

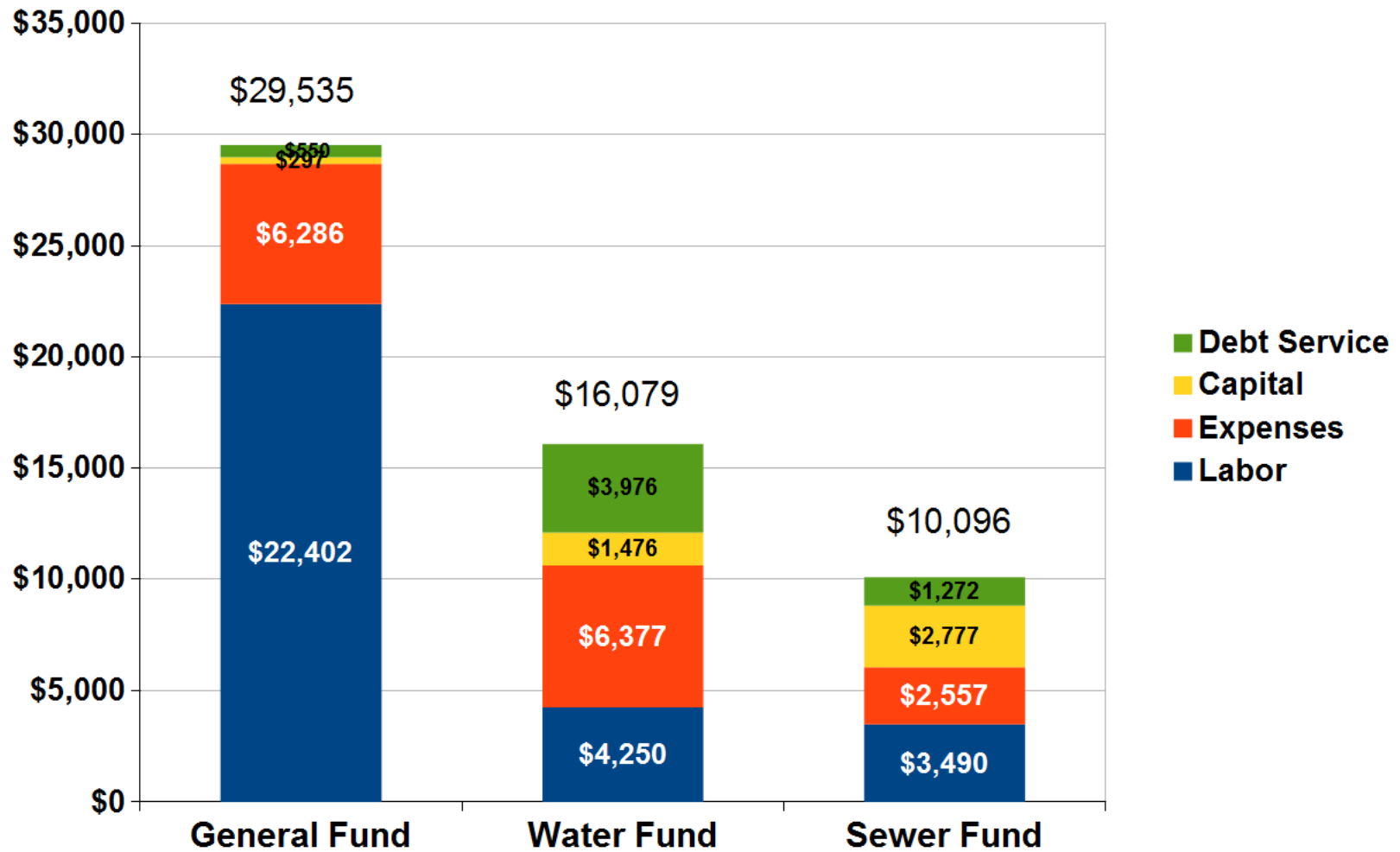
Introductory Overview

General Fund and Enterprise Funds

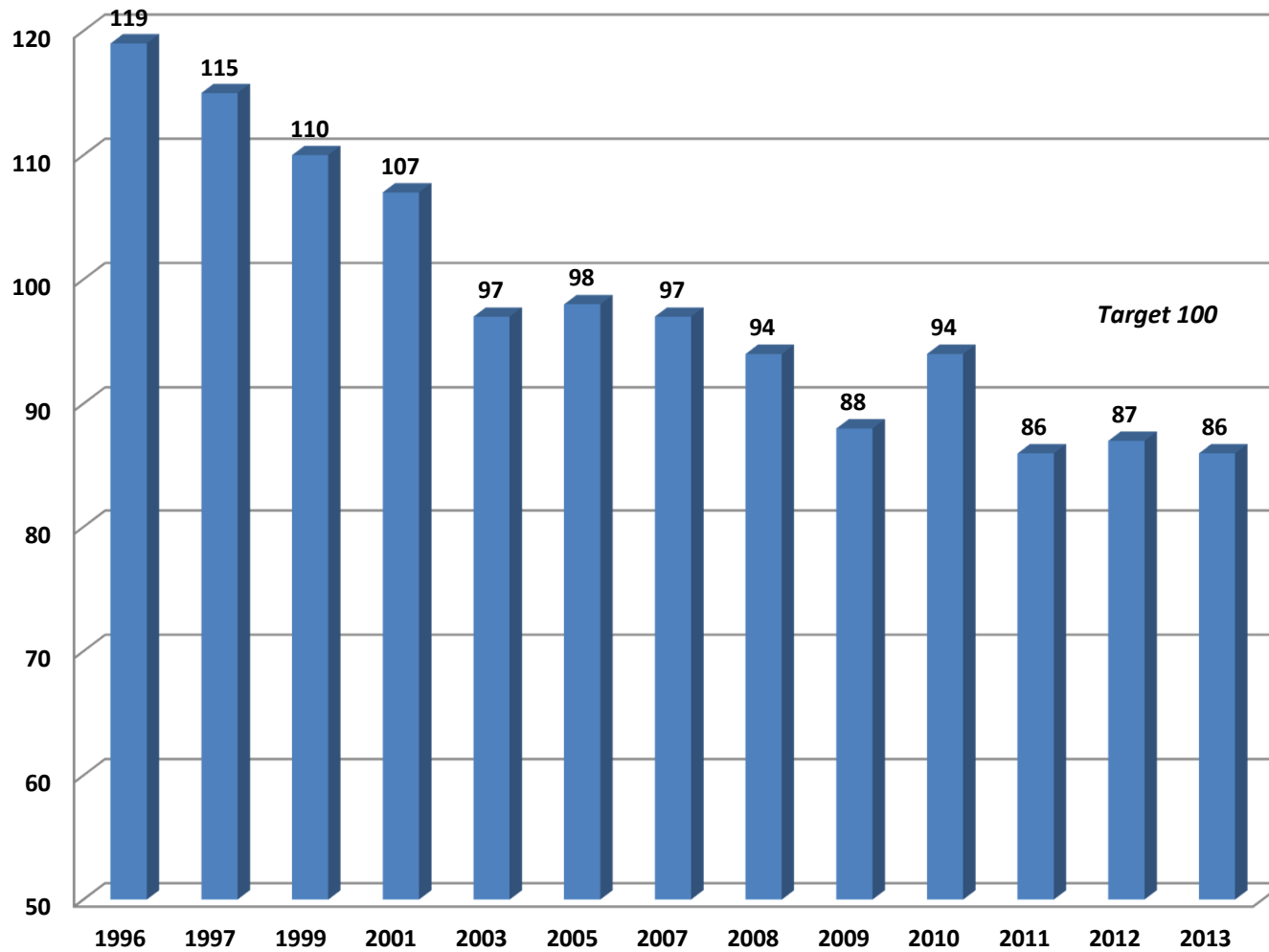
Spending Composition

Debt Load Challenges

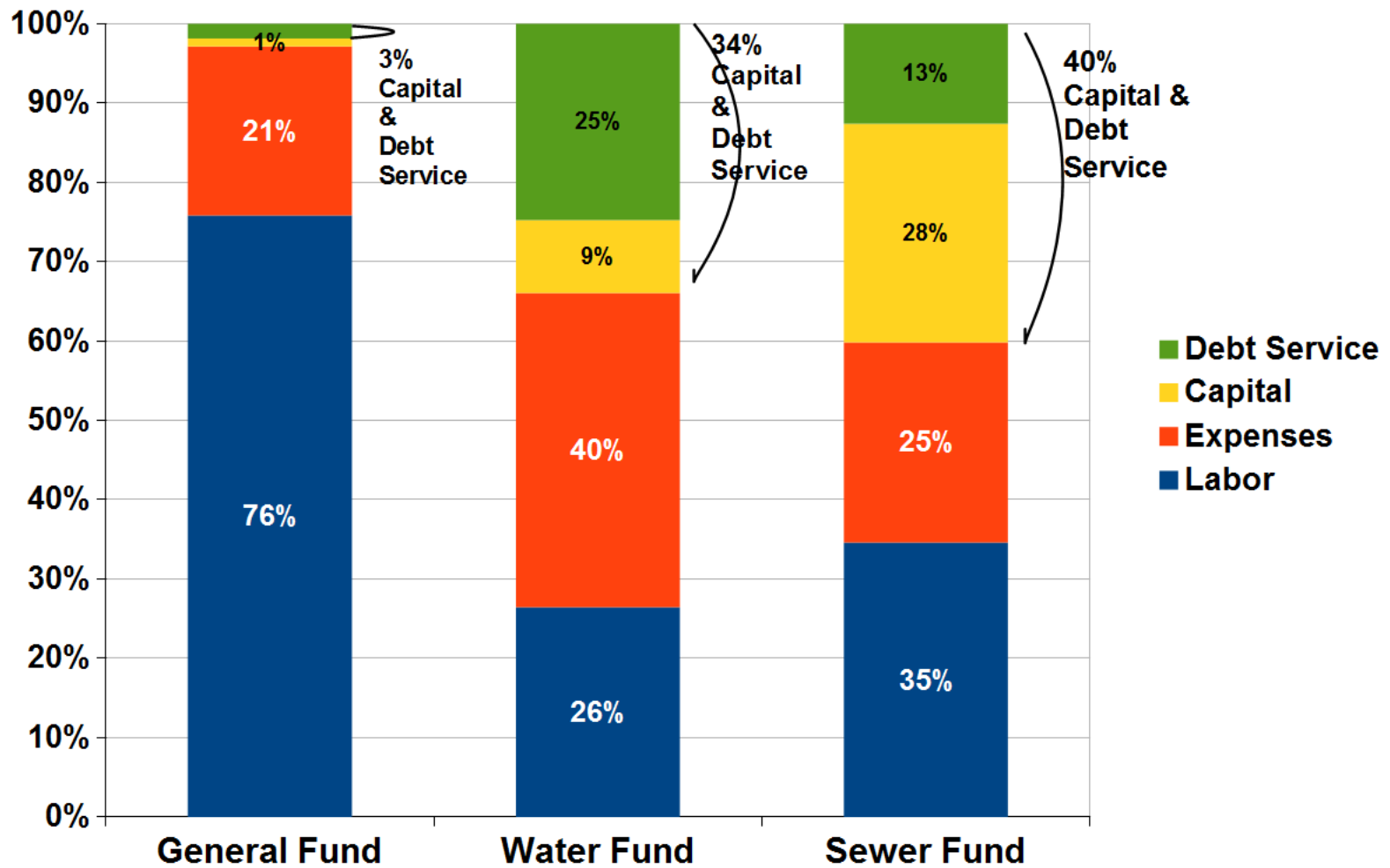
2014 Cash Spending General Fund, Water Fund, Sewer Fund \$ 000



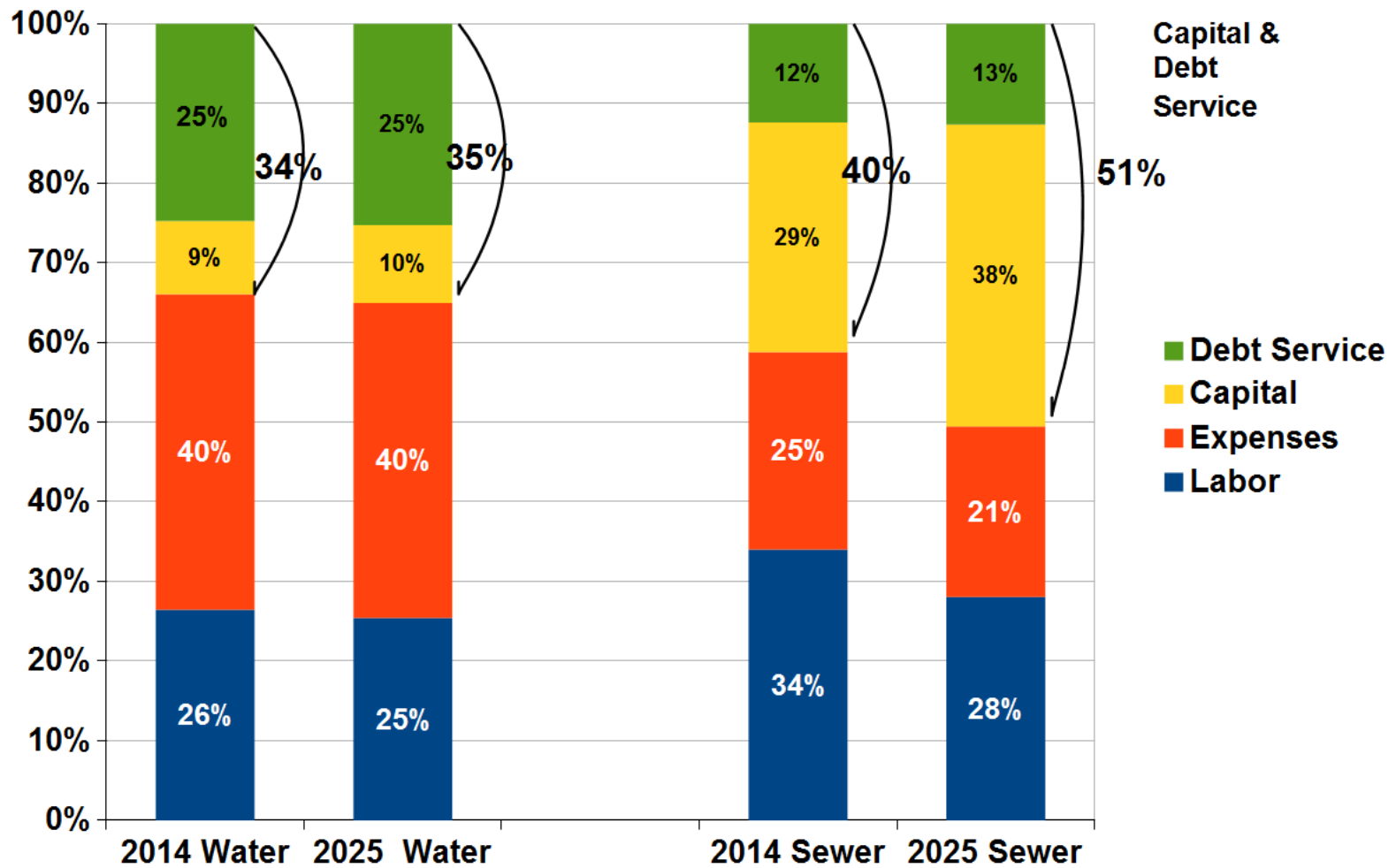
Utility Manpower Historic Number



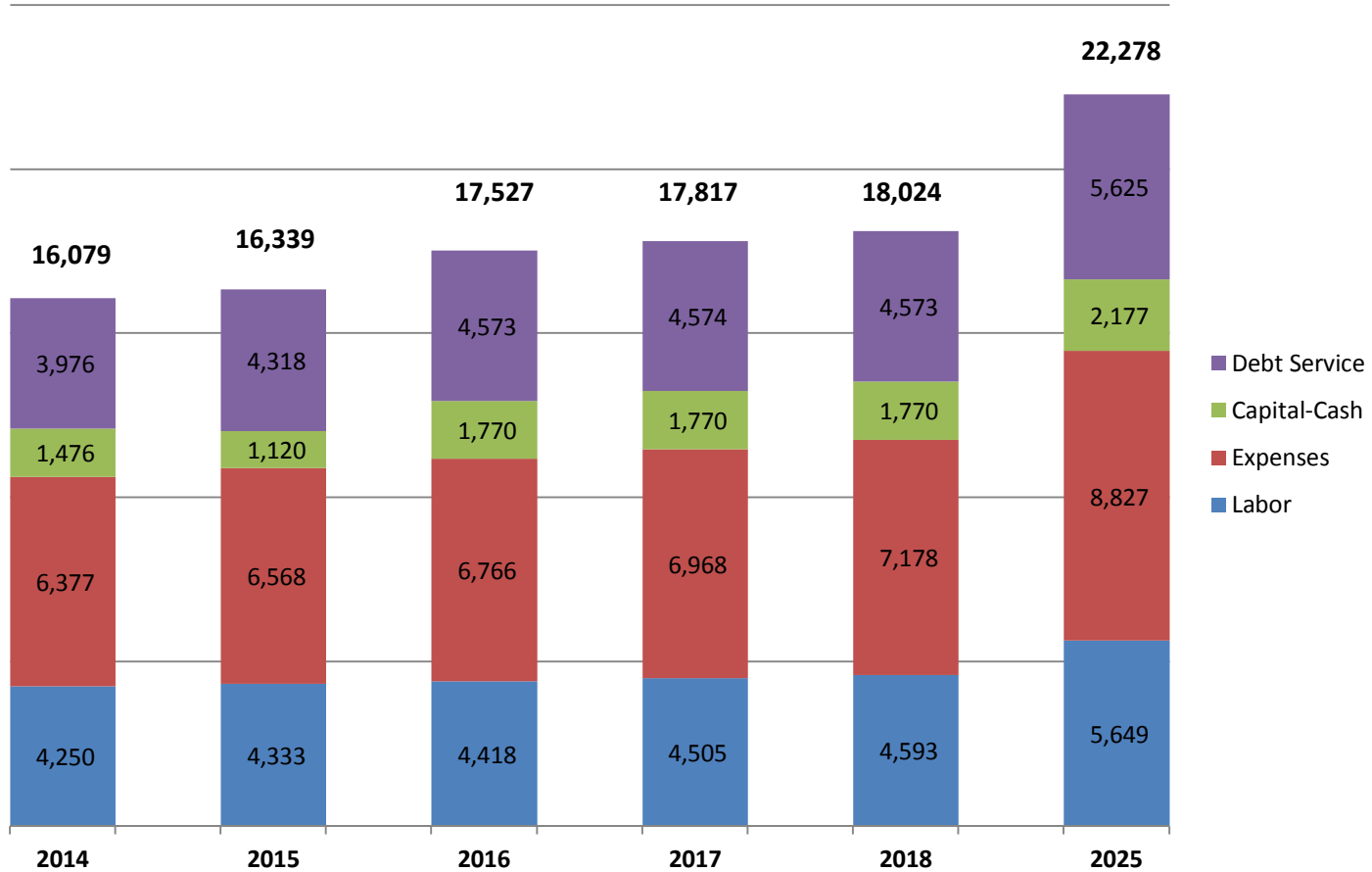
2014 Cash Spending Allocations General Fund, Water Fund, Sewer Fund



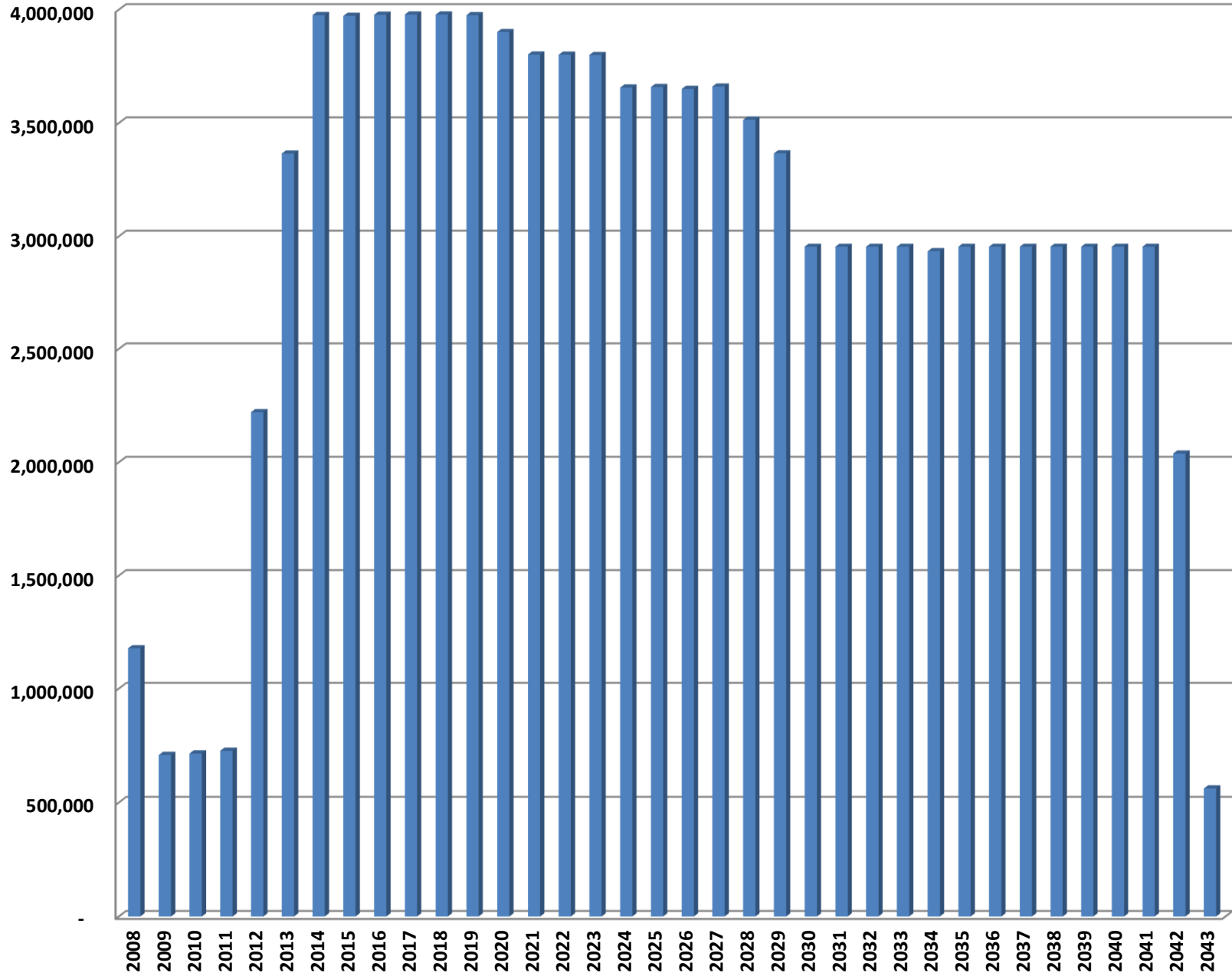
2014 & 2025 Spending % Allocations Water Fund, Sewer Fund



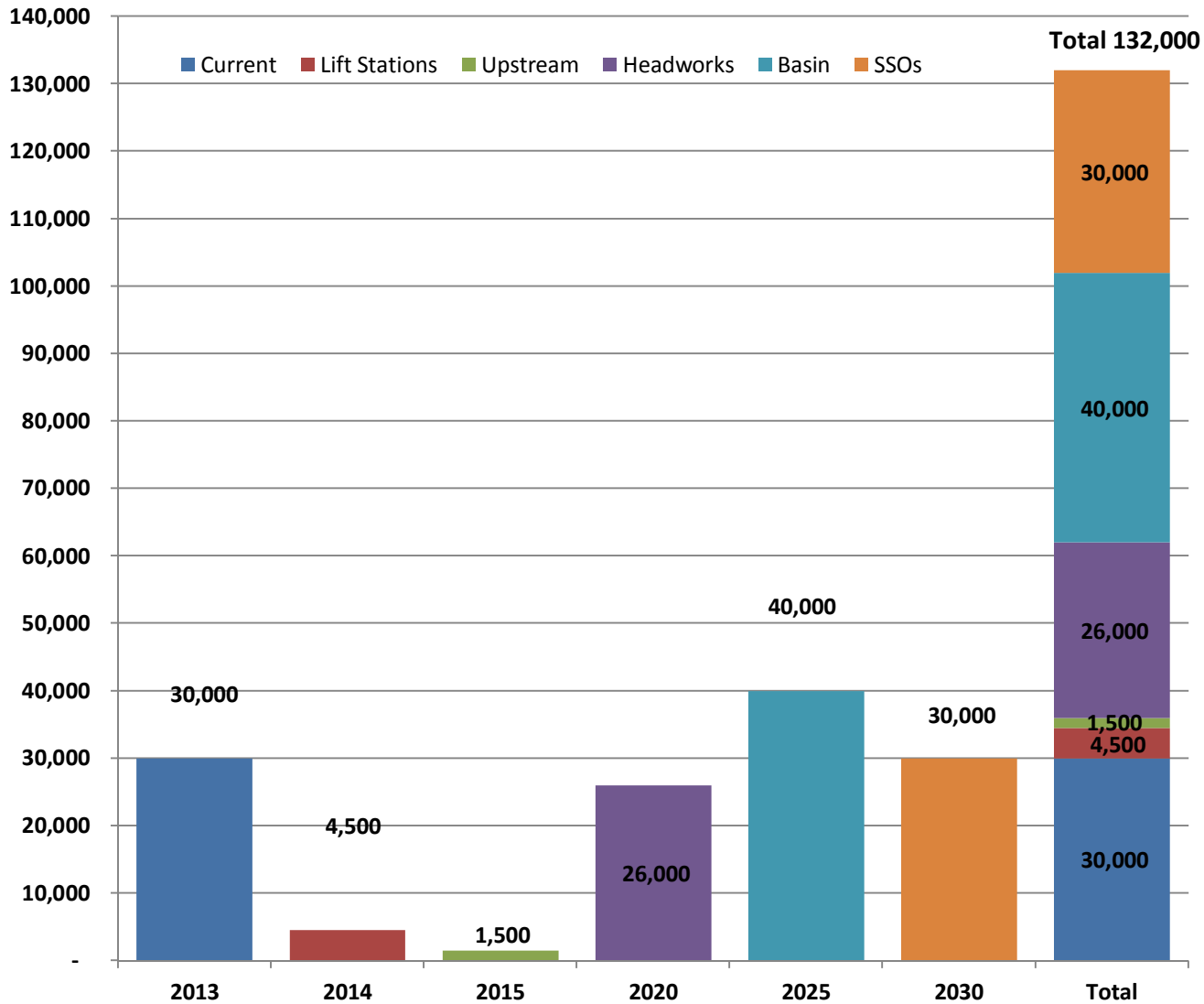
Forecast Water Fund Cash Spending Projections 2014-2025 (\$000)



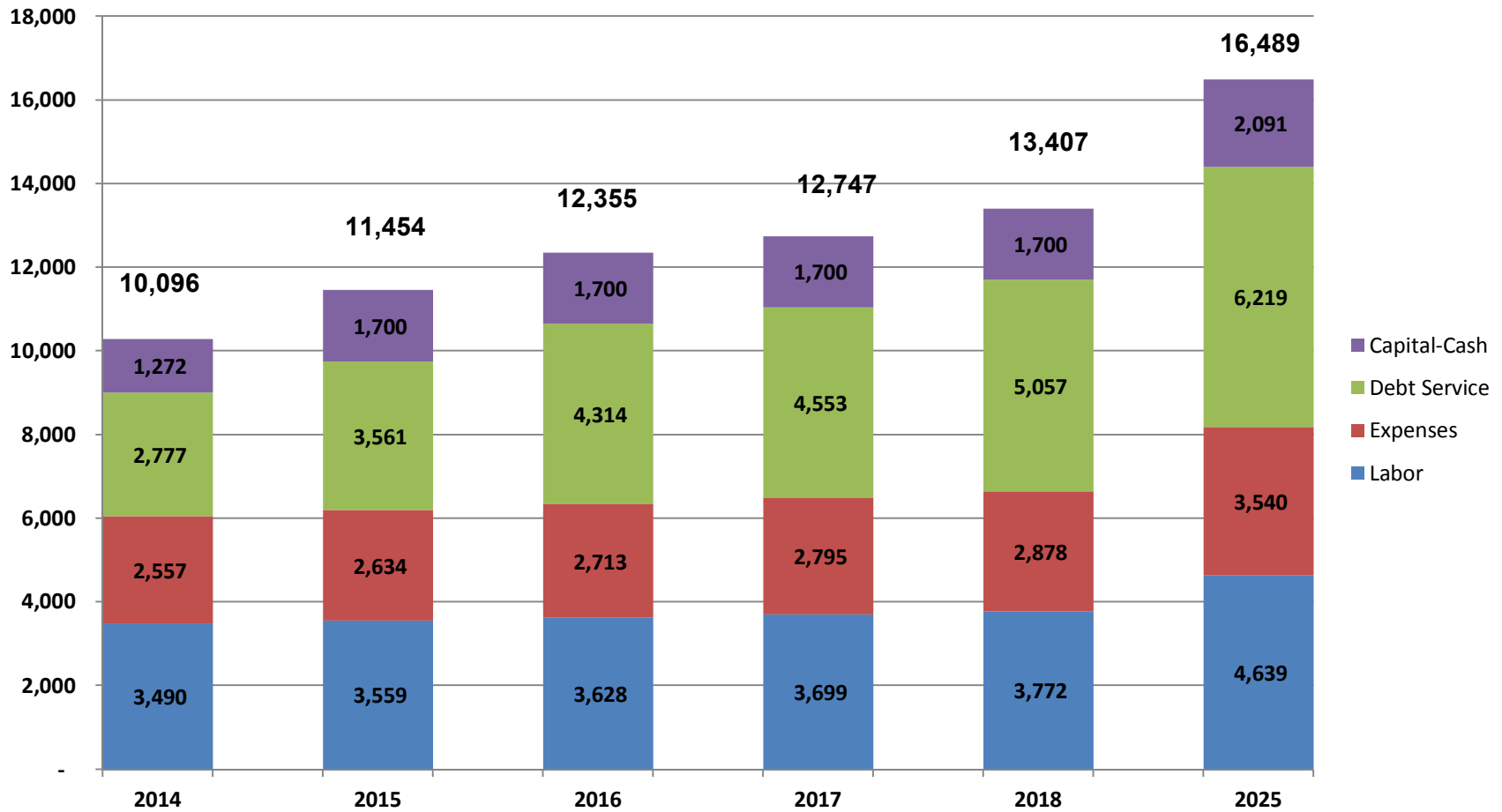
City of Lima Water Utility Debt Service Payments



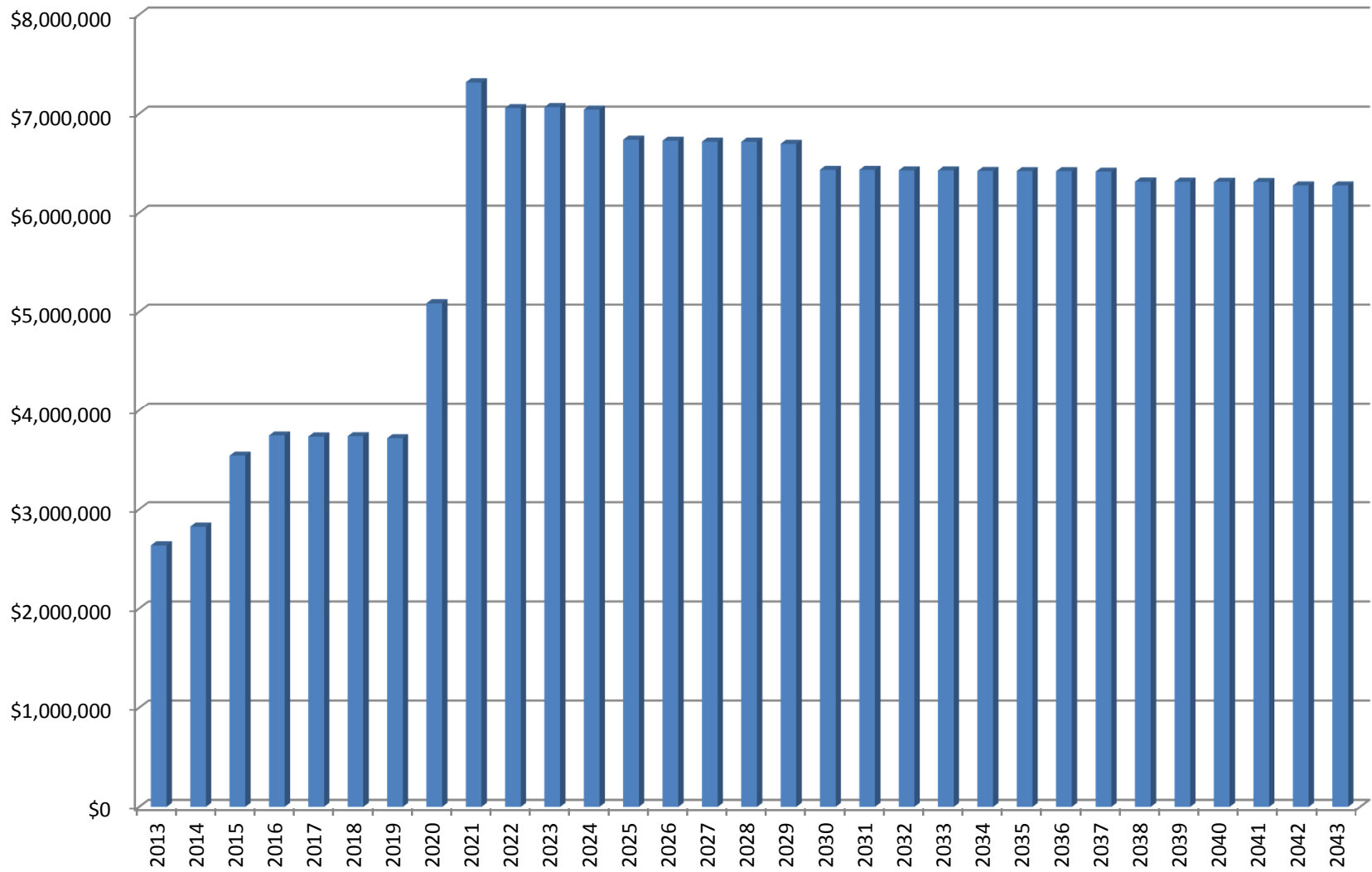
Sewer Utility Including All Debt and Projected EPA Projects (\$'000) Totals \$132 Million Dollars



Forecast Sewer Fund Cash Spending Projections 2014-2025 (\$'000)



Future Sewer Estimated Annual Debt Service



Interest Rate Impact of General Fund Financial Condition

“ The Strength of the General fund impacts the bond market view of the ability of the community to support enterprise fund revenue requirements and therefore the interest rate required by the bond market for enterprise fund borrowings.

“ A weakening of the general fund into fiscal distress causes an increase in interest rates for enterprise fund debt.

“ A 10 point or one tenth percent increase in the interest rate would cause about a \$2 million increase in interest payments for anticipated sewer borrowing requirements. A full one percent increase in the interest rate would cause about a \$20 million increase in interest payments.