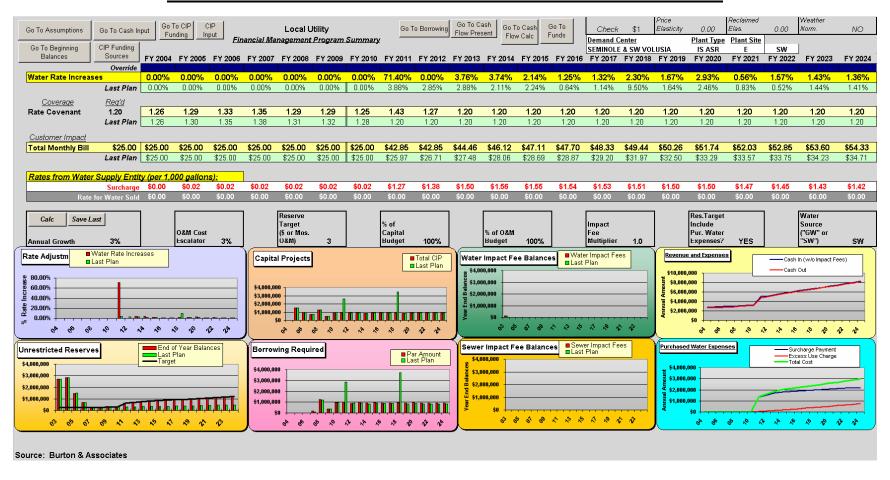
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APPENDIX Ba

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



APPENDIX Ba

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

Local Utility Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2014 FY 2015 FY 2016 FY 2019 0.00% 3.00% 3.00% 3.00% 3.00% 3.00% 3.00% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.00% 2.00% 2.00% 2.00% Revenue Revenue Subject to Rate Increases Water Rate Revenue \$1,900,000 \$1,900,000 \$2.015.710 \$2,076,181 \$2,138,467 \$2,202,621 \$2,268,699 \$3.985.757 \$4,085,401 \$4,344,938 \$4,620,226 \$4,836,884 \$5,019,782 \$5,212,974 \$5,439,623 \$5,641,041 \$5,922,579 \$6,075,094 \$6,293,905 \$6,511,742 Rate Revenue from Growth \$57,000 \$58,710 \$60,471 \$62,285 \$64,154 \$66,079 \$56,717 \$99,644 \$102,135 \$108,623 \$115,506 \$120,922 \$125,495 \$104,259 \$108,792 \$112,621 \$118,452 \$121,502 \$125,678 \$130,235 Proposed Rate Increase SO \$0 \$166,664 \$101,152 \$67,698 \$168 717 Rate Revenue from Rate Increase Total Water Rate Revenue \$2 138 467 \$4,344,938 \$4,620,226 \$4,836,884 \$5,019,782 \$5,212,974 \$5,439,623 \$5,641,041 Other Operating Revenue Other Operating Revenue (1) \$355,942 \$366,620 \$377,619 \$388,948 \$400,616 \$412,634 \$425,014 \$437,764 \$450,897 \$464,424 \$478,366 \$492,707 \$4700,881 \$4,986,846 \$5,214,503 \$45,408,729 \$5,613,590 \$5,652,257 \$6,066,054 \$6,360,343 \$6,525,990 \$6,758,327 \$6,990,097 \$7,225,156 10 Total Operating Revenue \$4,430,976 Purchased Water at Groundwater Rates \$46,929 \$88.643 \$135.571 \$187.714 \$234.643 \$286.786 \$338.929 \$396.286 \$448.429 \$511.000 \$568.357 \$630.929 \$693.500 \$756.071 \$1,350,397 \$1,701,991 \$1,817,358 \$1,860,285 \$1,907,254 \$1,946,777 \$1,984,747 \$2,022,732 \$2,081,246 \$2,099,681 \$2,138,845 \$2,178,219 \$2,217,812 Water Treatment Facility Surcharge \$1,512,487 Operations and Maintenance Expense \$1.064.343 \$1.096.274 \$1,129,162 \$1,370,784 \$1,163,037 \$1 197 928 \$1,233,866 \$1 270 882 \$1,309,008 \$1,348,278 \$1,388,727 \$1,430,389 \$1,473,300 \$1,517,499 \$1,563,024 \$1,609,915 \$1,658,212 \$1,707,959 \$1,759,197 15 Net Operating Income 16 Plus: Non Operating Income (Expense) Non Operating Revenue \$99.797 \$110,252 \$614,937 \$125,223 \$652,387 \$128,219 \$671,958 \$117,254 \$692,117 \$147,758 \$712,880 \$160,288 \$734,267 \$146,881 \$756,295 \$153,390 \$778,984 \$112,923 \$802,353 Interest Earned on Invested Funds \$67.411 \$75.063 \$73.702 \$90.383 \$93,336 \$120,635 \$155 274 \$546,364 \$562,754 \$579,637 \$597,026 \$633,385 \$826,424 \$500,000 \$515,000 \$530,450 Transfers In Water Expansion Fees \$141 000 \$145,230 \$149 587 \$154 075 \$158,697 \$163,458 \$140 301 \$143,809 \$147.404 \$151,089 \$951,266 \$154.866 \$158,738 \$162,706 \$133.419 \$136.088 \$138.809 \$141.585 Total Non Operating Income \$964,238 \$1,019,376 \$2,735,534 \$2,845,339 22 Net Income 23 Less: Water Expansion Fees \$2 202 454 \$2,493,809 (\$140,301) (\$149,587) (\$154,075) (\$158,697) (\$143,809) (\$147,404) (\$151,089) (\$154,866) (\$158,738) (\$162,706) (\$133,419) (\$136,088) (\$138,809) (\$141,585) 24 Net Income Available for Debt Service \$1.803.547 \$1,862,539 \$1 913 982 \$1 984 966 \$2.043.757 \$2 107 594 \$2,451,201 \$2,350,000 \$2.370.046 \$2.472.943 \$2.580.667 \$2.686.601 \$2.792.050 \$2.901.100 \$3.009.768 \$3.120.349 \$3.229.735 \$3.340.141 \$3.451.019 \$3.662.424 25 Senior Lien Debt Service Coverage Existing Senior Lien Debt Service \$998.391 \$999,391 \$99 \$0 \$502,430 New Senior Lien Debt Service \$0 \$860,596 Cumulative New Senior Lien Debt for Additional Borrowings \$135,629 \$998.391 Senior Lien Debt Service Coverage \$2 31 SRF Debt Service Coverage Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service \$1,756,768 \$1,803,547 \$1,862,539 \$1,913,982 \$1,913,982 \$1,984,966 \$2,043,757 \$2,107,594 \$2,451,201 \$2,350,000 \$2,370,046 \$2,472,943 \$2,580,667 \$2,686,601 \$2,792,050 \$2,901,100 \$3,009,768 \$3,120,349 \$3,229,735 \$3,340,141 \$3,451,019 \$3,562,424 (\$998,391) (\$1,010,519) (\$1,104,934) (\$1,134,020) (\$1,209,108) (\$1,209,108) (\$1,209,108) (\$1,353,964) (\$1,431,383) (\$1,500,821) (\$1,573,792) (\$1,644,767) (\$1,714,819) (\$1,787,338) (\$1,858,987) (\$1,931,663) (\$2,002,759) (\$2,074,104) (\$2,145,222) (\$2,216,140) (\$998.391) Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service \$903,463 \$880.032 \$909.737 \$898,486 \$1,164,518 \$996,036 \$938,663 \$972,122 \$1,006,875 \$1,041,834 \$1,077,231 \$1,113,762 \$1,150,781 \$1,188,686 \$1,226,976 \$1,266,037 \$1,305,797 \$1,346,284 1.15 Reg'd SRF Debt Service Coverage 37 Net Income Available for Debt Service \$1,756,768 \$1.803.547 \$1,862,539 \$1 913 982 \$1,984,966 \$2.043.757 \$2 107 594 \$2,451,201 \$2,350,000 \$2,370,046 \$2,472,943 \$2,580,667 \$2,686,601 \$2,792,050 \$2,901,100 \$3,009,768 \$3,120,349 \$3,229,735 \$3,340,141 \$3,451,019 \$3,562,424 Total Senior Lien Debt Service (\$998.391) (\$998.391) (\$998.391) (\$1.010.519) (\$1.104.934) (\$1.134.020) (\$1.209.108) (\$1.286.683) (\$1.353.964) (\$1.431.383) (\$1.500.821) (\$1.573.792) (\$1.644.767) (\$1.714.819) (\$1.787.338) (\$1.868.987) (\$1.931.663) (\$2.002.759) (\$2.074.104) (\$2.145.222) (\$2.216.140) State Revolving Fund Loans \$141,875 \$0 Payment of Deht Service With Water Impact Fees \$116,626 \$145,237 \$149 587 \$154,075 \$158 697 \$163,458 \$140,301 \$143,809 Payment of Debt Service With Sewer Impact Fees (\$779,710) (\$852,010) (\$997,713) (\$1,017,345) (\$1,047,865) (\$1,079,301) (\$1,111,680) (\$1,145,030) (\$1,179,381) (\$1,214,763) (\$1,251,206) (\$1,288,742) (\$1,327,404) (\$1,367,226) (\$757,000) (\$803,101) (\$827,194) (\$877,570) (\$903,898) (\$931,015) (\$958,945) Transfer Out (\$17.510) \$149.811 (\$22,847) \$83,020 (\$24,965) (\$25,714) \$103,292 \$76,437 (\$27,280) (\$28,098) (\$28,941) (\$29,810) \$85,452 \$89,257 \$92,771 \$95,889 44 Capital Outlay 45 Net Cash Flow (\$18,035 (\$19,708) \$171,156 (\$20,908) (\$22,181) \$76,173 (\$23,532) \$90,345 (\$24,238) \$97,033 (\$26,485) \$81,002 \$137,747 \$188,248 \$162,963 \$159,365 \$207,279 \$352,897 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2,830,003 \$1,479,813 \$668,061 \$270,090 \$278.419 \$287,022 \$295,916 \$648.813 \$708,749 \$777 111 \$828 520 \$860.802 \$895.692 \$929,024 \$963 583 \$997 165 \$1 038 818 \$1 069 488 \$1 106 996 \$1 144 919 \$295,916 Minimum Working Capital Reserve Target \$278,419 \$860,802 \$895,692 \$963,583 \$997,165 \$1,038,818 \$1,069,488 \$1,106,996 \$1,144,919 \$1,183,270 \$243,506 \$254,212 \$2,575,791 \$262,024 \$287,022 \$648,813 \$708,749 \$929,024 Reserve Fund Balance in Excess of Working Capital Target Less: Reserve Fund Balance used for Cash Flow \$2,485,494 \$1,217,789 \$397,971 Reserve Fund Balance in Excess of Working Capital Target Net \$2,575,791 \$149,811 \$137,747 51 Net Cash Flow After Use of Reserve Funds \$207,279 \$162,963 \$171,156 \$352,897 \$159,365 \$76,173 \$83,020 \$97,033 \$103,292 \$76,437 \$92,771 52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund \$0 \$89,257 \$207,279 \$76,173 \$98.605 \$95,889 \$149,811 \$188,248 \$137.747 \$352.89 \$97,033 \$76,437 \$85,452 \$162.963 \$159.366 \$83,020 \$90,345 \$81,002 54 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2.830,003 \$1,479,813 \$668,061 \$270.090 \$278,419 \$287,022 \$295,916 \$648.813 \$708,749 \$777,111 \$828,520 \$860,802 \$895,692 \$929.024 \$963,583 \$997.165 \$1,038.818 \$1,069.488 \$1,106.996 \$1,144.919 Cash In(Out) from Rate Revenues \$101,003 \$149,811 \$188,248 \$207,279 \$162,963 \$171,156 \$137,747 \$352,897 \$159,365 \$76,173 \$83,020 \$90,345 \$97,033 \$103,292 \$76,437 \$85,452 \$89,257 \$0 \$92,771 \$0 Less: Reserve Fund Balance used for Cash Flow SΠ SΠ SΠ SΠ SD SΠ SΠ (\$58,063) Less: Projects Paid with Reserve Funds (Non Specified Funding (\$162,553) (\$31.611) Unrestricted Reserve Fund - End of Year Balance \$2,830,003 \$1,479,813 \$668,061 \$270,090 \$278,419 \$295,916 \$708,749 \$828,520 \$860.802 \$929.024 \$963,583 \$997,165 \$1,038,818 \$1,069,488 \$1,106,996 \$1,144,919 \$1,183,270 \$997,165 \$1,038,818 \$1,069,488 \$1,106,996 \$1,144,919 \$1,183,270 \$0 \$0 \$0 \$0 (\$0) (\$0) 59 Minimum Working Capital Reserve Target 60 Excess (Deficiency) of Working Capital Reserves to Target \$295,916 \$648,813 \$708,749 \$828,520 \$860,802 \$895,692 \$929,024 \$963,583

Source: Burton & Associates

C/Data/SIR/MiD/VandyS/R/MiD/Valodels as of 21-2004(FAMS-Typical Utity-SIR/MiD/S) No Sewer_QW/zispPro-Forma

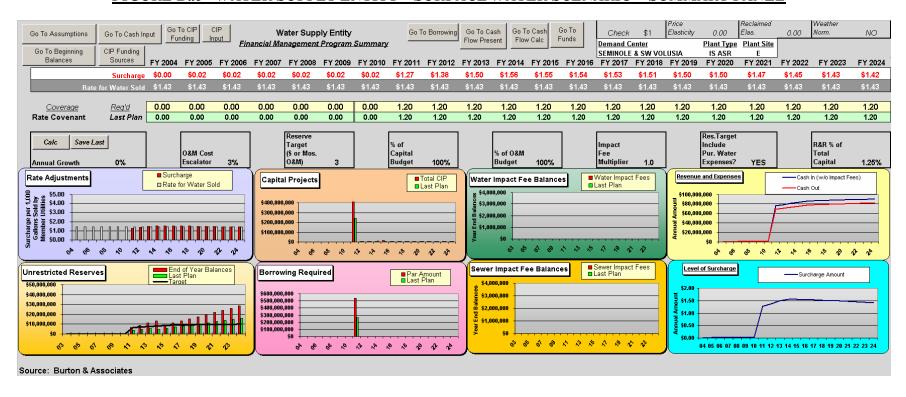
⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

APPENDIX Ba

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba5 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - SUMMARY PANEL



APPENDIX Ba

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Intermittent Source with ASR, Site E FIGURE Ba6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

								em Financi	pply Entity al Managem <i>and Debt Se</i>												
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Revenue																					
2 Surcharge Revenue 3 Delivered Water Revenue	\$0 \$0	\$511,193 \$0	\$551,897 \$0	\$596,021 \$0	\$643,845 \$0	\$695,670 \$0		\$48,980,363 \$12,353,686			\$64,450,752 \$16,133,000		\$65,754,490 \$17,983,029				\$66,224,337 \$20,344,057		\$65,085,592 \$21,265,943		\$64,528,586 \$22,187,829
4 Total Operating Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670	\$753,091	\$61,334,049	\$68,089,702	\$75,716,448	\$80,583,752	\$82,811,469	\$83,737,518	\$84,367,361	\$84,912,555	\$85,428,311	\$86,568,394	\$86,142,813	\$86,351,534	\$86,542,409	\$86,716,415
5 Expenses	***	4545.000	eccc 070	6000 000	F054 450	#704 FF2	87C4 070	800 047 000	e20 227 00F	F24 452 554	800 F04 F44	FOE OFF OF7	#00 007 4F4	enc 000 000	#27 COO 222	F20 200 774	#20 702 F0F	#20 000 000	800 0E4 070	£30 C40 040	#20 007 020
6 Operations and Maintenance Expense 8 Net Operating Income	\$0 \$0	\$515,000 (\$3,807)	\$556,973 (\$5,076)	\$602,366 (\$6,344)	\$651,459 (\$7,613)	\$704,552 (\$8,882)			\$29,237,985 \$38,851,717												
9 Plus: Non Operating Income (Expense)																					
10 Non Operating Revenue 11 Interest Earned on Invested Funds	\$0 \$3,778	\$0 \$3,807	\$0 \$5,076	\$0 \$6,344	\$0 \$7,613	\$0 \$8,882	\$0 \$8.882	\$0 \$14,781,869	\$0 \$10,316,831	\$0 \$4.904.651	\$0 \$2,176,310	\$0 \$2,305,101	\$0 \$2,060,845	\$0 \$2.082.087	\$0 \$2,157,880	\$0 \$2,233,672	\$0 \$1,656,413	\$0 \$2,385,258	\$0 \$2,461,051	\$0 \$2,536,843	\$0 \$2,612,636
12 Transfers In	\$0 \$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	\$0
13 Water Expansion Fees 14 Total Non Operating Income	\$3,778	\$3,807	\$0 \$5,076	\$0 \$6,344	\$7,613	\$0 \$8,882	\$0 \$8,882		\$10,316,831	\$4,904,651									\$0 \$2,461,051	\$2,536,843	\$2,612,636
15 Net Income	\$3,778 \$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$49,168,548 \$0	\$49,168,548 \$0	\$49,168,548 \$0	\$49,168,548 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212 \$0	\$49,461,212
16 Less: Water Expansion Fees 17 Net Income Available for Debt Service	\$3,778	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	\$0 (\$0)	(\$0)						\$49,461,212								
18 Senior Lien Debt Service Coverage								-			-						-		-		-
19 Existing Senior Lien Debt Service 20 New Senior Lien Debt Service	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$U \$0	\$U \$0	\$U \$0	SO SO	\$U \$0	\$U \$0	\$U \$0	\$U \$0	\$U \$0	SO SO	\$U \$0	\$U \$0	\$U \$0
21 Cumulative New Senior Lien Debt for Additional Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$40,973,790	\$40,973,790	\$40,973,790			\$41,217,678	\$41,217,678	\$41,217,678	\$41,217,678		\$41,217,678	\$41,217,678	
22 Total Senior Lien Debt Service 23 Senior Lien Debt Service Coverage 1.2 Reg'd	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$40,973,790 \$1	\$40,973,790 \$1	\$40,973,790 \$1	\$40,973,790 \$1	\$41,217,678 \$1		\$41,217,678 \$1	\$41,217,678 \$1	\$41,217,678 \$1	\$41,217,678 \$1		\$41,217,678 \$1	\$41,217,678 \$1	\$41,217,678 \$1
23 Senior Lien Debt Service Coverage 1.2 Req'd	åΠ	\$U	\$U	\$U	\$U	åΠ	\$U	\$1	3 1	91	\$1	91	\$1	91	\$1	91	\$1	91	\$1	31	\$1
24 SRF Debt Service Coverage																					
25 Net Income Available for Senior Lien Debt Service Coverage 26 Less: Senior Lien Debt Service	\$3,778 \$0	(\$0) \$∩	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$∩		\$49,168,548 (\$40,973,790)	\$49,168,548 (\$40,973,790)				\$49,461,212 (\$41,217,678)								
27 Net Income Available for SRF Debt Service Coverage	\$3,778	(\$D)	(\$0)	(\$0)	(\$0)	(\$0)	(\$□)	\$8,194,758		\$8,194,758	\$8,194,758	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534	\$8,243,534
28 Existing SRF Debt Service 29 SRF Debt Service Coverage 1.15 Reg'd	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
· ·									*-							•-					*-
30 Net Income Available for Debt Service 31 Less:	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$49,168,548	\$49,168,548	\$49,168,548	\$49,168,548	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212	\$49,461,212
32 Total Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0		(\$40,973,790)	(\$40,973,790)	(\$40,973,790)			(\$41,217,678)							(\$41,217,678)	
33 State Revolving Fund Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0
34 Payment of Debt Service With Water Impact Fees 35 Transfer Out	\$0 \$0	\$0 \$0	\$0 90	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 50	\$0 \$0	\$0 \$0		\$0 \$0	\$0 50	\$0 \$0	\$0 50	\$0 \$0	\$0 50	\$0 \$0	\$0 90	\$0 \$0	\$0 90
36 Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Cash Flow 38 Unrestricted Reserve Fund - Beginning of Year Balance	\$3,778 \$250,000	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	(\$0) \$253,778	\$8,194,758 \$253,778	\$8,194,758 \$6,736,842	\$8,194,758 \$8,853,571				\$8,243,534	\$8,243,534 \$13,244,855				\$8,243,534 \$21,906,886	\$8,243,534 \$24,072,394	\$8,243,534 \$26,237,902
39 Minimum Working Capital Reserve Target	\$250,000	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$6,736,842	\$7,309,496	\$7,863,138		\$8,913,839		\$9,247,059	\$9,402,306				\$9,837,843		
40 Reserve Fund Balance in Excess of Working Capital Target	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$990,434			\$0	\$1,832,288	\$3,842,549				\$12,069,043		
41 Less: Reserve Fund Balance used for Cash Flow Reserve Fund Balance in Excess of Working Capital Target Net	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
of Current Year Cash Flow	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$990,434	\$2,572,422	\$4,173,190	\$0	\$1,832,288	\$3,842,549	\$5,860,170	\$7,884,971	\$9,974,663	\$12,069,043	\$14,167,883	\$16,270,942
43 Net Cash Flow After Use of Reserve Funds	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$8,194,758		\$8,194,758				\$8,243,534	\$8,243,534						
44 Less: CIP Projects Designated to be Paid with Cash 45 Net Cash Flow to Unrestricted Reserve Fund	\$0 \$3,778	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$8,194,758	\$8,194,758	\$8,194,758	\$8,194,758	\$8.243.534	\$8,243,534	\$8.243.534	\$8,243,534	\$8,243,534	\$8,243,534	\$8.243.534	\$8,243,534	\$8,243,534	\$8,243,534
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$6,736,842	\$8,853,571	\$10,970,300	\$13,087,029	\$8,913,839	\$11,079,347	\$13,244,855	\$15,410,362	\$17,575,870	\$19,741,378	\$21,906,886	\$24,072,394	\$26,237,902
47 Cash In(Out) from Rate Revenues	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$8,194,758	\$8,194,758	\$8,194,758				\$8,243,534	\$8,243,534				\$8,243,534	\$8,243,534	\$8,243,534
48 Less: Reserve Fund Balance used for Cash Flow 49 Less: Projects Paid with Reserve Funds (Non Specified Funding)	\$0 \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$1.711.69A)	\$0 (\$6,078,029)	(\$6.078.029)	\$0 (\$6,078,029)	\$0 (\$12.416.727)	\$0 (\$6,078,029)	\$0 (\$6.078.029)	\$0 (\$6,078,029)	\$0 (\$6.078.029)	\$0 (\$6,078,029) (\$0 (\$6.078.029)	\$0 (\$6,078,029)	(\$6.078.070)	\$0 (\$6,078,029)
50 Unrestricted Reserve Fund - End of Year Balance	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$6,736,842	\$8,853,571	\$10,970,300	\$13,087,029	\$8,913,837	\$11,079,345	\$13,244,852	\$15,410,360	\$17,575,868	\$19,741,376	\$21,906,883	\$24,072,391	\$26,237,899	\$28,403,407
51 Minimum Working Capital Reserve Target 3 Mo O&	\$0	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$6,736,842		\$7,863,138				\$9,247,059	\$9,402,306						\$9,966,960
52 Excess (Deficiency) of Working Capital Reserves to Target	\$253,778	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	(\$0)	\$1,544,075	\$3,107,163	\$4,689,151	(\$2)	\$1,995,057	\$3,997,793	\$6,008,054	\$8,U25,6/5	\$10,050,477	\$12,14U,169	\$14,234,548	\$16,535,589	\$18,436,447

Source: Burton & Associates

C:DataisRrWMDVIndySRrWMD VModels as of 24-2004/FAMS-Weiter Supply Entity-SRRWMD_4-1x8/Pro-Forma

APPENDIX Bb Seminole and SW Volusia Demand Center Reliable Source ASR Site E Just-in-Time Rates

Figure	
Number	Title
Bb1	Utility – Groundwater Scenario – Summary Panel
Bb2	Utility – Groundwater Scenario – Proforma
Bb3	Utility – Surface Water Scenario – Summary Panel
Bb4	Utility – Surface Water Scenario – Proforma
DI Z	
Bb5	Water Supply Entity – Surface Water Scenario – Summary Panel
Bb6	Water Supply Entity – Surface Water Scenario – Proforma

APPENDIX Bb

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source with ASR, Site E FIGURE Bb1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

FIGURE Bb2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

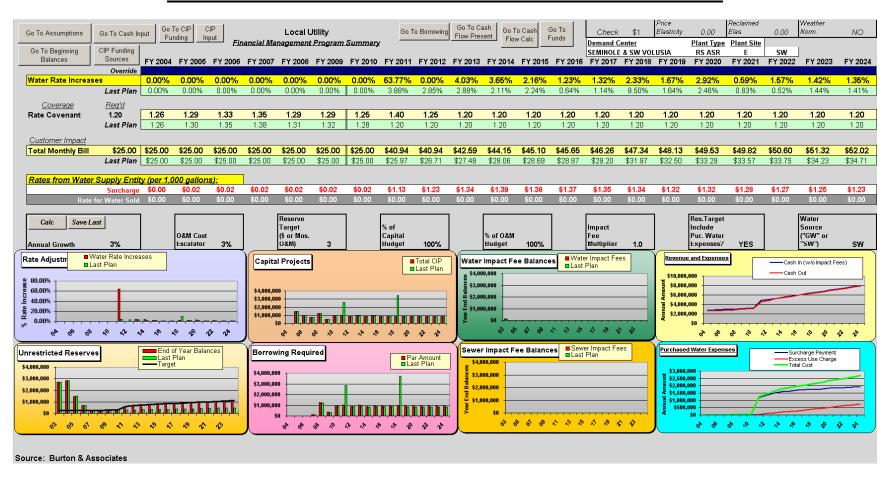
Same as Figures Ba1 and Ba2

APPENDIX Bb

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source with ASR, Site E FIGURE Bb3 - UTILITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source with ASR, Site E FIGURE Bb4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

					Wa	ter and Sew	er System F	Local Utility		rogram Sun	nmarv										
								enues and D			illinear y										
Water Growth	FY 2004 0.00%	FY 2005 3.00%	FY 2006 3.00%	FY 2007 3.00%	FY 2008 3.00%	FY 2009 3.00%	FY 2010 3.00%	FY 2011 2.50%	FY 2012 2.50%	FY 2013 2.50%	FY 2014 2.50%	FY 2015 2.50%	FY 2016 2.50%	FY 2017 2.50%	FY 2018 2.00%	FY 2019 2.00%	FY 2020 2.00%	FY 2021 2.00%	FY 2022 2.00%	FY 2023 2.00%	FY 2024 2.00%
1 Revenue	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.00%	2.30%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2 Revenue Subject to Rate Increases 3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$3,808,233	\$3,903,439	\$4,162,341	\$4,422,123	\$4,630,419	\$4,804,663	\$4,989,862	\$5,208,410	\$5,401,386	\$5,670,187	\$5,817,534	\$6,026,853	\$6,234,825
4 Rate Revenue from Growth	\$1,500,000	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$95,206	\$97,586	\$104,059	\$110,553	\$115,760	\$120,117	\$99,797	\$104,168	\$108,028	\$113,404	\$116,351	\$120,537	\$124,697
5 Proposed Rate Increase	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 Rate Revenue from Rate Increase 7 Total Water Rate Revenue	\$0 \$1,900,000	\$0 \$1.957.000	\$2.015.710	\$0 \$2.076.181	\$0 \$2.138.467	\$0 \$2,202,621	\$0 \$2,268,699	\$1,482,816 \$3,808,233	\$0 \$3,903,439	\$161,316 \$4,162,341	\$155,723 \$4,422,123	\$97,743 \$4,630,419	\$58,484 \$4.804.663	\$65,083 \$4,989,862	\$118,751 \$5,208,410	\$88,808 \$5,401,386	\$160,772 \$5.670.187	\$33,943 \$5,817,534	\$92,968 \$6.026.853	\$87,435 \$6.234.825	\$85,752 \$6,445,274
8 Other Operating Revenue																					
9 Other Operating Revenue (1)	\$272,800 \$2,172,800	\$280,984 \$2,237,984	\$289,414 \$2,305,124	\$298,096 \$2,374,277	\$307,039 \$2,445,506	\$316,250 \$2,518,871	\$325,737 \$2,594,437	\$335,510 \$4,143,743	\$345,575 \$4,249,014	\$355,942	\$366,620 \$4,788,743	\$377,619	\$388,948 \$5,193,611	\$400,616 \$5,390,478	\$412,634	\$425,014 \$5,826,400	\$437,764 \$6,107,950	\$450,897	\$464,424 \$6,491,277	\$478,356 \$6,713,182	
10 Total Operating Revenue	\$2,172,000	\$2,237,964	\$2,305,124	\$2,374,277	82,445,5Ub	\$2,510,0/1	\$2,594,457	\$4,145,745	\$4,249,014	\$4,510,203	\$4,700,743	95,UU8,U36	10,193,011	\$5,390,476	\$5,621,045	\$5,626,400	36,107,950	\$6,268,431	36,491,277	\$6,713,162	108, 758, 04
11 Expenses																					
12 Purchased Water at Groundwater Rates 13 Water Treatment Facility Surcharge	\$0 \$0	\$0 \$13,603	\$0 \$14.754	\$0 \$16.018	\$0 \$17.404	\$0 \$18.925	\$0 \$20,629	\$46,929 \$1,207,880	\$88,643 \$1,350,221	\$135,571 \$1,516,714	\$187,714 \$1,616,802	\$234,643 \$1,651,478	\$286,786 \$1,689,939	\$338,929 \$1,721,597	\$396,286 \$1,751,596	\$448,429 \$1,781,272	\$511,000 \$1,829,377	\$568,357 \$1.840.578	\$630,929 \$1,870,397	\$693,500 \$1.900.048	
14 Operations and Maintenance Expense	\$974,025	\$1,003,246	\$1,033,343	\$1,064,343	\$1,096,274	\$1,129,162	\$1,163,037	\$1,197,928	\$1,233,866	\$1,270,882	\$1,309,008	\$1,348,278	\$1,388,727	\$1,430,389	\$1,473,300	\$1,517,499	\$1,563,024	\$1,609,915	\$1,658,212	\$1,707,959	\$1,759,197
15 Net Operating Income	\$1,198,775	\$1,221,135	\$1,257,026	\$1,293,916	\$1,331,828	\$1,370,784	\$1,410,772	\$1,691,006	\$1,576,285	\$1,595,116	\$1,675,219	\$1,773,638	\$1,828,159	\$1,899,564	\$1,999,863	\$2,079,201	\$2,204,549	\$2,249,580	\$2,331,739	\$2,411,675	\$2,493,187
16 Plus: Non Operating Income (Expense)																					
17 Non Operating Revenue 18 Interest Earned on Invested Funds	\$0 \$57.993	\$0 \$67.411	\$0 \$75.063	\$0 \$73.702	\$0 \$90.383	\$0 \$93.336	\$0 \$99.797	\$0 \$109.629	\$0 \$119.328	\$0 \$123.747	\$0 \$126.560	\$0 \$115.483	\$0 \$145.907	\$0 \$158.359	\$0 \$144.877	\$0 \$151,309	\$0 \$112.911	\$0 \$153.020	\$0 \$156.251	\$0 \$161.425	\$0 \$164.777
18 Interest Carned on Invested Funds 19 Transfers In	\$500,000	\$515,000	\$530,450	\$546.364	\$562,754	\$579.637	\$597,026	\$614.937	\$633.385	\$652.387	\$671.958	\$692,117	\$712,880	\$734.267	\$756.295	\$778.984	\$802.353	\$826,424	\$851.217	\$876.753	\$903.056
20 Water Expansion Fees	\$0	\$141,000	\$145,230	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404	\$151,089	\$154,866	\$158,738	\$162,706	\$133,419	\$136,088	\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
21 Total Non Operating Income 22 Net Income	\$567,993 \$1,756,768	\$723,411 \$1,944,547	\$750,743 \$2,007,769	\$769,652 \$2,063,569	\$807,212 \$2,139,040	\$831,670 \$2,202,454	\$860,280 \$2,271,052	\$864,867 \$2,555,873	\$896,521 \$2,472,806	\$923,537 \$2,518,654	\$949,608 \$2,624,827	\$962,466 \$2,736,105	\$1,017,525 \$2,845,684	\$1,055,332 \$2,954,896	\$1,034,591 \$3,034,455	\$1,066,380 \$3,145,581		\$1,121,029 \$3,370,610	\$1,151,885 \$3,483,624	\$1,185,484	
23 Less: Water Expansion Fees	\$0.750,700	(\$141,000)	(\$145,230)	(\$149,587)	(\$154,075)	(\$158,697)	(\$163,458)	(\$140,301)	(\$143,809)	(\$147,404)		(\$154,866)	(\$158,738)	(\$162,706)	(\$133,419)		(\$138,809)		(\$144,417)		
24 Net Income Available for Debt Service	\$1,756,768	\$1,803,547	\$1,862,539	\$1,913,982	\$1,984,966	\$2,043,757	\$2,107,594	\$2,415,572	\$2,328,997	\$2,371,250	\$2,473,738	\$2,581,239	\$2,686,946	\$2,792,190	\$2,901,036	\$3,009,493	\$3,119,814	\$3,229,024	\$3,339,207	\$3,449,853	\$3,561,020
25 Senior Lien Debt Service Coverage 26 Existing Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
27 New Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28 Cumulative New Senior Lien Debt for Additional Borrowings	\$0	\$0	\$0	\$12,128	\$106,543	\$135,629	\$210,717	\$288,292	\$357,089	\$433,995	\$503,092	\$575,877	\$646,664	\$716,545	\$788,893	\$860,367				\$1,145,859	
29 Total Senior Lien Debt Service 30 Senior Lien Debt Service Coverage 1.2 Req'd	\$998,391 \$2	\$998,391 \$2	\$998,391 \$2	\$1,010,519 \$2	\$1,104,934 \$2	\$1,134,020 \$2	\$1,209,108 \$2	\$1,286,683 \$2	\$1,355,480 \$2	\$1,432,386 \$2	\$1,501,483 \$2	\$1,574,268 \$2	\$1,645,055 \$2	\$1,714,936 \$2	\$1,787,284 \$2	\$1,858,758 \$2	\$1,931,217 \$2	\$2,002,167 \$2	\$2,073,325 \$2	\$2,144,250 \$2	\$2,214,970 \$2
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage	\$1,756,768	\$1,803,547	\$1,862,539	\$1,913,982	\$1,984,966	\$2,043,757	\$2,107,594	\$2,415,572	\$2,328,997		\$2,473,738										
33 Less: Senior Lien Debt Service 34 Net Income Available for SRF Debt Service Coverage	(\$998,391) \$758,377	(\$998,391) \$805,156	(\$998,391) \$864.148	(\$1,010,519) \$903,463	(\$1,104,934) \$880.032	(\$1,134,020) \$909,737	(\$1,209,108) \$898.486	(\$1,286,683) \$1,128,889	(\$1,355,480) \$973,517	(\$1,432,386) \$938,864	(\$1,501,483)					(\$1,858,758) \$1,150,735			(\$2,073,325) \$1,265,882		
34 Net income Available for SRF Debt Service Coverage 35 Existing SRF Debt Service	71c, ac 16 08	001,000¢ 02	\$004,140 \$0	\$905,485 02	\$000,032	\$9U9,737 08	\$090,400 \$0	\$1,120,009	\$973,517 0 8	\$930,004	\$972,250	176,000,1¢ 08	\$1,041,091	\$1,077,254	\$1,113,752	\$1,100,735 0 2	\$1,100,597 O2	\$1,220,007	\$1,200,002	02	02 02
36 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Income Available for Debt Service 38 Less:	\$1,756,768	\$1,803,547	\$1,862,539	\$1,913,982	\$1,984,966	\$2,043,757	\$2,107,594	\$2,415,572	\$2,328,997	\$2,371,250	\$2,473,738	\$2,581,239	\$2,686,946	\$2,792,190	\$2,901,036	\$3,009,493	\$3,119,814	\$3,229,024	\$3,339,207	\$3,449,853	\$3,561,020
39 Total Senior Lien Debt Service	(\$998,391)	(\$998,391)	(\$998,391)	(\$1,010,519)	(\$1,104,934)	(\$1,134,020)	(\$1,209,108)	(\$1,286,683)	(\$1,355,480)		(\$1,501,483)										(\$2,214,970)
40 State Revolving Fund Loans 41 Payment of Debt Service With Water Impact Fees	\$0 \$116,626	\$0 \$141,875	\$0 \$145,237	\$0 \$149,587	\$0 \$154,075	\$0 \$158,697	\$0 \$163,458	\$0 \$140,301	\$0 \$143,809	\$0 \$147,404	\$0 \$151,089	\$0 \$154,866	\$0 \$158,738	\$0 \$162,706	\$0 \$133,419	\$0 \$136,088	\$0 \$138.809	\$0 \$141.585	\$0 \$144.417	\$0 \$147.306	\$0 \$150,252
41 Payment of Debt Service With Water Impact Fees 42 Payment of Debt Service With Sewer Impact Fees	\$116,020 \$0	\$141,075 \$D	\$145,237 \$ 0	\$149,567	\$154,075	\$100,007 0\$	\$163,450	\$140,301	\$143,009 \$0	\$147,404	\$00,101¢	000,4016 D\$	\$100,730	\$162,706	\$133,419	\$136,000	\$130,009	\$141,585 \$0	\$144,417	\$147,306	\$150,252
43 Transfer Out	(\$757,000)	(\$779,710)	(\$803,101)	(\$827,194)	(\$852,010)	(\$877,570)	(\$903,898)	(\$931,015)	(\$958,945)		(\$1,017,345)										
44	(\$17,000) \$101,003	(\$17,510) \$149,811	(\$18,035) \$188,248	(\$18,576) \$207,279	(\$19,134) \$162,963	(\$19,708) \$171,156	(\$20,299) \$137,747	(\$20,908) \$317,268	(\$21,535) \$136,846	(\$22,181) \$76,373	(\$22,847) \$83,152	(\$23,532) \$90,440	(\$24,238) \$97,090	(\$24,965) \$103,315	(\$25,714) \$76,426	(\$26,485) \$80,956	(\$27,280) \$85,363	(\$28,098) \$89,139	(\$28,941) \$92,616	(\$29,810) \$95,695	(\$30,704) \$98,371
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,479,813	\$668,061	\$270,090	\$278,419	\$287,022	\$295,916	\$613,184	\$668,182	\$730,792	\$778,381	\$808,600	\$841,363	\$872,729	\$905,295	\$936,800	\$975,850	\$1,004,713		
47 Minimum Working Capital Reserve Target	\$243,506	\$254,212	\$262,024	\$270,090	\$278,419	\$287,022	\$295,916	\$613,184	\$668,182	\$730,792	\$778,381	\$808,600	\$841,363	\$872,729	\$905,295	\$936,800		\$1,004,713		\$1,075,377	
48 Reserve Fund Balance in Excess of Working Capital Target 49 Less: Reserve Fund Balance used for Cash Flow	\$2,485,494 \$0	\$2,575,791 \$0	\$1,217,789 sn	\$397,971 \$0	\$0 \$0	\$0 \$0	\$0 \$1	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
50 Reserve Fund Balance in Excess of Working Capital Target Net		*-	•		40	40				*-	40		•		***		40	40	*~		
of Current Year Cash Flow	\$2,485,494	\$2,575,791	\$1,217,789	\$397,971	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51 Net Cash Flow After Use of Reserve Funds 52 Less: CIP Projects Designated to be Paid with Cash	\$101,003 \$0	\$149,811 \$0	\$188,248	\$207,279 \$0	\$162,963 \$0	\$171,156	\$137,747 \$0	\$317,268	\$136,846	\$76,373	\$83,152	\$90,440	\$97,090	\$103,315	\$76,426	\$80,956 \$0	\$85,363	\$89,139	\$92,616	\$95,695	\$98,371
52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund	\$101,003	\$149,811	\$188.248	\$207,279	\$162,963	\$171,156	\$137,747	\$0 \$317,268	\$136,846	\$76,373	\$0 \$83.152	\$0 \$90,440	\$0 \$97,090	\$103.315	\$76,426	\$80,956	\$85.363	\$0 \$89,139	\$0 \$92,616	\$95,695	\$98,371
54 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,479,813	\$668,061	\$270,090	\$278,419	\$287,022	\$295,916	\$613,184	\$668,182	\$730,792	\$778,381	\$808,600	\$841,363	\$872,729	\$905,295	\$936,800	\$975,850	\$1,004,713	\$1,039,884	\$1,075,377
55 Cash In(Out) from Rate Revenues	\$101,003	\$149,811	\$188,248 \$0	\$207,279	\$162,963	\$171,156	\$137,747	\$317,268	\$136,846	\$76,373	\$83,152	\$90,440	\$97,090	\$103,315	\$76,426	\$80,956	\$85,363	\$89,139	\$92,616	\$95,695 \$0	\$98,371
56 Less: Reserve Fund Balance used for Cash Flow 57 Less: Projects Paid with Reserve Funds (Non Specified Funding).	\$0 \$⊓	\$0 (\$1.500.000)	(\$1.000.000)	\$0 (\$605,250)	\$0 (\$154.633)	\$0 (\$162,553)	\$0 (\$128.853)	\$0 \$∩	\$0 (\$81.848)	\$0 (\$13.764)	\$0 (\$35.563)	\$0 (\$60.221)	\$0 (\$64.327)	\$0 (\$71.950)	\$0 (\$43.860)	\$0 (\$49.452)	\$0 (\$46.313)	\$0 (\$60,276)	\$0 (\$57,444)		\$0 (\$62,549)
58 Unrestricted Reserve Fund - End of Year Balance	\$2,830,003	\$1,479,813	\$668,061	\$270,090	\$278,419	\$287,022	\$295,916	\$ 613,184	\$668,182	\$730,792	\$778,381	\$808,600	\$841,363	\$872,729	\$905,295	\$936,800	\$975,850	\$1,004,713	\$1,039,884	\$1,075,377	\$1,111,199
59 Minimum Working Capital Reserve Target	\$243,506	\$254,212	\$262,024	\$270,090	\$278,419	\$287,022	\$295,916	\$613,184	\$668,182	\$730,792	\$778,381	\$808,600	\$841,363	\$872,729	\$905,295	\$936,800				\$1,075,377	\$1,111,199
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,225,601	\$406.037	SO	\$0	50	\$0	\$0	(\$ 0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$ 0	(\$0)	90	S O	50

(1) Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

Source: Burton & Associates

C:Data/SJRVMDVAndy/SJRVMD VModels as of 2-1-2004(FAMS-Typical Utility-SJRVMD_3_No Sewer_GVVxts]Pro-Forma

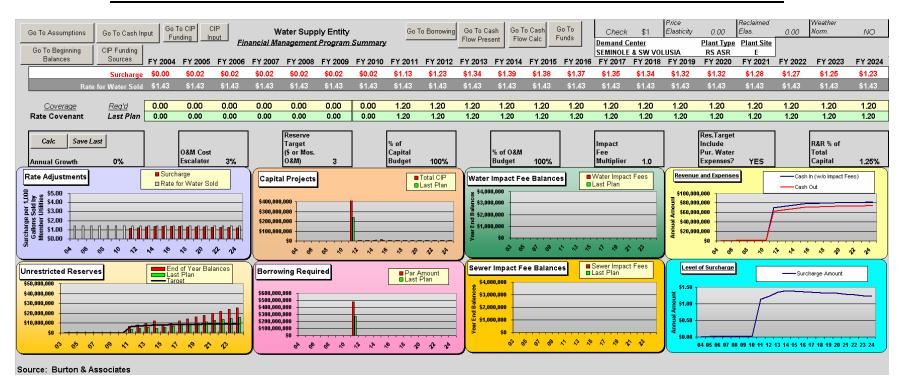
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APPENDIX Bb

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source with ASR, Site E FIGURE Bb5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source with ASR, Site E FIGURE Bb6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

Water Supply Entity Water and Sewer System Financial Management Program Summary

FY 2004 FY 2005 FY 2006 FY 2007 FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 FY 2020 FY 2021 FY 2022 I	Y 2023 FY 2024
1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001 1.0001	
1 Revenue	
2 Suchange Revenue \$0 \$511,93 \$551,997 \$596,021 \$643,945 \$895,970 \$733,991 \$43,911,086 \$48,631,796 \$542,199,74 \$67,332,231 \$69,075,792,271 \$69,075,076,072 \$69,076,076 \$772,502 \$69,016,683 \$89 \$10 \$0 \$0 \$0 \$10 \$12,936,986 \$15,013,996 \$161,330.09 \$181,332,91 \$187,332,971 \$177,392,771 \$177,392,971 \$177,392	
4 Total Deteration Revenue \$0 \$ \$51,1193 \$551,997 \$560,021 \$643,984 \$495,570 \$733,091 \$551,477 \$822,6253 \$990,031,02 \$734,7123 \$734,723 \$7	
5 Expenses \$0 \$615,000 \$656,973 \$602,366 \$651,459 \$704,552 \$761,973 \$25,538,739 \$27,653,204 \$29,686,603 \$31,636,384 \$33,506,029 \$34,071,942 \$34,604,329 \$95,103,798 \$35,571,010 \$36,006,680 \$36,197,802 \$36,367,974 \$35,006,680 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,006,80 \$36,197,802 \$36,197,	E10.000 #20.040.1E3
b Uperations and materianine expense 90 301,000 3000,073 3002,000 8001,000 3100,000 300,000 310,000,000 310,00	
a feeboot) feeboot) feeboot) feebooth feebooth and the fe	,141,000 041,010,002
9 Plus: Non Operating Income (Expense)	
10 Non Operating Revenue \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$U \$U 274.422 \$2.342.044
11 Interest Earned on Invested Funds \$3,778 \$3,907 \$5,076 \$6,344 \$7,613 \$8,982 \$9,982 \$13,160,969 \$9,194,653 \$4,379,203 \$1,951,665 \$2,058,991 \$1,847,998 \$1,896,805 \$1,936,308 \$2,033,990 \$1,474,073 \$2,139,176 \$2,206,799 \$.,274,422 \$2,342,U44 \$0 \$0
1.2 Iransisters in 90 90 90 90 90 90 90 90 90 90 90 90 90	\$0 \$0 \$∩ \$∩
	274,422 \$2,342,044
	.021.426 \$44.021.426
16 Less: Water Expansion Fees \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
17 Net Income Available for Deht Service \$3,778 (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) \$43,786,702 \$43,786,702 \$43,786,702 \$44,021,426 \$44,021	,021,426 \$44,021,426
18 Senior Lien Debt Service Coverage	
19 Existing Senior Lien Debt Service \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
20 New Senior Lien Debt Senice \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
21 Cumulative New Senior Lien Debt for Additional Biorrowings \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$56,489,918 \$366,489,918 \$366,889,918 \$366,894,522 \$366,884,522 \$	
TE 1000 00000 E100 000 100 000 100 E100 000 E100 000 100 E100 000 E100 000 100 E100 000 E100	,684,522 \$36,684,522 \$1 \$1
23 Senior Lien Debt Service Coverage 1.2 Regid \$0 \$0 \$0 \$0 \$0 \$0 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1	31 31
24 SRF Debt Service Coverage	
25 Net Income Available for Senior Lien Debt Service Coverage \$3,778 (\$0) (\$0) (\$0) (\$0) (\$0) \$43,786,702 \$43,786,702 \$43,786,702 \$44,021,426 \$44,021,	
26 Less: Senior Lien Debt Service \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	
	,336,904 \$7,336,904
28 Existing SRF Debt Service \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0
29 SRF Debt Service Coverage 1.15 Req'd \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$U \$U
30 Net Income Available for Debt Service \$3,778 (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) (\$0)	,021,426 \$44,021,426
31 Less:	
32 Total Senior Lien Debt Senice \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	
33 State Revolving Fund Loans \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0
34 Payment of Debt Service With Water Impact Fees \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0
35 (TATHER COLL) 30 30 30 30 30 30 30 30 30 30 30 30 30	\$0 \$0
	336.904 \$7.336.904
	,901,065 \$23,833,144
39 Minimum Working Capital Reserve Target \$0 \$128,750 \$139,243 \$150,591 \$162,865 \$176,138 \$190,493 \$6,384,685 \$6,913,301 \$7,421,401 \$7,909,096 \$8,376,507 \$8,517,986 \$8,651,082 \$8,975,594 \$8,982,753 \$9,001,670 \$9,049,450 \$9,091,993 \$	129,524 \$9,162,288
40 Reserve Fund Balance in Excess of Working Capital Target \$250,000 \$125,028 \$114,535 \$103,187 \$90,914 \$77,640 \$63,285 \$0 \$0 \$66,243 \$2,261,506 \$3,887,054 \$0 \$1,667,505 \$3,464,717 \$5,279,994 \$7,103,156 \$8,987,455 \$10,876,992 \$1	
41 Less: Reserve Fund Balance used for Cash Flow \$0 (\$0) (\$0) (\$0) (\$0) (\$0) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
42 Reserve Fund Balance in Excess of Working Capital Target Net	
** of Current Year Cash Flow \$250,000 \$125,028 \$114,535 \$103,187 \$90,914 \$77,640 \$63,285 \$0 \$0 \$9856,243 \$2,261,506 \$3,887,054 \$0 \$1,657,505 \$3,464,717 \$5,279,994 \$7,103,156 \$89,987,455 \$10,876,599 \$1	,771,540 \$14,670,857
43 Net Cash Flow After Use of Reserve Funds \$3,778 \$0 \$0 \$0 \$0 \$0 \$7,297,784 \$7,297,784 \$7,297,784 \$7,297,784 \$7,336,904	,336,904 \$7,336,904
44 Less: CIP Projects Designated to be Paid with Cash \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
	,336,904 \$7,336,904
	,901,065 \$23,833,144
	,336,904 \$7,336,904
48 Less Reserve Fruir Balance used for Cash Flow \$0 (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0
	.833.144 \$25,765,224
	.129.524 \$9.162.288

Source: Burton & Associates
C:Datais_RVMpUAndy/S_FVMpD V/Models as of 2-1-2004/[FAMS-V/ster Supply Entity-S_FVMpD_4.xts]Pro-Forme

2/8/2004

APPENDIX Bc

Seminole and SW Volusia Demand Center Reliable Source Without ASR Site E Just-in-Time Rates

Figure Number Title Bc1 Utility – Groundwater Scenario – Summary Panel Bc2 Utility – Groundwater Scenario – Proforma Bc3 Utility – Surface Water Scenario – Summary Panel Bc4 Utility – Surface Water Scenario – Proforma Bc5 Water Supply Entity – Surface Water Scenario – Summary Panel Bc6 Water Supply Entity – Surface Water Scenario – Proforma

APPENDIX Bc

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source without ASR, Site E

FIGURE Bc1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

FIGURE Bc2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

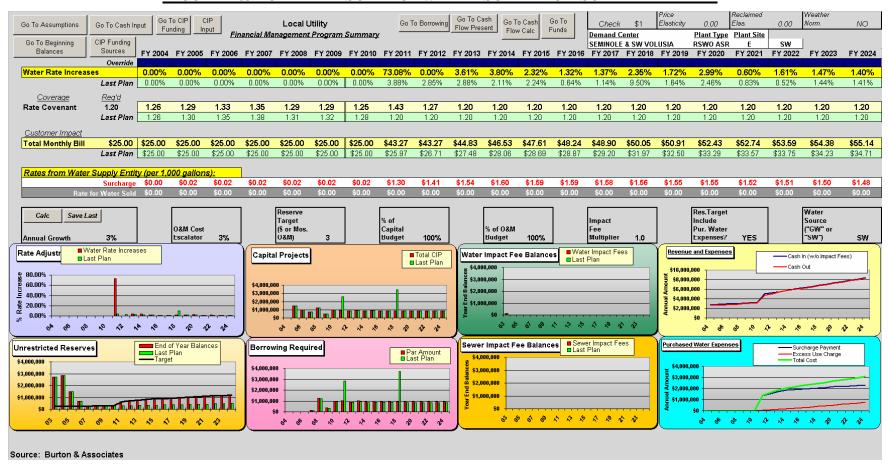
Same as Figures Ba1 and Ba2

APPENDIX Bc

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source without ASR, Site E FIGURE Bc3 - UTILITY – SURFACE WATER SCENARIO – SUMMARY PANEL



APPENDIX Bc

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source without ASR, Site E FIGURE Bc4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

					Wat	ter and Sew	er System F	Local Utility		rogram Sun	nmary										
						Forecas	of Net Rev	enues and D	ebt Service	Coverage											
Water Growth	FY 2004 0.00%	FY 2005 3.00%	FY 2006 3.00%	FY 2007 3.00%	FY 2008 3.00%	FY 2009 3.00%	FY 2010 3.00%	FY 2011 2.50%	FY 2012 2.50%	FY 2013 2.50%	FY 2014 2.50%	FY 2015 2.50%	FY 2016 2.50%	FY 2017 2.50%	FY 2018 2.00%	FY 2019 2.00%	FY 2020 2.00%	FY 2021 2.00%	FY 2022 2.00%	FY 2023 2.00%	FY 2024 2.00%
1 Revenue	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.00%	2.30%	2.00%	2.00%	2.00%	2.00%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2 Revenue Subject to Rate Increases 3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$4,024,742	\$4,125,361	\$4,381,117	\$4,661,193	\$4,888,493	\$5,076,608	\$5,274,880	\$5,506,602	\$5,713,331	\$ 6,001,722	\$6 158 227	\$6.382.576	\$6,606,205
4 Rate Revenue from Growth	\$0	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$100,619	\$103,134	\$109,528	\$116,530	\$122,212	\$126,915	\$105,498	\$110,132	\$114,267	\$120,034	\$123,165	\$127,652	\$132,124
5 Proposed Rate Increase 6 Rate Revenue from Rate Increase	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1 \$1,699,325	\$0 \$0	\$152,623	\$0 \$170.548	\$0 \$110,770	\$65,902	\$0 \$71,357	\$0 \$126,224	\$0 \$96,598	\$174,124	\$0 \$36,471	\$0 \$101,184	\$0 \$95,978	\$0 \$94,643
7 Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$4,024,742	\$4,125,361	\$4,381,117			\$5,076,608	\$5,274,880			\$6,001,722		\$6,382,576	\$6,606,205	
8 Other Operating Revenue 9 Other Operating Revenue (1)	\$272,800	\$280,984	\$289,414	\$298,096	\$307,039	\$316,250	\$325,737	\$335,510	\$345,575	\$355,942	\$366,620	\$377,619	\$388,948	\$400,616	\$412,634	\$425,014	\$437,764	\$450,897	\$464,424	\$478,356	\$492,707
10 Total Operating Revenue	\$2,172,800	\$2,237,984	\$2,305,124	\$2,374,277	\$2,445,506	\$2,518,871	\$2,594,437	\$4,360,252	\$4,470,935	\$4,737,059	\$5,027,814	\$5,266,112	\$5,465,555	\$5,675,496	\$5,919,236	\$6,138,345	\$6,439,486	\$6,609,124	\$6,847,000	\$7,084,562	\$7,325,679
11 Expenses																					
12 Purchased Water at Groundwater Rates 13 Water Treatment Facility Surcharge	\$0 \$0	\$0 \$13,603	\$0 \$14.754	\$0 \$16.018	\$0 \$17.404	\$0 \$18.925	\$0 \$20,629	\$46,929 \$1,381,695	\$88,643 \$1,546,686	\$135,571 \$1,738,985	\$187,714 \$1,859,049	\$234,643 \$1,912,419	\$286,786 \$1.964.545	\$338,929 \$2,009,070	\$396,286 \$2,052,035	\$448,429 \$2,095,252	\$511,000 \$2,159,863	\$568,357 \$2,182,892	\$630,929 \$2,227,514	\$693,500 \$2,272,601	
14 Operations and Maintenance Expense	\$974,025	\$1,003,246	\$1,033,343	\$1,064,343	\$1,096,274	\$1,129,162	\$1,163,037	\$1,197,928	\$1,233,866	\$1,270,882	\$1,309,008	\$1,348,278	\$1,388,727	\$1,430,389	\$1,473,300	\$1,517,499	\$1,563,024	\$1,609,915	\$1,658,212	\$1,707,959	\$1,759,197
15 Net Operating Income	\$1,198,775	\$1,221,135	\$1,257,026	\$1,293,916	\$1,331,828	\$1,370,784	\$1,410,772	\$1,733,700	\$1,601,741	\$1,591,622	\$1,672,043	\$1,770,772	\$1,825,497	\$1,897,109	\$1,997,615	\$2,077,165	\$2,205,599	\$2,247,960	\$2,330,345	\$2,410,502	\$2,492,239
16 Plus: Non Operating Income (Expense) 17 Non Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	sn.	sn.	so	\$0	\$O	sn.	\$0	\$0	\$O	sn
18 Interest Earned on Invested Funds	\$57,993	\$67,411	\$75,063	\$73,702	\$90,383	\$93,336	\$99,797	\$110,389	\$120,912	\$125,518	\$128,550	\$117,657	\$148,235	\$160,813	\$147,454	\$154,012	\$112,937	\$155,999	\$159,356	\$164,673	\$168,173
19 Transfers In 20 Water Expansion Fees	9500,000 97	\$515,000 \$141,000	\$530,450 \$145,230	\$546,364 \$149.587	\$562,754 \$154.075	\$579,637 \$158.697	\$597,026 \$163,458	\$614,937 \$140,301	\$633,385 \$143,809	\$652,387 \$147,404	\$671,958 \$151,089	\$692,117 \$154,866	\$712,880 \$158,738	\$734,267 \$162,706	\$756,295 \$133,419	\$778,984 \$136,088	\$802,353 \$138,809	\$826,424 \$141.585	\$851,217 \$144,417	\$876,753 \$147,306	\$903,056 \$150,252
21 Total Non Operating Income	\$557,993	\$723,411	\$750,743	\$769,652	\$807,212	\$831,670	\$860,280	\$865,627	\$898,106	\$925,309	\$951,597		\$1,019,853	\$1,057,786						\$1,188,731	
22 Net Income 23 Less: Water Expansion Fees	\$1,756,768 \$0	\$1,944,547 (\$141,000)	\$2,007,769 (\$145,230)	\$2,063,569 (\$149,587)	\$2,139,040 (\$154,075)	\$2,202,454 (\$158,697)	\$2,271,052 (\$163,458)	\$2,599,327 (\$140,301)	\$2,499,847 (\$143,809)	\$2,516,930 (\$147,404)	\$2,623,640 (\$151.089)	\$2,735,412 (\$154,866)	\$2,845,351 (\$158,738)	\$2,954,895 (\$162,706)	\$3,034,784 (\$133,419)		\$3,259,698 (\$138,809)	\$3,371,968 (\$141,585)	\$3,485,335 (\$144,417)	\$3,599,233 (\$147,306)	
24 Net Income Available for Debt Service	\$1,756,768	\$1,803,547	\$1,862,539	\$1,913,982	\$1,984,966	\$2,043,757	\$2,107,594	\$2,459,026	\$2,356,038	\$2,369,527	\$2,472,551		\$2,686,613	\$2,792,189				\$3,230,383		\$3,451,928	
25 Senior Lien Debt Service Coverage 26 Existing Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
27 New Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28 Cumulative New Senior Lien Debt for Additional Borrowings 29 Total Senior Lien Debt Service	\$0 \$998,391	\$0 \$998,391	\$0 \$998,391	\$12,128 \$1,010,519	\$106,543 \$1,104,934	\$135,629 \$1,134,020	\$210,717 \$1,209,108	\$288,292 \$1,286,683	\$355,072 \$1,353,463	\$432,559 \$1,430,950	\$502,103 \$1,500,494	\$575,300 \$1,573,691	\$646,386 \$1,644,777	\$716,544 \$1,714,935	\$789,167	\$860,923 \$1,859,314	\$933,722 \$1,932,113	\$1,004,908 \$2,003,299			
30 Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$1,010,019	\$2	\$2	\$1,209,100	\$1,200,003	\$1,333,463	\$1,430,930	\$2	\$2	\$1,044,777	\$1,714,333	\$2	\$2	\$2	\$2,000,255	\$2,074,751	\$2,145,575	\$2,217,010
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage 33 Less: Senior Lien Debt Service	\$1,756,768 (\$998,391)	\$1,803,547 (\$998,391)	\$1,862,539 (\$998,391)	\$1,913,982 (\$1,010,519)	\$1,984,966 (\$1,104,934)	\$2,043,757 (\$1,134,020)	\$2,107,594 (\$1,209,108)	\$2,459,026 (\$1,286,683)	\$2,356,038 (\$1,353,463)		\$2,472,551 (\$1,500,494)										
34 Net Income Available for SRF Debt Service Coverage	\$758,377	\$805,156	\$864,148	\$903,463	\$880,032	\$909,737	\$898,486	\$1,172,343	\$1,002,575	\$938,577	\$972,057	\$1,006,855	\$1,041,836	\$1,077,254	\$1,113,806	\$1,150,847	\$1,188,776	\$1,227,084	\$1,266,167	\$1,305,949	\$1,346,458
35 Existing SRF Debt Service 36 SRF Debt Service Coverage 1.15 Reg'd	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$∩	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
37 Net Income Available for Debt Service	\$1,756,768	\$1,803,547	\$1,862,539	\$1,913,982	\$1.984.966	\$2,043,757	\$2.107.594	\$2,459,026	\$2,356,038		•-	*-		-	*-			\$3,230,383	*-		
38 Less:																					
39 Total Senior Lien Debt Service 40 State Revolving Fund Loans	(\$998,391) \$0	(\$998,391) \$0	(\$998,391) \$0	(\$1,010,519) \$0	(\$1,104,934) \$0	(\$1,134,020) \$0	(\$1,209,108) \$0	(\$1,286,683) \$0	(\$1,353,463) \$0	(\$1,430,950) \$0	(\$1,500,494) \$0	(\$1,573,691) \$0	(\$1,644,777) \$0	(\$1,714,935) \$0	(\$1,787,558) \$0	(\$1,859,314) \$0	(\$1,932,113) \$0	(\$2,003,299) \$0	(\$2,074,751) \$0	(\$2,145,979) \$0	(\$2,217,010) \$0
41 Payment of Debt Service With Water Impact Fees	\$116,626	\$141,875	\$145,237	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404	\$151,089	\$154,866	\$158,738	\$162,706	\$133,419	\$136,088	\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
42 Payment of Debt Service With Sewer Impact Fees 43 Transfer Out	\$0 (\$757,000)	\$0 (\$779,710)	\$0 (\$803,101)	\$0 (\$827,194)	\$0 (\$852,010)	\$0 (\$877,570)	\$0 (\$903,898)	\$0 (\$931,015)	\$0 (\$958,945)	\$0 (\$987.713)	\$0 (\$1,017,345)	\$0 (\$1.047.865)	(\$1.079.301)	\$0 (\$1.111.680)	\$0 (\$1.145.030)	\$0 (\$1.179.381)	\$0 (\$1.214.763)	(\$1.251.206)	\$0 (\$1.288.742)	(\$1.327.404)	(\$1.367.226)
44 Capital Outlay	(\$17,000)	(\$17,510)	(\$18,035)	(\$18,576)	(\$19,134)	(\$19,708)	(\$20,299)	(\$20,908)	(\$21,535)	(\$22,181)	(\$22,847)	(\$23,532)	(\$24,23B)	(\$24,965)	(\$25,714)	(\$26,485)	(\$27,280)	(\$28,098)	(\$28,941)	(\$29,810)	(\$30,704)
45 Net Cash Flow 46 Unrestricted Reserve Fund - Beginning of Year Balance	\$101,003 \$2,729,000	\$149,811 \$2,830,003	\$188,248 \$1,479,813	\$207,279 \$668,061	\$162,963 \$270,090	\$171,156 \$278,419	\$137,747 \$287,022	\$360,722 \$295,916	\$165,904 \$656,638	\$76,086 \$717,299	\$82,955 \$786,359	\$90,324 \$838,943	\$97,035 \$873,835	\$103,315 \$910,014	\$76,481 \$944,597	\$81,067 \$980,405	\$85,542 \$1,015,295	\$89,365 \$1,058,472	\$92,901 \$1,090,291	\$96,041 \$1,129,164	\$98,779 \$1,168,515
47 Minimum Working Capital Reserve Target	\$243,506	\$254,212	\$262,024	\$270,090	\$278,419	\$287,022	\$295,916	\$656,638	\$717,299	\$786,359	\$838,943	\$873,835	\$910,014	\$944,597	\$980,405	\$1,015,295	\$1,058,472	\$1,090,291	\$1,129,164	\$1,168,515	\$1,208,360
48 Reserve Fund Balance in Excess of Working Capital Target 49 Less: Reserve Fund Balance used for Cash Flow	\$2,485,494 \$0	\$2,575,791 \$0	\$1,217,789 \$0	\$397,971 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Reserve Fund Balance in Excess of Working Capital Target Net																					
of Current Year Cash Flow	\$2,485,494	\$2,575,791	\$1,217,789	\$397,971	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51 Net Cash Flow After Use of Reserve Funds 52 Less: CIP Projects Designated to be Paid with Cash	\$101,003 \$0	\$149,811 \$0	\$188,248 \$0	\$207,279 \$0	\$162,963 \$0	\$171,156 \$0	\$137,747 \$0	\$360,722 \$0	\$165,904 \$0	\$76,086 \$0	\$82,955 \$0	\$90,324 \$0	\$97,035 \$0	\$103,315 \$0	\$76,481 \$0	\$81,067 \$0	\$85,542 \$0	\$89,365 \$0	\$92,901 \$0	\$96,041 \$0	\$98,779 \$0
53 Net Cash Flow to Unrestricted Reserve Fund	\$101,003	\$149,811	\$188,248	\$207,279	\$162,963	\$171,156	\$137,747	\$360,722	\$165,904	\$76,086	\$82,955	\$90,324	\$97,035	\$103,315	\$76,481	\$81,067	\$85,542	\$89,365	\$92,901	\$96,041	\$98,779
54 Unrestricted Reserve Fund - Beginning of Year Balance 55 Cash In(Out) from Rate Revenues	\$2,729,000 \$101,003	\$2,830,003 \$149,811	\$1,479,813 \$188,248	\$668,061 \$207,279	\$270,090 \$162,963	\$278,419 \$171,156	\$287,022 \$137,747	\$295,916 \$360,722	\$656,638 \$165,904	\$717,299 \$76,086	\$786,359 \$82,955	\$838,943 \$90,324	\$873,835 \$97,035	\$910,014 \$103,315	\$944,597 \$76,481	\$980,405 \$81,067	\$1,015,295 \$85,542	\$1,058,472 \$89,365	\$1,090,291 \$92,901	\$1,129,164 \$96,041	\$1,168,515 \$98,779
56 Less: Reserve Fund Balance used for Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 Less: Projects Paid with Reserve Funds (Non Specified Funding) 58 Unrestricted Reserve Fund - End of Year Balance	\$0 \$2,830,003	(\$1,500,000) \$1,479,813	(\$1,000,000) \$668,061	(\$605,250) \$270,090	(\$154,633) \$278,419	(\$162,553) \$287,022	(\$128,853) \$295,916	\$656,638	(\$105,243) \$717,299	(\$7,025) \$786,359	(\$30,371) \$838,943	(\$55,432) \$873,835	(\$60,855) \$910,014	(\$68,733) \$944,597	(\$40,673) \$980,405	(\$46,178) \$1,015,295	(\$42,366) \$1,058,472	(\$57,546) \$1,090,291	(\$54,028) \$1,129,164	(\$56,690) \$1,168,515	
59 Minimum Working Capital Reserve Target	\$243,506	\$254,212	\$262,024	\$270,090	\$278,419	\$287,022	\$295,916	\$656,638	\$717,299	\$786,359	\$838,943	\$873,835	\$910,014	\$944,597		\$1,015,295		\$1,090,291	\$1,129,164		
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,225,601	\$406,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	(\$0)	(\$0)	\$0	(\$0)	\$0	\$0	\$0

(1) Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

Source: Burton & Associates

C:Data/SJRWMDVAndy/SJRWMD YWodels as of 2-1-2004(FAMS-Typical Utility-SJRWMD_3_No Sewer_GW.xis]Pro-Forma

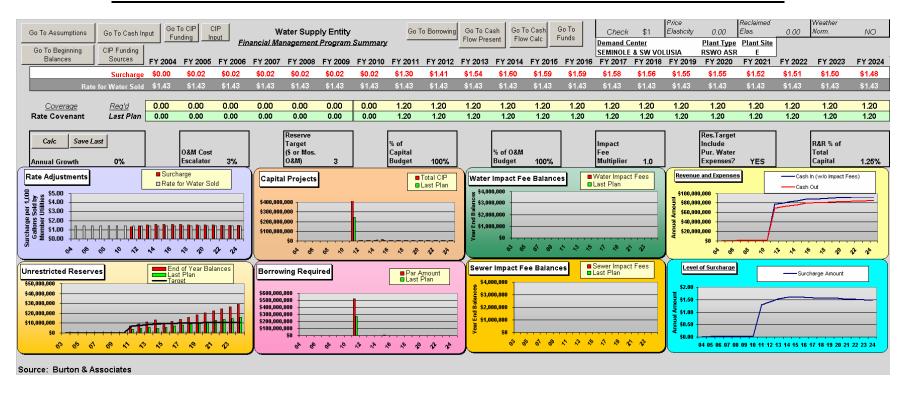
2/8/2004

APPENDIX Bc

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source without ASR, Site E FIGURE Bc5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Seminole and SW Volusia Demand Center, Reliable Source without ASR, Site E FIGURE Bc6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

								tem Financi	pply Entity al Managem <i>and Debt Se</i>												
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Revenue																					
2 Surcharge Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670	\$753,091	\$50,115,563	\$55,708,019		\$65,929,270								\$67,783,814		
3 Delivered Water Revenue 4 Total Operating Revenue	\$0 \$0	\$0 \$511,193	\$0 \$551,897	\$0 \$596,021	\$0 \$643,845	\$0 \$695,670	\$0 \$753,091		\$13,613,457 \$69,321,477										\$21,265,943 \$89,049,757		
5 Expenses																					
6 Operations and Maintenance Expense	\$0	\$515,000	\$556,973	\$602,366	\$651,459	\$704,552			\$31,320,437										\$42,917,449		
8 Net Operating Income	\$0	(\$3,807)	(\$5,076)	(\$6,344)	(\$7,613)	(\$8,882)	(\$8,882)	\$33,650,319	\$38,001,040	\$43,289,305	\$45,955,395	\$46,252,064	\$46,518,788	\$46,506,538	\$46,431,692	\$46,356,846	\$46,954,743	\$46,207,154	\$46,132,308	\$46,057,462	\$45,982,616
9 Plus: Non Operating Income (Expense)																					
10 Non Operating Revenue 11 Interest Earned on Invested Funds	\$0 \$3,778	\$0 \$3.807	\$0 \$5,076	\$0 \$6.344	\$0 \$7.613	\$0 \$8,882	\$0 \$8,882	£14 455 400	\$0 \$10.104.687	\$0 \$4.816.422	\$2,150,332	\$0 \$2,329,221	\$0 \$2,062,497	\$0 \$2,074,747	\$0 \$2,149,593	\$0 \$2,224,439	\$0 \$1.626.542	\$2,374,131	\$0 \$2,448,977	\$2,523,823	\$2.598.669
11 Interest Earned on Invested Funds 12 Transfers In	\$5,778 \$0	\$0,007	97U,C4F DR	\$0,344	\$7,013 \$0	\$0,002 \$0	\$0,002 \$0	914,600,416 NR	\$10,104,667	\$4,010,422	\$2,150,332 \$0	\$2,329,221	\$2,062,497 \$0	\$2,074,747	\$2,149,593		\$1,020,042 file	\$2,374,131 \$N	\$2,440,977 \$0	\$2,523,023 \$0	\$2,590,669
13 Water Expansion Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Total Non Operating Income	\$3,778	\$3,807	\$5,076	\$6,344	\$7,613	\$8,882		\$14,455,409		\$4,816,422									\$2,448,977		
15 Net Income	\$3,770 \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	\$40,105,727 co	\$40,105,727 \$0	\$40,105,727 \$0	\$40,105,727 \$0	\$40,501,205 \$0	\$40,501,205 \$0	\$40,501,205 \$0	\$40,501,205 \$0		\$40,501,205 \$0		\$40,501,205 \$0	\$40,501,205 \$0	\$40,501,205
16 Less: Water Expansion Fees 17 Net Income Available for Debt Service	\$3,778	\$U (\$0)	\$U (\$0)	(\$0)	\$U (\$D)	(\$0)		40	\$48,105,727												\$0 \$48.681.286
18 Senior Lien Debt Service Coverage	40,770	(40)	(40)	(40)	(40)	(40)	(40)	\$40,100,727	440,103,727	\$40,100,727	\$40,103,727	440,301,203	440,301,200	203, 100,000	940,301,203	440,301,203	\$40,001,200	\$40,301,203	940,301,203	440,301,203	\$40,001,200
19 Existing Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 New Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
21 Cumulative New Senior Lien Debt for Additional Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$40,088,106										\$40,484,404		
22 Total Senior Lien Debt Service 23 Senior Lien Debt Service Coverage 1.2 Reg'd	\$0 \$0	\$0 \$0	\$0 \$1	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$40,088,106 \$1	\$40,088,106 \$1	\$40,088,106	\$40,088,106 \$1	\$4U,484,4U4 \$1	\$4U,484,4U4 \$1	\$4U,484,4U4 \$1	\$4U,484,4U4 \$1	\$4U,484,4U4 \$1	\$40,484,404		\$40,484,404	\$40,484,404	\$40,484,404 \$1
23 Senior Den Service Coverage 1.2 Requ	\$U	\$U	\$U	90	9U	\$0	90	\$ 1	91	91	91	91	91	D)	91	91	a)	91	91	91	3 1
24 SRF Debt Service Coverage																					
 Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service 	\$3,778 \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0			\$48,105,727 (\$40,088,106)												\$48,581,285
26 Less: Senior Lien Debt Service 27 Net Income Available for SRF Debt Service Coverage	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0 (\$0)		\$8,017,621	\$8,017,621	\$8,017,621	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881			\$8,096,881	\$8,096,881
28 Existing SRF Debt Service	40,770 90	\$0	\$0	\$0	\$0	\$0	\$0	\$0,017,021	\$0,017,021	\$0,017,021	\$0,017,021	\$0,000,001	\$0,000,001	\$0,000,001	\$0,000,001		\$0,000,001			\$0,000,001	\$0
29 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30 Net Income Available for Debt Service 31 Less:	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$48,105,727	\$48,105,727	\$48,105,727	\$48,105,727	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285	\$48,581,285
31 Less. 32 Total Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$D	(\$40,088,106)	(\$40,088,106)	(\$40,088,106)	(\$40,088,106)	(\$40.484.404)	(\$40,484,404)	(\$40.484.404)	(\$40.484.404)	(\$40,484,404)	(\$40,484,404)	(\$40.484.404	(\$40,484,404)	(\$40,484,404)	(\$40.484.404)
33 State Revolving Fund Loans	\$0	\$0	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Payment of Debt Service With Water Impact Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0		\$0	\$0
35 Transfer Out	\$0 \$0	\$0 \$0	90 90	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	90 90	\$0	\$0 \$0	\$0 \$0	90 90	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	\$0 \$0
36	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$8,017,621	\$8,017,621	\$8,017,621	\$8,017,621	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	40	\$8.096.881	\$8,096,881	\$8 096 881	\$8.096.881	\$8,096,881
38 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778		\$7,204,733	\$9,263,928		\$13,382,320	\$9,598,184	\$11,736,639							
39 Minimum Working Capital Reserve Target	\$0	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$7,204,733	\$7,830,109	\$8,437,401	\$9,026,719	\$9,598,184	\$9,798,474		\$10,177,479	\$10,356,512	\$10,528,798	\$10,631,254	\$10,729,362	\$10,823,348	\$10,913,456
40 Reserve Fund Balance in Excess of Working Capital Target	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$826,528	\$2,296,406	\$3,784,136	\$0	\$1,745,117					\$11,699,554		
41 Less: Reserve Fund Balance used for Cash Flow	\$0	(\$0)	(\$0)	(\$0)	(\$O)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0_
Reserve Fund Balance in Excess of Working Capital Target Net of Current Year Cash Flow	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$826,528	\$2,296,406	\$3,784,136	\$0	\$1,745,117	\$3,697,615	\$5,657,038	\$7,623,208	\$9,659,207	\$11,699,554	\$13,744,024	\$15,792,372
43 Net Cash Flow After Use of Reserve Funds	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$8,017,621	\$8,017,621	\$8,017,621	\$8,017,621	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881
44 Less: CIP Projects Designated to be Paid with Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45 Net Cash Flow to Unrestricted Reserve Fund	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$8,017,621	\$8,017,621	\$8,017,621	\$8,017,621	\$8,096,881	\$8,096,881	\$8,096,881	\$8,096,881					\$8,096,881	\$8,096,881
46 Unrestricted Reserve Fund - Beginning of Year Balance 47 Cash In(Out) from Rate Revenues	\$250,000 \$3,778	\$253,778 \$0	\$253,778 \$0	\$253,778 \$0	\$253,778 \$0	\$253,778 \$0	\$253,778 \$0	\$253,778 \$8,017,621	\$7,204,733 \$8,017,621	\$9,263,928 \$8,017,621	\$11,323,124 \$8,017,621	\$13,382,320 \$8,096,881	\$9,598,184 \$8,096,881	\$11,736,639 \$8,096,881	\$13,875,095 \$8,096,881	\$16,013,550 \$8,096,881	\$18,152,006 \$8,096,881		\$22,428,917 \$8,096,881	\$24,567,372 \$8,096,881	\$26,705,828 \$8,096,881
4/ Cash In(Out) from Rate Revenues 48 Less: Reserve Fund Balance used for Cash Flow	\$3,778 \$0	(\$0)	\$U (\$D)	(\$0)	\$U (\$D)	\$U (\$0)	\$U (\$D)		\$8,017,621	\$8,017,621 \$0	\$8,017,621 \$0	188,860,86 OR	188,090,88 08	188,090,8¢	188,080,8¢	188,860,84 OR	188,860,88		188,090,8¢	186,660,66 02	188,090,88 08
49 Less: Projects Paid with Reserve Funds (Non Specified Funding)	50 50	\$0 \$0	(6U) \$0	(#O) \$0	(8D) 8D	(#U) #U	(au) SD	(\$1,066,667)) (\$5,958,425)		
50 Unrestricted Reserve Fund - End of Year Balance	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$7,204,733	\$9,263,928	\$11,323,124	\$13,382,320	\$9,598,184	\$11,736,639	\$13,875,095	\$16,013,550	\$18,152,006	\$20,290,461	\$22,428,917	\$24,567,372	\$26,705,828	\$28,844,283
51 Minimum Working Capital Reserve Target 3 Mo O&	\$0	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493		\$7,830,109	\$8,437,401									\$10,729,362		
52 Excess (Deficiency) of Working Capital Reserves to Target	\$253,778	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	(\$0)	\$1,433,819	\$2,885,724	\$4,355,602	(\$0)	\$1,938,165	\$3,883,573	\$5,836,071	\$7,795,494	\$9,761,664	\$11,797,663	\$13,838,010	\$15,882,479	\$17,930,827
Source: Burton & Associates																					

Source: Burton & Associates

C:Data(SJRVMDVAndV(SJRVMD V Models as of 2-1-2004/FAMS-Water Supply Entity-SJRVMD 4.xis/Pro-Forms

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APPENDIX Ca

Volusia County Demand Center Intermittent Source ASR Site E Just-in-Time Rates

Figure <u>Number</u>	Title
Ba1	Utility – Groundwater Scenario – Summary Panel
Ba2	Utility – Groundwater Scenario – Proforma
Ba3	Utility – Surface Water Scenario – Summary Panel
Ba4	Utility – Surface Water Scenario – Proforma
Ba5	Water Supply Entity – Surface Water Scenario – Summary Panel
Ba6	Water Supply Entity – Surface Water Scenario – Proforma

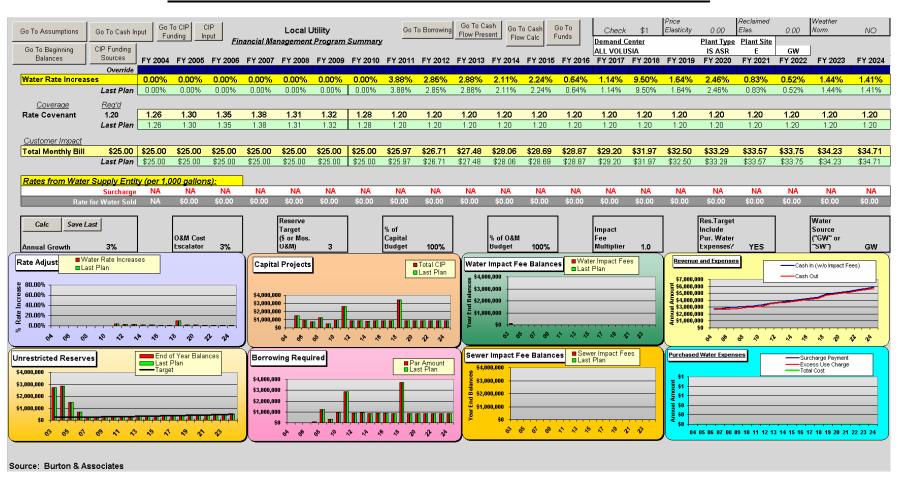
APPENDIX Ca

Burton & Associates

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E FIGURE Ca1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E FIGURE Ca2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

Local Utility Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2014 FY 2015 FY 2016 0.00% 3.00% 3.00% 3.00% 3.00% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.00% Revenue Revenue Subject to Rate Increases \$2,268,699 \$2,415,64R Water Rate Revenue \$1,900,000 \$1,900,000 \$2.015.710 \$2.076.181 \$2,138,467 \$2,202,621 \$2,546,639 \$2,685,443 \$2,810,523 \$2,945,210 \$3,038,053 \$3,149,509 \$3,517,702 \$3,647,033 \$3,911,355 \$3,919,902 \$4,019,247 \$4,158,479 Rate Revenue from Growth \$57,000 \$58,710 \$60,471 \$62,285 \$64,154 \$66,079 \$56,717 \$60,391 \$63,666 \$67,136 \$70,263 \$73,630 \$75,951 \$62,990 \$70,354 \$72,941 \$76,227 \$78,398 \$80,385 \$83,170 Proposed Rate Increase \$0 50 \$0 \$0 \$0 \$90,230 \$64,423 \$35,505 \$305,203 Rate Revenue from Rate Increase Total Water Rate Revenue \$2,685,443 \$2,810,523 \$2,945,210 \$3,038,053 \$3,149,509 \$3,517,702 \$3,647,033 \$3,811,355 \$3,919,902 \$4,019,245 \$4,158,477 \$4,301,506 Other Operating Revenue Other Operating Revenue (1) 10 Total Operating Revenue Purchased Water at Groundwater Rates SΠ Water Treatment Facility Surcharge \$1,129,162 \$1,389,709 \$1,163,037 \$1,208,099 \$1,543,057 \$1,252,933 \$1,300,164 \$1,350,015 \$1,400,395 \$1,453,576 \$1,508,588 \$1,566,604 \$1,625,472 \$1,688,800 \$1,753,123 \$1,820,971 \$1,891,222 \$1,963,967 \$1,741,201 \$1,827,129 \$1,922,434 \$1,973,424 \$2,041,568 \$2,363,733 \$2,446,575 \$2,560,319 \$2,617,576 \$2,662,699 \$2,745,612 \$2,800,246 Operations and Maintenance Expense 15 Net Operating Income 16 Plus: Non Operating Income (Expense) Non Operating Revenue \$0 \$125,035 \$652,387 \$0 \$0 \$133,455 \$145,136 \$712,880 \$734,267 \$0 \$73.957 \$142,463 \$633,385 \$103,804 \$692,117 \$164,525 \$756,295 \$159,246 \$778,984 \$123,731 \$802,353 Interest Earned on Invested Funds \$67.514 \$75,488 \$90.092 \$92.905 \$99.261 \$156 194 \$115.954 \$144 001 \$515,000 \$530,450 \$546,364 \$562,754 \$579,637 \$597,026 \$614,937 \$671,958 \$826,424 \$500,000 Transfers In Water Expansion Fees \$141 000 \$145,230 \$149 587 \$154 075 \$158,697 \$163,458 \$140,301 \$143,809 \$147.404 \$151,089 \$154.866 \$158,738 \$162,706 \$133.419 \$136.088 \$138.809 \$141.585 Total Non Operating Income \$939,001 \$950,788 \$2,766,130 \$2,873,222 22 Net Income 23 Less: Water Expansion Fees \$2,220,948 \$2 291 145 \$2,454,486 \$2,978,498 \$3,083,667 (\$141,000) (\$149,587) (\$158,697) (\$163,458) (\$140,301) (\$143,809) (\$147,404) (\$151,089) (\$154,866) (\$158,738) (\$162,706) (\$133,419) (\$136,088) (\$138,809) 24 Net Income Available for Debt Service \$1,930,254 \$2,002,078 \$2,062,251 \$2 127 687 \$2 314 187 \$2 415 128 \$2.518.623 \$2.615.041 \$2.718.355 \$2.819.760 \$2.920.961 \$3.284.553 \$3.384.804 \$3.486.403 \$3.588.101 \$3.690.346 \$3.793.219 \$3.896.772 25 Senior Lien Debt Service Coverage \$998,391 , \$0 \$656,806 \$620,845 \$1,555,197 \$1,619,236 \$2 \$2 Existing Senior Lien Debt Service \$998.391 \$998.391 \$998.391 \$998.391 \$998.391 \$998.391 \$998.391 \$998.391 \$998.391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$998,391 \$350,301 \$35 New Senior Lien Debt Service Cumulative New Senior Lien Debt for Additional Borrowings \$998.391 Senior Lien Debt Service Coverage 31 SRF Debt Service Coverage Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service \$903.711 \$937,198 \$930,327 \$898,145 \$930,342 \$963,426 \$995.805 \$1.029.823 \$1.064.027 \$1.098.716 \$1.177.671 \$1.213.267 \$1.249.695 \$1.286.703 \$1.324.405 \$1.362.831 \$1.402.008 1.15 Reg'd SRF Debt Service Coverage 37 Net Income Available for Debt Service \$1,756,768 \$1.817.252 \$1 877 719 \$1,930,254 \$2,002,078 \$2,062,251 \$2 127 687 \$2 314 187 \$2,415,128 \$2.518.623 \$2.615.041 \$2.718.355 \$2.819.760 \$2.920.961 \$3.284.553 \$3.384.804 \$3.486.403 \$3.588.101 \$3.690.346 \$3.793.219 \$3.896.772 Total Senior Lien Debt Service (\$998.391) (\$998.391) (\$998.391) (\$1,006,023) (\$1.098.367) (\$1.125.053) (\$1.197.360) (\$1.416.042) (\$1.484.786) (\$1.555.197) (\$1.619.236) (\$1.688.532) (\$1.755.733) (\$1.822.245) (\$2.106.882) (\$2.171.517) (\$2.236.708) (\$2.301.398) (\$2.365.941) (\$2.365.941) (\$2.430.388) (\$2.494.764) State Revolving Fund Loans \$141,875 \$0 Payment of Deht Service With Water Impact Fees \$116,626 \$145,237 \$149 587 \$154,075 \$158 697 \$163,458 \$140,301 \$143,809 Payment of Debt Service With Sewer Impact Fees (\$779,710) (\$997,713) (\$1,017,345) (\$1,047,865) (\$1,079,301) (\$1,111,680) (\$1,145,030) (\$1,179,381) (\$1,214,763) (\$1,251,206) (\$1,288,742) (\$1,327,404) (\$1,367,226) (\$757,000) (\$803,101) (\$827,194) (\$852,010) (\$877,570) (\$903,898) (\$931,015) (\$958,945) Transfer Out (\$17.510) \$163.516 (\$20,908) (\$22,847) \$106,703 (\$24,965) \$124,777 (\$25,714) \$140,346 44 Capital Outlay 45 Net Cash Flow (\$18,035) \$203,428 (\$21,535) \$93,671 (\$22,181) \$100,935 (\$23,532) \$113,293 (\$24,238) \$119,226 (\$26,485) \$143,508 (\$27,280) \$146,461 \$228.047 \$186,642 \$198,617 \$169,588 \$86,524 \$148.985 Unrestricted Reserve Fund - Beginning of Year Balance \$282,290 \$290,759 \$377,142 \$391,651 \$2,729,000 \$2,830,003 \$1,493,519 \$696 947 \$266,086 \$274,068 \$290,759 \$302 025 \$313 233 \$325,046 \$337 504 \$350,099 \$363,394 \$391,651 \$406,368 \$422,200 \$438,281 \$363,394 Minimum Working Capital Reserve Target \$274,068 \$337,504 \$350,099 \$377,142 \$422,200 \$438,281 \$455,243 \$472,806 \$243,506 \$250,811 \$258,338 \$266,088 \$282,290 \$302,025 \$313,233 \$325,046 \$406,368 Reserve Fund Balance in Excess of Working Capital Target Less: Reserve Fund Balance used for Cash Flow \$2,485,494 \$2,579,191 \$1,235,183 \$430,861 Reserve Fund Balance in Excess of Working Capital Target Net \$2,579,191 \$198,617 51 Net Cash Flow After Use of Reserve Funds \$163,516 \$228,047 \$186,642 \$169,588 \$86,524 \$93,671 \$100,935 \$106,703 \$124,777 \$148,985 \$151,139 52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund \$163,516 \$0 \$140,346 \$0 \$151,139 \$228,047 \$0 \$198.617 \$186,642 \$86,524 \$100,935 \$148,985 \$203,428 \$169.58 \$93.67 \$106,703 \$113,293 \$119,226 \$143.508 \$146,461 54 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2.830,003 \$1,493,519 \$696,947 \$266,086 \$274,068 \$282,290 \$290,759 \$302,025 \$313,233 \$325,046 \$337,504 \$350,099 \$363,394 \$377,142 \$391,651 \$406,368 \$422,200 \$438,281 \$455,243 \$472.806 \$151,139 \$0 Cash In(Out) from Rate Revenues \$101,003 \$163,516 \$203,428 \$228,047 \$186,642 \$198,617 \$169,588 \$86,524 \$93,671 \$100,935 \$106,703 \$113,293 \$119,226 \$124,777 \$140,346 \$143,508 \$146,461 \$148,985 \$152,922 Less: Reserve Fund Balance used for Cash Flow 50 SΠ SΠ 5∩ SΠ (\$658,908) (\$111,029) Less: Projects Paid with Reserve Funds (Non Specified Funding (\$94,245) (\$125,837) (\$128,791) Unrestricted Reserve Fund - End of Year Balance \$2,830,003 \$1,493,519 \$696,947 \$266,086 \$274,068 \$282,290 \$290,759 \$302,025 \$325,046 \$337.504 \$350,099 \$363,394 \$391,651 \$406,368 \$422,200 \$438,281 59 Minimum Working Capital Reserve Target 60 Excess (Deficiency) of Working Capital Reserves to Target \$325,046 \$337,504 \$350,099 \$363,394 \$377,142 \$391,651 \$406,368 \$422,200 \$455,243 \$472,806

(1) Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

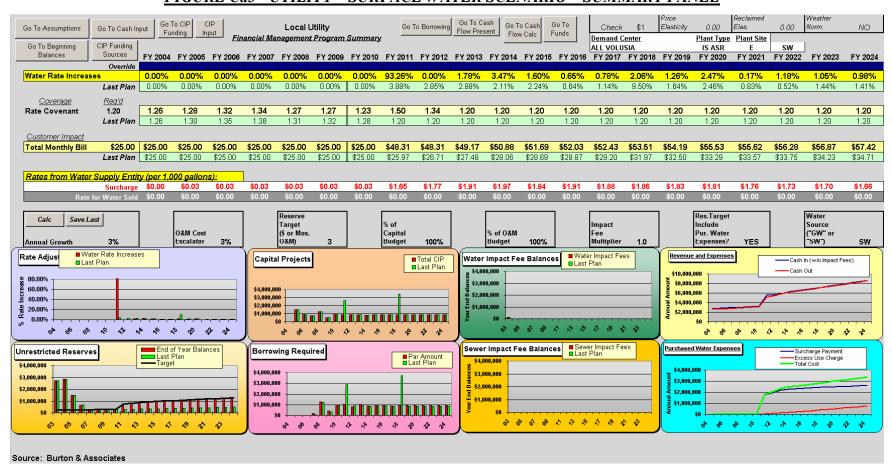
Source: Burton & Associates

C'Dutais/RPMIDUAndy/s.JRVMID VMnddels as of 2-1-2004(FAMS-Typical Lithly-S.RPVMID_3_No Sewer_OW.xisPro-Forma

APPENDIX Ca

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E FIGURE Ca3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E FIGURE Ca4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

	Local Utility Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage																				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water Growth 1 Revenue	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2 Revenue Subject to Rate Increases																					
3 Water Rate Revenue	\$1,900,000	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$4,494,004	\$4,606,354	\$4,805,578	\$5,096,748	\$5,307,621	\$5,475,498	\$5,655,929	\$5,888,159	\$6,081,675	\$6,356,365	\$6,494,703	\$6,702,596	\$6,908,184
4 Rate Revenue from Growth	\$0	\$57,000	\$58,710	\$60,471	\$62,285	\$64,154	\$66,079	\$56,717	\$112,350	\$115,159	\$120,139	\$127,419	\$132,691	\$136,887	\$113,119	\$117,763	\$121,633	\$127,127	\$129,894	\$134,052	\$138,164
5 Proposed Rate Increase 6 Rate Revenue from Rate Increase	\$0 \$0	\$0 \$0	\$0 \$∩	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1 \$2.168.587	\$0 \$0	\$0 \$84.065	\$0 \$171.031	\$0 \$83.454	\$0 \$35.187	\$0 \$43.544	\$0 \$119.112	\$0 \$75.753	\$0 \$153.057	\$0 \$11.210	\$0 \$77.999	\$0 \$71.537	\$0 \$68.928
7 Total Water Rate Revenue	\$1,900,000	\$1,957,000	\$2,015,710	\$2,076,181	\$2,138,467	\$2,202,621	\$2,268,699	\$4,494,004	\$4,606,354	\$4,805,578			\$5,475,498		\$5,888,159			\$6,494,703		\$6,908,184	
8 Other Operating Revenue																					
9 Other Operating Revenue (1)	\$272,800	\$280,984 \$2,237,984	\$289,414	\$298,096 \$2,374,277	\$307,039 \$2,445,506	\$316,250 \$2,518,871	\$325,737 \$2,594,437	\$335,510 \$4,829,513	\$345,575 \$4,951,929	\$355,942	\$366,620	\$377,619 \$5,685,240	\$388,948 \$5,864,445	\$400,616	\$412,634	\$425,014		\$450,897 \$6.945.600	\$464,424	\$478,356	\$492,707
10 Total Operating Revenue	\$2,172,800	\$2,237,304	\$2,305,124	\$2,374,277	92,449,500	92,010,0/1	\$2,004,407	\$4,029,013	\$4,001,020	\$0,101,020	\$5,463,369	30,000,Z4U	CPP, P00, O\$	\$6,056,545	\$6,JUU,794	800, OUC, OF	\$0,794,129	000, CPC, 06	פונו, זמו, זנ	\$7,300,341	\$7,700,76
11 Expenses																					
12 Purchased Water at Groundwater Rates 13 Water Treatment Facility Surcharge	\$0 \$0	\$0 \$23,621	\$0 \$25,682	\$0 \$27,945	\$0 \$30,430	\$0 \$33,159	\$0 \$36,216	\$46,929 \$1,754,808	\$88,643 \$1,942,303	\$135,571	\$187,714 \$2,295,410	\$234,643	\$286,786 \$2,365,052	\$338,929 \$2,392,037	\$396,286	\$448,429 \$2,465,742	\$511,000	\$568,357	\$630,929	\$693,500	\$756,071 \$2,604,028
13 Water Treatment Facility Surcharge 14 Operations and Maintenance Expense	\$974,025	\$1.003.246	\$1,033,343	\$1,064,343	\$1,096,274	\$1,129,162	\$1,163,037	\$1,754,000	\$1,233,866	\$1,270,882			\$1,388,727		\$1,473,300			\$1,609,915			\$1,759,197
15 Net Operating Income	\$1,198,775	\$1,211,117	\$1,246,098	\$1,281,989	\$1,318,802	\$1,356,550	\$1,395,184	\$1,829,849	\$1,687,117							\$2,075,019					
16 Plus: Non Operating Income (Expense)																					
17 Non Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18 Interest Earned on Invested Funds	\$57,993	\$67,336	\$74,748	\$73,514	\$90,600	\$93,658	\$100,198	\$112,397	\$124,460	\$129,182	\$132,406	\$121,488	\$151,894	\$164,293	\$150,852	\$157,350	\$112,965	\$159,047	\$162,257	\$167,413	
19 Transfers In 20 Water Expansion Fees	\$500,000 \$0	\$515,000 \$141,000	\$530,450 \$145,230	\$546,364 \$149.587	\$562,754 \$154.075	\$579,637 \$158.697	\$597,026 \$163,458	\$614,937 \$140,301	\$633,385 \$143,809	\$652,387 \$147.404	\$671,958 \$151.089	\$692,117 \$154.866	\$712,880 \$158,738	\$734,267 \$162,706	\$756,295 \$133,419	\$778,984 \$136,088	\$802,353 \$138.809	\$826,424 \$141.585	\$851,217 \$144,417	\$876,753 \$147,306	\$903,056 \$150.252
21 Total Non Operating Income	\$557.993	\$723,336	\$750,428	\$769,465	\$807,429	\$831,991	\$860,681	\$867,635	\$901.653	\$928,972	\$955,453		\$1,023,512						\$1.157.891		
22 Net Income	\$1,756,768	\$1,934,453	\$1,996,527	\$2,051,453	\$2,126,231	\$2,188,542	\$2,255,865	\$2,697,484	\$2,588,770	\$2,519,746		\$2,738,003	\$2,847,393	\$2,956,458	\$3,036,330	\$3,147,440	\$3,260,448	\$3,372,331	\$3,485,280		\$3,712,730
23 Less: Water Expansion Fees	\$0	(\$141,000)	(\$145,230)	(\$149,587)	(\$154,075)	(\$158,697)	(\$163,458)	(\$140,301)	(\$143,809)	(\$147,404)		(\$154,866)	(\$158,738)	(\$162,706)	(\$133,419)		(\$138,809)	(\$141,585)	(\$144,417)		(\$150,252)
24 Net Income Available for Debt Service 25 Senior Lien Debt Service Coverage	\$1,756,768	\$1,793,453	\$1,851,297	\$1,901,866	\$1,972,156	\$2,029,845	\$2,092,407	\$2,557,183	\$2,444,962	\$2,372,342	\$2,475,600	\$2,583,137	\$2,666,655	\$2,793,751	\$2,902,911	\$3,011,352	\$3,121,639	\$3,230,745	\$3,340,863	\$3,451,423	\$3,562,479
26 Existing Senior Lien Debt Service	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391	\$998,391
27 New Senior Lien Debt Service	\$0	\$0	\$ D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28 Cumulative New Senior Lien Debt for Additional Borrowings 29 Total Senior Lien Debt Service	\$0 \$998,391	\$0 \$998,391	\$0 \$998,391	\$15,460 \$1,013,851	\$111,423 \$1,109,814	\$142,310 \$1,140,701	\$219,493 \$1,217,884	\$297,068 \$1,295,459	\$356,819 \$1,355,210	\$434,905 \$1,433,296	\$504,644 \$1,503,035	\$577,459 \$1,575,850	\$648,088 \$1,646,479	\$717,846 \$1,716,237	\$790,456 \$1,788,847	\$861,916 \$1,860,307		\$1,005,210 \$2,003,601			\$1,217,795 \$2,216,186
30 Senior Lien Debt Service Coverage 1.2 Req'd	\$2	\$2	\$2	\$2	\$2	\$2	\$1,217,004	\$1,255,455	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2,000,001	\$2,074,760	\$2,145,555	\$2,210,100
31 SRF Debt Service Coverage																					
32 Net Income Available for Senior Lien Debt Service Coverage	\$1,756,768	\$1,793,453	\$1,851,297	\$1,901,866	\$1,972,156	\$2,029,845	\$2,092,407	\$2,557,183	\$2,444,962							\$3,011,352					\$3,562,479
33 Less: Senior Lien Debt Service 34 Net Income Available for SRF Debt Service Coverage	(\$998,391) \$758,377	(\$998,391)	(\$998,391) \$852,906	(\$1,013,851) \$888,015	(\$1,109,814) \$862,342	(\$1,140,701) \$889,144	(\$1,217,884)	(\$1,295,459)	(\$1,355,210)							(\$1,860,307)					
 Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service 	710,0016 08	\$795,062 \$0	\$002,300 \$0	000 U 10	\$002,342 \$0	\$009,144	\$874,523 \$0	\$1,261,724 \$0	\$1,089,752 \$0	\$939,046 \$0	\$972,500 \$0	\$0,700,14	\$1,042,176	\$1,077,014 O2	\$0,114,054	\$1,151,045 \$0	100,001,1¢ 02	\$1,227,144	\$1,200,100 \$∏	200, CUC, 16 N2	\$1,346,293 \$0
36 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Income Available for Debt Service	\$1,756,768	\$1,793,453	\$1,851,297	\$1,901,866	\$1,972,156	\$2,029,845	\$2,092,407	\$2,557,183	\$2,444,962	\$2,372,342	\$2,475,600	\$2,583,137	\$2,688,655	\$2,793,751	\$2,902,911	\$3,011,352	\$3,121,639	\$3,230,745	\$3,340,863	\$3,451,423	\$3,562,479
38 Less:																					
39 Total Senior Lien Debt Service 40 State Revolving Fund Loans	(\$998,391) R	(\$998,391) \$0	(\$998,391) sn	(\$1,013,851) \$0	(\$1,109,814) sn	(\$1,140,701) \$0	(\$1,217,884) \$0	(\$1,295,459) \$0	(\$1,355,210) \$0	(\$1,433,296) \$0	(\$1,503,035) \$0	(\$1,575,850) \$0	(\$1,646,479) \$0	(\$1,716,237) \$0	(\$1,788,847) \$0	(\$1,860,307) \$0	(\$1,932,738) \$0	(\$2,003,601) \$0	(\$2,074,705) \$0	(\$2,145,558) \$0	(\$2,216,186) \$0
41 Payment of Debt Service With Water Impact Fees	\$116,626	\$141,875	\$145,237	\$149,587	\$154,075	\$158,697	\$163,458	\$140,301	\$143,809	\$147,404		\$154,866	\$158,738	\$162,706	\$133,419		\$138,809	\$141,585	\$144,417	\$147,306	\$150,252
42 Payment of Debt Service With Sewer Impact Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43 Transfer Out 44 Capital Outlay	(\$757,000) (\$17,000)	(\$779,710) (\$17.510)	(\$803,101) (\$18,035)	(\$827,194) (\$18.576)	(\$852,010) (\$19.134)	(\$877,570) (\$19,708)	(\$903,898) (\$20,299)	(\$931,015) (\$20,908)	(\$958,945) (\$21,535)	(\$987,713) (\$22.181)			(\$24,238)	(\$24,965)	(\$1,145,U3U) (\$25,714)	(\$1,179,381) (\$26,485)		(\$28,098)	(\$28,742)		
45 Net Cash Flow	\$101,003	\$139,716	\$177,006	\$191,832	\$145,273	\$150,562	\$113,785	\$450,103	\$253,080	\$76,555	\$83,463	\$90,756	\$97,375	\$103,575	\$76,739	\$81,266	\$85,667	\$89,425	\$92,892	\$95,956	\$98,614
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,469,719	\$646,725	\$273,072	\$281,676	\$290,580	\$299.813	\$749,916	\$816,203	\$892,687	\$948,033	\$978,927		\$1,040,338					\$1,209,908	\$1,244,821
47 Minimum Working Capital Reserve Target 48 Reserve Fund Balance in Excess of Working Capital Target	\$243,506 \$2,485,494	\$256,717 \$2,573,286	\$264,756 \$1,204,963	\$273,072	\$281,676	\$290,580	\$299,813 \$0	\$749,916	\$816,203	\$892,687	\$948,033		\$1,010,141 \$0	\$1,040,338 \$0		\$1,107,917 \$0	\$1,146,952 \$0	\$1,175,081 \$0	\$1,209,908	\$1,244,821 \$0	\$1,279,824 \$0
48 Reserve Fund Balance in Excess of Working Capital Target 49 Less: Reserve Fund Balance used for Cash Flow	\$2,400,454 \$0	\$0,575,266 \$0	\$1,204,363 \$0	\$373,653 \$0	\$0 \$0	\$0 \$0	ş∪ \$∩	\$0 \$∩	\$0 \$∩	\$0 \$0	\$0 \$0	\$0 \$∩	SD SD	SO.	\$0 \$0	a∪ SU	a∪ S∩	\$O	\$0 \$0	a∪ S⊓	\$0
Reserve Fund Balance in Excess of Working Capital Target Net	40 405 404	#0 F70 000	#4 004 000	#070 CF0	***				***	**	***		**	***	***	\$n	**		***	sn.	
of Current Year Cash Flow	\$2,485,494	\$2,573,286	\$1,204,963	\$373,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0		\$0
51 Net Cash Flow After Use of Reserve Funds 52 Less: CIP Projects Designated to be Paid with Cash	\$101,003 \$0	\$139,716 \$0	\$177,006 \$0	\$191,832 \$0	\$145,273 \$0	\$150,562 \$0	\$113,785 \$0	\$450,103 \$0	\$253,080 \$0	\$76,555 \$0	\$83,463 \$0	\$90,756 \$0	\$97,375 08	\$103,575 \$0	\$76,739 \$0	\$81,266 \$0	\$85,667 \$0	\$89,425 \$0	\$92,892 \$0	\$95,956 \$0	\$98,614 \$0
52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund	\$101,003	\$139,716	\$177,006	\$191,832	\$145,273	\$150.562	\$113,785	\$450,103	\$253,080	\$76,555	\$83,463	\$90,756	\$97,375	\$103,575	\$76,739	\$81,266	\$85,667	\$89,425	\$92,892	\$95,956	\$98,614
54 Unrestricted Reserve Fund - Beginning of Year Balance	\$2,729,000	\$2,830,003	\$1,469,719	\$646,725	\$273,072	\$281,676	\$290,580	\$299,813	\$749,916	\$816,203	\$892,687	\$948,033	\$978,927	\$1,010,141	\$1,040,338	\$1,076,257	\$1,107,917	\$1,146,952	\$1,175,081	\$1,209,908	\$1,244,821
55 Cash In(Out) from Rate Revenues	\$101,003	\$139,716	\$177,006	\$191,832	\$145,273	\$150,562	\$113,785	\$450,103	\$253,080	\$76,555	\$83,463	\$90,756	\$97,375	\$103,575	\$76,739	\$81,266	\$85,667	\$89,425	\$92,892	\$95,956	\$98,614
 Less: Reserve Fund Balance used for Cash Flow Less: Projects Paid with Reserve Funds (Non Specified Funding) 	\$0 \$0	(\$1.500.000)	\$0 (\$1,000,000)	\$0 (\$565,485)	\$0 (\$136,669)	\$0 (\$141.658)	\$0 (\$104.552)	\$0 \$0	\$0 (\$186.793)	\$0 (\$72)	\$0 (\$28.116)	\$0 (\$59.862)	\$0 (\$66.161)	\$0 (\$73.378)	\$0 (\$40.820)	\$0 (\$49.606)	\$0 (\$46.633)	\$0 (\$61.296)	\$0 (\$58.065)	\$0 (\$61.043)	\$0 (\$63.611)
58 Unrestricted Reserve Fund - End of Year Balance	\$2,830,003	\$1,469,719	\$646,725	\$273,072	\$281,676	\$290,580	\$299,813	\$749,916	\$816,203	\$892,687	\$948,033		\$1,010,141	\$1,040,338		\$1,107,917			\$1,209,908		\$1,279,824
59 Minimum Working Capital Reserve Target	\$243,506	\$256,717	\$264,756	\$273,072	\$281,676	\$290,580	\$299,813	\$749,916	\$816,203	\$892,687	\$948,033					\$1,107,917					\$1,279,824
60 Excess (Deficiency) of Working Capital Reserves to Target	\$2,586,497	\$1,213,003	\$381,969	\$0	\$0	\$0	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)

⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

rce: Burton & Associates

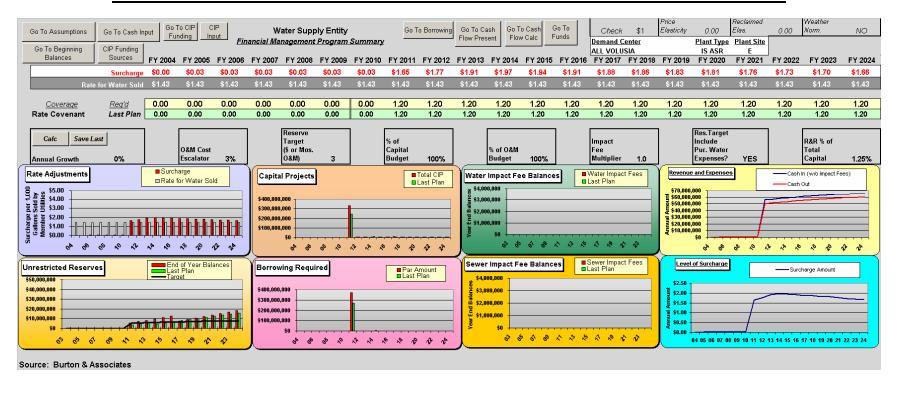
C:Data/SJRVMDVAndy/SJRVMD VModels as of 2-1-2004(FAMS-Typical Utility-SJRVMD_3_No Sewer_GVV:xis)Pro-Forma

APPENDIX Ca

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E
FIGURE Ca5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Intermittent Source with ASR, Site E FIGURE Ca6 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – PROFORMA

Water Supply Entity Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2004 FY 2005 FY 2007 FY 2008 FY 2009 FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 FY 2020 FY 2021 FY 2022 FY 2006 \$753.091 \$36.199.754 \$39.730.795 \$43.880.421 \$46.108.105 \$46.406.584 \$46.584.693 \$46.634.106 \$46.977.401 \$47.041.501 \$47.041.501 \$47.417.356 \$46.813.480 \$46.576.824 \$46.307.765 \$46.007.281 Surcharge Revenue \$511,193 \$551,897 \$596,021 \$643,845 \$695,670 \$9.438,900 \$10,109,457 \$10,780,014 \$11,450,571 \$12,121,129 \$12,797,943 \$13,474,757 \$14,151,571 \$14,828,386 \$45,638,654 \$49,840,252 \$54,660,435 \$57,568,676 \$56,527,712 \$59,382,636 \$60,108,863 \$61,128,973 \$61,869,887 **Total Operating Revenue** \$704.552 \$761.973 \$21,639,157 \$22,742,239 \$23,793,193 \$24,791,464 \$25,737,534 \$26,644,357 \$52,749,519 \$26,903,631 \$29,057,362 \$29,761,399 \$30,117,815 \$30,440,930 \$30,731,642 \$30,930,929 \$183,862) \$24,000,469 \$27,089,012 \$30,867,242 \$32,767,212 Operations and Maintenance Expense \$651.459 (\$7,613) (\$8.882) 9 Plus: Non Operating Income (Expense) \$5,076 \$3,443,640 \$1,543,670 \$1,520,705 \$1,572,604 \$1,701,538 \$1,485,541 \$1,498,348 \$1,149,723 \$1,802,147 \$1,654,046 \$1,705,946 \$1,757,845 \$3,807 \$6,344 \$8,882 Interest Earned on Invested Funds Transfers In Water Expansion Fees **Total Non Operating Income** \$3.80 \$8,882 \$3,443,640 \$1,543,670 \$1,520,705 \$1,572,504 \$1,701,538 \$1,485,541 \$1,498,348 \$1,149,723 \$1,602,147 \$1,654,046 \$1,705,946 \$1,757,845 \$43,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,883 \$34,31 Net Income Less: Water Expansion Fees Net Income Available for Debt Service Senior Lien Debt Service Coverage Existing Senior Lien Debt Service New Senior Lien Debt Senice Cumulative New Senior Lien Debt for Additional Borrowings \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5592.401 \$28.5992.401 \$28.5 22 Total Senior Lien Debt Service Senior Lien Debt Service Coverage 24 SRF Debt Service Coverage Net Income Available for Senior Lien Debt Service Coverage \$3 778 \$\(\8\)\$ \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,882 \\ \\$34,310,883 \\ \\$ Less: Senior Lien Debt Service Net Income Available for SRF Debt Service Coverage \$5,718,481 1.15 Reg'd SRF Deht Service Coverage 30 Net Income Available for Debt Service (\$0) (\$0) (\$0) (\$0) (\$0) (\$0) \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,882 \$34,310,883 \$3 Total Senior Lien Debt Service (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) (\$28,592,401) State Revolving Fund Loans Payment of Debt Service With Water Impact Fees Transfer Out Capital Outlay Net Cash Flow \$5.718.481 \$5,718,481 Unrestricted Reserve Fund - Beginning of Year Balance \$250,000 \$6,892,380 \$8,375,220 \$9,858,061 \$11,340,901 \$12,823,741 \$7,736,446 \$9,219,286 \$10,702,126 \$12,184,967 \$13,667,807 \$15,150,647 \$16,633,487 Minimum Working Capital Reserve Target Reserve Fund Balance in Excess of Working Capital Target Less: Reserve Fund Balance used for Cash Flow \$5,409,539 \$5,685,560 \$6,434,384 \$6,661,089 \$6.874.880 \$7.075.908 \$7,264,338 \$7,440,349 \$7,529,454 \$7,610,232 \$7,682,911 \$1,954,948 \$3,261,777 \$4,655,513 \$6,057,574 \$7,467,736 \$250.00 \$944,082 \$2,177,354 \$3,423,677 \$4,679,812 \$5,948,861 \$660,538 \$1,954,948 \$3,261,777 \$4,665,513 erve Fund Balance in Excess of Working Capital Target Ne of Current Year Cash Flow \$125,028 \$114,535 \$103,187 \$90,914 \$77,640 \$2,177,354 \$3,423,677 \$4,679,812 \$5,948,861 \$660,538 \$1,954,948 \$3,261,777 \$4,655,513 \$6,057,574 \$7,467,736 \$8,885,755 43 Net Cash Flow After Use of Reserve Funds \$3.778 \$5,718,481 \$5,718,481 \$5.718.481 \$5.718.481 \$5,718,481 \$5.718.481 \$5.718.481 \$5.718.482 \$5.718.482 \$5.718.481 \$5.718.482 \$6.718.482 \$5.718.482 44 Less: CIP Projects Designated to be Paid with Cash 45 Net Cash Flow to Unrestricted Reserve Fund \$0 \$5.718.481 \$5.718.481 \$0 \$5.718.481 \$6.718.481 \$0 \$0 \$0 \$5.718.481 \$5.718.481 \$5.718.481 \$6.718.482 46 Unrestricted Reserve Fund - Beginning of Year Balance \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$7,736,446 \$9,219,286 \$10,702,126 \$12,184,967 \$13,667,807 \$15,150,647 \$16,633,487 \$5,718,481 \$5,718,481 \$5,718,481 \$5,718,481 \$5,718,481 \$5,718,482 \$5,718,482 \$5,718,482 \$5,718,482 \$5,718,482 \$5,718,482 Cash In(Out) from Rate Revenues \$3,778 \$5,718,481 \$5,718,481 Less: Reserve Fund Balance used for Cash Flow Less: Projects Paid with Reserve Funds (Non Specified Funding (\$0) Unrestricted Reserve Fund - End of Year Balance Minimum Working Capital Reserve Target \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$253,778 \$5,409,542 \$6,892,382 \$8,375,222 \$9.858.063 \$11.340.903 \$12.823.744 \$7.736.448 \$9.219.288 \$10.702.129 \$12.184.969 \$13.667.809 \$15.150.649 \$16.633.490 \$18.116.330 \$5,865,560 \$5,946,288 \$6,197,666 \$6,434,364 \$6,610,89 \$6,874,800 \$7,075,908 \$1,206,822 \$2,426,924 \$3,660,197 \$4,906,520 \$6,162,654 \$861,568 \$2,143,381 \$6,874,880 \$7,075,908 \$7,264,338 \$7,440,349 \$7,529,454 \$7,610,232 \$7,882,911 \$7,747,732 \$861,568 \$2,143,381 \$3,437,791 \$4,744,620 \$6,138,356 \$7,540,417 \$8,950,579 \$10,368,598 52 Excess (Deficiency) of Working Capital Reserves to Target \$253,778 \$125,028 \$114,535

Source: Burton & Associates
C:Datals_RVMDIAndy/sJRVMD VModels as of 2-1-2004\(FAMS-VVater Supply Entity-SJRVMD_4.xds\(Pro-Form

APPENDIX Cb

Volusia County Demand Center Reliable Source ASR Site E Just-in-Time Rates

Figure	
Number	Title
Cb1	Utility – Groundwater Scenario – Summary Panel
Cb2	Utility – Groundwater Scenario – Proforma
Cb3	Utility - Surface Water Scenario - Summary Panel
Cb4	Utility – Surface Water Scenario – Proforma
Cb5	Water Supply Entity – Surface Water Scenario – Summary Panel
Cb6	Water Supply Entity – Surface Water Scenario – Proforma

APPENDIX Cb

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source with ASR, Site E FIGURE Cb1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

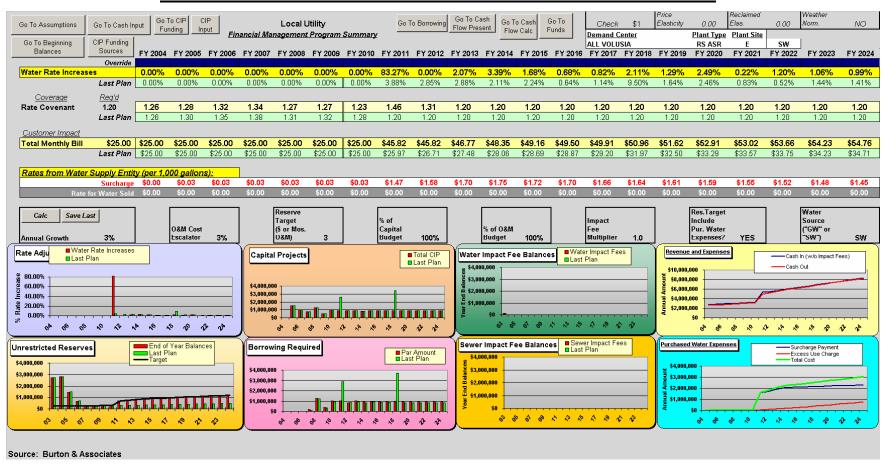
FIGURE Cb2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

Same as Figures Ca1 and Ca2

APPENDIX Cb

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source with ASR, Site E FIGURE Cb3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source with ASR, Site E FIGURE Cb4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

Local Utility Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2014 FY 2015 FY 2016 FY 2019 0.00% 3.00% 3.00% 3.00% 3.00% 3.00% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.00% 2.00% Revenue Revenue Subject to Rate Increases Water Rate Revenue \$1,900,000 \$1,900,000 \$1.957.000 \$2.015.710 \$2.076.181 \$2,138,467 \$2,202,621 \$2,268,699 \$4,261,858 \$4.368.405 \$4.570.280 \$4.843.555 \$5.047.895 \$5.209.422 \$5.383.703 \$5.607.453 \$5.793.586 \$6.056.394 \$6.191.058 \$6.390.530 \$6.587.415 Rate Revenue from Growth \$57,000 \$58,710 \$60,471 \$62,285 \$64,154 \$66,079 \$56,717 \$106,546 \$109,210 \$114,257 \$121,089 \$126,197 \$130,236 \$107,674 \$112,149 \$115,872 \$121,128 \$123,821 \$127,811 \$131,748 Proposed Rate Increase SO \$0 \$0 \$1,936,441 \$92,665 \$83,251 \$35,329 \$44,046 \$116,076 \$146,936 Rate Revenue from Rate Increase Total Water Rate Revenue \$4.570,280 \$4.843,555 \$5.047,895 \$5.209,422 \$5.383,703 \$5.607,453 \$5.793,586 Other Operating Revenue \$365,942 \$366,620 \$377,619 \$389,948 \$400,616 \$412,634 \$425,014 \$437,764 \$450,897 \$464,424 \$478,656 \$492,707 \$4,926,522 \$5,210,176 \$45,425,514 \$5,598,370 \$5,784,319 \$6,020,087 \$6,218,599 \$6,441,57 \$6,641,954 \$6,641,954 \$6,645,51 \$7,065,769 \$7,278,210 Other Operating Revenue (1) 10 Total Operating Revenue Purchased Water at Groundwater Rates \$46,929 \$88.643 \$135 571 \$187.714 \$234.643 \$286.786 \$338.929 \$396.286 \$448.429 \$511.000 \$568.357 \$630.929 \$693.500 \$1,568,439 \$1,925,254 \$2,033,735 \$2,063,651 \$2,095,685 \$2,116,631 \$2,151,714 \$2,174,750 \$2,213,667 \$2,215,753 \$2,235,910 \$2,254,677 \$2,272,015 Water Treatment Facility Surcharge \$36,216 \$1,731,730 Operations and Maintenance Expense \$1,003,246 \$1,211,117 \$1 033 343 \$1.064.343 \$1.096.274 \$1 129 162 \$1,163,037 \$1 197 928 \$1 233 866 \$1,270,882 \$1,309,008 \$1,348,278 \$1,338,727 \$1,430,389 \$1,473,000 \$1,517,499 \$1,563,024 \$1,609,915 \$1,658,212 \$1,707,959 \$1,759,197 \$1,594,515 \$1,674,718 \$1,772,942 \$1,627,173 \$1,988,371 \$1,998,787 \$2,077,922 \$2,206,477 \$2,247,928 \$2,329,900 \$2,409,634 \$2,409,927 15 Net Operating Income 16 Plus: Non Operating Income (Expense) Non Operating Revenue \$111.581 \$122,761 \$633,385 \$127,279 \$652,387 \$130,283 \$671,958 \$119,251 \$692,117 \$149,596 \$712,880 \$161,936 \$734,267 \$148,427 \$756,295 \$154,850 \$778,984 Interest Earned on Invested Funds \$67.336 \$74.748 \$73.514 \$90,600 \$93,658 \$100 198 \$112.973 \$515,000 \$530,450 \$562,754 \$579,637 \$597,026 \$614,937 \$802,353 \$826,424 \$500,000 \$546,364 Transfers In Water Expansion Fees \$141 000 \$145,230 \$149 587 \$154 075 \$158 697 \$163,458 \$140 301 \$143,809 \$147.404 \$151,089 \$154.866 \$158,738 \$162,706 \$133.419 \$136.088 \$138.809 \$141.585 Total Non Operating Income \$899,955 \$2,559,696 22 Net Income 23 Less: Water Expansion Fees \$2,188,542 \$2,848,387 \$2,255,865 (\$149,587) (\$158,697) (\$163,458) (\$140,301) (\$143,809) (\$147,404) (\$151,089) (\$154,866) (\$158,738) (\$162,706) (\$133,419) (\$136,088) (\$138,809) (\$141,585) 24 Net Income Available for Debt Service \$1 972 156 \$2 029 845 \$2.092.407 \$2,510,591 \$2,415,887 \$2.374.181 \$2.476.960 \$2.584.309 \$2.689.649 \$2.794.574 \$2.903.509 \$3.011.755 \$3.121.803 \$3.230.749 \$3.340.655 \$3.451.000 \$3.661.838 25 Senior Lien Debt Service Coverage Existing Senior Lien Debt Service \$998.391 \$0 \$436,438 \$0 \$505,777 \$0 \$578,436 \$0 \$0 \$0 \$0 \$648,916 \$718,532 \$790,954 \$862,252 \$1,647,307 \$1,716,923 \$1,789,345 \$1,860,643 \$0 \$0 \$0 \$0 \$0 \$0 \$934.484 \$1,005.213 \$1,076.141 \$1,146.815 \$1,217.261 New Senior Lien Debt Service Cumulative New Senior Lien Debt for Additional Borrowings \$142,310 \$1,140,701 \$219,493 \$297,068 \$998.391 \$1,434,829 \$1,504,168 \$1,576,827 \$2 \$2 \$2 Senior Lien Debt Service Coverage 31 SRF Debt Service Coverage Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service \$1.756.768 \$1,733,453 \$1,851,257 \$1,901,866 \$1,972,156 \$2,029,845 \$2,029,845 \$2,029,247 \$2,510,591 \$2,415,887 \$2,374,181 \$2,476,960 \$2,589,549 \$2,794,574 \$2,903,509 \$3,011,755 \$3,121,803 \$3,207,49 \$3,340,655 \$3,451,000 \$3,561,838 \$(9898,391) \$(\$989,391) \$(\$989,391) \$(\$1,013,951) \$(\$1,019,814) \$(\$1,140,701) \$(\$1,127,884) \$(\$1,295,459) \$(\$1,295,459) \$(\$1,343,629) \$(\$1,504,168) \$(\$1,576,627) \$(\$1,673,07) \$(\$1,716,923) \$(\$1,769,345) \$(\$1,860,643) \$(\$1,932,875) \$(\$2,003,604) \$(\$2,074,532) \$(\$2,145,206) \$(\$2,215,652) Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service \$862,342 \$889 144 \$874,523 \$939,352 \$972.792 \$1.007.482 \$1.042.342 \$1.077.651 \$1.114.164 \$1.151.112 \$1.188.928 \$1.227.145 \$1.266.123 \$1.305.794 \$1.346.186 1.15 Reg'd SRF Debt Service Coverage 37 Net Income Available for Debt Service \$1,756,768 \$1 793 453 \$1,851,297 \$1,901,866 \$1,972,156 \$2,029,845 \$2.092.407 \$2,510,591 \$2,415,887 \$2,374,181 \$2,476,960 \$2,584,309 \$2,689,649 \$2,794,574 \$2,903,509 \$3,011,755 \$3,121,803 \$3,230,749 \$3,340,655 \$3,451,000 \$3,561,838 (\$1.434.829) (\$1.504.168) (\$1.576.827) (\$1.647.307) (\$1.716.923) (\$1.789.345) (\$1.860.643) (\$1.932.875) (\$2.003.604) (\$2.074.532) (\$2.145.206) (\$2.215.652) Total Senior Lien Debt Service (\$998.391) (\$998.391) (\$998.391) (\$1.013.851) (\$1.109.814) (\$1.140.701) (\$1.217.884) (\$1.295.459) (\$1.357.382) State Revolving Fund Loans \$141,875 \$0 Payment of Deht Service With Water Impact Fees \$116,626 \$145,237 \$149 587 \$154,075 \$158 697 \$163,458 \$140,301 \$143,809 Payment of Debt Service With Sewer Impact Fees (\$779,710) (\$997,713) (\$1,017,345) (\$1,047,865) (\$1,079,301) (\$1,111,680) (\$1,145,030) (\$1,179,381) (\$1,214,763) (\$1,251,206) (\$1,288,742) (\$1,327,404) (\$1,367,226) (\$757,000) (\$803,101) (\$827,194) (\$852,010) (\$877,570) (\$903,898) (\$931,015) (\$958,945) Transfer Out (\$17.510) \$139,716 (\$20,908) (\$22,847) (\$24,965) \$103,713 (\$25,714) (\$26,485) \$76,839 \$81,333 (\$27,280) (\$28,098) (\$28,941) (\$29,810) \$85,695 \$89,426 \$92,857 \$95,886 44 Capital Outlay 45 Net Cash Flow (\$18,035) \$177,006 (\$22,181) \$76,862 (\$23,532) \$90,952 (\$24,238) \$97,541 \$191.832 \$145,273 \$150.562 \$113,785 \$221.834 \$403.511 \$83,689 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2,830,003 \$1,469,719 \$646,725 \$273,072 \$281,676 \$290,580 \$299.813 \$703 324 \$763,560 \$832 927 \$883.864 \$913,143 \$942,799 \$971.487 \$1,005.325 \$1,035.169 \$1,071.920 \$1,098.506 \$1,131.263 \$1,164,034 Minimum Working Capital Reserve Target \$264,756 \$281,676 \$290,580 \$299,813 \$913,143 \$942,799 \$971,487 \$1,005,325 \$1,035,169 \$1,071,920 \$1,098,506 \$1,131,263 \$1,164,034 \$1,196,821 \$243,506 \$256,71 \$703,324 \$763,560 \$883,864 Reserve Fund Balance in Excess of Working Capital Target Less: Reserve Fund Balance used for Cash Flow \$2,485,494 \$2,573,286 \$1,204,963 \$373,653 Reserve Fund Balance in Excess of Working Capital Target Net \$2,573,286 \$150,562 \$403,511 51 Net Cash Flow After Use of Reserve Funds \$139,716 \$191,832 \$145,273 \$113,785 \$221,834 \$76,862 \$83,689 \$97,541 \$103,713 52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund \$177,006 \$85.695 \$0 \$92.857 \$0 \$98,508 \$139.716 \$0 \$145,273 \$95,886 \$191,832 \$150,562 \$76,862 \$97,541 \$76,839 \$81,333 \$89,426 \$403.51 \$221.834 \$83,689 \$90,952 54 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2.830,003 \$1,469,719 \$646,725 \$273.072 \$281.676 \$290,580 \$299.813 \$703.324 \$763,560 \$832.927 \$883.864 \$913,143 \$942,799 \$971,487 \$1,005,325 \$1,035,169 \$1,071,920 \$1,098,506 \$1,131,263 \$1,164,034 Cash In(Out) from Rate Revenues \$101,003 \$139,716 \$177,006 \$191,832 \$145,273 \$150,562 \$113,785 \$403,511 \$221,834 \$76,862 \$83,689 \$90,952 \$97,541 \$103,713 \$76,839 \$81,333 \$85,695 \$89,426 \$92,857 \$0 Less: Reserve Fund Balance used for Cash Flow SΠ SΠ SΠ SD 50 50 (\$32,752) (\$67,885) \$942,799 (\$75,025) (\$43,001) (\$51,489) (\$48,944) (\$62,840) (\$60,101) (\$63,115) (\$65,721) (\$971,487 (\$1,005,325 (\$1,035,169 (\$1,071,920 (\$1,098,506 (\$1,131,262 (\$1,164,034 (\$1,196,821 Less: Projects Paid with Reserve Funds (Non Specified Funding (\$141.658) (\$7,495) Unrestricted Reserve Fund - End of Year Balance \$2,830,003 \$1,469,719 \$646,725 \$273.072 \$281,676 \$299.813 \$763,560 \$883,864 \$913,143 \$256,717 \$1,213,003 \$971,487 \$1,005,325 \$1,035,189 \$1,071,920 \$1,098,506 \$1,131,263 \$1,164,034 \$1,196,821 \$0 (\$0) \$0 \$0 \$0 (\$0) (\$0) (\$0) (\$0) 59 Minimum Working Capital Reserve Target 60 Excess (Deficiency) of Working Capital Reserves to Target \$299,813 \$883,864 \$913,143 \$942,799

Source: Burton & Associates

C:Data/SJRVMDVAndy/SJRVMD YWodels as of 2-1-2004/[FAMS-Typical Utility-SJRVMD_3_No Sewer_GW:xls]Pro-Forma

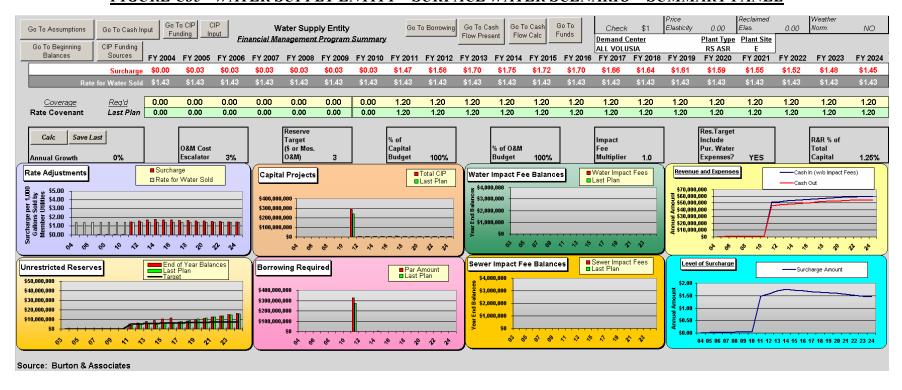
⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

APPENDIX Cb

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source with ASR, Site E FIGURE Cb5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source with ASR, Site E FIGURE Cb6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

	Water Supply Entity Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage																				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1 Revenue																					
2 Surcharge Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670		\$32,355,171		\$39,033,961						\$41,489,945					\$40,141,355
3 Delivered Water Revenue 4 Total Operating Revenue	\$0 \$0	\$0 \$511,193	\$0 \$551,897	\$0 \$596,021	\$0 \$643,845	\$0 \$695,670	\$0 \$753,091	\$9,438,900 \$41,794,071	\$10,109,457 \$45,532,868	\$10,780,014 \$49,813,975						\$14,828,386 \$56,318,331			\$16,520,943 \$57,352,932		
5 Expenses																					
6 Operations and Maintenance Expense	\$0	\$515,000	\$556,973	\$602,366	\$651,459	\$704,552	\$761,973	\$20,722,908	\$21,754,323	\$22,731,594	\$23,655,168	\$24,525,527	\$25,354,994	\$26,131,776	\$26,856,484	\$27,529,777	\$28,152,370	\$28,443,973	\$28,701,503	\$28,925,863	\$29,118,029
8 Net Operating Income	\$0	(\$3,807)	(\$5,076)	(\$6,344)	(\$7,613)	(\$8,882)	(\$8,882)	\$21,071,163	\$23,778,545	\$27,082,381	\$28,747,655	\$28,767,586	\$28,721,878	\$28,607,896	\$28,799,616	\$28,788,554	\$29,108,891	\$28,697,137	\$28,651,429	\$28,605,720	\$28,560,012
9 Plus: Non Operating Income (Expense)																					
10 Non Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
11 Interest Earned on Invested Funds 12 Transfers In	\$3,778 \$0	\$3,807 \$0	\$5,076 \$0	\$6,344 \$0	\$7,613 \$0	\$8,882 \$0	\$8,882 \$0	\$9,046,798 \$0	\$6,339,416 \$0	\$3,035,580 \$0	\$1,370,306 \$0		\$1,396,083 \$0	\$1,510,065 \$0	\$1,318,345 \$0	\$1,329,408 \$0	\$1,009,070 \$0	\$1,420,824 \$0		\$1,512,241 \$0	\$1,557,949 \$0
13 Water Expansion Fees	SO.	\$D	sn	50 50	\$0 \$0	SO.	SO.	sn	sn	SO.	sn sn	30 S∩	sn sn	\$0 \$0	50 50	30 S∩	sn sn	SO.	sn sn	SO.	sn
14 Total Non Operating Income	\$3,778	\$3,807	\$5,076	\$6,344	\$7,613	\$8.882	\$8.882	\$9.046,798	\$6,339,416	\$3,035,580	\$1,370,306	\$1,350,375	\$1,396,083			\$1,329,408	\$1,009,070	\$1,420,824	\$1,466,533	\$1.512.241	\$1,557,949
15 Net Income	\$3,778	(\$D)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961			\$30,117,961			\$30,117,961			\$30,117,961	\$30,117,961
16 Less: Water Expansion Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
17 Net Income Available for Debt Service	\$3,778	(\$D)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961
18 Senior Lien Debt Service Coverage 19 Existing Senior Lien Debt Service	\$0	\$O	\$0	\$0	\$0	SO	\$0		SO.	40		**	sn	40		**		\$O		eo.	
20 New Senior Lien Debt Service	SO.	SO.	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	şu sn	\$U \$0	ş∪ S∩	\$U \$0	\$0 \$0	\$∪ \$∩	ş∪ S∩	\$∪ \$∩	\$0 \$0	\$U \$0	ş∪ \$∩	şu sn	ş∪ S∩	şu şn
21 Cumulative New Senior Lien Debt for Additional Borrowings	\$0	\$0	\$O	50	\$0	\$0		\$25,098,301		\$25,098,301											
22 Total Senior Lien Debt Service	\$0	\$ 0	\$0	\$0	\$0	\$0		\$25,098,301	\$25,098,301	\$25,098,301	\$25,098,301				\$25,098,301		\$25,098,301			\$25,098,301	\$25,098,301
23 Senior Lien Debt Service Coverage 1.2 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
- CDFD LLC : C																					
24 SRF Debt Service Coverage 25 Net Income Available for Senior Lien Debt Service Coverage	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(60)	\$30,117,961	\$30,117,961	\$30,117,961	¢20 117 001	£20 117 QC1	\$30 117 GC1	£20 117 001	\$30 117 QC1	£20 117 QC1	¢20 117 001	£20 117 001	\$30,117,961	E20 117 001	\$30,117,961
26 Less: Senior Lien Debt Service	\$0,770	\$0 \$0	(80) \$0	(4O)	\$0 \$0	\$0 \$0		(\$25,098,301)													
27 Net Income Available for SRF Debt Service Coverage	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660		\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660				\$5,019,660	\$5,019,660
28 Existing SRF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 SRF Debt Service Coverage 1.15 Req'd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30 Net Income Available for Debt Service	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961	\$30,117,961
31 Less:																					
32 Total Senior Lien Debt Service	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(\$25,098,301)	(\$25,098,301) \$0	(\$25,098,301)	(\$25,098,301) \$0		(\$25,098,301)			(\$25,098,301)	(\$25,098,301) \$0			(\$25,098,301) \$0	
 33 State Revolving Fund Loans 34 Payment of Debt Service With Water Impact Fees 	\$0	\$0 \$0	\$U \$∩	\$U \$0	\$0	\$0 \$0	\$U \$U	\$U \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0		\$0 \$0	\$0 \$0
35 Transfer Out	\$O	\$0 \$0	\$U 80	\$D	\$0 \$0	\$0 \$0	\$U \$D	SU SU	\$D	\$O	au an	şu sn	so so	\$D	\$U 03	şu sn	au an	\$U \$0	so so	\$U \$U	80 80
36 Capital Outlay	\$0	\$0	\$O	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Net Cash Flow	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660
38 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$5,180,727	\$6,486,680	\$7,792,633	\$9,098,585		\$11,710,491	\$7,193,566		\$9,805,472				\$15,029,283
39 Minimum Working Capital Reserve Target	\$0	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$5,180,727	\$5,438,581	\$ 5,682,898	\$5,913,792		\$6,338,749	\$6,532,944	\$6,714,121	\$6,882,444	\$7,038,092				\$7,279,507
40 Reserve Fund Balance in Excess of Working Capital Target	\$250,000 \$0	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0 \$0	\$803,781	\$1,878,841			\$5,177,547 \$0	\$479,445		\$2,767,379 \$0				
41 Less: Reserve Fund Balance used for Cash Flow 42 Reserve Fund Balance in Excess of Working Capital Target Net	30	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	30	\$0	30	\$0	\$0	\$0	\$0	\$0	\$0	\$0
of Current Year Cash Flow	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$803,781	\$1,878,841	\$2,967,204	\$4,065,790	\$5,177,547	\$479,445	\$1,617,075	\$2,767,379	\$4,000,431	\$5,242,002	\$6,491,864	\$7,749,776
43 Net Cash Flow After Use of Reserve Funds	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660
44 Less: CIP Projects Designated to be Paid with Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45 Net Cash Flow to Unrestricted Reserve Fund	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$5,019,660	\$5,019,660	\$5,019,660	\$5,019,660		\$5,019,660	\$5,019,660	\$5,019,660		\$5,019,660			\$5,019,660	\$5,019,660
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$5,180,727	\$6,486,680	\$7,792,633		\$10,404,538	\$11,710,491	\$7,193,566	\$8,499,519	\$9,805,472		\$12,417,377		\$15,029,283
47 Cash In(Out) from Rate Revenues	\$3,778 \$0	\$0	\$0	\$0	\$0	\$ 0	\$0	\$5,019,660 \$0	\$5,019,660 so	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660 \$0	\$5,019,660	\$5,019,660	\$5,019,660 \$0
48 Less: Reserve Fund Balance used for Cash Flow 49 Less: Projects Paid with Reserve Funds (Non Specified Funding)	\$U \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$∩	(\$0) \$∩	(\$92,711)				\$U (\$3,713,707)				\$U (\$3,713,707)			\$U (103.713.707)	(\$3.713.707)	
50 Unrestricted Reserve Fund - End of Year Balance	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$5,180,727	\$6,486,680	\$7,792,633	\$9.098.585			\$7,193,566	\$8,499,519			\$12,417,377			\$16,335,236
51 Minimum Working Capital Reserve Target 3 Mo O&	\$233,770	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$5,180,727	\$5,438,581	\$5,682,898	\$5,913,792			\$6,532,944	\$6,714,121					\$7,231,466	\$7,279,507
52 Excess (Deficiency) of Working Capital Reserves to Target	\$253,778	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	(\$0)		\$2,109,734	\$3,184,794			\$660,622	\$1,785,398		\$4,073,332			\$7,797,817	\$9,055,729

Source: Burton & Associates
C:Data(S:RWMDVandy/S:RWMD V/Models as of 2-1-2004\(FAMS-Water Supply Entity-S:JRWMD_4.xis)Pro-Forma

APPENDIX Cc

Volusia County Demand Center Reliable Source Without ASR Site E Just-in-Time Rates

Figure <u>Number</u>	Title
Cc1	Utility – Groundwater Scenario – Summary Panel
Cc2	Utility – Groundwater Scenario – Proforma
Cc3	Utility – Surface Water Scenario – Summary Panel
Cc4	Utility – Surface Water Scenario – Proforma
Cc5	Water Supply Entity – Surface Water Scenario – Summary Panel
Cc6	Water Supply Entity – Surface Water Scenario – Proforma

APPENDIX Cc

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source without ASR, Site E FIGURE Cc1 - UTILITY - GROUNDWATER SCENARIO -SUMMARY PANEL

&

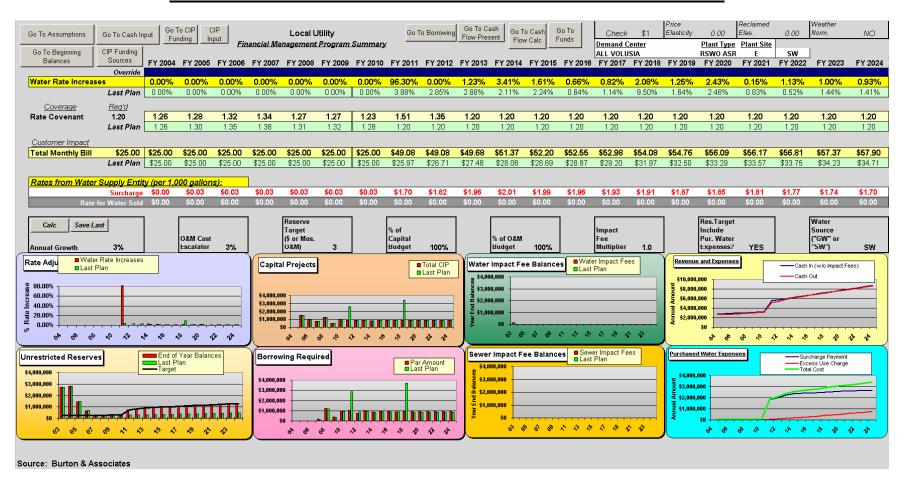
FIGURE Cc2 - UTILITY - GROUNDWATER SCENARIO - PROFORMA

Same as Figures Ca1 and Ca2

APPENDIX Cc

St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source without ASR, Site E FIGURE Cc3 - UTILITY - SURFACE WATER SCENARIO - SUMMARY PANEL



St. Johns River Water Supply Project Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source without ASR, Site E FIGURE Cc4 - UTILITY - SURFACE WATER SCENARIO - PROFORMA

Local Utility Water and Sewer System Financial Management Program Summary Forecast of Net Revenues and Debt Service Coverage FY 2014 FY 2015 FY 2016 0.00% 3.00% 3.00% 3.00% 3.00% 3.00% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.50% 2.00% 2.00% 2.00% Revenue Revenue Subject to Rate Increases Water Rate Revenue \$1,900,000 \$1,900,000 \$1.957.000 \$2.015.710 \$2.076.181 \$2,138,467 \$2,202,621 \$2,268,699 \$4,564,878 \$4,679,000 \$4,854,967 \$5,145,983 \$5,359,684 \$5,530,144 \$5,714,983 \$5,950,377 \$6,145,514 \$6,420,876 \$6,568,801 \$6,765,669 \$6,969,803 Rate Revenue from Growth \$57,000 \$58,710 \$60,471 \$62,285 \$64,154 \$66,079 \$56,717 \$114,122 \$116,975 \$121,374 \$128,650 \$133,992 \$138,254 \$114,300 \$119,008 \$122,910 \$128,418 \$131,176 \$135,313 \$139,396 Proposed Rate Increase \$0 \$0 \$0 \$58,992 \$169,641 \$36,468 \$46,585 \$121,095 Rate Revenue from Rate Increase Total Water Rate Revenue \$4,854,967 \$5,145,983 \$5,359,684 \$5,530,144 \$5,714,983 \$5,950,377 \$6,145,514 Other Operating Revenue \$355,942 \$366,620 \$377,619 \$389,948 \$400,616 \$412,634 \$425,014 \$437,764 \$450,897 \$464,424 \$478,956 \$492,707 \$5,210,909 \$5,512,603 \$5,737,303 \$5,919,092 \$61,165,99 \$6,363,012 \$6,570,528 \$6,688,640 \$7,009,698 \$7,230,093 \$7,448,159 \$7,667,694 Other Operating Revenue (1) 10 Total Operating Revenue Purchased Water at Groundwater Rates \$46,929 \$88.643 \$135 571 \$187.714 \$234.643 \$286.786 \$338.929 \$396.286 \$448.429 \$511.000 \$568.357 \$630.929 \$693.500 \$756.071 \$1,811,706 \$2,216,235 \$2,347,151 \$2,337,264 \$2,422,042 \$2,453,326 \$2,499,824 \$2,531,698 \$2,579,814 \$2,588,220 \$2,615,628 \$2,641,509 \$2,665,812 Water Treatment Facility Surcharge \$36,216 \$1,997,281 Operations and Maintenance Expense \$1,003,246 \$1,211,117 \$1 033 343 \$1.064.343 \$1.096.274 \$1 129 162 \$1,163,037 \$1 197 928 \$1,233,866 \$1,270,882 \$1,309,008 \$1,348,278 \$1,338,727 \$1,430,389 \$1,473,000 \$1,517,499 \$1,563,024 \$1,609,915 \$1,658,212 \$1,707,959 \$1,759,197 \$1,568,221 \$1,668,729 \$1,767,118 \$1,621,538 \$1,892,956 \$1,993,602 \$2,072,902 \$2,204,802 \$2,243,206 \$2,253,324 \$2,405,191 \$2,466,614 15 Net Operating Income 16 Plus: Non Operating Income (Expense) Non Operating Revenue \$0 \$129,587 \$652,387 \$0 \$0 \$152,324 \$164,757 \$712,880 \$734,267 \$0 \$151,352 \$756,295 \$112.646 \$124,918 \$633,385 \$132,797 \$671,958 \$121,892 \$692,117 Interest Earned on Invested Funds \$67.336 \$74.748 \$73.514 \$90,600 \$93,658 \$100 198 \$157.873 \$112.919 \$159 581 \$515,000 \$530,450 \$562,754 \$579,637 \$597,026 \$614,937 \$778,984 \$802,353 \$826,424 \$500,000 \$546,364 Transfers In Water Expansion Fees \$141 000 \$145,230 \$149 587 \$154 075 \$158 697 \$163,458 \$140 301 \$143,809 \$147.404 \$151,089 \$154.866 \$158,738 \$162,706 \$133.419 \$136,088 \$138.809 \$141.585 Total Non Operating Income \$1,061,730 \$1,041,066 \$1,072,944 \$1,054,081 \$2,954,686 \$3,034,668 \$3,145,846 \$3,258,883 22 Net Income 23 Less: Water Expansion Fees \$2,188,542 \$2,606,897 \$2,624,574 \$2,735,993 \$2,255,865 \$2,845,480 (\$147,404) (\$151,059) (\$154,866) (\$155,739) (\$162,706) (\$133,419) (\$136,089) (\$138,089) (\$141,585) (\$144,417) (\$147,306) (\$150,252 \$2,370,195 \$2,473,485 \$2,281,127 \$2,586,742 \$2,791,980 \$2,201,249 \$3,009,759 \$3,120,074 \$3,229,210 \$3,339,328 \$3,449,975 \$3,569,910 (\$149,587) (\$158,697) (\$163,458) (\$143,809) 24 Net Income Available for Debt Service \$1 972 156 \$2 029 845 \$2.092.407 \$2.571.408 \$2,463,089 25 Senior Lien Debt Service Coverage Existing Senior Lien Debt Service \$998.391 \$998,391 \$998,391 \$998,391 \$0 \$0 \$0 \$575,784 \$646,494 \$716,370 \$1,574,175 \$1,644,885 \$1,714,761 \$2 \$2 \$2 \$0 \$433,116 \$0 \$502,881 \$1,501,272 \$2 \$0 \$789,071 \$0 \$0 \$0 \$0 \$0 \$0 \$933,043 \$1,003,931 \$1,075,035 \$1,145,878 \$1,216,488 New Senior Lien Debt Service \$860,588 Cumulative New Senior Lien Debt for Additional Borrowings \$142,310 \$1,140,701 \$219,493 \$297,068 \$355,064 \$998.391 \$1,431,507 \$2 Senior Lien Debt Service Coverage 31 SRF Debt Service Coverage \$1,793,453 \$1,851,297 \$1,901,866 \$1,972,156 \$2,029,845 \$2,029,845 \$2,029,447 \$2,261,408 \$2,263,089 \$2,370,195 \$2,473,465 \$2,281,127 \$2,586,742 \$2,791,980 \$2,901,249 \$3,009,799 \$3,120,074 \$3,229,210 \$3,339,328 \$3,449,876 \$3,580,910 \$989,391 \$(989,391) \$(Net Income Available for Senior Lien Debt Service Coverage Less: Senior Lien Debt Service \$1.756.768 Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service 1.15 Reg'd SRF Debt Service Coverage 37 Net Income Available for Debt Service \$1,756,768 \$1 793 453 \$1,851,297 \$1,901,866 \$1,972,156 \$2,029,845 \$2.092.407 \$2.571.408 \$2,463,089 \$2,370,195 \$2,473,485 \$2,581,127 \$2,686,742 \$2,791,980 \$2,901,249 \$3,009,759 \$3,120,074 \$3,229,210 \$3,339,328 \$3,449,876 \$3,560,910 (\$1.431.507) (\$1.501.272) (\$1.574.175) (\$1.644.885) (\$1.714.761) (\$1.787.462) (\$1.858.979) (\$1.931.434) (\$2.002.322) (\$2.073.426) (\$2.144.269) (\$2.214.879) Total Senior Lien Debt Service (\$998.391) (\$998.391) (\$998.391) (\$1.013.851) (\$1.109.814) (\$1.140.701) (\$1.295.459) (\$1.353.455) State Revolving Fund Loans \$147,404 \$151,089 \$154,866 \$158,738 \$162,706 \$133,419 \$136,088 \$138,809 \$141,585 \$144,417 \$147,306 \$150,252 \$10,000 \$1 \$141,875 \$0 Payment of Deht Service With Water Impact Fees \$116,626 \$145,237 \$149 587 \$154,075 \$158 697 \$163,458 \$140,301 \$143,809 Payment of Debt Service With Sewer Impact Fees (\$779,710) (\$997,713) (\$1,017,345) (\$1,047,865) (\$1,079,301) (\$1,111,680) (\$1,145,030) (\$1,179,381) (\$1,214,763) (\$1,251,206) (\$1,288,742) (\$1,327,404) (\$1,367,226) (\$757,000) (\$803,101) (\$827,194) (\$852,010) (\$877,570) (\$903,898) (\$931,015) (\$958,945) Transfer Out (\$17.510) \$139,716 (\$24,238) (\$24,965) (\$25,714) (\$26,485) \$97,056 \$103,280 \$76,462 \$81,000 (\$27,280) (\$28,098) (\$28,941) (\$29,810) \$85,407 \$89,170 \$92,636 \$95,699 44 Capital Outlay 45 Net Cash Flow (\$18,035) \$177,006 (\$20,908) (\$22,181) \$76,197 (\$22,847) (\$23,532) \$90,421 \$191.832 \$145,273 \$150.562 \$113,785 \$464.327 \$83,110 \$272,962 Unrestricted Reserve Fund - Beginning of Year Balance \$960,968 \$992,546 \$1,024,389 \$1,055,661 \$1,092,362 \$1,124,406 \$1,163,460 \$1,191,623 \$1,226,192 \$1,260,742 \$992,546 \$1,024,389 \$1,056,661 \$1,092,352 \$1,124,406 \$1,163,460 \$1,191,623 \$1,226,192 \$1,260,742 \$1,256,770 \$2,729,000 \$2,830,003 \$1,469,719 \$646,725 \$273,072 \$281,676 \$290,580 \$299.813 \$764 141 \$829 947 \$905.672 Minimum Working Capital Reserve Target \$264,756 \$281,676 \$290,580 \$299,813 \$960,968 \$243,506 \$256,71 \$764,141 \$829,947 \$905,672 Reserve Fund Balance in Excess of Working Capital Target Less: Reserve Fund Balance used for Cash Flow \$2,485,494 \$2,573,286 \$1,204,963 \$373,653 Reserve Fund Balance in Excess of Working Capital Target Net \$2,573,286 \$150,562 51 Net Cash Flow After Use of Reserve Funds \$139,716 \$191,832 \$145,273 \$113,785 \$464,327 \$272,962 \$76,197 \$83,110 52 Less: CIP Projects Designated to be Paid with Cash 53 Net Cash Flow to Unrestricted Reserve Fund \$85,407 \$177,006 \$0 \$103,280 \$0 \$92,636 \$139.716 \$0 \$145,273 \$464.327 \$76 197 \$76,462 \$95,699 \$191,832 \$150,562 \$83,110 \$97.056 \$81,000 \$89,170 \$90,421 54 Unrestricted Reserve Fund - Beginning of Year Balance \$2,729,000 \$2.830,003 \$1,469,719 \$646,725 \$273.072 \$281.676 \$290,580 \$299.813 \$764.141 \$829.947 \$905.672 \$960.968 \$992.546 \$1.024.389 \$1.055.661 \$1.092.352 \$1.124.406 \$1.163.460 \$1.191.623 \$1.226.192 \$1.260.742 \$89,170 \$0 Cash In(Out) from Rate Revenues \$101,003 \$139,716 \$177,006 \$191,832 \$145,273 \$150,562 \$113,785 \$464,327 \$272,962 \$76,197 \$83,110 \$90,421 \$97.056 \$103,280 \$76,462 \$81,000 \$85,407 \$92,636 Less: Reserve Fund Balance used for Cash Flow Sn SΠ . s⊓ SΠ SΠ (\$68,843) (\$65,214) (\$72,008) (\$39,770) (\$48,946) (\$46,363) (\$61,006) (\$69,067) (\$61,149) (\$63,825) (\$992,546 \$1,024,389 \$1,055,661 \$1,092,352 \$1,124,406 \$1,163,460 \$1,191,623 \$1,226,192 \$1,260,742 \$1,295,270 Less: Projects Paid with Reserve Funds (Non Specified Funding (\$565.485 (\$141.658) (\$27,814) \$764,141 Unrestricted Reserve Fund - End of Year Balance \$2,830,003 \$1,469,719 \$646,725 \$273.072 \$281,676 \$299.813 \$829,947 \$905.672 \$960,968 \$256,717 \$1,213,003 59 Minimum Working Capital Reserve Target 60 Excess (Deficiency) of Working Capital Reserves to Target \$299,813 \$764,141 \$905,672 \$960,968 \$992,546 \$1,024,389 \$1,055,661 \$1,092,352 \$1,124,406 \$1,163,460 \$1,191,623 \$1,226,192 \$1,260,742 \$1,295,270

Source: Burton & Associates

C/Data/SIR/MiD/VandyS/R/MiD/Valodels as of 21-2004(FAMS-Typical Utity-SIR/MiD/S) No Sewer_QW/zispPro-Forma

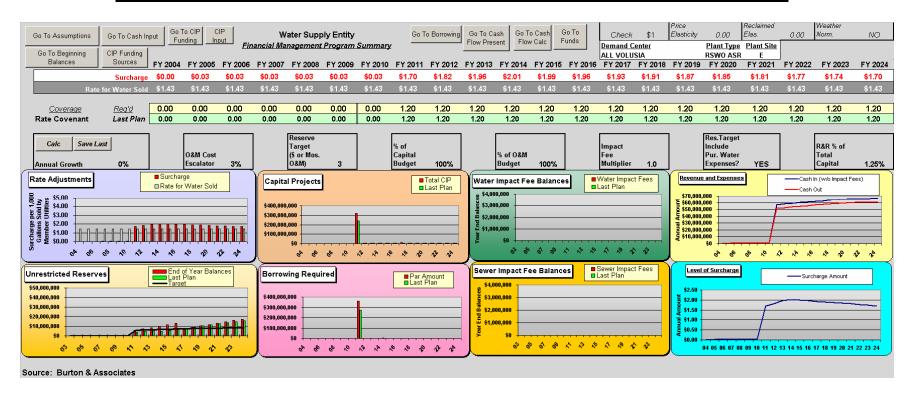
⁽¹⁾ Other operating revenues includes hydrant rentals, water service installations, sewer tap fees, sanitation billing, penalties, service charges, lot mowing fees, rental income, recording fees, and other miscellaneous revenues

APPENDIX Cc

St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source without ASR, Site E FIGURE Cc5 - WATER SUPPLY ENTITY – SURFACE WATER SCENARIO – SUMMARY PANEL



St. Johns River Water Supply Project

Affordability Analysis - Scenario Results

Scenario: Volusia County Demand Center, Reliable Source without ASR, Site E FIGURE Cc6 - WATER SUPPLY ENTITY - SURFACE WATER SCENARIO - PROFORMA

Water Supply Entity Water and Sewer System Financial Management Program Summary

						Fore	cast of Ne	Revenues	and Debt Se	rvice Cover	rage										
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	EV 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	F Y 2004	F 1 2005	F 1 2006	FT 2007	F Y 2000	F Y 2009	F 1 2010	F1 2011	FT 2012	FT 2013	FT 2014	F 1 2015	F Y 2016	F Y 2017	FT 2010	F 1 2019	F T 2020	F 1 2021	F T 2022	F 1 2023	FT 2024
1 Revenue																					
2 Surcharge Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670	\$753,091	\$37,373,513	\$40,855,397	\$44,933,522	\$47,147,434	\$47,490,326	\$47,707,227	\$47,828,973	\$48,219,230	\$48,299,806	\$48,662,871	\$48,041,630	\$47,766,363	\$47,451,778	\$47,098,851
3 Delivered Water Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,438,900	\$10,109,457		\$11,450,571										
4 Total Operating Revenue	\$0	\$511,193	\$551,897	\$596,021	\$643,845	\$695,670	\$753,091	\$46,812,413	\$50,964,854	\$55,713,536	\$58,598,006	\$59,611,455	\$60,505,170	\$61,303,730	\$62,370,801	\$63,128,191	\$64,168,071	\$64,054,702	\$64,287,306	\$64,480,592	\$64,635,537
5 Expenses																					
6 Operations and Maintenance Expense	\$0	\$515,000	\$556.973	\$602,366	\$651.459	\$704.552	\$761.973	\$23,622,803	\$24,799,050	\$25.913.038	\$26,965,212	\$27.956.055	\$28.899.623	\$29,782,313	\$30,604,738	\$31.367.555	\$32,071,480	\$32.394.545	\$32,677,389	\$32,920,915	\$33,126,100
8 Net Operating Income	\$0	(\$3,807)	(\$5,076)	(\$6,344)	(\$7,613)	(\$8,882)	(\$8,882)	\$23,189,610	\$26,165,804	\$29,800,498			\$31,605,548								
9 Plus: Non Operating Income (Expense)				\$O	40	**			40				**	**			**				**
10 Non Operating Revenue 11 Interest Earned on Invested Funds	\$0 \$3,778	\$0 \$3,807	\$0 \$5,076	\$6,344	\$0 \$7,613	\$0 \$8,882	\$0 \$8,882	\$0 \$9.953,358	\$6.977.164	\$0 \$3.342.470	\$1.510.174	\$0 \$1,487,568	\$1.537.420	\$0 \$1,687,981	\$0 \$1,443,334	\$1.448.761	\$0 \$1.112.807	\$1.549.241	\$1,599,481	\$1.649.720	\$1 699 960
12 Transfers In	\$5,770	\$0,007 \$0	\$0,070 \$0	\$0,344	\$0	\$0,002 \$0	\$0,002	\$0,555,55	\$0,777,104	\$3,342,470 \$0	#11,010,17# RP	\$1,407,500 \$0	\$1,557,425 \$0	\$1,007,301 \$0	\$1,445,334 \$0	\$1,440,781 \$0	\$1,112,007 \$0	\$1,545,241 \$0	#1,555,14 FD	\$1,045,720 \$0	\$1,000,000 100
13 Water Expansion Fees	\$O	SO.	sn	\$O	\$0	\$0 \$0	SD.	\$O	\$0	\$O	\$O	\$O	\$O	\$0	\$O	\$O	\$O	\$0	sn	\$0	\$0 \$0
14 Total Non Operating Income	\$3,778	\$3,807	\$5,076	\$6,344	\$7,613	\$8,882	\$8,882	\$9,953,358	\$6,977,164	\$3.342.470	\$1,510,174	\$1,487,568	\$1,537,420	\$1,687,981	\$1,443,334	\$1,448,761	\$1,112,807	\$1,549,241	\$1,599,481	\$1,649,720	\$1,699,960
15 Net Income	\$3,770	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$30,142,960	\$33,142,960	\$33,142,960	\$33,142,960	\$33,142,960	\$33,142,960	\$33,209,390	\$33,209,390	\$33,209,398	\$30,209,390	\$33,209,398	\$33,209,390	\$33,209,390	\$30,209,390
16 Less: Water Expansion Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17 Net Income Available for Debt Service	\$3,778	(\$D)	(\$0)	(\$0)	(\$0)	(\$0)	(\$D)	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398
18 Senior Lien Debt Service Coverage		sn.	\$0	50	40	***			***			***		40		40					
19 Existing Senior Lien Debt Service	\$0 \$0	\$U \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0	\$U \$D	\$0	\$0 \$0	\$U \$0	20	\$0 \$0	\$U	\$U \$0	SO SO	\$U \$0
20 New Senior Lien Debt Service 21 Cumulative New Senior Lien Debt for Additional Borrowings	\$0 \$0	SO.	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0			\$27,619,140		\$10 140 \$27 E10 140		\$0 \$07 E10 140			\$10 \$27 \$74 490		£27 £74 400		\$27,674,498	
22 Total Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$27,619,140			\$27,619,140	\$27,674,498				\$27,674,498	\$27,674,498		\$27.674.498
23 Senior Lien Debt Service Coverage 1.2 Reg'd	\$0	\$D	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
•																					
24 SRF Debt Service Coverage																					
25 Net Income Available for Senior Lien Debt Service Coverage	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)				\$33,142,968			\$33,142,968							\$33,209,398	
26 Less: Senior Lien Debt Service	\$0 60.770	\$0	\$0	\$0	\$0	\$0			(\$27,619,140)											(\$27,674,498)	
 Net Income Available for SRF Debt Service Coverage Existing SRF Debt Service 	\$3,778 \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0) \$0	\$5,523,828 \$0	\$5,523,828 \$0	\$5,523,828 \$0		\$5,523,828 \$0	\$5,523,828 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0	\$5,534,900 \$0
29 SRF Debt Service Coverage 1.15 Reg'd	\$0	\$0	50	\$0	\$0	\$0	\$0	50 50	\$0	\$0	\$0	\$0	sn	\$0	\$O	\$0	\$0 \$0	SO.	sn	\$0 \$0	\$0 \$0
and both both both both both both both both	***	•		•-	•	•	***		••	-	-	**		•		40		***	-	***	
30 Net Income Available for Debt Service	\$3,778	(\$D)	(\$0)	(\$0)	(\$0)	(\$0)	(\$□)	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,142,968	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398	\$33,209,398
31 Less:																					
32 Total Senior Lien Debt Service	\$0	\$0	\$0	\$0	\$0	\$0				(\$27,619,140) \$0										(\$27,674,498)	
33 State Revolving Fund Loans	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$U \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
34 Payment of Debt Service With Water Impact Fees 35 Transfer Out	\$0 \$0	\$U \$0	\$U \$0	\$0 \$0	\$U 90	\$U \$0	\$U \$0	\$0	\$U \$D	\$0 \$0		\$U \$D	\$0	\$U \$D	90 90	\$0 \$0	9U 90	\$U	\$0	\$U \$D	\$U
36 Capital Outlay	\$O	\$0	50	50	\$0	\$O	\$0	50	50	\$0	50	\$O	\$i	\$O	50	\$D	50	\$O	50	\$O	50
37 Net Cash Flow	\$3,778	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900
38 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$5,777,606	\$7,201,956	\$8,626,305	\$10,050,655	\$11,475,005	\$12,899,354	\$7,445,578	\$8,881,000	\$10,316,421	\$11,751,842	\$13,187,263	\$14,622,684	\$16,058,105
39 Minimum Working Capital Reserve Target	\$0	\$128,750	\$139,243	\$150,591	\$162,865	\$176,138	\$190,493	\$5,905,701	\$6,199,763	\$6,478,259	\$6,741,303		\$7,224,906	\$7,445,578	\$7,651,184	\$7,841,889	\$8,017,870	\$8,098,636	\$8,169,347	\$8,230,229	\$8,281,525
40 Reserve Fund Balance in Excess of Working Capital Target	\$250,000	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	\$0	\$0	\$723,696			\$4,250,099	\$5,453,776	\$0		\$2,298,551	\$3,653,206	\$5,017,916		\$7,776,580
41 Less: Reserve Fund Balance used for Cash Flow	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund Balance in Excess of Working Capital Target Net	\$250,000	\$125,028	\$114,535	\$103,187	\$90.914	\$77.640	rc2 205	\$0	\$0	\$723,696	\$1,885,003	\$3,061,641	\$4,250,099	\$5,453,776		\$1,039,111	\$2,298,551	\$3,653,206	\$5,017,916	\$6.392.456	\$7,776,580
of Current Year Cash Flow	\$250,000	\$125,020	9114,030	\$105,107	\$30,314	\$77,D4U	\$63,285	\$0	\$0	\$7.23,090	200,000,14	\$3,001,041	\$4,250,099	95,455,776	\$0	\$1,039,111	\$2,290,001	\$3,000,200	10,111,01	\$0,392,400	\$7,776,000
43 Net Cash Flow After Use of Reserve Funds	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900	\$5,534,900
44 Less: CIP Projects Designated to be Paid with Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45 Net Cash Flow to Unrestricted Reserve Fund	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$5,523,828	\$5,523,828	\$5,523,828		\$5,523,828		\$5,534,900	\$5,534,900				\$5,534,900		
46 Unrestricted Reserve Fund - Beginning of Year Balance	\$250,000	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$5,777,606	\$7,201,956	\$8,626,305	\$10,050,655		\$12,899,354	\$7,445,578	\$8,881,000			\$13,187,263		\$16,058,105
47 Cash In(Out) from Rate Revenues	\$3,778	\$0	\$0	\$0	\$0	\$0	\$0	\$5,523,828	\$5,523,828	\$5,523,828	\$5,523,828		\$5,523,828	\$5,534,900	\$5,534,900	\$5,534,900			\$5,534,900		\$5,534,900
48 Less: Reserve Fund Balance used for Cash Flow	\$0 \$0	(\$0) \$0	(\$0) \$∩	(\$0) \$0	(\$0) \$0	(\$0) \$0	(\$0)	\$0 50	\$0 (#4.000.470)	\$0 (64 000 470)	\$0 464,000,470	\$0 (64 000 470)	\$0 464,000,470	\$0 (\$10.988.675)	\$0 (04,000,470)	\$0 (64,000,470)	\$0 (F4.000.470)	\$0 (64,000,470)	\$0 (04,000,470)	\$0 	\$0 464,000,470°
49 Less: Projects Paid with Reserve Funds (Non Specified Funding) 50 Unrestricted Reserve Fund - End of Year Balance	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$253,778	\$6,777,606	(\$4,099,478) \$7,201,956	\$8,626,305	(\$4,099,478) \$10,050,655		\$12,899,354	\$7,445,578		(\$4,099,478)				\$16,058,105	
51 Minimum Working Capital Reserve Target 3 Mo O&	\$255,776 \$0	\$128,750	\$255,776 \$139,243	\$255,776 \$150,591	\$162,865	\$255,776 \$176,138	\$190.493	\$5,777,000 \$5,905,701	\$6 199 763	\$6,478,259		\$6,989,014	\$7 224 906	\$7,445,578 \$7,445,578			\$8,017,870	\$8 098 636	\$8 169 347		\$8,281,525
52 Excess (Deficiency) of Working Capital Reserves to Target	\$253,778	\$125,028	\$114,535	\$103,187	\$90,914	\$77,640	\$63,285	(\$128,094)					\$5,674,449		\$1,229,815				\$6,453,337	\$7.827.877	\$9,212,002
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Source: Burton & Associates
C:Data/SJRVM/DUAndy/SJRVM/D V:Models as of 2-1-2004\[FAMS-V:\]ster Supply Entity-SJRVM/D_4.xis\[Pro-Forma]