



VALUATION SUMTER WATER CONSERVATION AUTHORITY, LLC

July 2021

Prepared for:

North Sumter County Utility Dependent District

Prepared on July 22, 2021

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12051 Corporate Boulevard
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VALUATION of SUMTER WATER CONSERVATION AUTHORITY, LLC

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1.0 Executive Summary

The North Sumter County Utility Dependent District (“NSCUDD” or “District” or “Buyer”) is considering the purchase of Sumter Water Conservation Authority, LLC (“SWCA” or “Seller”). The District and the Seller have executed an Agreement for Purchase and Sale dated June 17, 2021 (the “Agreement” and/or “PSA”).¹

Section 4 of the Agreement governs the Purchase Price. The Agreement calls for the District and the Seller to each retain a valuation firm to determine the value of SWCA based on the following instructions contained in the Agreement. Section 4 provides the agreed upon assumptions as part of providing a valuation (“Valuation”) of the Purchased Assets.

Also, as noted in the Agreement, both Seller and Purchaser agree that if the lesser of the two Valuations is not greater than 5% less than the higher valuation, then the Purchase Price shall be established at the lesser of the two Valuations. If the lesser of the two Valuations is greater than 5% lower, but not greater than 10% lower of the higher of the two Valuations, then Purchaser and Seller agree that the Purchase Price shall be established at the average of the two Valuations. If the lesser of the two Valuations is greater than 10% lower than the higher of the two Valuations, then the Seller and the Purchaser shall meet in an attempt to reconcile an agreed upon determination of value. If, after such reconciliation is received, the Purchaser or Seller determines that it is not in its interest to conclude the purchase contemplated by the Agreement, then the party may terminate the Agreement. PFM’s Valuation for SWCA is provided herein.

The Buyer retained PFM Group Consulting LLC (“PFM”) as its valuation firm. Using the income approach to valuation as prescribed in the Agreement PFM has determined a Gross Valuation for SWCA of \$109,800,000 as of July 15, 2021.

Finally, the amount that the Seller will receive will vary from the Gross Valuation as a result of standard deductions associated with the structure of the bond financing (e.g. costs of issuance, debt service reserve fund, bond insurance, etc.). These required funds and costs of issuance represent the normal financing costs which impact the net proceeds of the bonds, as it pertains to the funds available for acquisition (“Valuation” and / or “Net Valuation”). PFM has determined a Net Valuation for SWCA of **\$106,850,000 as of July 15, 2021.**

¹ Agreement for Purchase and Sale (May 13, 2021) between South Sumter Utility Company, LLC and Wildwood Utility Dependent District.

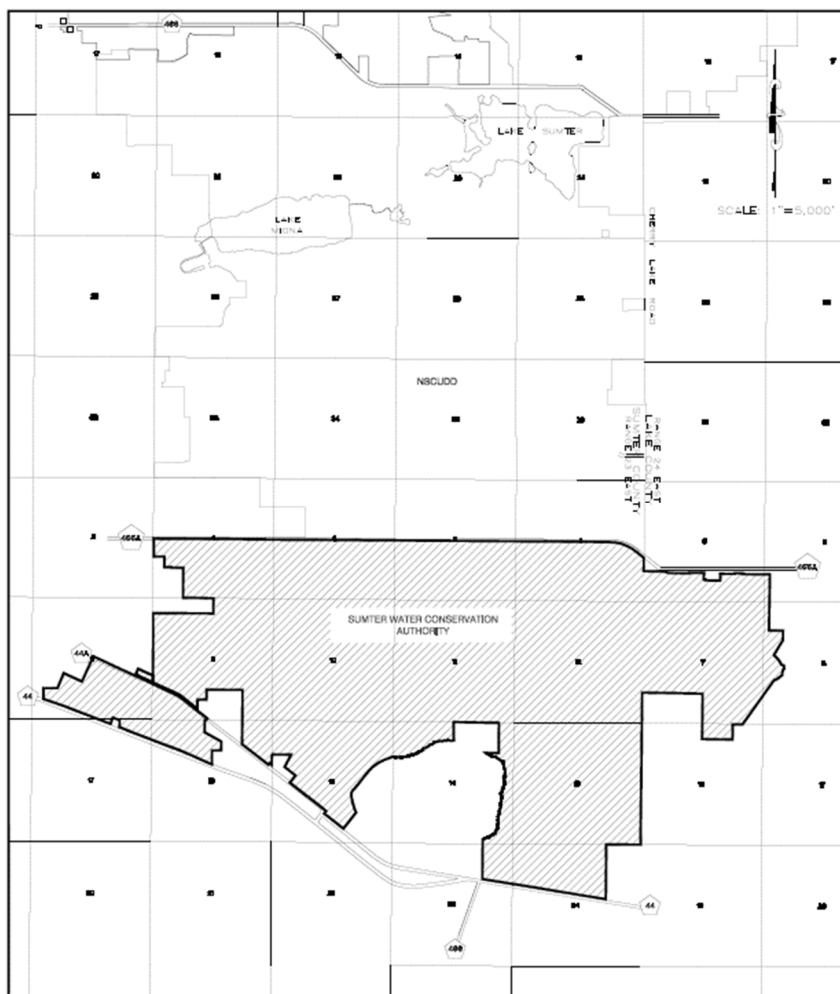


2.0 Sumter Water Conservation Authority, LLC

2.1 Service Area

The Sumter Water Conservation Authority, LLC (“SWCA”) owns and operates a combined irrigation and fire protection system within approximately 6,317 acres currently located wholly within unincorporated Sumter County, the City of Wildwood and the City of Fruitland Park, referred to as the (“SWCA Service Area” and/or “Service Area”). The SWCA Service Area is part of a portion of The Villages known as The Villages of Sumter Development of Regional Impact (“DRI”), located within the unincorporated region of Sumter County, the City of Wildwood, and the City of Fruitland Park, lying between County Road (CR) 466A and State Road 44.² The Service Area is part of The Villages, one of the fastest growing metropolitan areas in the U.S. SWCA is not regulated by the Florida Public Service Commission (“FPSC”) which consists of approximately 6,317 acres.

Map 1. SWCA Service Area



Source: 2021 Preliminary Engineer's Report, June 11, 2021, Clymer Farmer Barley, Inc.

² 2021 Preliminary Engineer's Report for the Sale of Sumter Water Conservation Authority LLC Irrigation and Fire Protection Systems, June 11, 2021, Clymer Farmer Barley, Inc., Exhibit 1.



As provided in the “2021 Preliminary Engineer’s Report for the Sale of Sumter Water Conservation Authority, LLC Irrigation and Fire Protection Systems”, dated June 11, 2021 prepared by Clymer Farner Barley, Inc. (the “Engineer’s Report”) and included as Exhibit E, the SWCA Service Area is planned to consist of 13,859 residential units, 539 general commercial connections (currently 530 general commercial connections), 54 bulk commercial connections, 47 fire protection service connections and six (6) golf courses at buildout.

2.2 General Description

According to the Engineer’s Report, SWCA is responsible for the supply and distribution of water necessary to satisfy the required irrigation and fire protection demands for the residential and commercial properties, as well as the irrigation needs of a portion of the roadway rights-of-way throughout the Service Area. SWCA also provides irrigation water for the Service Area’s golf courses (144 holes of golf consisting of 961 acre of maintained turf) via a low-pressure, bulk water delivery system (Low Pressure Bulk System). The Low Pressure Bulk System supplies reclaimed water and lower Floridian groundwater to three (3) golf course pumping station holding ponds located throughout the Service Area. Lower Floridian groundwater is only used if available reclaimed water supplies are not sufficient to meet the daily irrigation demands. The Service Area includes an estimated population of 26,333 based on 1.9 persons per residential home. The 1.9 people per residential home is based on historic data provided by The Villages and has been accepted by the Florida Department of Economic Opportunity as a reasonable estimate for retirement communities.

Construction of the SWCA irrigation and fire protection systems infrastructure began in 2011. The infrastructure is 10 years old or less and is in excellent condition per the Engineer’s Report. No near-term substantial repairs or modifications are anticipated. The irrigation and fire protection infrastructure throughout the Service Area is 100% complete.

3.0 Valuation Methods

3.1 Metrics of Value

There are a number of recognized definitions of value⁴. The appropriate definition of value depends in part on the purpose for the valuation. For example, in some circumstances the definition of value is determined by law, either because of statutes or contracts. In other circumstances the metric of value depends upon the wishes of the parties involved. Recognized professional definitions of value include: (a) fair market value, (b) investment value, (c) intrinsic or fundamental value, and (d) fair value.⁵

Fair market value is well defined by IRS ruling 59-60 as “...the amount at which the property would change hands between a willing buyer and a willing seller when the former is not under compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of the

⁴ Pratt, Shannon et al., (1998), Valuing Small Businesses and Professional Practices, McGraw-Hill: New York, New York, page 38.

⁵ Pratt, Op. Cit., pages 38-45.



relevant facts. Fair market value is measured in cash terms, in U.S. currency, at the valuation date, based on then current market conditions.⁶

Investment value is defined as “the specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached.”⁷ Often this involves the calculation of value based on discounting an anticipated stream of future cash flows. There are a number of valid reasons why investment value may differ from fair market value including: (a) differences in estimates for future earnings, (b) differing perceptions of risk, (c) varying income tax situations, and (d) synergies with other operations owned or controlled by the investor. Finally, it is important to note that investment value is not divorced from fair market value. Markets are composed of many individual investors, each of whom make their own calculations of what they are willing to pay for an asset and at what price they are willing to sell. Collectively the decisions of all these individual investors make up the marketplace in which fair market value is determined.

Intrinsic or fundamental value is a measure of the real worth of an asset, and so it is an analytical judgment of value based on the perceived characteristics of the asset. Intrinsic value typically comes up in the analysis of securities. Security analysts conduct fundamental analysis of a company’s operations, assets, management, markets, and other factors to arrive at the fundamental or intrinsic value of the security. If the market price is higher than the estimated intrinsic value, this is a sell signal and vice versa.⁸

Finally, fair value is a concept that arises most often in shareholder disputes. In many states when a corporation or partnership merges, sells out, liquidates, or takes other major actions forcing a minority owner to accept what he considers less than adequate compensation, he may have the right to have his interest appraised and to receive fair value. Thus, fair value is calculated immediately prior to the action that the dissenter objects to.

Regardless of the standard of value selected, there are four alternative premises of value each of which are appropriate in differing situations. First, is “going concern” value which values the entity as an ongoing business concern. Second, is “assemblage of assets” value which values the entity as a group of assets in place, but not used to produce income on an ongoing basis. Third, “value in an orderly disposition” is where the assets are sold on an individual basis, with reasonable market exposure, in normally operating secondary markets. Finally, “liquidation value” presumes the assets are sold individually without normal market exposure in their secondary markets.⁹

Based on PFM’s understanding of SWCA’s business and the market in which it operates; and considering the potential purchase of SWCA by the District, PFM concludes that the appropriate metric of value for this assignment is fair market value. PFM recognizes that the District is a governmental unit formed to provide services to residents and businesses under its jurisdiction for their benefit. Therefore, valuing SWCA using the investment standard of value would also be a valid approach. However, the District is under no obligation to purchase SWCA and would do so only if such purchase was in the best interests of its constituents.

⁶ Pratt, Op. Cit., pages 48-41.

⁷ Chicago Appraisal Institute (1993), The Dictionary of Real Estate Appraisal, 3rd Edition, page 190

⁸ Pratt, Op. Cit., pages 43-45.

⁹ Pratt, Op. Cit., pages 46-48.



With respect to the premise of value, PFM recognizes that SWCA is a going concern. Seller is not liquidating SWCA and is under no compulsion to sell. Therefore, the going concern basis is, in our opinion, the correct form for this valuation of SWCA. Finally, while the definitions for fair market value and going concern value are clear, the actual valuation process is more complicated. IRS ruling 59-60 describes some the particulars that make each valuation unique. A determination of fair market value, being a question of fact, will depend upon circumstances in each case.

- i) No formula can be devised that will be generally applicable to the multitude of different valuation issues...
- ii) A sound valuation will be based on all the relevant facts, but the elements of common sense, informed judgment, and reasonableness must enter into the process of weighing those facts and determining their aggregate significance.

3.2 Approaches to Value

Similar to real estate appraisers, business valuation professionals utilize three approaches to valuing a business: 1) cost, 2) market, and 3) income.¹⁰ However, as discussed above in Section 1, the Agreement explicitly calls for valuation using the income approach to value.

3.3 Income Approach

The income approach to valuation is based on the principle that the value of ownership interest in a company or asset is equal to the present worth of the future benefits of ownership.¹¹

There are two basic types of income valuation methods:¹²

- 1) Discounted future returns method and
- 2) Capitalized returns method

The discounted future returns method discounts the future earnings or cash flows back to the valuation date using the present value method. The capitalized returns method is a shortcut for the discounted future returns method and applies a discount rate to a single number representing cash flow or earnings.¹³

Both methods are acceptable to use since the capitalized return method is a shortcut of the discounted returns method. However, the discounted returns method is typically used when future operations generate significantly different earnings or cash flows than current operations. In addition, if future earnings were to be volatile, the discounted returns methods would be more appropriate. The capitalized returns method is more appropriate when future earnings are expected to be stable or to grow at a fairly constant rate.¹⁴

¹⁰ Pratt, Op. Cit., page 197

¹¹ Fishman, Op. Cit., page 2-9.

¹² Fishman, Op. Cit., page 2-10.

¹³ Fishman, Op. Cit., page 2-7.

¹⁴ Fishman, Op. Cit., page 2-9.



In PFM's opinion, the most important element for the income-based approach is a reliable pro forma forecasting future earnings or cash flows. SWCA has supplied PFM with prior financial statements of the utilities to be acquired. At this time, no forecast or pro forma of expected future financial performance has been provided by SWCA. However, the Agreement includes in Exhibit S, a forecasted schedule of future residential and commercial connections which the Agreement requires for purposes of the Valuation. PFM has reviewed the prior financial statements and Exhibit S.

Based on the specific circumstances of SWCA and the terms of the Agreement, PFM concluded the discounted cash flow approach to valuation is appropriate for valuing SWCA. SWCA's cash flows are projected to increase incrementally through 2023, with the addition of nine (9) commercial connections within the Service Area. These projected increases in future cash flow makes the capitalization approach inappropriate in our opinion.

4.0 SWCA Valuation Assumptions

As part of its valuation, PFM reviewed and relied upon documents provided by the Seller as well as other third-party data sources. Examples of the documents relied upon include, but are not necessarily limited to the following:

- 1) Historic profit and loss financials for SWCA, Fiscal Year ("FY") 2019, FY 2020 and FY 2021 year-to-date
- 2) 2021 Engineer's Report prepared by Clymer Farner Barley, Inc.
- 3) SWCA A-Rate Schedule, dated October 1, 2020
- 4) SWCA – Renewal & Replacement Schedule via Arnett Environmental LLC
- 5) SWCA Irrigation Usage Data (2019, 2020 and 2021 year-to-date)
- 6) SWCA Irrigation Usage and Revenues Data (FY 2017 through FY 2021 year-to-date)

4.1 Development – Buildout Assumptions

PFM applied the buildout schedule as provided in the Engineer's Report. The buildout schedule totals include: 13,859 residential dwelling units, 539 general commercial connections, 54 bulk commercial connections, 47 fire protection service connections and six (6) golf courses

The buildout assumptions are summarized below:

- Residential buildout of the 13,859 residential units is complete
- 530 of the 539 commercial connections are complete, with the remaining nine (9) connections set to be complete by 2023
- The 54 bulk commercial connections are complete
- The 47 fire protection service connections are complete
- The six (6) golf course connections are complete



4.2 Irrigation Assumptions, Irrigation Fees and Rate Increase Assumptions

Revenue Categories

PFM gathered data on the five main irrigation customer bases being served within the SWCA Service Area: 1) metered residential irrigation, 2) metered commercial irrigation, 3) fire protection, 4) commercial bulk irrigation and 5) bulk golf course irrigation. In addition, PFM included the ancillary revenue items as detailed in the current SWCA profit and loss ("P&L") statements, which include the following: metered residential construction irrigation, miscellaneous revenue – reconnection fees, CIAC residential, CIAC commercial high pressure and CIAC meters. Table 1 summarizes the forecasted revenue categories and a summary of FY 2019 revenues, FY 2020 revenues and FY 2021 estimated revenues.

Table 1. Revenue Categories Summary

<u>Total Revenues:</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021 (est.)</u>
Irrigation - Operating Revenue			
Metered Residential Irrigation Rev	\$ 6,407,714	\$ 6,429,421	\$ 6,396,803
Metered Commercial Irrigation Rev	\$ 273,165	\$ 249,585	\$ 294,594
Fire Protection Rev	\$ 71,267	\$ 86,044	\$ 96,212
Comm Bulk Irrigation Rev	\$ 151,274	\$ 156,848	\$ 150,735
Bulk Golf Course Irrigation Rev	\$ 214,292	\$ 202,277	\$ 173,295
Metered Residential Construction Irrigation Rev	\$ 34,949	\$ 75	\$ 611
Misc. Rev - Reconnect Fee	\$ 7,890	\$ 5,789	\$ 5,077
CIAC Residential	\$ 143,284	\$ 26,250	\$ 39,600
CIAC Comm High Pressure	\$ -	\$ 233,123	\$ -
CIAC Meters	\$ 10,260	\$ 12,980	\$ 12,778
Total Revenue	\$ 7,314,095	\$ 7,402,392	\$ 7,169,704

Source: SWCA P&L Financials 2019 & 2020

Irrigation Flow Assumptions

Irrigation flows for four of the five main categories are based on the data provided in the Engineer's Report, which is based on the average level of service over the past 24 months. Table 2 summarizes the gallons per day ("GPD") per du and commercial connection. Note that the fire protection services revenue is a function of a flat monthly fee, which acts like a base fee.

Table 2. Average Irrigation Flows by Category for FY 2021

Residential	323	GPD/DU
General Commercial	327	GPD/connection
Bulk Commercial	7,420	GPD/connection
Golf Course	280,349	GPD/connection

Source: Engineer's Report



When forecasting irrigation flows/usage, rather than applying an average flow rate over the next 30 years, PFM applied a range of flows for each of the four usage types described in Table 2 via a random number generator that was given a specified range of flows for each use. The range of flows for each applicable use is described in the next paragraph. Given that irrigation usage is generally dependent on how “wet” or “dry” a season is, the random set of flows represents a more “real world” view of usage, while still acknowledging there are a basic set of average flow rates.

The range of observed gallons per day for residential dwelling units from FY 2017 through FY 2021 year-to-date is 299 GPD/DU to 343 GPD/DU. The range of observed gallons per day for commercial connections from FY 2017 through FY 2021 year-to-date is 294 GPD/connection to 357 GPD/connection. PFM’s irrigation flow assumptions for each of the categories for FY 2022 through FY 2051. With respect to bulk commercial usage, PFM applied a range of 10% to the 7,420 GPD/connection referenced in the Engineer’s Report resulting in a range of 7,049 GPD/connection to 7,791 GPD/connection over the 30-year forecast horizon. With respect to bulk golf course usage, PFM applied a range of 10% to the 280,349 GPD/connection referenced in the Engineer’s Report resulting in a range of 266,332 GPD/connection to 294,366 GPD/connection over the 30-year forecast horizon.

Given the development status and connection profile of the SWCA system at nearly 100% complete, future SWCA revenues are dependent upon irrigation flows/usage. It’s important to note that as climate science evolves, and the impacts of climate change become more clear, future irrigation usage could be impacted if the need to conserve water for potable usage becomes a priority. Any mandated reduction in irrigation flows would threaten future revenues; however, forced reduction in irrigation flows, for conservation purposes, via a regional or statewide mandate, is not likely in the near term (the next ten years) and the probability of a forced mandate occurring over the next 30 years does not appear imminent. As a result, this element of forced conservation was not included as part of the Valuation.

SWCA Schedule A Rates and Rate Increase Assumptions

With respect to flow rates for the various categories, PFM adopted the rates as established in SWCA’s Schedule A dated October 1, 2020 (provided in Exhibit A). In discussion with the Buyer with respect to forecast rate increases, PFM applies the following rate increases: 2.5% was applied commencing in FY 2022 through and including FY 2031 and a rate increase of 1.75% was applied from FY 2032 through and including FY 2051.

Summary of other Revenue Forecast Assumptions

For purposes of this analysis, PFM assumed a closing date of December 1, 2021, which results in the application of 10 of the 12 months of FY 2022 revenues as part of the valuation. Exhibit B summarizes the number of connections annually for each of the five usage types, annual rates and forecasted rate increases and the resulting annual revenue for each element. With respect to the other five elements of historic revenue generation: metered residential construction irrigation, miscellaneous revenue – reconnection fees, CIAC residential, CIAC commercial high pressure and CIAC meters; the future annual revenue of each of these elements was estimated as a 3-year average of prior revenues, except for CIAC commercial high pressure. Given its general volatility, PFM assumed that CIAC commercial high pressure was assumed to generate zero dollars in future revenue beginning in FY 2022 through FY 2051, which is consistent with the zero dollars in revenue generated in FY 2019 and FY 2021 year-to-date.



4.3 Expense Assumptions

Expense Categories

PFM gathered data on the eight main expense categories via the SWCA P&L statements for FY 2019, FY 2020. Table 3 summarizes the forecasted expense categories and a summary of FY 2019 expenses, FY 2020 expenses and FY 2021 estimated expenses.

Table 3. Expense Categories Summary

<u>Total Expenses:</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Contract Services	\$ 455,889	\$ 553,135	\$ 573,877
Insurance - General	\$ 21,387	\$ 21,387	\$ 21,384
Operating Supplies	\$ 69,852	\$ 58,575	\$ 26,487
Professional fees	\$ 516,540	\$ 534,570	\$ 575,372
Taxes & Licenses*	\$ 189	\$ 139	\$ 333
Utilities Expense	\$ 388,353	\$ 351,244	\$ 335,714
Maintenance - general	\$ 16,549	\$ 16,714	\$ 8,165
Maintenance - Equipment	\$ 73,754	\$ 119,568	\$ 263,875
Real Estate Tax*	\$ 1,248	\$ 1,451	\$ 1,451
Total Operational Expense	\$ 1,543,761	\$ 1,656,783	\$ 1,806,658

Source: SWCA P&L Financials 2019 & 2020

*Upon successful sale to the District, the District would not be subject to taxes

Rather than the application of the 2.5% and 1.75% growth rate to expenses, PFM applied a slightly higher 4% growth rate to SWCA Contract Services expenses from FY 2020 through FY 2051. This is a function of the Jacobs contract, which represents the majority of Contract Services expenses, which has a contractual increase of 4% annually. The 4% annual increase exceeds the assumed general rate of inflation of 2.5% we have assumed for other aspects of this report. As a result, when evaluating total operational expenses, PFM estimated an average expense growth rate of 3.0% through FY 2031 and an average expense growth rate of 2.65% from FY 2032 through FY 2051.

Renewal and Replacement Fund

One last element of expenses that PFM accounted for is the annual Renewal and Replacement Fund ("R&R Fund") which is necessary for capital improvements to the system over its functional life. In this case, Arnett Environmental LLC developed a thirty-year R&R budget. Table 4 summarizes the R&R Fund budget of \$11,990,672.



Table 4. R&R Fund Budget

Year	Est. SWCA Cost/Unit	Cost/Year
1 - 2	\$ 2.34	\$ 32,400.00
3 - 5	\$ 12.83	\$ 177,954.29
6 - 10	\$ 23.33	\$ 323,508.57
11 - 15	\$ 24.58	\$ 340,900.06
16	\$ 27.11	\$ 375,955.32
17	\$ 28.45	\$ 394,489.92
18	\$ 29.85	\$ 413,938.27
19	\$ 31.32	\$ 434,345.43
20	\$ 32.86	\$ 455,758.66
21	\$ 34.48	\$ 478,227.56
22	\$ 36.18	\$ 501,804.18
23	\$ 37.97	\$ 526,543.13
24	\$ 39.84	\$ 552,501.70
25	\$ 41.80	\$ 579,740.04
26	\$ 43.87	\$ 608,321.22
27	\$ 46.03	\$ 638,311.46
28	\$ 48.30	\$ 669,780.21
29	\$ 50.68	\$ 702,800.37
30	\$ 53.18	\$ 737,448.43
Total 30 Year Cost =		\$ 11,990,671.92

Source: Arnett Environmental LLC

The R&R Funds are accounted for in the analysis in calculations associated with the senior and subordinate sets of debt service. The senior tranche incorporates a 3% R&R Fund while the junior tranche incorporates a 4% R&R Fund. These R&R Fund revenues are supplemented by additional R&R Funds accounted for as an additional expense item from FY 2027 through FY 2051 to meet the total R&R Funds of SWCA based on the estimates of Arnett Environmental LLC.

5.0 Valuation of Sumter Water Conservation Authority, LLC

5.1 Projections from FY 2022 through FY 2051

As noted above, the Agreement requires that the present value of the future cash flow of SWCA is calculated using a discount rate as reasonably estimated by the valuation firms. The discount rate for a discounted cash flow analysis includes investment risk, development risk and overall market risk. However, the present value of SWCA's future cash flow is not to be confused with the value of SWCA using the income approach to value. Simply calculating the present value of the SWCA's future cash flow at the discount rate would, in our opinion, overstate the value of SWCA. This is because such an approach would ignore the particular circumstances of the District's acquisition of SWCA including the District's costs of issuing bonds to finance the acquisition.



At this time, the discount rate as reasonably estimated and provided by PFM, is 3.50%. The financing structure includes the standard features of a municipal bond issue including provision for a debt service reserve account, bond insurance, cost of issuance and underwriter's discount all of which are necessary to sell the bonds and all of which reduce the funds available to the District to purchase SWCA. In addition, PFM's Valuation assumes a senior tranche of Series 2021 Bonds which will have a coverage ratio of approximately 1.20 times senior lien debt service and a subordinate tranche of Series 2021 Bonds with an approximate 1.05 times aggregate debt service coverage. In addition to the debt service coverage, the senior tranche incorporates a 3% R&R Fund while the junior tranche incorporates a 4% R&R Fund. These R&R Fund revenues are supplemented by additional R&R Funds accounted for as an additional expense item from FY 2027 through FY 2051 to meet the total R&R Funds of SWCA based on estimates of Arnett Environmental LLC. These debt service coverage and R&R Fund expenses are necessary expenses which reduce the funds available to the District to purchase SWCA.

5.2 Derivation of the Discount Rate

To estimate the value of SWCA using the discounted future returns method, the future flow of net operating income ("NOI") as adjusted is discounted to its present value. Discount rates are widely used in economics, finance and accounting to reduce a future stream of values (be they incomes, costs, profits, or the like) to their present value. A discount rate is designed to include provision for all of the risks associated with the future cash flow to be discounted.¹⁵ The time value of money is represented by the risk free rate of interest, but this does not incorporate any other risks associated with the expected event or payment.¹⁶

With respect to the development of the discount rate for this Valuation, PFM evaluated the discount rate applied as part of other Villages utility analyses, specifically for the market analysis conducted for the CSU Valuation in 2019 and its associated financing. The discount rate applied in the CSU Valuation was 4.00%. Since that time, tax-exempt interest rates have fluctuated significantly with current rates approximately 50 basis points (bps) lower than at the time of the CSU valuation, (see Table 5 and Figure 1). At the time of the CSU financing, except for some multi-family apartments and commercial development, the CSU Service Area was effectively built out which limited future development risk.

¹⁵ Hitchner, James (2011), Financial Valuation, Hoboken, NJ: John Wiley & Sons, page 966.

¹⁶ American Academy of Actuaries (September 2009), "Discussion on the Use of Discount Rates in Accounting Present Value Estimates", page 4 http://www.actuary.org/files/publications/discount_091509.pdf

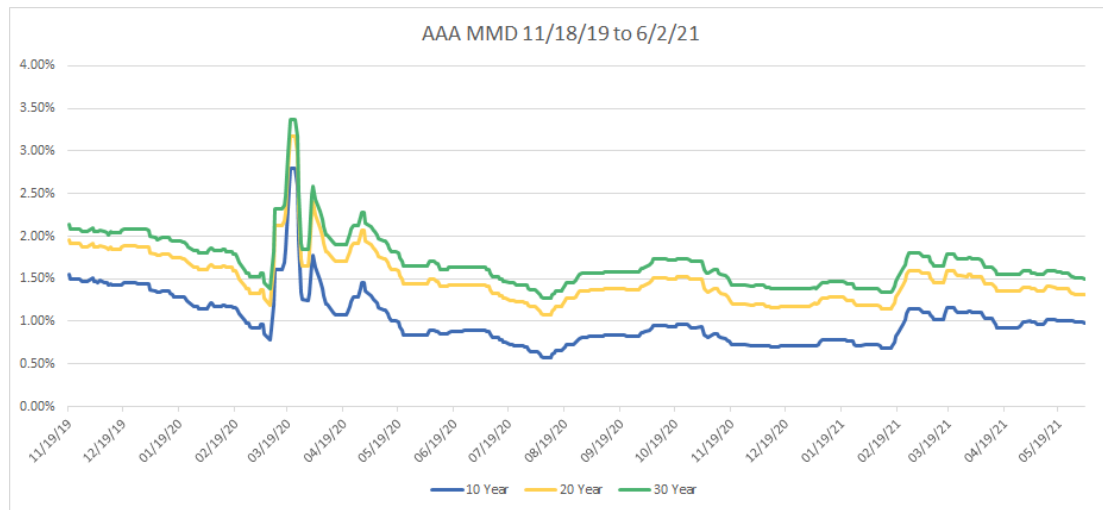


Table 5. AAA MMD Interest Rate Summary (11/18/19 – 6/2/21)

AAA MMD from 11/18/19 to 6/2/21			
	10 Year	20 Year	30 Year
12/17/2019	1.42%	1.85%	2.04%
6/2/2021	0.98%	1.31%	1.50%
Difference	-44 bps	-54 bps	-54 bps
Min 11/18/2019 to 6/2/2021	0.58%	1.08%	1.27%
Max 11/18/2019 to 6/2/2021	2.79%	3.18%	3.37%
Average 11/18/2019 to 6/2/2021	1.01%	1.50%	1.70%
Median 11/18/2019 to 6/2/2021	0.94%	1.43%	1.63%

Source: PFM Financial Advisors LLC

Figure 1. AAA MMD Interest Rate Summary (11/18/19 – 6/2/21)



Source: PFM Financial Advisors LLC

In the case of this Valuation, at the time of financing (estimated December 1, 2021), it is estimated that 100% of the 13,859 residential units are developed and connected into the current system and that 530 of the 539 commercial connections are active with the other nine (9) scheduled for connection by 2023. The balance of fire, commercial bulk and golf course connections are developed and connected into the system. Collectively, the development of the project is effectively built out and complete eliminating development risk to future revenues. As a result, PFM is utilizing a discount rate of 3.50% for this Valuation.



5.3 Value of the Purchased Assets Using the Income Approach

Table 6 provides the historical financials for FY 2019 and FY 2020, with the forecast through FY 2025. Exhibit C provides the set of detailed assumptions and cash flows, which generates the Gross Valuation cash flow projected for SWCA which includes the 30-year period from FY 2022 through FY 2051. Exhibit D provides the detailed calculations supporting the Gross Valuation and Net Valuation (Acquisition Fund) of \$106,850,000 for SWCA.¹⁷

Table 6. Summary of Valuation of SWCA through FY 2025

SWCA	Actuals 2020	Est 2021	Est* 2022	Est 2023	Est 2024	Est 2025
Total Revenues:						
Irrigation - Operating Revenue						
Metered Residential Irrigation Rev	\$ 6,429,421	\$ 6,396,803	\$ 4,740,753	\$ 6,182,489	\$ 6,636,476	\$ 6,789,511
Metered Commercial Irrigation Rev	\$ 249,585	\$ 294,594	\$ 264,473	\$ 332,145	\$ 298,010	\$ 308,120
Fire Protection Rev	\$ 86,044	\$ 96,212	\$ 82,181	\$ 101,082	\$ 103,609	\$ 106,200
Comm Bulk Irrigation Rev	\$ 156,848	\$ 150,735	\$ 123,653	\$ 159,099	\$ 169,979	\$ 164,673
Bulk Golf Course Irrigation Rev	\$ 202,277	\$ 173,295	\$ 149,220	\$ 180,636	\$ 190,235	\$ 195,277
Metered Residential Construction Irrigation Rev	\$ 75	\$ 611	\$ 343	\$ 477	\$ 410	\$ 443
Misc. Rev - Reconnect Fee	\$ 5,789	\$ 5,077	\$ 5,433	\$ 5,255	\$ 5,344	\$ 5,299
CIAC Residential	\$ 26,250	\$ 39,600	\$ 32,925	\$ 36,263	\$ 34,594	\$ 35,428
CIAC Comm High Pressure	\$ 233,123	\$ -	\$ -	\$ -	\$ -	\$ -
CIAC Meters	\$ 12,980	\$ 12,778	\$ 12,879	\$ 12,828	\$ 12,854	\$ 12,841
Total Revenue	\$ 7,402,392	\$ 7,169,704	\$ 5,411,859	\$ 7,010,274	\$ 7,451,510	\$ 7,617,792
Total Expenses:						
Contract Services	\$ 553,135	\$ 573,877	\$ 497,360	\$ 620,705	\$ 645,534	\$ 671,355
Insurance - General	\$ 21,387	\$ 21,384	\$ 18,266	\$ 22,467	\$ 23,028	\$ 23,604
Operating Supplies	\$ 58,575	\$ 26,487	\$ 22,624	\$ 27,828	\$ 28,523	\$ 29,236
Professional fees	\$ 534,570	\$ 575,372	\$ 491,464	\$ 604,500	\$ 619,613	\$ 635,103
Licenses	\$ 139	\$ 333	\$ 284	\$ 350	\$ 359	\$ 368
Utilities Expense	\$ 351,244	\$ 335,714	\$ 286,756	\$ 352,710	\$ 361,528	\$ 370,566
Maintenance - general	\$ 16,714	\$ 8,165	\$ 6,974	\$ 8,579	\$ 8,793	\$ 9,013
Maintenance - Equipment	\$ 119,568	\$ 263,875	\$ 225,393	\$ 277,233	\$ 284,164	\$ 291,268
Miscellaneous	\$ 1,451	\$ 1,451	\$ 1,240	\$ 1,525	\$ 1,563	\$ 1,602
Total Operational Expense	\$ 1,656,783	\$ 1,806,658	\$ 1,550,361	\$ 1,915,896	\$ 1,973,104	\$ 2,032,115
Add'l Renewal and Replacement		\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense		\$ 1,806,658	\$ 1,550,361	\$ 1,915,896	\$ 1,973,104	\$ 2,032,115
Net Operating Income	\$ 5,745,610	\$ 5,363,046	\$ 3,559,774	\$ 5,094,377	\$ 5,478,406	\$ 5,585,678

Source: PFM Group Consulting, LLC

*assumes closing on 12/1/21 (resulting in 10 months of FY 2022 revenues or 83.33%)

¹⁷ Cash flows are extended through 2051 and are shown in Exhibit C.



Table 6 summarizes the net present value of SWCA's anticipated future cash flows for FY 2022 (starting in December 2021 through FY 2051, which ends in October 2051 totaling \$109,800,000 calculated using the estimated discount rate as provided herein. Exhibit C includes the source data and detailed revenue projections that informed the Gross Valuation, while Exhibit D provides the detail associated with the Net Valuation. The estimated deductions for the debt service reserve(s), bond insurance, cost of issuance and the underwriter's discount result in an estimated Net Valuation of \$106,850,000 for SWCA.

Table 6. Summary of Valuation of Sumter Water Conservation Authority, LLC

Par Value of Series 2021 SWCA (Gross Valuation)	\$ 109,800,000
Other Fund Deposits*:	
Renewal & Replacement Fund	\$ 148,048
Operating Reserve	\$ 276,130
SR Debt Service Reserve Fund (15% MADS)	\$ 725,075
SUB Debt Service Reserve Fund (50% MADS)	\$ 301,250
Delivery Date Expenses*:	
Cost of Issuance	\$ 447,450
Underwriter's Discount	\$ 671,175
Surety Policy @ 1.5% of 85% of MADS	\$ 69,398
Bond Insurance @ 0.147% of Total DS	\$ 308,252
	=====
Net Valuation (Net Proceeds/Acquisition Fund)	\$ 106,850,000

Source: PFM Group Consulting LLC

* Actual amounts of fund deposits and expenses will be determined at final pricing



Exhibit A – Rate Schedule

SCHEDULE A

SUMTER WATER CONSERVATION AUTHORITY

IRRIGATION WATER RATES AND CHARGES AS OF OCTOBER 1, 2020

A. RESIDENTIAL RATES:

Irrigation Water (monthly)

1.	Capacity charge (base rate)	
	5/8 X 3/4" meter	\$8.38
	3/4 X 3/4" meter	\$12.58
	1" meter	\$20.96
2.	Use rate - per 1,000 gallons	
	First 7,000 gallons	\$2.30
	7,001 - 14,000 gallons	\$3.84
	14,001 gallons and up	\$5.32

Contribution in Aid of Construction

Irrigation Water	
All sizes	\$750.00

Construction Water Use

Irrigation water charge per home	\$75.00
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B. NON-RESIDENTIAL (COMMERCIAL) RATES:

Irrigation Water (monthly)

1.	Capacity charge by meter size (base rate)	
	5/8 x 3/4"	\$8.38
	3/4 x 3/4"	\$12.58
	1"	\$20.96
	1-1/2"	\$41.92
	2"	\$67.08
	3"	\$134.14
	4"	\$209.60
	6"	\$419.20
	8"	\$670.73
	10"	\$964.18

Irrigation Water (monthly) Commercial General Service (0 to 30,000 gal/mth)

2.	Use rate per 1,000 gallons	
	First 30,000 gallons	\$2.30
	30,001 - 60,000	\$3.84
	60,001 and up	\$5.32

Irrigation Water (monthly) Commercial General Service (30,001 to 150,000 gal/mth)

3.	Use rate per 1,000 gallons	
	First 150,000 gallons	\$2.30
	150,001 - 300,000	\$3.84
	300,001 and up	\$5.32

Irrigation Water (monthly) Commercial General Service (150,001 to 300,000 gal/mth)

4.	Use rate per 1,000 gallons	
	First 300,000 gallons	\$2.30
	300,001 - 600,000	\$3.84
	600,001 and up	\$5.32

SCHEDULE A

SUMTER WATER CONSERVATION AUTHORITY

IRRIGATION WATER RATES AND CHARGES AS OF OCTOBER 1, 2020

Irrigation Water (monthly) Commercial Bulk Service (300,000 to 600,000 gal/mth)

5.	Use rate per 1,000 gallons	
	First 600,000 gallons	\$1.35
	600,001 - 1,200,000	\$2.28
	1,200,001 and up	\$3.17

Irrigation Water (monthly) Commercial Bulk Service (600,001 to 1,500,000 gal/mth)

6.	Use rate per 1,000 gallons	
	First 1,500,000 gallons	\$1.35
	1,500,001 - 3,000,000	\$2.28
	3,000,001 and up	\$3.17

Irrigation Water (monthly) Commercial Bulk Service (1,500,000 to 3,000,000 gal/mth)

7.	Use rate per 1,000 gallons	
	First 3,000,000 gallons	\$1.35
	3,000,001 - 6,000,000	\$2.28
	6,000,001 and up	\$3.17

Irrigation Water (monthly) Commercial Low Bulk Service (≤10,000,000 gal/mth)

8	Use rate per 1,000 gallons	
	First 10,000,000 gallons	\$0.36
	10,000,001 - 20,000,000	\$0.63
	20,000,001 and up	\$0.87

Irrigation Water (monthly) Commercial Low Bulk Service (≤15,000,000 gal/mth)

9	Use rate per 1,000 gallons	
	First 15,000,000 gallons	\$0.36
	15,000,001 - 30,000,000	\$0.63
	30,000,001 and up	\$0.87

Irrigation Water (monthly) Commercial Low Bulk Service (≤17,000,000 gal/mth)

10	Use rate per 1,000 gallons	
	First 17,000,000 gallons	\$0.36
	17,000,001 - 34,000,000	\$0.63
	34,000,001 and up	\$0.87

Irrigation Water (monthly) Commercial Low Bulk Service (≤28,000,000 gal/mth)

11	Use rate per 1,000 gallons	
	First 28,000,000 gallons	\$0.36
	28,000,001 - 56,000,000	\$0.63
	56,000,001 and up	\$0.87

Private Fire Protection Service (monthly)

Capacity charge by meter size (base rate)

3"	\$48.48
4"	\$75.77
6"	\$151.53
8"	\$242.44
10"	\$348.52

SCHEDULE A

SUMTER WATER CONSERVATION AUTHORITY

IRRIGATION WATER RATES AND CHARGES AS OF OCTOBER 1, 2020

<u>Contribution in Aid of Construction</u>	
Irrigation Water - (Based on projected daily flow) per gallon	\$3.30
C INTER-UTILITY BULK RATE	
Irrigation Water - per 1,000 gallons	\$0.80
D. <u>ENVIRONMENTAL PROTECTION RATE SURCHARGE (WATER ONLY)*</u>	
1. Severe (Level 2)	+ 5% Water Use Rate
2. Extreme (Level 3)	+ 10% Water Use Rate
3. Critical (Level 4)	+ 20% Water Use Rate
*Implementation of the Environmental Protection Rate Surcharge is determined by declaration of a water shortage by the Southwest Florida Water Management District.	
E. METER INSTALLATION FEE	
<u>Meter Size</u>	<u>Fee</u>
5/8 x 3/4"	\$215.00
3/4 x 3/4"	\$242.00
1"	\$300.00
1-1/2"	\$842.00
2"	\$988.00
3"	\$1,200.00
4"	\$2,230.00
6"	\$3,900.00
8"	\$6,300.00
10" or larger	Actual Cost or \$6300 whichever is greater
Temporary Meters (all sizes)	\$68.00
GOLF COURSE METER SIZE	<u>Fee</u>
8" Propeller	\$2,815.00
10" Propeller	\$3,165.00
12" Propeller	\$3,369.00
6" Mag	\$3,600.00
8" Mag	\$4,250.00
10" Mag	\$4,820.00
12" Mag	\$5,235.00



Exhibit B – Detailed Connections, Flows and Revenues

Valuation
Sumter Water Conservation Authority, LLC

Connections / Flows / \$ Rates Forecast

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	
Residential																																
Units (1)	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	
5/8 X 3/4" meter	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	13,859	
Gallons (annual)	1,633,906,805	1,549,935,124	1,636,941,926	1,709,278,977	1,706,243,856	1,668,810,697	1,560,052,194	1,628,848,270	1,523,630,742	1,630,365,831	1,564,604,876	1,617,213,640	1,626,824,856	1,575,227,799	1,554,487,806	1,664,763,869	1,634,412,659	1,649,568,264	1,636,941,926	1,696,150,200	1,613,166,812	1,612,155,105	1,693,091,665	1,606,084,863	1,656,670,213	1,673,869,232	1,676,396,499	1,708,773,123	1,636,459,487	1,634,918,512	1,633,906,805	
Gallons (month)	136,158,900	129,161,260	136,411,827	142,439,915	142,186,988	139,067,558	130,004,350	135,737,356	126,969,229	135,863,819	130,383,740	134,767,803	135,566,738	131,268,983	129,540,650	138,730,322	136,201,055	137,465,689	136,411,827	141,512,517	134,430,568	134,346,259	141,090,972	133,840,405	138,055,851	139,489,103	139,699,875	142,397,760	136,538,291	136,243,209	136,158,900	
Gallons (month)/Connection	9,825	9,320	9,843	10,278	10,260	10,034	9,381	9,794	9,162	9,803	9,406	9,724	9,782	9,472	9,347	10,010	9,828	9,919	9,843	10,211	9,700	9,694	10,180	9,657	9,961	10,065	10,080	10,275	9,852	9,831	9,825	
Gallons/Day/DU (1)	323	306.4	323.6	337.9	337.3	329.9	308.4	322	301.2	322.3	309.3	319.7	321.6	311.4	307.3	329.1	323.1	326.1	323.6	335.7	318.9	318.7	334.7	317.5	327.5	330.9	331.4	337.8	323.9	323.2	323	
Use rate - per 1,000 gallons (2)																																
First 7,000 gallons (2)	\$ 2.30	\$ 2.35	\$ 2.41	\$ 2.47	\$ 2.53	\$ 2.60	\$ 2.66	\$ 2.73	\$ 2.80	\$ 2.87	\$ 2.94	\$ 2.99	\$ 3.04	\$ 3.10	\$ 3.15	\$ 3.21	\$ 3.26	\$ 3.32	\$ 3.38	\$ 3.44	\$ 3.50	\$ 3.56	\$ 3.62	\$ 3.68	\$ 3.75	\$ 3.81	\$ 3.88	\$ 3.95	\$ 4.02	\$ 4.09	\$ 4.16	
7,001 - 14,000 gallons (2)	\$ 3.84	\$ 3.94	\$ 4.04	\$ 4.14	\$ 4.24	\$ 4.35	\$ 4.46	\$ 4.57	\$ 4.68	\$ 4.80	\$ 4.92	\$ 5.01	\$ 5.09	\$ 5.18	\$ 5.27	\$ 5.37	\$ 5.46	\$ 5.56	\$ 5.65	\$ 5.75	\$ 5.85	\$ 5.95	\$ 6.06	\$ 6.17	\$ 6.27	\$ 6.38	\$ 6.49	\$ 6.61	\$ 6.72	\$ 6.84	\$ 6.96	
14,001 gallons and up (2)	\$ 5.32	\$ 5.45	\$ 5.59	\$ 5.73	\$ 5.87	\$ 6.02	\$ 6.17	\$ 6.32	\$ 6.48	\$ 6.64	\$ 6.81	\$ 6.93	\$ 7.05	\$ 7.17	\$ 7.30	\$ 7.43	\$ 7.56	\$ 7.69	\$ 7.82	\$ 7.96	\$ 8.10	\$ 8.24	\$ 8.39	\$ 8.53	\$ 8.68	\$ 8.83	\$ 8.99	\$ 9.15	\$ 9.31	\$ 9.47	\$ 9.63	
Flow per Month per Connection																																
First 7,000 gallons (2)	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	
7,001 - 14,000 gallons (2)	2,824.58	2,319.67	2,842.83	3,277.79	3,259.54	3,034.46	2,380.50	2,794.17	2,161.50	2,803.29	2,407.88	2,724.21	2,782.00	2,471.75	2,347.04	3,010.13	2,827.63	2,918.88	2,842.83	3,210.88	2,699.88	2,693.79	3,180.46	2,657.29	2,961.46	3,064.88	3,080.08	3,274.75	2,851.96	2,830.67	2,824.58	
14,001 gallons and up (2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month
Base (1)	\$8.38	\$8.59	\$8.81	\$9.03	\$9.25	\$9.49	\$9.72	\$9.97	\$10.22	\$10.47	\$10.73	\$10.92	\$11.11	\$11.31	\$11.50	\$11.71	\$11.91	\$12.12	\$12.33	\$12.55	\$12.77	\$12.99	\$13.22	\$13.45	\$13.68	\$13.92	\$14.17	\$14.41	\$14.67	\$14.92	\$15.18	
Usage (1)	\$26.90	\$27.57	\$28.26	\$28.96	\$29.69	\$30.43	\$31.19	\$31.97	\$32.77	\$33.59	\$34.43	\$35.03	\$35.64	\$36.27	\$36.90	\$37.55	\$38.21	\$38.87	\$39.55	\$40.25	\$40.95	\$41.67	\$42.40	\$43.14	\$43.89	\$44.66	\$45.44	\$46.24	\$47.05	\$47.87	\$48.71	
Total	\$35.28	\$36.16	\$37.07	\$37.99	\$38.94	\$39.92	\$40.91	\$41.94	\$42.99	\$44.06	\$45.16	\$45.95	\$46.76	\$47.57	\$48.41	\$49.25	\$50.12	\$50.99	\$51.89	\$52.79	\$53.72	\$54.66	\$55.61	\$56.59	\$57.58	\$58.58	\$59.61	\$60.65	\$61.71	\$62.79	\$63.89	
Usage - \$/1000 gal	\$3.06	\$2.51	\$2.88	\$3.00	\$3.08	\$3.13	\$3.12	\$3.25	\$3.24	\$3.42	\$3.45	\$3.56	\$3.63	\$3.64	\$3.68	\$3.86	\$3.89	\$3.98	\$4.03	\$4.16	\$4.15	\$4.22	\$4.38	\$4.37	\$4.50	\$4.60	\$4.68	\$4.80	\$4.80	\$4.88	\$4.96	
Annual Residential Revenue	\$ 6,396,803	\$ 5,326,835	\$ 6,182,489	\$ 6,636,476	\$ 6,789,511	\$ 6,796,457	\$ 6,481,570	\$ 6,957,939	\$ 6,639,129	\$ 7,317,470	\$ 7,176,841	\$ 7,565,818	\$ 7,747,180	\$ 7,615,318	\$ 7,639,206	\$ 8,364,654	\$ 8,345,315	\$ 8,575,668	\$ 8,654,254	\$ 9,157,761	\$ 8,820,661	\$ 8,968,998	\$ 9,616,356	\$ 9,248,236	\$ 9,727,402	\$ 10,007,409	\$ 10,198,965	\$ 10,591,383	\$ 10,303,959	\$ 10,460,053	\$ 10,636,061	

Commercial																																								
Connections (1)	533	537	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539									
5/8"	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14								
3/4"	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396	396								
1"	34	36	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37									
1 1/2"	83	85	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86								
2"	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2									
3"	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4									
Gallons (annual)	63,556,538	67,229,715	68,798,230	58,548,336	59,177,888	64,470,060	65,434,061	69,801,578	68,129,331	62,443,689	70,214,722	59,138,541	65,650,470	63,388,017	68,601,495	58,351,601	58,135,193	59,354,950	68,326,066	66,673,492	66,693,165	57,899,111	70,136,028	59,728,746	59,728,746	65,001,244	68,758,883	65,237,326	60,614,054	69,998,313	63,250,303									
Gallons (month)	5,296,378	5,602,476	5,733,186	4,879,028	4,931,491	5,372,505	5,452,838	5,816,798	5,677,444	5,203,641	5,851,227	4,928,212	5,470,872	5,282,335	5,716,791	4,862,633	4,844,599	4,946,246	5,693,839	5,556,124	5,557,764	4,824,926	5,977,396	5,416,770	5,729,907	5,436,444	5,051,171	5,833,193	5,270,859	5,270,859										
Gallons (month)/Connection	9,946	10,433	10,637	9,052	9,149	9,968	10,117	10,792	10,533	9,654	10,856	9,143	10,150	9,800	10,606	9,022	9,898	9,177	10,564	10,308	10,311	8,952	10,844	9,235	9,235	10,050	10,631	10,086	9,371	10,822	9,779									
Gallons/Day/Connection (1)	327	343	349.7	297.6	300.8	327.7	332.6	354.8	346.3	317.4	356.9	300.6	333.7	322.2	348.7	296.6	295.5	301.7	347.3	338.9	339	294.3	356.5	303.6	303.6	330.4	349.5	331.6	308.1	355.8	321.5									
Use rate per 1,000 gallons (2)																																								
First 30,000 gallons (2)	\$ 2.30	\$ 2.35	\$ 2.41	\$ 2.47	\$ 2.53	\$ 2.60	\$ 2.66	\$ 2.73	\$ 2.80	\$ 2.87	\$ 2.94	\$ 3.01	\$ 3.09	\$ 3.17	\$ 3.24	\$ 3.33	\$ 3.41	\$ 3.49	\$ 3.58	\$ 3.67	\$ 3.76	\$ 3.86	\$ 3.95	\$ 4.05	\$ 4.15	\$ 4.26	\$ 4.36	\$ 4.47	\$ 4.58	\$ 4.70	\$ 4.82									
30,001 - 60,000 (2)	\$ 3.84	\$ 3.94	\$ 4.04	\$ 4.14	\$ 4.24	\$ 4.35	\$ 4.46	\$ 4.57	\$ 4.68	\$ 4.80	\$ 4.92	\$ 5.04	\$ 5.17	\$ 5.30	\$ 5.43	\$ 5.57	\$ 5.71	\$ 5.85	\$ 5.99	\$ 6.14	\$ 6.30	\$ 6.46	\$ 6.62	\$ 6.78	\$ 6.95	\$ 7.13	\$ 7.30	\$ 7.49	\$ 7.67	\$ 7.87	\$ 8.06									
60,001 and up (2)	\$ 5.32	\$ 5.45	\$ 5.59	\$ 5.73	\$ 5.87	\$ 6.02	\$ 6.17	\$ 6.32	\$ 6.48	\$ 6.64	\$ 6.81	\$ 6.98	\$ 7.15	\$ 7.33	\$ 7.52	\$ 7.70	\$ 7.90	\$ 8.09	\$ 8.30	\$ 8.50	\$ 8.72	\$ 8.93	\$ 9.16	\$ 9.39	\$ 9.62	\$ 9.86	\$ 10.11	\$ 10.36	\$ 10.62	\$ 10.89	\$ 11.16									
Flow per Month per Connection																																								
First 30,000 gallons (2)	7,000	7,001	7,002	7,003	7,004	7,005	7,006	7,007	7,008	7,009	7,010	7,011	7,012	7,013	7,014	7,015	7,016	7,017	7,018	7,019	7,020	7,021	7,022	7,023	7,024	7,025	7,026	7,027	7,028	7,029	7,030									
30,001 - 60,000 (2)	2,946	3,432	3,635	2,049	2,145	2,963	3,111	3,785	3,525	2,645	3,846	2,132	3,138	2,787	3,592	2,007	1,972	2,160	3,546	3,289	3,291	1,931	3,822	2,212	2,211	3,025	3,605	3,059	2,343	3,793	2,749									
60,001 and up (2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0									
Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month	Per Month									
Base (2)	\$8.38	\$8.59	\$8.81	\$9.03	\$9.25	\$9.49	\$9.72	\$9.97	\$10.22	\$10.47	\$10.73	\$10.92	\$11.11	\$11.31	\$11.50	\$11.71	\$11.91	\$12.12	\$12.33	\$12.55	\$12.77	\$12.99	\$13.22	\$13.45	\$13.68	\$13.92	\$14.17	\$14.41	\$14.67	\$14.92	\$15.18									
Base (2)	\$12.58	\$12.89	\$13.21	\$13.54	\$13.88	\$14.23	\$14.59	\$14.95	\$15.32	\$15.71	\$16.10	\$16.38	\$16.67	\$16.96	\$17.26	\$17.56	\$17.87	\$18.18	\$18.50	\$18.82	\$19.15	\$19.48	\$19.83	\$20.17	\$20.53	\$20.88	\$21.25	\$21.62	\$22.00	\$22.39	\$22.78									
Base (2)	\$20.96	\$21.49	\$22.02	\$22.57	\$23.14	\$23.72	\$24.31	\$24.96	\$25.54	\$26.18	\$26.83	\$27.30	\$27.78	\$28.27	\$28.76	\$29.26	\$29.75	\$30.30	\$30.83	\$31.37	\$31.92	\$32.47	\$33.04	\$33.62	\$34.21	\$34.81	\$35.42	\$36.04	\$36.67	\$37.31	\$37.96									
Base (2)	\$41.92	\$42.97	\$44.04	\$45.15	\$46.27	\$47.43	\$48.62	\$49.83	\$51.08	\$52.36	\$53.66	\$54.60	\$55.56	\$56.53	\$57.52	\$58.53	\$59.55	\$60.59	\$61.65	\$62.73	\$63.83	\$64.95	\$66.08	\$67.24	\$68.42	\$69.61	\$70.83	\$72.07	\$73.33	\$74.62	\$75.92									
Base (2)	\$67.08	\$68.75	\$70.47	\$72.23	\$74.04	\$75.89	\$77.79	\$79.73	\$81.73	\$83.77	\$85.86	\$87.37	\$88.89	\$90.45	\$92.03	\$93.64	\$95.28	\$96.95	\$98.65	\$100.37	\$102.13	\$103.92	\$105.74	\$107.59	\$109.47	\$111.38	\$113.33	\$115.32	\$117.33	\$119.39	\$121.48									
Base (2)	\$134.14	\$137.50	\$140.93	\$144.46	\$148.07	\$151.77	\$155.56	\$159.45	\$163.44	\$167.52	\$171.71	\$174.72	\$177.78	\$180.89	\$184.05	\$187.27	\$190.55	\$193.88	\$197.28	\$200.73	\$204.24	\$207.82	\$211.45	\$215.15	\$218.92	\$222.75	\$226.65	\$230.62	\$234.65	\$238.76	\$242.94									
Base (wtd avg)	\$18.71	\$19.25	\$19.78	\$20.28	\$20.75	\$21.30	\$21.84	\$22.38	\$22.94	\$23.52	\$24.10	\$24.53	\$24.96	\$25.39	\$25.84	\$26.29	\$26.75	\$27.22	\$27.69	\$28.18	\$28.67	\$29.17	\$29.68	\$30.20	\$30.73	\$31.27	\$31.82	\$32.37	\$32.94	\$33.52	\$34.10									
Usage	\$21.71	\$22.17	\$22.68	\$23.24	\$23.83	\$24.42	\$25.03	\$25.66	\$26.30	\$26.96	\$27.63	\$28.11	\$28.61	\$29.11	\$29.62	\$30.13	\$30.66	\$31.20	\$31.74	\$32.30	\$32.86	\$33.44	\$34.02	\$34.62	\$35.23	\$35.84	\$36.47	\$37.11	\$37.76	\$38.42	\$39.09									
Total	\$40.41	\$41.43	\$42.46	\$43.52	\$44.61	\$45.73	\$46.87	\$48.04	\$49.24	\$50.47	\$51.73	\$52.64	\$53.56	\$54.50	\$55.45	\$56.42	\$57.41	\$58.41	\$59.44	\$60.48	\$61.53	\$62.61	\$63.71	\$64.82	\$65.96	\$67.11	\$68.29	\$69.48	\$70.70	\$71.93	\$73.19									
Usage - \$/1000 gal	\$2.75	\$2.88	\$2.97	\$3.02	\$3.08	\$3.12	\$3.17	\$3.23	\$3.30	\$3.37	\$3.44	\$3.49	\$3.53	\$3.57	\$3.62	\$3.67	\$3.72	\$3.77	\$3.82	\$3.87	\$3.92	\$3.97	\$4.02	\$4.07	\$4.12	\$4.17	\$4.22	\$4.27	\$4.32	\$4.37	\$4.42									
Annual Commercial Revenue	\$ 294,594	\$ 317,367	\$ 332,145	\$ 298,010	\$ 308,120	\$ 338,827	\$ 351,583	\$ 380,316	\$ 381,980	\$ 364,224	\$ 411,553	\$ 364,799	\$ 406,378	\$ 403,325	\$ 440,478	\$ 393,162	\$ 400,466	\$ 416,299	\$ 479,151	\$ 479,616	\$ 490,347	\$ 444,425	\$ 535,078	\$ 476,408	\$ 486,835	\$ 535,069	\$ 474,356	\$ 560,787	\$ 537,737	\$ 623,378	\$ 582,909									

Valuation
Sumter Water Conservation Authority, LLC

Connections / Flows / \$ Rates Forecast

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031		FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051
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**additional revenues from other sources included in Exhibit C
(1) Source: 2021 Preliminary Engineer's Report for the Sale of Sumter Water Conservation Authority, LLC Irrigation and Fire Protection Systems, Clymer Farmer Barley, Inc. (June 11, 2021)
(2) Source: SWCA - Schedule A Rate Schedule
(3) Source: PFM Group Consulting LLC - calculated rates



Exhibit C – Revenues and Expenses Detail

Valuation		Pro Forma																																			
Sumter Water Conservation Authority, LLC		Year Ended Sept 30,																																			
SWCA		Est	Est*	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est																			
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036																		
Total Revenues (4):																																					
Irrigation - Operating Revenue																																					
Metered Residential Irrigation Rev	\$	6,407,714	\$	6,429,421	\$	6,396,803	\$	4,439,029	\$	6,182,489	\$	6,636,476	\$	6,789,511	\$	6,796,457	\$	6,481,570	\$	6,957,939	\$	6,639,129	\$	7,317,470	\$	7,176,841	\$	7,565,818	\$	7,747,180	\$	7,615,318	\$	7,639,206	\$	8,364,654	
Metered Commercial Irrigation Rev	\$	273,165	\$	249,585	\$	294,594	\$	264,473	\$	332,145	\$	298,010	\$	308,120	\$	338,827	\$	351,583	\$	380,316	\$	381,980	\$	364,224	\$	411,553	\$	364,799	\$	406,378	\$	403,325	\$	440,478	\$	393,162	
Fire Protection Rev	\$	71,267	\$	86,044	\$	96,212	\$	82,181	\$	101,082	\$	103,609	\$	106,200	\$	108,855	\$	111,576	\$	114,365	\$	117,225	\$	120,155	\$	123,159	\$	125,314	\$	127,507	\$	129,739	\$	132,009	\$	134,319	
Comm Bulk Irrigation Rev	\$	151,274	\$	156,848	\$	150,735	\$	123,653	\$	159,099	\$	169,979	\$	164,673	\$	165,855	\$	181,698	\$	189,039	\$	192,798	\$	189,792	\$	195,348	\$	198,727	\$	207,829	\$	213,559	\$	200,425	\$	214,464	
Bulk Golf Course Irrigation Rev	\$	214,292	\$	202,277	\$	173,295	\$	149,220	\$	180,636	\$	190,235	\$	195,277	\$	203,159	\$	192,556	\$	213,612	\$	203,774	\$	214,625	\$	222,063	\$	230,074	\$	228,797	\$	238,310	\$	240,448	\$	236,603	
Metered Residential Construction Irrigation Rev	\$	34,949	\$	75	\$	611	\$	343	\$	477	\$	410	\$	443	\$	426	\$	435	\$	431	\$	433	\$	432	\$	432	\$	432	\$	432	\$	432	\$	432	\$	432	
Misc. Rev - Reconnect Fee	\$	7,890	\$	5,789	\$	5,077	\$	5,433	\$	5,255	\$	5,344	\$	5,299	\$	5,322	\$	5,311	\$	5,316	\$	5,313	\$	5,315	\$	5,314	\$	5,314	\$	5,314	\$	5,314	\$	5,314	\$	5,314	
CIAC Residential	\$	143,284	\$	26,250	\$	39,600	\$	32,925	\$	36,263	\$	34,594	\$	35,428	\$	35,011	\$	35,220	\$	35,115	\$	35,167	\$	35,141	\$	35,154	\$	35,148	\$	35,151	\$	35,149	\$	35,150	\$	35,150	
CIAC Comm High Pressure	\$	-	\$	233,123	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
CIAC Meters	\$	10,260	\$	12,980	\$	12,778	\$	12,879	\$	12,828	\$	12,854	\$	12,841	\$	12,847	\$	12,844	\$	12,846	\$	12,845	\$	12,845	\$	12,845	\$	12,845	\$	12,845	\$	12,845	\$	12,845	\$	12,845	
Total Revenue	\$	7,314,095	\$	7,402,392	\$	7,169,704	\$	5,110,135	\$	7,010,274	\$	7,451,510	\$	7,617,792	\$	7,666,759	\$	7,372,792	\$	7,908,979	\$	7,588,665	\$	8,259,999	\$	8,182,710	\$	8,538,471	\$	8,771,434	\$	8,653,993	\$	8,706,307	\$	9,396,943	
Total Expenses (4):																																					
Contract Services	\$	455,889	\$	553,135	\$	573,877	\$	497,360	\$	620,705	\$	645,534	\$	671,355	\$	698,209	\$	726,138	\$	755,183	\$	785,390	\$	816,806	\$	849,478	\$	883,457	\$	918,796	\$	955,548	\$	993,769	\$	1,033,520	
Insurance - General	\$	21,387	\$	21,387	\$	21,384	\$	18,266	\$	22,467	\$	23,028	\$	23,604	\$	24,194	\$	24,799	\$	25,419	\$	26,054	\$	26,706	\$	27,373	\$	27,852	\$	28,340	\$	28,836	\$	29,340	\$	29,854	
Operating Supplies	\$	69,852	\$	58,575	\$	26,487	\$	22,624	\$	27,828	\$	28,523	\$	29,236	\$	29,967	\$	30,717	\$	31,484	\$	32,272	\$	33,078	\$	33,905	\$	34,499	\$	35,102	\$	35,717	\$	36,342	\$	36,978	
Professional fees	\$	516,540	\$	534,570	\$	575,372	\$	491,464	\$	604,500	\$	619,613	\$	635,103	\$	650,981	\$	667,255	\$	683,937	\$	701,035	\$	718,561	\$	736,525	\$	749,414	\$	762,529	\$	775,873	\$	789,451	\$	803,266	
Taxes & Licenses	\$	189	\$	139	\$	333	\$	284	\$	350	\$	359	\$	368	\$	377	\$	386	\$	396	\$	406	\$	416	\$	426	\$	434	\$	441	\$	449	\$	457	\$	465	
Utilities Expense	\$	388,353	\$	351,244	\$	335,714	\$	286,756	\$	352,710	\$	361,528	\$	370,566	\$	379,830	\$	389,326	\$	399,059	\$	409,035	\$	419,261	\$	429,743	\$	437,263	\$	444,915	\$	452,702	\$	460,624	\$	468,685	
Maintenance - general	\$	16,549	\$	16,714	\$	8,165	\$	6,974	\$	8,579	\$	8,793	\$	9,013	\$	9,238	\$	9,469	\$	9,706	\$	9,948	\$	10,197	\$	10,452	\$	10,635	\$	10,821	\$	11,011	\$	11,203	\$	11,399	
Maintenance - Equipment	\$	73,754	\$	119,568	\$	263,875	\$	225,393	\$	277,233	\$	284,164	\$	291,268	\$	298,550	\$	306,014	\$	313,664	\$	321,506	\$	329,543	\$	337,782	\$	343,693	\$	349,708	\$	355,828	\$	362,055	\$	368,390	
Real Estate Tax	\$	1,248	\$	1,451	\$	1,451	\$	1,240	\$	1,525	\$	1,563	\$	1,602	\$	1,642	\$	1,683	\$	1,725	\$	1,768	\$	1,812	\$	1,858	\$	1,890	\$	1,923	\$	1,957	\$	1,991	\$	2,026	
Total Operational Expense	\$	1,543,761	\$	1,656,783	\$	1,806,658	\$	1,550,361	\$	1,915,896	\$	1,973,104	\$	2,032,115	\$	2,092,988	\$	2,155,786	\$	2,220,573	\$	2,287,415	\$	2,356,381	\$	2,427,542	\$	2,489,138	\$	2,552,575	\$	2,617,918	\$	2,685,232	\$	2,754,583	
Add'l Renewal and Replacement (5)				\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	111,212	\$	105,634	\$	99,909	\$	94,045	\$	88,033	\$	99,420	\$	92,528	\$	85,454	\$	78,194	\$	70,741
Total Expense				\$	1,806,658	\$	1,550,361	\$	1,915,896			\$	1,973,104	\$	2,032,115	\$	2,092,988	\$	2,266,998	\$	2,326,206	\$	2,387,324	\$	2,450,426	\$	2,515,576	\$	2,588,557	\$	2,645,103	\$	2,703,373	\$	2,763,426	\$	2,825,325
Net Operating Income		\$	5,770,334	\$	5,745,610	\$	5,363,046	\$	3,559,774	\$	5,094,377	\$	5,478,406	\$	5,585,678	\$	5,573,771	\$	5,105,794	\$	5,582,772	\$	5,201,340	\$	5,809,573	\$	5,667,134	\$	5,949,913	\$	6,126,330	\$	5,950,620	\$	5,942,881	\$	6,571,619
*assumes closing on 12/1/21 (resulting in 10 months of FY 2022 revenues or 83.33%)																																					

(1) Source: 2021 Preliminary Engineer's Report for the Sale of Sumter Water Conservation Authority, LLC Irrigation and Fire Protection Systems, Clymer Farner Barley, Inc. (June 11, 2021)

(2) Source: SWCA - Schedule A Rate Schedule

(3) Source: PFM Group Consulting LLC - calculated rates

(4) Source: SWCA P&L Financials 2019, 2020 & 2021 YTD

(5) Source: 30-YR R&R Calculations for SWCA via Arnett Environmental LLC

Valuation
Sumter Water Conservation Authority, LLC

SWCA	Est 2037	Est 2038	Est 2039	Est 2040	Est 2041	Est 2042	Est 2043	Est 2044	Est 2045	Est 2046	Est 2047	Est 2048	Est 2049	Est 2050	Est 2051
Total Revenues (4):															
Irrigation - Operating Revenue															
Metered Residential Irrigation Rev	\$ 8,345,315	\$ 8,575,668	\$ 8,654,254	\$ 9,157,761	\$ 8,820,661	\$ 8,968,998	\$ 9,616,356	\$ 9,248,236	\$ 9,727,402	\$ 10,007,409	\$ 10,198,965	\$ 10,591,383	\$ 10,303,959	\$ 10,460,053	\$ 10,636,061
Metered Commercial Irrigation Rev	\$ 400,466	\$ 416,299	\$ 479,151	\$ 479,616	\$ 490,347	\$ 444,425	\$ 535,078	\$ 476,408	\$ 486,835	\$ 535,069	\$ 574,356	\$ 560,787	\$ 537,737	\$ 623,378	\$ 582,909
Fire Protection Rev	\$ 136,670	\$ 139,062	\$ 141,495	\$ 143,971	\$ 146,491	\$ 149,054	\$ 151,663	\$ 154,317	\$ 157,018	\$ 159,765	\$ 162,561	\$ 165,406	\$ 168,301	\$ 171,246	\$ 174,243
Comm Bulk Irrigation Rev	\$ 215,855	\$ 213,026	\$ 217,939	\$ 220,483	\$ 233,214	\$ 234,004	\$ 245,323	\$ 240,398	\$ 241,764	\$ 251,708	\$ 257,915	\$ 248,740	\$ 255,848	\$ 279,537	\$ 267,254
Bulk Golf Course Irrigation Rev	\$ 237,759	\$ 252,987	\$ 257,406	\$ 252,760	\$ 253,274	\$ 266,002	\$ 280,025	\$ 288,419	\$ 269,987	\$ 281,410	\$ 300,450	\$ 312,747	\$ 314,172	\$ 306,079	\$ 308,275
Metered Residential Construction Irrigation Rev	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432
Misc. Rev - Reconnect Fee	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314	\$ 5,314
CIAC Residential	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150	\$ 35,150
CIAC Comm High Pressure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIAC Meters	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845	\$ 12,845
Total Revenue	\$ 9,389,806	\$ 9,650,783	\$ 9,803,988	\$ 10,308,333	\$ 9,997,728	\$ 10,116,225	\$ 10,882,187	\$ 10,461,519	\$ 10,936,747	\$ 11,289,103	\$ 11,547,989	\$ 11,932,805	\$ 11,633,758	\$ 11,894,033	\$ 12,022,483
Total Expenses (4):															
Contract Services	\$ 1,074,861	\$ 1,117,855	\$ 1,162,570	\$ 1,209,072	\$ 1,257,435	\$ 1,307,733	\$ 1,360,042	\$ 1,414,444	\$ 1,471,022	\$ 1,529,862	\$ 1,591,057	\$ 1,654,699	\$ 1,720,887	\$ 1,789,723	\$ 1,861,312
Insurance - General	\$ 30,376	\$ 30,908	\$ 31,449	\$ 31,999	\$ 32,559	\$ 33,129	\$ 33,709	\$ 34,298	\$ 34,899	\$ 35,509	\$ 36,131	\$ 36,763	\$ 37,407	\$ 38,061	\$ 38,727
Operating Supplies	\$ 37,625	\$ 38,283	\$ 38,953	\$ 39,635	\$ 40,328	\$ 41,034	\$ 41,752	\$ 42,483	\$ 43,226	\$ 43,983	\$ 44,753	\$ 45,536	\$ 46,333	\$ 47,144	\$ 47,969
Professional fees	\$ 817,323	\$ 831,627	\$ 846,180	\$ 860,988	\$ 876,055	\$ 891,386	\$ 906,986	\$ 922,858	\$ 939,008	\$ 955,441	\$ 972,161	\$ 989,174	\$ 1,006,484	\$ 1,024,098	\$ 1,042,019
Taxes & Licenses	\$ 473	\$ 481	\$ 490	\$ 498	\$ 507	\$ 516	\$ 525	\$ 534	\$ 543	\$ 553	\$ 563	\$ 572	\$ 583	\$ 593	\$ 603
Utilities Expense	\$ 476,887	\$ 485,232	\$ 493,724	\$ 502,364	\$ 511,155	\$ 520,101	\$ 529,202	\$ 538,463	\$ 547,886	\$ 557,474	\$ 567,230	\$ 577,157	\$ 587,257	\$ 597,534	\$ 607,991
Maintenance - general	\$ 11,599	\$ 11,802	\$ 12,008	\$ 12,218	\$ 12,432	\$ 12,650	\$ 12,871	\$ 13,096	\$ 13,326	\$ 13,559	\$ 13,796	\$ 14,037	\$ 14,283	\$ 14,533	\$ 14,787
Maintenance - Equipment	\$ 374,837	\$ 381,397	\$ 388,071	\$ 394,863	\$ 401,773	\$ 408,804	\$ 415,958	\$ 423,237	\$ 430,644	\$ 438,180	\$ 445,848	\$ 453,650	\$ 461,589	\$ 469,667	\$ 477,886
Real Estate Tax	\$ 2,061	\$ 2,097	\$ 2,134	\$ 2,172	\$ 2,210	\$ 2,248	\$ 2,288	\$ 2,328	\$ 2,368	\$ 2,410	\$ 2,452	\$ 2,495	\$ 2,538	\$ 2,583	\$ 2,628
Total Operational Expense	\$ 2,826,043	\$ 2,899,683	\$ 2,975,579	\$ 3,053,809	\$ 3,134,455	\$ 3,217,600	\$ 3,303,332	\$ 3,391,742	\$ 3,482,922	\$ 3,576,971	\$ 3,673,990	\$ 3,774,084	\$ 3,877,361	\$ 3,983,935	\$ 4,093,922
Add'l Renewal and Replacement (5)	\$ 99,578	\$ 111,018	\$ 123,202	\$ 136,172	\$ 149,972	\$ 167,719	\$ 186,520	\$ 206,431	\$ 227,509	\$ 249,815	\$ 273,413	\$ 298,370	\$ 324,756	\$ 352,645	\$ 658,116
Total Expense	\$ 2,925,620	\$ 3,010,701	\$ 3,098,781	\$ 3,189,981	\$ 3,284,427	\$ 3,385,319	\$ 3,489,852	\$ 3,598,172	\$ 3,710,431	\$ 3,826,786	\$ 3,947,403	\$ 4,072,453	\$ 4,202,117	\$ 4,336,580	\$ 4,752,038
Net Operating Income	\$ 6,464,186	\$ 6,640,082	\$ 6,705,207	\$ 7,118,352	\$ 6,713,301	\$ 6,730,905	\$ 7,392,335	\$ 6,863,347	\$ 7,226,316	\$ 7,462,316	\$ 7,600,586	\$ 7,860,352	\$ 7,431,641	\$ 7,557,453	\$ 7,270,445

*assumes closing on 12/1/21 (resulting in 10 months of FY 2022 revenues)

(1) Source: 2021 Preliminary Engineer's Report for the Sale of Sumter Wat

(2) Source: SWCA - Schedule A Rate Schedule

(3) Source: PFM Group Consulting LLC - calculated rates

(4) Source: SWCA P&L Financials 2019, 2020 & 2021 YTD

(5) Source: 30-YR R&R Calculations for SWCA via Arnett Environmental LI



Exhibit D – Valuation Details (Gross & Net)

Valuation														
Sumter Water Conservation Authority, LLC														
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
Senior Debt														
Funds Available for Debt Service	\$ 1,337,088	\$ 3,559,774	\$ 5,094,377	\$ 5,478,406	\$ 5,585,678	\$ 5,573,771	\$ 5,105,794	\$ 5,582,772	\$ 5,201,340	\$ 5,809,573	\$ 5,667,134	\$ 5,949,913	\$ 6,126,330	
Debt Service Coverage	\$ 267,418	\$ 711,955	\$ 1,018,875	\$ 1,095,681	\$ 1,117,136	\$ 1,114,754	\$ 1,021,159	\$ 1,116,554	\$ 1,040,268	\$ 1,161,915	\$ 1,133,427	\$ 1,189,983	\$ 1,225,266	
Renewal & Replacement Fund (3% - SR)	\$ 40,113	\$ 106,793	\$ 152,831	\$ 164,352	\$ 167,570	\$ 167,213	\$ 153,174	\$ 167,483	\$ 156,040	\$ 174,287	\$ 170,014	\$ 178,497	\$ 183,790	
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	
Net Sr. Funds Available for Debt Service	\$ 1,029,558	\$ 2,741,026	\$ 3,922,671	\$ 4,218,373	\$ 4,300,972	\$ 4,291,804	\$ 3,931,461	\$ 4,298,735	\$ 4,005,032	\$ 4,473,371	\$ 4,363,694	\$ 4,581,433	\$ 4,717,274	
Subordinated Debt														
Funds Available for Debt Service	\$ 307,530	\$ 818,748	\$ 1,171,707	\$ 1,260,033	\$ 1,284,706	\$ 1,281,967	\$ 1,174,333	\$ 1,284,038	\$ 1,196,308	\$ 1,336,202	\$ 1,303,441	\$ 1,368,480	\$ 1,409,056	
Debt Service Coverage	\$ 15,377	\$ 40,937	\$ 58,585	\$ 63,002	\$ 64,235	\$ 64,098	\$ 58,717	\$ 64,202	\$ 59,815	\$ 66,810	\$ 65,172	\$ 68,424	\$ 70,453	
Renewal & Replacement Fund (4% - SUB)	\$ 12,301	\$ 32,750	\$ 46,868	\$ 50,401	\$ 51,388	\$ 51,279	\$ 46,973	\$ 51,362	\$ 47,852	\$ 53,448	\$ 52,138	\$ 54,739	\$ 56,362	
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	
Net Subordinate Funds Available for Debt Service	\$ 279,853	\$ 745,061	\$ 1,066,253	\$ 1,146,630	\$ 1,169,082	\$ 1,166,590	\$ 1,068,643	\$ 1,168,474	\$ 1,088,641	\$ 1,215,944	\$ 1,186,131	\$ 1,245,317	\$ 1,282,241	
Total Funds Available for Debt Service	\$ 1,309,410	\$ 3,486,087	\$ 4,988,924	\$ 5,365,003	\$ 5,470,054	\$ 5,458,394	\$ 5,000,104	\$ 5,467,209	\$ 5,093,673	\$ 5,689,314	\$ 5,549,825	\$ 5,826,750	\$ 5,999,515	

PV of Funds Available for Debt Service thru 2051 \$109,803,948.78

*includes value of subordinated DSC at equity rate of 15%

Par Value of Series 2021 SWCA	\$ 109,800,000		
Other Fund Deposits:			
Renewal & Replacement Fund	\$ 148,048	2%	of prior year gross revenue
Operating Reserve	\$ 276,130	2	Months of operating expenses (2020)
SR Debt Service Reserve Fund (15% MADS)	\$ 725,075		
SUB Debt Service Reserve Fund (50% MADS)	\$ 301,250		
Delivery Date Expenses:			
Cost of Issuance	\$ 447,450	0.50%	percent of par
Underwriter's Discount	\$ 671,175	0.75%	percent of par
Surety Policy @ 1.5% of 85% of MADS	\$ 69,398		
Bond Insurance @ 0.147% of Total DS	\$ 308,252		
Rounding	=====		
Acquisition Fund	\$ 106,850,000		

Assumptions	
(1) Growth rate in revenue 2021 to 2031	2.50%
(2) Growth rate in revenue after 2031	1.75%
(3) Discount Rate	3.50%
(4) Senior Coverage	20.00%
(5) Subordinate Coverage	5.00%
(6) R&R Fund (3% of SR)	3.00%
(7) R&R Fund (4% of SUB)	4.00%
(8) Discount Rate of Subordinated DSC	15.00%

Valuation														
Sumter Water Conservation Authority, LLC														
	FY 2021	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	
Senior Debt														
Funds Available for Debt Service	\$ 1,337,088	\$ 5,950,620	\$ 5,942,881	\$ 6,571,619	\$ 6,464,186	\$ 6,640,082	\$ 6,705,207	\$ 7,118,352	\$ 6,713,301	\$ 6,730,905	\$ 7,392,335	\$ 6,863,347	\$ 7,226,316	
Debt Service Coverage	\$ 267,418	\$ 1,190,124	\$ 1,188,576	\$ 1,314,324	\$ 1,292,837	\$ 1,328,016	\$ 1,341,041	\$ 1,423,670	\$ 1,342,660	\$ 1,346,181	\$ 1,478,467	\$ 1,372,669	\$ 1,445,263	
Renewal & Replacement Fund (3% - SR)	\$ 40,113	\$ 178,519	\$ 178,286	\$ 197,149	\$ 193,926	\$ 199,202	\$ 201,156	\$ 213,551	\$ 201,399	\$ 201,927	\$ 221,770	\$ 205,900	\$ 216,789	
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	
Net Sr. Funds Available for Debt Service	\$ 1,029,558	\$ 4,581,978	\$ 4,576,019	\$ 5,060,146	\$ 4,977,423	\$ 5,112,863	\$ 5,163,009	\$ 5,481,131	\$ 5,169,242	\$ 5,182,797	\$ 5,692,098	\$ 5,284,777	\$ 5,564,263	
Subordinated Debt														
Funds Available for Debt Service	\$ 307,530	\$ 1,368,643	\$ 1,366,863	\$ 1,511,472	\$ 1,486,763	\$ 1,527,219	\$ 1,542,198	\$ 1,637,221	\$ 1,544,059	\$ 1,548,108	\$ 1,700,237	\$ 1,578,570	\$ 1,662,053	
Debt Service Coverage	\$ 15,377	\$ 68,432	\$ 68,343	\$ 75,574	\$ 74,338	\$ 76,361	\$ 77,110	\$ 81,861	\$ 77,203	\$ 77,405	\$ 85,012	\$ 78,928	\$ 83,103	
Renewal & Replacement Fund (4% - SUB)	\$ 12,301	\$ 54,746	\$ 54,675	\$ 60,459	\$ 59,471	\$ 61,089	\$ 61,688	\$ 65,489	\$ 61,762	\$ 61,924	\$ 68,009	\$ 63,143	\$ 66,482	
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	
Net Subordinate Funds Available for Debt Service	\$ 279,853	\$ 1,245,465	\$ 1,243,845	\$ 1,375,440	\$ 1,352,954	\$ 1,389,769	\$ 1,403,400	\$ 1,489,871	\$ 1,405,094	\$ 1,408,778	\$ 1,547,216	\$ 1,436,499	\$ 1,512,468	
Total Funds Available for Debt Service	\$ 1,309,410	\$ 5,827,442	\$ 5,819,864	\$ 6,435,586	\$ 6,330,377	\$ 6,502,632	\$ 6,566,409	\$ 6,971,002	\$ 6,574,336	\$ 6,591,576	\$ 7,239,314	\$ 6,721,276	\$ 7,076,731	

PV of Funds Available for Debt Service thru 2051 \$109,803,948.78

*includes value of subordinated DSC at equity rate of 15%

Par Value of Series 2021 SWCA	\$ 109,800,000
Other Fund Deposits:	
Renewal & Replacement Fund	\$ 148,048
Operating Reserve	\$ 276,130
SR Debt Service Reserve Fund (15% MADS)	\$ 725,075
SUB Debt Service Reserve Fund (50% MADS)	\$ 301,250
Delivery Date Expenses:	
Cost of Issuance	\$ 447,450
Underwriter's Discount	\$ 671,175
Surety Policy @ 1.5% of 85% of MADS	\$ 69,398
Bond Insurance @ 0.147% of Total DS	\$ 308,252
Rounding	
	=====
Acquisition Fund	\$ 106,850,000

Assumptions

(1) Growth rate in revenue 2021 to 2031	2.50%
(2) Growth rate in revenue after 2031	1.75%
(3) Discount Rate	3.50%
(4) Senior Coverage	20.00%
(5) Subordinate Coverage	5.00%
(6) R&R Fund (3% of SR)	3.00%
(7) R&R Fund (4% of SUB)	4.00%
(8) Discount Rate of Subordinated DSC	15.00%

Valuation
Sumter Water Conservation Authority, LLC

Sumter Water Conservation Authority, LLC		FY		FY		FY		FY		FY		FY		FY
		2021		2046		2047		2048		2049		2050		2051
Senior Debt														
Funds Available for Debt Service	\$	1,337,088	\$	7,462,316	\$	7,600,586	\$	7,860,352	\$	7,431,641	\$	7,557,453	\$	7,270,445
Debt Service Coverage	\$	267,418	\$	1,492,463	\$	1,520,117	\$	1,572,070	\$	1,486,328	\$	1,511,491	\$	1,454,089
Renewal & Replacement Fund (3% - SR)	\$	40,113	\$	223,869	\$	228,018	\$	235,811	\$	222,949	\$	226,724	\$	218,113
		=====		=====		=====		=====		=====		=====		=====
Net Sr. Funds Available for Debt Service	\$	1,029,558	\$	5,745,984	\$	5,852,451	\$	6,052,471	\$	5,722,364	\$	5,819,239	\$	5,598,243

Subordinated Debt

Funds Available for Debt Service	\$	307,530	\$	1,716,333	\$	1,748,135	\$	1,807,881	\$	1,709,277	\$	1,738,214	\$	1,672,202
Debt Service Coverage	\$	15,377	\$	85,817	\$	87,407	\$	90,394	\$	85,464	\$	86,911	\$	83,610
Renewal & Replacement Fund (4% - SUB)	\$	12,301	\$	68,653	\$	69,925	\$	72,315	\$	68,371	\$	69,529	\$	66,888
		=====		=====		=====		=====		=====		=====		=====
Net Subordinate Funds Available for Debt Service	\$	279,853	\$	1,561,863	\$	1,590,803	\$	1,645,172	\$	1,555,443	\$	1,581,775	\$	1,521,704
Total Funds Available for Debt Service	\$	1,309,410	\$	7,307,846	\$	7,443,254	\$	7,697,642	\$	7,277,806	\$	7,401,014	\$	7,119,947

PV of Funds Available for Debt Service thru 2051 **\$109,803,948.78**

*includes value of subordinated DSC at equity rate of 15%

Par Value of Series 2021 SWCA	\$	109,800,000
Other Fund Deposits:		
Renewal & Replacement Fund	\$	148,048
Operating Reserve	\$	276,130
SR Debt Service Reserve Fund (15% MADS)	\$	725,075
SUB Debt Service Reserve Fund (50% MADS)	\$	301,250
Delivery Date Expenses:		
Cost of Issuance	\$	447,450
Underwriter's Discount	\$	671,175
Surety Policy @ 1.5% of 85% of MADS	\$	69,398
Bond Insurance @ 0.147% of Total DS	\$	308,252
Rounding		=====
Acquisition Fund	\$	106,850,000

Assumptions

(1) Growth rate in revenue 2021 to 2031	2.50%
(2) Growth rate in revenue after 2031	1.75%
(3) Discount Rate	3.50%
(4) Senior Coverage	20.00%
(5) Subordinate Coverage	5.00%
(6) R&R Fund (3% of SR)	3.00%
(7) R&R Fund (4% of SUB)	4.00%
(8) Discount Rate of Subordinated DSC	15.00%



Exhibit E – Engineer’s Report

**2021 PRELIMINARY ENGINEER'S REPORT
FOR THE SALE OF
SUMTER WATER CONSERVATION AUTHORITY, LLC
IRRIGATION AND FIRE PROTECTION SYSTEMS**

June 11, 2021

Prepared for:

**SUMTER WATER CONSERVATION AUTHORITY, LLC
3619 Kiessel Road
The Villages, FL 32163**

Certified to:

**Wildwood Utility Dependent District
984 Old Mill Run
The Villages, FL 32162**

Engineer for Utility:

**CLYMER FARNER BARLEY, INC.
4450 NE 83rd ROAD
WILDWOOD, FL 34785
EB#4709**

**PRELIMINARY ENGINEER’S REPORT FOR THE SALE OF
SUMTER WATER CONSERVATION AUTHORITY, LLC
IRRIGATION AND FIRE PROTECTION SYSTEMS**

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EXHIBIT 1	SWCA SERVICE AREA
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EXHIBIT 3	SWCA STORMWATER TRANSFER SYSTEM
EXHIBIT 4	SWCA EFFLUENT SYSTEM

APPENDIX B – TABLES

TABLE 1	SWCA 2020-2021 IRRIGATION RATES AND CHARGES
TABLE 2	SWCA HISTORICAL AND PROJECTED IRRIGATION DEMANDS
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1. INTRODUCTION

The purpose of this report is to provide an overview of the following systems for purchase by the North Sumter County Utility Dependent District (NSCUDD):

- Sumter Water Conservation Authority, LLC (SWCA) – Irrigation and Fire Protection Systems

Through the systems to be acquired, NSCUDD will provide irrigation and fire protection services to a portion of a development known as The Villages. The Villages is a large-scale development owned and developed by The Villages Land Company, Inc. (the Developer), and is located in portions of Lake, Sumter, and Marion Counties.

The SWCA Service Area is essentially built-out and covers 6,317 acres and serves 13,859 age restricted development (ARD) residential dwelling units (DU), 530 general commercial connections, 54 bulk commercial connections, 47 fire protection service connections, and six (6) golf courses. Only nine (9) commercial connections are estimated to be remaining.

Certain matters reflected herein are not purely historical and are projections or forward-looking statements. All projections and forward-looking statements included herein are based on information available on the date hereof and are based on various assumptions and estimates and are inherently subject to various risks and uncertainties; including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties. Assumptions related to the foregoing involve judgements with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of NSCUDD and SWCA. Actual results could differ materially from those in such projections and forward-looking statements and, therefore, there can be no assurance that the projections and forward-looking statements included herein will prove to be accurate.

2. ENGINEER'S CERTIFICATION

As Project Engineer for SWCA and the Consulting Engineer for The Developer, Clymer Farner Barley, Inc. has the background, knowledge, and experience necessary to confirm the validity of the contents of this certification. It is our belief that the information contained in this certification is an accurate representation of the matters set forth herein.

Woodrow Lee Clymer Jr., P.E.
Florida Certificate No. 69780
CLYMER FARNER BARLEY, Inc.

3. BACKGROUND OF SYSTEM

3.1. SERVICE AREA

Sumter Water Conservation Authority, LLC (SWCA) owns and operates a combined irrigation and fire protection system within approximately 6,317 acres currently located wholly within unincorporated Sumter County, the City of Wildwood, and the City of Fruitland Park, referred to herein as the SWCA Service Area.

The SWCA Service Area is part of a portion of The Villages known as The Villages of Sumter Development of Regional Impact (DRI), located within the unincorporated region of Sumter County, the City of Wildwood, and the City of Fruitland Park, lying between County Road (CR) 466A and State Road 44 and currently consists of 13,859 residential DUs, 530 general commercial connections, 54 bulk commercial connections, 47 fire protection service connections, and six (6) golf courses. See Exhibit 1 located in Appendix A for an illustration of the SWCA Service Area.

The SWCA Service Area currently consists of eight (8) high-service irrigation pump stations, five (5) lower Floridan Aquifer irrigation wells, and approximately 145 miles of irrigation mains.

The SWCA system is not regulated by the Florida Public Service Commission (FPSC) or the Florida Department of Environmental Protection (FDEP). Permits to construct and develop the SWCA system were obtained through the City of Wildwood, the City of Fruitland Park, and Sumter County.

3.2. GENERAL DESCRIPTION

SWCA is responsible for the supply and distribution of water necessary to satisfy the required irrigation and fire protection demands for the residential and commercial properties, as well as the irrigation needs of a portion of the roadway rights-of-way throughout the Service Area.

SWCA also provides irrigation water for the Service Area's golf courses (144 holes of golf consisting of 961 acres of maintained turf) via a low-pressure, bulk water delivery system (Low Pressure Bulk System). The Low Pressure Bulk System supplies reclaimed water and lower Floridan groundwater to three (3) golf course pumping station holding ponds located throughout the Service Area. Lower Floridan groundwater is only used in the event that available reclaimed water supplies are not sufficient to meet the daily irrigation demands.

Construction of the SWCA irrigation and fire protection systems infrastructure began in 2011. The infrastructure is 10 years old or less and is in excellent condition. No substantial repairs or modifications are anticipated in the near future. The irrigation and fire protection infrastructure throughout the Service Area is 100% complete.

Exhibit 2 indicates that there are four (4) interconnect mains constructed for connection to the existing North Sumter County Utility Dependent District (NSCUDD) system along CR 466A. A Utility Service Agreement exists between SWCA and NSCUDD that allows for the provision of emergency and reciprocal water services between the two (2) entities.

Clymer Farner Barley, Inc. (CFB) has been involved with the development at The Villages since 1992 and, during that time, has been involved in all aspects of the irrigation and fire protection systems. CFB is the Engineer for the SWCA irrigation and fire protection systems and it is our opinion that all irrigation and fire protection infrastructure has been designed and constructed utilizing industry standard components and are in excellent operating condition.

3.3. IRRIGATION AND FIRE PROTECTION SYSTEMS

The SWCA system consists of two (2) components: a high-pressure irrigation system (the Irrigation System) and a Low Pressure Bulk System. The Irrigation System is the infrastructure necessary to supply and distribute water to satisfy the required irrigation and fire protection demands for the residential and commercial properties as well as the irrigation needs of the roadway rights-of-way. This Irrigation System is similar in design and construction to the potable water system within the Service Area; however, the water supplying the Irrigation System is obtained from wells constructed into the Lower Floridan Aquifer and from stormwater collected within lined retention basins throughout the Service Area. The Low Pressure Bulk System supplies reclaimed water and Lower Floridan groundwater to golf course storage ponds located throughout the Service Area.

The Irrigation System provides irrigation and fire protection services to three (3) types of customers – residential, general commercial, and bulk commercial. Bulk commercial is classified as any customer whose anticipated daily demand is 10,000 gallons per day (GPD) or greater. Bulk commercial customers consist primarily of roadway rights-of-way and large commercial facilities.

3.3.1. WATER SUPPLY SOURCES

The water supply for the SWCA High Pressure Irrigation System service system is obtained from two (2) sources; stormwater runoff from the Service Area and groundwater pumped via wells installed into the Lower Floridan Aquifer. It is understood that the amount of stormwater runoff is directly related to the amount of rainfall; therefore, the availability of stormwater to supply irrigation needs will vary from year to year. As a result, the groundwater wells are sized to accommodate total system demands during severe drought conditions.

Stormwater is the preferred water supply source for the Irrigation System. The stormwater is collected in lined retention basins constructed throughout the Service Area. The basins perform the dual purpose of providing stormwater treatment and retention as required by the Southwest Florida Water Management District (SWFWMD), as well as

providing a water source for the Irrigation System.

Collection of stormwater from the numerous lined retention basins is typically accomplished through a gravity flow system. However, in locations where holding basins are at higher elevations than the basin located adjacent to the pump stations, collection of stormwater is controlled via manually and remotely operated bleed down valves and level monitoring. The locations of the existing bleed down valves are shown on Exhibit 3.

In addition to the use of bleed down valves, there are five (5) locations where a stormwater pump station is used to deliver water from basins at lower elevations to the SWCA basin gravity flow system. A stormwater transfer pump station is used to pump stormwater from lower elevation holding basins to higher elevation holding basins. The transfer pump station consists of one (1) influent cage screen located in the stormwater holding basin, a wet well with a submersible pump, a valve vault with a check valve, a pump control panel, and associated influent and discharge piping. The locations of the existing stormwater transfer pump stations are shown on Exhibit 3.

The second water supply source is groundwater pumped from the Lower Floridan Aquifer. The groundwater is used to supplement the collected stormwater when the availability of stormwater is unable to satisfy the required irrigation demands. SWCA has five (5) water supply wells. The five (5) wells have a total rated pumping capacity of 16,400 gallons per minute (GPM). The groundwater wells have a total depth ranging from 980 feet to 1,000 feet with a continuous casing from the ground surface to depths ranging from 600 feet to 620 feet. The continuous casing ensures that the Upper Floridan Aquifer does not connect with the Lower Floridan Aquifer. A summary of the water supply wells and their respective capacity is listed below.

SUMMARY OF THE SWCA WATER SUPPLY SYSTEM

WELL ID NUMBER	FLORIDAN AQUIFER	WELL DEPTH (FT)	CASING DEPTH (FT)	WELL DIAMETER (INCHES)	WELL PUMPING CAPACITY (GPM)
1	Lower	980	600	16	3,200
2	Lower	1,000	620	16	3,200
3	Lower	1,000	600	16	3,500
4	Lower	1,000	600	16	3,500
5	Lower	1,000	620	16	3,000

The current Water Use Permit (WUP) (number 20013005.011) was originally issued on March 27, 2007 by SWFWMD and has been modified several times through 2021. The

WUP was issued under a joint application between the Village Center Community Development District (VCCDD), which includes the Little Sumter Service Area (LSSA), NSCUDD, and SWCA. The permit supersedes all previously issued WUP's. The WUP will expire on January 23, 2038. The SWFWMD WUP grants SWCA the following allocations:

- The Villages Combined WUP No. 20013005.011 allocates a total of 19.346 million gallons per day (MGD) of groundwater on an annual average basis.
- SWCA accounts for an estimated 2.947 MGD of the total. The permitted quantities within the WUP include only groundwater withdrawals.

3.3.2. HIGH SERVICE PUMP STATIONS

The SWCA Service Area is naturally divided into eight (8) major watersheds, which are dictated by the topography of the land. The watersheds were constructed with high service pump stations that withdraw water from a series of interconnected basins designed to collect stormwater runoff from the development.

Each high service pump station pressurizes the water within the distribution system to acceptable service pressures for irrigation and fire protection. A summary of the facility components is presented below:

- **Irrigation Pump Station Wells:** Each pump station, with the exception of SWCA Irrigation Pump Station Nos. 6, 7, and 8, have an associated well that pumps groundwater from the Lower Floridan Aquifer to the associated SWCA basin. SWCA Irrigation Pump Station Nos. 1, 3, and 4 also have the ability to pump groundwater to a golf course irrigation storage basin. Each well head is fitted with one (1) or two (2) meters to record the total water supplied by the well, as applicable.
- **High Service Pumps:** Each pump station is equipped with three (3) high service pumps to meet the Service Area's irrigation demands. The high service pumps (2,000 GPM pumps for SWCA Irrigation Pump Station Nos. 1, 2, 4, 5, 6, 7, and 8 and 2,200 GPM pumps for SWCA Irrigation Pump Station No. 3) are equipped with variable frequency drives, which provide the best combination of consistent pressures within the system with the lowest possible operational cost.
- **Auxiliary Pumps:** Each pump station is equipped with one (1) additional 500 GPM auxiliary pump to be utilized for redundancy and pressure maintenance demands.
- **Auxiliary Powered Generators:** Each pump station, with the exception of SWCA Irrigation Pump Station No. 7, is equipped with an auxiliary powered generator to provide continuous service during power outages.
- **Particulate Filters:** Each pump station is equipped with particulate filters with automatic backwash to enhance the water quality being delivered to the customer while reducing the potential of sprinkler head clogging.
- **Chlorination System:** Each pump station is equipped with a gas chlorination system to enhance the finished water quality prior to customer delivery.

- **Instrumentation:** Each pump station is equipped with instrumentation software to allow remote operation from the SWCA central operations/administration office, thereby reducing man-power required to operate the system.

Firm pumping capacity is defined as the total station maximum pumping capacity with the largest pumping unit out of service. The total firm pumping capacity of the SWCA irrigation pump stations is 52.42 MGD. A summary of the SWCA high service pump stations and their respective capacity is presented below:

SWCA PUMP STATION I.D.	FIRM CAPACITY (GPM)
1	4,500
2	4,500
3	4,900
4	4,500
5	4,500
6	4,500
7	4,500
8	4,500

3.3.3. IRRIGATION AND FIRE PROTECTION DISTRIBUTION SYSTEM

The SWCA irrigation and fire protection distribution system is served by approximately 145 miles of an interconnected network of pressurized water mains ranging in size from 4 inches to 16 inches in diameter. Irrigation and fire protection distribution mains within the SWCA Service Area are sized to provide sufficient pressures at all points in the system during peak hour demand (PHD) flows. All mains are constructed of either polyvinyl chloride (PVC) color-coded to denote non-potable lines, or ductile iron pipe (DIP) with identification tape attached to the pipe denoting a non-potable system.

The distribution system is designed to provide a pressure range of 40 to 75 pounds per square inch (PSI) at the point of service. The pressure range results from the elevation differences of the rolling topography within the Service Area.

All fire protection mains servicing fire hydrants are sized to provide the minimum fire flow requirements to the hydrant while maintaining a minimum service pressure of 20 PSI during PHD.

3.3.4. IRRIGATION DEMAND CRITERIA

Groundwater use allocations from the wells are permitted through SWFWMD by a WUP. The Villages Combined WUP No. 20013005, which includes SWCA, allocates 19.346 MGD of groundwater to be used for indoor and outdoor residential and commercial demands. A portion of the total allocation is also used to supplement golf course irrigation demands. Through the permitting process, the estimated use of groundwater for the SWCA irrigation demands was set at approximately 2.947 MGD. Permitted groundwater only accounts for a portion of the irrigation demand. Demand is also met by collected stormwater. Based on historical data from SWCA, this quantity is adequate given appropriate water use practices by SWCA customers. A table showing SWCA groundwater demands over the recent five (5) years is provided below.

The design criteria for the SWCA irrigation pump stations and distribution systems are based on a PHD of 20 GPM per residential DU. The maximum daily demand (MDD) for commercial properties and road rights-of-way is estimated to be 20,364 GPD per irrigated acre, which is based upon a maximum day application of $\frac{3}{4}$ " per application.

3.3.5. IRRIGATION SCHEDULE

An irrigation schedule for the residential DUs, commercial properties, and roadway rights-of-way was established to provide a cost effective and manageable irrigation system for the Service Area. The schedule also ensures an even distribution throughout the entire Service Area during the irrigation periods and eliminates concentrated water demands in any single portion of the Service Area. The schedule establishes the number of DUs irrigated each day of the week as well as the number of acres in commercial properties and roadway rights-of-way to be irrigated during the week. The schedule was based on the following criteria:

- The SWCA Service Area has 18 different irrigation schedules to minimize system demand.
- Each residential DU is irrigated up to two (2) days per week as a standard practice through The Villages. However, water conservation measures implemented by SWFWMD can reduce the irrigation application to one (1) day per week.
- Each residential DU has an irrigation window consisting of three (3) hours to meet daily allocation.
- The irrigation schedule for each residential DU is preprogrammed when the DU was constructed. However, individual residents have control of the irrigation system when they purchased the DU.
- The commercial properties and roadway rights-of-way are irrigated up to two (2) times per week unless one (1) day per week restrictions are in effect from SWFWMD.

3.3.6. FIRE PROTECTION

The SWCA system provides fire protection for all structures located within the Service Area, in accordance with the Land Development Regulations of: Sumter County, the City of Wildwood, the City of Fruitland Park, and the National Fire Protection Association (NFPA) requirements. The SWCA system provides a minimum fire flow demand of 1,000 GPM for residential subdivisions and 1,500 to 2,500 GPM for commercial developments, as required by local and state fire codes. All high service pump stations are equipped with an auxiliary high service pump to meet redundancy requirements. All SWCA Irrigation Pump Stations have three (3) high service pumps and one (1) jockey pump. All SWCA Irrigation Pump Stations, with the exception of SWCA Irrigation Pump Station No. 7, are also equipped with an auxiliary powered generator to provide uninterrupted service during power outages, and the storage capacity of the Service Area's on-site lined basins exceed the minimum volume required by NFPA for firefighting durations.

Fire hydrants are located throughout the Service Area to provide a maximum "hose lay" length of approximately 500 feet from the nearest public right-of-way to the center of any buildable lot or parcel in the development, as required by local codes. All fire hydrants are also tagged to indicate a non-potable water fire protection system.

3.4. LOW PRESSURE BULK WATER SYTEM

The Low Pressure Bulk System supplies reclaimed water and groundwater to golf course holding ponds located throughout the SWCA Service Area. Groundwater from the Lower Floridan Aquifer wells is only used to supplement golf course irrigation needs in the event that the reclaimed wastewater supply from the NSCUDD Wastewater Treatment Plants (WWTP) and the City of Wildwood is not sufficient to meet the daily irrigation demands.

The six (6) golf courses within the SWCA Service Area are shown in Exhibit 1. The golf courses provide a total of 144 holes and consist of 961 acres of maintained golf turf. The total golf course irrigation demand is approximately 1.682 MGD, based on an annual average daily demand (AADD).

3.4.1. WATER SUPPLY SOURCES

Reclaimed wastewater is the primary water supply source for the golf courses' irrigation demands within the SWCA Service Area. Reclaimed wastewater is provided from the NSCUDD WWTP and from the City of Wildwood. NSCUDD entered into an agreement on January 8, 2002 with the City of Wildwood to purchase a minimum of 1.5 MGD of reclaimed wastewater from the City of Wildwood WWTP. The agreement also allows the City of Wildwood to increase the capacity of reclaimed wastewater through 2024 to a maximum of 5.0 MGD; however, NSCUDD is only obligated to accept the minimum 1.5 MGD. The reclaimed wastewater from the City of Wildwood is conveyed via a 16-inch force main from the NSCUDD Service Area's western boundary to the effluent holding ponds at the NSCUDD WWTP. The 16-inch force main is maintained by NSCUDD. The

effluent holding ponds are owned by NSCUDD and maintained via a utility agreement between NSCUDD and SWCA. Reclaimed wastewater is distributed throughout the SWCA Service Area to storage ponds where reclaimed water is metered and utilized as a source of irrigation water. All three (3) golf course irrigation storage ponds are in service.

SCHEDULE OF RECLAIMED WASTEWATER FROM THE CITY OF WILDWOOD

YEAR	MINIMUM RATE (GPD)	MINIMUM RATE (GPD)
2004	700,000	1,000,000 ^a
2005	800,000	1,000,000 ^a
2006	900,000	1,500,000 ^a
2007-2009	1,000,000	2,000,000 ^{a,b}
2010-2013	1,500,000	2,000,000 ^{a,b}
2014-2018	1,500,000	5,000,000 ^{a,b}
2019-2024	1,500,000	5,000,000 ^{a,b}

^a Subject to acceptable by SWCA

^b Subject to availability by the City of Wildwood

The secondary source of irrigation water for the golf courses is groundwater from the Lower Floridan Aquifer. Groundwater is only utilized during times when the reclaimed water is insufficient to meet the golf course irrigation demands. Groundwater from the Lower Floridan Aquifer is provided from the same wells servicing the SWCA high pressure system.

3.4.2. LOW PRESSURE WATER DELIVERY SYSTEM

The SWCA Low Pressure Bulk System consists of an interconnected network of low-pressure, bulk water mains ranging in size from 8 inches to 12 inches in diameter.

Reclaimed wastewater is distributed throughout the Service Area to the golf courses irrigation storage basins via the effluent pump station located at the NSCUDD WWTP. The effluent pump station is equipped with four (4) variable speed pumps, each capable of pumping 1,100 GPM for a total pumping capacity of 6.34 MGD. Reclaimed water from the effluent pump station located at the NSCUDD WWTP is distributed to a total of 17 golf courses within the current NSCUDD and SWCA Service Areas. The 17 golf courses contain basins sufficiently sized to accommodate 15.6 days of wet weather storage from the WWTP using golf course basins only and 19.4 day or storage using golf course basins and rapid infiltration basins (RIBs). Distribution of reclaimed water is accomplished through a

low-pressure system to each of the golf course basins. Flow control is via a telemetry system, with the discharge line into each basin controlled via an automatically actuated valve, also equipped with a flow meter. This allows the operators to distribute reclaimed water to each golf course as needed.

3.5. MANAGEMENT, OPERATION, AND MAINTENANCE

After the utility sale, NSCUDD will be responsible for the day-to-day management of the SWCA system.

The customer service and billing will be provided by the VCCDD through an existing agreement between SWCA and VCCDD. VCCDD currently provides the customer service and billing functions for approximately 71,000 utility customers.

The SWCA system is currently operated by Operations Management International, Inc. (OMI), which has field offices located at 501 Sunbelt Road and 2085 Buena Vista Boulevard, The Villages. OMI is also under contract with VCCDD and NSCUDD, both of which are located within The Villages, to operate their water, wastewater, and irrigation utilities.

OMI operators perform routine daily maintenance and equipment adjustments as necessary. In addition, operators are on site seven (7) days per week.

As contemplated in the existing Agreement for Purchase and Sale, at the close of the sale, NSCUDD has agreed to assume the OMI contracts currently in place with SWCA.

3.6. PERMITTING STATUS

3.6.1. WATER USE PERMIT

The original WUP No. 20013005.000 was issued on March 27, 2007 by SWFWMD and it has been modified several times through 2021 to make adjustments for projected development completion and to extend the permit duration through January 23, 2038. The current WUP is No. 20013005.011. The WUP is issued jointly through a mutual agreement between the following utilities companies:

- Sumter Water Conservation Authority, LLC
- North Sumter County Utility Dependent District
- Village Center Community Development District
 - Which includes the Little Sumter Service Area

The permit supersedes all previously issued WUPs for SWCA. The WUP will expire on January 23, 2038. The WUP allows SWCA the following allocations:

- The Villages Combined WUP allocates a total of 19.346 MGD of groundwater on

- an annual average basis.
- SWCA accounts for an estimated 2.947 MGD of the total. The permitted quantities include only groundwater withdrawals.

Water use associated with The Villages Combined WUP, including SWCA, has maintained compliance with the WUP allocations. There is no reason to believe that this permit would not be renewed as an ordinary course of business by SWFWMD in or before 2038.

3.6.2. IRRIGATION AND FIRE PROTECTION SYSTEM

All of the SWCA irrigation and fire protection infrastructure has been permitted by Sumter County's Division of Planning and Development, the City of Wildwood, and/or the City of Fruitland Park.

3.6.3. IRRIGATION PUMP STATIONS AND WELLS

All of the SWCA irrigation pump stations and wells have been constructed and are in service.

3.6.4. STORMWATER BLEED DOWN VALVES AND TRANSFER PUMP STATIONS

Construction permits have been issued by Sumter County's Division of Planning and Development, Sumter County's Building Department, and the City of Fruitland Park for the construction of the bleed down valves and transfer pump stations within the Service Area.

3.7. NSCUDD RATE SCHEDULES

Upon closing of the sale of SWCA to NSCUDD, service rates, fees, and charges will be established by adoption of a Rule of NSCUDD. It is anticipated that the current SWCA rates will be adopted by NSCUDD Rule at their Board meeting on MONTH XX, 2021. The initial Rule establishing irrigation water service rates, fees, and charges for the existing irrigation and fire protection system owned and operated by NSCUDD was adopted by the NSCUDD Board of Supervisors on October 26, 2010. The rates include inter-utility bulk rates for irrigation water. In addition, the rates include an environmental protection rate surcharge that applies to irrigation water user rates. This surcharge would be implemented upon declaration of a water shortage by SWFWMD.

All irrigation services located within the SWCA Service Area are individually metered and all customers are billed monthly. Current SWCA rates are provided in Table 1, located in Appendix B.

SWCA reports that the average historical monthly water use over the prior 24 months for residential customers is approximately 323 GPD, which is approximately 9,813 gallons per month. Based on this average, typical monthly charges for the NSCUDD residential

customers would be \$35.28 per month for irrigation, based on the current rates. Comparable rates and charges of utility systems in the proximity of the NSCUDD Service Area are based on 9,813 gallons per month average per residential unit for irrigation use only are presented below:

UTILITY COMPANY	AVERAGE MONTHLY CHARGE
SWCA	\$35.28
TOWN OF LADY LAKE (OUTSIDE OF CITY)	\$55.50
CITY OF LEESBURG (OUTSIDE OF CITY)	\$27.65
CITY OF WILDWOOD (OUTSIDE OF CITY)	\$37.46

3.8. SHARED FACILITIES

The facilities, located at the NSCUDD WWTP, that share operation and maintenance with SWCA are presented below, pursuant to existing lease agreements and easement agreements with shared maintenance expense.

- **Operations and Control Building.** SWCA shares the use of the NSCUDD WWTP Operations and Control Building for the housing and operation of the control and monitoring system.
- **Effluent Distribution Mains.** SWCA includes approximately 5.5 miles of 8-inch, 10-inch, 12-inch, 16-inch, and 20-inch diameter effluent distribution mains installed by NSCUDD. Exhibit 4 illustrates these effluent main locations and sizes.
- **Effluent Pump Station**
- **Effluent Holding Ponds.** The effluent holding ponds are owned by NSCUDD; however, SWCA and NSCUDD operate and maintain the ponds and effluent pump station.

Agreements for shared facilities are in place.

4. DEMAND PROJECTIONS

The SWCA Service Area consists of 13,859 ARD residential DUs, 530 general commercial connections, 54 bulk commercial connections, 47 fire protection service connections, and six (6) golf courses.

The Service Area includes an estimated population of 26,333 persons based on 1.9 people per residential DU for ARD. The 1.9 people per ARD residential DU is based on historical data provided by The Villages and has been accepted by the Florida Department of Economic Opportunity as a reasonable estimate for retirement communities.

HISTORICAL RESIDENTIAL AND COMMERCIAL SERVICE CONNECTIONS

YEAR (END)	ESTIMATED POPULATION	RESIDENTIAL CONNECTIONS	COMMERCIAL CONNECTIONS	BULK CONNECTIONS
2011	200	105	22	7
2012	3,240	1,705	117	26
2013	9,747	5,130	224	33
2014	14,915	7,850	325	46
2015	19,031	10,016	412	51
2016	22,563	11,875	454	51
2017	25,491	13,416	514	51
2018	25,934	13,649	526	51
2019	26,329	13,857	525	51
2020	26,333	13,859	530	54

4.1. IRRIGATION WATER DEMAND PROJECTIONS

Historical water demands for the SWCA Service Area are presented below. The historical demand is taken from SWCA billing records. It should be noted that the WUP provides flexibility in the groundwater demand between the Permittees (NSCUDD, LSSA, and SWCA). Permittees may make adjustments in groundwater withdrawals as necessary up to an increase of 25 percent on an annual average basis for the individual withdrawal points. However, the total average annual daily groundwater withdrawal and the total peak month daily groundwater withdrawals are limited to the total quantities listed in the WUP. It is anticipated that SWCA demands will be adequately met by the current

permitted allocations.

HISTORICAL RESIDENTIAL AND COMMERCIAL IRRIGATION DEMAND PER CONNECTION

YEAR	RESIDENTIAL (GPD)	GENERAL COMMERCIAL (GPD)	BULK COMMERCIAL (GPD)
2011	552	5,588	16,221
2012	471	1,071	18,353
2013	339	647	8,477
2014	330	491	6,921
2015	324	452	9,048
2016	374	388	7,760
2017	325	247	5,375
2018	303	280	5,291
2019	321	344	8,306
2020	325	310	6,611

It is estimated that there will be an additional nine (9) general commercial connections added to the Service Area in the future, bringing the total at build-out to 539. All future demand projections are based on the average level of service over the past 24 months, which are detailed below by product type:

- Residential = 323 GPD/DU
- General Commercial = 327 GPD/connection
- Bulk Commercial = 7,420 GPD/connection

Table 2 includes all historical and projected demands through the year 2023, which the SWCA Service Area is projected to reach build-out.

4.2. LOW PRESSURE BULK WATER DEMAND PROJECTIONS

All six (6) golf courses within the SWCA Service Area are in service. All future Low Pressure Bulk System water irrigation demand projections are based on the average level of service over the past 24 months, which is 280,349 GPD per golf course within the SWCA Service Area. The projected low pressure bulk water irrigation demand is estimated to be 1.682 MGD, which is in compliance with the WUP. The summary of historical and projected low pressure bulk water irrigation demands are presented in Table 3, located in Appendix B.

5. PLANNED IMPROVEMENTS

All capital improvements necessary to complete the SWCA Service Area are completed.

6. AVAILABLE CAPACITY

The Villages Combined WUP, which includes SWCA, has a groundwater allocation of 19.346 MGD. SWCA accounts for an estimated 2.947 MGD of the total. Based on the 24-month average use in SWCA, the total SWCA groundwater demand is 2.132 MGD, which is in compliance with the WUP.

7. CONCLUSION

Development build-out of the SWCA Service Area is essentially complete except for nine (9) commercial connections that are anticipated to be completed by 2026. The Service Area consists of 13,859 ARD residential DUs and is expected to consist of 539 general commercial connections at build-out. SWCA serves an estimate population of 26,333 persons based on 1.9 people per ARD residential DU.

The initial portion of the SWCA irrigation and fire protection infrastructure was placed into service in 2011. The infrastructure is 10 years old or less and is in excellent condition. No substantial repairs or modifications are anticipated in the near future. The irrigation and fire protection infrastructure throughout the SWCA Service Area is 100% complete.

SWCA currently has all eight (8) high service pump stations in service. The SWCA irrigation system water use is in compliance with the total water use allocation permitted by SWFWMD. The SWCA irrigation system is in compliance with all other state and local permits, conditions, and requests.

APPENDIX



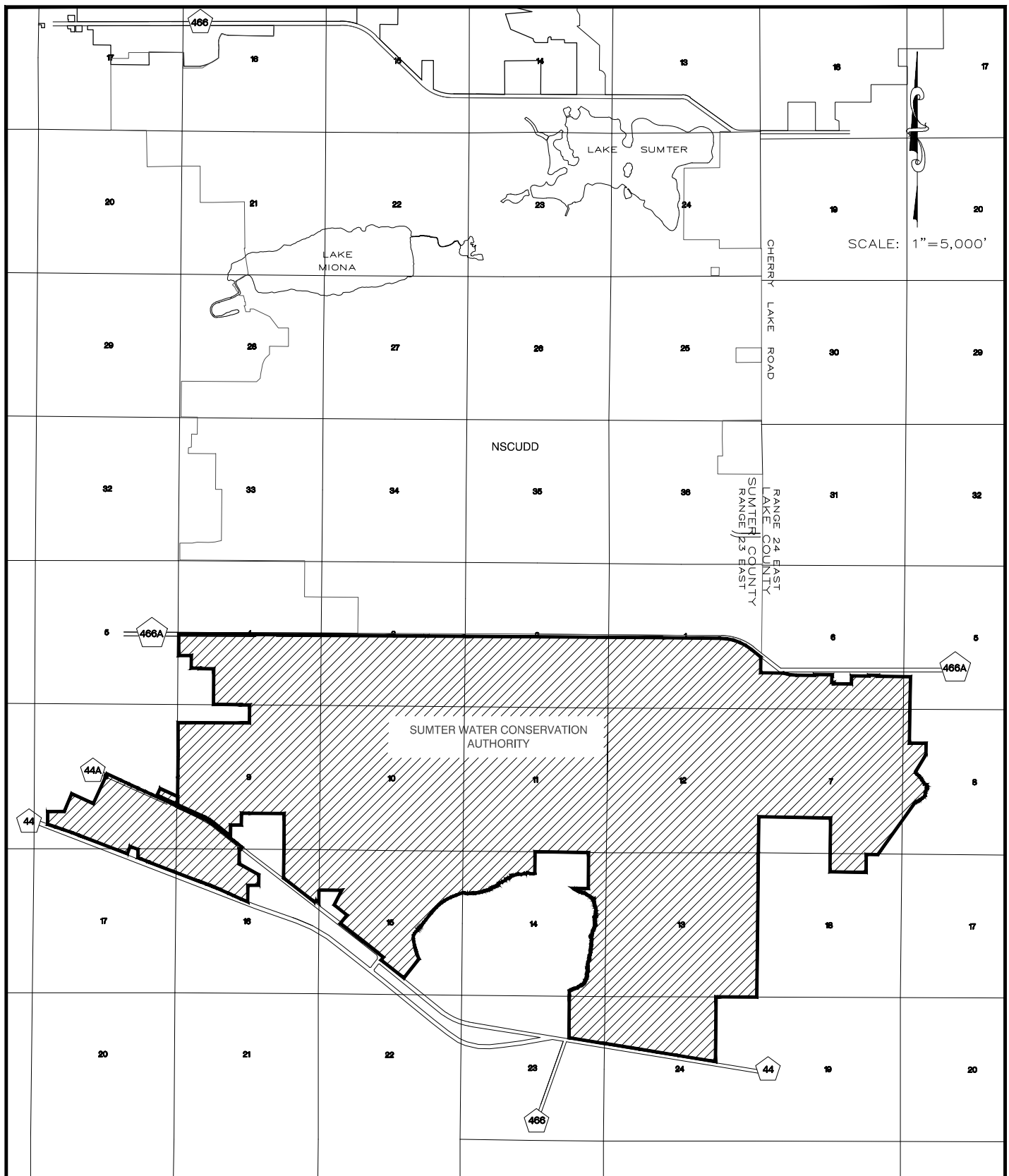
CFB

CLYMER
FARNER
BARLEY

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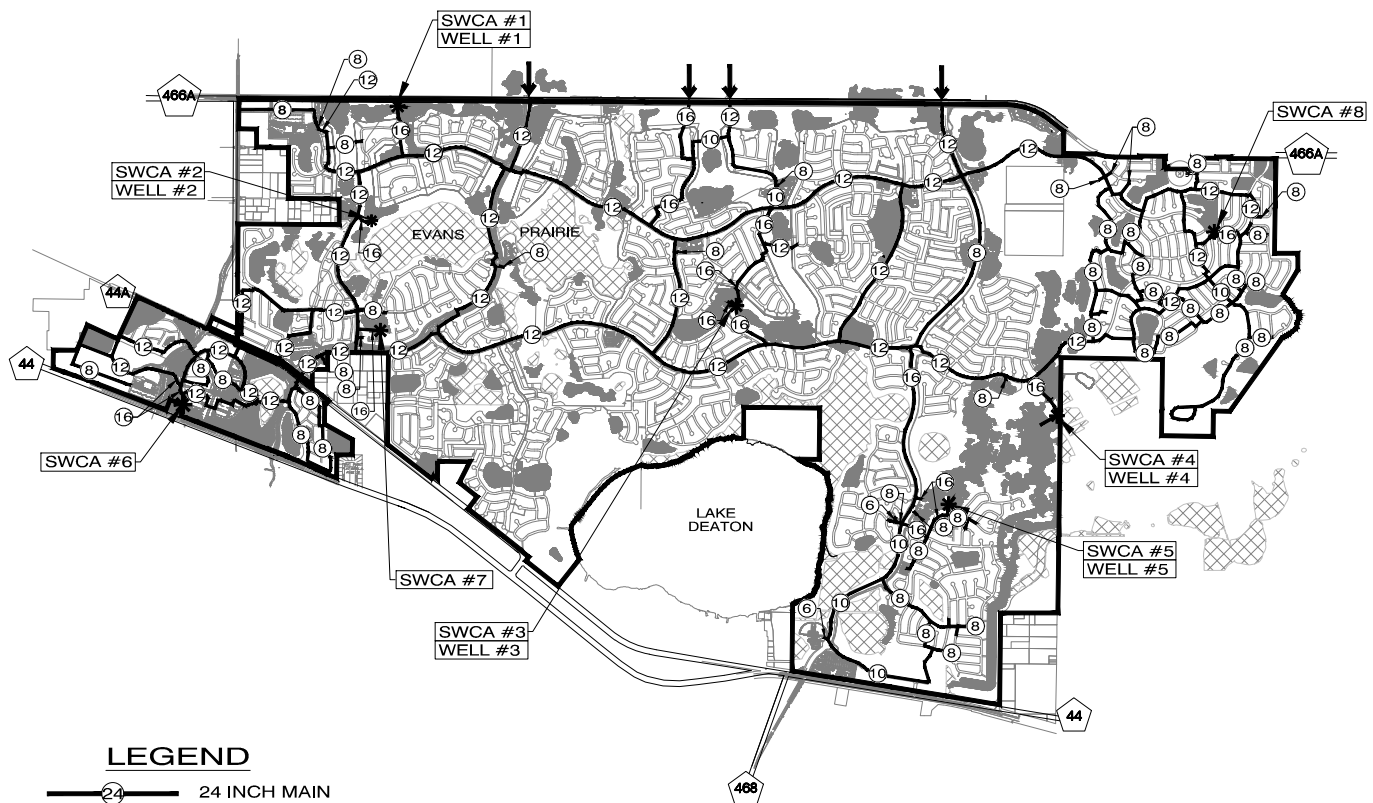
4450 NE 83rd Road • Wildwood, FL 34785
352 748 3126

APPENDIX A





SCALE: 1"=5,000'

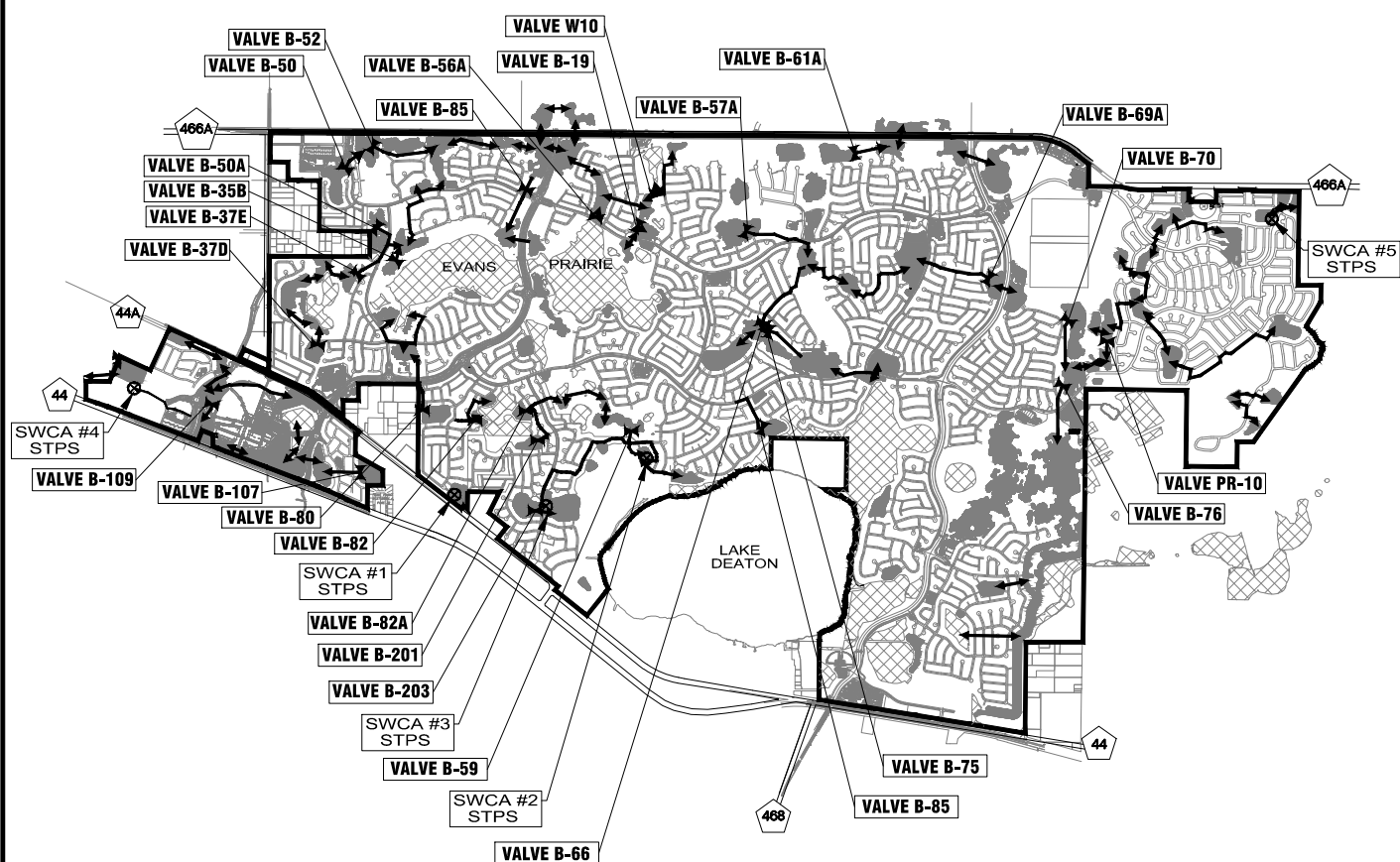
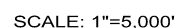


LEGEND

- 24 INCH MAIN
- 20 INCH MAIN
- 18 INCH MAIN
- 16 INCH MAIN
- 12 INCH MAIN
- 10 INCH MAIN
- 8 INCH MAIN
- 6 INCH MAIN
- SCWA PUMP STATION
- WETLAND
- POND
- NSCUDD EMERGENCY INTERCONNECT



SUMTER WATER CONSERVATION AUTHORITY
IRRIGATION DISTRIBUTION AND FIRE
PROTECTION SYSTEM



LEGEND



STORMWATER TRANSFER
PUMP STATION



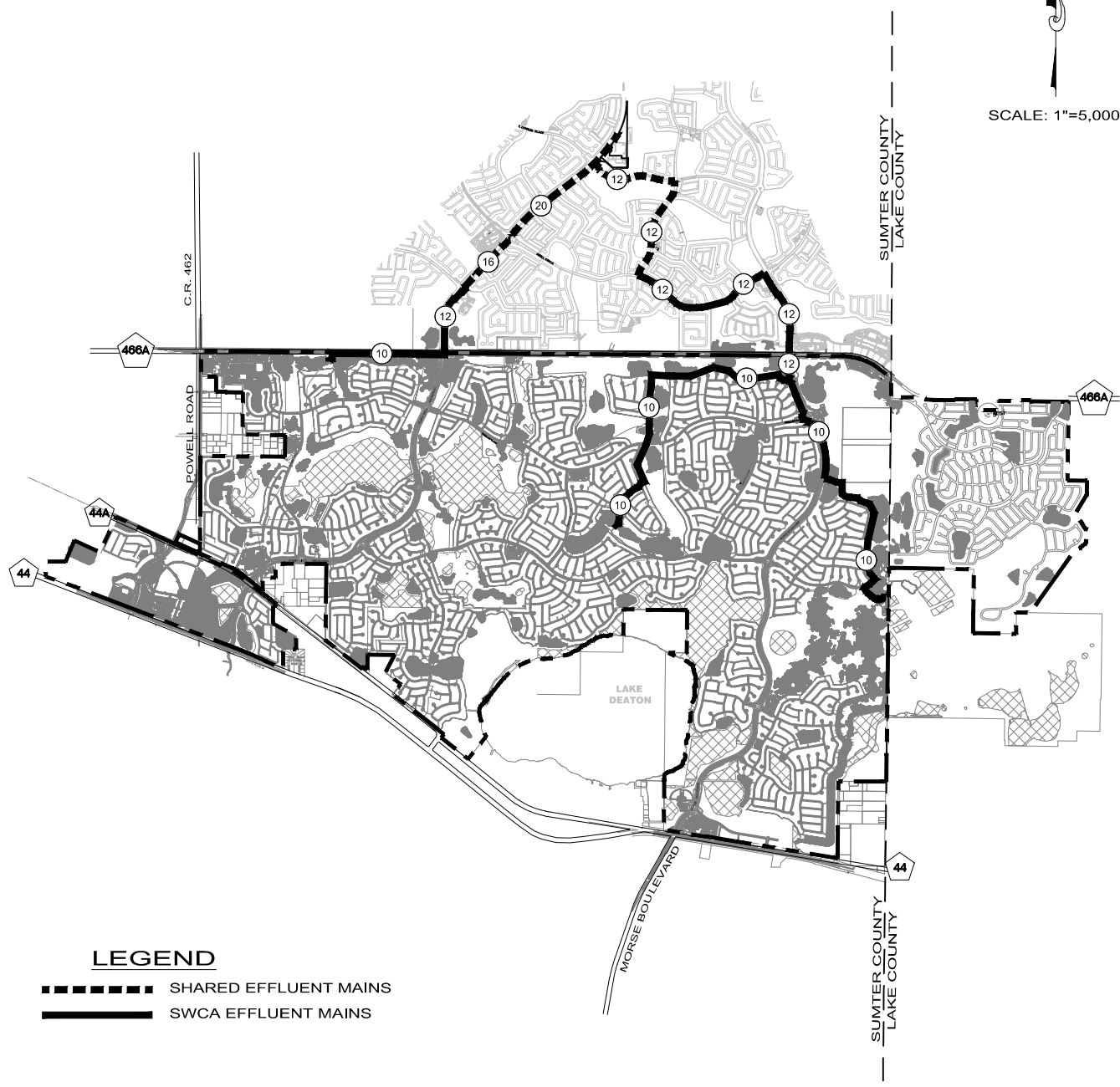
BLEED DOWN VALVE



SUMTER WATER CONSERVATION AUTHORITY
STORMWATER TRANSFER SYSTEM



SCALE: 1"=5,000'



LEGEND

- SHARED EFFLUENT MAINS
- SWCA EFFLUENT MAINS



**SUMTER WATER CONSERVATION AUTHORITY
EFFLUENT TRANSMISSION SYSTEM**



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APPENDIX B

SUMTER WATER CONSERVATION AUTHORITY, LLC
CURRENT RATE STRUCTURE

USAGE	PER THOUSAND GALLONS	
1 - 7,000	\$	2.30
7,001 - 14,000	\$	3.84
14,001 +	\$	5.32
BASE CHARGE	\$	8.38

**SUMTER WATER CONSERVATION AUTHORITY, LLC
HISTORICAL AND PROJECTED IRRIGATION DEMANDS**

YEAR (END)	YEAR-END UNITS BILLED			AVERAGE UNITS BILLED			AVERAGE ANNUAL DAILY DEMAND			TOTAL BILLED (MGD)
	RESIDENTIAL (CONNECTIONS)	COMMERCIAL (GENERAL CONNECTIONS)	COMMERCIAL (BULK CONNECTIONS)	RESIDENTIAL (CONNECTIONS)	COMMERCIAL (GENERAL CONNECTIONS)	COMMERCIAL (BULK CONNECTIONS)	RESIDENTIAL (GPD)	COMMERCIAL (GENERAL) (GPD)	COMMERCIAL (BULK) (GPD)	
2011	105	22	7	53	11	4	28,980	61,468	56,774	0.147
2012	1,705	117	26	905	70	17	426,255	74,435	302,825	0.804
2013	5,130	224	33	3,418	171	30	1,158,533	110,314	250,072	1.519
2014	7,850	325	46	6,490	275	40	2,141,700	134,780	273,380	2.550
2015	10,016	412	51	8,933	369	49	2,894,292	166,562	438,828	3.500
2016	11,875	554	51	10,946	483	51	4,093,617	187,404	395,760	4.677
2017	13,416	514	51	12,646	534	51	4,109,788	131,898	274,125	4.516
2018	13,649	526	51	13,533	520	51	4,100,348	145,600	269,841	4.516
2019	13,857	525	51	13,753	526	51	4,414,713	180,772	423,606	5.019
2020	13,859	530	54	13,858	528	53	4,503,850	163,525	347,078	5.014
2021	13,859	535	54	13,859	533	54	4,476,457	174,128	400,680	5.051
2022	13,859	539	54	13,859	537	54	4,476,457	175,599	400,680	5.053
2023	13,859	539	54	13,859	539	54	4,476,457	176,253	400,680	5.053

NOTES:

- 1) All values for years 2011-2020 are actual values provided by Arnett Environmental.
- 2) Commercial density projections for years 2021 and forward are per information provided by Arnett Environmental with an assumed growth of 5 general connections per year.
- 3) Average units billed = cumulative connections + 50% of current year connections.
- 4) Average annual daily demand (AADD) per residential dwelling unit per 24-month historical data (GPD): 323
- 5) AADD per general commercial connection per 24-month historical data (GPD): 327
- 6) AADD per bulk commercial connection per 24-month historical data (GPD): 7,420

SUMTER WATER CONSERVATION AUTHORITY, LLC
HISTORICAL AND PROJECTED LOW PRESSURE BULK IRRIGATION DEMANDS

YEAR (END)	YEAR-END UNITS BILLED GOLF (CONNECTIONS)	AVERAGE UNITS BILLED GOLF (CONNECTIONS)	AVERAGE ANNUAL DAILY DEMAND (AADD) GOLF (GPD)
2011	0	0	0
2012	3	2	583,161
2013	3	3	1,225,200
2014	5	4	1,467,356
2015	6	6	1,886,946
2016	6	6	2,015,562
2017	6	6	1,928,268
2018	6	6	2,211,264
2019	6	6	1,633,170
2020	6	6	1,731,012
2021	6	6	1,682,094
2022	6	6	1,682,094
2023	6	6	1,682,094

NOTES:

- 1) All values for years 2011-2020 are actual values provided by Arnett Environmental.
- 2) Average units billed = cumulative connections + 50% of current year connections.
- 3) AADD per golf course is per 24-month historical data (GPD): 280,349