

## Enterprise Funds

### Sewerage and Drainage Operating Fund

#### 2009 Cash Balance Statement

The fund will begin 2009 with a cash balance of \$82.4 million.

2009 SEWERAGE AND DRAINAGE OPERATING FUND BALANCE SUMMARY	
Cash Balance (January 1, 2009)	\$ 82,425,571
Plus Estimated 2009 Receipts	<u>250,270,955</u>
Total Estimated Available Resources	\$ 332,696,526
Less 2009 Recommended Operating Budget (Sewers/Drains)	(242,188,373)
Less 2009 Recommended Operating Budget (Administration)	(3,856,810)
Projected Available Balance (December 31, 2009)	<u><u>\$ 86,651,343</u></u>
<b>Note: Cash Balance at January 1, 2009 does not include reserve fund balance of \$10 million</b>	

#### 2009 Revenue Summary

User fees completely support the operations of the Division of Sewerage and Drainage. Section 118 of the Columbus City Charter empowers the City Council to establish separate sewer and water rates to fully cover the cost of service. Rates are set to recover the cost of operations, maintenance and debt service, and are reviewed annually by the Sewer and Water Advisory Board. City Council must approve all rate increases before they are effective.

One of the city's goals in the rate setting process is to avoid steep increases and at the same time to fully meet the needs of the system. In order to achieve this goal, a pro forma operating statement was developed. This document is updated annually to reflect current appropriation levels and adjusted for actual revenues and expenditures.

Statements relative to this fund are made on a cash basis, which do not account for outstanding end of year encumbrances.

**2009 Revenue Summary**

SEWERAGE AND DRAINAGE				
REVENUE BY SOURCE AND YEAR				
HISTORICAL AND PROJECTED				
2006-2009				
REVENUE SUMMARY	2006 Actual	2007 Actual	2008 Estimated	2009 Proposed
Service Charges:				
Standard Strength	\$ 129,864,745	\$ 151,274,377	\$ 166,367,941	\$ 177,098,405
Extra Strength	7,774,570	8,053,248	8,448,836	9,955,546
Wet Weather Charges	8,168,104	19,049,462	24,793,320	26,528,852
System Capacity Charges	9,018,034	6,627,111	6,101,927	6,162,946
Investment Income	4,625,437	8,838,225	17,429,729	17,604,026
Storm Maintenance Reimbursement	10,571,735	11,030,259	10,300,000	10,609,000
Other	2,773,811	2,375,298	1,974,060	2,190,542
Assessment Revenue	-	-	110,616	121,638
Beginning Year Cash Balance	42,157,518	65,305,417	90,062,717	82,425,571
<b>TOTAL RESOURCES</b>	<b>\$ 214,953,954</b>	<b>\$ 272,553,397</b>	<b>\$ 325,589,146</b>	<b>\$ 332,696,526</b>
PERCENT CHANGE		<b>26.80%</b>	<b>19.46%</b>	<b>2.18%</b>

Does not include debt refinancing premiums

## Revenue Notes:

- The Sewer and Water Advisory Board is recommending a six percent increase in revenues in 2009. With this increase, revenues, excluding the beginning balance, will total nearly \$250.27 million in 2009 or over \$14.7 million more than the 2008 projection.
- System capacity fees are assumed to grow by a modest one percent, representing growth in the system.
- The interest income projection is based on the amount of cash assumed to be available in each year for capital projects. For the purposes of projection, an interest rate of two percent is assumed.
- A sewer surcharge, based upon impervious cover, is proposed to fund consent order projects.
- A low income discount of 20 percent is proposed for the commodity portion of the bill for qualified customers.

## **Sewer Pro Forma Operating Statement**

Presented below is a ten-year pro forma operating statement for the sewerage system enterprise operating fund, reflecting sanitary sewer operations only. A separate pro forma statement for storm sewer operations is presented later in this document. Represented is a projection of the sewerage and drainage operating fund revenues and expenditures on a cash basis for the period 2007 through 2018 given certain assumptions as outlined below. The pro forma operating statement is essential to the planning and rate setting processes. The major assumptions upon which the pro forma's numbers are based are as follows:

- The Sewer and Water Advisory Board recommended various sewer rate increases to produce six percent more revenue for 2009.
- Sanitary sales growth is projected at one percent per year from 2008 throughout the pro forma projection period.
- System capacity charges are assumed to grow by one percent annually, representing growth in the system.
- Operations and maintenance expenses, excluding health insurance and pro rata are inflated at three percent per year. Insurance costs are inflated by 7 percent annually, while the projected pro rata in each year is 4.5 percent of each year's projected revenues. (Note: As non-insurance personnel costs are inflated by only three percent annually, it is assumed that the division's employee strength will not increase over the pro forma period.)
- The pro-rated costs associated with the Division of Operational Support (DOS) are not included in 2008 and beyond, because of the elimination of this division.
- Equipment costs in 2007 and beyond include an annual allotment to the EPA-mandated capital replacement fund.
- Included in the operations and maintenance budget is \$10.55 million to pay pro rata (payment to the general fund for services provided to the utility divisions by general fund agencies).
- In 2009, new debt will be issued in the form of general obligation bonds to fund various sanitary and wet-weather sewer projects related to the federally mandated projects.
- Debt service for payment of Ohio Water Development Authority (OWDA) low-interest loans has been included within the appropriate debt schedules. Use of these low-interest monies decrease the debt retirement expenses associated with sanitary sewer projects. Unlike municipal bonds, debt service on OWDA-funded construction projects is not paid until construction is complete.

- The Division of Sewerage and Drainage's capital improvements plan has been reduced by ten percent throughout the pro forma period. This reduction recognizes the likelihood that actual debt issuance in any given year will not reach levels outlined in the capital improvements budget because of unavoidable lags in the project planning and implementation process.
- The Division of Sewerage and Drainage's pro forma statement also assumes that all debt will be issued late in any given year, such that the interest expense is not due until the following year and the principal payment is due the year after that.

Enterprise Funds

SEWERAGE SYSTEM ENTERPRISE FUND												
PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018												
IN DOLLARS - 000'S OMITTED												
	Actual	Projection	Proposed									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>BEGINNING CASH BALANCE</b>	\$ 65,305	\$ 90,063	\$ 82,426	\$ 86,652	\$ 102,936	\$ 116,945	\$ 111,996	\$ 114,342	\$ 123,975	\$ 121,475	\$ 131,960	\$ 148,207
<b>UTILITY REVENUES</b>												
Sewer Sales	\$ 159,328	\$ 174,817	\$ 176,565	\$ 188,924	\$ 202,149	\$ 212,257	\$ 222,869	\$ 234,013	\$ 245,714	\$ 257,999	\$ 274,769	\$ 283,012
Sewer Sales Increase	-	-	10,489	11,223	8,006	8,406	8,827	9,268	9,731	14,049	5,441	5,604
Wet Weather	19,049	24,793	25,041	26,794	28,670	30,103	31,608	33,189	34,848	36,591	38,969	40,138
Wet Weather Increase	-	-	1,488	1,592	1,135	1,192	1,252	1,314	1,380	1,993	772	795
Interest Income	8,838	17,430	17,604	17,780	17,958	18,137	18,319	18,502	18,687	18,874	19,063	19,253
System Capacity Charge	6,627	6,102	6,163	6,225	6,287	6,350	6,413	6,477	6,542	6,608	6,674	6,740
Other	2,375	2,085	2,312	6,340	(1,002)	(283)	4,003	6,059	6,937	9,754	11,967	13,529
Reimbursement from Stormwater Fund	11,030	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Debt Refinancing	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	207,248	235,526	250,271	269,806	274,458	287,755	305,231	321,121	336,507	358,915	371,094	382,915
<b>TOTAL RESOURCES</b>	\$ 272,553	\$ 325,589	\$ 332,697	\$ 356,457	\$ 377,394	\$ 404,700	\$ 417,228	\$ 435,462	\$ 460,482	\$ 480,390	\$ 503,054	\$ 531,121
<b>UTILITY EXPENSE</b>												
<b>OPERATIONS &amp; MAINTENANCE</b>												
Personnel	29,048	37,033	36,899	38,006	39,146	40,321	41,530	42,776	44,060	45,381	46,743	48,145
27th Pay Period	-	681	-	-	-	-	-	-	-	-	-	-
Insurances	5,927	5,573	5,963	6,380	6,827	7,305	7,816	8,364	8,949	9,575	10,246	10,963
Supplies & Materials	5,319	7,277	7,994	8,234	8,481	8,735	8,997	9,267	9,545	9,831	10,126	10,430
Pro Rata	8,859	10,130	10,942	11,669	11,846	12,492	13,287	13,973	14,659	15,660	16,203	16,707
Contractual Services	24,154	45,045	39,135	40,309	41,519	42,764	44,047	45,369	46,730	48,132	49,576	51,063
Other	72	164	377	388	400	412	424	437	450	464	478	492
Equipment	1,840	3,401	6,895	7,102	7,315	7,535	7,761	7,994	8,234	8,481	8,735	8,997
Division of Operational Support Allocation	9,822	-	-	-	-	-	-	-	-	-	-	-
P/U Director's Allocation	3,753	3,625	3,857	3,973	4,092	4,214	4,341	4,471	4,605	4,743	4,886	5,032
<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	\$ 88,794	\$ 112,930	\$ 112,063	\$ 116,062	\$ 119,626	\$ 123,779	\$ 128,204	\$ 132,651	\$ 137,231	\$ 142,267	\$ 146,991	\$ 151,829
<b>DEBT SERVICE</b>												
Revenue Bond	\$ 15,405	\$ 17,712	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727	\$ 20,727
General Obligation	35,406	37,599	36,122	31,987	28,391	27,389	25,461	24,628	22,473	21,680	20,933	20,223
Debt Refinancing	-	-	-	-	-	-	-	-	-	-	-	-
Proposed New Debt	-	-	15,941	21,853	28,816	57,954	65,641	73,045	73,403	76,630	80,248	84,017
Proposed New Debt (Wet Weather)	-	-	-	-	-	-	-	-	24,739	27,368	26,866	27,522
Less Debt Issuance Premium												
O.W.D.A. Debt	31,886	47,169	61,070	62,777	62,777	62,776	62,776	60,362	60,362	59,689	59,016	56,565
Assessments	-	170	122	118	113	80	77	74	72	69	66	-
<b>TOTAL DEBT SERVICE</b>	82,697	102,650	133,982	137,460	140,824	168,925	174,682	178,837	201,776	206,163	207,855	209,053
<b>TOTAL EXPENSE</b>	\$ 171,491	\$ 215,580	\$ 246,045	\$ 253,522	\$ 260,450	\$ 292,703	\$ 302,886	\$ 311,488	\$ 339,007	\$ 348,430	\$ 354,847	\$ 360,882
<b>ENDING FUND BALANCE</b>	\$ 101,063	\$ 82,426	\$ 86,652	\$ 102,936	\$ 116,945	\$ 111,996	\$ 114,342	\$ 123,975	\$ 121,475	\$ 131,960	\$ 148,207	\$ 170,239

SEWERAGE SYSTEM ENTERPRISE FUND PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018 IN DOLLARS - 000'S OMITTED												
	Actual	Projection	Proposed									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>ACROSS THE BOARD INCREASE</b>			6.00%	6.00%	4.00%	4.00%	4.00%	4.00%	4.00%	5.50%	2.00%	2.00%
<b>RESERVE REQUIREMENT:</b>												
10% of Operations/Maintenance Costs	\$ 8,879	\$ 11,293	\$ 11,206	\$ 11,606	\$ 11,963	\$ 12,378	\$ 12,820	\$ 13,265	\$ 13,723	\$ 14,227	\$ 14,699	\$ 15,183
<b>CASH BASIS COVERAGE</b>												
REVENUE	\$ 207,248	\$ 235,526	\$ 253,886	\$ 270,352	\$ 274,605	\$ 289,275	\$ 307,284	\$ 322,891	\$ 338,500	\$ 361,109	\$ 373,569	\$ 385,105
GROSS O & M EXPENSES	(88,794)	(112,930)	(112,063)	(116,062)	(119,626)	(123,779)	(128,204)	(132,651)	(137,231)	(142,267)	(146,991)	(151,829)
NET REVENUE	\$ 118,454	\$ 122,596	\$ 141,824	\$ 154,290	\$ 154,980	\$ 165,496	\$ 179,080	\$ 190,240	\$ 201,269	\$ 218,842	\$ 226,578	\$ 233,276
<b>ACTUAL/EST. BEG. SYSTEM RESERVE FUND</b>	\$ 37,912	\$ 37,912	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000
O&M EXPENSE RESERVE REQUIREMENT	(8,879)	(11,293)	(11,206)	(11,606)	(11,963)	(12,378)	(12,820)	(13,265)	(13,723)	(14,227)	(14,699)	(15,183)
SYSTEM RESERVE FUND AVAILABLE	29,033	26,619	51,794	51,394	51,037	50,622	50,180	49,735	49,277	48,773	48,301	47,817
ADJUSTED NET REVENUE	\$ 147,487	\$ 149,215	\$ 193,617	\$ 205,684	\$ 206,017	\$ 216,118	\$ 229,260	\$ 239,975	\$ 250,545	\$ 267,615	\$ 274,879	\$ 281,093
REVENUE BOND DEBT SERVICE	15,405	17,712	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727
G.O. DEBT SERVICE (including proposed new debt)	35,406	37,599	52,064	53,839	57,208	85,343	91,103	97,674	120,615	125,678	128,047	131,762
OWDA DEBT SERVICE	31,886	47,169	61,070	62,777	62,777	62,776	62,776	60,362	60,362	59,689	59,016	56,565
TOTAL DEBT SERVICE	\$ 82,697	\$ 102,480	\$ 133,861	\$ 137,342	\$ 140,711	\$ 168,845	\$ 174,605	\$ 178,762	\$ 201,704	\$ 206,094	\$ 207,789	\$ 209,053
<b>Rate covenant tests:</b>												
COVERAGE RATIO (1.00 REQUIRED)												
ADJ. NET REVENUE vs. TOTAL DEBT SERVICE	1.78	1.46	1.45	1.50	1.46	1.28	1.31	1.34	1.24	1.30	1.32	1.34
COVERAGE RATIO (1.25 REQUIRED)												
ADJ. NET REVENUE vs. REV. BOND DEBT SERVICE	9.57	8.42	9.34	9.92	9.94	10.43	11.06	11.58	12.09	12.91	13.26	13.56
<b>Bond reserve requirement test:</b>												
COVERAGE RATIO (1.50 REQUIRED)												
ADJ. NET REVENUE vs. REV. BOND DEBT SERVICE	9.57	8.42	9.34	9.92	9.94	10.43	11.06	11.58	12.09	12.91	13.26	13.56
Assumes 35% availability of OWDA Funding												

## Electricity Enterprise Fund

### 2009 Cash Balance Statement

Parallel to the rapidly growing costs of purchase power, revenues into the electricity enterprise fund are projected to grow as the division attempts to recover these cost increases. Since there are no planned transfers from the special income tax (SIT) fund to the electricity enterprise fund to cover the purchase power cost increases, the division must continue to recover these costs through rate increases or fuel cost adjustments to its customers.

<b>2009 ELECTRICITY ENTERPRISE FUND BALANCE SUMMARY</b>		
Cash Balance (January 1, 2009)	\$	8,921,621
Plus Estimated 2009 Receipts		90,279,064
Total Estimated Available Resources	\$	99,200,685
Less 2009 Recommended Operating Budget (Electricity)		(90,624,684)
Less 2009 Recommended Operating Budget (Administration)		(214,297)
Projected Available Balance (December 31, 2009)	<b>\$</b>	<b><u>8,361,704</u></b>

### 2009 Revenue Summary

Electricity operating fund revenues fall into two basic categories: revenues from the retail sale of electricity and miscellaneous revenues for specific services (e.g., operation and maintenance of expressway lighting) and investments.

Statements relative to this fund are made on a cash basis, which do not account for outstanding end of year encumbrances. For that reason, relative percentage change calculations for this fund are based on current year receipts only.

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**2009 Revenue Summary**

ELECTRICITY ENTERPRISE FUND				
REVENUE BY SOURCE AND YEAR				
HISTORICAL AND PROJECTED				
2006-2009				
REVENUE SUMMARY	2006 Actual	2007 Actual	2008 Estimated	2009 Proposed
Charges for Electric Service	\$ 58,939,000	\$ 75,014,000	\$ 75,942,991	\$ 86,053,753
Construction Charges	598,000	576,000	578,870	596,236
Expressway Lighting/Maintenance/Energy	1,382,000	887,000	924,501	924,501
New Customer Installation Revenue	504,000	670,000	692,358	713,129
Investment Income	403,000	761,000	595,183	800,000
Other Revenue	169,000	803,483	748,377	711,209
Street Lighting Charges	407,000	390,000	531,540	480,236
Transportation Street Lighting Revenue	3,253,000	3,214,000	3,267,510	-
Beginning Year Cash Balance	2,081,000	5,944,378	10,030,038	8,921,621
<b>TOTAL RESOURCES</b>	<b>\$ 67,736,000</b>	<b>\$ 88,259,861</b>	<b>\$ 93,311,368</b>	<b>\$ 99,200,685</b>
PERCENT CHANGE		30.30%	5.72%	6.31%

Does not include debt refinancing premiums

Revenue Notes:

- Revenues, excluding the beginning year cash balance are expected to be \$90.27 million in 2008, an 8.4 percent increase over 2008 estimates.
- Effective May 2001, changes in state law caused the Division of Electricity to pay the proceeds of a kilowatt hour tax to the general fund. At that time, to avoid a net reduction in revenue to the division, the general fund reimbursed the payments to the electricity operating fund. However, in 2004, legislation was passed that allowed the general fund to keep the kilowatt hour proceeds. In turn, through 2008, the division received a portion of the costs associated with operation of the street light system from the street construction, maintenance and repair fund. In 2009, however, this intra-fund transfer will not be made. Rather, these monies will remain in the street construction, maintenance and repair fund to accommodate the continued funding of a portion of bulk refuse collection.

## Electricity Pro Forma Operating Statement

During the summers of 1998 and 1999, the Division of Electricity experienced sudden increases in purchase power expenses. During 1998, certain power sources in the Midwest were temporarily disrupted through untimely maintenance and tornado damage. In 1999, the situation was further exacerbated by a severe nationwide heat wave. During these years, the division passed on a portion of these costs to customers in the form of fuel adjustment charges. To hedge against a recurrence of these levels of purchase power costs, the division entered into contracts to cover most of the peak demand that could be anticipated during the summer months in 2000. During 2000, the division was successful in securing favorable, long-term contracts for its purchase power to meet its needs for several years. However, these contracts expired at the end of 2006. Projections for purchased power in 2007 exceeded that of 2006 by 40 percent, presenting a financial dilemma to the division. In 2007, the division recovered these costs by passing them on to their customers in the form of fuel cost adjustments and rate increases.

A pro forma operating statement for the electricity enterprise fund is presented on the following pages. The following assumptions were used:

- The pro forma assumes operating and maintenance and debt service costs for the division's street lighting program through the entire pro forma period. The objective of the program is to install street lighting throughout the city without general fund or special income tax support but rather, to the extent possible, funded with revenues derived from electric retail sales.
- All personnel costs are inflated by four percent each year, while other operations and maintenance expenses, excluding pro rata, are inflated at three percent per year. Pro rata in each year is 4.5 percent of each year's projected revenues. (Note: Since insurance costs are inflated by only four percent annually, it is assumed that the division's employee strength will not increase over the pro forma period.)
- The pro-rated costs associated with the Division of Operational Support (DOS) will be eliminated in 2008 and beyond, because of the elimination of this division.
- The largest portion, by far, of the Division of Electricity's budget is for the purchase of electrical power. In 2009, \$62.1 million is budgeted for this wholesale power, which in turn is sold to the division's customers. The 2009 budget also includes \$4.09 million for payment of pro rata.
- For purposes of this document, it is assumed that purchase electrical power costs will average \$85.65 per megawatt hour in 2009, a portion of which covers the transmission fees.
- Proposed new bonded debt is conservatively projected. It is assumed that such debt will be directly bonded at 5.0 percent in 2009 and 5.5 percent thereafter. Details regarding the proposed capital expenditures are available in the capital summary section of this document.
- The Division of Electricity's pro forma statement also assumes that all debt will be issued late in any given year, such that the interest expense is not due until the following year and the principal payment is due the year after that.

**ELECTRICITY ENTERPRISE FUND**  
**PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018**  
 IN DOLLARS - 000'S OMITTED

	Actual	Projection	Proposed										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Operating Fund Beg Cash Bal 550	\$ 4,944	\$ 9,030	\$ 7,921	\$ 7,362	\$ 3,823	\$ 6,114	\$ 11,405	\$ 16,504	\$ 22,434	\$ 28,792	\$ 34,799	\$ 41,707	
Reserve Fund Beg Cash Bal 551	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
Available Cash Balance:	\$ 5,944	\$ 10,030	\$ 8,921	\$ 8,362	\$ 4,823	\$ 7,114	\$ 12,405	\$ 17,504	\$ 23,434	\$ 29,792	\$ 35,799	\$ 42,707	
<b>REVENUE SUMMARY</b>													
<b>Electricity Sales</b>													
Residential	\$ 6,722	\$ 6,937	\$ 7,648	\$ 8,492	\$ 9,443	\$ 10,184	\$ 10,734	\$ 11,313	\$ 11,924	\$ 12,569	\$ 13,249	\$ 13,966	
Commercial	72,282	73,039	82,577	93,543	103,721	111,004	117,110	123,554	130,354	137,531	145,106	153,101	
Kilowatt Hour Tax Reduction	(3,449)	(3,473)	(3,610)	(3,703)	(3,799)	(3,897)	(3,997)	(4,100)	(4,206)	(4,315)	(4,426)	(4,541)	
Total Electric Sales	75,555	76,503	86,614	98,332	109,365	117,292	123,846	130,766	138,072	145,786	153,929	162,527	
Other Revenues	2,785	2,915	2,865	2,903	2,938	2,974	2,950	2,987	2,935	2,986	2,924	3,000	
Investment Earnings	761	595	800	200	595	595	595	595	595	595	595	595	
SL Reimb from Transportation	3,214	3,268	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL REVENUE</b>	<b>\$ 82,315</b>	<b>\$ 83,281</b>	<b>\$ 90,279</b>	<b>\$ 101,435</b>	<b>\$ 112,898</b>	<b>\$ 120,861</b>	<b>\$ 127,392</b>	<b>\$ 134,348</b>	<b>\$ 141,602</b>	<b>\$ 149,367</b>	<b>\$ 157,448</b>	<b>\$ 166,122</b>	
<b>EXPENDITURE SUMMARY</b>													
Salaries	\$ 7,741	\$ 9,070	\$ 9,530	\$ 9,911	\$ 10,308	\$ 10,720	\$ 11,149	\$ 11,595	\$ 12,059	\$ 12,541	\$ 13,043	\$ 13,564	
Purchase Power	53,867	57,303	62,113	75,927	81,379	85,265	90,088	95,185	100,572	107,466	114,746	122,432	
Materials and Supplies	470	904	1,548	1,594	1,642	1,692	1,742	1,795	1,848	1,904	1,961	2,020	
Pro Rata	3,694	3,998	4,005	4,535	5,034	5,394	5,692	6,006	6,338	6,689	7,058	7,449	
Services	2,775	3,668	4,407	4,319	4,449	4,582	4,720	4,861	5,007	5,157	5,312	5,471	
Other Disbursements	196	213	222	228	235	242	249	257	265	272	281	289	
Capital Equipment	1,215	2,290	1,560	1,606	1,655	1,704	1,755	1,808	1,862	1,918	1,976	2,035	
Total Distribution Op Exp before Debt Svc	69,959	77,445	83,384	98,121	104,702	109,599	115,396	121,507	127,951	135,947	144,376	153,260	
Distribution G.O. Debt	4,033	3,933	4,162	3,480	2,963	2,663	2,444	2,006	1,923	2,006	630	527	
Street Lighting G.O. debt	2,028	2,279	2,321	1,819	1,434	1,142	898	851	918	540	462	110	
Refinancing of Debt Issuance/Less Premium	-	-	-	-	-	-	-	-	-	-	-	-	
Street Light Assessments	340	532	480	457	430	402	312	280	158	137	0	0	
New Distribution Debt Service	0	0	242	725	700	1,101	1,959	2,215	2,424	2,537	2,687	2,828	
New Street Lighting Debt Service	0	0	45	135	130	406	1,017	1,282	1,582	1,892	2,072	2,244	
	6,401	6,743	7,240	6,616	5,658	5,714	6,631	6,634	7,004	7,112	5,852	5,710	
TRANSFER TO ELE RESERVE 552-001	1,000	-	-	-	-	-	-	-	-	-	-	-	
PU&A Director's Allocation	223	201	214	237	247	257	267	278	289	300	312	325	
DOS Allocation	646	0	0	0	0	0	0	0	0	0	0	0	
<b>TOTAL EXPENDITURES</b>	<b>\$ 78,229</b>	<b>\$ 84,390</b>	<b>\$ 90,839</b>	<b>\$ 104,974</b>	<b>\$ 110,606</b>	<b>\$ 115,570</b>	<b>\$ 122,293</b>	<b>\$ 128,419</b>	<b>\$ 135,244</b>	<b>\$ 143,359</b>	<b>\$ 150,540</b>	<b>\$ 159,295</b>	
	78,229	84,390	90,839	104,974	110,606								
Ending Year Cash 12/31	\$ 10,031	\$ 8,921	\$ 8,362	\$ 4,823	\$ 7,114	\$ 12,405	\$ 17,504	\$ 23,434	\$ 29,792	\$ 35,799	\$ 42,707	\$ 49,534	
Projected Revenue Increase			9.0%	9.0%	9.0%	5.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	

## Water Operating Fund

### 2009 Cash Balance Statement

The fund will begin 2009 with a cash balance of \$30.68 million.

<b>2009 WATER OPERATING FUND BALANCE SUMMARY</b>	
Cash Balance (January 1, 2009)	\$ 30,687,230
Plus Estimated 2009 Receipts	<u>153,412,840</u>
Total Estimated Available Resources	\$ 184,100,070
Less 2009 Recommended Operating Budget (Water)	(155,681,185)
Less 2009 Recommended Operating Budget (Administration)	(3,856,810)
Projected Available Balance (December 31, 2009)	<u><u>\$ 24,562,075</u></u>
<b>Note: Cash Balance at January 1, 2009 does not include reserve fund balance of \$10 million</b>	

### 2009 Revenue Summary

User fees completely support the operations of the Water Division. Section 118 of the Columbus City Charter empowers the City Council to establish separate sewer and water rates to fully cover the cost of service. Rates are set to recover the cost of operations, maintenance and debt service, and are reviewed annually by the Sewer and Water Advisory Board. City Council must approve all rate increases before they are effective.

One of the city's goals in the rate setting process is to avoid steep increases and at the same time to fully meet the needs of the system. In order to achieve this goal, a pro forma operating statement was developed. This document is updated annually to reflect current appropriation levels and adjusted for actual revenues and expenditures.

Statements relative to this fund are made on a cash basis, which do not account for outstanding end of year encumbrances.

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## 2009 Revenue Summary

WATER OPERATING FUND REVENUE BY SOURCE AND YEAR HISTORICAL AND PROJECTED 2006-2009				
REVENUE SUMMARY	2006 Actual	2007 Actual	2008 Estimated	2009 Proposed
Water Sales	\$ 91,456,128	\$ 105,139,605	\$ 118,706,842	\$ 128,991,290
Water Penalty Fees	1,123,439	1,272,688	1,537,410	1,552,784
System Capacity Charges	8,253,814	5,517,125	5,440,442	5,494,847
Sewer Billings	6,972,197	-	8,500,000	8,755,000
Meter Service Fee	455,317	472,323	275,192	277,943
Investment Income	4,988,246	6,716,784	6,264,246	6,326,888
Other Revenue	1,321,234	1,432,959	1,994,146	2,014,088
Beginning Year Cash Balance	31,198,491	40,683,819	43,259,857	30,687,230
<b>TOTAL RESOURCES</b>	<b>\$ 145,768,866</b>	<b>\$ 161,235,303</b>	<b>\$ 185,978,135</b>	<b>\$ 184,100,070</b>
PERCENT CHANGE		10.61%	15.35%	-1.01%

Revenue Notes:

- The Sewer and Water Advisory Board is recommending an 8.5 percent increase in revenues in 2009, largely funded by rate increases to the various customer classes. With this increase, revenues, excluding the beginning balance, will total over \$153.41 million in 2009, an increase of nearly 7.47 percent over the 2008 projection.
- Sewer billing charges are projected to total \$8.7 million in 2009.
- System capacity fees are assumed to grow by a modest one percent, reflecting overall growth of the system.
- A low income discount program is proposed to reduce the commodity portion of the bill by 20 percent for qualified customers.
- The interest income projection is based on the amount of cash assumed to be available in each year for capital projects. For the purposes of projection, an interest rate of two percent is assumed.

### **Water Pro Forma Operating Statement**

A pro forma operating statement for the 10-year period beginning 2009 is presented on the following pages. The statement is designed to project the utility's revenues and expenditures for that period, given certain assumptions and is essential to the planning and rate setting processes. The major assumptions upon which the pro forma's numbers are based are as follows:

- The sewer and water advisory board has recommended rate increases to produce 8.5 percent more revenue in 2008.
- Water sales growth is projected at one percent per year, based on a recent history of water sales growth.
- The system capacity charge revenue is projected at one percent growth, reflecting growth in the system.
- Interest rates on investments of revenues and reserves are projected to be two percent.
- Operations and maintenance expenses, excluding health insurance and pro rata are inflated at three percent per year. Insurance costs are inflated by 7 percent annually, while the projected pro rata in each year is 4.5 percent of each year's projected revenues. (Note: As non-insurance personnel costs are inflated by only three percent annually, it is assumed that the division's employee strength will not increase over the pro forma period.)
- The pro-rated costs associated with the Division of Operational Support (DOS) will be eliminated in 2008 and beyond, because of the elimination of DOS.
- Included in the operations and maintenance budget for 2009 is \$6.9 million for payment of pro rata; \$18.3 million for the purchase of chemicals; and \$7.1 million for payment of electricity.
- Proposed new debt is issued in the form of bonds at an assumed interest rate 4.5 percent in 2009 and 5.0 thereafter.
- The Division of Water's capital improvements budget (CIB) has been discounted by 20 percent. This reduction recognizes the probability that debt issued in any given year will not reach the levels outlined in the division's capital improvements budget due to unavoidable lags in the project planning and implementation process.

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Enterprise Funds

**WATER ENTERPRISE FUND**  
**PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018**  
 IN DOLLARS - 000'S OMITTED

	Actual	Projection	Proposed	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2007	2008	2009									
<b>BEGINNING CASH BALANCE</b>	\$ 30,684	\$ 33,260	\$ 30,687	\$ 24,562	\$ 21,683	\$ 32,020	\$ 52,302	\$ 61,395	\$ 59,398	\$ 57,589	\$ 54,699	\$ 53,180
<b>UTILITY REVENUES</b>												
Water Sales	\$ 105,140	\$ 115,928	\$ 117,087	\$ 132,686	\$ 150,362	\$ 170,393	\$ 193,093	\$ 195,024	\$ 196,974	\$ 198,944	\$ 200,934	\$ 202,943
Water Sales Increase	-	-	11,904	13,490	15,287	17,323	-	-	-	-	-	-
Interest Income	6,717	6,264	6,327	6,390	6,454	6,519	6,584	6,650	6,716	6,783	6,851	6,920
System Capacity Charges	5,517	5,440	5,495	5,550	5,605	5,661	5,718	5,775	5,833	5,891	5,950	6,010
Sewer Billing Charges	-	8,500	8,765	9,018	9,288	9,567	9,854	10,149	10,454	10,768	11,091	11,423
Penalties	1,273	1,537	1,553	1,568	1,584	1,600	1,616	1,632	1,648	1,665	1,681	1,698
Meter Service Fees	472	275	278	281	284	286	289	292	295	298	301	304
Other	1,433	1,994	2,014	2,034	2,055	2,075	2,096	2,117	2,138	2,159	2,181	2,203
Debt Refinancing	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	120,551	139,940	153,413	171,016	190,919	213,425	219,250	221,639	224,059	226,508	228,989	231,501
Actual transfer to Water fund*	-	2,779	-	-	-	-	-	-	-	-	-	-
<b>TOTAL RESOURCES</b>	\$ 151,235	\$ 175,978	\$ 184,100	\$ 195,578	\$ 212,601	\$ 245,444	\$ 271,551	\$ 283,034	\$ 283,457	\$ 284,098	\$ 283,687	\$ 284,681
<b>UTILITY EXPENSE</b>												
<b>OPERATIONS &amp; MAINTENANCE</b>												
PERSONNEL SERVICES	\$ 21,836	\$ 37,215	\$ 38,343	\$ 39,993	\$ 41,193	\$ 42,429	\$ 43,701	\$ 45,012	\$ 46,363	\$ 47,754	\$ 49,186	\$ 50,662
27th Pay Period	-	634	-	-	-	-	-	-	-	-	-	-
HEALTH INSURANCE	4,455	5,807	6,514	6,970	7,458	7,980	7,744	8,286	8,866	9,487	10,151	10,862
SUPPLIES & MATERIALS	16,138	19,422	23,609	24,317	25,047	25,798	26,572	27,369	28,190	29,036	29,907	30,804
PRO RATA	5,085	6,297	6,904	7,696	8,591	9,604	9,866	9,974	10,083	10,193	10,304	10,418
CONTRACTURAL SERVICES	15,022	22,903	22,138	22,802	23,486	24,191	25,272	26,030	26,811	27,615	28,444	29,297
OTHER	304	126	104	107	110	114	117	121	124	128	132	136
EQUIPMENT	1,385	2,005	2,006	2,066	2,128	2,191	2,257	2,325	2,395	2,467	2,541	2,617
DIVISION OF OPERATIONAL SUPPORT	9,400	-	-	-	-	-	-	-	-	-	-	-
PUJA DIRECTOR'S ALLOCATION	3,406	3,525	3,857	3,973	4,092	4,214	4,341	4,471	4,605	4,743	4,886	5,032
<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	\$ 77,032	\$ 97,934	\$ 103,473	\$ 107,923	\$ 112,104	\$ 116,521	\$ 119,871	\$ 123,588	\$ 127,437	\$ 131,422	\$ 135,550	\$ 139,827
<b>DEBT SERVICE</b>												
REVENUE BOND	7,730	7,799	7,989	8,232	-	-	-	-	-	-	-	-
GENERAL OBLIGATION	33,214	39,558	43,882	41,455	39,471	36,409	34,687	33,425	30,012	28,894	25,272	21,816
DEBT REFINANCING	-	-	-	-	-	-	-	-	-	-	-	-
PROPOSED NEW DEBT	-	-	4,194	16,285	29,006	40,213	55,599	66,623	68,419	69,082	69,685	70,226
<b>TOTAL DEBT SERVICE</b>	40,944	47,357	56,065	65,973	68,477	76,622	90,286	100,048	98,430	97,977	94,957	92,042
<b>TOTAL EXPENSE</b>	\$ 117,975	\$ 145,291	\$ 159,538	\$ 173,896	\$ 180,582	\$ 193,143	\$ 210,156	\$ 223,636	\$ 225,867	\$ 229,399	\$ 230,507	\$ 231,869
<b>ENDING FUND BALANCE</b>	\$ 33,260	\$ 30,687	\$ 24,562	\$ 21,683	\$ 32,020	\$ 52,302	\$ 61,395	\$ 59,398	\$ 57,589	\$ 54,699	\$ 53,180	\$ 52,812

**WATER ENTERPRISE FUND  
PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018  
IN DOLLARS - 000'S OMITTED**

	Actual	Projection	Proposed	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2007	2008	2009									
<b>PROJECTED REVENUE INCREASE</b>	10.00%	18.00%	12.20%	12.20%	12.20%	12.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RESERVE REQUIREMENT: 10% of Operations/Maintenance Costs	\$ 7,703	\$ 9,793	\$ 10,347	\$ 10,792	\$ 11,210	\$ 11,652	\$ 11,987	\$ 12,359	\$ 12,744	\$ 13,142	\$ 13,555	\$ 13,983
<b>CASH BASIS COVERAGE</b>												
REVENUES	\$ 120,551	\$ 139,940	\$ 153,413	\$ 171,016	\$ 190,919	\$ 213,425	\$ 219,250	\$ 221,639	\$ 224,059	\$ 226,508	\$ 228,989	\$ 231,501
CONSTRUCTION FUNDS INTEREST	-	-	-	-	-	-	-	-	-	-	-	-
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GROSS O & M EXPENSES	77,032	97,934	103,473	107,923	112,104	116,521	119,871	123,588	127,437	131,422	135,550	139,827
PAYMENT TO/FOR OHIO WATER RIGHTS	-	-	-	-	-	-	-	-	-	-	-	-
O & M EXPENSES	77,032	97,934	103,473	107,923	112,104	116,521	119,871	123,588	127,437	131,422	135,550	139,827
NET REVENUES	\$ 43,006	\$ 40,023	\$ 47,125	\$ 60,859	\$ 76,343	\$ 93,333	\$ 98,122	\$ 97,100	\$ 95,670	\$ 94,134	\$ 92,487	\$ 90,722
ACTUAL/ESTIMATED SYSTEM RESERVE FUND ON 1/1	\$ 34,284	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000
O&M EXPENSE RESERVE REQUIREMENT	(7,703)	(9,793)	(10,347)	(10,792)	(11,210)	(11,652)	(11,987)	(12,359)	(12,744)	(13,142)	(13,555)	(13,983)
SYSTEM RESERVE FUND AVAILABLE	26,581	29,207	28,653	28,208	27,790	27,348	27,013	26,641	26,256	25,858	25,445	25,017
ADJUSTED NET REVENUES	\$ 69,587	\$ 69,230	\$ 75,778	\$ 89,066	\$ 104,132	\$ 120,681	\$ 125,134	\$ 123,741	\$ 121,927	\$ 119,992	\$ 117,932	\$ 115,739
REVENUE BOND DEBT SERVICE	\$ 7,730	\$ 7,799	\$ 7,989	\$ 8,232	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. DEBT SERVICE (including proposed new debt)	33,214	39,558	48,076	57,741	68,477	76,622	90,286	100,048	98,430	97,977	94,957	92,042
PAYMENT TO/FOR OHIO WATER RIGHTS	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE REQUIREMENTS	\$ 40,944	\$ 47,357	\$ 56,065	\$ 65,973	\$ 68,477	\$ 76,622	\$ 90,286	\$ 100,048	\$ 98,430	\$ 97,977	\$ 94,957	\$ 92,042
<b>Rate covenant tests:</b>												
COVERAGE RATIO (1.00 REQUIRED)												
ADJ. NET REVENUE vs. TOTAL DEBT SERVICE (G/O)	1.70	1.46	1.35	1.35	1.52	1.58	1.39	1.24	1.24	1.22	1.24	1.26
COVERAGE RATIO (1.25 REQUIRED)												
ADJ. NET REVENUES vs. REV. BOND DEBT SERVICE (L/(M+N))	9.00	8.88	9.49	10.82	n/a							
COVERAGE RATIO (1.50 REQUIRED)												
ADJ. NET REVENUES vs. REV. BOND DEBT SERVICE (L/(M+N))	9.00	8.88	9.49	10.82	n/a							

## Storm Sewer Maintenance Fund

### 2009 Cash Balance Statement

Prior to 1993, the storm sewer maintenance special revenue fund was used only to reimburse the sanitary operating fund for stormwater management expenses. No expenditures were made directly out of this fund. This arrangement changed in 1993, when the storm sewer maintenance fund became the operating fund for stormwater management engineering and design, although the sanitary fund is still reimbursed for some storm sewer maintenance expenses. More recently, this fund's designation changed from that of special revenue to enterprise fund. This change allowed the division to set aside monies in a reserve fund against which contracts could be certified in the absence of bond cash.

The storm sewer maintenance fund will begin 2008 with a cash balance of nearly \$15.1 million, including the \$17 million in the reserve fund. No additional reserve fund transfers are projected at this time. However, the department will request that any surplus revenues, when available, be shifted to that fund.

<b>2009 STORM SEWER MAINTENANCE FUND BALANCE SUMMARY</b>	
Unencumbered Cash Balance (January 1, 2009)	\$ 15,142,685
Plus Estimated 2009 Receipts	<u>36,167,621</u>
Total Estimated Available Resources	\$ 51,310,306
Less 2009 Recommended Operating Budget	(37,017,054)
Less 2009 Recommended Operating Budget (Administration)	(2,785,493)
Projected Available Balance (December 31, 2009)	<u><u>\$ 11,507,759</u></u>
Note: Balance at January 1, 2009 includes reserve fund balance	

**2009 Revenue Summary**

Storm sewer maintenance fees provide the vast majority of revenues to this fund. In August 1995, the Division of Sewerage and Drainage implemented a new fee structure based on the impervious area of a given property, which directly relates to stormwater runoff into the storm drainage system. The stormwater service fee is based upon an equitable and consistent rate system, defined in equivalent residential units (ERU), where one ERU equals 2,000 square feet of impervious area. The fee, as recommended by the Sewer and Water Advisory Board and approved by Columbus City Council, was \$2.44/ERU per month for 1995. During 1995, however, revenues exceeded original projections by nearly 50 percent; a result of higher than projected ERU's, and lower than projected credit applications. For that reason, the sewer and water advisory board recommended a rate decrease for 1996, to \$1.64/ERU per month. In 2000, the stormwater rate increased by 35 percent, after 5 years of remaining static. It was again increased in 2001 by 12.5 percent, by 9.5 percent in 2002, by 5 percent in 2003 and by 5 percent in 2008.

The Sewer and Water Advisory Board has recommended an increase of 9 percent to the storm sewer maintenance fee in 2009.

Statements relative to this fund are made on a cash basis, which do not account for outstanding end of year encumbrances.

**2009 Revenue Summary**

<b>STORM SEWER MAINTENANCE FUND</b> <b>REVENUE BY SOURCE AND YEAR</b> <b>HISTORICAL AND PROJECTED</b> <b>2006-2009</b>				
<b>REVENUE SUMMARY</b>	<b>2006</b> <b>Actual</b>	<b>2007</b> <b>Actual</b>	<b>2008</b> <b>Estimated</b>	<b>2009</b> <b>Proposed</b>
Storm Maintenance Fees	\$ 26,169,001	\$ 27,996,158	\$ 30,248,723	\$ 33,501,680
Investment Earnings	3,649,565	3,937,693	2,258,820	2,326,585
Other Revenues	293,135	322,076	335,750	339,356
Beginning Year Cash Balance	22,313,868	26,351,723	18,477,371	15,142,685
<b>TOTAL RESOURCES</b>	<b>\$ 52,425,569</b>	<b>\$ 58,607,650</b>	<b>\$ 51,320,664</b>	<b>\$ 51,310,306</b>
PERCENT CHANGE		11.79%	-12.43%	-0.02%

Revenue Notes:

- 2009 revenues are based on a charge of \$4.19 per ERU, per month.

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### **Storm Sewer Maintenance Pro Forma Operating Statement**

- The Storm Sewer Maintenance pro forma operating statement assumes that the storm sewer maintenance fee will increase by nine percent to \$4.19/ERU in 2009.
- Operations and maintenance expenses, excluding health insurance and pro rata are inflated at three percent per year. Insurance costs are inflated by 7 percent annually, while the projected pro rata in each year is 4.5 percent of each year's projected revenues. (Note: As non-insurance personnel costs are inflated by only three percent annually, it is assumed that the division's employee strength will not increase over the pro forma period.)
- The pro-rated costs associated with the Division of Operational Support (DOS) will be eliminated in 2008 and beyond, because of the elimination of DOS.
- The division's capital improvements plan has been discounted by 15 percent throughout the pro forma period. This reduction recognizes the probability that debt issued in any given year will not reach the levels outlined in the division's capital improvements budget due to unavoidable lags in the project planning and implementation process.
- In 2005, for the first time, the storm sewer pro forma included costs associated with the street cleaning function. These costs were transferred from the Public Service Department. In 2009, street cleaning and snow removal costs totaling \$7.3 million are included in the storm sewer budget.

<b>STORMWATER ENTERPRISE FUND</b>												
<b>PRO FORMA OPERATING STATEMENT FOR YEARS 2007 - 2018</b>												
IN DOLLARS - 000'S OMITTED												
	Actual	Projection	Proposed									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total Beginning Balance:</b>	\$ 26,952	\$ 18,477	\$ 15,143	\$ 11,508	\$ 12,617	\$ 16,826	\$ 20,878	\$ 24,322	\$ 27,430	\$ 30,546	\$ 33,896	\$ 37,474
<b>UTILITY REVENUE</b>												
Storm Maintenance Service Charges	\$ 27,996	\$ 30,249	\$ 30,948	\$ 34,110	\$ 40,622	\$ 45,518	\$ 45,978	\$ 46,442	\$ 46,911	\$ 47,385	\$ 47,863	\$ 48,347
Rate Increase (Decrease)	-	-	2,553	5,628	4,096	-	-	-	-	-	-	-
Investment Earnings	3,938	2,259	2,327	2,396	2,468	2,542	2,619	2,697	2,778	2,861	2,947	3,036
Storm Sewer Maintenance Penalties	314	325	328	332	335	338	342	345	349	352	356	359
Other Revenues	8	11	11	11	12	12	12	13	13	14	14	14
Debt Refinancing												
<b>TOTAL REVENUE</b>	32,256	32,843	36,168	42,478	47,533	48,411	48,950	49,497	50,051	50,612	51,180	51,756
<b>TOTAL RESOURCES</b>	\$ 58,608	\$ 51,321	\$ 51,310	\$ 53,986	\$ 60,150	\$ 65,237	\$ 69,828	\$ 73,819	\$ 77,481	\$ 81,158	\$ 85,076	\$ 89,230
<b>UTILITY EXPENSE</b>												
Personnel	\$ 1,100	\$ 1,119	\$ 1,463	\$ 1,507	\$ 1,552	\$ 1,599	\$ 1,647	\$ 1,696	\$ 1,747	\$ 1,800	\$ 1,854	\$ 1,909
27th pay period	-	458	-	-	-	-	-	-	-	-	-	-
Insurances	165	177	189	202	216	231	248	265	283	303	325	347
Supplies and Materials	20	95	114	117	121	124	128	132	136	140	144	148
Contractual Services	928	5,348	1,930	1,988	2,048	2,109	2,172	2,237	2,305	2,374	2,445	2,518
Pro Rata	1,274	1,478	1,628	1,912	2,139	2,178	2,203	2,227	2,252	2,278	2,303	2,329
Equipment	37	45	38	39	40	42	43	44	45	47	48	50
Other	70	110	110	113	117	120	124	128	131	135	139	144
Reimbursement to Sanitary Enterprise	11,030	7,651	11,000	11,110	11,221	11,333	11,447	11,561	11,677	11,793	11,911	12,031
Department of Public Utilities Allocation	2,437	2,435	2,785	2,869	2,955	3,044	3,135	3,229	3,326	3,426	3,529	3,634
Division of Operational Support Allocation	6,634	-	-	-	-	-	-	-	-	-	-	-
Street Cleaning (transferred from Public Service)	4,212	3,613	7,300	7,519	7,745	7,977	8,216	8,463	8,717	8,978	9,247	9,525
<b>Subtotal O&amp;M Expenses:</b>	\$ 27,908	\$ 22,529	\$ 26,557	\$ 27,376	\$ 28,154	\$ 28,758	\$ 29,362	\$ 29,982	\$ 30,619	\$ 31,273	\$ 31,945	\$ 32,635
<b>Debt Service:</b>												
<b>General Obligation Debt</b>	\$ 12,222	\$ 13,649	\$ 13,246	\$ 12,836	\$ 12,332	\$ 11,835	\$ 11,430	\$ 11,035	\$ 10,646	\$ 10,259	\$ 9,871	\$ 9,865
Less Premium from '04 Issuance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Refinancing	-	-	-	-	-	-	-	-	-	-	-	-
Cash Transfer to Bond Fund	-	-	-	-	-	-	-	-	-	-	-	-
Proposed New Debt	-	-	-	1,156	2,839	3,767	4,714	5,372	5,669	5,730	5,786	5,786
<b>Total Debt Service:</b>	\$ 12,222	\$ 13,649	\$ 13,246	\$ 13,992	\$ 15,171	\$ 15,601	\$ 16,144	\$ 16,407	\$ 16,315	\$ 15,989	\$ 15,658	\$ 15,652
Transfer to Reserve Fund	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENSE</b>	\$ 40,130	\$ 36,178	\$ 39,803	\$ 41,368	\$ 43,324	\$ 44,359	\$ 45,506	\$ 46,389	\$ 46,934	\$ 47,262	\$ 47,603	\$ 48,286
<b>ENDING FUND BALANCE</b>	\$ 18,477	\$ 15,143	\$ 11,508	\$ 12,617	\$ 16,826	\$ 20,878	\$ 24,322	\$ 27,430	\$ 30,546	\$ 33,896	\$ 37,474	\$ 40,943
<b>RATE CHANGE</b>	8.50%	5.00%	9.00%	18.00%	11.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10% of Operations/Maintenance Costs	\$ 2,791	\$ 2,253	\$ 2,656	\$ 2,853	\$ 3,099	\$ 3,252	\$ 3,408	\$ 3,535	\$ 3,629	\$ 3,700	\$ 3,773	\$ 3,842
<b>COST/MONTH/ERU</b>	\$3.66	\$3.84	\$4.19	\$4.94	\$5.48	\$5.48	\$5.48	\$5.48	\$5.48	\$5.48	\$5.48	\$5.48
ASSUMES base of 555,500 ERU'S. with annual growth per year as follows:												
10% of O&M	2,791	2,253	2,656	2,738	2,815	2,876	2,936	2,998	3,062	3,127	3,194	3,263
Fund balance less 10% requirement	15,687	12,890	8,852	9,880	14,011	18,002	21,386	24,431	27,484	30,769	34,279	37,680

## Enterprise Funds

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