

TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections

	FY 2010	FY2011	FY2012	FY2012	FY2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Budget	Forecast	Comparison	Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
INCOME STATEMENT					to Budget					
OPERATING REVENUE										
Water Utility Revenue*	-		349,656	235,236	(114,419)	512,958	1,057,549	1,168,625	1,174,672	1,179,545
Loss on Disposal of Assets		(12,348)			-					
Total Operating Revenue	\$ -	\$ (12,348)	\$ 349,656	\$ 235,236	\$ (114,419)	512,958	\$ 1,057,549	\$ 1,168,625	\$ 1,174,672	\$ 1,179,545
OPERATING EXPENDITURES										
O&M Expense (Operations Agreement)	\$ -		54,442	18,942	(35,500)	33,935	66,032	68,660	69,505	70,376
Utilities						36,129	105,765	116,272	116,272	116,272
Managing Agent			16,000	11,000	(5,000)	22,000	20,000	20,300	20,600	20,600
TIFA Website			800	500	(300)	750	500	500	500	500
Wellfield Insurance (General Liability/Excess)			17,874	18,343	469	24,718	27,902	30,693	33,761	35,843
Wellfield Insurance (Property)			11,250	10,194	(1,056)	16,194	29,026	34,652	36,386	38,206
Depreciation Expense	-		64,301	13,907	(50,394)	93,384	239,501	252,268	252,268	252,268
CUP Value Amortization Expense	-		66,046	28,895	(37,151)	99,069	99,069	99,069	99,069	99,069
FPL Amortization			10,197	4,461	(5,736)	15,311	31,811	31,811	31,811	31,811
Accounting/Tax Preparation		7,688	11,440	12,238	798	18,500	18,500	19,100	19,100	19,100
Legal, Consulting and Other Professional			3,500	1,000	(2,500)	2,500	2,500	2,500	2,500	2,500
Wetland Monitoring Expenses		21,064	9,932	10,295	363	4,200	4,200	4,300	4,300	4,300
Other Wellfield Expenses		2,349	900	900	-	-	-	-	-	-
Miscellaneous	79	199	227	278	51	2,890	2,890	3,000	3,100	3,200
Use Taxes			339	-	(339)	-	-	-	-	-
Other Taxes			-	-	-	10,021	10,021	25,750	25,750	25,750
Total Operating Expenditures	\$ 79	\$ 31,300	\$ 267,250	\$ 130,953	\$ (136,296)	379,601	\$ 657,717	\$ 708,875	\$ 714,922	\$ 719,795
Net Income	\$ (79)	\$ (43,648)	\$ 82,406	\$ 104,283	\$ 21,877	133,357	\$ 399,832	\$ 459,750	\$ 459,750	\$ 459,750

*See Income Statement Assumptions for Revenue assumptions

Fiscal Year = January 1 through December 31

2012 Water Rate has been adjusted to reflect forecasted expenses.

Budgeted 2013 Water Rate based on anticipated activity. Water Rate will be subject to adjustment in the fourth quarter of 2013 based on actual and full year forecasted 2013 activity.

FY 2014 through FY 2017 are Pro Forma estimates only. Annual budgets will be prepared each year for approval by the Management Committee and Members

Rate Base	\$ 2,774,596	\$ 2,578,491	\$ (196,105)	3,649,410	\$ 7,010,397	\$ 7,993,164	\$ 7,993,164	\$ 7,993,164
Rate of Return	5.00%	5.00%	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rate of Return Rqd	138,730	128,924	(9,806)	182,470	350,520	399,658	399,658	399,658
Net Income Per Books	82,406	104,283	21,877	133,357	399,832	459,750	459,750	459,750
Plus: Book CUP Amortization	66,046	28,895	(37,151)	99,069	99,069	99,069	99,069	99,069
Plus: Book FPL Amortization	10,197	4,461	(5,736)	15,311	31,811	31,811	31,811	31,811
Minus: Rate CUP Amortization	-	-	-	(35,387)	(118,112)	(128,892)	(128,892)	(128,892)
Minus: Rate FPL Amortization	(19,920)	(8,715)	11,205	(29,880)	(62,080)	(62,080)	(62,080)	(62,080)
Rate Worksheet Net Income	138,730	128,924	(9,806)	182,470	350,520	399,658	399,658	399,658

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections**

	FY 2010	FY2011	FY2012	FY2012	FY2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Budget	Forecast	Comparison	Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
CAPITAL CONTRIBUTIONS										
At Closing										
Transfer from Farmton WR	\$ 1,507,642				\$ -					
Transfer from City	1,507,642				-					
Phase I										
Transfer from Farmton WR	6,813	288,040	593,865	459,651	(134,214)	75,538				
Transfer from City	6,813	288,040	593,865	459,651	(134,214)	75,538				
Phase II (estimate)										
Transfer from Farmton WR					-	1,183,747	1,199,512	-	-	-
Transfer from City	-				-	1,183,747	1,199,512	-	-	-
Remaining MOU										
Transfer from Farmton WR	166,859				-					
Transfer from City	166,859				-					
FPL										
FPL Phase 1		459,340			-					
FPL Phase 2					-	495,000	-	-	-	-
Mitigation Credit		86,400			-					
Cash		42,549		70,000	70,000					
Total Capital Contributions	\$ 3,362,628	\$ 1,164,369	\$ 1,187,729	\$ 989,301	\$ (198,428)	3,013,570	\$ 2,399,024	\$ -	\$ -	\$ -
(2010 and 2011 per financials)										
Less CUP and FPL	\$ (1,954,000)	\$ (486,727)	\$ -	\$ -	\$ -	495,000	\$ -			
Capital Contributed for Rate Purposes	\$ 1,408,628	\$ 677,642	\$ 1,187,729	\$ 989,301	\$ (198,428)	2,518,570	\$ 2,399,024	\$ -	\$ -	\$ -
Cumulative Capital for Rate Purposes	\$ 1,408,628	\$ 2,086,270	\$ 2,774,596	\$ 2,578,491	\$ (196,105)	5,594,142	\$ 7,993,166	\$ 7,993,166	\$ 7,993,166	\$ 7,993,166
			average	average						

CAPITAL EXPENDITURES										
CUP/MOU/OTHER**	\$ 3,299,001	\$ 27,386			\$ -					
Area IV Phase 1	13,627	580,330	1,187,729	919,301	(268,428)	151,076				
Area IV Phase 2	-				-	2,367,494	2,399,024	-	-	-
Remaining MOU - Farmton***					-					
Remaining MOU- City***					-					
FPL Phase 1		459,340			-					
FPL Phase 2					-	495,000	-			
Mitigation Credit		86,400			-					
Total Capital Expenditures	\$ 3,312,628	\$ 1,153,457	\$ 1,187,729	\$ 919,301	\$ (268,428)	3,013,570	\$ 2,399,024	\$ -	\$ -	\$ -

**\$50,000 in initial cash contributed shown on balance sheet (not as a capital expenditure)

*** City's MOU amount is \$190,175.23 of which \$23,078.80 contributed at closing; Farmton MOU amount is \$273,330.66 of which \$60,409 contributed at closing.

TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections

	FY 2010	FY2011	FY2012	FY2012	FY2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Budget	Forecast	Comparison	Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
CASH FLOW										
Net Income	\$ (79)	\$ (43,648)	\$ 82,406	\$ 104,283	\$ 21,877	133,357	\$ 399,832	\$ 459,750	\$ 459,750	\$ 459,750
Plus Adjustment to reconcile net income to operating cash flows										
Depreciation	-		64,301	13,907	(50,394)	93,384	239,501	252,268	252,268	252,268
CUP Amortization			66,046	28,895	(37,151)	99,069	99,069	99,069	99,069	99,069
FPL Amortization			10,197	4,461	(5,736)	15,311	31,811	31,811	31,811	31,811
(Gain) Loss on disposal of assets		12,348			-					
(Increase) Decrease in Operating Assets										
Receivables					-					
Other				(9,518)	(9,518)	(948)	(5,023)	(1,131)	(1,224)	(891)
Increase (Decrease) in Operating Liabilities										
Payables		4,435	(4,435)	(4,435)	-					
Other					-					
Net Cash Flow From Operations	\$ (79)	\$ (26,865)	\$ 218,516	\$ 137,593	\$ (80,923)	340,173	\$ 765,190	\$ 841,767	\$ 841,674	\$ 842,007
Cash Flows from Investing Activities										
Purchase of CUP	\$ (1,954,000)	\$ (27,386)			\$ -					
Easements	(186,200)				-					
Purchase of 2 Wells	(211,220)				-					
Contributed Expenses	(83,488)				-					
Purchase of Mitigation Credit	(9,600)	(86,400)			-					
Purchase of Saline Monitoring Wells	(56,380)				-					
Other Wellfield Costs (to 10-14-08)	(464,395)				-					
Area IV Phase I (Additional)	(13,627)	(580,330)	(1,187,729)	(919,640)	268,089	(151,076)				
Area IV Phase 2			-	-	-	(2,367,494)	(2,399,024)	-	-	-
MOU Expenses - Remaining	(333,718)	(459,340)			-					
FPL Phase I			-	-	-					
FPL Phase 2			-	-	-	(495,000)	-			
Net Cash Flows From Investing Activities	\$ (3,312,628)	\$ (1,153,457)	\$ (1,187,729)	\$ (919,640)	\$ 268,089	(3,013,570)	\$ (2,399,024)	\$ -	\$ -	\$ -
Cash Flows from Financing Activities										
Member Capital Contributions	\$ 3,362,628	\$ 1,164,369	\$ 1,187,729	\$ 989,301	\$ (198,428)	3,013,570	\$ 2,399,024	\$ -	\$ -	\$ -
Member Distributions						(275,000)	(775,000)	(800,000)	(850,000)	(850,000)
Net Cash Flows From Financing Activities	\$ 3,362,628	\$ 1,164,369	\$ 1,187,729	\$ 989,301	\$ (198,428)	2,738,570	\$ 1,624,024	\$ (800,000)	\$ (850,000)	\$ (850,000)
Net Change in Cash	\$ 49,921	\$ (15,953)	\$ 218,516	\$ 207,254	\$ (11,262)	65,173	\$ (9,810)	\$ 41,767	\$ (8,326)	\$ (7,993)
Cash - Beginning of Year	\$ -	\$ 49,921	\$ 33,968	\$ 33,968	\$ -	241,223	\$ 306,396	\$ 296,586	\$ 338,353	\$ 330,027
Cash - End of Year	\$ 49,921	\$ 33,968	\$ 252,485	\$ 241,223	\$ (11,262)	306,396	\$ 296,586	\$ 338,353	\$ 330,027	\$ 322,034

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections**

	FY 2010	FY2011	FY2012	FY2012	FY2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Budget	Forecast	Comparison	Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
BALANCE SHEET										
ASSETS										
Cash	\$ 49,921	\$ 33,968	\$ 252,485	\$ 241,223	\$ (11,262)	306,396	\$ 296,586	\$ 338,353	\$ 330,027	\$ 322,034
Prepaid Insurance				9,518	9,518	10,466	15,489	16,620	17,844	18,735
Other Assets										
CUP	1,954,000	1,981,386	1,981,386	1,981,386	-	1,981,386	1,981,386	1,981,386	1,981,386	1,981,386
Accumulated Amortization (per books)	-	-	(66,046)	(28,895)	37,151	(127,964)	(227,033)	(326,102)	(425,171)	(524,240)
Net CUP	1,954,000	1,981,386	1,915,340	1,952,491	37,151	1,853,422	1,754,353	1,655,284	1,556,215	1,457,146
FPL Fee		459,340	459,340	459,340	-	954,340	954,340	954,340	954,340	954,340
Accumulated Amortization		-	(10,197)	(4,461)	5,736	(19,772)	(51,583)	(83,394)	(115,205)	(147,016)
Net FPL Fee		459,340	449,143	454,879	5,736	934,568	902,757	870,946	839,135	807,324
Easements	186,200	186,200	186,200	186,200	-	186,200	186,200	186,200	186,200	186,200
Mitigation Credit	9,600	96,000	96,000	96,000	-	96,000	96,000	96,000	96,000	96,000
Wellfield										
2 Wells and Saline Monitoring Wells	267,600	267,600	267,600	267,600	-	267,600	267,600	267,600	267,600	267,600
Contributed Expenses/Other Wellfield	547,883	535,535	535,535	535,535	-	535,535	535,535	535,535	535,535	535,535
MOU - Additional Expenditures	333,718	333,718	333,718	333,718	-	333,718	333,718	333,718	333,718	333,718
Area IV Phase I (Additional)	13,627	593,957	1,781,686	1,513,597	(268,089)	1,664,673	1,664,673	1,664,673	1,664,673	1,664,673
Area IV Phase 2			-	-	-	2,367,492	4,766,516	4,766,516	4,766,516	4,766,516
Total Wellfield	1,162,828	1,730,810	2,918,540	2,650,451	(268,089)	5,169,018	7,568,042	7,568,042	7,568,042	7,568,042
Accumulated Depreciation			(64,301)	(13,907)	50,394	(107,291)	(346,792)	(599,060)	(851,328)	(1,103,596)
Net Wellfield	1,162,828	1,730,810	2,854,238	2,636,544	(217,695)	5,061,727	7,221,250	6,968,982	6,716,714	6,464,446
Total Assets	\$ 3,362,549	\$ 4,487,705	\$ 5,753,406	\$ 5,576,854	\$ (176,551)	\$ 8,448,779	\$ 10,472,635	\$ 10,132,385	\$ 9,742,135	\$ 9,351,885
LIABILITIES AND MEMBERS' EQUITY										
Accounts Payable		\$ 4,435	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
Members' Equity										
Contributed Capital	\$ 3,362,628	\$ 4,526,997	\$ 5,714,727	\$ 5,516,298	\$ (198,429)	8,529,868	10,928,892	10,928,892	10,928,892	10,928,892
Retained Earnings	(79)	(43,727)	38,679	60,556	21,877	(81,089)	(456,257)	(796,507)	(1,186,757)	(1,577,007)
Total Liabilities and Members' Equity	\$ 3,362,549	\$ 4,487,705	\$ 5,753,406	\$ 5,576,854	\$ (176,552)	8,448,779	\$ 10,472,635	\$ 10,132,385	\$ 9,742,135	\$ 9,351,885
Retained Earnings Calculation										
Cumulative Income	(79)	(43,727)	38,679	60,556	21,877	193,911	593,743	1,053,493	1,513,243	1,972,993
Cumulative Distributions	-	-	-	-	-	(275,000)	(1,050,000)	(1,850,000)	(2,700,000)	(3,550,000)
Net Retained Earnings	(79)	(43,727)	38,679	60,556	21,877	(81,089)	(456,257)	(796,507)	(1,186,757)	(1,577,007)

Projected member distributions are forecasted only and would be based on actual results.

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections
Income Statement Assumptions**

	FY2012 Budget	FY2012 FORECAST	FY2012 COMPARISON FORECAST TO BUDGET	FY 2013 Budget	FY 2014 Pro Forma	FY 2015 Pro Forma	FY 2016 Pro Forma	FY 2017 Pro Forma
Revenue Requirements Related to Raw Water Rate	\$ 349,656	\$ 235,236	\$ (114,419)	\$ 512,958	\$ 1,057,549	\$ 1,168,625	\$ 1,174,672	\$ 1,179,545
Operating Costs								
Operations and Maintenance Expense - Operations Agreement	54,442	18,942	(35,500)	33,935	66,032	68,660	69,505	70,376
Utilities				36,129	105,765	116,272	116,272	116,272
Managing Agent	16,000	11,000	(5,000)	22,000	20,000	20,300	20,600	20,600
TIFA Website	800	500	(300)	750	500	500	500	500
Wellfield Insurance (General Liability/Excess)	17,874	18,343	469	24,718	27,902	30,693	33,761	35,843
Wellfield Insurance (Property)	11,250	10,194	(1,056)	16,194	29,026	34,652	36,386	38,206
Depreciation Expense	64,301	13,907	(50,394)	93,384	239,501	252,268	252,268	252,268
CUP Value (30-Year Amortization of \$1,981,386 at 5%)*	-	-	-	35,387	118,112	128,892	128,892	128,892
FPL Amortization (30-Year Amortization of \$459,340, then \$954,340 at 5%)*	19,920	8,715	(11,205)	29,880	62,080	62,080	62,080	62,080
Accounting/Tax Preparation	11,440	12,238	798	18,500	18,500	19,100	19,100	19,100
Legal, Consulting and Other Professional	3,500	1,000	(2,500)	2,500	2,500	2,500	2,500	2,500
Wetland Monitoring Expenses	9,932	10,295	363	4,200	4,200	4,300	4,300	4,300
Other Wellfield Expenses	900	900	-	-	-	-	-	-
Miscellaneous (Filing Fees, Bank Charges)	227	278	51	2,890	2,890	3,000	3,100	3,200
Use Taxes	339	-	(339)	-	-	-	-	-
Other Taxes (will apply 2013 forward)	-	-	-	10,021	10,021	25,750	25,750	25,750
	-	-	-	-	-	-	-	-
Total Revenue Requirements	210,926	106,312	(104,614)	330,488	707,029	768,967	775,014	779,887
Net Income	\$ 138,730	\$ 128,924	\$ (9,806)	\$ 182,470	\$ 350,520	\$ 399,658	\$ 399,658	\$ 399,658

* Income Statement amortization will differ under GAAP

2012 Water Rate has been adjusted to reflect forecasted expenses.

Budgeted 2013 Water Rate based on anticipated activity. Water Rate will be subject to adjustment in the fourth quarter of 2013 based on actual and full year forecasted 2013 activity.

FY 2014 through FY 2017 are Pro Forma estimates only. Annual budgets will be prepared each year for approval by the Management Committee and Members

Rate Base	2,774,596	2,578,491	-196,105	\$ 3,649,410	\$ 7,010,397	\$ 7,993,164	\$ 7,993,164	\$ 7,993,164
Rate of Return	5%	5%		5.00%	5.00%	5.00%	5.00%	5.00%
Rate Per 1,000 Gallons								
Revenue Requirements Related to Raw Water Rate	\$ 349,656	\$ 235,236	\$ (114,419)	\$ 512,958	\$ 1,057,549	\$ 1,168,625	\$ 1,174,672	\$ 1,179,545
Average Daily Flow (MGD-ADF)	0.867	0.155	(0.712)	0.760	2.520	2.750	2.750	2.750
Thousand Gallons of Treated Water (Annual)	210,675	52,325	-158,350	276,007	920,879	1,003,750	1,003,750	1,003,750
Raw Water Rate Per 1,000 Gallons	\$ 1.66	\$ 4.50	\$ 2.84	\$ 1.86	\$ 1.15	\$ 1.16	\$ 1.17	\$ 1.18

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections
Income Statement Assumptions**

	FY2012 Budget	FY2012 FORECAST	FY2012 COMPARISON FORECAST TO BUDGET	FY 2013 Budget	FY 2014 Pro Forma	FY 2015 Pro Forma	FY 2016 Pro Forma	FY 2017 Pro Forma
				0.76 MGD	2.52 MGD	2.75 MGD	2.75 MGD	2.75 MGD
Reconciliation to Book Net Income								
Net Income From Above	138,730	128,924	(9,806)	182,470	350,520	399,658	399,658	399,658
Less CUP Amortization for Rate Purposes	-	-	-	35,387	118,112	128,892	128,892	128,892
Less FPL Amortization for Rate Purposes	19,920	8,715	(11,205)	29,880	62,080	62,080	62,080	62,080
Plus CUP Amortization Per Books	(66,046)	(28,895)	37,151	(99,069)	(99,069)	(99,069)	(99,069)	(99,069)
Plus FPL Amortization Per Books	(10,197)	(4,461)	5,736	(15,311)	(31,811)	(31,811)	(31,811)	(31,811)
Book Net Income	82,406	104,283	21,877	133,357	399,832	459,750	459,750	459,750
Foot to Income Statement	82,406	104,283	21,877	133,357	399,832	459,750	459,750	459,750
Diff	-	-	-	-	-	-	-	-
Reconciliation Cash Flow From Operations								
Net Income from above	138,730	128,924	(9,806)	182,470	350,520	399,658	399,658	399,658
Plus Depreciation	64,301	13,907	(50,394)	93,384	239,501	252,268	252,268	252,268
Plus Cup Amortization	-	-	-	35,387	118,112	128,892	128,892	128,892
Plus FPL Amortization	19,920	8,715	(11,205)	29,880	62,080	62,080	62,080	62,080
Plus Other Assets Change	-	(9,518)	(9,518)	(948)	(5,023)	(1,131)	(1,224)	(891)
Plus Payables Change	(4,435)	(4,435)	-	-	-	-	-	-
Cash Flow From Operations	218,516	137,593	(80,923)	340,173	765,190	841,767	841,674	842,007
Cash Flow From Operations Per Books	218,516	137,593	(80,923)	340,173	765,190	841,767	841,674	842,007
Diff	-	-	-	-	-	-	-	-
ALL COSTS ARE ESTIMATED AND WILL BE BASED ON ACTUAL								
Assumed Flows (MGD-ADF)	0.867	0.155	-0.712	0.760	2.520	2.750	2.750	2.750
Area IV Well Field - Operations Costs								
Personnel Services								
Salaries/Wages	15,092	10,337	(4,755)					
Benefits and Insurance	-	-	-					
Other	-	-	-					
Total Personnel Services	15,092	10,337	(4,755)					
Operating Expenditures/Expenses								
Utility Services - Electricity (2)	20,934	4,646	(16,288)					
Repair and Maintenance (3)	4,214	929	(3,284)					
Equipment/Vehicles/Operating Supplies (3)	4,254	1,407	(2,847)					
Other	5,000	-	(5,000)					
Contingency (10%)	4,949	1,623	(3,326)					
Total Operating Expenditures/Expenses	\$ 39,350	8,605	(30,745)					
Total Operations Agreement Expenses	\$ 54,442	18,942	(35,500)					

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections
Income Statement Assumptions**

FY2012	FY2012	FY2012
Budget	FORECAST	COMPARISON
		FORECAST TO BUDGET

FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
0.76 MGD	2.52 MGD	2.75 MGD	2.75 MGD	2.75 MGD

Personnel Costs based on following assumptions:

Estimated Man Hours	509	335	(174)
Hourly Rate (Burdened)	\$ 29.64	\$ 30.88	\$ 1.24
Salaries and Wages	15,092	10,337	(4,755)
Benefit and Insurance %	0%	0%	0%
Total Benefit and Insurance Amounts	-	-	-

Average Daily Flow (MGD-ADF)	0.867	0.155	-0.712	0.760	2.520	2.750	2.750	2.750
------------------------------	--------------	--------------	---------------	--------------	--------------	--------------	--------------	--------------

Variable Costs

Incremental Treatment Cost per Thousand Gallons
Thous. Gallons Treated (Annual)

Electricity			
Additional Variable Costs	0.10	0.10	0.00
Thousand Gallons (Annual)	210,675	46,460	(164,215)
Annual Electric Costs	\$ 20,934	\$ 4,646	\$ (16,288)

Other Costs

Repair and Maintenance

Additional Costs	0.02	0.02	-
Thousand Gallons (Annual)	210,675	46,460	-164,215
Annual Costs	\$ 4,214	\$ 929	\$ (3,284)

Equipment

Additional Costs (\$ / Mile)	1.27	0.80	(0.47)
Estimated Mileage (Annual)	3,349	1,758	(1,591)
Annual Costs	\$ 4,254	\$ 1,407	\$ (2,847)

ALL COSTS ARE ESTIMATED AND WILL BE BASED ON ACTUAL

Rate Base Capital	\$2,774,596	average \$2,578,491	-\$196,105	\$3,649,410	\$7,010,397	\$7,993,164	\$7,993,164	\$7,993,164
15% Contingency	-	-	-	-	-	-	-	-
Construction Total	\$2,774,596	\$2,578,491	-\$196,105	\$3,649,410	\$7,010,397	\$7,993,164	\$7,993,164	\$7,993,164

Project Mobilization (3.5%)	-	-	-	-	-	-	-	-
General Conditions, 1.0%	-	-	-	-	-	-	-	-
10% Engineering & Administration	-	-	-	-	-	-	-	-

Total Rate Base Capital Costs	\$2,774,596	\$2,578,491	-\$196,105	\$3,649,410	\$7,010,397	\$7,993,164	\$7,993,164	\$7,993,164
--------------------------------------	-------------	-------------	------------	-------------	-------------	-------------	-------------	-------------

Wellfield Fixed Assets (For Depreciation)

	\$2,918,540	\$2,218,424	-\$700,116
Average Life	30	30	0
Depreciation Rate	3.33%	3.33%	0.00%
Wellfield Depreciation	\$ 64,301	\$ 13,907	\$ (50,394)

**TIFA LLC 2012 Forecast, 2013 Budget
and 2014 - 2017 Pro Forma Projections
Income Statement Assumptions**

FY2012	FY2012	FY2012
Budget	FORECAST	COMPARISON
		FORECAST TO BUDGET

FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Budget	Pro Forma	Pro Forma	Pro Forma	Pro Forma
0.76 MGD	2.52 MGD	2.75 MGD	2.75 MGD	2.75 MGD

CUP Amortization Per Books

Average Life	20	20	0
Depreciation Rate	5.00%	5.00%	0.00%
Cup Value	\$1,981,386	\$1,981,386	\$0
CUP Amortization per GAAP Books (not per rate setting)	\$66,046	\$28,895	-\$37,151

FPL Amortization Per Books

Average Life	30	30	0
Depreciation Rate	3.3%	3.33%	0.00%
FPL Amount	\$459,340	\$459,340	\$0
FPL Amortization per GAAP Books (not per rate setting)	\$10,197	\$4,461	-\$5,736

Cost of Capital - Net Income Required

Rate Base Capital	2,774,596	2,578,491	(196,105)	3,649,410	7,010,397	7,993,164	7,993,164	7,993,164
Rate of Return Required	5.00%	5.00%	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Return Required	138,730	128,924	(9,806)	182,470	350,520	399,658	399,658	399,658
	138,730	128,925	(9,805)					

Description	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water	Revenue Requirements Bulk Raw Water
-------------	---	---	---	---	---	---	---	---

(a)								
Amount Paid By City to Joint Venture for Bulk Raw Water	\$ 349,656	\$ 235,236	\$ (114,419)	\$ 512,958	\$ 1,057,549	\$ 1,168,625	\$ 1,174,672	\$ 1,179,545
		\$ -	\$ -					

Less Reimbursements From Joint Venture

Operations and Maintenance Expense - Operations Agreement 50% of Distributions	\$ (54,442)	\$ (18,942)	\$ 35,500	\$ (33,935)	\$ (66,032)	\$ (68,660)	\$ (69,505)	\$ (70,376)
	-	-	-	(137,500)	(387,500)	(400,000)	(425,000)	(425,000)

Total Reimbursements	(54,442)	(18,942)	35,500	(171,435)	(453,532)	(468,660)	(494,505)	(495,376)
----------------------	----------	----------	--------	-----------	-----------	-----------	-----------	-----------

Total Cost to City after Reimbursements	295,214	216,294	(78,920)	341,523	604,017	699,965	680,167	684,169
---	---------	---------	----------	---------	---------	---------	---------	---------

Actual Cost Per 1,000 Gallons After Reimbursements

Revenue Requirements Related to Raw Water Rate	\$ 295,214	\$ 216,294	\$ (78,920)	\$ 341,523	\$ 604,017	\$ 699,965	\$ 680,167	\$ 684,169
Average Daily Flow (MGD-ADF)	0.867	0.155	(0.712)	0.760	2.520	2.750	2.750	2.750
Thousand Gallons of Treated Water (Annual)	210,675	52,325	(158,350)	276,007	920,879	1,003,750	1,003,750	1,003,750
Calculated Cost Per 1,000 Gallons After Reimbursements	\$ 1.40	4.13	2.73	\$ 1.24	\$ 0.66	\$ 0.70	\$ 0.68	\$ 0.68