

# **Revenue Bonds Disclosure**

**COLUMBIA COUNTY, GEORGIA**  
**Water and Sewerage Revenue Bonds**  
**Continuing Disclosure**

**Water and Sewer Rates**

The following water and sewerage rates became effective in April 2007.

Residential

<u>Water Tap Size</u>	<u>Amount</u>	<u>Water</u>		<u>Sewer</u>	
		<u>Base</u>	<u>Per 1,000 gallons</u>	<u>Base</u>	<u>Per 1,000 gallons</u>
1" and Smaller	<10,000 gallons	\$8.72	\$1.79	\$11.32	\$2.01
	10,000 – 29,999 gallons	\$8.72	2.48	Levelized Winter Billing	
	30,000 – 49,999 gallons	\$8.72	3.60		
	>50,000 gallons	\$8.72	4.88		

Commercial

<u>Water Tap Size</u>	<u>Water</u>		<u>Sewer</u>	
	<u>Base</u>	<u>Per 1,000 gallons</u>	<u>Base</u>	<u>Per 1,000 gallons</u>
1.0"	\$15.46	\$1.80	\$18.25	\$2.01
1.5"	34.78	1.80	41.06	2.01
2.0"	61.69	1.80	72.98	2.01
3.0"	139.12	1.80	164.20	2.01
4.0"	247.34	1.80	291.95	2.01
6.0"	555.90	1.80	660.53	2.01

Source: Columbia County Water and Sewer Services Division.

**Tap and Connection Charges**

All water and sewer tap-in fees are based on three different conditions that exist in the System. These conditions are as follows:

- (A) Applicant applies for a tap inside a developed area in which the developer has furnished water and/or sewer mains, taps, and meter boxes.
- (B) Applicant applies for a tap inside a developed area in which the developer has furnished only the water and/or sewer mains.
- (C) Applicant lives adjacent to a water and/or sewer main installed by the System.

*Residential Water Tap-in Fees.*

- (1) Cost of 5/8" residential service tap:
  - (A) \$356
  - (B) 711
  - (C) 1,067
- (2) Cost of 1" residential service tap:
  - (A) \$489
  - (B) 800
  - (C) 1,200

- (3) Cost of 1 1/2" residential service tap:  
 (A) \$ 622  
 (B) 1,067  
 (C) 1,334

*Residential Sewer Tap-in Fees.*

- (1) Cost for residential sewer tap:  
 (A) \$711  
 (B) 888  
 (C) 1,067

*Commercial Water and Sewer Tap-In Fees.*

- (1) Cost for 1" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$355	\$ 887
(B)	887	1,243
(C)	1,333	1,482

- (2) Cost for 1 1/2" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$888	\$1,067
(B)	1,154	1,378
(C)	1,599	1,680

- (3) Cost for 2" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$1,155	\$4,598
(B)	1,501	5,510
(C)	2,078	6,221

- (4) Cost for 3" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$2,401	\$7,465
(B)	3,021	8,354
(C)	3,555	9,243

- (5) Cost for 4" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$3,911	\$13,330
(B)	4,799	14,105
(C)	5,333	15,108

(6) Cost for 6" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$7,821	\$26,662
(B)	8,709	29,328
(C)	9,776	31,105

**Top Ten Customers**

The following table shows the ten largest users of the System and the revenues derived from such customers for the fiscal year ended June 30, 2007.

<u>User</u>	<u>Business</u>	<u>Total Revenues</u>	<u>Percentage of Total Operating Revenues</u>
City of Grovetown	Local Government	\$ 305,376	1.34%
City of Harlem	Local Government	188,741	0.83%
Quebecor	Manufacturer	182,670	0.80%
Brandon Wilde	Retirement Community	92,295	0.40%
Michelson Realty, Walden Glen	Apartment Complex	64,138	0.28%
Columbia County Board of Education	Local Government	60,814	0.27%
Wedgewood Limited	Apartment Complex	51,021	0.22%
Westwood Club	Apartment Complex	47,864	0.21%
Jensens, Inc. (Wymberly)	Retirement Community	41,797	0.18%
Shenandoah Ridge Association	Apartment Complex	40,008	0.18%
		<u>\$ 1,074,724</u>	<u>4.70%</u>

Source: Columbia County Water and Sewer Services Division.

**Total Customers**

The following table presents the number of customers of the System for the last ten years.

<u>Water and Sewerage Customers</u>			
<u>Year</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
1998	24,009	18,833	42,842
1999	25,069	19,739	44,808
2000	26,001	20,536	46,537
2001	26,919	21,281	48,200
2002	28,054	22,332	50,386
2003	29,853	23,882	53,735
2004	31,240	25,170	56,410
2005	32,834	26,191	59,025
2006	33,506	26,898	60,404
2007	36,698	30,025	66,723

Source: Columbia County Water and Sewer Services Division.

### Historical Water and Wastewater Demand

Set forth below are water demand statistics for the past five fiscal years.

<u>Plant</u>		<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Blanchard 3.17 MGD	Avg. Flow MGD	9.67	11.64	12.49	11.46	13.49
	Max. Flow MGD	14.94	23.26	23.26	28.08	26.13
Clark's Hill 8.0 MGD	Avg. Flow MGD	1.90	2.70	2.45	2.45	2.60
	Max. Flow MGD	3.82	3.98	3.78	4.25	4.12
Total	Avg. Flow MGD	11.57	14.34	14.94	13.71	16.09
	Max. Flow MGD	18.76	27.24	27.04	32.33	30.25

Source: Columbia County Water and Sewer Services Division.

Set forth below are wastewater demand statistics for the past five fiscal years.

<u>Plant</u>		<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Reed Creek 4.55 MGD	Avg. Flow MGD	3.32	3.31	3.21	3.25	3.22
	Max. Flow MGD	5.50	4.46	5.56	5.37	4.77
Crawford Creek 1.5 MGD	Avg. Flow MGD	1.06	0.88	0.94	0.96	0.95
	Max. Flow MGD	1.90	1.98	1.43	1.66	1.32
Little River 3.0/6.0 MGD	Avg. Flow MGD	2.39	2.42	2.50	2.60	2.86
	Max. Flow MGD	3.62	2.99	3.74	4.33	4.16
Kiokee Creek 0.3 MGD	Avg. Flow MGD	N/A	N/A	0.02	0.02	.02
	Max. Flow MGD	N/A	N/A	0.05	0.05	.04

Source: Columbia County Water and Sewer Services Division.

## Five Year Operating History

Set forth below is a historical, comparative summary of the operating revenues of the System for the past five fiscal years. For more detailed information regarding the financial results and condition of the System, see the audited financial statements of the System for the fiscal year ended June 30, 2007, included in the financial section of the Comprehensive Annual Financial Report. The information in the following table has been extracted from the audited financial statements of the County for the fiscal years ended June 30, 2003 through 2007.

### COLUMBIA COUNTY WATER AND SEWERAGE SYSTEM Summary of Operating Results Fiscal Years Ended June 30

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Operating revenue					
Charges for services	\$ 14,744,628	\$ 15,314,896	\$ 16,590,135	\$ 18,858,886	\$ 22,749,225
Tap fees	1,278,702	1,340,324	1,410,433	1,708,258	
Other	74,138	34,425	53,395	45,358	108,496
Total operating revenue	<u>16,097,468</u>	<u>16,689,645</u>	<u>18,053,963</u>	<u>20,612,502</u>	<u>22,857,721</u>
Operating expenses					
Operating expenses	7,518,751	9,202,214	9,205,773	10,653,701	10,953,409
Depreciation/amortization	4,305,952	4,449,845	4,844,400	5,078,335	5,515,184
Total operating expenses	<u>11,824,703</u>	<u>13,652,059</u>	<u>14,050,173</u>	<u>15,732,036</u>	<u>16,468,593</u>
Operating income	<u>4,272,765</u>	<u>3,037,586</u>	<u>4,003,790</u>	<u>4,880,466</u>	<u>6,389,128</u>
Non-operating revenues/(expenses)					
Interest income	290,766	161,438	392,843	1,450,979	2,143,559
Interest expense	(2,099,158)	(2,043,152)	(2,775,192)	(3,463,624)	(3,612,313)
Total non-operating revenues/(expenses)	<u>(1,808,392)</u>	<u>(1,881,714)</u>	<u>(2,382,349)</u>	<u>(2,012,645)</u>	<u>(1,468,754)</u>
Income before contributions/transfers	<u>2,464,373</u>	<u>1,155,872</u>	<u>1,621,441</u>	<u>2,867,821</u>	<u>4,920,374</u>
Contributions/transfers					
Capital contributions	2,129,501	3,056,212	6,499,686	6,146,522	6,766,155
Transfers	-	-	-	-	-
Total contributions/transfers	<u>2,129,501</u>	<u>3,056,212</u>	<u>6,499,686</u>	<u>6,146,522</u>	<u>6,766,155</u>
Net income/change in net assets	<u>\$ 4,593,874</u>	<u>\$ 4,212,084</u>	<u>\$ 8,121,127</u>	<u>\$ 9,014,343</u>	<u>\$ 11,686,525</u>

## Historical Debt Service Coverage

The following table shows the historical debt service coverage of the System for the past five fiscal years.

	Fiscal Year Ended June 30				
	2003	2004	2005	2006	2007
Net income/change in net assets	\$ 4,593,874	\$ 4,212,084	\$ 8,121,127	\$ 9,014,343	\$ 11,686,529
Plus:					
Interest expense	2,099,158	2,043,152	2,775,192	3,463,624	3,612,313
Depreciation/amortization	4,305,952	4,449,845	4,844,400	5,078,335	5,515,184
	<u>6,405,110</u>	<u>6,492,997</u>	<u>7,619,592</u>	<u>8,541,959</u>	<u>9,127,497</u>
Less:					
Interest income on construction fund and investment account	12,604	54,288	147,162	1,005,718	1,261,709
Capital contributions	2,129,501	2,954,986	6,499,686	6,146,522	6,766,155
Other nonrecurring revenue	-	-	-	-	-
	<u>2,142,105</u>	<u>3,009,274</u>	<u>6,646,848</u>	<u>7,152,240</u>	<u>8,027,864</u>
Net income available for debt service	<u>8,856,879</u>	<u>7,695,807</u>	<u>9,093,871</u>	<u>10,404,062</u>	<u>12,786,162</u>
Total annual debt service (1)	\$ <u>5,450,259</u>	\$ <u>5,490,310</u>	\$ <u>6,263,796</u>	\$ <u>6,769,102</u>	\$ <u>6,792,496</u>
Historical debt service coverage	1.63	1.40	1.45	1.54	1.88

(1) Total annual debt service includes principal and interest of outstanding revenue bonds only, excludes GEFA Loans.