

REVENUE BONDS DISCLOSURE

COLUMBIA COUNTY, GEORGIA
Water and Sewerage Revenue Bonds
Continuing Disclosure

Water and Sewer Rates

The following water and sewer rates have been in effect since April, 2011.

Residential Rates

<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	\$9.78	\$2.01	\$12.69	\$2.25
	>10,000 gallons and	9.78	2.78		
	≥30,000 gallons	9.78	4.03		
	≥50,000 gallons	9.78	5.47		
				Levelized Winter Billing	

Commercial Rates

<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"	\$ 17.33	\$2.02	\$ 20.86	\$2.29
1.5"	38.99	2.02	46.93	2.29
2.0"	69.16	2.02	83.41	2.29
3.0"	155.98	2.02	187.67	2.29
4.0"	277.31	2.02	333.68	2.29
6.0"	623.24	2.02	754.95	2.29
8.0"	1,111.73	2.02	1,270.61	2.29

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) \$399
 - (B) 797
 - (C) 1,197
- (2) Cost of 1" residential service tap:
 - (A) \$548
 - (B) 897
 - (C) 1,345

- (3) Cost of 1½” residential service tap:
 (A) \$698
 (B) 1,197
 (C) 1,495

Residential Sewer Tap-in Fees

- (1) Cost for residential sewer tap:
 (A) \$797
 (B) 996
 (C) 1,197

Commercial Water and Sewer Tap-In Fees

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

	<u>Water</u>	<u>Sewer</u>
(A)	\$399	\$996
(B)	996	1,393
(C)	1,494	1,662

- (2) Cost for 1½” service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$996	\$1,197
(B)	1,293	1,545
(C)	1,793	1,883

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

	<u>Water</u>	<u>Sewer</u>
(A)	\$1,294	\$5,155
(B)	1,682	6,177
(C)	2,330	6,975

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

	<u>Water</u>	<u>Sewer</u>
(A)	\$2,692	\$8,369
(B)	3,387	9,366
(C)	3,985	10,363

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

	<u>Water</u>	<u>Sewer</u>
(A)	\$4,385	\$14,945
(B)	5,381	15,814
(C)	5,980	16,938

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

	<u>Water</u>	<u>Sewer</u>
(A)	\$8,768	\$29,872
(B)	9,764	32,881
(C)	10,960	34,873

(7) Cost for 8" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$15,354	\$52,413
(B)	17,090	57,548
(C)	19,175	61,095

Source: Columbia County Water and Sewer Services Division.

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, 2011.

<u>User</u>	<u>Top Ten Customers Business</u>	<u>Total Revenues</u>	<u>Percentage of Total Operating Revenues⁽¹⁾</u>
City of Grovetown	Municipality	\$584,884	2.06%
Columbia County Board of Education	Education	283,837	1.00
City of Harlem	Municipality	241,307	0.85
Columbia County Board of Commissioners	Government	194,380	0.69
World Color	Printing Company	158,781	0.56
Brandon Wilde	Retirement Community	145,260	0.51
The Haven at Reed Creek	Apartment Complex	77,671	0.27
Shenandoah Ridge	Apartment Complex	70,530	0.25
Michelson Realty	Apartment Complex	54,630	0.19
Jensen's Inc.	Mobile Home Park	<u>50,281</u>	<u>0.18</u>
Total		<u>\$1,861,561</u>	<u>6.56%</u>

⁽¹⁾ Based upon total fiscal year 2011 operating revenue of \$28,345,669.

Source: Columbia County Water and Sewer Services Division.

Total Customers

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

<u>Year</u>	<u>Water and Sewerage Customers</u>		<u>Total</u>
	<u>Water</u>	<u>Sewer</u>	
2007	34,370	26,840	61,210
2008	35,797	28,842	64,639
2009	36,822	29,772	66,594
2010	38,447	31,040	69,487
2011	39,454	31,899	71,353

Source: Columbia County Water and Sewer Services Division.

Historical Water and Wastewater Demand

Set forth below are water demand statistics for the past four calendar years and the six months ended June 30, 2011.

		<u>Water Demand</u>				
<u>Plant</u>		<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Blanchard	Avg. Flow MGD	12.98	12.51	11.15	12.71	12.75
	Max. Flow MGD	26.13	26.33	25.11	21.97	26.30
Clark's Hill	Avg. Flow MGD	2.41	2.63	2.48	3.04	3.23
	Max. Flow MGD	4.12	4.99	5.31	5.75	6.20
Total	Avg. Flow MGD	15.39	15.14	13.63	15.75	15.98
	Max. Flow MGD	30.25	31.32	30.42	27.72	32.50

Source: Columbia County Water and Sewer Services Division.

Set forth below are wastewater demand statistics for the past four calendar years and the six months ended June 30, 2011.

		<u>Wastewater Demand</u>				
<u>Plant</u>		<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Reed Creek	Avg. Flow MGD	3.13	3.22	3.46	3.41	3.18
	Max. Flow MGD	4.77	5.09	5.32	6.55	5.99
Crawford Creek	Avg. Flow MGD	0.92	0.89	1.03	0.97	0.89
	Max. Flow MGD	1.32	1.26	1.54	2.14	1.71
Little River	Avg. Flow MGD	2.67	2.70	3.02	3.00	2.97
	Max. Flow MGD	4.16	4.43	4.35	5.41	5.24
Kiokee Creek	Avg. Flow MGD	0.02	0.02	0.03	0.03	0.03
	Max. Flow MGD	0.04	0.06	0.05	0.32	0.09
Total	Avg. Flow MGD	6.74	6.83	7.54	7.41	7.07
	Max. Flow MGD	10.29	10.84	11.26	14.42	13.03

Source: Columbia County Water and Sewer Services Division.

Five Year Operating History

Set forth below is a historical, comparative summary of the operating results 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 County for the fiscal year ended June 30, 2011, included in the financial section of the Comprehensive Annual Financial Report. The information in the following table for the fiscal years ended June 30, 2007 through 2010 has been extracted from the audited financial statements of the County.

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operating revenue					
Charges for services	\$ 21,596,608	\$ 23,142,184	\$ 23,403,324	\$ 24,536,707	\$ 26,633,763
Tap fees	1,152,617	1,080,933	1,046,729	1,324,165	1,602,253
Other	108,496	85,984	89,766	78,960	109,653
Total operating revenue	<u>22,857,721</u>	<u>24,309,101</u>	<u>24,539,819</u>	<u>25,939,832</u>	<u>28,345,669</u>
Operating expenses					
Operating expenses	10,953,409	12,790,779	11,565,140	12,367,504	12,823,221
Depreciation/amortization	5,515,184	5,836,251	6,032,111	6,491,565	6,872,782
Total operating expenses	<u>16,468,593</u>	<u>18,627,030</u>	<u>17,597,251</u>	<u>18,859,069</u>	<u>19,696,003</u>
Operating income	<u>6,389,128</u>	<u>5,682,071</u>	<u>6,942,568</u>	<u>7,080,763</u>	<u>8,649,666</u>
Non-operating revenues/(expenses)					
Interest income	2,143,559	1,734,059	812,853	545,022	551,895
Interest expense	(3,612,313)	(3,049,600)	(2,237,874)	(1,957,058)	(1,580,867)
Total non-operating revenues/(expenses)	<u>(1,468,754)</u>	<u>(1,315,541)</u>	<u>(1,425,021)</u>	<u>(1,412,036)</u>	<u>(1,028,972)</u>
Income before contributions/transfers	<u>4,920,374</u>	<u>4,366,530</u>	<u>5,517,547</u>	<u>5,668,727</u>	<u>7,620,694</u>
Contributions/transfers					
Capital contributions	6,766,155	7,176,662	3,615,030	3,047,341	12,295,581
Total contributions/transfers	<u>6,766,155</u>	<u>7,176,662</u>	<u>3,615,030</u>	<u>3,047,341</u>	<u>12,295,581</u>
Net income/change in net assets	<u>\$ 11,686,529</u>	<u>\$ 11,543,192</u>	<u>\$ 9,132,577</u>	<u>\$ 8,716,068</u>	<u>\$ 19,916,275</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				
	2007	2008	2009	2010	2011
Net income/change in net assets	\$ 11,686,529	\$ 11,543,192	\$ 9,132,577	\$ 8,716,068	\$ 19,916,275
Plus:					
Interest expense	3,612,313	3,049,600	2,237,874	1,957,058	1,580,867
Depreciation/amortization	5,515,184	5,836,251	6,032,111	6,491,565	6,872,782
	<u>9,127,497</u>	<u>8,885,851</u>	<u>8,269,985</u>	<u>8,448,623</u>	<u>8,453,649</u>
Less:					
Interest income on construction fund and investment account	1,261,709	813,395	123,905	1,530	87,820
Capital contributions	6,766,155	7,176,662	3,615,030	3,047,341	12,295,581
Other nonrecurring revenue					
	<u>8,027,864</u>	<u>7,990,057</u>	<u>3,738,935</u>	<u>3,048,871</u>	<u>12,383,401</u>
Net income available for debt service	<u>12,786,162</u>	<u>12,438,986</u>	<u>13,663,627</u>	<u>14,115,820</u>	<u>15,986,523</u>
Total annual debt service (1)	\$ 6,792,496	\$ 6,833,465 [¶]	\$ 6,845,375 [¶]	\$ 6,956,305 [¶]	\$ 7,619,421 [¶]
Historical debt service coverage	1.88	1.82	2.00	2.03	2.10

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