RAYMOND JAMES

SUMMARY OF SELECTED FINANCING SCENARIOS

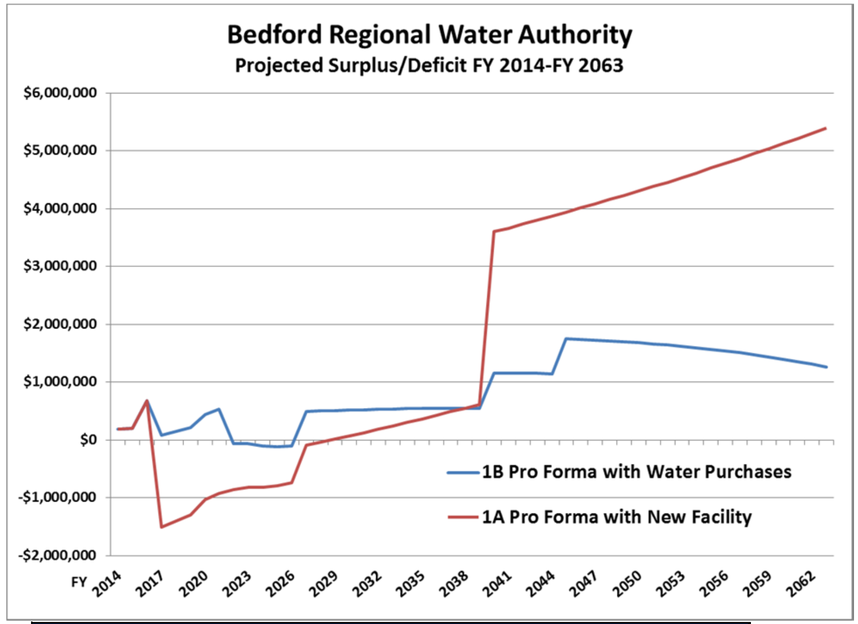
PRESENTED TO

Bedford Regional Water Authority

September 17, 2013

BASE CASE 25-YEAR FINANCING

Projected Surplus or Deficit			
Scenario	1B	1A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$183,999	$183,999	$0
2015	202,276	202,276	0
2016	677,645	677,645	0
2017	75,493	(1,505,836)	1,581,329
2018	145,060	(1,404,265)	1,549,325
2019	216,900	(1,299,282)	1,516,182
2020	444,555	(1,037,306)	1,481,861
2021	526,804	(919,519)	1,446,323
2022	(64,369)	(856,975)	792,606
2023	(60,517)	(815,256)	754,739
2024	(103,269)	(818,808)	715,539
2025	(122,995)	(797,958)	674,962
2026	(107,340)	(740,303)	632,963
2027	492,414	(97,080)	589,494
2028	501,227	(43,279)	544,506
2029	509,439	11,490	497,950
2030	518,796	67,243	451,553
2031	523,920	123,998	399,922
2032	530,114	181,771	348,342
2033	535,558	240,582	294,976
2034	540,211	300,447	239,765
2035	544,031	361,384	182,647
2036	546,974	423,413	123,562
2037	548,994	486,552	62,443
2038	550,044	550,820	(776)
2039	550,073	616,237	(66,164)
2040	1,157,042	3,598,511	(2,441,469)
2041	1,154,245	3,663,266	(2,509,020)
2042	1,158,487	3,737,340	(2,578,853)
2043	1,153,215	3,804,256	(2,651,041)
2044	1,146,616	3,872,275	(2,725,659)
2045	1,746,637	3,941,413	(2,194,775)
2046	1,736,563	4,011,684	(2,275,121)
2047	1,724,936	4,083,104	(2,358,168)
2048	1,711,687	4,155,688	(2,444,002)
2049	1,696,740	4,229,452	(2,532,712)
2050	1,680,018	4,304,410	(2,624,392)
2051	1,661,443	4,380,578	(2,719,136)
2052	1,640,930	4,457,972	(2,817,042)
2053	1,618,395	4,536,608	(2,918,212)
2054	1,593,749	4,616,500	(3,022,751)
2055	1,566,900	4,697,665	(3,130,766)
2056	1,537,752	4,780,119	(3,242,367)
2057	1,506,206	4,863,876	(3,357,671)
2058	1,472,160	4,948,954	(3,476,794)
2059	1,435,508	5,035,367	(3,599,858)
2060	1,396,141	5,123,131	(3,726,990)
2061	1,353,943	5,212,262	(3,858,319)
2062	1,308,799	5,302,776	(3,993,977)
2063	1,260,584	5,394,688	(4,134,104)
TOTAL	$44,324,731	$100,843,881	($56,519,151)



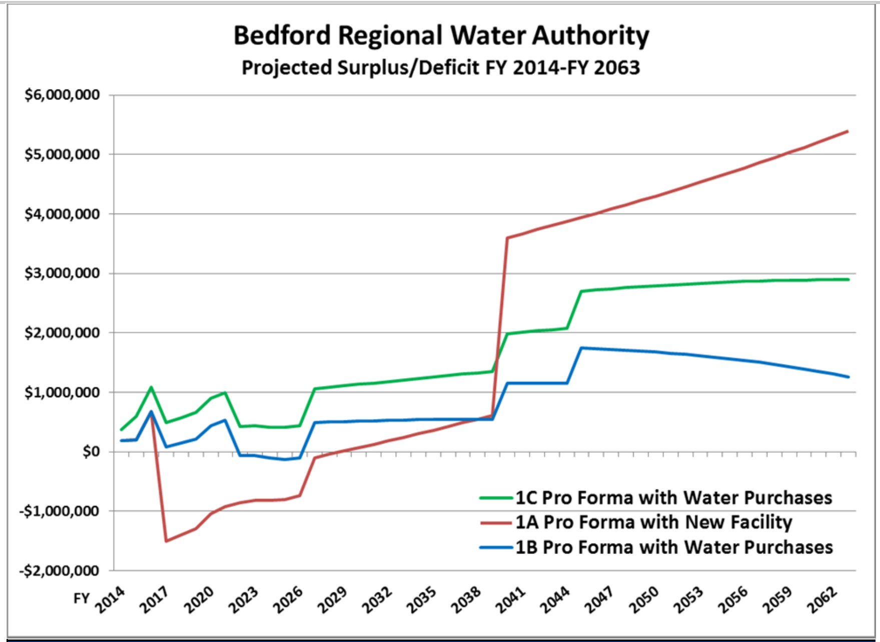
Scenario	1A	1B
Approach	Build SMLWTP	No 122 Wtr Line
Capital Costs	$38 Mil	$16 Mil
Debt Issued (2014)	$42.2 Mil	$17.6 Mil
Debt Term	25 Years	25 Years
Debt Structure	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 23 Yrs Level
Interest Rate Assumption	4.50%	4.50%
Revenue/ Expense Growth Rate	2.0%	2.0%
WVWA Participation	$0	$0
Max Annual Deficit (1.00x Coverage)	($1,505,836)	($122,995)
Max Annual Deficit (1.15x Coverage)	($2,388,911)	($548,298)
Years of Projected Deficit	2017-2028	2022-2026
Year of Maximum Annual Deficit	2017	2025
Revenue Increase Required (1.15x Cash Flow Coverage)	14% Annually 2015-2017	8% Annually 2015-2016
50 Year Total Expenditures	$690,696,661	$747,215,812
50 Year Savings vs. Comparable Water Purchase Scenario	$56,519,151	N/A

RAYMOND JAMES

Bedford Regional Water Authority

REDUCED COST OF PURCHASED WATER

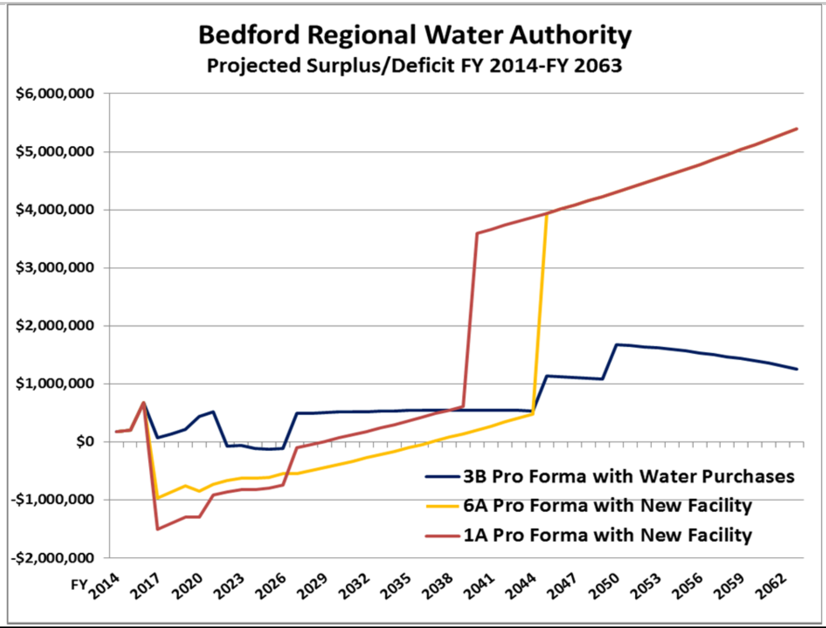
Projected Surplus or Deficit			
Scenario	1C	1A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$375,709	$183,999	$191,710
2015	597,199	202,276	394,922
2016	1,084,414	677,645	406,770
2017	494,466	(1,505,836)	2,000,302
2018	576,602	(1,404,265)	1,980,867
2019	661,388	(1,299,282)	1,960,670
2020	902,378	(1,037,306)	1,939,684
2021	998,361	(919,519)	1,917,880
2022	421,335	(856,975)	1,278,310
2023	439,758	(815,256)	1,255,014
2024	412,015	(818,808)	1,230,823
2025	407,747	(797,958)	1,205,705
2026	439,324	(740,303)	1,179,628
2027	1,055,478	(97,080)	1,152,558
2028	1,081,183	(43,279)	1,124,463
2029	1,106,795	11,490	1,095,305
2030	1,134,072	67,243	1,066,829
2031	1,157,654	123,998	1,033,656
2032	1,182,860	181,771	1,001,088
2033	1,207,886	240,582	967,304
2034	1,232,709	300,447	932,263
2035	1,257,305	361,384	895,920
2036	1,281,646	423,413	858,233
2037	1,305,706	486,552	819,154
2038	1,329,456	550,820	778,637
2039	1,352,868	616,237	736,631
2040	1,983,921	3,598,511	(1,614,590)
2041	2,005,931	3,663,266	(1,657,335)
2042	2,035,723	3,737,340	(1,701,617)
2043	2,056,768	3,804,256	(1,747,488)
2044	2,077,276	3,872,275	(1,794,999)
2045	2,705,217	3,941,413	(1,236,196)
2046	2,723,900	4,011,684	(1,287,785)
2047	2,741,893	4,083,104	(1,341,211)
2048	2,759,152	4,155,688	(1,396,536)
2049	2,775,629	4,229,452	(1,453,822)
2050	2,791,275	4,304,410	(1,513,135)
2051	2,806,037	4,380,578	(1,574,541)
2052	2,819,862	4,457,972	(1,638,110)
2053	2,832,695	4,536,608	(1,703,913)
2054	2,844,478	4,616,500	(1,772,022)
2055	2,855,150	4,697,665	(1,842,515)
2056	2,864,650	4,780,119	(1,915,469)
2057	2,872,911	4,863,876	(1,990,966)
2058	2,879,866	4,948,954	(2,069,087)
2059	2,885,446	5,035,367	(2,149,921)
2060	2,889,576	5,123,131	(2,233,555)
2061	2,892,182	5,212,262	(2,320,080)
2062	2,893,185	5,302,776	(2,409,592)
2063	2,892,502	5,394,688	(2,502,187)
TOTAL	$87,381,538	$100,843,881	($13,462,343)



Scenario	1A	1B	1C
Approach	Build SMLWTP	No 122 Wtr Line	No 122 Wtr Line
Capital Costs	$38 Mil	$16 Mil	$16 Mil
Debt Issued (2014)	$42.2 Mil	$17.6 Mil	$17.6 Mil
Debt Term	25 Years	25 Years	25 Years
Debt Structure	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 23 Yrs Level
Interest Rate Assumption	4.50%	4.50%	4.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%
WVWA Participation	$0	$0	$0
Max Annual Deficit (1.00x Coverage)	($1,505,836)	($122,995)	None
Max Annual Deficit (1.15x Coverage)	($2,388,911)	($548,298)	($37,385)
Years of Projected Deficit	2017-2028	2022-2026	None
Year of Maximum Annual Deficit	2017	2025	2017
Revenue Increase Required (1.15x Cash Flow Coverage)	14% Annually 2015-2017	8% Annually 2015-2016	3% in 2017
50 Year Total Expenditures	$690,696,661	$747,215,812	$704,159,004
50 Year Savings vs. Comparable Water Purchase Scenario	$56,519,151	N/A	N/A

30 YEAR AMORTIZATION

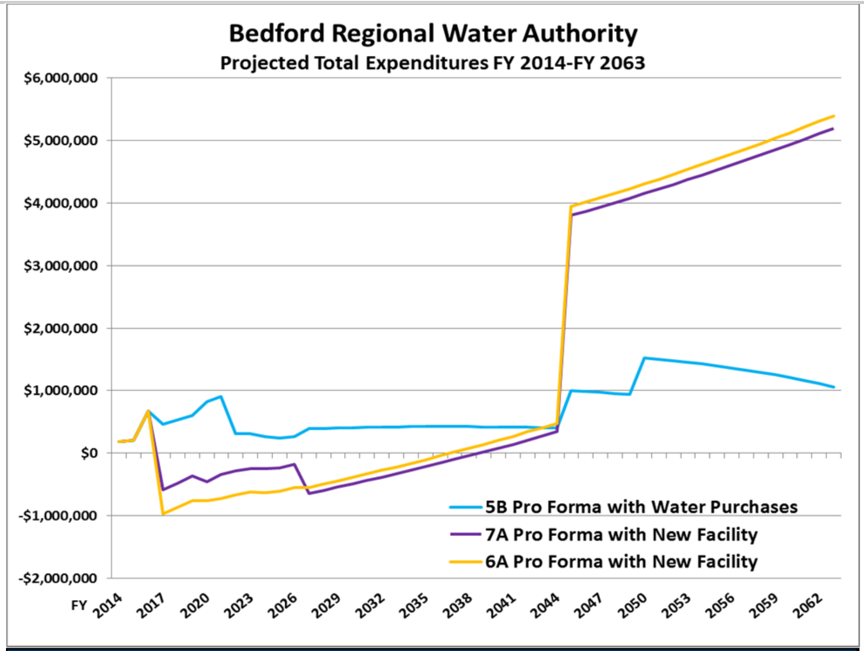
Projected Surplus or Deficit			
Scenario	3B	6A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$183,999	$183,999	$0
2015	202,276	202,276	0
2016	677,645	677,645	0
2017	73,074	(968,420)	1,041,494
2018	142,623	(862,447)	1,005,070
2019	214,446	(753,111)	967,556
2020	442,085	(841,833)	1,283,918
2021	524,320	(725,273)	1,249,593
2022	(69,284)	(662,638)	593,354
2023	(65,461)	(619,511)	554,051
2024	(108,237)	(625,342)	517,105
2025	(127,984)	(605,185)	477,201
2026	(112,346)	(551,642)	439,296
2027	487,397	(545,674)	1,033,071
2028	496,205	(492,352)	988,557
2029	504,417	(439,289)	943,706
2030	513,803	(386,197)	900,000
2031	518,919	(332,787)	851,706
2032	525,135	(273,770)	798,905
2033	530,610	(219,134)	749,744
2034	535,305	(163,313)	698,618
2035	539,176	(101,020)	640,196
2036	542,182	(42,239)	584,422
2037	544,278	18,592	525,686
2038	545,417	81,764	463,653
2039	545,550	142,565	402,985
2040	544,628	206,561	338,067
2041	542,600	269,041	273,559
2042	547,656	343,815	203,841
2043	543,249	409,681	133,568
2044	537,568	480,450	57,118
2045	1,136,583	3,941,413	(2,804,830)
2046	1,127,229	4,011,684	(2,884,455)
2047	1,116,364	4,083,104	(2,966,740)
2048	1,103,917	4,155,688	(3,051,771)
2049	1,089,817	4,229,452	(3,139,635)
2050	1,680,018	4,304,410	(2,624,392)
2051	1,661,443	4,380,578	(2,719,136)
2052	1,640,930	4,457,972	(2,817,042)
2053	1,618,395	4,536,608	(2,918,212)
2054	1,593,749	4,616,500	(3,022,751)
2055	1,566,900	4,697,665	(3,130,766)
2056	1,537,752	4,780,119	(3,242,367)
2057	1,506,206	4,863,876	(3,357,671)
2058	1,472,160	4,948,954	(3,476,794)
2059	1,435,508	5,035,367	(3,599,858)
2060	1,396,141	5,123,131	(3,726,990)
2061	1,353,943	5,212,262	(3,858,319)
2062	1,308,799	5,302,776	(3,993,977)
2063	1,260,584	5,394,688	(4,134,104)
TOTAL	$38,127,690	$80,881,459	($42,753,769)



Scenario	1A	6A	3B
Approach	Build SMLWTP	Build SMLWTP	No 122 Wtr Line
Capital Costs	$38 Mil	$38 Mil	$16 Mil
Debt Issued (2014)	$42.2 Mil	$42.2 Mil	$17.6 Mil
Debt Term	25 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	4.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%
WVWA Participation	$0	$0	$0
Max Annual Deficit (1.00x Coverage)	($1,505,836)	($968,420)	($127,984)
Max Annual Deficit (1.15x Coverage)	($2,388,911)	($1,770,883)	($554,035)
Years of Projected Deficit	2017-2028	2017-2036	2022-2026
Year of Maximum Annual Deficit	2017	2017	2025
Revenue Increase Required (1.15x Cash Flow Coverage)	14% Annually 2015-2017	12% Annually 2015-2017	8% Annually 2015-2016
50 Year Total Expenditures	$690,696,661	$710,659,083	$753,412,852
50 Year Savings vs. Comparable Water Purchase Scenario	$56,519,151	$42,753,769	N/A

WVWA PARTICIPATION

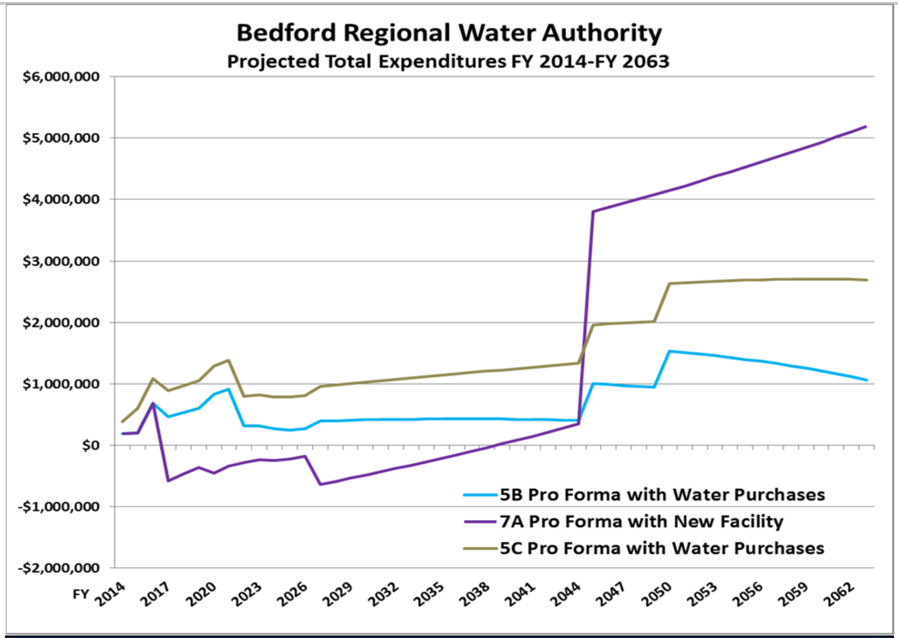
Projected Surplus or Deficit			
Scenario	5B	7A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$183,999	$183,999	$0
2015	202,276	202,276	0
2016	677,645	677,645	0
2017	461,996	(579,498)	1,041,494
2018	529,945	(475,125)	1,005,070
2019	600,136	(367,421)	967,556
2020	826,111	(457,807)	1,283,918
2021	906,647	(342,946)	1,249,593
2022	311,311	(282,042)	593,354
2023	313,368	(240,682)	554,051
2024	268,790	(248,315)	517,105
2025	247,205	(229,996)	477,201
2026	260,969	(178,327)	439,296
2027	389,878	(643,193)	1,033,071
2028	396,735	(591,822)	988,557
2029	402,958	(540,749)	943,706
2030	410,315	(489,685)	900,000
2031	413,361	(438,345)	851,706
2032	417,466	(381,440)	798,905
2033	420,787	(328,956)	749,744
2034	423,285	(275,332)	698,618
2035	424,917	(215,279)	640,196
2036	425,638	(158,784)	584,422
2037	425,402	(100,284)	525,686
2038	424,163	(39,490)	463,653
2039	421,872	18,887	402,985
2040	418,477	80,409	338,067
2041	413,925	140,366	273,559
2042	416,407	212,566	203,841
2043	409,376	275,807	133,568
2044	401,017	343,899	57,118
2045	997,301	3,802,131	(2,804,830)
2046	985,162	3,869,617	(2,884,455)
2047	971,455	3,938,195	(2,966,740)
2048	956,110	4,007,881	(3,051,771)
2049	939,053	4,078,688	(3,139,635)
2050	1,526,240	4,150,631	(2,624,392)
2051	1,504,588	4,223,724	(2,719,136)
2052	1,480,939	4,297,981	(2,817,042)
2053	1,455,204	4,373,417	(2,918,212)
2054	1,427,294	4,450,045	(3,022,751)
2055	1,397,116	4,527,881	(3,130,766)
2056	1,364,572	4,606,939	(3,242,367)
2057	1,329,563	4,687,233	(3,357,671)
2058	1,291,984	4,768,778	(3,476,794)
2059	1,251,729	4,851,587	(3,599,858)
2060	1,208,686	4,935,676	(3,726,990)
2061	1,162,739	5,021,058	(3,858,319)
2062	1,113,770	5,107,748	(3,993,977)
2063	1,061,655	5,195,759	(4,134,104)
TOTAL	$36,671,536	$79,425,305	($42,753,769)



Scenario	6A	7A	5B
Approach	Build SMLWTP	Build SMLWTP	No 122 Wtr Line
Capital Costs	$38 Mil	$38 Mil	$16 Mil
Debt Issued (2014)	$42.2 Mil	$42.2 Mil	$17.6 Mil
Debt Term	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%
WVWA Participation	$0	$4 Mil over 10 Years	$4 Mil over 10 Years
Max Annual Deficit (1.00x Coverage)	($968,420)	($579,498)	None
Max Annual Deficit (1.15x Coverage)	($1,770,883)	($1,381,961)	($376,875)
Years of Projected Deficit	2017-2036	2017-2036	None
Year of Maximum Annual Deficit	2017	2017	2022
Revenue Increase Required (1.15x Cash Flow Coverage)	12% Annually 2015-2017	10% Annually 2015-2017	8% in 2015
50 Year Total Expenditures	$710,659,083	$710,659,083	$753,412,852
50 Year Savings vs. Comparable Water Purchase Scenario	$42,753,769	$42,753,769	N/A

WVWA PARTICIPATION, REDUCED COST OF PURCHASED WATER

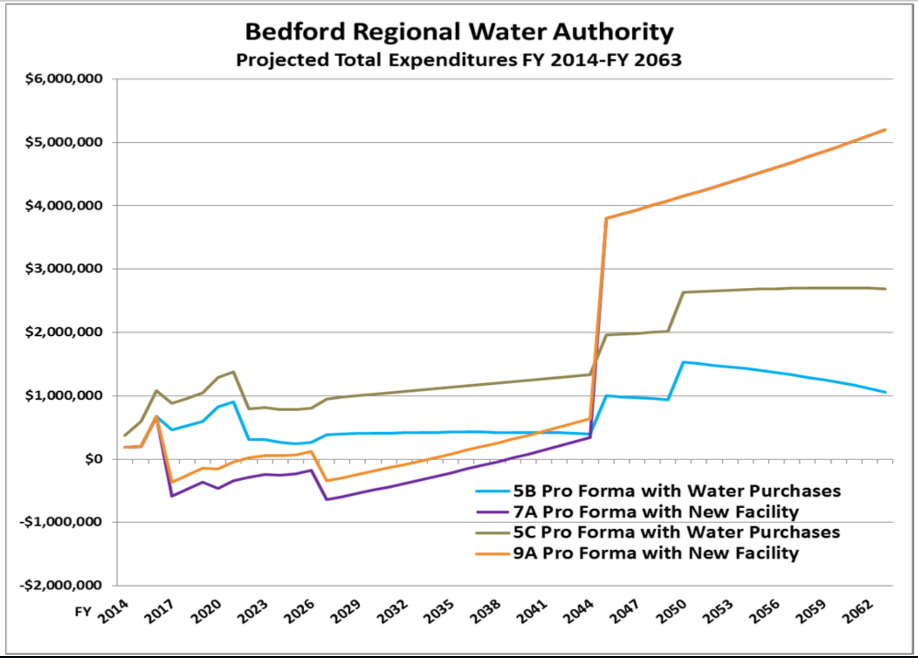
Projected Surplus or Deficit			
Scenario	5C	7A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$375,709	$183,999	$191,710
2015	597,199	202,276	394,922
2016	1,084,414	677,645	406,770
2017	880,969	(579,498)	1,460,467
2018	961,487	(475,125)	1,436,612
2019	1,044,624	(367,421)	1,412,045
2020	1,283,933	(457,807)	1,741,741
2021	1,378,205	(342,946)	1,721,151
2022	797,016	(282,042)	1,079,058
2023	813,644	(240,682)	1,054,326
2024	784,074	(248,315)	1,032,389
2025	777,947	(229,996)	1,007,943
2026	807,633	(178,327)	985,960
2027	952,942	(643,193)	1,596,136
2028	976,691	(591,822)	1,568,513
2029	1,000,313	(540,749)	1,541,062
2030	1,025,591	(489,685)	1,515,276
2031	1,047,095	(438,345)	1,485,440
2032	1,070,212	(381,440)	1,451,651
2033	1,093,116	(328,956)	1,422,072
2034	1,115,783	(275,332)	1,391,116
2035	1,138,190	(215,279)	1,353,469
2036	1,160,309	(158,784)	1,319,093
2037	1,182,114	(100,284)	1,282,398
2038	1,203,576	(39,490)	1,243,066
2039	1,224,667	18,887	1,205,780
2040	1,245,356	80,409	1,164,947
2041	1,265,610	140,366	1,125,245
2042	1,293,643	212,566	1,081,077
2043	1,312,929	275,807	1,037,122
2044	1,331,677	343,899	987,778
2045	1,955,880	3,802,131	(1,846,250)
2046	1,972,499	3,869,617	(1,897,118)
2047	1,988,412	3,938,195	(1,949,783)
2048	2,003,575	4,007,881	(2,004,306)
2049	2,017,943	4,078,688	(2,060,745)
2050	2,637,496	4,150,631	(1,513,135)
2051	2,649,183	4,223,724	(1,574,541)
2052	2,659,871	4,297,981	(1,638,110)
2053	2,669,504	4,373,417	(1,703,913)
2054	2,678,023	4,450,045	(1,772,022)
2055	2,685,367	4,527,881	(1,842,515)
2056	2,691,470	4,606,939	(1,915,469)
2057	2,696,268	4,687,233	(1,990,966)
2058	2,699,690	4,768,778	(2,069,087)
2059	2,701,666	4,851,587	(2,149,921)
2060	2,702,121	4,935,676	(2,233,555)
2061	2,700,978	5,021,058	(2,320,080)
2062	2,698,156	5,107,748	(2,409,592)
2063	2,693,573	5,195,759	(2,502,187)
TOTAL	$79,728,344	$79,425,305	$303,039



Scenario	7A	5B	5C
Approach	Build SMLWTP	No 122 Wtr Line	No 122 Wtr Line
Capital Costs	$38 Mil	$16 Mil	$16 Mil
Debt Issued (2014)	$42.2 Mil	$17.6 Mil	$17.6 Mil
Debt Term	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%
WVWA Participation	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years
Max Annual Deficit (1.00x Coverage)	($579,498)	None	None
Max Annual Deficit (1.15x Coverage)	($1,381,961)	($376,875)	None
Years of Projected Deficit	2017-2036	None	None
Year of Maximum Annual Deficit	2017	2022	None
Revenue Increase Required (1.15x Cash Flow Coverage)	10% Annually 2015-2017	8% in 2015	2% increase included in projections
50 Year Total Expenditures	$710,659,083	$753,412,852	$710,356,045
50 Year Savings vs. Comparable Water Purchase Scenario	$42,753,769	N/A	N/A

REDUCED PROJECT COST

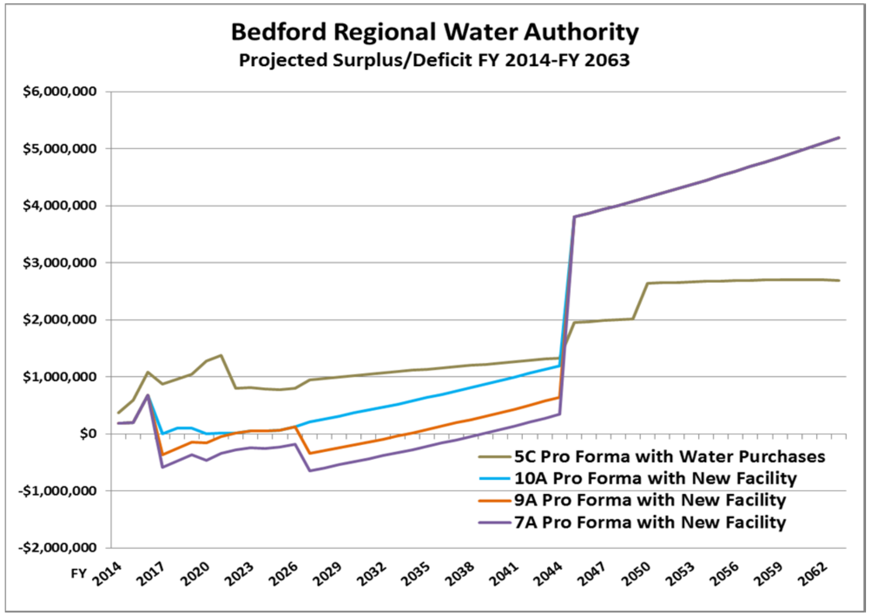
Projected Surplus or Deficit			
Scenario	5C	9A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	
2014	$375,709	$183,999	$191,710
2015	597,199	202,276	394,922
2016	1,084,414	677,645	406,770
2017	880,969	(359,498)	1,240,467
2018	961,487	(255,125)	1,216,612
2019	1,044,624	(147,421)	1,192,045
2020	1,283,933	(157,807)	1,441,741
2021	1,378,205	(42,346)	1,420,551
2022	797,016	18,883	778,133
2023	813,644	55,293	758,351
2024	784,074	52,710	731,364
2025	777,947	65,529	712,418
2026	807,633	121,698	685,935
2027	952,942	(344,218)	1,297,161
2028	976,691	(294,172)	1,270,863
2029	1,000,313	(244,699)	1,245,012
2030	1,025,591	(190,510)	1,216,101
2031	1,047,095	(136,595)	1,183,690
2032	1,070,212	(87,665)	1,157,876
2033	1,093,116	(33,156)	1,126,272
2034	1,115,783	21,943	1,093,841
2035	1,138,190	82,921	1,055,269
2036	1,160,309	139,791	1,020,518
2037	1,182,114	198,116	983,998
2038	1,203,576	253,185	950,391
2039	1,224,667	315,562	909,105
2040	1,245,356	375,259	870,097
2041	1,265,610	437,841	827,770
2042	1,293,643	511,841	781,802
2043	1,312,929	576,057	736,872
2044	1,331,677	639,299	692,378
2045	1,955,880	3,802,131	(1,846,250)
2046	1,972,499	3,869,617	(1,897,118)
2047	1,988,412	3,938,195	(1,949,783)
2048	2,003,575	4,007,881	(2,004,306)
2049	2,017,943	4,078,688	(2,060,745)
2050	2,637,496	4,150,631	(1,513,135)
2051	2,649,183	4,223,724	(1,574,541)
2052	2,659,871	4,297,981	(1,638,110)
2053	2,669,504	4,373,417	(1,703,913)
2054	2,678,023	4,450,045	(1,772,022)
2055	2,685,367	4,527,881	(1,842,515)
2056	2,691,470	4,606,939	(1,915,469)
2057	2,696,268	4,687,233	(1,990,966)
2058	2,699,690	4,768,778	(2,069,087)
2059	2,701,666	4,851,587	(2,149,921)
2060	2,702,121	4,935,676	(2,233,555)
2061	2,700,978	5,021,058	(2,320,080)
2062	2,698,156	5,107,748	(2,409,592)
2063	2,693,573	5,195,759	(2,502,187)
TOTAL	$79,728,344	$87,531,605	($7,803,261)



Scenario	9A	7A	5B	5C
Approach	Build SMLWTP	Build SMLWTP	No 122 Wtr Line	No 122 Wtr Line
Capital Costs	$34 Mil	$38 Mil	$16 Mil	$16 Mil
Debt Issued (2014)	$38.2 Mil	$42.2 Mil	$17.6 Mil	$17.6 Mil
Debt Term	30 Years	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	5.50%	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%	2.0%
WVWA Participation	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years
Max Annual Deficit (1.00x Coverage)	($359,498)	($579,498)	None	None
Max Annual Deficit (1.15x Coverage)	($1,128,961)	($1,381,961)	($376,875)	None
Years of Projected Deficit	2017-2031	2017-2036	None	None
Year of Maximum Annual Deficit	2017	2017	2022	None
Revenue Increase Required (1.15x Cash Flow Coverage)	8% Annually 2015-2017	10% Annually 2015-2017	8% in 2015	2% increase included in projections
50 Year Total Expenditures	$702,552,783	$710,659,083	$753,412,852	$710,356,045
50 Year Savings vs. Comparable Water Purchase Scenario	$50,860,069	$42,753,769	N/A	N/A

REDUCED PROJECT COST – NO DEFICIT

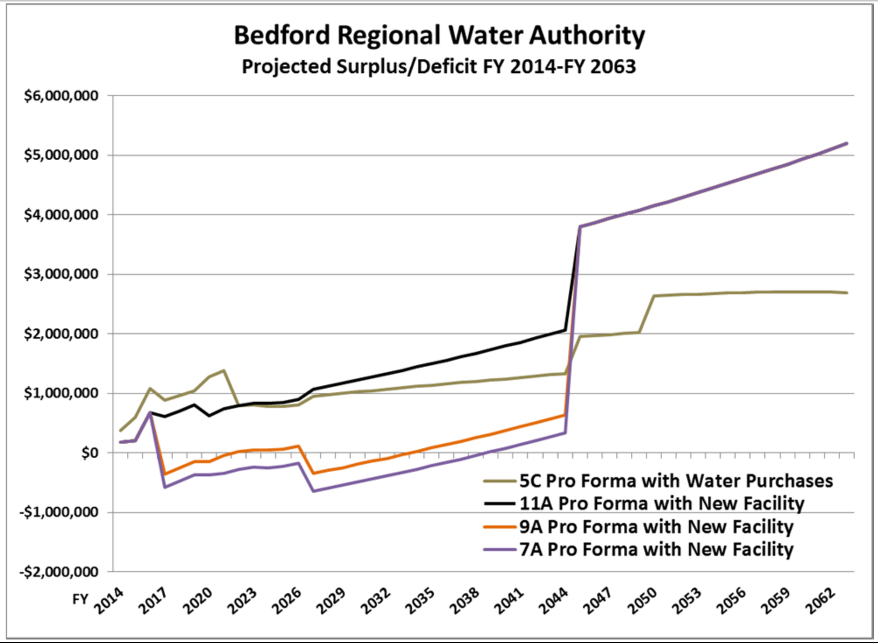
Projected Surplus or Deficit			
Scenario	5C	10A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$375,709	$183,999	$191,710
2015	597,199	202,276	394,922
2016	1,084,414	677,645	406,770
2017	880,969	102	880,867
2018	961,487	98,975	862,512
2019	1,044,624	101,179	943,445
2020	1,283,933	5,793	1,278,141
2021	1,378,205	20,929	1,357,276
2022	797,016	17,608	779,408
2023	813,644	58,593	755,051
2024	784,074	51,135	732,939
2025	777,947	70,179	707,768
2026	807,633	123,123	684,510
2027	952,942	210,082	742,861
2028	976,691	263,578	713,113
2029	1,000,313	310,676	689,637
2030	1,025,591	366,940	658,651
2031	1,047,095	417,105	629,990
2032	1,070,212	471,735	598,476
2033	1,093,116	525,844	567,272
2034	1,115,783	579,718	536,066
2035	1,138,190	638,646	499,544
2036	1,160,309	692,641	467,668
2037	1,182,114	752,266	429,848
2038	1,203,576	812,535	391,041
2039	1,224,667	873,737	350,930
2040	1,245,356	931,159	314,197
2041	1,265,610	995,366	270,245
2042	1,293,643	1,069,616	224,027
2043	1,312,929	1,132,707	180,222
2044	1,331,677	1,198,449	133,228
2045	1,955,880	3,802,131	(1,846,250)
2046	1,972,499	3,869,617	(1,897,118)
2047	1,988,412	3,938,195	(1,949,783)
2048	2,003,575	4,007,881	(2,004,306)
2049	2,017,943	4,078,688	(2,060,745)
2050	2,637,496	4,150,631	(1,513,135)
2051	2,649,183	4,223,724	(1,574,541)
2052	2,659,871	4,297,981	(1,638,110)
2053	2,669,504	4,373,417	(1,703,913)
2054	2,678,023	4,450,045	(1,772,022)
2055	2,685,367	4,527,881	(1,842,515)
2056	2,691,470	4,606,939	(1,915,469)
2057	2,696,268	4,687,233	(1,990,966)
2058	2,699,690	4,768,778	(2,069,087)
2059	2,701,666	4,851,587	(2,149,921)
2060	2,702,121	4,935,676	(2,233,555)
2061	2,700,978	5,021,058	(2,320,080)
2062	2,698,156	5,107,748	(2,409,592)
2063	2,693,573	5,195,759	(2,502,187)
TOTAL	$79,728,344	$98,749,305	($19,020,961)



Scenario	5C	7A	9A	10A
Approach	No 122 Wtr Line	Build SMLWTP	Build SMLWTP	Build SMLWTP
Capital Costs	$16 Mil	$38 Mil	$34 Mil	$29.8 Mil
Debt Issued (2014)	$17.6 Mil	$42.2 Mil	$38.2 Mil	$33.4 Mil
Debt Term	30 Years	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	5.50%	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%	2.0%
WVWA Participation	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years
Max Annual Deficit (1.00x Coverage)	None	($579,498)	($359,498)	None
Max Annual Deficit (1.15x Coverage)	None	($1,381,961)	($1,128,961)	($728,237)
Years of Projected Deficit	None	2017-2036	2017-2031	None
Year of Maximum Annual Deficit	None	2017	2017	None
Revenue Increase Required (1.15x Cash Flow Coverage)	2% increase included in projections	10% Annually 2015-2017	8% Annually 2015-2017	6% annually 2015 - 2017
50 Year Total Expenditures	$710,356,045	$710,659,083	$702,552,783	$691,335,083
50 Year Savings vs. Comparable Water Purchase Scenario	N/A	$42,753,769	$50,860,069	$62,077,769

REDUCED PROJECT COST – 1.15X D.S. COVERAGE

Projected Surplus or Deficit			
Scenario	5C	11A	
FY	Pro Forma with Water Purchases	Pro Forma with New Facility	Difference
2014	$375,709	$183,999	$191,710
2015	597,199	202,276	394,922
2016	1,084,414	677,645	406,770
2017	880,969	605,377	275,592
2018	961,487	704,250	257,237
2019	1,044,624	806,454	238,170
2020	1,283,933	626,196	657,738
2021	1,378,205	741,033	637,172
2022	797,016	800,536	(3,520)
2023	813,644	839,121	(25,477)
2024	784,074	832,338	(48,264)
2025	777,947	849,857	(71,910)
2026	807,633	904,076	(96,443)
2027	952,942	1,074,835	(121,893)
2028	976,691	1,124,981	(148,290)
2029	1,000,313	1,175,980	(175,667)
2030	1,025,591	1,227,843	(202,252)
2031	1,047,095	1,280,583	(233,489)
2032	1,070,212	1,334,214	(264,002)
2033	1,093,116	1,388,747	(295,631)
2034	1,115,783	1,444,196	(328,412)
2035	1,138,190	1,500,574	(362,384)
2036	1,160,309	1,557,894	(397,585)
2037	1,182,114	1,616,169	(434,056)
2038	1,203,576	1,675,414	(471,837)
2039	1,224,667	1,735,640	(510,973)
2040	1,245,356	1,796,862	(551,507)
2041	1,265,610	1,859,094	(593,484)
2042	1,293,643	1,930,595	(636,951)
2043	1,312,929	1,994,886	(681,957)
2044	1,331,677	2,060,227	(728,550)
2045	1,955,880	3,802,131	(1,846,250)
2046	1,972,499	3,869,617	(1,897,118)
2047	1,988,412	3,938,195	(1,949,783)
2048	2,003,575	4,007,881	(2,004,306)
2049	2,017,943	4,078,688	(2,060,745)
2050	2,637,496	4,150,631	(1,513,135)
2051	2,649,183	4,223,724	(1,574,541)
2052	2,659,871	4,297,981	(1,638,110)
2053	2,669,504	4,373,417	(1,703,913)
2054	2,678,023	4,450,045	(1,772,022)
2055	2,685,367	4,527,881	(1,842,515)
2056	2,691,470	4,606,939	(1,915,469)
2057	2,696,268	4,687,233	(1,990,966)
2058	2,699,690	4,768,778	(2,069,087)
2059	2,701,666	4,851,587	(2,149,921)
2060	2,702,121	4,935,676	(2,233,555)
2061	2,700,978	5,021,058	(2,320,080)
2062	2,698,156	5,107,748	(2,409,592)
2063	2,693,573	5,195,759	(2,502,187)
TOTAL	$79,728,344	$121,446,862	($41,718,519)



Scenario	5C	7A	9A	10A	11A
Approach	No 122 Wtr Line	Build SMLWTP	Build SMLWTP	Build SMLWTP	Build SMLWTP
Capital Costs	$16 Mil	$38 Mil	$34 Mil	$29.8 Mil	$20 Mil
Debt Issued (2014)	$17.6 Mil	$42.2 Mil	$38.2 Mil	$33.4 Mil	$22.5 Mil
Debt Term	30 Years	30 Years	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Wrapped	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	5.50%	5.50%	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%	2.0%	2.0%
WVWA Participation	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years	$4 Mil over 10 Years
Max Annual Deficit (1.00x Coverage)	None	($579,498)	($359,498)	None	None
Max Annual Deficit (1.15x Coverage)	None	($1,381,961)	($1,128,961)	($728,237)	None
Years of Projected Deficit	None	2017-2036	2017-2031	None	None
Year of Maximum Annual Deficit	None	2017	2017	None	None
Revenue Increase Required (1.15x Cash Flow Coverage)	2% increase included in projections	10% Annually 2015-2017	8% Annually 2015-2017	6% annually 2015 - 2017	2% increase included in projections
50 Year Total Expenditures	$710,356,045	$710,659,083	$702,552,783	$691,335,083	$668,637,526
50 Year Savings vs. Comparable Water Purchase Scenario	N/A	$42,753,769	$50,860,069	$62,077,769	$84,775,326

RAYMOND JAMES

Bedford Regional Water Authority

SUMMARY

Bedford Regional Water Authority						Prepared by Raymond James
Summary of Selected Financing Scenarios						9/17/2013
Scenario	**1A**	**6A**	**7A**	**9A**	**10A**	**11A**
Approach	Build SMLWTP	Build SMLWTP	Build SMLWTP	Build SMLWTP	Build SMLWTP	Build SMLWTP
Capital Costs	$38 Mil	$38 Mil	$38 Mil	$34 Mil	$29.8 Mil	$20 Mil
Debt Issued (2014)	$42.2 Mil	$42.2 Mil	$42.2 Mil	$38.2 Mil	$33.4 Mil	$22.5 Mil
Debt Term	25 Years	30 Years	30 Years	30 Years	30 Years	30 Years
Debt Structure	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 28 Yrs Wrapped (2)	2 Yrs Cap Int; 28 Yrs Wrapped (2)	2 Yrs Cap Int; 28 Yrs Wrapped (3)	2 Yrs Cap Int; 28 Yrs Wrapped (3)	2 Yrs Cap Int; 28 Yrs Wrapped (3)
Interest Rate Assumption	4.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
WVWA Participation	$0	$0	$4 Mil over 10 Years (1)	$4 Mil over 10 Years (1)	$4 Mil over 10 Years (1)	$4 Mil over 10 Years (1)
Max Annual Deficit (1.00x Coverage)	($1,505,836)	($968,420)	($579,498)	($359,498)	None	None
Max Annual Deficit (1.15x Coverage)	($2,388,911)	($1,770,883)	($1,381,961)	($1,128,961)	($728,237)	None
Years of Projected Deficit	2017-2028	2017-2036	2017-2036	2017-2031	None	None
Year of Maximum Annual Deficit	2017	2017	2017	2017	None	None
Revenue Increase Required (1.15x Cash Flow Coverage)	14% Annually 2015-2017	12% Annually 2015-2017	10% Annually 2015-2017	8% Annually 2015-2017	6% annually 2015-2017	2% increase included in projections
50 Year Total Expenditures	$690,696,661	$710,659,083	$710,659,083	$702,552,783	$691,335,083	$668,637,526
50 Year Savings vs. Comparable Water Purchase Scenario	$56,519,151	$42,753,769	$42,753,769	$50,860,069	$62,077,769	$84,775,326
		Compared to 3B	Compared to 5B	Compared to 5B	Compared to 5C	Compared to 5C

Scenario	**1B**	**5B**	**1C**	**5C**
Approach	No 122 Wtr Line	No 122 Wtr Line	No 122 Wtr Line	No 122 Wtr Line
Capital Costs	$16 Mil	$16 Mil	$16 Mil	$16 Mil
Debt Issued (50% in 2014, 50% 2020)	$17.6 Mil	$17.6 Mil	$17.6 Mil	$17.6 Mil
Debt Term	25 Years	30 Years	25 Years	30 Years
Debt Structure	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 28 Yrs Level	2 Yrs Cap Int; 23 Yrs Level	2 Yrs Cap Int; 28 Yrs Level
Interest Rate Assumption	4.50%	5.50%	4.50%	5.50%
Revenue/ Expense Growth Rate	2.0%	2.0%	2.0%	2.0%
WVWA Participation	$0	$4 Mil over 10 Years (1)	$0	$4 Mil over 10 Years (1)
Savings from Revised Water Purchase Contract	$0	$0	24.528% lower water purchase rate	24.528% lower water purchase rate
Max Annual Deficit (1.00x Coverage)	($122,995)	None	None	None
Max Annual Deficit (1.15x Coverage)	($548,298)	($376,875)	($37,385)	None
Years of Projected Deficit	2022-2026	None	None	None
Year of Maximum Annual Deficit	2025	2022	2017	None
Revenue Increase Required (1.15x Cash Flow Coverage)	8% Annually 2015-2016	8% in 2015	3% in 2017	2% increase included in projections
50 Year Total Expenditures	$747,215,812	$753,412,852	$704,159,004	$710,356,045

(1) $4 million capital contribution amortized over 10 Years at 3.0% interest
(2) Approximately $2.41 million per year in debt service from 2017-2019, then $2.76 million per year in debt service from 2017-2026 and then stepping up to $3.395 million per year from 2027-2044.
(3) Approximately $2.20 million per year in debt service from 2017-2019, then $2.46 million per year in debt service from 2020-2026 and then stepping up to $3.095 million per year from 2027-2044.

DISCLAIMER

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

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Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter’s primary role is to purchase securities with a view to distribution in an arm’s-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

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