

**Proforma Projections with Proposed Rate Increases  
Warwick Sewer -Sewer Revenue Fund**

**Schedule 2  
Option 3**

	<i>Actual 2004</i>	<i>Actual 2005</i>	<i>Actual 2006</i>	<i>Actual 2007</i>	<i>Projected 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2012</i>	<i>FY 2013</i>
<b>Sewer Revenues</b>										
Use	\$ 4,358,249.54	\$ 5,369,277.00	\$ 7,609,922.00	\$ 7,953,749.60	\$ 9,281,906.08	\$ 11,793,708.72	\$ 13,943,066.63	\$ 14,423,439.09	\$ 14,916,368.60	\$ 15,422,231.87
Pretreatment Revenues	382,907.19	381,710.00	372,000.00	442,278.00	450,000.00	450,000.00	450,000.00	450,000.00	450,000.00	450,000.00
Other	437,584.87	240,600.00	428,661.00	743,902.50	379,000.00	379,000.00	379,000.00	379,000.00	379,000.00	379,000.00
Interest income			430,397.00	120,763.00	79,000.00	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00
Renewal/Replacement Assessments	82,670.00	-	150,000.00	150,001.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
	5,188,271.68	5,784,834.37	6,520,319.00	5,905,589.00	5,905,589.25	6,092,912.14	5,580,948.61	5,390,238.04	5,206,375.40	5,087,146.62
<b>Total Sewer Revenues</b>	<b>\$ 10,449,683.28</b>	<b>\$ 11,776,421.37</b>	<b>\$ 15,511,299.00</b>	<b>\$ 15,316,283.10</b>	<b>\$ 16,245,495.33</b>	<b>\$ 18,940,620.86</b>	<b>\$ 20,578,015.24</b>	<b>\$ 20,867,677.13</b>	<b>\$ 21,176,744.00</b>	<b>\$ 21,563,378.49</b>
<b>Sewer Expenses</b>										
Personnel	\$ 1,720,173.00	\$ 1,649,406.00	\$ 1,762,256.00	\$ 2,190,489.00	\$ 2,121,830.00	\$ 2,193,972.22	\$ 2,268,567.28	\$ 2,345,698.56	\$ 2,425,452.31	\$ 2,507,917.69
Commodities & Services	1,423,786.00	1,567,902.00	2,702,667.00	1,820,535.75	2,596,128.00	2,674,011.84	2,674,011.84	2,674,011.84	2,674,011.84	2,674,011.84
General	74,504.00	-	150,231.00	262,864.91	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Pretreatment Expenses	277,512.73	256,571.37	372,000.00	336,959.00	356,470.00	356,470.00	356,470.00	356,470.00	356,470.00	356,470.00
Renew Replace	146,000.00	150,000.00	150,000.00	150,001.00	150,000.00	150,000.00	150,000.00	150,000.00	150,001.00	150,002.00
GO Debt Service (Int+Prin)	6,711,029.00	8,985,132.00	9,931,728.74	10,461,127.32	9,696,911.09	9,660,772.76	9,622,285.49	9,594,211.00	9,517,447.00	9,483,477.60
Rev Bond DS (Int+Prin)			210,079.56	1,256,050.05	1,639,462.17	2,542,685.30	3,011,243.19	3,012,137.56	2,993,549.81	2,986,484.44
Capital					85,000.00	-	-	-	-	-
Net Operating Reserve					-	-	139,430.67	144,234.39	149,163.69	154,222.32
Emergency Reserve					-	-	100,000.00	100,000.00	100,000.00	100,001.00
Renew Replace Reserve					-	-	-	-	195,633.89	1,095,634.89
Debt Service Reserve					-	-	-	834,759.43	2,465,014.46	1,905,156.71
General Fund Repayment					-	1,212,708.74	2,106,006.78	1,506,154.34	-	-
<b>Total Sewer Expenses</b>	<b>\$ 10,353,004.73</b>	<b>\$ 12,609,011.37</b>	<b>\$ 15,278,962.30</b>	<b>\$ 16,478,027.03</b>	<b>\$ 16,795,801.26</b>	<b>\$ 18,940,620.86</b>	<b>\$ 20,578,015.24</b>	<b>\$ 20,867,677.12</b>	<b>\$ 21,176,744.00</b>	<b>\$ 21,563,378.49</b>
<b>Sewer Net</b>	<b>\$ 96,678.55</b>	<b>\$ (832,590.00)</b>	<b>\$ 232,336.70</b>	<b>\$ (1,161,743.93)</b>	<b>\$ (550,305.93)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>
<i>due to city</i>	<b>\$ (2,200,000.00)</b>	<b>\$ (3,112,820.00)</b>	<b>\$ (4,274,563.93)</b>	<b>\$ (4,824,869.86)</b>	<b>\$ (3,612,161.12)</b>	<b>\$ (1,506,154.34)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

**Rate Increase "User Rates" (Both usage and service rates)**

Already Implemented	10.99%	15%	13%	0%	0%	0%
to be enacted						

Balance of Debt Service Reserve at 6/31/13 \$ 5,204,931  
Balance of R&R Funding at 6/31/13 \$ 1,291,269

**PROJECTED SEWER USE REVENUE WITH RATE INCREASES  
WARWICK SEWER AUTHORITY**

Schedule 2.1  
Option 3

	<u>6/30/2007</u>	<u>10.99% Increase</u> <u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>
Residential Consumption	170,151,813	183,756,367	196,069,058	208,751,130	220,113,664	231,817,074	243,871,586
Residential Charge	30.05	33.35	38.35	43.34	43.34	43.34	43.34
Residential Revenue	4,346,103	5,209,034	6,391,778	7,689,886	8,108,454	8,539,579	8,983,638
Comercial Consumption	65,365,422	68,126,385	70,970,176	71,770,176	71,770,176	71,770,176	71,770,176
Commercial Charge	39.86	44.24	50.88	57.49	57.49	57.49	57.49
Comercial Revenue	2,605,466	3,013,911	3,610,679	4,126,059	4,126,059	4,126,059	4,126,059
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Total Accounts	17,650	18,650	19,650	20,650	21,250	21,850	22,450
Service Charge	56.78	56.78	91.16	103.01	103.01	103.01	103.01
Service Charges Revenue	1,002,181	1,058,961	1,791,252	2,127,122	2,188,926	2,250,731	2,312,535
Total Sewer Usage Revenue (A)	7,953,750	9,281,906	11,793,709	13,943,067	14,423,439	14,916,369	15,422,232
Increase			15%	13%	0%	0%	0%

	\$	56.78
FY 2007 increase		25.78%
	\$	71.42
FY 2008 increase		10.99%
Base 2009 before across the board increase	\$	79.27

PROJECTED DEBT SERVICE  
WARWICK SEWER

Schedule 2.2  
Option 3

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
<b>GO DEBT</b>						
<i>Total Principal</i>	6,523,230.85	6,674,214.89	6,827,473.27	6,997,729.45	7,124,738.69	7,299,558.27
<i>Total Interest</i>	3,173,680.24	2,986,557.87	2,794,812.22	2,596,481.55	2,392,708.31	2,183,919.33
<i>Future Debt Service (prin&amp;int)</i>						
<b>TOTAL GO DEBT</b>	9,696,911.09	9,660,772.76	9,622,285.49	9,594,211.00	9,517,447.00	9,483,477.60

**REVENUE BONDS**

20,000,000 Future Issue SRF 11						
<i>Principal</i>	863,000.00	875,000.00	887,000.00	901,000.00	915,000.00	930,000.00
<i>Interest</i>	342,444.33	330,493.18	317,583.53	303,701.55	288,966.98	273,420.61
5,000,000 Future Issue SRF 12						
<i>Principal</i>	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00
<i>Interest</i>	93,243.75	89,125.00	84,918.75	80,606.25	76,200.00	71,712.50
9,500,000 Future Issue SRF 13						
<i>Principal</i>	-	475,000.00	475,000.00	475,000.00	475,000.00	475,001.00
<i>Interest</i>	85,184.19	163,563.68	156,346.25	148,306.88	140,255.63	140,255.63
6,942,000 Future Issue SRF 14 <i>issued 12/07</i>	5,589.90	72,297.88	522,457.16	536,899.38	528,042.20	528,042.20
<i>Future Debt Service (prin&amp;int)</i>						
4,000,000 Future Issue SRF 15 <i>issued 4/8</i>		287,205.56	317,937.50	316,623.50	320,085.00	318,052.50
<b>TOTAL REVENUE BOND DEBT</b>	1,639,462.17	2,542,685.30	3,011,243.19	3,012,137.56	2,993,549.81	2,986,484.44
Total Debt Service	11,336,373.26	12,203,458.06	12,633,528.68	12,606,348.56	12,510,996.81	12,469,962.04

**SEWER ASSESSMENT STATISTICS/FINANCIAL ACTIVITY**  
**WARWICK SEWER SYSTEM DATA**

Schedule 2.3  
 Option 3

	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>ASSESSMENTS:</b>									
Full Payments	1,212,393	1,255,378	804,943	671,125	632,169	380,609	325,321	218,534	163,846
Annual Payments	3,975,879	4,529,456	4,413,531	4,340,646	4,272,001	4,204,944	4,163,210	4,125,338	4,102,085
<b><u>2007-2012 projects</u></b>									
Full Payments			333,784	310,926	373,865	214,424	140,791	115,064	85,104
Annual Payments			397,936	582,892	814,877	780,972	760,916	747,440	736,112
<b>TOTAL REVENUE</b>	<b>5,188,272</b>	<b>5,784,834</b>	<b>5,950,194</b>	<b>5,905,589</b>	<b>6,092,912</b>	<b>5,580,949</b>	<b>5,390,238</b>	<b>5,206,375</b>	<b>5,087,147</b>
Collected									
Full Payments	1,122,273	1,616,620							
Annual Payments	4,108,359	4,903,699							
	<u>5,230,632</u>	<u>6,520,319</u>							

variance (42,360) (735,485)

The above collections have Tax Sale collections included

Impact on Average Residential Ratepayer  
Warwick Sewer Authority

Schedule 2.4  
Option 3

	<u>2009 Rates</u>	<u>Proposed Rates</u>	<u>Dollar Increase</u>		<u>Increase Per Bill</u>
97.6 HCF Residential					
Customer Charge	\$ 79.27	91.16	\$11.89		
Consumption	325.50	374.32	48.82		
Total 97.6 HCF Residential	<u>\$404.77</u>	<u>\$465.48</u>	<u>\$60.71</u>	15.00%	<u>\$15.18</u>

5/8" meter, 244 HCF Commercial					
Customer Charge	\$ 79.27	91.16	\$11.89		
Consumption	1,079.46	1,241.37	161.91		
Total 5/8" meter, 244 HCF Commercial	<u>\$1,158.73</u>	<u>\$1,332.53</u>	<u>\$173.80</u>	15.00%	<u>\$43.45</u>

	<u>2010 Rates</u>	<u>Proposed Rates</u>	<u>Dollar Increase</u>		<u>Increase Per Bill</u>
97.6 HCF Residential					
Customer Charge	91.16	103.01	\$11.85		
Consumption	374.32	422.98	48.66		
Total 97.6 HCF Residential	<u>\$465.48</u>	<u>\$525.99</u>	<u>\$60.51</u>	13.00%	<u>\$15.13</u>

5/8" meter, 244 HCF Commercial					
Customer Charge	91.16	103.01	\$11.85		
Consumption	1,241.37	1,402.75	161.38		
Total 5/8" meter, 244 HCF Commercial	<u>\$1,332.53</u>	<u>\$1,505.76</u>	<u>\$173.23</u>	13.00%	<u>\$43.31</u>