

An aerial photograph showing a large, irregularly shaped reservoir in the upper half of the frame. Below the reservoir, there is a cluster of buildings, likely a water treatment plant. The surrounding landscape is a mix of green fields and dense forests. A road or path runs through the forested area on the right side of the image.

**PEACE RIVER MANASOTA
REGIONAL WATER SUPPLY AUTHORITY**

**Budget for FY 2011 Preparation
Update and Status**

March 3, 2010

Budget Setting for FY2011

Water Delivery

	FY10	FY11	Increase
MWSC Allocation	28 MGD	32.7 MGD	17 % ↑
Projected Demand	25 MGD	28 MGD	12 % ↑

Budget Setting for FY2011

Water Reliability/Quality

	Target Volumes
Reservoir Storage	6.6 Billion Gallons
ASR Recharge	1.7 Billion Gallons

Budget Setting for FY2011

Policy Issues

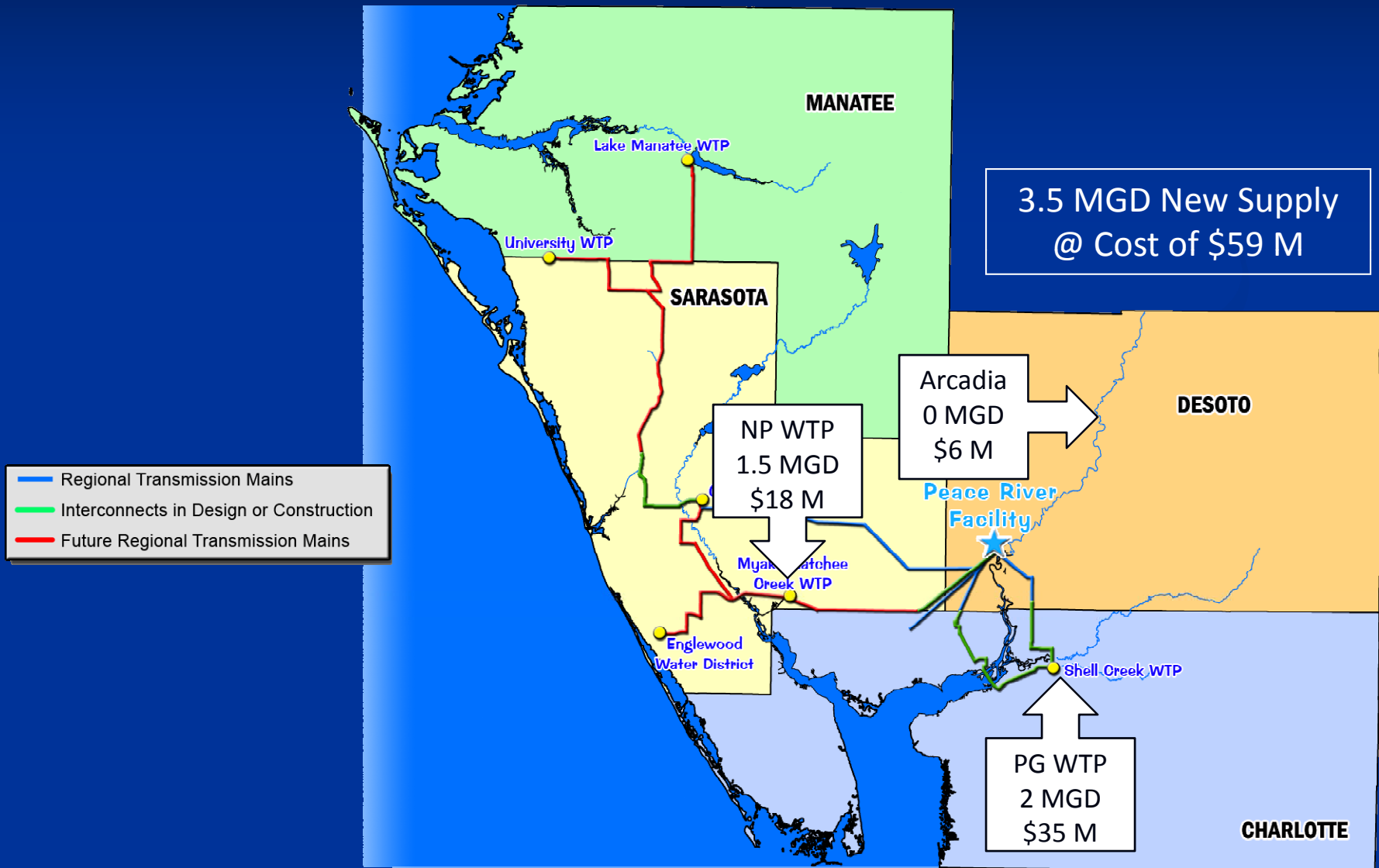
- New debt – 2010 Bonds
 - ✓ Bond anticipation bond for REP
 - ✓ Regional Integrated Loop System pipeline phases
- Supply Development vs Regional Integrated Loop
 - ✓ Interconnects to non-member utilities
 - ✓ Create 'Government Wholesale Rate'
- Aging Infrastructure
 - ✓ R&R Sufficiency Study - long term asset/financial planning
 - ✓ Major Re-build of aging process units - cost allocation
- Rate indexing
 - ✓ Consideration of multi-year rate resolution

Budget Setting for FY2011

Estimated 2010 Bond Funds Required

Project	2010 Bond Funds
Regional Expansion Program	\$20 M
Regional Integrated Loop System	
• Phase 1	\$4 M
• Phase 1A	NA
• Phase 2	\$10 M
• Phase 3A	\$19 M
Facility Improvements	\$8 M
Total 2010 Bond Funds	\$61 M

Peace River Manasota Regional Water Supply Authority Current Projects by Cities

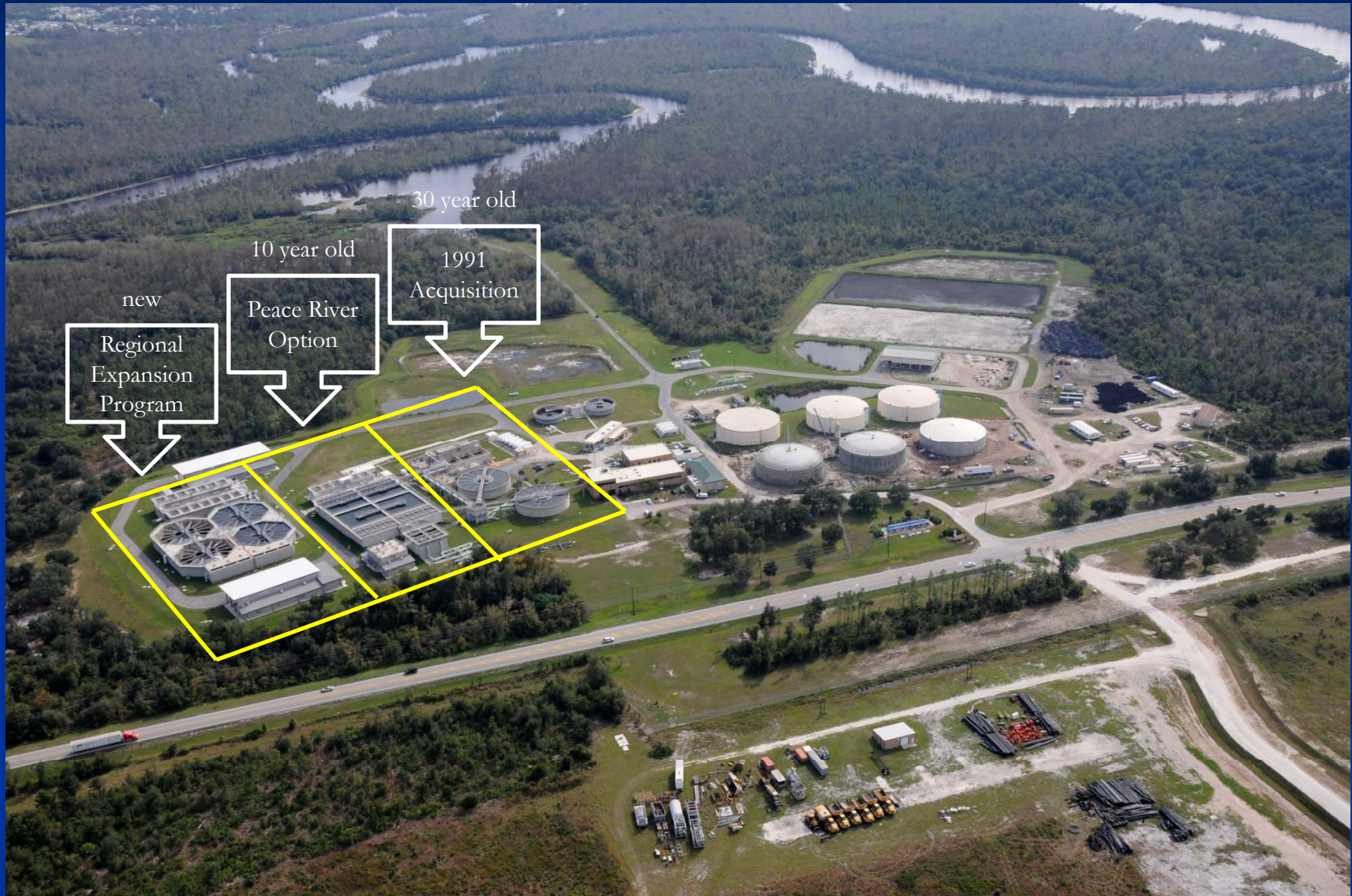


Potential Pool Water

Fiscal Year	Charlotte Potential Pool Water (mgd)	Sarasota Co. Declared Pool Water (mgd)	Total Potential Pool Water (mgd)
FY 2011	3.06	8.70	11.76
FY 2012	2.82	8.20	11.02
FY 2013	2.57	8.30	10.87
FY 2014	2.33	7.80	10.13
FY 2015	2.07	5.30	7.37
FY 2016	1.80	4.80	6.60
FY 2017	1.52	4.20	5.72
FY 2018	1.24	3.70	4.94
FY 2019	0.96	3.20	4.16
FY 2020	0.68	3.70	4.38

Peace River Facility

Asset Cost Centers



Budget Setting for FY2011

Cost Center Based Rates

Annual Base Rate Charge [Water Supply Capacity Only]

Customer	1991 Acquisition Allocation	Peace River Option Allocation	Regional Expansion Program Allocation	Cost per 1,000 Gal.
Charlotte County	10.76 MGD	2.0 MGD	5.340 MGD	\$1.60
DeSoto County	0.05 MGD	0.5 MGD	0.125 MGD	\$1.99
Sarasota County	NA	3.5 MGD	9.725 MGD	\$2.20
City of North Port	1.19 MGD	NA	1.508 MGD	\$1.84

Budget Setting for FY2011

Customer Rate Setting

Utility	FY2007	FY2008	FY2009	FY2010	FY2011
Charlotte County (1) <ul style="list-style-type: none">• Base Charge• Usage Charge	\$16.16 \$4.13	\$16.89 \$4.32	\$17.57 \$4.49	\$18.27 \$4.67	\$18.82 \$4.81
Sarasota County (2) <ul style="list-style-type: none">• Base Charge• Usage Charge			\$13.54 \$2.32	\$13.95 \$2.39	\$14.23 \$2.44
North Port (in city) <ul style="list-style-type: none">• Base Charge• Usage Charge				\$14.58 \$3.12	\$15.67 \$3.35

(1) Charlotte County Resolution No. 2006-170 (September 12, 2006)

(2) Sarasota County Resolution No. 1009-04 (January 13, 2009)

Usage Charge shown for 1st rate block only

Budget Setting for FY2011

Next Steps

- Staff Coordination
 - ✓ Financial Advisory Committee meetings
 - ✓ Administrators meetings
- Information Coordination
 - ✓ Long term rate modeling
 - ✓ Alternative debt structures
 - ✓ R&R Sufficiency Study
- Board Policy Discussions/Workshop – April 7
 - ✓ Administrators/staffs
 - ✓ Burton & Associates – Rate Model
 - ✓ HDR – R&R Sufficiency Study