

TIFA

JULY 30, 2019

AGENDA

TIFA LLC MEETING AGENDA
July 30, 2019
11:30 a.m.
MEETING LOCATION
CITY OF TITUSVILLE
WATER RESOURCES
2836 GARDEN STREET – TITUSVILLE, FLORIDA

Roll Call

Action Items

- I. Approval of the Minutes of the TIFA LLC Meeting of June 27, 2019 (Presenter: James Perry)

- II. Consideration of Audit Engagement Letter from Moore Stephens Lovelace (Presenter: James Perry)

Financial Items and Reports

- III. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: James Perry)

- IV. Presentation of Second Quarter Financial Statements (Presenter: Pat Gagliardi)

- V. Consideration of Capital Distribution Notice (Presenter: Pat Gagliardi)

Staff Reports / Informational Items

Other Business

Public Comment

Next Scheduled Meeting

Open Items

Adjournment

FIRST ORDER OF BUSINESS

Date: July 30, 2019

To: TIFA LLC Management Committee

From: Sarah Sweeting, GMS, LLC

Subject: Approval of Minutes – June 27, 2019 TIFA LLC Meeting

Summary Explanation & Background: The draft minutes of the June 27, 2019 TIFA LLC meeting were previously circulated for review. The minutes of the TIFA LLC meeting are presented for review and approval. Since the draft minutes were circulated, on July 8, 2019 the City of Titusville indicated they had no comments and on July 25, 2019, Farmton Water Resources / Miami Corporation indicated they had no comments. No other comments have been received.

Source of Funds: This action requires no funds.

Minutes of TIFA LLC Meeting
June 27, 2019
11:00 a.m.
City of Titusville Water Resources
Mourning Dove Water Plant
2836 Garden Street
Titusville, Florida

Persons in Attendance

Mike Brown, Miami Corporation, TIFA Management Committee Member
Tom Abbate, City of Titusville, TIFA Management Committee Member
Richard Broome, City of Titusville, City Attorney
Andrew Jantzer, City of Titusville, Water Resources Deputy Director
Anna Abreu-Ochoa, City of Titusville
Pat Gagliardi, Farmton Water Resources (by telephone)
Helen Hutchens, Farmton Water Resources (by telephone)
Daniel Laughlin, GMS LLC

Daniel Laughlin conducted the meeting.

Roll Call

Action Items

I. Approval of the Minutes of the TIFA LLC Meeting of May 30, 2019

Member Brown moved to approve the May 30, 2019 meeting minutes as presented. Member Abbate concurred and the motion passed.

Financial Items and Reports

II. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: James Perry)

Member Brown moved to ratify the expenses paid from the operating account and request for reimbursement in the amount of \$9,887.92. Member Abbate concurred and the motion passed.

Staff Reports/Informational Items

Other Business

Public Comment

Next Scheduled Meeting

The next meeting will be July 30, 2019 at 11:30 a.m.

Open Items

Adjournment

Member Brown moved to adjourn the meeting at 11:04 a.m. Member Abbate concurred and the meeting adjourned.

SECOND ORDER OF BUSINESS



June 28, 2019

VIA EMAIL: pgagliardi@miamicorp.com

Mr. James Ball, Manager
TIFA LLC
2836 Garden Street
Titusville, FL 32796

and

Mr. Michael Brown, Manager
TIFA LLC
P.O. Box 70
Edgewater, FL 32132

Dear Messrs. Ball and Brown:

We are pleased to serve **TIFA LLC** (the "Organization") as its independent certified public accountants. This letter confirms our understanding of the scope and the terms of our engagement.

We will audit the financial statements of the Organization as of December 31, 2019 and for the year then ending. We are planning to have the audit fieldwork substantially completed and to have communicated any audit adjustments to management on or before January 22, 2020.

AUDIT OBJECTIVE

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which, in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

AUDIT PROCEDURES

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that comes to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under our professional standards.

MANAGEMENT RESPONSIBILITIES

The Organization and its management are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skills, knowledge, or experience to oversee tax services or any other non-attest services we may provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

The Organization and its management are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. The Organization and its management are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. The Organization and its management are responsible for providing us with (1) access to all information of which you/they are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence.

The Organization's and management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. The Organization and its management are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

The Organization and its management are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or allegations of fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements.

The Organization's and management's responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, regulators, or others. In addition, the Organization and its management are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

The Organization and its management are also responsible to notify us in advance of your intent to print our report, in whole or in part, and to give us the opportunity to review such printed matter before its issuance.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge that as a condition of our agreement to perform an audit, you and the Organization's management agree to the best of your knowledge and belief to be truthful, accurate, and complete in the representations you make to us during the course of the audit and in the written representations provided to us at the completion of the audit.

Because of the importance of management's representations, contained in your representation letter to us, to the effective performance of our services, the Organization will release Moore Stephens Lovelace, P.A. ("MSL") and its personnel from any claims, liabilities, costs and expenses relating to our services under this letter attributable to any misrepresentations in the representation letter referred to above or made to us by any member of management. In addition, the Organization further agrees to indemnify and hold us harmless for any liability and all reasonable costs, including legal fees, that we may incur as a result of the services performed under this engagement in the event there are known misrepresentations made to us by any member of the Organization's management.

ENGAGEMENT ADMINISTRATION AND OTHER

We understand that your employees will prepare all confirmations that we request and will locate any documents selected by us for testing. You are responsible for any costs or fees charged by the organization(s) or individual(s) responding to the confirmation request.

Farlen Halikman is the engagement shareholder and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

MSL and Moore Stephens Tiller LLC have been defined as a network within an association under the *AICPA Rules of Professional Conduct*. You confirm to us that you are not aware of any prohibited relationship that would impair our independence under the *AICPA Rules of Professional Conduct* between our Firm and Moore Stephens Tiller LLC and its employees. We are also not aware of any such relationships.

TAX SERVICES

We will prepare Form 1065, *U.S. Return of Partnership Income*, from information furnished to us by you for the year ending December 31, 2019.

We may furnish you with questionnaires and/or worksheets to guide you in gathering the necessary information. Your use of such forms will assist in keeping our fee to a minimum.

Our work in connection with the preparation of your income tax return does not include any procedures designed to discover fraud or other irregularities, should any exist. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. As part of our engagement, we may propose standard adjusting or correcting journal entries to your tax information. You are responsible for reviewing the entries and understanding the nature and impact they have on your return. You are also responsible for management decisions and functions, and for designating a competent employee to oversee any services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

It is your responsibility to provide all the information required for the preparation of a complete and accurate return. You should retain all the documents and other data that form the basis of preparing the return. These may be necessary to prove the accuracy and completeness of the return to a taxing authority. You have the final responsibility for the return and, therefore, you should review it carefully before you sign it. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities. This responsibility includes the establishment and maintenance of adequate records and effective internal controls over tax reporting and the tax positions taken in the return. If this review brings items to your attention which you do not understand, or if items of expense or income are not reflected, you should contact us before mailing the return.

We will send you the necessary forms to sign which authorize us to electronically transmit your return to the government on your behalf. If you would prefer to mail your return, just let us know and we will provide you with a paper copy of the return to send to the government.

We will use our professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

Because a partnership is an entity whose tax attributes flow through to its partners, the penalty for substantial understatement of tax relating to partnership items may be imposed on the partners.

Your return may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available, upon request, to represent you and will render additional invoices for the time and expenses incurred. Certain communications involving tax advice between you and our Firm may be privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you may be waiving this privilege. To protect your right to privileged communication between you and our Firm, please consult with us or your attorney prior to disclosing any information about our tax advice.

Our tax preparation services will be performed in accordance with applicable professional standards, including the *Statements on Standards for Tax Services* issued by the American Institute of Certified Public Accountants. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters. The Organization and its management agree to assume all management responsibilities for this non-attest service that we provide; oversee the services by designating an individual, preferably from senior management, with suitable skills, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

FEES - Our fees are based on the tasks required, time spent, and level of expertise of the staff used to perform this engagement. Based on our proposal, the fee will not exceed \$15,000 for the audit and tax return services described herein. This fee includes labor, materials, equipment, travel, lodging and incidentals. Should the actual time spent on the audit and/or tax return fall below the estimated fee, the Organization will be billed based on actual hours. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement.

These fees will be invoiced on an interim basis during the progress of our engagement. Invoices are due within ten (10) days of the invoice date. Any remaining balance is due upon delivery of the final product.

Any subsequent discussions, conferences, telephone conversations, correspondence or related services will be invoiced separately.

This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. Additionally, you will be responsible for any reasonable costs incurred, including, but not limited to, telephone, copying, binding, postage, computer services, overnight mail, and courier services. Furthermore, if an extension is required to be filed, the charge will be billed separately.

In the event we are requested or authorized by the Organization or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Organization, the Organization will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

A service charge of 1.5 percent per month will be assessed on any invoice not paid within thirty (30) days of the invoice date. We reserve the right to halt further services until payment on past due invoices is received. In the event that collection procedures are required, you agree to pay all expenses of collection, including collection efforts by our staff, which will be billed at our standard hourly rates, and all attorney's fees and costs actually incurred by our Firm in connection with such collection, whether or not suit is filed thereon. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

LAW - This agreement will be interpreted in accordance with Florida law and the terms and conditions as required by the Florida Board of Accountancy, where applicable.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to three times the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

The workpapers for this engagement are the property of MSL and constitute confidential information. However, we may be requested to make certain workpapers available to government officials or others pursuant to authority by law or regulation. If requested, access to such workpapers will be provided under the supervision of MSL personnel. We do not waive any rights or privileges granted under federal or state law, statutes, or regulation with regard to client/accountant privileges.

MEDIATION - Parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. In the event that the parties cannot agree to a mediator, each will choose one and the two will choose a third, who will serve as sole mediator. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceeding shall be shared equally by both parties.

TERM - This engagement is for a limited period of time and is further limited by scope. Any other services performed on your behalf shall be by separate agreement. Our audit and tax engagements each end on the delivery of our audit report or tax return, respectively. Any follow-up services will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. You agree that any claim arising out of this engagement letter shall be commenced within one (1) year of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against MSL.

If at any time during the engagement, you fail to make prompt payments or cooperate with the staff performing this engagement, we reserve the right to suspend performance until such time as payment is made or cooperation resumes. Our engagement to serve as your independent auditor is contingent upon the results obtained from our client acceptance and continuance due diligence procedures. In the event circumstances arise that cause us to believe that we can no longer adequately meet our obligations, or if we believe that continued performance would require us to compromise our ethical standards, we reserve the right to immediately suspend or terminate this contract. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You understand that if this contract is suspended or terminated, reports or documents may not be prepared timely, and you agree to hold MSL and its employees harmless for any damages suffered. In no event will our Firm be liable for incidental or consequential damages, even if we have been advised of the possibility of such damages.

NON-SOLICITATION - Your management and MSL acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will (a) solicit any shareholder/partner or employee of the other party for employment, or (b) employ any person who was a shareholder/partner or employee of the other party within four (4) months after the termination of their employment with the other party for any reason, without the advance written consent of the other party. In any case, if the individual becomes an employee of the other party within the non-solicitation period in violation of the foregoing, the other party agrees to pay the original employer a fee equal to 40 percent (40%) of the individual's annual compensation for the prior full twelve-month period of their prior employment. The fee is due thirty (30) days after the individual becomes an employee of the other party.

ENTIRE AGREEMENT - The terms and conditions set out in this engagement letter constitute the entire agreement between the parties and supersede any verbal or written agreements concerning the above-referenced services.

If the services and terms outlined above are in accordance with your understanding, please sign this letter and return it to us.

We very much appreciate this opportunity to be of service to you. If you have any questions, please do not hesitate to contact us.

Sincerely,

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

The above terms and conditions are accepted and affirmed.

By: _____
(signature)

(print name and title)

Date: _____

By: _____
(signature)

(print name and title)

Date: _____

THIRD ORDER OF BUSINESS

**TIFA LLC
INVOICE APPROVAL BY MANAGERS**

WHEREAS, the undersigned are the duly appointed and acting Managers of TIFA LLC, which operates pursuant to that certain Limited Liability Company Operating Agreement of TIFA LLC dated May 24, 2010 ("Operating Agreement"); and,

WHEREAS, at a duly called and noticed public meeting of the Managers as indicated below, the undersigned approved the contract and/or authorized the expenditure as indicated below, and further authorized the managers to execute the Invoice Approval by Managers form reflecting such authorized expenditures in order to process payments.

Previous Authorizations

TIFA Meeting Date	Approved	Total Contract or Expenditure Authorized
07/30/2019	Imprest Account Reimbursement from Depository Account	See Attached

NOW, THEREFORE, the Managers of TIFA LLC, based upon the previous TIFA authorizations, approve the following payments:

Invoice Description	Total Amount	Pursuant to Previous TIFA Authorization Date	Invoice Payment
Transfer to imprest account at Northern Trust ending *8866	\$16,811.42	07/30/19	To be Paid by TIFA upon this approval

Except as otherwise set forth herein, defined terms shall have the meaning set forth in the Operating Agreement. This Action may be executed in several counterparts, and all counterparts so executed shall constitute one Approval binding on all parties.

IN WITNESS WHEREOF, the undersigned represent and warrant that each is the duly authorized and appointed agent of TIFA LLC.

Mike Brown, Manager

Jim Ball, Manager

Date: _____, 2019

Date: _____, 2019

TIFA LLC
Check Detail
 June 21 through July 23, 2019

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Check	ACH0...	06/27/2019	Cardmember Service		103.00 · Cash- Nort...		-3,742.02
					203.50 · Northen Tr...	-3,742.02	3,742.02
TOTAL						-3,742.02	3,742.02
Bill Pmt -Check	ACH0...	07/22/2019	Florida Power & Li...		103.00 · Cash- Nort...		-5,878.23
Bill	18790...	07/01/2019			511.00 · Utilities	-644.51	644.51
Bill	32610...	07/01/2019			511.00 · Utilities	-648.31	648.31
Bill	47893...	07/01/2019			511.00 · Utilities	-482.51	482.51
Bill	74008...	07/01/2019			511.00 · Utilities	-528.17	528.17
Bill	76646...	07/01/2019			511.00 · Utilities	-473.87	473.87
Bill	75317...	07/01/2019			511.00 · Utilities	-501.54	501.54
Bill	54996...	07/01/2019			511.00 · Utilities	-441.75	441.75
Bill	24869...	07/01/2019			511.00 · Utilities	-280.61	280.61
Bill	11526...	07/01/2019			511.00 · Utilities	-264.28	264.28
Bill	09060...	07/01/2019			511.00 · Utilities	-265.76	265.76
Bill	54213...	07/01/2019			511.00 · Utilities	-298.66	298.66
Bill	83665...	07/01/2019			511.00 · Utilities	-255.27	255.27
Bill	62400...	07/01/2019			511.00 · Utilities	-262.74	262.74
Bill	73681...	07/01/2019			511.00 · Utilities	-271.39	271.39
Bill	40983...	07/01/2019			511.00 · Utilities	-258.86	258.86
TOTAL						-5,878.23	5,878.23
Bill Pmt -Check	1294	07/22/2019	The City of Titusville		103.00 · Cash- Nort...		-3,469.43
Bill	42-2019	06/03/2019			501.00 · O&M Oper...	-132.86	132.86
Bill	43-2019	06/05/2019			501.00 · O&M Oper...	-958.48	958.48
Bill	44-2019	06/12/2019			501.00 · O&M Oper...	-363.81	363.81
Bill	48-2019	06/18/2019			501.00 · O&M Oper...	-195.11	195.11
Bill	49-2019	06/18/2019			501.00 · O&M Oper...	-203.99	203.99
Bill	45-2019	06/19/2019			501.00 · O&M Oper...	-452.60	452.60
Bill	46-2019	06/25/2019			501.00 · O&M Oper...	-434.85	434.85
Bill	47-2019	06/26/2019			501.00 · O&M Oper...	-488.12	488.12
Bill	50-2019	06/28/2019			501.00 · O&M Oper...	-239.51	239.51
TOTAL						-3,469.43	3,469.43
Bill Pmt -Check	1295	07/23/2019	DRMP, Inc.		103.00 · Cash- Nort...		-2,581.74
Bill	0154454	04/19/2019			508.00 · Wetland M...	-2,581.74	2,581.74
TOTAL						-2,581.74	2,581.74

TIFA LLC
Check Detail
June 21 through July 23, 2019

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Account</u>	<u>Paid Amount</u>	<u>Original Amount</u>
Bill Pmt -Check	1296	07/23/2019	Pace Analytical, LLC		103.00 - Cash- Nort...		-1,140.00
Bill	19353...	07/11/2019			501.50 - O&M Parts ...	-1,140.00	1,140.00
TOTAL						-1,140.00	1,140.00

FOURTH ORDER OF BUSINESS

TIFA LLC
Balance Sheet
As of June 30, 2019

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
102.00 · Cash-Northern Trust Company	482,721.53
103.00 · Cash- Northern Trust Operating	21,257.98
Total Checking/Savings	503,979.51
Accounts Receivable	
104.00 · Accounts Receivable	98,874.48
Total Accounts Receivable	98,874.48
Other Current Assets	
105.00 · Prepaid Insurance	51,386.09
Total Other Current Assets	51,386.09
Total Current Assets	654,240.08
Other Assets	
110.00 · Consumptive Use Permit	1,981,386.49
110.50 · CUP Accumulated Amortization	-672,845.82
115.00 · FPL Fee	871,451.54
115.50 · FPL Fee Accumulated Amort.	-154,931.10
120.00 · Easements	333,883.45
125.00 · Mitigation Credit	139,200.00
130.00 · Monitoring Wells	488,188.61
130.50 · A/D Monitoring Wells	-97,374.50
135.00 · Area IV Wellfield Phase 1	1,814,563.28
135.50 · A/D - Wellfield Phase 1	-401,226.77
140.00 · Area IV Wellfield Phase 2	5,069,052.98
140.50 · A/D - Wellfield Phase 2	-615,709.05
150.00 · Wellfield Assets-Inactive	164,932.50
Total Other Assets	8,920,571.61
TOTAL ASSETS	9,574,811.69
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
201.01 · A/P Trade	6,051.17
Total Accounts Payable	6,051.17
Credit Cards	
203.50 · Northern Trust Credit Card	1,589.45
Total Credit Cards	1,589.45
Total Current Liabilities	7,640.62
Total Liabilities	7,640.62
Equity	
301.00 · Contributed Capital - City	3,767,405.54
302.00 · Contributed Capital - Farmton	3,767,405.55
303.00 · Member's Equity	1,774,034.71
Net Income	258,325.27
Total Equity	9,567,171.07
TOTAL LIABILITIES & EQUITY	9,574,811.69

TIFA LLC
Profit & Loss Budget vs. Actual
January through June 2019

	<u>Jan - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
401.00 · Water Sales	589,618.26	574,571.02	15,047.24
402.00 · Interest / Dividends	12.74	12.52	0.22
Total Income	<u>589,631.00</u>	<u>574,583.54</u>	<u>15,047.46</u>
Gross Profit	589,631.00	574,583.54	15,047.46
Expense			
501.00 · O&M Operating Agreement	16,849.89	24,399.98	-7,550.09
501.50 · O&M Parts & Labor	21,953.33	16,449.98	5,503.35
502.01 · Consulting	0.00	500.02	-500.02
502.02 · Accounting	15,000.00	15,000.00	0.00
502.03 · Legal	0.00	2,500.02	-2,500.02
502.04 · Hydrogeological Services	5,168.29	3,750.00	1,418.29
503.00 · Managing Agent Fees	13,000.02	12,999.98	0.04
504.00 · Insurance (P&C / Liability)	32,989.10	32,867.48	121.62
505.00 · Miscellaneous Expense	258.88	249.98	8.90
506.00 · Depreciation Wellfield	122,863.38	122,863.50	-0.12
507.00 · CUP Amortization	49,534.68	49,534.50	0.18
507.10 · FPL Amortization	14,524.20	14,523.98	0.22
508.00 · Wetland Monitoring Expense	4,200.00	2,100.00	2,100.00
511.00 · Utilities	34,963.96	35,050.02	-86.06
513.00 · Other Taxes	0.00	16,250.02	-16,250.02
Total Expense	<u>331,305.73</u>	<u>349,039.46</u>	<u>-17,733.73</u>
Net Income	<u><u>258,325.27</u></u>	<u><u>225,544.08</u></u>	<u><u>32,781.19</u></u>

FIFTH ORDER OF BUSINESS

**TIFA LLC
2836 GARDEN STREET
TITUSVILLE, FLORIDA 32796**

July 30, 2019

Mr. Sean Stauffer
Water Resources Director
City of Titusville
2836 Garden Street
Titusville, Florida 32796

Mr. David Fuechtman
Vice President & Secretary
Farmton Water Resources, LLC
410 N. Michigan Avenue Suite
590
Chicago, Illinois 60611

CAPITAL DISTRIBUTION NOTICE

Pursuant to the TIFA LLC Operating Agreement Section 4.1 Distribution of Distributable Cash, a cash distribution from TIFA LLC is requested today in the amount of \$180,000.00 (\$90,000.00 to the City of Titusville and \$90,000.00 to Farmton Water Resources, LLC). Payment is to be made from the TIFA LLC Northern Trust main checking account within 30 days of receipt of this capital distribution notice.

Sincerely,

TIFA LLC

Michael A. Brown
Manager

Jim Ball
Manager

TIFA LLC
Member Distributions

	<u>6/30/19</u>
Cash Balance	\$ 482,721.53
Expected Cash Needs	
No unbudgeted items	-
Maintenance Cash Balance	<u>(300,000.00)</u>
Distributable Cash	<u>\$ 182,721.53</u>
Recommended Distribution	\$ 180,000.00
To City of Titusville	\$ 90,000.00
To Farmton Water Resources LLC	\$ 90,000.00

2019 Distributions

	FWR	City	Total
Budgeted	\$ 420,000	\$ 420,000	\$ 840,000
3/31/19	110,000	110,000	220,000
6/30/19	180,000	90,000	90,000
Total	\$ 290,000	\$ 200,000	\$ 310,000

2018 Distributions

	FWR	City	Total
Budgeted	\$ 420,000	\$ 420,000	\$ 840,000
4/30/18	125,000	125,000	250,000
7/31/18	120,000	120,000	240,000
10/31/18	125,000	125,000	250,000
12/31/18	60,000	60,000	120,000
Total	\$ 430,000	\$ 430,000	\$ 860,000

2017 Distributions

	FWR	City	Total
Budgeted	\$ 550,000	\$ 550,000	\$ 1,100,000
3/31/17	190,000	190,000	380,000
6/30/17	115,000	115,000	230,000
9/30/17	80,000	80,000	160,000
12/31/17	150,000	150,000	300,000
Total	\$ 535,000	\$ 535,000	\$ 1,070,000