

PLANTATION BAY UTILITY SYSTEM

FINANCIAL ANALYSIS

Revised

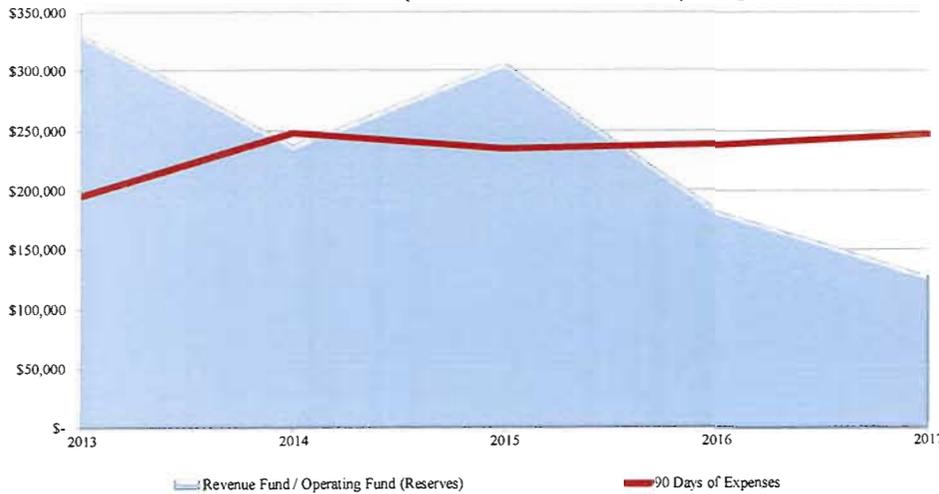


Flagler County, Florida

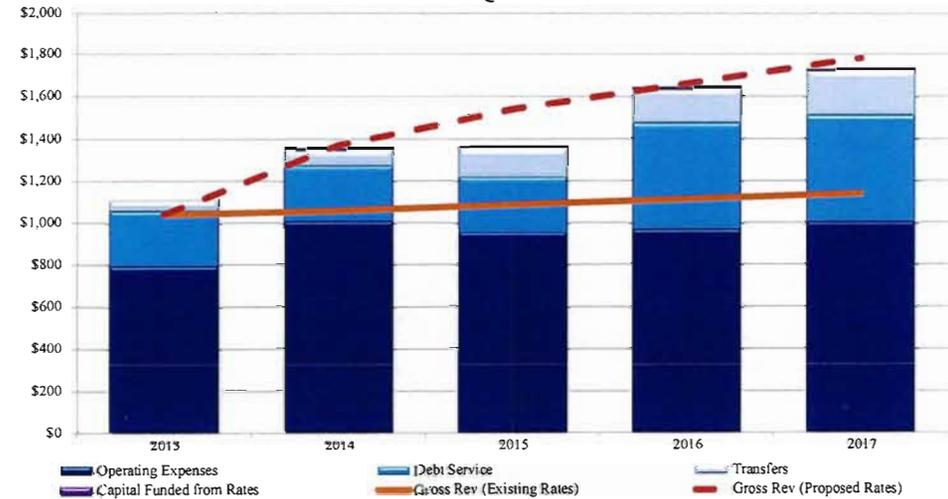
Dashboard Financial Results Summary

	Projected Fiscal Year Ending September 30,				
	2013	2014	2015	2016	2017
Identified Rate Adjustments:					
Rate Increases	30.00%	0.00%	10.00%	5.00%	5.00%
Effective months of Current Year	10.50	11.50	11.50	11.50	11.50
Effective Percentage of Year	87.50%	95.83%	95.83%	95.83%	95.83%

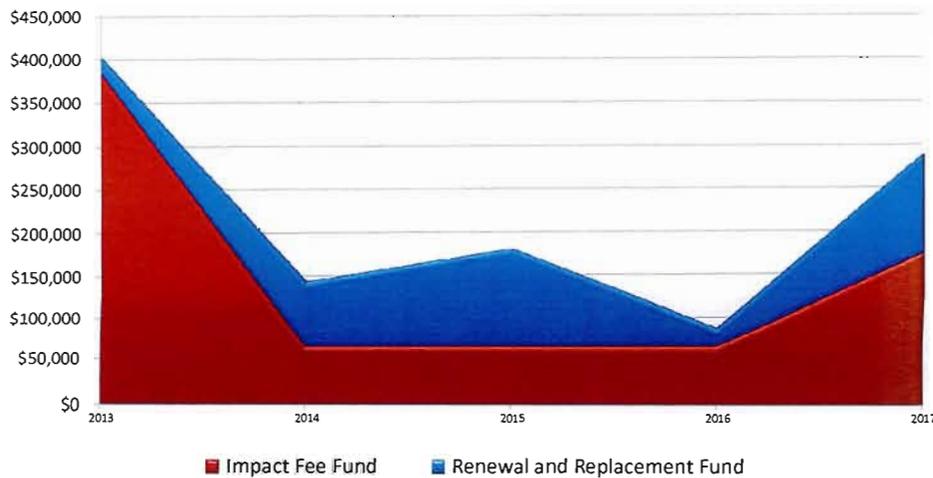
OPERATING FUND (WORKING CAPITAL) LIQUIDITY



REVENUE REQUIREMENTS



CAPITAL FUND LIQUIDITY



NET REVENUE MARGIN



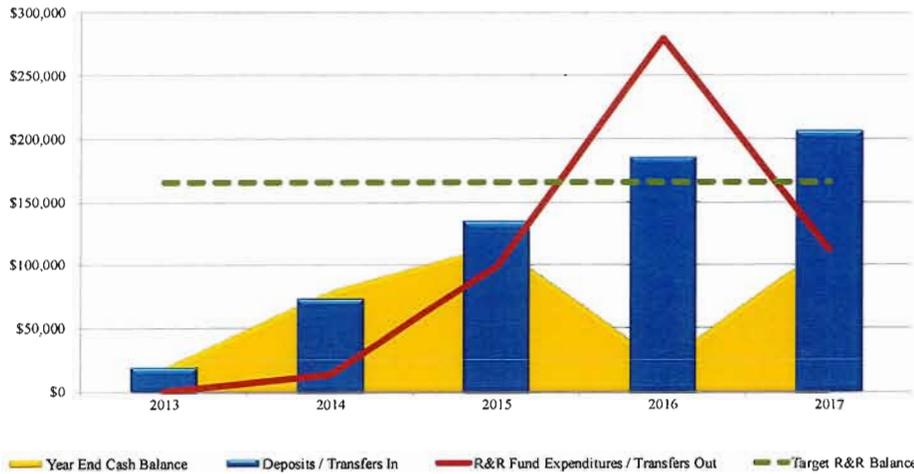


Flagler County, Florida

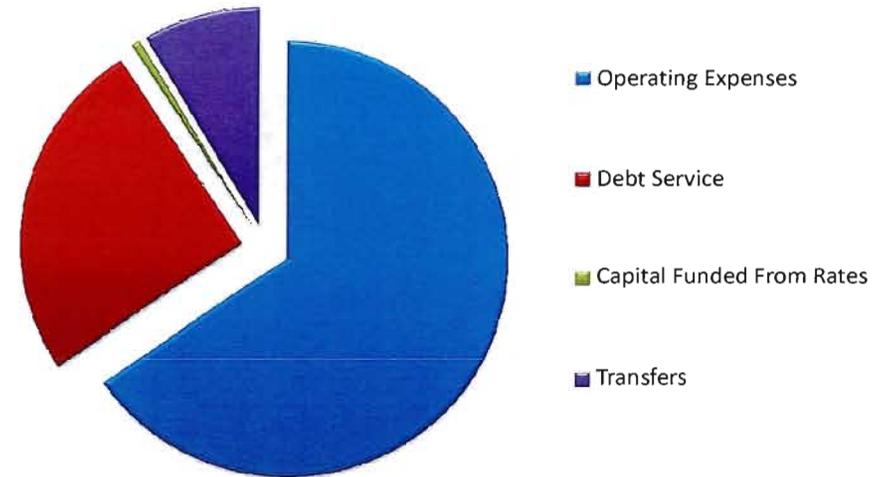
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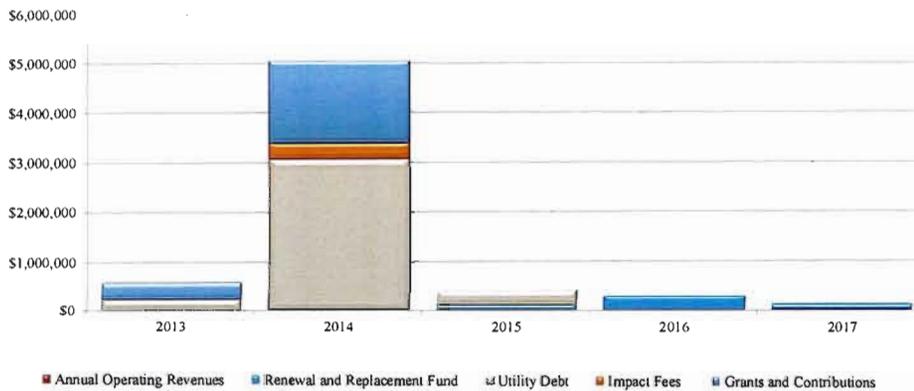
Renewal and Replacement Fund Balance



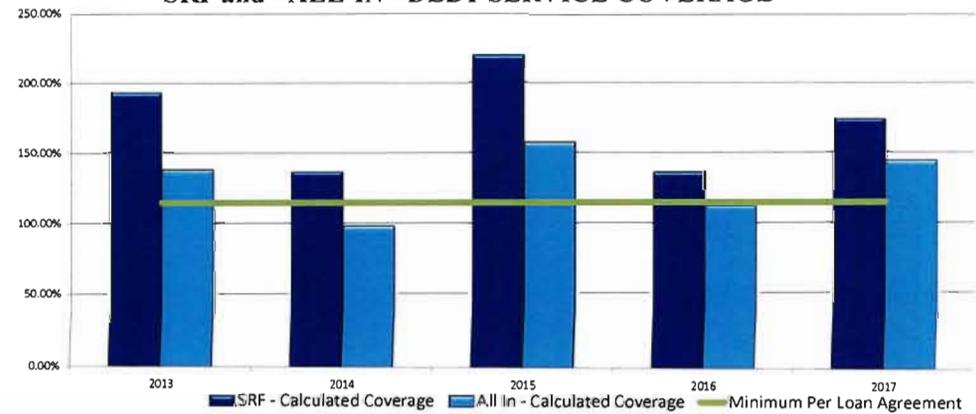
REVENUE REQUIREMENTS



Capital Improvement Program Funding



SRF and "ALL-IN" DEBT SERVICE COVERAGE



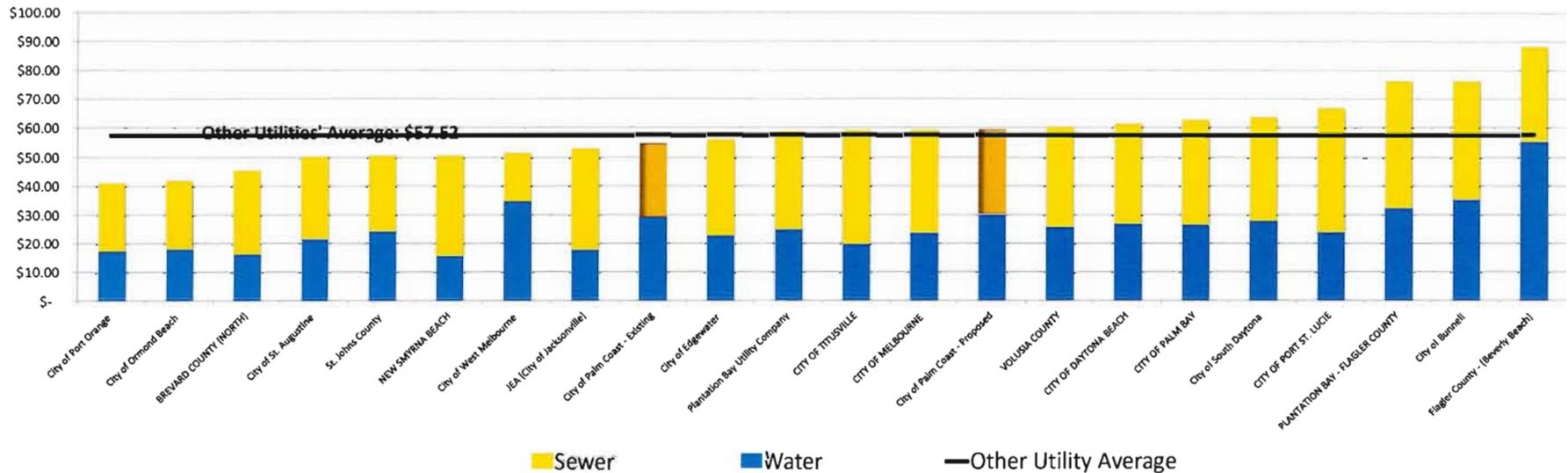


Flagler County, Florida

Dashboard Financial Results Summary

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Flagler County
Rate Comparison - Plantation Bay Utilities Acquisition



Capitalized Utilities are either currently involved in a Rate Study or are planning a Rate Study in the next twelve months.

Dash Board Working Paper

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Dash Board Information

Line No.	Chart Number	Description	Fiscal Year ending September 30,					
			2012	2013	2014	2015	2016	2017
	1	Revenue Requirements						
1		Operating Expenses		\$ 791,739	\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900
2		Capital Funded from Rates		\$ -	\$ 10,000	\$ 11,000	\$ 12,000	\$ 13,000
3		Debt Service		\$ 267,116	\$ 267,116	\$ 267,116	\$ 509,801	\$ 509,801
4		Transfers		\$ 51,848	\$ 72,671	\$ 134,928	\$ 155,696	\$ 205,764
5		Gross Rev (Existing Rates)		\$ 1,038,015	\$ 1,058,608	\$ 1,085,992	\$ 1,113,441	\$ 1,139,876
6		Gross Rev (Proposed Rates)		\$ 1,038,015	\$ 1,372,100	\$ 1,540,871	\$ 1,660,644	\$ 1,784,354
	2	Net Revenue Margin						
7		Operating Expenses		\$ 791,739	\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900
8		Gross Rev (Proposed Rates)		\$ 1,038,015	\$ 1,372,100	\$ 1,540,871	\$ 1,660,644	\$ 1,784,354
9		Net Revenues		\$ 246,276	\$ 364,676	\$ 588,403	\$ 692,958	\$ 780,454
10		Net Revenue Margin		23.73%	26.58%	38.19%	41.73%	43.74%
11		Minimum Target 35%		35.00%	35.00%	35.00%	40.00%	40.00%
	3	Debt service Coverage						
12		Net Rev Including Impact Fees		\$ 193,207	\$ 364,676	\$ 588,403	\$ 692,958	\$ 887,484
13		SRF Loans		\$ 100,169	\$ 267,116	\$ 267,116	\$ 509,801	\$ 509,801
14		Subordinate Loan		\$ 40,359	\$ 107,623	\$ 107,623	\$ 107,623	\$ 107,623
15		SRF - Calculated Coverage		1.93	1.37	2.20	1.36	1.74
16		All In - Calculated Coverage		1.37	0.97	1.57	1.12	1.44
17		Minimum Per Loan Agreement		1.15	1.15	1.15	1.15	1.15
	4	Operating Fund (Working Capital) Liquidity						
18		Revenue Fund / Operating Fund (Reserves)		\$ 330,361	\$ 237,627	\$ 305,363	\$ 183,201	\$ 127,467
19		90 Days of Expenses	90	\$ 195,223	\$ 248,406	\$ 234,855	\$ 238,608	\$ 247,537
	5	Capital Fund Liquidity						
20		Renewal and Replacement Fund		\$ 19,443	\$ 78,614	\$ 115,542	\$ 22,188	\$ 115,952
21		Impact Fee Fund		\$ 383,863	\$ 64,533	\$ 64,853	\$ 65,343	\$ 173,563
	6	Revenue Requirements	Totals					
22		Operating Expenses	\$ 4,723,217	\$ 791,739	\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900
23		Debt Service	\$ 1,820,950	\$ 267,116	\$ 267,116	\$ 267,116	\$ 509,801	\$ 509,801
24		Capital Funded From Rates	\$ 46,000	\$ -	\$ 10,000	\$ 11,000	\$ 12,000	\$ 13,000
25		Transfers	\$ 620,907	\$ 51,848	\$ 72,671	\$ 134,928	\$ 155,696	\$ 205,764
	7	R&R Fund Balance						
26		Year End Cash Balance		\$ 19,443	\$ 78,614	\$ 115,542	\$ 22,188	\$ 115,952
27		Deposits / Transfers In		\$ 19,443	\$ 72,671	\$ 134,928	\$ 185,696	\$ 205,764
28		R&R Fund Expenditures / Transfers Out		\$ -	\$ 13,500	\$ 98,000	\$ 279,050	\$ 112,000
29		Total Assets per FY 2011 Annual Report		\$ 10,049,319				
30		Less Non-depreciable Plant		(118,001)				
31		Net Applicable Gross Plant		\$ 9,931,318				
32		Assume Average Service Life (years) = 60		\$ 165,522				
33		Target R&R Balance		\$ 166,000	\$ 166,000	\$ 166,000	\$ 166,000	\$ 166,000
	8	Capital Improvement Plan - Funding						
34		Annual Operating Revenues		\$ -	\$ 10,000	\$ 11,000	\$ 12,000	\$ 13,000
35		Renewal and Replacement Fund		\$ -	\$ 13,500	\$ 98,000	\$ 279,050	\$ 112,000
36		Utility Debt		\$ 240,650	\$ 3,038,550	\$ 302,000	\$ -	\$ -
37		Impact Fees		\$ -	\$ 320,000	\$ -	\$ -	\$ -
38		Grants and Contributions		\$ 346,200	\$ 1,653,800	\$ -	\$ -	\$ -
39		Utility Debt - Second Series		\$ 240,650	\$ 3,038,550	\$ 302,000	\$ -	\$ -

Table 1

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Net Revenue Requirements

Line No.	Fiscal Year Ending September 30,						
	Annual 2013	Partial Period [1]	2014	2015	2016	2017	
1	Operating Expenses [2]	\$ 791,739	\$ 296,902	\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900
	Other Revenue Requirements:						
2	Debt Service - Acquisition Element [3]	267,116	100,169	267,116	267,116	267,116	267,116
3	Debt Service - Capital Improvement Element [3]	-	-	-	-	242,685	242,685
4	Payment of FAC Loan [4]	107,623	40,359	107,623	107,623	107,623	107,623
5	Deposit to Renewal and Replacement Fund [5]	51,848	19,443	72,671	134,928	155,696	205,764
6	Other Capital Funded from Rates [6]	-	-	10,000	11,000	12,000	13,000
7	Transfer to Operating Reserves	-	-	-	-	-	-
8	Total Other Revenue Requirements	426,587	159,971	457,410	520,667	785,120	836,188
9	Gross Revenue Requirements	1,218,326	456,873	1,464,834	1,473,135	1,752,806	1,840,088
	Less Other Available Revenues						
10	Other Operating Revenues [7]	12,415	4,656	12,436	12,457	12,478	12,499
11	Interest Income [8]	1,067	400	1,200	2,180	3,310	3,510
12	Impact Fees Applied to Debt Service Payments [9]	-	-	-	-	-	-
13	Transfer from Operating Reserves	-	-	-	-	-	-
14	Total Other Available Revenues	13,482	5,056	13,636	14,637	15,788	16,009
15	Net Revenue Requirements	1,204,844	451,817	1,451,198	1,458,498	1,737,018	1,824,079
16	Rate Revenues from Existing Rates	1,024,533	384,200	1,044,972	1,071,355	1,097,653	1,123,867
17	Revenue from Prior Years Rate Adjustments [10]	-	-	313,492	321,407	471,991	563,619
18	Total Applicable Rate Revenues	<u>\$ 1,024,533</u>	384,200	1,358,464	1,392,762	1,569,644	1,687,486
19	Revenue Surplus / (Deficiency)		(67,617)	(92,734)	(65,737)	(167,374)	(136,593)
20	Percent of Then Applicable Rate Revenue		(17.60%)	(8.87%)	(6.14%)	(15.25%)	(12.15%)
21	Percent Rate Increase Recognized		30.00%	0.00%	10.00%	5.00%	5.00%
22	Percent to be Recovered (months)		87.50%	95.83%	95.83%	95.83%	95.83%
23	Adjusted Rate Adjustments		26.25%	0.00%	9.58%	4.79%	4.79%
24	Cumulative Compound Rate Adjustments		30.00%	30.00%	43.00%	50.15%	57.66%
25	Revenue from Current Year Rate Adjustment [11]		100,853	-	133,473	75,212	80,859
26	Total Adjusted Rate Revenue		485,053	1,358,464	1,526,234	1,644,856	1,768,345
	Adjusted Revenue Surplus / (Deficiency)						
27	Amount		\$ 33,236	\$ (92,734)	\$ 67,736	\$ (92,162)	\$ (55,734)
28	Percent of Rate Revenue		6.85%	(6.83%)	4.44%	(5.60%)	(3.15%)

[1] Assumes the County will begin operation on May 15, 2013 so reflects only 4.5 months of operation in Fiscal Year 2013.

[2] Amounts shown derived from Table 5.

[3] Amounts shown derived from Table 8A.

[4] Amounts shown derived from Table 8B.

[5] Amounts shown derived from Table 7; recognizes increasing deposit from rates expressed as a percent of previous year Gross Revenues during the Forecast Period.

[6] Amounts shown derived from Table 6; assumes that County will fund general equipment and vehicles from operations.

[7] Amounts shown derived from Table 4; includes miscellaneous customer service charges and sales of reclaimed water.

[8] Amounts shown derived from Table 9.

[9] Projected impact fee revenues shown derived from Table 4B; none are anticipated during the Forecast Period.

[10] Amounts shown reflects the application of prior period rate adjustments assumed for the Forecast Period (line 21).

[11] Amounts shown reflect additional revenue assumed to be earned based on application of the then current year rate adjustment.

Table 2

Flagler County, Florida
Plantation Bay Utility Company

Summary of Projected Coverage

Line No.		Fiscal Year Ending September 30, [1]				
		Partial Yr. [2] 2013	2014	2015	2016	2017
	Revenues from Rates					
1	Rate Revenues - Current Rates	\$ 384,200	\$ 1,044,972	\$ 1,071,355	\$ 1,097,653	\$ 1,123,867
2	Rate Revenues - Additional Rate Adjustments	100,853	313,492	454,879	547,203	644,478
3	Total Revenues from Rates	\$ 485,053	\$ 1,358,464	\$ 1,526,234	\$ 1,644,856	\$ 1,768,345
4	Other Operating Revenue	5,056	13,636	14,637	15,788	16,009
5	Gross Revenue	\$ 490,109	\$ 1,372,100	\$ 1,540,871	\$ 1,660,644	\$ 1,784,354
6	Operating Expenses	296,902	1,007,424	952,468	967,686	1,003,900
7	Net Revenues	\$ 193,207	\$ 364,676	\$ 588,403	\$ 692,958	\$ 780,454
8	Impact Fees (excluding payment of prepaids by seller)	-	-	-	-	107,030
9	Net Revenues Including Impact Fees	\$ 193,207	\$ 364,676	\$ 588,403	\$ 692,958	\$ 887,484
10	SRF Loan Deposit [3]	100,169	267,116	267,116	509,801	509,801
	SRF Loan Coverage					
11	Calculated	1.93	1.37	2.20	1.36	1.74
12	Minimum per Loan Agreement [4]	1.15	1.15	1.15	1.15	1.15
	Other Required Deposits					
13	Payments of Subordinated Loans [5]	40,359	107,623	107,623	107,623	107,623
14	Minimum Transfer to Renewal and Replacement Fund [6]	19,443	51,908	84,330	86,498	102,882
	Remaining Funds for Capital Improvements and Other System Purposes [7]					
15		\$ 33,236	\$ (61,971)	\$ 129,334	\$ (10,964)	\$ 167,178

[1] Unless otherwise noted, amounts shown derived from Table 1.

Table 3

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Proposed Monthly Service Rates

Line No.	Current Company [1]	Fiscal Year Ending September 30					
		2013	2014	2015	2016	2017	
1	Annual Rate Adjustment [2]		30.00%	0.00%	10.00%	5.00%	5.00%
Water System (Residential and General Service)							
Base Facilities Charge (per bill rendered)							
2	5/8-inch by 3/4-inch	\$ 11.62	\$ 15.11	\$ 15.11	\$ 16.62	\$ 17.45	\$ 18.32
3	Full 3/4-inch	17.45	22.69	22.69	24.96	26.21	27.52
4	1-inch	29.08	37.80	37.80	41.58	43.66	45.84
5	1 1/2-inch	58.14	75.58	75.58	83.14	87.30	91.67
6	2-inch	93.04	120.95	120.95	133.05	139.70	146.69
7	3-inch	186.09	241.92	241.92	266.11	279.42	293.39
8	4-inch	290.75	377.98	377.98	415.78	436.57	458.40
9	6-inch	581.54	756.00	756.00	831.60	873.18	916.84
10	Usage Charge (per 1,000 gallons)	\$ 3.34	\$ 4.34	\$ 4.34	\$ 4.77	\$ 5.01	\$ 5.26
Wastewater System (Residential and General Service)							
Base Facilities Charge (per bill rendered)							
All Meter Sizes - Residential Service [3]							
		\$ 18.95	\$ 24.64	\$ 24.64	\$ 27.10	\$ 28.46	\$ 29.88
General Service							
11	5/8-inch by 3/4-inch	\$ 18.95	\$ 24.64	\$ 24.64	\$ 27.10	\$ 28.46	\$ 29.88
12	Full 3/4-inch	28.44	36.97	36.97	40.67	42.70	44.84
13	1-inch	47.37	61.58	61.58	67.74	71.13	74.69
14	1 1/2-inch	94.75	123.18	123.18	135.50	142.28	149.39
15	2-inch	151.61	197.09	197.09	216.80	227.64	239.02
16	3-inch	303.23	394.20	394.20	433.62	455.30	478.07
17	4-inch	473.77	615.90	615.90	677.49	711.36	746.93
18	6-inch	947.59	1,231.87	1,231.87	1,355.06	1,422.81	1,493.95
Usage Charge (per 1,000 gallons)							
19	Residential Service [3]	\$ 3.66	\$ 4.76	\$ 4.76	\$ 5.24	\$ 5.50	\$ 5.78
20	General Service	\$ 4.40	\$ 5.72	\$ 5.72	\$ 6.29	\$ 6.60	\$ 6.93
		<u>Residential Customer Bill Impact - FY 2013</u>					
21	Monthly Billed Water and Wastewater Use (gallons)		-	4,000	10,000		
22	Reason for Flow Selection		(Base Facility)	Typical	Max Sewer		
23	Current Company Rates	\$ 30.57	\$ 58.57	\$ 100.57			
24	Proposed Fiscal Year 2013 Rates						
	Amount		39.75	76.15	130.75		
25	Difference	\$ 9.18	\$ 17.58	\$ 30.18			
		<u>Residential Customer Bill Impact - FY 2015</u>					
26	Monthly Billed Water and Wastewater Use (gallons)		-	4,000	10,000		
27	Proposed Fiscal Year 2013 Rates	\$ 39.75	\$ 76.15	\$ 130.75			
28	Proposed Fiscal Year 2015 Rates						
	Amount		43.72	83.76	143.82		
29	Difference	\$ 3.97	\$ 7.61	\$ 13.07			
30	Amount - Increase Above Current Company Rates	\$ 13.15	\$ 25.19	\$ 43.25			

[1] Amounts reflect rates in affect immediately prior to the acquisition of the utility by the County; became effective for service rendered on and after July 1, 2012 as approved by the Florida Public Service Commission.

[2] Amounts derived from Table 1; all years would include allowances for any inflationary price index rate adjustments.

[3] Residential Service base facility charge applicable to all meter sizes since there is a monthly cap on usage of 10,000 gallons; there is usage cap for the billing of the wastewater flow charge for general service customers.

Table 4

**Flagler County, Florida
Plantation Bay Utility Company**

Projected Revenues - Existing Rates

Line No.	Test Year	Fiscal Year Ending September 30					
		2011	2013	2014	2015	2016	2017
Water System Rate Revenue							
1	Existing Rate Revenues - FY 2011	\$ 435,363	\$ 447,030	\$ 455,921	\$ 467,511	\$ 479,064	\$ 490,580
2	Meter Equivalents		1,589	1,634	1,669	1,714	1,759
3	Assumed Customer Growth - ERCs		45	35	45	45	45
4	Projected Meter Equivalents	1,589	1,634	1,669	1,714	1,759	1,804
5	Average Rate Per Meter Equivalent	\$ 273.99	\$ 273.99	\$ 273.58	\$ 273.17	\$ 272.76	\$ 272.35
6	Allowance for Conservation / Revenue Adjustment		-0.15%	-0.15%	-0.15%	-0.15%	-0.15%
7	Adjusted Average Rate Per Meter Equivalent	\$ 273.58	\$ 273.17	\$ 272.76	\$ 272.35	\$ 271.94	
Wastewater System Rate Revenue							
8	Existing Rate Revenues - FY 2011	\$ 562,621	\$ 577,503	\$ 589,051	\$ 603,844	\$ 618,589	\$ 633,287
9	Meter Equivalents		1,536	1,579	1,613	1,656	1,699
10	Assumed Customer Growth - ERCs		43	34	43	43	43
11	Projected Meter Equivalents	1,536	1,579	1,613	1,656	1,699	1,742
12	Average Rate Per Meter Equivalent	\$ 366.29	\$ 366.29	\$ 365.74	\$ 365.19	\$ 364.64	\$ 364.09
13	Allowance for Conservation / Revenue Adjustment		-0.15%	-0.15%	-0.15%	-0.15%	-0.15%
14	Adjusted Average Rate Per Meter Equivalent	\$ 365.74	\$ 365.19	\$ 364.64	\$ 364.09	\$ 363.54	
15	Total Rate Revenue - Existing Rates	\$ 1,024,533	\$ 1,044,972	\$ 1,071,355	\$ 1,097,653	\$ 1,123,867	
Other Operating Revenue							
16	Reuse Sales	\$ 2,038	\$ 2,058	\$ 2,079	\$ 2,100	\$ 2,121	\$ 2,142
17	Bulk Wastewater Sales	-	-	-	-	-	-
18	Other Income	10,357	10,357	10,357	10,357	10,357	10,357
19	Total Other Operating Revenue	\$ 12,395	\$ 12,415	\$ 12,436	\$ 12,457	\$ 12,478	\$ 12,499

Table 4A

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Historical Operations - Water and Wastewater Utility System

Line No.	Calendar Year Ended December 31, 2009 [1]					Calendar Year Ended December 31, 2010 [1]					Calendar Year Ended December 31, 2011 [1]				
	Plantation Bay		Combined Total			Plantation Bay		Combined Total			Plantation Bay		Combined Total		
	Water	Sewer	Unadjusted	Adjustments	Adjusted	Water	Sewer	Unadjusted	Adjustments	Adjusted	Water	Sewer	Unadjusted	Adjustments	Adjusted
	All	All				All	All				All	All			
	Sales Revenue														
	Water System														
1	\$ 388,362	\$ -	\$ 388,362	\$ -	\$ 388,362	\$ 407,330	\$ -	\$ 407,330	\$ -	\$ 407,330	\$ 413,242	\$ -	\$ 413,242	\$ -	\$ 413,242
2	20,122	-	20,122	-	20,122	20,030	-	20,030	-	20,030	22,121	-	22,121	-	22,121
3	\$ 408,484	\$ -	\$ 408,484	\$ -	\$ 408,484	\$ 427,360	\$ 0	\$ 427,360	\$ -	\$ 427,360	\$ 435,363	\$ -	\$ 435,363	\$ -	\$ 435,363
	Wastewater System														
4	\$ -	\$ 513,070	\$ 513,070	\$ -	\$ 513,070	\$ -	\$ 528,405	\$ 528,405	\$ -	\$ 528,405	\$ -	\$ 531,911	\$ 531,911	\$ -	\$ 531,911
5	-	29,602	29,602	-	29,602	-	29,535	29,535	-	29,535	-	30,710	30,710	-	30,710
6	\$ -	\$ 542,672	\$ 542,672	\$ -	\$ 542,672	\$ -	\$ 557,940	\$ 557,940	\$ -	\$ 557,940	\$ -	\$ 562,621	\$ 562,621	\$ -	\$ 562,621
7	\$ 408,484	\$ 542,672	\$ 951,156	\$ -	\$ 951,156	\$ 427,360	\$ 557,940	\$ 985,300	\$ -	\$ 985,300	\$ 435,363	\$ 562,621	\$ 997,984	\$ -	\$ 997,984
	Other Operating Revenue and Income														
8	\$ -	\$ 627	\$ 627	\$ -	\$ 627	\$ -	\$ 4,125	\$ 4,125	\$ -	\$ 4,125	\$ -	\$ 2,038	\$ 2,038	\$ -	\$ 2,038
9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	10,591	(371)	10,220	-	10,220	12,808	(956)	11,852	-	11,852	11,363	(1,006)	10,357	-	10,357
11	\$ 10,591	\$ 256	\$ 10,847	\$ -	\$ 10,847	\$ 12,808	\$ 3,169	\$ 15,977	\$ -	\$ 15,977	\$ 11,363	\$ 1,032	\$ 12,395	\$ -	\$ 12,395
12	\$ 419,075	\$ 542,928	\$ 962,003	\$ -	\$ 962,003	\$ 440,168	\$ 561,109	\$ 1,001,277	\$ -	\$ 1,001,277	\$ 446,726	\$ 563,653	\$ 1,010,379	\$ -	\$ 1,010,379

Table 4B

Flagler County, Florida
Plantation Bay Utility Company

Summary of Estimated Impact Fee Revenue

Line No.	Fiscal Year Ending September 30					
	2013	2014	2015	2016	2017	
Water System						
1	ERC Growth	8	35	45	45	45
2	Connection Fee Credit per Purchase and Sales Agreement	150	142	107	62	17
3	ERC's Paying Impact Fees	0	0	0	0	28
4	ERC's Receiving Impact Fee Credit	8	35	45	45	17
5	Preliminary Impact Fee	\$ 1,940	\$ 1,940	\$ 1,940	\$ 1,940	\$ 1,940
6	Impact Fee Revenue Recognized	\$ -	\$ -	\$ -	\$ -	\$ 54,320
Wastewater System						
7	ERC Growth	8	34	43	43	43
8	Connection Fee Credit per Purchase and Sales Agreement	150	142	108	65	22
9	ERC's Paying Impact Fees	0	0	0	0	21
10	ERC's Receiving Impact Fee Credit	8	34	43	43	22
11	Preliminary Impact Fee	\$ 2,510	\$ 2,510	\$ 2,510	\$ 2,510	\$ 2,510
12	Impact Fee Revenue Recognized	\$ -	\$ -	\$ -	\$ -	\$ 52,710
13	Total Impact Fees Earned Due to Growth	\$ -	\$ -	\$ -	\$ -	\$ 107,030
14	Connection Fees (prepaid) to be Received at Closing	\$ 383,483	\$ -	\$ -	\$ -	\$ -
15	Total System Impact Fees Recognized	\$ 383,483	\$ -	\$ -	\$ -	\$ 107,030

Table 5

Flagler County, Florida
Plantation Bay Utility Company

Summary of Historical Operations - Reported Operating Expenses

Line No.	Test Year [1] 2011	Fiscal Year 2013					Esc Ref. [2]	Fiscal Year Ending September 30			
		Escalator	Basis	Amount	Adjustments	As Adjusted		2014	2015	2016	2017
Operating Expenses											
1	\$ -			\$ -	\$ 200,000	\$ 200,000	Labor	\$ 203,000	\$ 209,090	\$ 215,363	\$ 221,824
2	-			-	30,000	30,000	Labor	30,450	31,364	32,305	33,274
3	-			-	92,000	92,000	Labor	93,380	96,181	99,066	102,038
4	-			-	-	-	Inflation	-	-	-	-
5	-			-	-	-	Inflation	-	-	-	-
6	50,326	6.83%	2-yr Inflation Plus Growth	53,763	-	53,763	Inf&EDU	56,091	58,245	60,983	63,867
7	74,994	10.83%	2-yr Energy Inflation Plus Growth	83,116	-	83,116	Inflation	84,363	85,797	87,513	89,351
8	-			-	-	-	Inflation	-	-	-	-
9	42,328	17.83%	2-yr Chemical Inflation	49,875	-	49,875	Inf&EDU	52,035	54,033	56,573	59,249
10	9,890	8.83%	2-yr Inflation Plus Growth	10,763	-	10,763	Inf&EDU	11,229	11,660	12,208	12,785
11	12,378	4.00%	2-yr Inflation	12,873	-	12,873	Inflation	13,066	13,288	13,554	13,839
12	5,858	4.00%	2-yr Inflation	6,092	5,000	11,092	Inflation	11,258	11,449	11,678	11,923
13	732	4.00%	2-yr Inflation	761	9,239	10,000	Inflation	10,150	10,323	10,529	10,750
14	110,000	50.00%	2-yr Inflation plus Increase Operation Allowance	165,000	(115,000)	50,000	Inf&EDU	52,165	54,168	56,714	59,397
15	13,188	50.00%	2-yr Inflation plus Increase Operation	19,782	-	19,782	Inf&EDU	20,639	21,432	22,439	23,500
16	185,048	50.00%	2-yr Inflation plus Increase Operation	277,572	(167,572)	110,000	Inf&EDU	114,763	119,170	124,771	130,673
17	-	4.00%	2-yr Inflation	-	-	-	Inflation	-	-	-	-
18	-	4.00%	2-yr Inflation	-	-	-	Inflation	-	-	-	-
19	-	4.00%	2-yr Inflation	-	-	-	Inflation	-	-	-	-
20	16,956	20.00%	2-yr Insurance Factor	20,347	-	20,347	Insurance	22,382	24,620	27,082	29,790
21	-			-	-	-	Inflation	-	-	-	-
22	-			-	-	-	Inflation	-	-	-	-
23	-			-	-	-	Inflation	-	-	-	-
24	-			-	-	-	Inflation	-	-	-	-
25	-		Allowance for Indirect Costs - General Fund Allocated Costs	-	25,000	25,000	Inflation	25,375	25,806	26,322	26,875
26	-			-	-	-	Inflation	-	-	-	-
27	-	1.25%	Provide Allowance for Uncollectibles	14,067	-	14,067	Calculation	16,981	19,078	20,561	22,104
28	24,935	4.00%	2-yr Inflation	25,932	-	25,932	Margin	26,191	26,453	26,718	26,983
Other County Expenses:											
29	-		Identified by County Consulting Engineer-PRMG Reclass as OpEx	-	-	-	Calculation	49,000	-	-	-
30	-		Identified by County Consulting Engineer-PRMG Reclass as OpEx	-	-	-	Calculation	-	18,000	-	-
31	-		Identified by County Consulting Engineer-PRMG Reclass as OpEx	-	-	-	Calculation	-	-	-	-
32	-		Identified by County Consulting Engineer-PRMG Reclass as OpEx	-	-	-	Calculation	49,000	-	-	-
33	-	7.00%	Provide Allowance for Unanticipated Expenses / Reduced Rev.	51,796	5,507	57,303	Calculation	65,906	62,311	63,307	65,676
34	\$ 546,633			\$ 791,739	\$ 84,174	\$ 875,913		\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900
Other Utility Expenses											
35	\$ 283,095	-100.00%	Eliminate, non-cash and recognize RR Deposit	-	-	-	Inflation	-	-	-	-
36	(141,186)	-100.00%	Eliminate, non-cash and recognize RR Deposit	-	-	-	Inflation	-	-	-	-
37	-	-100.00%	Eliminate, non-cash and recognize RR Deposit	-	-	-	Inflation	-	-	-	-
38	45,467	-100.00%	Eliminate, no taxes paid by County; no PILOT Assumed	-	-	-	Inflation	-	-	-	-
39	69,158	-100.00%	Eliminate, no taxes paid by County; no PILOT Assumed	-	-	-	Inflation	-	-	-	-
40	-	-100.00%	Eliminate, no taxes paid by County; no PILOT Assumed	-	-	-	Inflation	-	-	-	-
41	-	-100.00%	Eliminate, no taxes paid by County; no PILOT Assumed	-	-	-	Inflation	-	-	-	-
42	\$ 256,534			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
43	\$ 803,167			\$ 791,739	\$ 84,174	\$ 875,913		\$ 1,007,424	\$ 952,468	\$ 967,686	\$ 1,003,900

Footnotes:

[1] Amounts shown derived from Table 4A.

[2] Amounts shown derived from Table 4B.

Table 5A

Flagler County, Florida
Plantation Bay Utility Company

Summary of Historical Operations - Reported Operating Expenses

Line No.		Calendar Year Ended December 31, 2010 [1]			Calendar Year Ended December 31, 2011 [1]			Source
		Water	Wastewater	Total	Water	Wastewater	Total	
Operating Expenses								
1	Salaries and Wages - Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Annual Report, Pages W-10(a) and S-10(a)
2	Salaries and Wages - Officers, et al	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
3	Employee Pensions and Benefits	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
4	Purchased Water	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
5	Purchased Water Treatment / Wastewater Treatment	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
6	Sludge Removal Expense	-	60,718	60,718	-	50,326	50,326	Annual Report, Pages W-10(a) and S-10(a)
7	Purchased Power	28,902	41,835	70,737	30,524	44,470	74,994	Annual Report, Pages W-10(a) and S-10(a)
8	Fuel for Power Production	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
9	Chemicals	39,663	-	39,663	42,328	-	42,328	Annual Report, Pages W-10(a) and S-10(a)
10	Materials and Supplies	498	14,982	15,480	1,264	8,626	9,890	Annual Report, Pages W-10(a) and S-10(a)
11	Contractual Services - Engineering	8,175	8,176	16,351	6,189	6,189	12,378	Annual Report, Pages W-10(a) and S-10(a)
12	Contractual Services - Accounting	3,357	3,194	6,551	2,929	2,929	5,858	Annual Report, Pages W-10(a) and S-10(a)
13	Contractual Services - Legal	7,069	7,069	14,138	366	366	732	Annual Report, Pages W-10(a) and S-10(a)
14	Contractual Services - Professional	55,000	55,000	110,000	55,000	55,000	110,000	Annual Report, Pages W-10(a) and S-10(a)
15	Contractual Services - Testing	10,535	2,050	12,585	13,188	-	13,188	Annual Report, Pages W-10(a) and S-10(a)
16	Contractual Services - Other	127,096	75,723	202,819	91,443	93,605	185,048	Annual Report, Pages W-10(a) and S-10(a)
17	Rents	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
18	Transportation Expenses	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
19	Insurance - Vehicle	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
20	Insurance - General Liability	8,391	8,391	16,782	8,478	8,478	16,956	Annual Report, Pages W-10(a) and S-10(a)
21	Insurance - Workman's Comp.	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
22	Insurance - Other	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
23	Advertising Expenses	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
24	Amortization of Rate Case Expense	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
25	Regulatory Commission Expenses - Other	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
26	Clean and Regrade Lime Storage Pond	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
27	Bad Debt Expense	-	-	-	-	-	-	Annual Report, Pages W-10(a) and S-10(a)
28	Miscellaneous Expenses	8,740	9,937	18,677	12,058	12,877	24,935	Annual Report, Pages W-10(a) and S-10(a)
29	Total Operating Expenses	\$ 297,426	\$ 287,075	\$ 584,501	\$ 263,767	\$ 282,866	\$ 546,633	
Other Utility Expenses								
30	Depreciation Expense	\$ 107,387	\$ 151,082	\$ 258,469	\$ 131,669	\$ 151,426	\$ 283,095	Annual Report, Pages W-3 and S-3
31	Amortization of CIAC	-	-	-	(61,256)	(79,930)	(141,186)	Annual Report, Pages W-3 and S-3
32	Amortization other than CIAC	-	-	-	-	-	-	Annual Report, Pages W-3 and S-3
33	Regulatory Assessment Fee	19,808	25,250	45,058	20,103	25,364	45,467	Annual Report, Pages W-3 and S-3
34	Property Taxes	35,359	35,359	70,718	34,579	34,579	69,158	Annual Report, Pages W-3 and S-3
35	Payroll Taxes	-	-	-	-	-	-	Annual Report, Pages W-3 and S-3
36	Other Taxes	-	-	-	-	-	-	Annual Report, Pages W-3 and S-3
37	Total Other Utility Expenses	\$ 162,554	\$ 211,691	\$ 374,245	\$ 125,095	\$ 131,439	\$ 256,534	
38	Total Utility Expenditures	\$ 459,980	\$ 498,766	\$ 958,746	\$ 388,862	\$ 414,305	\$ 803,167	

Table 5B**Flagler County, Florida
Plantation Bay Utility Company****Summary of Escalation Factors**

Line No.			Fiscal Year Ending September 30			
			2014	2015	2016	2017
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000
2	General Inflation - CBO August 2012 - CPI	Inflation	1.0150	1.0170	1.0200	1.0210
3	Labor	Labor	1.0150	1.0300	1.0300	1.0300
4	General Insurance	Insurance	1.1000	1.1000	1.1000	1.1000
5	Construction Cost Index (20-year ENR Ave.)	ENR	1.0330	1.0330	1.0330	1.0330
6	Marginal	Margin	1.0100	1.0100	1.0100	1.0100
7	Customer Growth plus Inflation	Inf&EDU	1.0433	1.0384	1.0470	1.0473

Table 6

**Flagler County, Florida
Plantation Bay Utility Company**

Capital Improvement Program - Requirements and Funding Sources

Line No.	Funding Basis	Fiscal Year Ending September 30					Total Forecast Period				
		2013	PRMG Cost Adjustment	Timing Adjustments	As Adjusted 2013	2014		2015	2016	2017	
Capital Improvement Plan - Expenditures											
Acquisition of Utility System:											
1	Acquisition of Water System	Loan1	\$ 5,500,000	\$ -	\$ -	\$ 5,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000
2	Acquisition of Wastewater System	Loan1	-	-	-	-	-	-	-	-	-
Capital Expenditures Per Engineer's Condition Assessment:											
Wastewater Plant Consent Order Rehabilitation											
3	Construction New Mechanical Bar Screen Structure	Loan2	541,000	-	(459,850)	81,150	459,850	-	-	-	541,000
4	Construct Redundant Wastewater Treatment Unit	Loan2	1,442,000	-	(1,225,700)	-	-	-	-	-	-
5	Construct Redundant Wastewater Treatment Unit	Grant	-	-	-	216,300	1,442,000	-	-	-	1,658,300
6	Rehabilitation of Existing Sand Bed Filters	Loan2	321,000	-	(272,850)	48,150	272,850	-	-	-	95,000
7	Construction Redundant Chlorine Contact Chamber	Loan2	95,000	-	(80,750)	14,250	80,750	-	-	-	95,000
8	Construction Effluent Storage Pond	Loan2	866,000	-	(736,100)	-	494,200	-	-	-	494,200
9	Construction Effluent Storage Pond	Grant	-	-	-	129,900	211,800	-	-	-	341,700
10	Construction Effluent Storage Pond	Impact	-	-	-	-	160,000	-	-	-	160,000
11	Reuse Instrumentation and Control Improvements	Loan2	143,000	-	(121,550)	21,450	121,550	-	-	-	143,000
12	Installation of New Water Supply Wells	Loan2	-	-	-	-	140,000	-	-	-	140,000
13	Installation of New Water Supply Wells	Impact	-	-	-	-	560,000	-	-	-	560,000
14	Chemical Optimization Study	Loan2	-	-	-	-	44,000	-	-	-	44,000
15	Lime Slaker Replacement	Loan2	-	-	-	-	486,000	-	-	-	486,000
16	Accelerator Softener - Mixer Replacement	Loan2	49,000	-	(49,000)	-	49,000	-	-	-	49,000
17	Transfer Tank Contact Time Evaluation	Loan2	-	-	-	-	14,000	-	-	-	14,000
18	Emergency Generator Replacement	Loan2	-	-	-	-	358,000	-	-	-	358,000
19	Transfer Pump Replacement	Loan2	-	-	-	-	97,000	-	-	-	97,000
20	High Service Pump Replacement	Loan2	-	-	-	-	-	133,000	-	-	133,000
21	Backwash Pump Replacement	R&R	-	-	-	-	-	-	76,000	-	76,000
22	Polymer and Polymer Mixing System Addition	Loan2	-	-	-	-	-	524,000	-	-	524,000
23	Installation of New Re-carbonation System Water	Loan2	-	-	-	-	-	45,000	-	-	45,000
24	Conversion of the Existing Gaseous Chlorine System to Liquid	Loan2	171,000	-	(145,350)	25,650	145,350	-	-	-	171,000
25	Water Supply Well Water Quality Study	Loan2	50,000	-	-	50,000	-	-	-	-	50,000
26	Above-ground Storage Tank Rehabilitation Work	R&R	-	-	-	-	-	31,000	-	33,000	64,000
27	Consumptive Use Permit Renewal	R&R	-	-	-	-	-	-	130,000	-	130,000
28	Clean and Refurbish Original Wastewater Treatment Plant	Loan2	-	-	-	-	276,000	-	-	-	276,000
Additional Ongoing Renewals and Replacements - PRMG Allowance:											
29	Water Meter Replacement Program	R&R	-	-	-	-	-	13,000	13,800	14,500	41,300
30	Allowance for Water Distribution / Hydrants / Services Replacement	R&R	-	-	-	-	-	10,000	12,500	15,000	37,500
31	Allowance for Miscellaneous Valves and Equipment	R&R	-	-	-	-	-	3,000	5,250	5,500	15,750
32	Allowance for Lift Station Renewals and Replacements	R&R	-	-	-	-	13,500	14,300	15,500	16,500	60,000
33	Allowance for Manhole Renewals and Replacement	R&R	-	-	-	-	-	2,000	2,500	3,000	7,500
34	Allowance for General Water Treatment and General Plant	R&R	-	-	-	-	-	10,000	10,500	11,000	31,500
35	Allowance for General Sewer Treatment and General Plant	R&R	-	-	-	-	-	12,500	13,000	13,500	39,000
36	Vehicles and Equipment	Rev	-	-	-	-	10,000	11,000	12,000	13,000	46,000
37	Total Capital Improvement Plan - Expenditures		\$ 9,178,000	\$ -	\$ (3,091,150)	\$ 6,086,850	\$ 5,035,850	\$ 411,000	\$ 291,050	\$ 125,000	\$ 11,949,750
Capital Improvement Plan - Funding											
38	Annual Operating Revenues	Rev	-	-	\$ -	\$ 10,000	\$ 11,000	\$ 12,000	\$ 13,000	\$ -	\$ 46,000
39	Operating Reserves	Reserves	-	-	-	-	-	-	-	-	-
40	Renewal and Replacement Fund	R&R	-	-	-	13,500	98,000	279,050	112,000	-	502,550
41	Utility Debt - First Series	Loan1	-	-	5,500,000	-	-	-	-	-	5,500,000
42	Utility Debt - Second Series	Loan2	-	-	240,650	3,038,550	302,000	-	-	-	3,581,200
43	Impact Fees	Impact	-	-	-	320,000	-	-	-	-	320,000
44	Grants and Contributions	Grant	-	-	346,200	1,653,800	-	-	-	-	2,000,000
45	Total Capital Improvement Plan - Funding		\$ 6,086,850	\$ 5,035,850	\$ 411,000	\$ 291,050	\$ 125,000	\$ 11,949,750			

Table 7

**Flagler County, Florida
Plantation Bay Utility Company**

Development of Renewal and Replacement Fund Deposit

Line No.		Fiscal Year Ending September 30,				
		2013	2014	2015	2016	2017
1	Fiscal Year of Analysis	2013	2013	2014	2015	2016
	Prior Year Gross Revenues					
2	Existing Rates	\$ 384,200	\$ 1,024,533	\$ 1,358,464	\$ 1,392,762	\$ 1,569,644
3	Additional Rates	-	-	313,492	321,407	471,991
4	Other Operating Revenues and Income	4,656	13,636	14,637	15,788	16,009
5	Total Applicable Revenue	\$ 388,856	\$ 1,038,169	\$ 1,686,592	\$ 1,729,956	\$ 2,057,644
	Renewal and Replacement (Capital) Fund Deposit:					
6	Funding Requirement - Percent of Prior Period Gross Revenue	5.00%	5.00%	5.00%	5.00%	5.00%
7	Funding Requirement - Amount	\$ 19,443	\$ 51,908	\$ 84,330	\$ 86,498	\$ 102,882
8	Additional Funding Percent	0.00%	2.00%	3.00%	4.00%	5.00%
9	Additional Funding - Amount	\$ -	\$ 20,763	\$ 50,598	\$ 69,198	\$ 102,882
10	Total Deposit Recognized	\$ 19,443	\$ 72,671	\$ 134,928	\$ 155,696	\$ 205,764
11	Percent of Applicable Revenue	5.00%	7.00%	8.00%	9.00%	10.00%

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Debt Service Payments - SRF Loan

Line No.	Assumptions	Fiscal Year Ending September 30				
		2013	2014	2015	2016	2017
Loan 1 Assumptions:						
1	Term - Years	30				
2	Start Year	2013				
3	Number of Months - Start Year	4.5				
4	Interest Rate	2.40%				
5	Loan Administration Fee	2.00%				
6	Project Cost	Loan1	\$ 5,500,000			
Amount Borrowed:						
7	Project Cost		\$ 5,500,000			
8	Loan Administration Fee		110,000			
9	Capitalized Interest		-			
10	Reserve Allowance (months of annual payment)	0	-			
11	Loan Contingency	1.00%	56,100			
12	Total SRF Loan		\$ 5,666,100			
13	Annual Loan Repayment		\$ 267,116	\$ 100,169	\$ 267,116	\$ 267,116
Loan 2 Assumptions:						
14	Term - Years	20				
15	Start Year	2013				
16	Number of Months - Start Year	4.5				
17	Interest Rate	2.40%				
18	Loan Administration Fee	2.00%				
19	Project Cost	Loan2	\$ 3,581,200			
Amount Borrowed:						
20	Project Cost		\$ 3,581,200			
21	Loan Administration Fee		71,624			
22	Capitalized Interest		128,600			
23	Reserve Allowance (months of annual payment)	0	-			
24	Loan Contingency	1.00%	37,814			
25	Total SRF Loan		\$ 3,819,238			
26	Annual Loan Repayment		\$ 242,685	\$ -	\$ -	\$ 242,685
Capitalized Interest						
27	Annual Project Expenditures	Loan2	\$ 240,650	\$ 3,038,550	\$ 302,000	\$ -
28	Average Outstanding Balance		120,325	1,762,825	3,475,400	-
29	Capitalized Interest	2.40%	\$ 2,900	\$ 42,300	\$ 83,400	\$ -

Table 8B

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Debt Service Payments - Working Capital Loan

Line No.	Assumptions	Fiscal Year Ending September 30				
		2013	2014	2015	2016	2017
Subordinate Loan						
1	Term - Years	5				
2	Start Year	2013				
3	Number of Months - Start Year	4.5				
4	Interest Rate	2.50%				
5	Loan Administration Fee / Issue Costs	1.50%				
6	Total Loan Amount	\$ 500,000				
Amount Borrowed:						
7	Accounts Receivable Purchase	\$ 137,500				
8	Acquisition Transaction Costs	150,000				
9	Loan Issue Costs	7,500				
10	Renewal and Replacement Fund Deposit	-				
11	Working Capital Deposit	205,000				
12	Total Subordinate Loan	<u>\$ 500,000</u>				
13	Annual Loan Repayment	\$ 107,623	\$ 40,359	\$ 107,623	\$ 107,623	\$ 107,623

Table 9

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Cash Balances and Interest Income

	Rate S or L	Fiscal Year Ending September 30,				
		2013	2014	2015	2016	2017
Cash Summary:						
Revenue Fund / Operating Fund (Reserves)		\$ 330,361	\$ 237,627	\$ 305,363	\$ 183,201	\$ 127,467
Renewal and Replacement Fund		19,443	78,614	115,542	22,188	115,952
Impact Fee Fund		383,863	64,533	64,853	65,343	173,563
Debt Reserve Fund		-	-	-	-	-
Total Fund Balance (w/o Debt Service Funds)		<u>\$ 733,667</u>	<u>\$ 380,774</u>	<u>\$ 485,758</u>	<u>\$ 270,732</u>	<u>\$ 416,982</u>
Revenue Fund / Operating Fund (Reserves)						
Beginning Balance		\$ -	\$ 330,361	\$ 237,627	\$ 305,363	\$ 183,201
Transfer In - Loan		297,125	-	-	-	-
Transfers In - Operations		-	-	-	-	-
Transfers In - Year End Surplus		33,236	-	67,736	-	-
Total Transfers In		<u>330,361</u>	<u>-</u>	<u>67,736</u>	<u>-</u>	<u>-</u>
Transfers Out - Operations		-	-	-	-	-
Transfer to Renewal and Replacement Fund		-	-	-	30,000	-
Transfers Out - Year End Deficiency		-	92,734	-	92,162	55,734
Total Transfers Out		<u>-</u>	<u>92,734</u>	<u>-</u>	<u>122,162</u>	<u>55,734</u>
Interest Rate	S	0.20%	0.30%	0.50%	0.75%	1.00%
Interest Income		330	850	1,360	1,830	1,550
Recognize Interest In Revenue Requirements	Y	330	850	1,360	1,830	1,550
Ending Balance		<u>\$ 330,361</u>	<u>\$ 237,627</u>	<u>\$ 305,363</u>	<u>\$ 183,201</u>	<u>\$ 127,467</u>
Working Capital Reserve Target - Days OpEx	90	<u>\$ 197,935</u>	<u>\$ 251,856</u>	<u>\$ 238,117</u>	<u>\$ 241,922</u>	<u>\$ 250,975</u>
Working Capital Reserve Target Met - Yes / No		<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>No</u>

Table 9

Flagler County, Florida
Plantation Bay Utility Company

Summary of Cash Balances and Interest Income

	Rate S or L	Fiscal Year Ending September 30,				
		2013	2014	2015	2016	2017
Renewal and Replacement Fund						
Beginning Balance		\$ -	\$ 19,443	\$ 78,614	\$ 115,542	\$ 22,188
Transfer In - Loan		-	-	-	-	-
Transfers In - Operations		19,443	72,671	134,928	155,696	205,764
Transfers In - Revenue Fund (available funds)		-	-	-	30,000	-
Total Transfers In		19,443	72,671	134,928	185,696	205,764
Transfers Out - Capital Expenditures		-	13,500	98,000	279,050	112,000
Total Transfers Out		-	13,500	98,000	279,050	112,000
Interest Rate	S	0.20%	0.30%	0.50%	0.75%	1.00%
Interest Income		20	150	490	520	690
Recognize Interest In Revenue Requirements	Y	20	150	490	520	690
Ending Balance		\$ 19,443	\$ 78,614	\$ 115,542	\$ 22,188	\$ 115,952

Table 9

**Flagler County, Florida
Plantation Bay Utility Company**

Summary of Cash Balances and Interest Income

	Rate S or L	Fiscal Year Ending September 30,				
		2013	2014	2015	2016	2017
Impact Fee Fund						
Beginning Balance		\$ -	\$ 383,863	\$ 64,533	\$ 64,853	\$ 65,343
Transfer In - Contributions		383,483	-	-	-	107,030
Total Transfers In		383,483	-	-	-	107,030
Transfers Out - Capital Expenditures		-	320,000	-	-	-
Transfers Out - Debt Service Payments		-	-	-	-	-
Total Transfers Out		-	320,000	-	-	-
Interest Rate	S	0.20%	0.30%	0.50%	0.75%	1.00%
Interest Income		380	670	320	490	1,190
Recognize Interest In Revenue Requirements	N	-	-	-	-	-
Ending Balance		\$ 383,863	\$ 64,533	\$ 64,853	\$ 65,343	\$ 173,563
Debt Reserve Fund						
Beginning Balance		\$ -	\$ -	\$ -	\$ -	\$ -
Transfer In - SRF Loan 1		-	-	-	-	-
Transfer In - SRF Loan 2		-	-	-	-	-
Total Transfers In		-	-	-	-	-
Transfers Out - Payment of Final Payment		-	-	-	-	-
Transfer Out - SRF Loan 1		-	-	-	-	-
Transfer Out - SRF Loan 2		-	-	-	-	-
Total Transfers Out		-	-	-	-	-
Interest Rate	L	0.20%	0.30%	0.50%	0.75%	1.00%
Interest Income		-	-	-	-	-
Recognize Interest In Revenue Requirements	Y	-	-	-	-	-
Ending Balance		\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Sinking Fund						
Annual Debt Payments		\$ 100,169	\$ 267,116	\$ 267,116	\$ 509,801	\$ 509,801
Average Annual Balance in Fund		25,042	66,779	66,779	127,450	127,450
Interest Rate	S	0.20%	0.30%	0.50%	0.75%	1.00%
Interest Income	Y	\$ 50	\$ 200	\$ 330	\$ 960	\$ 1,270
Interest Earnings Recap:						
Unrestricted Earnings	Y	\$ 400	\$ 1,200	\$ 2,180	\$ 3,310	\$ 3,510
Restricted Earnings	N	380	670	320	490	1,190

**Flagler County, Florida
Plantation Bay Utilities Acquisition**

Comparison of Typical Monthly Residential Bills for Water Service [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	25,000 Gallons
Plantation Bay Service Area									
1	Plantation Bay - Utility Company	\$11.62	\$18.30	\$24.98	\$38.34	\$45.02	\$61.72	\$78.42	\$95.12
2	Plantation Bay - Flagler County	15.11	23.79	32.47	49.83	58.51	80.21	101.91	123.61
Other Flagler County Utility Systems									
3	Flagler County - (Beverly Beach) City of Palm Coast	\$28.88	\$41.96	\$55.04	\$81.20	\$94.28	\$126.98	\$159.68	\$192.38
4	Existing Rates	14.18	21.86	29.54	46.04	54.48	83.33	112.18	146.28
5	Proposed Rates	14.50	22.36	30.22	47.11	55.75	83.25	110.75	146.10
6	City of Bunnell	15.13	25.27	35.41	55.69	65.83	91.18	116.53	141.88
Other Florida Utilities:									
7	Brevard County - North Brevard [2]	\$12.32	\$12.32	\$16.18	\$31.62	\$42.82	\$70.82	\$108.86	\$152.24
8	City of Daytona Beach [2]	13.51	17.96	26.86	44.66	53.56	75.81	98.06	120.31
9	City of Edgewater	10.82	13.90	22.68	42.00	52.54	83.63	117.88	152.13
10	City of Melbourne [2]	6.89	15.37	23.85	40.81	49.29	70.49	91.69	112.89
11	City of Ormond Beach	11.79	11.79	17.99	31.55	38.91	57.31	75.71	94.11
12	City of Palm Bay [2]	13.01	19.85	26.69	43.52	52.46	79.91	114.26	148.61
13	City of Port Orange	9.90	11.70	17.20	29.60	37.10	58.65	80.90	103.15
14	City of Port St. Lucie [2]	9.28	16.62	23.96	42.00	51.58	78.83	108.28	137.73
15	City of St. Augustine	16.82	16.82	21.50	40.22	49.58	72.98	96.38	119.78
16	City of South Daytona	13.00	18.00	28.00	48.45	59.35	86.60	113.85	141.10
17	St. Johns County	12.08	18.22	24.36	38.92	46.58	78.88	111.18	158.03
18	City of Titusville [2]	8.56	14.10	19.64	34.92	43.26	70.96	123.66	176.36
19	New Smyrna Beach Utilities Commission [2]	11.65	13.51	15.68	22.08	26.00	35.80	47.45	59.10
20	Volusia County - Softened	12.09	18.93	25.77	41.82	50.24	71.99	95.99	147.79
19	JEA (City of Jacksonville) [2]	12.60	15.20	17.80	26.34	32.28	47.13	61.98	91.83
21	City of West Melbourne	14.08	24.28	34.73	56.43	67.73	97.38	127.38	157.38
22	Other Flagler County and Florida Utilities' Average	\$13.05	\$18.50	\$25.66	\$42.25	\$51.18	\$76.10	\$103.63	\$134.96

Footnotes:

[1] Unless otherwise noted, amounts shown reflect residential rates in effect January 2013 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and changes offered by each listed utility.

[2] Utility is currently involved in a rate study, is planning to conduct a rate study, or expects to implement a rate revision within the next twelve months.

**Flagler County, Florida
Plantation Bay Utilities Acquisition**

Comparison of Typical Monthly Residential Bills for Wastewater Service [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	25,000 Gallons
Plantation Bay Service Area									
1	Plantation Bay - Utility Company	\$18.95	\$26.27	\$33.59	\$48.23	\$55.55	\$73.85	\$92.15	\$110.45
2	Plantation Bay - Flagler County	24.64	34.16	43.68	62.72	72.24	96.04	119.84	143.64
Other Flagler County Utility Systems									
3	Flagler County - (Beverly Beach) City of Palm Coast	\$14.42	\$23.86	\$33.30	\$52.18	\$61.62	\$85.22	\$108.82	\$132.42
4	Existing Rates	11.90	18.50	25.10	38.30	38.30	38.30	38.30	38.30
5	Proposed Rates	14.23	21.63	29.03	43.83	43.83	43.83	43.83	43.83
6	City of Bunnell	17.03	28.87	40.71	64.39	76.23	105.83	135.43	165.03
Other Florida Utilities:									
7	Brevard County - North Brevard	\$15.86	\$22.58	\$29.30	\$42.74	\$49.46	\$56.18	\$56.18	\$56.18
8	City of Daytona Beach [2]	11.22	18.88	34.20	64.84	80.16	118.46	156.76	195.06
9	City of Edgewater	12.78	22.84	32.90	53.02	63.08	88.23	113.38	138.53
10	City of Melbourne	9.02	22.08	35.14	61.26	74.32	106.97	139.62	172.27
11	City of Ormond Beach	15.40	15.40	24.04	41.32	49.96	71.56	93.16	114.76
12	City of Palm Bay [2]	16.65	26.27	35.89	55.13	64.75	64.75	64.75	64.75
13	City of Port Orange	11.70	15.75	23.85	44.05	54.15	79.40	104.65	129.90
14	City of Port St. Lucie	13.84	28.26	42.68	71.52	71.52	71.52	71.52	71.52
15	City of St. Augustine	22.99	22.99	28.86	52.34	64.08	64.08	64.08	64.08
16	City of South Daytona	14.90	21.79	35.57	63.79	78.89	116.64	154.39	192.14
17	St. Johns County	11.59	18.91	26.23	40.87	48.19	48.19	48.19	48.19
18	City of Titusville [2]	12.59	25.93	39.27	65.95	79.29	112.64	112.64	112.64
19	New Smyrna Beach Utilities Commission	18.61	26.75	34.89	51.17	59.31	79.66	100.01	120.36
20	Volusia County - Softened	18.58	26.44	34.30	50.02	57.88	73.60	73.60	73.60
19	JEA (City of Jacksonville) [2]	14.10	24.72	35.34	58.74	71.52	103.47	135.42	135.42
21	City of West Melbourne	12.03	12.03	16.63	35.03	44.23	67.23	90.23	113.23
22	Other Flagler County and Florida Utilities' Average	\$14.47	\$22.22	\$31.86	\$52.52	\$61.54	\$79.79	\$95.25	\$109.11

Footnotes:

- [1] Unless otherwise noted, amounts shown reflect residential rates in effect January 2013 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and changes offered by each listed utility.
- [2] Utility is currently involved in a rate study, is planning to conduct a rate study, or expects to implement a rate revision within the next twelve months.

**Flagler County, Florida
Plantation Bay Utilities Acquisition**

Comparison of Typical Monthly Residential Bills for Combined Water and Wastewater Service [1]

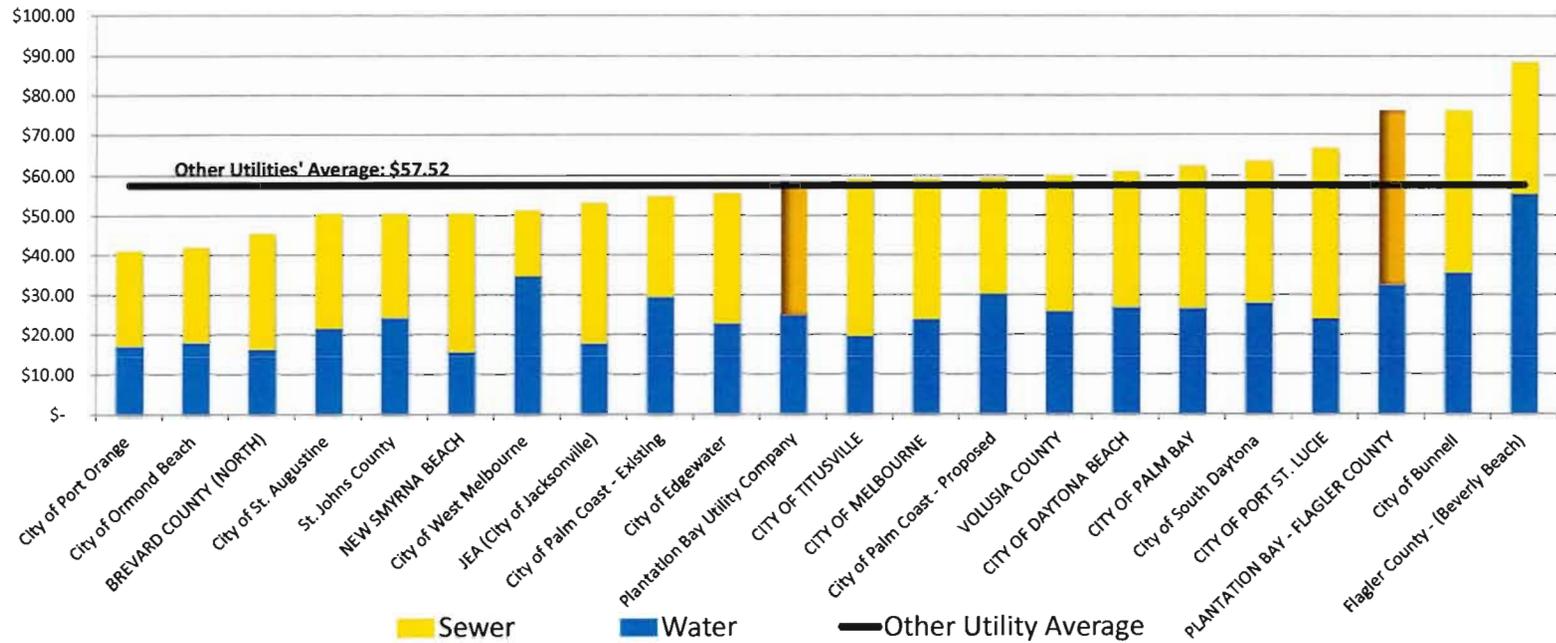
Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	25,000 Gallons
<u>Plantation Bay Service Area</u>									
1	Plantation Bay - Utility Company	\$30.57	\$44.57	\$58.57	\$86.57	\$100.57	\$135.57	\$170.57	\$205.57
2	Plantation Bay - Flagler County	39.75	57.95	76.15	112.55	130.75	176.25	221.75	267.25
<u>Other Flagler County Utility Systems</u>									
3	Flagler County - (Beverly Beach) City of Palm Coast	\$43.30	\$65.82	\$88.34	\$133.38	\$155.90	\$212.20	\$268.50	\$324.80
4	Existing Rates	26.08	40.36	54.64	84.34	92.78	121.63	150.48	184.58
5	Proposed Rates	28.73	43.99	59.25	90.94	99.58	127.08	154.58	189.93
6	City of Bunnell	32.16	54.14	76.12	120.08	142.06	197.01	251.96	306.91
<u>Other Florida Utilities:</u>									
7	Brevard County - North Brevard	\$28.18	\$34.90	\$45.48	\$74.36	\$92.28	\$127.00	\$165.04	\$208.42
8	City of Daytona Beach [2]	24.73	36.84	61.06	109.50	133.72	194.27	254.82	315.37
9	City of Edgewater	23.60	36.74	55.58	95.02	115.62	171.86	231.26	290.66
10	City of Melbourne	15.91	37.45	58.99	102.07	123.61	177.46	231.31	285.16
11	City of Ormond Beach	27.19	27.19	42.03	72.87	88.87	128.87	168.87	208.87
12	City of Palm Bay [2]	29.66	46.12	62.58	98.65	117.21	144.66	179.01	213.36
13	City of Port Orange	21.60	27.45	41.05	73.65	91.25	138.05	185.55	233.05
14	City of Port St. Lucie	23.12	44.88	66.64	113.52	123.10	150.35	179.80	209.25
15	City of St. Augustine	39.81	39.81	50.36	92.56	113.66	137.06	160.46	183.86
16	City of South Daytona	27.90	39.79	63.57	112.24	138.24	203.24	268.24	333.24
17	St. Johns County	23.67	37.13	50.59	79.79	94.77	127.07	159.37	206.22
18	City of Titusville [2]	21.15	40.03	58.91	100.87	122.55	183.60	236.30	289.00
19	New Smyrna Beach Utilities Commission	30.26	40.26	50.57	73.25	85.31	115.46	147.46	179.46
20	Volusia County - Softened	30.67	45.37	60.07	91.84	108.12	145.59	169.59	221.39
19	JEA (City of Jacksonville) [2]	26.70	39.92	53.14	85.08	103.80	150.60	197.40	227.25
21	City of West Melbourne	26.11	36.31	51.36	91.46	111.96	164.61	217.61	270.61
22	Other Flagler County and Florida Utilities' Average	\$27.53	\$40.73	\$57.52	\$94.77	\$112.72	\$155.88	\$198.88	\$244.07

Footnotes:

[1] Unless otherwise noted, amounts shown reflect residential rates in effect January 2013 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and changes offered by each listed utility.

[2] Utility is currently involved in a rate study, is planning to conduct a rate study, or expects to implement a rate revision within the next twelve months.

Flagler County
 Rate Comparison - Plantation Bay Utilities Acquisition
 Comparison of Residential Water and Wastewater Rates at 4,000 Gallons



Capitalized Utilities are either currently involved in a Rate Study or are planning a Rate Study in the next twelve months.