

TIFA

NOVEMBER 23, 2015

AGENDA

TIFA LLC MEETING AGENDA
November 23, 2015
11:00 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 October 22, 2015
(Presenter: Jim Perry)
- II. Consideration of Audit Engagement Letter from Moore, Stephens & Lovelace
(Presenter: Jim Perry)

Financial Items and Reports

- III. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: Jim Perry)
- IV. Presentation and Approval of FY2016 Budget (Presenter: Helen Hutchens)

Staff Reports / Informational Items

- V. Area IV Phase 2 Update (Presenter: Sean Stauffer)

Other Business

Public Comment

Next Scheduled Meeting

Open Items

Adjournment

FIRST ORDER OF BUSINESS

Date: November 23, 2015

To: TIFA LLC Management Committee

From: Sarah Sweeting, GMS, LLC

Subject: Approval of Minutes – October 22, 2015 TIFA LLC Meeting

Summary Explanation & Background: The draft minutes of the October 22, 2015 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, comments were received from Farmton Water Resources / Miami Corporation and the City of Titusville on November 2, 2015. The minutes were revised to reflect those comments. No other comments have been received.

Source of Funds: This action requires no funds.

Minutes of TIFA LLC Meeting
October 22, 2015
11:00 a.m.
City of Titusville Water Resources
Mourning Dove Water Plant
2836 Garden Street
Titusville, Florida 32796

Persons in Attendance

Mike Brown, Miami Corporation, TIFA Management Committee Member
Dwight Severs, City of Titusville, TIFA Management Committee Member
Sean Stauffer, City of Titusville, Water Resources Director
Richard Broome, City of Titusville, City Attorney
Andrew Jantzer, City of Titusville, Water Resources Deputy Director
Barbra Goering, Farmton Water Resources (by telephone)
Susan Pattock, Farmton Water Resources (by telephone)
Pat Gagliardi, Farmton Water Resources (by telephone)
Jim Perry, GMS LLC

Jim Perry conducted the meeting.

Action Items

I. Approval of the Minutes of the TIFA LLC Meeting of September 17, 2015

Member Severs moved to approve the minutes of the September 17, 2015 meeting, Member Brown concurred and the motion passed.

II. Approval of Change Order no. 4 (final) for the Area IV Phase 2 Well Drilling Project to Advanced Well Drilling, Inc.

Mr. Stauffer presented change order no. 4 and final for the Area IV Phase 2 well drilling project with Advanced Well Drilling, Inc. with an overall reduction in the contract price and recommended approval.

Member Severs moved to approve change order no. 4 and final for the Area IV Phase 2 well drilling project with Advanced Well Drilling, Inc. for a net decrease of \$22,175.30 and 142 additional days, Member Brown concurred and the motion passed.

III. Approval of Change Order no. 1 for the Area IV Phase 2 Well Outfitting and Raw Water Transmission Main Project to Felix and Associates of Florida, Inc.

Mr. Stauffer presented change order no. 1 to the Felix Contract for the construction of 5A that includes time for 5A and quantity adjustments associated with the change order for a total change in contract price of \$9,107.25 and recommended approval.

Member Severs moved to approve change order no. 1 for Area IV Phase 2 well outfitting and raw water transmission main project with Felix and Associates of Florida, Inc. for a net increase of \$9,107.25 and an increase of 197 additional days, Member Brown concurred and the motion passed.

Financial Items and Reports

IV. Ratification of Expenses Paid from Operating Account and Request for Reimbursement

Member Severs moved to ratify expenses paid from the operating account in the amount of \$5,748.08, Member Brown concurred and the motion passed.

V. Presentation of 3rd Quarter Financial Statements

Ms. Gagliardi stated, the financials are self-explanatory, the September financials will be the basis for the 2015 forecast and 2016 budget, which are both currently underway and will be presented at the next meeting.

Member Severs moved to approve the 3rd quarter financial statements, Member Brown concurred and the motion passed.

VI. Approval of Capital Call Notice

Member Severs moved to approve the capital call notice in the total amount of \$176,268.32 with \$88,134.16 coming from the City of Titusville and \$88,134.16 coming from Farmton Water Resources, LLC, Member Brown concurred and the motion passed.

Staff Reports/Informational Items

VII. Area IV Phase 2 Update

Mr. Stauffer stated, I will start with the well drilling, construction is complete, they have wrapped up everything they need to and we have received their request for retainage and are processing that. There is one small item outstanding and that had to do with some grassing associated with the salt water monitoring well. It was underwater and they have been unable to complete that.

Pipeline and well outfitting, currently Wells 9, 8, and 4 are operating and sending water to the City of Titusville. Wells 1, 2, 3, 6 and 7 have a projected start date of November 2nd and we have moved along quite well with the contractor on getting the final documents. We have

received the executed final completion certificates and we expect to have the bond documents in advance of the November 2nd start date. We will ask Mr. Perry to do the initial reads at the end of October.

Outfitting of 5A is on schedule, the contractor is moving along well and there are no issues with that work. The easements have been completed and we are ready for the final documents.

VIII. Update on Resource Lease Between Swallowtail LLC and Farmton Water Resources

Ms. Goering stated, this is a housekeeping item. We have had the sketch and description of the area that needed to be put under resource lease by Swallowtail for quite some time. This is an overall housekeeping issue for Farmton Water Resources because we added enclaves into our territory in Volusia so we have taken the time to get everything done at the same time. However, we are close to getting this complete and I believe it will be complete and in place by the next managers meeting. We will make sure it gets to the City so you know that the area that Swallowtail had purchased in 2007 is under the same resource lease with Farmton Water Resources.

Member Severs stated, I recall Mr. Storch when we had our closing in 2010 showing a copy of the resource lease from Miami Corp. to Farmton. I'm not sure that TIFA has a copy of that in its official records and I think it should, likewise TIFA should have as part of its official records the Swallowtail. As you know Mr. Storch promised that Swallowtail portion five years ago in 2010 when we had the closing and I would like to make sure that as a part of Phase 2 finalization that we have all the documents in order. I think you are saying the same thing when I look at the LLC agreement it has a Farmton tract that is attached and that shows the Miami Corporation property and the Swallowtail property in Brevard County. Hopefully, at a minimum it covers those properties.

Ms. Goering stated, I have scans of the resource lease that was put in place in 2004 when we became a utility and can forward that to whoever and maybe it is Andy I should send that to.

Mr. Jantzer stated, that will be fine.

Ms. Goering stated, previously we had a sketch and description of what I call the "nose" and sent it to John Peterson this summer to make sure we all understood what we were talking about and I got word back from him that it was okay and I will send that over too.

Other Business

Mr. Stauffer stated, I spoke with Lee Holt with the TPO from Brevard County about the trail and as far as the southern portion that affects the city, that is going to start construction around Christmastime and we have the plans now that will extend from Dairy Road to Glenn Road so there is a portion that will be on the trail. It looked like the next section they have some environmental permitting to do and their expectation is to start construction the summer of 2016. They plan to build south to north and that will go through Phase 1.

Member Severs stated, I know you are planning to send the budget for next year. I think it is important that at some point in time that TIFA retain its own independent counsel. I

certainly hope there is never a conflict between TIFA, the city and/or Miami Corporation but I think managers should have an independent counsel available to review the documents and give the managers advice. Whether we follow that advice or not is up to us independently but since we are getting fully operational next year I think we need independent counsel. I do not foresee that the person would attend the meetings on a regular basis it would only be on an as needed basis but I think an amount should be included for budgetary purposes. Also I think there ought to be consideration to having TIFA retain its own separate, independent, hydrologist to provide an annual report of how we are doing. Obviously, it should compare the original design capacity, what we are producing, what problems if any are occurring, the chloride levels, the solids and whatever permit criteria we may have. I think it is important as TIFA moves forward it should have its own hydrologist. I don't see that as an expensive item and hopefully, there is never a problem but I think if there is or we have questions from a TIFA standpoint I think we need a hydrologist to advise us. I bring that up since you are in the process of preparing the budget as some suggestions to think about.

Ms. Gagliardi stated, we do have \$1,000 currently in the 2015 budget for legal expenses. If we are looking at possibly retaining independent counsel I'm assuming a retainer would be significantly more than \$1,000.

Member Severs stated, I would not see having more than \$5,000 total and I would defer to Mr. Stauffer and others about a report from a hydrologist. I just think for TIFA's sake it should have a report from an independent hydrologist yearly, such as this is where we are, this is how we are doing and if they see a problem coming let us know about it.

Mr. Stauffer stated I agree, we will make sure that is in the budget.

Public Comment

Next Scheduled Meeting

It was the consensus of board and staff to set the next meeting for Monday, November 23, 2015 at 11:00 a.m. in this location.

Open Items

Adjournment

Member Brown moved to adjourn the meeting at 11:24 a.m. Member Severs concurred and the meeting adjourned.

SECOND ORDER OF BUSINESS



MOORE STEPHENS
LOVELACE CPAs & ADVISORS

November 4, 2015

VIA EMAIL: pgagliardi@miamicorp.com

Mr. Dwight Severs, Manager
TIFA LLC
2836 Garden Street
Titusville, FL 32796

and

Mr. Michael Brown, Manager
TIFA LLC
1625 Maytown Road
Osteen, FL 32764

Dear Messrs. Severs 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, 2015, 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, 2016.

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of assets, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and financial institutions. 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 come 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 Organization 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 skill, knowledge, or experience to oversee tax services or any other nonattest 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 fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with U.S. generally accepted accounting principles that are free of material misstatements. 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 (a) access to all information of which you/they are aware that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of the audit, and (c) 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 (a) management, (b) employees who have significant roles in internal control, and (c) 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 Organization 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. 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 requests.

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

Moore Stephens Lovelace, P.A. 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, 2015.

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. The Organization 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 the return is filed.

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 organization 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.

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 \$14,500 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 fees, 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.

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.

INITIAL DEPOSIT DUE - We require an initial deposit in the amount of \$5,000 for this engagement.

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 Moore Stephens Lovelace, P.A. 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 Moore Stephens Lovelace, P.A. 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. 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. You understand that if this contract is suspended or terminated, reports or documents may not be prepared timely and you agree to hold Moore Stephens Lovelace, P.A. 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. 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.

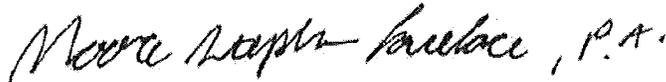
NON-SOLICITATION - Your management and Moore Stephens Lovelace, P.A. acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will (a) solicit any shareholder/partner 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 a copy of this letter and return it to us, along with the initial deposit of \$5,000. Upon receipt of your signed engagement letter and initial deposit, we will schedule your work.

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.

The above terms and conditions are accepted and affirmed.

By: _____
(signature)

By: _____
(signature)

(print name and title)

(print name and title)

Date: _____

Date: _____



MOORE STEPHENS
LOVELACE CPAs & ADVISORS

Citrus Center
255 S. Orange Ave., Suite 600
Orlando, FL 32801

Ariel Lovera
TIFA LLC
c/o Governmental Management Services-CF, LLC
135 W. Central Blvd., Suite 320
Orlando, FL 32801

Invoice No. 108362
Date 10/31/2015
Client No. 031/31174.0

For professional services rendered related to the following:

. Initial deposit for the audit of the financial statements of **TIFA LLC** and tax return preparation for the year ending December 31, 2015, per the terms of our engagement letter.

Balance due on this invoice upon receipt

\$ 5,000.00

A service charge of 1.5% per month will be added to any amount outstanding more than 30 days.



MOORE STEPHENS
LOVELACE CPAs & ADVISORS

Citrus Center
255 S. Orange Ave., Suite 600
Orlando, FL 32801

Ariel Lovera
TIFA LLC
c/o Governmental Management Services-CF, LLC
135 W. Central Blvd., Suite 320
Orlando, FL 32801

Invoice No. 108362
Date 10/31/2015
Client No. 031/31174.0

For professional services rendered related to the following:

. Initial deposit for the audit of the financial statements of TIFA LLC and tax return preparation for the year ending December 31, 2015, per the terms of our engagement letter.

Balance due on this invoice upon receipt

\$ 5,000.00

REMITTANCE COPY

A service charge of 1.5% per month will be added to any amount outstanding more than 30 days.

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
11/23/15	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	\$5,269.61	11/23/15	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

Dwight Severs, Manager

Date: _____, 2015

Date: _____, 2015

10:31 AM

11/12/15

TIFA LLC
Check Detail
 October 13 through November 12, 2015

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	ACH	10/19/2015	Florida Department...		103.00 · Cash- Nort...		-99.23
Bill	27289...	10/16/2015			501.50 · O&M Parts ...	-99.23	99.23
TOTAL						-99.23	99.23
Bill Pmt -Check	1136	10/20/2015	Florida Power & Li...		103.00 · Cash- Nort...		-17.15
Bill	18790...	10/15/2015			511.00 · Utilities	-17.15	17.15
TOTAL						-17.15	17.15
Bill Pmt -Check	1137	11/06/2015	Florida Power & Li...		103.00 · Cash- Nort...		-2,670.74
Bill	11526...	11/02/2015			511.00 · Utilities	-173.90	173.90
Bill	54213...	11/02/2015			511.00 · Utilities	-210.83	210.83
Bill	54996...	11/02/2015			511.00 · Utilities	-154.48	154.48
Bill	83665...	11/02/2015			511.00 · Utilities	-244.59	244.59
Bill	73681...	11/02/2015			511.00 · Utilities	-59.49	59.49
Bill	62400...	11/02/2015			511.00 · Utilities	-64.08	64.08
Bill	40983...	11/02/2015			511.00 · Utilities	-209.31	209.31
Bill	24869...	11/02/2015			511.00 · Utilities	-261.26	261.26
Bill	09060...	11/02/2015			511.00 · Utilities	-196.65	196.65
Bill	18790...	11/02/2015			511.00 · Utilities	-76.51	76.51
Bill	76646...	11/02/2015			511.00 · Utilities	-19.64	19.64
Bill	47893...	11/02/2015			511.00 · Utilities	-1,000.00	1,000.00
TOTAL						-2,670.74	2,670.74
Bill Pmt -Check	1138	11/06/2015	Marsh USA		103.00 · Cash- Nort...		-555.56
Bill	69584...	11/03/2015			105.00 · Prepaid Ins...	-555.56	555.56
TOTAL						-555.56	555.56
Check	1139	11/10/2015	Cardmember Service		103.00 · Cash- Nort...		-155.97
					203.50 · Northen Tr...	-155.97	155.97
TOTAL						-155.97	155.97

10:31 AM
11/12/15

TIFA LLC
Check Detail
October 13 through November 12, 2015

<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	1140	11/10/2015	The City of Titusville		103.00 · Cash- Nort...		-1,770.96
Bill	R-231	10/07/2015			501.00 · O&M Oper...	-379.71	379.71
Bill	R-232	10/14/2015			501.00 · O&M Oper...	-347.81	347.81
Bill	R-233	10/21/2015			501.00 · O&M Oper...	-299.97	299.97
Bill	R-234	10/28/2015			501.00 · O&M Oper...	-347.81	347.81
Bill	R-235	10/30/2015			501.00 · O&M Oper...	-395.66	395.66
TOTAL						-1,770.96	1,770.96

FOURTH ORDER OF BUSINESS

**TIFA LLC
BUDGET
2016**

	Actual 2014	Budget 2015	Forecast 2015	Budget 2016	Proforma 2017	Proforma 2018
INCOME STATEMENT						
Revenues						
401.00 · Water Sales	\$ 446,393	\$ 728,262	\$ 534,735	\$ 1,192,598	\$ 1,196,875	\$ 1,197,216
402.00 · Interest / Dividends	34	12	30	12	12	12
Total Revenues	446,427	728,274	534,765	1,192,610	1,196,887	1,197,228
Expenses						
501.00 · O&M Operating Agreement	33,379	35,200	24,500	43,400	44,200	45,100
501.50 · O&M Parts & Labor	-	14,200	19,000	18,200	25,500	25,500
502.01 · Consulting	-	1,000	-	1,000	1,000	1,000
502.02 · Accounting & Tax	13,950	15,250	15,296	16,000	16,300	16,800
502.03 · Legal	-	1,000	-	5,000	5,000	5,000
502.04 · Hydrogeological services	-	-	-	7,500	7,500	7,500
503.00 · Managing Agent Fees	20,500	20,500	22,250	26,000	26,000	26,000
504.00 · Insurance (P&C / Liability)	39,372	49,551	52,683	76,946	77,623	81,464
505.00 · Miscellaneous Expense	129	500	298	500	500	500
506.00 · Depreciation Wellfield	72,672	146,100	103,023	246,243	246,243	246,243
507.00 · CUP Amortization	99,069	99,069	99,069	99,069	99,069	99,069
507.10 · FPL Amortization	15,311	23,169	18,173	29,048	29,048	29,048
508.00 · Wetland Monitoring Expense	2,693	3,904	4,129	3,679	3,679	3,679
509.00 · Wellfield Repair Expense	-	-	-	-	-	-
510.00 · Other Wellfield Expense	-	-	-	-	-	-
511.00 · Utilities	13,489	71,400	32,300	121,300	121,300	121,300
513.00 · Other Taxes	13,773	14,300	11,662	32,800	28,000	23,100
Total Expenses	324,337	495,143	402,383	726,685	730,962	731,303
Net Income	\$ 122,090	\$ 233,131	\$ 132,382	\$ 465,925	\$ 465,925	\$ 465,925
Water Rate Per Thousand Gallons	\$ 1.63	\$ 1.22	\$ 1.35	\$ 1.19	\$ 1.19	\$ 1.19

Note: Water rates are adjusted at December 1 to reflect actual costs and capital contributions placed in service.

TIFA LLC
 BUDGET
 2016

	Actual 2014	Budget 2015	Forecast 2015	Budget 2016	Proforma 2017	Proforma 2018
BALANCE SHEET						
Assets						
101.00-103.00 Cash	\$ 1,118,550	\$ 323,771	\$ 1,405,287	\$ 303,929	\$ 303,238	\$ 302,486
104.00 Accounts Receivable	67,027	-	-	-	-	-
105.00 Prepaid Insurance	9,960	18,850	21,941	19,924	20,901	21,937
110.00 · Consumptive Use Permit	1,981,386	1,981,386	1,981,386	1,981,386	1,981,386	1,981,386
110.50 · CUP Accumulated Amortization	(227,034)	(326,103)	(326,103)	(425,172)	(524,241)	(623,310)
115.00 · FPL Fee	466,540	863,468	871,452	871,452	871,452	871,452
115.50 · FPL Fee Accumulated Amort.	(35,089)	(58,257)	(53,262)	(82,310)	(111,358)	(140,406)
120.00 · Easements	186,200	376,200	333,833	333,833	333,833	333,833
125.00 · Mitigation Credit	139,200	139,200	139,200	139,200	139,200	139,200
130.00 · Monitoring Wells	365,583	365,583	464,566	464,566	464,566	464,566
130.50 · A/D Monitoring Wells	(27,267)	(39,607)	(40,295)	(55,780)	(71,266)	(86,751)
135.00 · Area IV Wellfield Phase 1	1,814,563	1,814,563	1,814,563	1,814,563	1,814,563	1,814,563
135.50 · A/D - Wellfield Phase 1	(129,196)	(189,528)	(189,528)	(250,013)	(310,499)	(370,984)
140.00 · Area IV Wellfield Phase 2	1,886,586	5,084,137	5,108,161	5,108,161	5,108,161	5,108,161
140.50 · A/D - Wellfield Phase 2	-	(73,428)	(29,664)	(199,936)	(370,208)	(540,480)
150.00 · Wellfield Assets-Inactive	164,933	164,932	164,932	164,932	164,932	164,932
Total Assets	\$ 7,781,942	\$ 10,445,167	\$ 11,666,469	\$ 10,188,735	\$ 9,814,660	\$ 9,440,585
Liabilities						
201.01 · A/P Trade	\$ 1,986	\$ -	\$ -	\$ -	\$ -	\$ -
202.00 · Contract Payable	415,942	-	233,659	-	-	-
Equity						
301.00-302.00 · Contributed Capital	7,085,395	10,912,546	11,021,809	11,021,809	11,021,809	11,021,809
303.00 · Member's Equity	278,619	(467,379)	411,001	(833,074)	(1,207,149)	(1,581,224)
Total Liabilities and Equity	\$ 7,781,942	\$ 10,445,167	\$ 11,666,469	\$ 10,188,735	\$ 9,814,660	\$ 9,440,585
	-	-	-	-	-	-

TIFA LLC
 BUDGET
 2016

	Actual 2014	Budget 2015	Forecast 2015	Budget 2016	Proforma 2017	Proforma 2018
CASH FLOWS						
Cash Flows from Operating						
Net Income (Loss)	\$ 122,090	\$ 233,131	\$ 132,382	\$ 465,925	\$ 465,925	\$ 465,925
Adjustments to net income (loss)						
Depreciation and amortization	187,052	268,338	220,267	374,359	374,361	374,359
Changes in operating assets/liabilities						
Accounts receivable	(67,027)	-	67,027	-	-	-
Prepaid expenses	(233)	(8,949)	(11,981)	2,017	(977)	(1,036)
Accounts payable	(11,835)	-	(1,986)	-	-	-
Net Cash from Operating	230,047	492,520	405,709	842,301	839,309	839,248
Cash Flows from Investing						
Purchase of Wellfield and related assets	(742,890)	(3,471,513)	(4,055,386)	(233,659)	-	-
Cash Flows from Financing						
Member capital contributions	1,093,862	3,471,513	3,936,414	-	-	-
Member distributions	-	(970,000)	-	(1,710,000)	(840,000)	(840,000)
Net Cash Flows from Financing	1,093,862	2,501,513	3,936,414	(1,710,000)	(840,000)	(840,000)
Net Increase (Decrease) in Cash	581,019	(477,480)	286,737	(1,101,358)	(691)	(752)
Cash Beginning of year	537,531	801,251	1,118,550	1,405,287	303,929	303,238
Cash End of year	\$ 1,118,550	\$ 323,771	\$ 1,405,287	\$ 303,929	\$ 303,238	\$ 302,486